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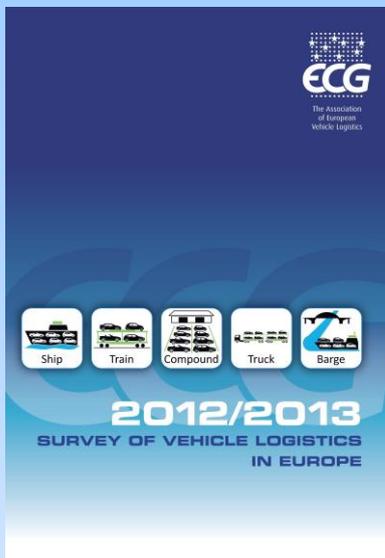
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## NEWS FROM BRUSSELS

### ECG welcomes new Research & Projects Manager

(Source: **ECG**, 02<sup>nd</sup> October 2013) ECG is very pleased to welcome our new Research & Projects Manager as part of the team. Oleh Shchuryk is joining us to take care of some existing and future working groups. He will support the Maritime & Ports, Land Transport and Quality Working Groups. He will also be supporting the Russian Regional Meeting. Finally, Oleh will be responsible for producing the ECG Biennial Survey which is due to be published again next year. Oleh holds Belgian and Ukrainian nationalities and speaks several languages including English, Russian, Polish and Ukrainian. He can also communicate in other languages such as Dutch, French, Italian and Bulgarian. His professional background includes working for a Brussels located NGO as well as for a consultancy and for the EU Research Executive Agency of the European Commission. His background gives him a sound knowledge of EU Affairs as well as the opportunity to apply his skills as a Researcher and as a Project Manager. Oleh Shchuryk takes over from Gabriela Caraman who has relocated to Amsterdam.

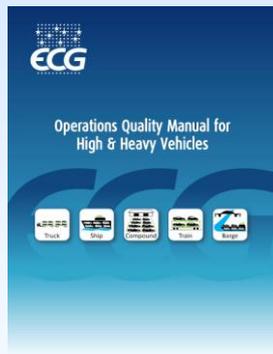
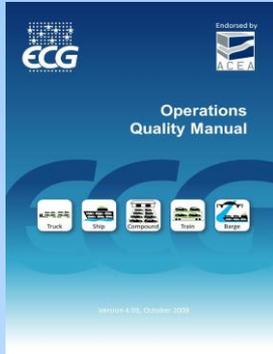
### Budapest hosted the ECG Eastern Regional Meeting

(Source: **ECG**, 03<sup>rd</sup> October 2013) On Thursday 26<sup>th</sup> September close to 40 ECG members and invited guests – including prospective members from the region – gathered in the beautiful city of Budapest for one of the best attended ECG Eastern Regional Meetings ever. With the much appreciated support of local hosts **Hödlmayr** and **Lagermax**, the half-day meeting provided participants with an opportunity to hear about ECG's on-going activities in Brussels and across Europe as a whole. A special treat was provided by meeting sponsor Enerfy ([www.enerfy.eu](http://www.enerfy.eu)), who offered a month-long free membership of its "energy smart driving" platform and organised a competition with 2 rental cars equipped with their innovative system for the participants to try. The day turned out to be full of surprises, as the local hosts also invited all participants on a guided bus tour alongside the Danube... which transformed into a boat ride on this majestic river as the special bus was equipped with jet-engines, being one of the first buses in the world able to float! The "river-ride bus" eventually dropped the group at the Fisherman's Bastion in the Buda Castle District, where everyone enjoyed a wonderful dinner in magnificent surroundings. The next Eastern Regional Meeting should take place in the spring of 2014 in Kiev, keep an eye on the ECG calendar closer to the date.

### EAAG happy with first-ever ECG Academy Alumni Meeting in Frankfurt

(Source: **ECG**, 03<sup>rd</sup> October 2013) The ECG Academy Advisory Group (EAAG) would like to thank all those who joined the first ECG Academy Alumni Meeting in Frankfurt on 27<sup>th</sup> and 28<sup>th</sup> September. The EAAG and ECG Secretariat are happy to proclaim this first-ever ECG Academy Alumni Meeting a success. It was a pleasure to see around 35 alumni from a total of 7 Courses mixing in a seamless way, which made the networking opportunity just as valuable as it was expected to be. The academic element, an interesting workshop on "collaborative innovation", was delivered by business coach and meeting facilitator John Niland. Based on his book "The Courage to Ask – cultivating opportunity in the new economy", the workshop gave listeners a vision into knowing how to bind your clients and find new ones. On Saturday morning about half of the alumni participated in the social programme, which was a go-karting event, before heading home. All things considered, the EAAG is really satisfied with the results of this event and would like to take this opportunity to thank the ECG Board and Executive Director Mike Sturgeon for their support, especially Mr Ömer Gürsoy for travelling from Turkey as the representative of the ECG Board, and last but not least all ECG Academy Alumni who managed to come to Frankfurt.

## The ECG Operations Quality Manuals for PCs and LCVs, CVs and H&H are available on-line!



- Written by the Quality Working Group and the H&H Working Group composed of OEMs and LSPs.
- The manuals can be downloaded from: <http://www.ecgassociation.eu/PublicationsReports/ECGOperationsQualityManuals.aspx>

For comments or inquiries please contact: [info@ecgassociation.eu](mailto:info@ecgassociation.eu)  
T: +32 2 706 82 80

Recognising that ECG Academy Alumni were present from all over Europe, including Scandinavia, the Baltics and Turkey, the ECG Academy proves once more to be a unique training programme with networking opportunities that create long-lasting relationships. See you at the 2014 ECG Academy Alumni Meeting!

