



CONTENTS

NEWS FROM BRUSSELS

ECG announces reciprocal membership with AIAG	2
ECG Maritime and Ports Working Group visit Civitavecchia	2
ECG Efficiency Survey now on the ECG website	2
EP TRAN Committee exchanges views on weights and dimensions	2
EP TRAN Committee discusses the deployment of alternative fuels infrastructure and adopts a draft opinion on Cars 2020	3

AUTOMOTIVE INDUSTRY

Ford will halt B-Max production on slow demand	4
PSA offers French factory pledges for labour deal	5
Jaguar: 4 day break due to "issue" in supply chain	5
Renault Duster to be locally assembled in Indonesia	5
Chrysler files for IPO, Fiat set to challenge UAW trust	5

EUROPE

FCS RF extends illegal and unfounded TIR restrictions to Ural Customs region	6
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Adampol welcomes Russian road tolls, but wants restrictions lifted	6
Høegh charters PCTCs to increase fleet	8
£26m auto terminal opens in Grimsby	8
Ville de Paris presents green logistics charter	9
Risk of leaving registration for Ecotaxe until December 2013	9
French government unveils two new rail freight "motorway" projects	9

REST OF THE WORLD

Pasha announces major US Ro-Ro developments	10
Chrysler slows assembly to avoid logistics strain	11
Nissan plans local output in Myanmar	11

PRESS RELEASES

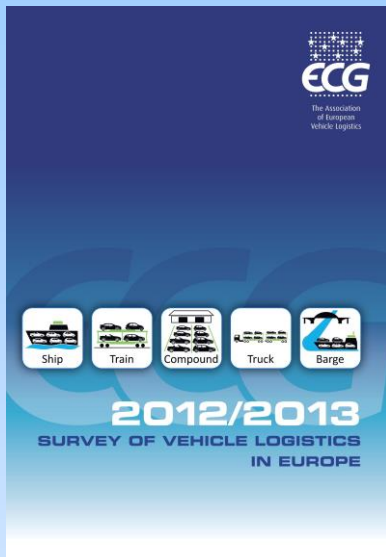
Reports of "Brussels Big Brother Bid" to impose speed controls are inaccurate beyond the limit	11
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<http://www.ecgassociation.eu/PublicationsReports/ECGBiennialSurvey.aspx>

NEWS FROM BRUSSELS

ECG announces reciprocal membership with AIAG

(Source: **ECG**, 26th September 2013) After a number of years of co-operation with the North American Automotive Industry Action Group (AIAG) the ECG Board has agreed to formalise the relationship by establishing a reciprocal membership between the two associations. AIAG was created originally to represent the inbound sector but in recent years has also focussed on the outbound side. Membership of AIAG in the USA is very much wider counting many hundreds of companies including, in a notable difference from ECG's own structure, the OEMs as well. In an increasingly global industry it is inevitable that we will share common interests and projects that we can work on together and Scot Sharland, Executive Director of AIAG, said: "We are honoured to become a member of ECG and greatly appreciate your confidence and on-going support. I look very much forward to working with [you] to our mutual benefit [...] and more importantly [...] the future success of our members and industry."

ECG Maritime and Ports Working Group visit Civitavecchia

(Source: **ECG**, 26th September 2013) The ECG Maritime and Ports Working Group met this week in Civitavecchia, Italy, where it was hosted in excellent fashion by one of ECG's most recent new members the **Port Network of Rome**. In addition to the normal agenda items, this visit allowed the members the opportunity to visit the port and see the facilities and on-going developments. The Maritime and Ports Working Group intersperses meetings in Brussels with port visits and the next meeting will be a visit to the Port of Marseille scheduled for 7th November followed by a webinar early in 2014. At the invitation of another recent member, **HAROPA**, the group will also visit Le Havre during 2014. Keep an eye on the ECG calendar for dates if you are interested in participating in any of these activities.

ECG Efficiency Survey now on the ECG website

(Source: **ECG**, 25th September 2013) During the first half of 2013 ECG engaged in a major survey of the membership to determine areas that could be looked at to deliver efficiency improvements in the industry. This was born out of the joint discussions between ECG's Board and the OEM members of the ACEA Working Group – Automotive Logistics (WG-AL). The mission statement agreed between ECG and the ACEA WG-AL includes "...to initiate activities which have the potential to deliver benefits to all parties..." The results of this survey were compiled into a book format which was presented to the WG-AL in June 2013. It has also been sent to the other OEMs who are not represented in this forum. Now we are pleased to publish the results on the ECG website for the benefit of anyone with an interest in improving efficiency in the finished vehicle logistics sector.

To download the ECG Efficiency Survey, please click on the following link:

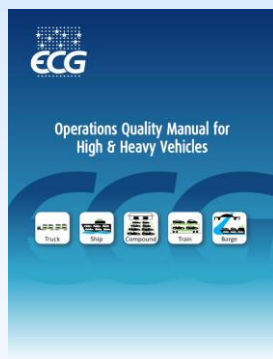
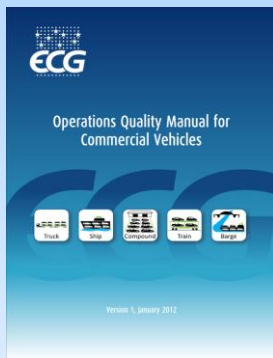
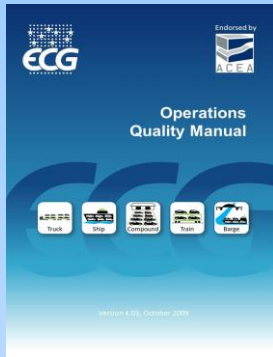
<http://www.ecgassociation.eu/PublicationsReports/ECGEfficiencySurvey.aspx>