For more information on the EAAG please see:

<http://www.ecgassociation.eu/ECGAcademy/EAAG.aspx>.

## EC sets up dedicated forum to tackle upcoming sulphur requirements

(Source: ECSA, 27<sup>th</sup> September 2013) On Wednesday 25<sup>th</sup> September, the European Commission (EC) announced the creation of the European Sustainable Shipping Forum (ESSF) to assess the developments towards compliance with the IMO 0.1% sulphur content in marine fuel, which are due to enter into force as from 1<sup>st</sup> January 2015 in the Sulphur Emission Control Areas (SECAs). The ESSF had already been identified by the Commission as one of the medium and long term accompanying measures of its 2011 staff working paper "Pollutant emission reduction from maritime transport and the Sustainable Waterborne Transport Toolbox", commonly referred to as "Sulphur Toolbox". The ESSF is to act as a dedicated expert group bringing together representatives of Member States as well as private and public organisations to enable a structural dialogue, exchange of best practice and technical knowledge, co-operation and co-ordination between relevant public and private maritime industries' stakeholders and relevant Commission services in areas jointly identified. It will consist of 4 working groups dealing with scrubbers, Liquefied Natural Gas (LNG), innovation and financing respectively. The ESSF will provide an opportunity to discuss practical issues that may be encountered during the implementation process, in particular during the transition phase before the entry into force of the new standards. The ESSF will thus also provide a platform to discuss short-term measures and will furthermore take due account of regional specificities wherever necessary. A call for applications for the selection of ESSF members accompanies the Commission's Decision. Patrick Verhoeven, Secretary General of the European Community Ship-owners' Association (ECSA) welcomed the establishment of the ESSF to assess the developments towards compliance with the International Maritime Organisation (IMO) 0.1% requirement, and added: "Not only has ECSA been actively involved in the preparatory work of the ESSF, we are also fully committed to contribute to and participate in the works of the forum and its 4 working groups. However we do expect the work of the ESSF to produce concrete results that will help the industry to be compliant with the IMO 0.1% limit of sulphur content in marine fuel."

**ECG Note:** ECG also followed the development of this stakeholder forum closely, and is planning to propose a representative of its Maritime & Ports Working Group to participate in the ESSF. To access the Commission's Decision and accompanying documents, please click on the following link: [http://ec.europa.eu/transport/themes/sustainable/news/2013-09-25-essf-call-for-applications\\_en.htm](http://ec.europa.eu/transport/themes/sustainable/news/2013-09-25-essf-call-for-applications_en.htm)

## EP TRAN Committee Members exchange views on Port Services Regulation

(Source: TRAN Newsletter, 02<sup>nd</sup> October 2013) On Monday 30<sup>th</sup> September, a representative of the European Commission (EC) made a presentation before the members of the Transport and Tourism (TRAN) Committee of the European Parliament (EP) on the EC proposal on Port Services Regulation. Its presentation insisted on the fact that the proposal was not a "3<sup>rd</sup> Ports Package". The Commission's proposal seeks to contribute to a more efficient, interconnected and sustainable Trans-European Network for Transport (TEN-T) by creating a framework which improves the performance of ports and helps them to cope with

## ECG Academy

Course 8 commences on Tuesday 8<sup>th</sup> October 2013 in Berlin, Germany.



This practice oriented course takes place over **five modules**, 22 days of intensive training. The modules are held at different locations in Europe to give the participants insights into practical realities of the different elements that make up vehicle logistics. It is targeted at both experienced practitioners and new entrants to the supply chain management.

### Benefits:

- Acquiring a vast wealth of knowledge in an accelerated timeframe, but in as much depth as it is required
- Unique networking opportunities. Each course brings together over 20 individuals representing companies from across Europe
- The course culminates in the award of Certified Automobile Logistics Management, which is an accredited qualification

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changes in transport and logistics requirements. It seeks to modernise port services and operations, and to attract investment for ports. The Regulation will apply to all the sea ports identified in the TEN-T Guidelines, although Member States may also decide to apply it to other ports. The Rapporteur, German MEP Fleckenstein (S&D), presented his concerns about transparency, the public/private balance with regards to safety and the need to avoid extra bureaucracy. These issues were subsequently echoed by many of the Shadow Rapporteurs, as was the importance of flexibility when it comes to differences between Member States. Many members of the TRAN Committee agreed that port charges should be non-discriminatory, however affirming this should not go against a port's commercial strategy. Some members of the Committee welcomed the Commission's proposal, whereas several others called for it to be rejected in its entirety. The need for this Regulation was questioned as was the respect of the Treaties' subsidiarity clause. The Rapporteur for the opinion from the European Economic and Social Committee, Mr Simons, supported the Commission's proposal and said it would provide a level playing field. The Rapporteur for the opinion from the Committee of the Regions, Mr Cosimi, was less welcoming of the proposal, suggesting that a directive would be more appropriate than a regulation in this case. All in all, according to the Rapporteur, the proposal was a sound basis to build on, making sure that this Regulation does not impose a one-size-fits-all approach.

### Port users' coalition urges opening-up of services

(Source: *LloydsLoadingList.com*, 02<sup>nd</sup> October 2013) A coalition of port-user representatives has called on the European Commission to include port labour, cargo-handling and passenger services in new free market access legislation under discussion in Brussels. Ship agent, freight forwarder and ship-owner representatives have timed their appeal as the first discussion took place in the Transport and Tourism (TRAN) Committee of the European Parliament on the Commission's proposal to establish a framework on market access to port services and financial transparency of ports. Ship agents' body ECASBA, CLECAT for freight forwarders and ship-owners group ECSA said in a joint statement that the proposed directive means that "a legal basis will be in place with regard to market access and transparency in ports." The statement continued with a caveat: "Users, however, regret the difference in treatment of port services, more precisely the exclusion of port labour, cargo-handling and passenger services from the application of the freedom to provide services. Whilst users understand the political reasons for this decision, they underline that these essential services should not be excluded." The statement added: "By not including cargo-handling and passenger services, there is no legal basis at all to address existing restrictive and anti-competitive practices as the freedom to provide services does not apply directly and secondary legislation is needed. It moreover entails the risk of a cascade effect; other services may also request being excluded from the proposal." When the Commission announced its policy review in May this year, it proposed fresh guidelines and legal changes to "prevent possible price abuses by operators with exclusive rights" at European Union ports. Importantly, the proposal excluded cargo-handling – a violent clash point with European dockworker unions in the past – and passenger services from market-access rules. European dockers – led by those from Antwerp and Rotterdam – have blocked such port service liberalisation proposals at least twice before, with mass demonstrations outside the European Parliament. However, the three-way alliance of port users takes the view that the proposed measures on market access are "in fact well balanced and proportional, and there is therefore no need to exclude any services." The statement continued: "The proposal will hardly interfere with well-functioning systems in place today. Users can accept that for some port services restrictions might apply, however such restrictions must be subject to strict conditions. The statement added: "It is only logical that if exclusive rights are granted to service providers, there is more transparency and control. This mechanism should allow for the fair and well-



## ECG AGENDA

- ▶ **ECG Academy Course 8** commences on **8<sup>th</sup> October 2013** in Berlin, Germany
- ▶ **ECG / OEM Meeting** on **10<sup>th</sup> October 2013** in Berlin, Germany
- ▶ **ECG Conference** on **10<sup>th</sup> & 11<sup>th</sup> October 2013** in Berlin, Germany
- ▶ **ECG UK & Ireland Regional Meeting** on **29<sup>th</sup> October 2013** – Birmingham, UK
- ▶ **ECG Maritime & Ports Working Group** on **7<sup>th</sup> November 2013** in the Port of Marseille Fos, France
- ▶ **ECG Board Meeting** on **28<sup>th</sup> November 2013** in Munich, Germany
- ▶ **ECG Spring Congress & General Assembly** on **22<sup>nd</sup> & 23<sup>rd</sup> May 2014** in Athens, Greece

functioning of all port service providers, with respect for their specificities.” The port users make the point that port customers want to know what they are paying for: “Therefore the increase of transparency of charges is greatly welcomed; but there must be room for commercial negotiations. Variations in port infrastructure charges must remain at the discretion of port authorities and users.” The alliance wants to see a “swift adoption” of the proposal in the European Parliament and the Council, “without the clause which excludes cargo-handling and passenger services.” The joint statement continues: “The proposal will provide for the means to address existing inefficiencies in ports with due respect for the existing diversity among EU ports. Any further delay would handicap the sustainable development of the EU transport system as a whole and impact negatively on economic growth prospects.”

*On the same topic, please find the ESPO communication under the “Press Releases” section of this ECG News issue.*

### EU ready to embark on a new era in transport infrastructure

(Source: *LloydsLoadingList.com*, 03<sup>rd</sup> October 2013) The European Union (EU) is ready to embark on a new era in transport infrastructure, according to the European Commission Vice-President responsible for Transport, Siim Kallas. In a recent address at the British Chamber of Commerce in Brussels [where ECG was present], he said that with the successful conclusion of negotiations on the EU’s next 7-year budget and the revised policy for the Trans-European Transport Network (TEN-T), Europe “was finally in a position to connect East, West and all corners of Europe.” For transport, around €26bn will be available from the EU budget to complement national investments for developing TEN-T – a significant increase from the previous 7-year financing period. “In practical terms, the next stage is to get things moving on the ground. That means organising calls for tender, assessing financing applications and project proposals to make sure that only the best projects receive EU funding,” said Siim Kallas. But he underlined that this was not about simply spending the cash but realising one of the EU’s founding principles: to create a space for free and fair economic activity, without barriers or bureaucracy. “In turn, this helps European businesses to stay competitive, at home and in the global marketplace. Certainly, the physical and technical barriers must be removed, the bottlenecks eliminated and missing links filled in, especially between East and West where transport connections are particularly weak. This is vital if we are to build a seamless supply chain to benefit all Europeans – people and businesses – by linking them across a vast geographical area,” Kallas added.

### Lithuania pushes rail reform compromise

(Source: *European Voice*, 03<sup>rd</sup> October 2013) Transport Ministers from the European Union’s Member States are to discuss a possible compromise in an on-going fight with the European Commission over whether to establish a single safety authorisation certificate for rail stock in the EU. In January this year, the European Commission put forward a proposal to liberalise European railways and harmonise systems. This would include establishing a single safety certificate – to be issued by the European Railway Agency (ERA) – that would allow the use of train stock anywhere in the EU. However, many Member States have misgivings about such a transfer of powers from national authorities to the ERA. The Lithuanian government, which holds the Presidency of the Council of Ministers, will present a compromise proposal to next Thursday’s 10<sup>th</sup> October meeting of Transport Ministers in Luxembourg. The proposal would create a dual system. Authorisation would be national for rolling stock that is being used in only one Member State. Rail stock intended for use in more than one Member State would be authorised by the ERA, but would also have to be approved by each Member State involved. Advocates of greater harmonisation, such as the European Rail Freight Association (ERFA), have argued that continuing with national