If you wish to send any feedback regarding this project, please contact us at: info@ecgassociation.eu

EP TRAN Committee exchanges views on weights and dimensions

(Source: **EP TRAN Committee Newsletter**, 19th September 2013) On Tuesday 17th September, Members of the Transport and Tourism (TRAN) Committee of the European Parliament exchanged views on the weights and dimensions directive. The Rapporteur, Austrian Member of the European Parliament (MEP) Jörg Leichtfried, called for an EU-wide ban on the cross-border circulation of "mega-trucks". He criticised the European Commission for not having assessed the impact of mega-trucks on safety, modal shift and infrastructure prior to

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- Written by the Quality Working Group and the H&H Working Group composed of OEMs and LSPs.
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adopting its proposal. However, he recognised some positive aspects of the proposal, such as improving cabs' aerodynamics or preselected and targeted checks. He thought these should be made obligatory in order to improve road safety. He also said that dimensions of aerodynamic devices should be regulated at the EU level and should not be an obstacle to transporting such vehicles by rail. The following discussion revealed that Members of the TRAN Committee are split mainly over the issue of cross-border circulation of mega-trucks. Some echoed the Rapporteur's view while others argued that it should be up to individual Member States to decide whether to allow the circulation of mega-trucks on their territory. Some Members favoured a corridor approach meaning that mega-trucks would only be allowed under certain conditions and only on specific certified roads. They claimed that this would limit the negative impacts on infrastructure and vulnerable traffic participants. Following this exchange of views between the Members of the TRAN Committee, a public hearing was held to listen to the views of experts representing road and rail transport industries, Austrian and Dutch transport authorities, as well as cyclists and environmental associations on the Commission's proposal. In response to a question on the negative consequences of the proposal for the rail industry, the representatives of vehicle manufacturers asked Members not to delay innovation in the sector because of the inefficiency of other transport modes. Referring to questions about subsidiarity, they added that a new regulation should not require national certificates and derogations as this would lead to market fragmentation and confusion for road users. A dramatic decrease in manoeuvrability was given as a strong argument against the introduction of heavier and longer trucks, especially given the fact that it would be very difficult to prevent them from entering cities. Experts were divided about the investment needed – both in infrastructure and in new aerodynamic features – to introduce bigger trucks in Europe as the experience of Dutch authorities and the predictions of the Austrian road maintenance agency did not correspond. Although one expert said that more aerodynamic cabs do not necessarily mean more aerodynamic vehicles, others favoured improving cabs' aerodynamics for the sake of better visibility and safety. Another expert called for making the improvements obligatory for all types of Heavy Goods Vehicles (HGVs), not only mega-trucks. He warned Members that if left unchanged, the proposed provisions will not improve safety in urban areas where it mattered most. Members asked whether improvements in aerodynamics could not be made within the dimensions mandated by the current legislation. The experts explained that, in this case, a difficult compromise would be needed between safer cabs and lower load factors. This would raise the per-tonne cost of transport. "The objective is to carry more with less" concluded the manufacturers' representative, adding that industry would need extensive transitional periods to meet the new legislative requirements.

ECG Note: The presentations from the hearing are available here: <http://www.europarl.europa.eu/committees/en/tran/events.html#menuzone>. ECG members wishing additional information, or a transcript of the debates, please contact tom.antonissen@ecgassociation.eu.

EP TRAN Committee discusses the deployment of alternative fuels infrastructure and adopts a draft opinion on Cars 2020

(Source: EP TRAN Committee Newsletter, 19th September 2013) On Monday 16th September, Italian Member of the European Parliament (MEP) Carlo Fidanza, Rapporteur on the Deployment of Alternative Fuels Infrastructure, presented his draft report to the Transport and Tourism (TRAN) Committee of the European Parliament. The Rapporteur welcomed the Commission's proposal on this topic, necessary to curtail Europe's dependence on oil, to improve the diversification and security of its energy supply and to reduce greenhouse gas (GHG) emissions from transport. The draft report aims to supplement the Commission's proposal and to broaden its objectives. Some of the Rapporteur's amendments strengthen the national policy framework for the deployment of alternative fuels and their

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infrastructure. Others show a strategic approach to the deployment of alternative fuels in all transport modes and provide smart and comprehensive solutions for electric vehicle recharging. There was a general consensus that the market should be the driving force for the development of infrastructure, whereas incentives and public support – including EU financing – would be essential in the initial stages. Many Members voiced concerns about including minimum requirements for Liquefied Petroleum Gas (LPG) supply infrastructure, this fuel being derived from fossil energy sources. On Tuesday 17th September, Members of the TRAN Committee also adopted a draft opinion on “Cars 2020” [http://ec.europa.eu/enterprise/sectors/automotive/cars-2020/index_en.htm]. The Czech Rapporteur, MEP Oldřich Vlasák, presented the draft which calls on the European Commission to take steps to implement the action plan [for a competitive and sustainable automotive industry in Europe] with a fixed timeframe. The draft opinion discourages the Commission from setting binding emissions targets before 2017 and extends European Investment Bank (EIB) tools to support the development of alternative fuels infrastructure and production restructuring. Concerning the social aspects and the sustainability of the automotive industry, it emphasises the fact that investment in research and innovation will contribute to growth and to the creation of highly skilled jobs in the European automobile sector. The draft opinion also underlines the need to boost training and considers that support to company schools – especially in the case of apprenticeships – might contribute to the training of much needed skilled workers. It stresses the need for a general and sustainable economic growth and recovery and recalls the principle of technological neutrality in the choice of standards in order to protect the investments of first movers and thus encourage innovation. It lays the emphasis on road safety and environmental concerns in connection with in-car technologies. The draft opinion also calls on the Commission to take account of the reduction in CO₂ emissions and noise pollution, as well as savings from increased fuel efficiency, in a future study. It further points out that research and innovation in the development of connected cars or telematics applications is crucial, and that common technical standards in the electric car market should be developed. The draft opinion finally welcomes the Commission's strategy to expand charging and refuelling infrastructure, and to keep on exploring alternative and renewable energy sources.