## Events in Brussels

European Transport Forum, by the Volvo Group on 15<sup>th</sup> October 2013

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

TENT-Days, by the European Commission on 16<sup>th</sup>-18<sup>th</sup> October, Tallinn, Estonia

[http://tentec.europa.eu/en/news\\_events/events/tent\\_days\\_2013.htm](http://tentec.europa.eu/en/news_events/events/tent_days_2013.htm)

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

[http://ec.europa.eu/transport/themes/urban/events/2013-10-21-cpt-conference\\_en.htm](http://ec.europa.eu/transport/themes/urban/events/2013-10-21-cpt-conference_en.htm)

ECG will attend

Logistics Conference 2013: "Logistics in 2030 – Challenges and way forward" by the European Commission DG MOVE on 7<sup>th</sup>-8<sup>th</sup> November 2013

<http://eulogisticsconference2013.com/>

ECG will attend

European Logistics Summit, by the Alliance for European Logistics on 27<sup>th</sup> November 2013

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

ECG will attend

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

[http://ec.europa.eu/transport/themes/its/events/2013\\_12\\_02\\_its\\_conference\\_en.htm](http://ec.europa.eu/transport/themes/its/events/2013_12_02_its_conference_en.htm)

ECG will attend

Transport Policy Event: "The Truck of the Future: Innovative, fuel-efficient, safe" by ACEA – The European Automobile Manufacturers' Association on 5<sup>th</sup> December 2013

<http://truckofthefuture.eu/>

ECG will attend

authorisations discourages companies from operating across the single market and discourages long-distance freight.

**ECG Note:** *The complexities and their practical consequences of current EU rail freight policy discussions will be addressed next week in Berlin during the ECG Conference on 10<sup>th</sup> and 11<sup>th</sup> November. For the updated programme, please see <http://ecgconference.com/Programme/>*

## AUTOMOTIVE INDUSTRY

### Opel will reduce Adam minicar production

(Source: *Automotive News Europe*, 02<sup>nd</sup> October 2013) Opel will reduce production of the Adam minicar and Corsa subcompact at its plant in Eisenach, Germany, for several days this month. The company said media reports that suggested Adam output will be cut because of falling demand were "speculation." Opel said the cuts were due to reduced demand for cars in the winter months and the continuing economic problems facing all automakers in southern Europe. "We are having some down days in October, mainly because of the Corsa production, a model which is in the later stages of its life cycle," an Opel spokesman said. "Adam sales are fine," the spokesman added. Opel began Adam production in January and has built 41,000 units in the first 7 months of this year, the carmaker said. In the same period, Opel sold 27,214 Adams in Europe, according to market researcher JATO Dynamics. The Adam is a part of Opel's plans to reverse its declining sales through fresh products in growth segments. Opel recently introduced the Mokka small Sport Utility Vehicle (SUV) and Cascada mid-sized convertible to help win back customers.

### GM's Spain plant will build minivans for Opel and PSA

(Source: *Automotive News Europe*, 01<sup>st</sup> October 2013) General Motors' Opel factory in Zaragoza, Spain, will build future subcompact minivans for Opel and PSA Peugeot Citroën, Opel said in a statement. The minivans will be based on a PSA platform. Opel's engineering team in Rueselsheim, Germany, will lead engineering for the joint project. PSA will supply powertrains. The first vehicles will come to market in late 2016, the statement said. Opel did not give any details about which specific models will be produced in Spain, but media reports said Zaragoza will build the next Citroën C3 Picasso minivan. The plant currently builds the Opel Meriva small minivan and Corsa subcompact, and will add the Mokka small SUV in 2014. PSA's factory in Trnava, Slovakia, currently builds the C3 Picasso. GM and PSA set up a partnership in 2012 to help the 2 companies return to profit in Europe, where car sales are heading for their sixth straight annual decline. Media reports have speculated that PSA may gain production of an Opel model. The Opel Zafira compact minivan, which is due to launch in 2017, could be built in PSA's Sochaux plant in France. The current Zafira is built at Opel's Bochum factory in Germany, which is being closed. "The alliance between GM and PSA is based on a fair balance," Opel said in the statement, adding further that announcements regarding joint projects would follow at a later date. GM and PSA are aiming for savings of \$2bn with their alliance, which involved GM taking a 7% stake in PSA. The companies have since aligned purchasing and logistics and are working to develop new models together. Today's agreement represents the first joint production between the carmakers. The 2 automakers are both struggling to fill under-utilised facilities in Europe.

### Renault constructs plant in Algeria

(Source: *Automotive Supply Chain*, 26<sup>th</sup> September 2013) Construction started on Wednesday 25<sup>th</sup> September on the Renault plant in Oued-Tlalat, south-west of Oran, in Algeria. This project, which is sponsored by the Algerian Ministry for Industrial Development and for the Promotion of Investment, is scheduled to

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begin production of the new Symbol model in November 2014. The Symbol, which was renewed in March 2013, is already a success in Algeria and the plant aims to have an initial production capacity of 25,000 vehicles every year. "We are proud, within the Renault Algérie Production joint-venture, to be contributing to the development of the automotive industry in Algeria through this project. I would like to take this opportunity to congratulate our team and our partners for their efforts and commitment in making this launch a success," said Bernard Sonilhac, CEO of the joint-venture Renault Algérie Production (RAP). Following a series of information sessions and qualification tests, the national employment agency (ANEM) has already made an initial selection of potential candidates for the 350 direct jobs the plant will create. Output will be for the local market, the second biggest on the African continent with more than 300,000 vehicles sold since the start of 2013.