AUTOMOTIVE INDUSTRY

Ford will halt B-Max production on slow demand

(Source: *Automotive News Europe*, 20th September 2013) Ford said its Romanian unit will halt production of the B-Max model for 13 days in October this year, following a planned one week stoppage this month, due mainly to weak European demand. Ford, which took over struggling carmaker Automobile Craiova in 2008, began production of its B-Max subcompact minivan at the plant in 2012. It now roughly produces 370 cars a day and 1,000 engines. "We're confident these are temporary measures and that the situation will improve as European vehicle sales will start to slowly recover," said Ford Romania Spokeswoman Ana Maria Timis. "Depending on the market's evolution, we will also adjust our production volumes in November/December this year," she added. More than half of Ford Romania's employees, or about 2,500 people, will be affected by the production halt. They will receive 80% of their wages during the stoppage. Ford sold 48,682 B-Max models in the first eight months in Europe, making it the automaker's number four selling model in the region, according to data from researcher JATO Dynamics. Overall, Ford's vehicle registrations fell 7% to 596,517 in the first eight months in EU and EFTA markets. In July, Ford lifted its 2013 guidance to an unchanged pre-tax loss in Europe of about \$1.8bn from \$2bn. The US automaker recently closed two ancillary plants in England and plans to shut its factory in Genk, Belgium, at the end of 2014.



Truck



Ship



Compound



Train



Barge

ECG AGENDA

- ▶ **ECG Academy Course 8** commences on **8th October 2013** in Berlin, Germany
- ▶ **ECG / ACEA Meeting** on **10th October 2013** in Berlin, Germany
- ▶ **ECG Conference** on **10th & 11th October 2013** in Berlin, Germany
- ▶ **ECG UK & Ireland Regional Meeting** on **29th October 2013** – TBC
- ▶ **ECG Maritime & Ports Working Group** on **07^h November 2013** in the Port of Marseille Fos, France
- ▶ **ECG Board Meeting** on **28th November 2013** in Munich, Germany
- ▶ **ECG Spring Congress & General Assembly** on **22nd & 23rd May 2014** in Athens, Greece

PSA offers French factory pledges for labour deal

(Source: *Automotive News Europe*, 25th September 2013) PSA Peugeot Citroën has offered commitments to produce at least 1m vehicles annually in France over the next three years and keep all domestic plants open, a union official said on Wednesday 25th September. PSA told workers' representatives it expects to manufacture 930,000 vehicles in France this year, CFTC union official Franck Don also said. The pledges made by PSA CEO Philippe Varin in the latest round of talks with unions depend on the successful conclusion of a new labour deal including wage restraint, increased flexibility and internal transfers. The carmaker outlined plans in 2012 to stop manufacturing at its Aulnay site near Paris – which employs about 3,300 full-time workers – at an unspecified point in 2014 in a reorganisation aimed at restoring profit as the European auto market shrinks. PSA, which reported a €576m operating loss last year, has been selling businesses and has a two-year plan to eliminate 11,200 jobs, or 17% of its French work force.

Jaguar: 4 day break due to “issue” in supply chain

(Source: *Automotive Supply Chain*, 23rd September 2013) Jaguar has announced that production of its XJ sedan at its Castle Bromwich site in Birmingham, UK, is suspended this week. Over 2,000 people currently work at the facility, which handles body stamping operations, body assembly, paint and trim, and final assembly for all Jaguar cars. Blaming only an “issue” in the supply chain, Jaguar has ceased production for up to four days this week. “As a temporary measure, Jaguar Land Rover has stopped the Jaguar XJ production line due to a supply chain issue. Production of the Jaguar XJ will resume at the end of next week,” a Jaguar spokesman said. There are around 500 people working on XJ production. During this period, these people will be redeployed to other areas of the plant, on maintenance or supporting production on other lines. The site currently produces the Jaguar XF, Jaguar XJ, Jaguar XK and Jaguar F-Type. The other three models are not affected. The production of the XJ model is expected to restart at the end of the week.

Renault Duster to be locally assembled in Indonesia

(Source: *Automotive Supply Chain*, 19th September 2013) Renault and PT Indomobil Sukses International signed a partnership agreement on Thursday 19th September to launch Renault on the Indonesian market, starting with the number one model of the Renault Group in 2013, the Duster. Carlos Ghosn, Chairman and CEO of Renault, and Jusak Kertowidjojo, President Director of PT Indomobil Sukses International, signed an agreement to launch assembly this month. Indomobil – the brand licensee, vehicle distributor, after-sales service provider, motor vehicle assembly and automotive component manufacturer headquartered in East Jakarta – will be building up a tailored network to deliver an enriched customer experience. Aiming for 45 showrooms by 2016 with increasing numbers, Indomobil, Nissan's partner in Indonesia since 1981, has helped Nissan to attain market share of 6% to 67,000 units at the end of 2012. Along with the Duster model, Renault will commercialise the premium Koleos Sport Utility Vehicle (SUV) and the status-enhancing Mégane Renault Sport, helping to build the Renault brand as a distinctive choice in Indonesia with an emphasis on engine performance, premium image and technology. Starting in 2015, Renault will launch tailor-made products for localised assembly that will cover the heart of the Indonesian market, which Renault considers one of the most promising automobile markets in the world.

Chrysler files for IPO, Fiat set to challenge UAW trust

(Source: *Automotive Logistics News*, 24th September 2013) Chrysler filed for an Initial Public Offering (IPO) on Tuesday 24th September in a turn of events that could set back Fiat's attempts to buy complete ownership of the company. However, it has been suggested that if Fiat decides not to continue with its



Events in Brussels

European Transport Forum, by the Volvo Group on 15th October 2013

<http://europeantransportforum.eu>
ECG will attend

TEN-T Days, by the European Commission on 16th-18th October, Tallinn, Estonia

http://tentea.ec.europa.eu/en/news_events/events/tent_days_2013.htm

Clean Power for Transport Conference, by the European Commission DG MOVE on 21st October 2013

http://ec.europa.eu/transport/themes/urban/events/2013-10-21-cpt-conference_en.htm

ECG will attend

Logistics Conference 2013, by the European Commission DG MOVE on 7th-8th November 2013

http://ec.europa.eu/transport/media/events/2013-11-logistics-conference_en.htm

ECG will attend

European Logistics Summit, by the Alliance for European Logistics on 27th November 2013

<http://www.logistics-summit.eu>

ECG will attend

4th Intelligent Transport Systems Conference, by the European Commission DG MOVE on 2nd December 2013

http://ec.europa.eu/transport/themes/its/events/2013_12_02_its_conference_en.htm

ECG will attend

proposal of integrating the two OEMs, Chrysler would continue to share Fiat's distribution networks, logistics service providers and production facilities. Were the two OEMs to unite, the combined group would become the seventh-largest automaker globally and Fiat would be able to significantly increase its production capacity. However, the initial public offering – an S-1 filing with the US Securities and Exchange Commission – is reported to be worth up to \$100m, and may cause Fiat, which currently own 58.5% of the company, to reconsider the benefits of a merger. The potential disruption has been met with frustration on the part of Sergio Marchionne, Chief Executive of both Fiat and Chrysler. Marchionne is in a difficult position, as Chrysler's rags to riches rise in recent years saw the United Auto Workers (UAW) healthcare trust claim a 41.5% stake. The UAW fund was implemented to provide for the families of 115,000 retired employees, and its overseers are clearly eager to make use of this considerable portion following Chrysler's return to power. Chrysler is currently the third-largest OEM in the US, bettered only by Ford and General Motors. The situation reflects the challenges associated with debt conversion into a deal of ownership. Fiat currently estimates that the UAW's stake is around \$3bn, a figure which, unsurprisingly, is being challenged by the trust fund's executives. Chrysler stressed that, whether or not Fiat decides to expand its relationship with the OEM, it would continue to share technology, vehicle architectures and platforms, as well as engineering and management resources.

EUROPE

FCS RF extends illegal and unfounded TIR restrictions to Ural Customs region

(Source: IRU, 24th September 2013) Further to the information dated 13th September, the International Road Transport Union (IRU) was informed that the Federal Customs Service of the Russian Federation (FCS RF) has extended the scope of its illegal restriction on TIR guarantees to the Ural Customs region, defying the United Nations' conclusion that this action is in breach of the TIR Convention and hence international law. These unilateral restrictions will notably impact the Chelyabinsk, Khanty-Mamsyisk, Koltsovo, Magnitogorsk, Tyumen, Uralskaya Operativnaya, Yamalo-Nenets and Yekaterinburg regional customs offices. Although the exact scope of these FCS RF measures is not yet known, customs offices concerned are likely to illegally refuse to proceed with TIR operations in the absence of additional guarantees. The IRU therefore strongly advises all transport operators driving to, from and across Russia, to use the IRU Recommendations for TIR Carnet Holders, in case TIR Carnets are illegally refused by some Russian customs officers. The IRU hotline is available to respond to enquiries.

Download IRU Recommendations for TIR Carnet Holders in [English](#) and in [Russian](#). Contact the IRU hotline: + 41 22 918 20 58 (English, French and Russian) or by email hotline@iru.org.

Adampol welcomes Russian road tolls, but wants restrictions lifted

(Source: Automotive Logistics News, 24th September 2013) As is well documented, road quality in Russia still leaves a lot to be desired, especially in regions outside Moscow. In an effort to fund wide-ranging improvements, the Russian Ministry of Transport has announced that, by the end of 2016, there will be 3,000km of toll roads. Routes include those from Moscow to St Petersburg, to Kazan in Tatarstan and to the Baltic coast road in the Russian enclave of Kaliningrad. Polish car carrier **Adampol**, which has been active on the Russian market since 1990, has welcomed the efforts being made to improve Russia's roads, but according to its Commercial Director, Barbara Koncewicz, the