### Germany proposes 4-year delay to EU "95g" car goal

(Source: *Euractiv.com*, 30<sup>th</sup> September 2013) A German proposal circulated on the fringes of the European Union Competitiveness Council on Friday 27<sup>th</sup> September calls for phasing-in the EU's 95 grams of CO<sub>2</sub> per km (g/km) fuel efficiency standard for passenger cars over a 4-year period ending in 2024. The proposal would apply the standard to 80% of national fleets in 2020, with a 5% increase in each of the following years, reaching 100% in 2024. The green think tank Transport and Environment (T&E) estimates that the scaling down of ambition would lead to an emissions standard of 104g/km in 2020, falling to 100g/km in 2022, before reaching 95g/km in 2024. Sources close to Berlin say that while the country supports ambitious CO<sub>2</sub> emission targets in the transport sector, "car producers should be able to reach the 2020 target in the most cost-effective manner." If Germany's bid is successful, it would torpedo a compromise agreement reached by the Irish Presidency last June and, simultaneously, end any hopes of the 2025 fuel efficiency goal that the European Commission and Parliament had wanted to keep open. An EU diplomat said that the Germans "have just copied and pasted their industry's wildest dreams." The new plan could be used to leverage Germany's long-standing position – an expansion of the super-credits system that would benefit the heavier models produced by its carmakers. "It's the stick behind the door," the diplomat said. "It could be a smart move to try to buy some flexibility but personally, I doubt it," he added. Diplomats will now go back to their national capitals to discuss the plan and, despite unease at Berlin's tactics, it is unclear how they will respond. Germany delayed a vote on the previous compromise package by using what several diplomatic sources called "a strategy of threats, blackmail and intimidation." It seems that if normal procedure is followed and a vote is taken by EU Ministers, the Irish-negotiated compromise proposal is likely to pass. But if Germany manages to get its own proposal put to a vote alongside the official text, the result is less clear, especially if Berlin decides to play hardball. Sources believe that the UK and France might not oppose Germany, while Portugal and Austria could hesitate. "What's happening is a bit of a scandal," another EU diplomat said. "For 3 months we had an agreed package that the European Parliament has been waiting for, and yet the Germans have managed to take it out from every vote at Coreper [the EU Member States' permanent representatives committee]." The source said that the only reason for the delay was that Germany was afraid it would not have a blocking minority in any vote, adding: "The European Parliament should be very angry with the Council." Initial reports – attributed to Berlin – that the German proposal had support from other EU states were stoutly denied by representatives of those states.



## EUROPE

### Europe's outbound sector meets in Berlin

(Source: *Automotive Logistics News*, 02<sup>nd</sup> October 2013) Delegates are heading to the ECG Conference in Germany next week in search of positive signs for European vehicle logistics. The 2013 conference of **ECG – The Association of European Vehicle Logistics** takes place at the InterContinental Hotel in Berlin on Friday 11<sup>th</sup> October. The annual meeting brings together the region's OEMs and finished vehicle logistics service providers, along with suppliers to the outbound sector, for networking, presentations and knowledge-sharing. This year's theme is "Staying ahead in difficult times". Key speakers at the event include Egon Christ, Senior Manager for Worldwide Transportation at Daimler. Christ chairs the joint working group on vehicle logistics set up between providers and ACEA, the European automakers group. They also include Lutz Quietmeyer, Manager of Distribution Schemes in Europe for the Renault Nissan Alliance; Manuel Medina, Manager of Finished Vehicle Distribution at Seat; and Magnus Ödling, Head of Strategy for Vehicle Logistics at Volvo Cars. Providing the crucial view from Brussels at the conference will be Christos Economou from the European Commission's Land Transport Unit. Writing in a recent issue of *Finished Vehicle Logistics*, the ECG President Costantino Baldissara noted the significance of the automotive sector and its vehicle logistics. "We can all agree that supporting Greece is important," he said, "but the combined revenue of automotive manufacturing and vehicle logistics contributed much more to Europe's economy than did Greece. We are actually, as an industry, on a par with the EU's biggest Member States in terms of our contribution." Specific issues to discuss at the conference include the continuing campaign to harmonise loaded trailer lengths, which vary significantly across the EU today. ECG has also been lobbying for a relaxation of the impending sulphur emission regulations for European coastal waters, and for a consumer stimulus for new car purchases. The association was able to boast some recent success in its lobbying efforts this summer when the UK government relaxed cabotage restrictions for car carriers during peak registration periods, something that ECG and several of its partners had been pushing for since 2010. The one-day ECG conference has its business dinner on Thursday evening prior to the event, and features a popular partners/social programme which will run alongside the discussions on Friday, as well as including a Friday evening social dinner and activities on the Saturday after the event. There are discounts on the delegate fee for ECG members and for multiple attendees from the same company. The conference was held in Prague last year and in Paris in 2011, and is organised on behalf of ECG by *Finished Vehicle Logistics* magazine [see <http://ecgconference.com/>].

### RTL handles landmark delivery

(Source: *Automotive Logistics News*, 02<sup>nd</sup> October 2013) Last week, logistics provider **Russian Transport Lines (RTL)** received its 1,000<sup>th</sup> Ro-Ro vessel at its terminal in the Sea Fishing Port of St Petersburg. The *M/V City of St Petersburg*, which is operated by Euro Marine Carrier, a Dutch subsidiary of Nissan Motor Car Carrier (NMCC), delivered more than 1,500 Nissan vehicles collected from the Port of Tyne in the UK and the Port of Amsterdam in Holland. RTL opened the vehicle terminal at the Sea Fishing Port of St Petersburg in 2006 and has processed almost 700,000 units since then according to the company. It receives around 150 car-carrying vessels per year. In 2011 it established a second vehicle-handling terminal at the Commercial Sea Port of Ust-Luga, also located near St Petersburg. The Novaya Gavan terminal is located 14km to the north of the main port at Vistino but is incorporated into Ust-Luga as a separate cargo area. "The history of RTL is unique as before we commenced handling automobile ferries we never had either stevedoring or ferry business," said Konstantin Skovoroda, Chairman of RTL. "In other words we arranged the work of Russia's first specialised terminal in St Petersburg and built our own Ro-Ro terminal in Ust-Luga starting with a blank slate and focusing primarily on expectations of our customers."