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company has concerns over cost and the seasonal restrictions on routes that hit lead times and turnover. Koncewicz said the company hopes the tolls will lead to improvements because of the often dire quality of the roads in country, especially in the outlying regions. She cited a recent quality test undertaken by Adampol's Russian subsidiary, Vectura, on the M3 highway between Moscow and the border with Ukraine. "A passenger car could be driven at a maximum speed of 20km/h," said Koncewicz. "So you can imagine how a truck driver needs to be careful transporting cars on a road full of holes," she said. Details on the exact date for the tolls to take effect and the fees that will be charged are not yet known, so the company is not clear on exactly how its vehicle logistics business will be affected. Depending on the final toll costs, Adampol will consult with its customers and include them in the final transport price, although Koncewicz noted that the company sometimes takes on the road costs itself, as happened recently in Belarus when payment switched from collection at the toll gates to an electronic system of charging, leading to an increase of several euros more per trip. "There was only slight confusion with the implementation of the special on-board units used for charging the fees in Belarus, which in turn negatively affected transport flexibility," noted Koncewicz. "We will carry out the existing contracts while keeping the current prices, unless those fees turn out to be very high. We discuss and find solutions together with our customers. Fortunately, they do understand that keeping the rates stable in changing conditions is not easy," she said. In March this year, the Russian Ministry of Transport brought in a law that restricts the passage of 12t-trucks on the Moscow Ring Road (MKAD) during the day unless the correct permit is attained, though there are reports that these are difficult to obtain. This will not affect Adampol because it carries out international deliveries, but it will affect the Vectura subsidiary. "If the transport is carried out under Carnet TIR, with a single or CEMT permit, and with a CMR document that shows that international transport is being performed, then there is no need to obtain any other authorisation," said Koncewicz, referring to Russia's complex system of road permits for foreign carriers. "However, it concerns Vectura when it makes domestic distribution. At the moment, getting permits to enter routes including the MKAD, TTK (Third Ring Road) and CK ("B" Ring) takes a very long time," added Koncewicz. The law stipulates that the permit should be issued 20 days after the relevant documents are submitted. In practice, however, the process takes longer because of the number of applicants awaiting the issue of the permits. The Russian Ministry of Transport also applies road and weight restrictions during certain times of the year, such as the spring when the condition of the roads are susceptible to melting snow. These are becoming an increasing problem for carriers moving vehicles across the country. This problem is compounded by the fact that carriers never know what to expect from the local governing bodies. In previous years, the Russian Ministry of Transport interdicted transport on almost all roads, apart from what was international transport. It did the same this year but, following the intervention of the Ministry of Economic Development (MED), it decided that national roads would remain open. The MED stands firmly behind the belief that closing roads seriously hurts the economy. However, the Ministry of Transport believes that the road pavements are not able to withstand the pressure of heavy loads following the melting snow and ice in the springtime. A significant part of the department's financial resources go into reconstructing these roads. "We believe that the fact that national roads remained open in 2013 is only a partial solution," said Koncewicz. "In 80% of cases, carriers need to use local roads," she added. Carmakers are likely to object to the need to change load weights because of the restrictions during these times of the year because it will increase the cost of transporting each car. The axis limit during the springtime in Russia is between 3t and 6t per axis, according to Koncewicz. However, some vehicle transporters are built in such a way that they would be unable to use certain roads, even without a load. Another solution would be to build regional logistics centres to where heavy loads could be delivered for onward transport on lighter trucks. But again this would increase costs, said Koncewicz. "This would create unnecessary additional costs just because of the



spring season," she observed. "Lead times and prices of goods would increase, while the competitiveness of road transport compared to rail would decrease, which as we know, has recently expanded the number of services anyway and continues to do so," she added. On the whole, Adampol welcomes the proposed introduction of fees for heavy goods vehicles using roads in Russia because the funds will go to construct better infrastructure, though transport costs and the price of goods transported will go up as a consequence. However, Koncewicz pointed out that the Russian Minister of Transport's solution would only have a positive effect if the roads were renewed first and government restrictions were lifted, which would shorten lead time and increase the amount of goods carriers could load in Russia.

Höegh charters PCTCs to increase fleet

(Source: *Automotive Logistics News*, 19th September 2013) Industrial shipping company Ocean Yield has signed a shipbuilding contract with Xiamen Shipbuilding Industry to deliver two Pure Car and Truck Carriers (PCTCs) to **Höegh Autoliners**. The vessels will each have capacity to carry 8,500 passenger cars, the greatest capacity in the company's global fleet, and are built on a new design that Höegh will supervise through the building process. They will be delivered in January and April 2016 on a 12-year charter. Höegh will have the option to buy the vessels after five years. Total delivered cost for the two vessels will be approximately \$137m. Höegh already has four vessels of equal design on order from Xiamen Shipbuilding Industries, scheduled for delivery in 2015, and also has an existing four PCTCs built by the yard, which were delivered in 2010 and 2011. It received the first orders for the new design Post Panamax vessels in January 2013. The company currently owns and operates around 60 PCTC vessels. "The long term charters with Ocean Yield are a continuation of our fleet renewal programme which enhances our service offerings," said Höegh Autoliners' CEO Ingar Skiaker. "These flexible vessels will be able to cater for a greater variety of cargo and add new opportunities to develop our cargo base," he added. "Ocean Yield is pleased to further expand the relationship with Höegh Autoliners," said Lars Solbakken, the company's CEO. "By this transaction we continue to increase our contract backlog of charters to leading and reputable counterparties, and thereby further strengthen our long-term dividend capacity," he added. Ocean Yield has secured long-term debt financing for approximately 70% of the investment, with the remaining amount funded by equity.

£26m auto terminal opens in Grimsby

(Source: *Automotive Logistics News*, 24th September 2013) Last week saw the official opening of the Grimsby River Terminal, in the UK, which will provide Ro-Ro services to a large number of OEMs and is already being touted as the most significant economic boost for Grimsby in over 100 years. GBA, which provides end-to-end finished vehicle logistics solutions, worked together with Associated British Ports (ABP) and Graham Construction to ensure the port was completed two months ahead of schedule. It began its operations in July of this year. Grimsby has remained one of the UK's major shipping hubs for well over 150 years; even before the opening of the new terminal, it handled 400,000 Ro-Ro units per year. This, combined with the figures from nearby Immingham, raised the total number of units moved each year to 600,000. Combined, the two ports handle more than 50m tonnes of diverse cargoes a year, meaning that it handles close to 10% of Britain's total seaborne trade. The project received an investment of £26m, the largest single investment since the port's Royal Lock opened in 1852. As much as 300,000t of material was dredged from the river and the opening marked the completion of 270,000h of labour over a course of 15 months. The Humber's southern bank has long been a prime marine gateway, comprising as it does the Ports of Grimsby, Immingham and Killingholme. Together, these latter two facilities handled over 800,000 vehicles last year, from OEMs as diverse as Audi, Skoda, Seat, Suzuki, Mercedes-Benz, General Motors and Mini. This year, the Port of Grimsby will deliver its three-millionth car for Volkswagen. Robin Woolcock, former Managing Director of VW in the UK, was present as guest of honour and carried out the terminal's official opening. He cited the commencement of VW operations in this country back in 1975, when around 4m vehicles were shipped to the UK. Grimsby can now accommodate ocean car carriers with 3,000-unit capacity, something that will markedly improve the speed and efficiency of transporting high numbers of finished vehicles. Woolcock cited the challenges faced over the past 10-15 years, when not having the facilities or the space to bring the biggest car carriers into the port was becoming a real issue and was beginning to damage the market for VW in the UK. ABP's Port Director for Grimsby and Immingham, John Fitzgerald, said that the shared desires of all parties involved to create a "world-class marine facility" had ensured the project's success. He mentioned that the decision to commence new operations was taken in a time of recession but that a "long, strategic view" had proved the correct course of action. Graham Construction's Managing Director Alan Bill also spoke of the "complex fast-flowing river environment" which had posed challenges to the provider. Scott Smith, of **GEFCO**, mentioned the increased flexibility the new port would bring, as before larger vessels could only call at Immingham. He claimed that, this year alone, GEFCO would have provided 40,000 units to the newly-docked area. "It's a clean port and it's well-maintained," he said. "GBA are handling the vehicles well," he added. Berthing staff at the new terminal are to be ABP-sourced, with an overall Humber-based project staff. Killingholme and Immingham currently employ over 350 workers, and Grimsby's increased operations will mean large openings in the local job sector. GBA's Managing Director, Sam



Judah, paid tribute to the dedication and skill of his staff at the official opening of the terminal last week. In four years of recession, he said, the teams at both Grimsby and the Port of Immingham had pooled their resources to ensure the completion of the new terminal. The new port would provide a "platform of growth" from which to increase and improve finished vehicle operations. When asked about future projects within the GBA Group, Judah cited the potential for upcoming rail infrastructures to increase operations in Scotland, and the far South West. He said that these were areas which "need to be served" and that over the next decade such developments could be strategically implemented.

Ville de Paris presents green logistics charter

(Source: *LloydsLoadingList.com*, 24th September 2013) The Paris Council has presented its "green" logistics charter which is designed to facilitate the distribution and delivery of goods in the centre of the French capital while respecting the environment. It has gained the support of around 80 signatories working in the supply chain – transporters, wholesalers and shippers, as well as infrastructure and traffic management agencies – and is scheduled to be implemented over the next 3-4 years. They include the French post office's express subsidiary, Chronopost, Geodis, UPS, DHL, SNCF Geodis' rail motorway arm, VIA and Ports de Paris, Galeries Lafayette, Le Printemps, Monoprix and Sephora, Express and logistics, TNT Express, **GEFCO** and STEF, as well as retailers Carrefour and Franprix, and McDonald's. The charter comprises two main elements: one focused on infrastructure, hubs, networks and facilities, and another one focused on innovative logistics practices such as new methods of organisation and services. Objectives include: setting up a network of recharging points for electrically-powered commercial vehicles; attaining a level where 50% of "final mile" deliveries are carried out by non-diesel vehicles by 2017; and building a €50m multimodal urban logistics facility. The latter would have a three-level structure with a railway terminal at its heart and the capacity to handle two trains daily. Other initiatives in the charter include: the development of a network of urban ports, allowing high-volume traffic to enter Paris by river, thus reducing road congestion; a certified system for deliveries during slack night-time periods between 10pm and 7am; the greater use of grouped deliveries undertaken by staff on foot; and the setting up of logistics areas across Paris – in some cases located in city-owned car parks – dedicated to small-scale distribution to local markets using a fleet of clean energy vehicles. In September 2012, Norbert Dentressangle began using the River Seine to transport goods in containers by barge to stores in Paris on behalf of convenience retailer Franprix, saving almost half a million road miles each year.

Risk of leaving registration for Ecotaxe until December 2013

(Source: *LloydsLoadingList.com*, 23rd September 2013) UK-based companies using the French national road network are being urged not to delay in registering for the new Ecotaxe, a road tax that will be levied on all vehicles in excess of 3.5t from January 2014. Dover-based Harbour Shipping, the UK agent for French motorway company Eurotoll, believe that companies waiting until December this year to register their trucks will experience lengthy delays in obtaining the required on-board units (OBUs), and consequently will face the possibility of not being able to use their vehicles in France from 1st January, or face hefty fines for trying to do so. "The implementation of the tax has recently been deferred from 1st October 2013 to 1st January 2014 but we would urge companies to complete the registration process now as there are still almost 800,000 vehicles to be registered before the turn of the year," said Alan Boxall at Harbour Shipping. "To risk leaving registration of vehicles until December, we believe, will lead to transporters not receiving their units in time and, therefore, unable them to use the French road network from 1st January. At present, the registration process can take up to five weeks to complete," said Boxall.