### GBA to run VW vehicle centre in UK

(Source: *Automotive Logistics News*, 01<sup>st</sup> October 2013) Volkswagen has signed a contract with UK finished vehicle logistics provider GBA Group that will see it managing the carmaker's new processing centre in Sheerness. The new purpose-built centre, which is currently being developed, will provide services for VW's rental fleet and company cars. It aims to process around 60,000 vehicles per year and is set to go online in early 2014. Pre-delivery inspections, technical services, bodyshop and enhancement services, as well as valet operations will be some of the services available at the new facility. GBA currently serves the VW Group's southern import and distribution centre near the UK Port of Sheerness, on the Isle of Sheppey in Kent. In addition, the company also operates 3 vehicle import facilities for VW across the UK, located in Sheerness, Grimsby and Tyne. They have worked in conjunction with the OEM for almost 20 years, and in 2012 announced the completion of the 5 millionth vehicle processed through the facilities. Sam Judah, Managing Director of the GBA Group, spoke of the "enviable reputation" accrued by the distributor and said he looked forward to a continuation of the 2 companies' business



relations. The new terminal is expected to create jobs ranging from senior management roles to skilled and semi-skilled technicians and bodyshop staff, as well as valet and compound operatives, and administration staff.

### **Belarus might introduce utilisation fee on vehicle imports**

(Source: *Automotive Logistics News*, 02<sup>nd</sup> October 2013) Following the introduction of so-called “utilisation” or recycling fees on imported vehicles by Russia and Ukraine, the Belarusian government may also now impose such fees on imported cars, according to representatives of the Belarusian Automobile Association (BAA). If the fees were implemented under the current tariff regime, the prices of new vehicles in the country would rise between \$800-3,500 each, while used cars would see increases of \$5,000-21,000 per vehicle. As reported in May, the Russian Ministry of Industry and Commerce was proposing to extend the country’s recycling charge for imported vehicles – which generally hits manufacturers without local production in Russia – to include Belarus and Kazakhstan, which joined a Customs Union with the Russian Federation in 2010. “We know that there exists some document of the Russian authorities, which, in particular, states that both Belarus and Kazakhstan should introduce utilisation fees under its obligations in the Customs Union,” said Sergei Mihnevich, Chairman of the BAA. “We believe that law will be adopted anyway; it’s only a matter of time,” he added. Ukraine introduced its own fee in September. In parallel with the introduction of the utilisation fee, Belarus could reduce existing tariffs on automotive vehicle imports, something that could play a crucial role in the future development of logistics in the country. “We strongly hope that in the case of the introduction of recycling fees, Belarus will revise tariffs, which currently are much higher than in Russia,” said Mihnevich. “If this happens, the prices for imported cars after the recycling fee will rise slightly, within 5%. If it does not revise the import tariffs, then the car prices will rise very high and a large number of distributors are likely to close their operations in the country, or will go into the shade,” he added, referring to the possibility of importing cars illegally.

### **FCS RF extends illegal and unfounded TIR restrictions to Privolzhsky Customs Region**

(Source: *IRU*, 03<sup>rd</sup> October 2013) Further to the information dated 24<sup>th</sup> September [See *ECG News* 13.38], 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 Privolzhsky Customs Region, further defying the United Nations’ and the international community’s conclusion that this action is in breach of the TIR Convention and international law. These unilateral restrictions will notably impact the Bashkortostan, Nizhegorodskaya, Orenburg, Perm, Samara, Saratov, Tatarstan, Ulyanovsk and Privolzhskaya Operativnaya 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. Overall, the FCS RF’s illegal restriction on TIR guarantees now applies to Siberian, Far East, Ural and Privolzhsky Customs Regions. 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.

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](mailto:hotline@iru.org).

### **Improving efficiency in compliance with maritime regulation**

(Source: *Worldcargonews.com*, 02<sup>nd</sup> October 2013) A new 3-year European research project, partly funded by the European Union, has been launched to help increase efficiencies in regulation compliance and enforcement in the maritime sector. e-Compliance will facilitate tighter integration and co-operation in the field of regulatory compliance and will closely align with the EU e-Maritime initiative of which a key priority is supporting authorities and shipping operators to collaborate electronically in regulatory information management. The maritime sector is heavily regulated. International, EU and national authorities create large numbers of rules and regulations, and the long life-time of ships and the different phases of their operation add to the complexity. As a result, practitioners who need to enforce or comply with regulations are often unsure as to which rules apply for a given vessel in a given situation. Building on the success of other EU projects such as FLAGSHIP, e-Compliance will look at creating a model for managing maritime regulations digitally and thus help to harmonise these regulations. The project’s consortium comprises representatives of the 3 main stakeholder groups involved – classification societies (creation of class rules), port state control (enforcement of regulations) and ships (compliance with regulations). Seamless co-operation between the different stakeholder groups will improve the effectiveness of regulations and reduce the burden on practitioners who work with maritime regulations on a daily basis. “Currently, there are numerous disparate initiatives and projects that address specific aspects of the regulatory domain. The e-Compliance project will bring these different approaches together, using their most promising aspects in order to increase coherence and efficiency in the world of maritime regulations,” said Philipp Lohrmann, Project Manager for e-Compliance. Specific activities within this 3-year R&D project will include: the establishment of a co-operation model between