French government unveils two new rail freight "motorway" projects

(Source: *LloydsLoadingList.com*, 23rd September 2013) The French government has announced projects to create two new rail freight "motorways" consisting of transferring Heavy Goods Vehicles (HGVs) from roads to dedicated trains. A service between Lille, in Northern France, and Bayonne, close to the Spanish border, will attract €400m in investment – €300m towards infrastructure work and the remaining €100m on the acquisition of 278 wagons. To be operated by SNCF Geodis, the "Autoroute Ferroviaire Atlantique" (AFA) is scheduled to enter service early-2016. The second project concerns the development of an intersecting service from Calais to an existing rail motorway from Luxembourg which runs more than 1,000km to Le Boulou, near Perpignan, at the foot of the French Pyrenees. It is operated by SNCF Geodis' subsidiary, Lorry Rail. SNCF Geodis has placed a €39m order for 105 rail wagons to be deployed on the service when launched early-2015. "These two rail motorways illustrate the government's resolve to re-launch rail freight and piggy-backing through the development of innovative services," said France's Minister of Transport Frédéric Cuvillier. He added that the projects would lead to fewer HGVs on France's major highways, reduce pollution in the form of CO₂ emissions as well as create jobs. The AFA service will be operated by Lorry Rail under the terms of a 15-year concession and could lead to the creation of more than 500 jobs. Lorry Rail will have responsibility for the building of two terminals to handle traffic. The French government underlined that the AFA will link the Iberian Peninsula to Northern Europe and provide shippers with an efficient alternative to



road transport. Depending on the level of demand, the service could operate four round-trips daily. As for the rail motorway from Calais, it too will offer a long-distance intermodal solution, tailored to traffic originating in Northern Europe, the UK and Northern France, and heading for Spain. The government underlined that the service forms part of a strategy to develop non-road freight routes from all of France's ports. With its four daily round-trips, the Luxembourg-Perpignan rail motorway handled 56,000 HGVs and semi-trailers in 2012. In the first half of 2013, traffic grew by 9% on the same period last year.

REST OF THE WORLD

Pasha announces major US Ro-Ro developments

(Source: *Automotive Logistics News*, 24th September 2013) Pasha Automotive Services (PAS), a division of US-based logistics and transport provider, The Pasha Group, is developing a multipurpose Ro-Ro terminal with the Port of Manatee, which is sited at the entrance to Tampa Bay in Florida. It is the closest port in the Gulf to Mexico, according to the company, which is expected to see a large rise in vehicle exports. Manatee Port offers short-sea sailing times that are around a day and a half faster than routes to other vehicle handling ports on the Gulf Coast, according to the port. "Port Manatee will be able to get autos and other cargos from Mexico to the Florida market faster and more cost-effectively than any other Florida port," said Carlos Buqueras, Port Manatee's Executive Director. "In addition, we anticipate export opportunities into Latin America," he added. Speaking at an event held to sign the memorandum of understanding between the two companies, John Pasha, Senior Vice-President for PAS, said the company wanted to add Port Manatee as "a state-of-the-art industry quality component in the supply chain for finished vehicles, project cargos and rolling stock." He added: "Port Manatee offers a strategic Gulf Coast location for ocean access, facilities and distribution for both import and export automobiles." The port has just completed a \$13m investment that has expanded the berth to 480-metres long, with a 12-metre draft, and has what is described as a "pristine" 16,000m² warehouse that the company will develop into a vehicle processing facility. That facility sits on 12ha of terminal space, which has the scope to expand to more than 40ha. Port Manatee already handles bulk, break-bulk, container, heavy equipment and project cargo. "Expansion capability is tremendous," John Pasha said. "The Florida International Gateway – a nearly 1,600ha greenfield warehouse and distribution development opportunity – is immediately adjacent to Port Manatee, which is served directly by the CSX rail system and Interstates 275, I-75, and nearby I-4. Additional vacant warehouse space is also abundant on the port. The beauty of this facility is that there is no investment needed to process Ro-Ro cargo, including short-sea auto imports, and virtually unlimited expansion opportunity with access to the open ocean in less than two hours," Pasha said. This is the second announcement for development of a vehicle and Ro-Ro terminal in the Tampa region in recent months. This past summer, Amports revealed that it would develop a terminal at the Port of Tampa with the Tampa Bay Port Authority. The two port terminals will be located about 50km apart. Services for ocean exports from Mexico are in demand as carmakers look for capacity for shipments to the US and overseas markets. Figures from business analyst IHS Automotive show that Mexican production growth is one of the fastest this decade, rivalling Brazil, Russia and India. By 2015, production will hit 3.3m units, split roughly equal between North America's leading three carmakers and transplant manufacturers. In a separate development on the US West Coast, PAS is celebrating the completion of a two-year infrastructure building project at the Port of Gray's Harbour in the State of Washington. Combined investment between the parties involved in the terminal amounts to \$4.5m and work has also been completed on a new \$15m rail facility. Expansion is on-going at Gray's Harbour, according to Pasha, and its customers now benefit from more than 24 paved hectares of land surrounded by new security systems, a state-of-the-art Belanger custom carwash system, drive over undercoating application pits, homologation and accessory bays, and a new body and mechanics centre. Full terminal capacity can be expanded to approximately 60ha. The port's volumes have doubled year over year in the last three years to about 100,000 units per year. Siem Car Carriers, Eukor, Pasha Distribution Services and United Road are among those supporting the local import and export operations. "Export unit trains, which are terminating at Gray's several times per week, are providing an excellent opportunity for import land bridge customers with traffic from Mexico and Asia to reload the regular supply of empty railcars at the port," said Pasha, adding that this was carried out on the recently built 84-car rail spur which provides access to both the Union Pacific and the BNSF Class 1 railways. According to the company, new business through the terminal includes a carmaker importing vehicles on a short-sea service from Mexico. Reconditioning for rental cars destined for auction is also booming, said the company, with several thousand units passing through the port annually. John Pasha also said that employment at the port has grown. "We have added two I-CAR certified paint technicians and 12 experienced accessory installers to its local labour force roster," he said. "Over 140 employees provide a variety of skills from rail unloading to full body shop and accessory programmes," Pasha added. A partnership with Gray's Harbour College, which offers an



automotive technical training centre, has led to training on the terminal for local apprentices. Gray's Harbour has also been a major vehicle export hub for Chrysler, in particular for shipments bound for China.

Chrysler slows assembly to avoid logistics strain

(Source: *Automotive Logistics News*, 24th September 2013) Chrysler has said that it will temporarily suspend the second shift at its Toledo North assembly plant in the United States, which is making the Jeep Cherokee, to avoid putting "additional strain" on its logistics providers tasked with delivering the vehicles upon release. Chrysler has been making the Cherokee model at the Toledo North facility since the end of June this year and said in a statement that it had reached the critical volume needed to stock dealerships. At the end of August, it had produced 9,430 units a spokesperson said, admitting that storage space was becoming an issue. The carmaker is aiming at annual production of 280,000 Cherokee models for sale in 150 markets. In July the company had to delay shipments because of recalibration work that was needed on the new nine-speed transmission used in the SUV. A spokesperson said the company would only release the Cherokee once it was satisfied with the level of quality "and not a day before." Chrysler would not confirm what its logistics plans were for maximising the efficiency of the outbound movement of the Cherokee volumes once released, nor which logistics providers it was working with, but said the vehicles would be transported by road and rail for the most part.

Nissan plans local output in Myanmar

(Source: *Automotive Logistics News*, 24th September 2013) Nissan has signed a deal with Tan Chong Motors, based in Myanmar, for the local assembly of Nissan Sunny models. Production is planned to start in 2015 at a new facility that Tan Chong will build in the Bago region. It will be the first global vehicle manufacturing project in the country since the market there re-opened in 2011. The plant will cover 324,000m², making it the biggest vehicle manufacturing plant in the country and the first in the Bago region. It will have an output capacity of 10,000 units at full production and assembly will be from complete knockdown (CKD) kits supplied from surrounding production hubs in Thailand, India, China and Japan, according to a spokesperson for Nissan. "We are confident that Myanmar will be the next growth driver for the Indo-China region," said Tan Chong Group Executive Deputy Chairman, Dato Tan Heng Chew. "Our extensive experience in the manufacturing and distribution of Nissan vehicles will contribute towards the expansion of the Nissan brand in Myanmar. Moreover, the industry leading expertise and experience of both Nissan and the Tan Chong Group in the automotive sector will definitely assist the further growth of this country," Dato Tan Heng Chew added. Tan Chong Group is the exclusive distributor for Nissan vehicles in Malaysia, Singapore, Vietnam, Cambodia, Laos and Myanmar. The two companies have been working together since 1957 and have sold 700,000 Nissan vehicles in the region since the late 1970s. Tan Chong assembles and distributes vehicles, as well as providing of aftersales services and related financial services.

PRESS RELEASES

Reports of "Brussels Big Brother Bid" to impose speed controls are inaccurate beyond the limit

(Source: *European Commission*, 03rd September 2013) Recent reports in the press have suggested that the European Union intends to bring forward "formal proposals this autumn" to introduce automatic speed controls – known as "Intelligent Speed Adaptation" or ISA, into cars [See the article published on that topic in *ECG News* 13.35]. This is not true and the European Commission had made this very clear to the journalists concerned prior to publication.

The Mail on Sunday used a quote from a Commission spokesman but chose to leave out the first and most important sentence given to the paper's reporter, which was: "The Commission has not tabled – and does not have in the pipeline – even a non-binding recommendation, let alone anything more."

The Daily Mail, on Monday 2nd September, had the integrity to include this quote, but only at the end of an article confirming the incorrect slant that the Commission was proposing introducing the system. According to the opening paragraph, cars would be fitted with it "if Brussels' bureaucrats have their way."

The Sun On Sunday failed to use the quote above, which it had been asked to use, but stated that "motorists are set to be forced to have 'Big Brother' anti-speeding systems fitted in all new cars under EU rules." In addition to receiving the quote in writing, the newspaper had been told repeatedly in a phone conversation that there was no proposal on that matter and none on the way. But it manipulated the conversation to imply that the Commission had said it could not understand why there would be any difficulty with introducing ISA. In fact, we had said we



were surprised if the UK government were upset that the Commission consulted it on research into improving road safety, given close co-operation in the past. *The Sun* also made the odd statement that the proposal was “being pushed by the unelected European Commission.” Needless to say, it rarely reminds its readers that actual decisions on EU law are taken by elected Ministers and Members of the European Parliament (MEPs), including those from the UK.

For the record, the rest of the quote supplied to all the journalists involved said this: “The European Commission has supported past research into ISA. There is a current stakeholder consultation and study focusing on speed limiting technology already fitted to Heavy Goods Vehicles (HGVs) and buses. One aspect of that is whether ISA could, in the long term, be an alternative. Taking account of the consultation results, the Commission will publish in the autumn of this year a document by its technical experts which will no doubt refer to ISA among many other things – *NB*: such “staff working documents” are not adopted by the Commission at political level and have no legal status. Nothing more is expected in the foreseeable future. It is part of the Commission’s job – because it has been mandated to do so by EU Member States, including the UK – to look at, promote research into and consult stakeholders about new road safety technology which might ultimately save lives. This is done in close co-operation with Member States, and the UK has generally supported such efforts.”

It might indeed also seem strange to some that the UK government – if the press reports are accurate at least in that respect – apparently objects so violently to even being consulted about a range of future ways in which lives could be saved on Europe’s roads.