regulation setting and enforcement authorities, both for port state control and International Maritime Organisation (IMO) regulations, for modelling and interpreting regulations and ensuring harmonisation across national and organisational boundaries; the demonstration of automated compliance management by modelling and delivery of regulations in electronic format; harmonised e-Services for more effective and co-ordinated enforcement controls and inspections, and e-Services in support of class requirements, particularly on surveys and for ship risk management in upgraded e-Maritime applications; the evaluation of the practical implementation of the above in representative networks and the provision of recommendations for e-Maritime policies. e-Compliance consists of 10 partners, all of which bring their own areas of knowledge and experience of working in the maritime space. They include: BMT Group Ltd, Det Norske Veritas (DNV), Danaos Shipping Co. Ltd, INLECOM Systems, The Netherlands Organisation for Applied Scientific Research (TNO), TEMIS, Acciona Infraestructuras, PORTIC Barcelona, Norsk Marinteknisk Forskningsinstitutt AS (MARINTEK) and the Maritime Administration of Latvia.

## REST OF THE WORLD

### WWL buys SRO Manufacturing

(Source: *Automotive Logistics News*, 02<sup>nd</sup> October 2013) **Wallenius Wilhelmsen Logistics (WWL)** has acquired the manufacturing division of SRO Group, which handles customised manufacturing and service repairs for service vehicles, trucks and heavy construction machinery. The company said the acquisition will enhance WWL's technical services offering in Australia for equipment assembly and processing customers. The SRO Group Vehicle Manufacturing Division has been rebranded as Wallenius Wilhelmsen Logistics as of Tuesday 1<sup>st</sup> of October 2013. WWL already provides equipment processing and accessorisation services. The company said the acquisition of SRO Manufacturing will extend its offering of factory to dealer solutions for customers, cutting lead times and cost. "While we already offer similar services, the acquisition of SRO Group Vehicle Manufacturing Division will bring in new competence in the area of custom design and manufacturing of solutions that will enable us to offer more advanced services to our customers," Mark Guscott, Vice-President of Commercial Oceania at WWL. Services that WWL will provide include design, manufacture and installation of customised equipment for utility vehicles, as well as for mining and construction equipment. These can be for service bodies, truck trays, toolboxes and safety equipment. "As a first step we will now have a new, dedicated site in Newcastle to offer design, manufacturing and installation services to the mining equipment and truck market in Australia," Guscott said. "These services can also be provided at our 4 other Australia sites and based on customer demand we will look to further expand the offering geographically across the world." The current SRO Manufacturing site based in Newcastle, Australia, will become WWL's specialised centre for customised solutions and advanced accessorisation services in Oceania.

### New collaboration between GEFCO Dubai and GK Automobile

(Source: *GEFCO Newsletter*, 30<sup>th</sup> September 2013) Since 25<sup>th</sup> June 2013, **GEFCO** Dubai has been responsible for the logistics operations of GK Automobile, a distributor of Korean automotive carmaker Hyundai. GEFCO Dubai manages the transport and distribution of some 12,000 vehicles per year, as well as the storage and customs clearance thereof. Having been exported from Korea, the vehicles are first shipped to Dubai by GEFCO before being put into storage whilst awaiting the appropriate national and international distribution operations. GEFCO Dubai then transports the vehicles by sea to the Port of Um-Qasr in Iraq, where some will be distributed within the country. GEFCO also takes care of all of the customs formalities within these 3 countries. Stefano Pollotti, Managing Director of GEFCO Dubai, was proud to announce this new collaboration: "We are delighted to be working with GK Automobile and to be offering them a solution that meets their requirements in terms of both cost and expertise. According to a study that we carried out in conjunction with GK Automobile, Dubai is the ideal region for developing sea, air and road traffic to and from the Middle East thanks to its location, which makes it a real transportation hub, and thanks to its logistics infrastructure." Having been operational since February 2013, GEFCO Dubai has served to strengthen the Group's presence in the region. Representative offices in Iran and Iraq were also opened in 2011 to support trade with China, India and Eastern Europe.

### FAW-Volkswagen inaugurates plant in China

(Source: *Automotive Supply Chain*, 26<sup>th</sup> September 2013) The Volkswagen Group and its joint venture FAW-Volkswagen inaugurated on Wednesday 25<sup>th</sup> September a new plant in Foshan, southern China, which has been under construction for 2 years. The new facility in Guangdong Province will initially produce 300,000 vehicles a year and is planned to double capacity in the medium term. "Volkswagen in China stands for both green mobility and sustainable growth. Our new plant in Foshan combines state-of-the-art technology with particularly efficient resource management," said Prof Dr Jochem Heizmann, member of the Board of Management of Volkswagen AG, and President and CEO of Volkswagen Group China. Production began with the Volkswagen Golf. The Audi A3 will



also be built in Foshan from the end of 2013. The Foshan plant is the first production facility in China based on the modular transverse toolkit (MQB), which simultaneously builds Volkswagen and Audi models, and the first to receive a Triple-Star Green Building Award, the highest state award available for environmentally-compatible factory design. 100% of the plant's wastewater is treated and reused, and almost 90% of the waste and packaging material from the production process is recycled. Foshan is a prefecture-level city in central Guangdong Province, People's Republic of China, and is a main interchange for railway routes linking Guangzhou, Hong Kong and the western Guangdong Province.

## PRESS RELEASES

### New ACEA Secretary General takes up office

(Source: ACEA, 01<sup>st</sup> October 2013) Erik Jonnaert stepped in as new Secretary General of the European Automobile Manufacturers' Association (ACEA) as of Tuesday 1<sup>st</sup> October 2013, following confirmation by the ACEA Board of Directors in September. Mr Jonnaert, a long-time public affairs and communications professional, joined ACEA in July this year after having been appointed successor to Ivan Hodac. Mr Hodac, who has been leading ACEA as its Secretary General for the past 12 years, will be taking his retirement. During its last meeting, in September, ACEA's Board of Directors confirmed that Mr Jonnaert would take over on 1<sup>st</sup> October. The Board also asked Mr Hodac to stay on as Senior Advisor to the ACEA Board and to the Secretary General until the end of the year. Mr Jonnaert began his career with Linklaters, a law firm, in Brussels. He later joined Procter and Gamble, a consumer goods company, at which he spent more than 25 years in various leadership roles in Europe and Asia, where he was responsible for Legal, Public and Regulatory Affairs, as well as Communications. He is a graduate of Harvard Law School.

### Ports need a policy that empowers them to meet tomorrow's challenges, not one that burdens them

(Source: ESPO, 30<sup>th</sup> September 2013) The European Sea Ports Organisation (ESPO) acknowledges that the European Commission proposal for a Port Services Regulation, published on 23<sup>rd</sup> May this year, addresses some important conditions for ensuring a level playing field:

- By tackling the transparency of financing in ports;
- By recognising the freedom to provide port services;
- By considering the setting of charges and the minimum requirements for port services as important tools of port management.

But the Commission proposal disappoints, since it partly undermines those principles:

- By intervening in the commercial freedom of ports and port authorities to vary charges according to the port management's economic strategy;
- By prescribing how ports and port authorities should deal with their clients;
- By imposing additional administrative burden to ports which are not competing at the European scene;
- By creating an independent supervisory body.

In that overall context, ESPO and its members cannot accept the regulation proposal as it stands.

"We welcome the fact that the Commission is considering European ports as engines for growth. European ports are facing enormous challenges: growing volumes, ever-increasing ships, further globalisation, increasing societal and environmental pressure. They need a policy that empowers them to meet these challenges, not rules that create additional burden for ports without real benefit for the port industry or the users. We hope European policy makers understand our concerns and want to work with us in view of obtaining a framework that means a step forward for every single port in Europe," says Isabelle Ryckbost, Secretary General of ESPO.

ESPO fears that the Commission proposal in its current form will hamper well-performing ports:

- The diversity of the European port sector makes it impossible to frame all ports and their managing bodies within one stringent legal framework, without giving in on their specificity and on the particular role ports are playing for their national and regional economy. Differences in size, geographical situation, governance, tasks, financial situation, etc. makes it very difficult to develop a set of rules that goes further than guiding principles.
- Moreover, by restricting the commercial freedom of EU port authorities and interfering in port-related governance competences, the regulation proposal could hamper the necessary transition of European port authorities towards dynamic port developers and worsen the position of ports which are already high performing.



Finally, European ports do not see the port regulation as the instrument that will improve the competitiveness of ports. There are other, more important, factors that can enhance the level playing field in the port sector that need to be tackled: internal market for maritime transport, environmental rules affecting transport patterns and modes, unfair competition with third neighbouring countries, and burdensome customs procedures.

ESPO's full response to the proposed Port Services Regulation can be found here: [http://www.espo.be/index.php?option=com\\_content&view=article&id=49&Itemid=60](http://www.espo.be/index.php?option=com_content&view=article&id=49&Itemid=60)

## Shipping industry needs to counter environmental challenges

(Source: ECSA, 12<sup>th</sup> September 2013) Shipping is increasingly pushed into the defensive corner when considering environmental challenges. Industry should urgently devise a strategy to overcome this unfortunate situation, advocating the positive efforts ship-owners are making to raise the sustainability of their operations. This is the key message the European Community Ship-owners' Association (ECSA) President, Juan Riva, gave on Thursday 12<sup>th</sup> September when introducing the latest Annual Report of the organisation which covers the 2012-2013 period. The publication of the report coincides with some changes to ECSA's communication tools.

"There was a time when EU policy makers clearly regarded shipping as a solution," said Mr Riva, "The 'road to sea' campaign of the early 1990s for instance favoured short sea shipping as an environmental-friendly alternative to road transport. At that time we were on top of the sustainability debate and shipping enjoyed considerable support from EU policy makers, which translated itself positively in many fields of policy," said the ECSA President.

This situation contrasts greatly with the present day. "Whether we talk about the various types of ship emissions, ship recycling, ballast water or any other environmental matter, as ship-owners we always seem to be pushed into the defensive corner." added the ECSA President, "I think we urgently should consider a strategy to overcome this situation, to validate the considerable efforts many of our members are making to perform their operations as sustainably as possible."

"We need to provide an adequate, collective answer to the environmental challenge," said ECSA's Secretary General Patrick Verhoeven. "At the same time, we need to emphasise much more how essential shipping is to trade, welfare and peace. That is why we need a strong and united lobby, both at EU and at international level, which strives for the best possible solutions. In this respect, we should not be afraid of showing some ambition. That is the only way in which we can be a credible partner for policy makers and NGO's, regardless whether they are in Brussels, in London, or in the various capitals," he added.

To read the last ECSA Annual Report, please click on the following link: <http://www.ecsa.eu/policy-and-publications/annual-reports>