ECG News
ECG – The Association of European Vehicle Logistics
Issue 13.40, 07th – 11th October 2013

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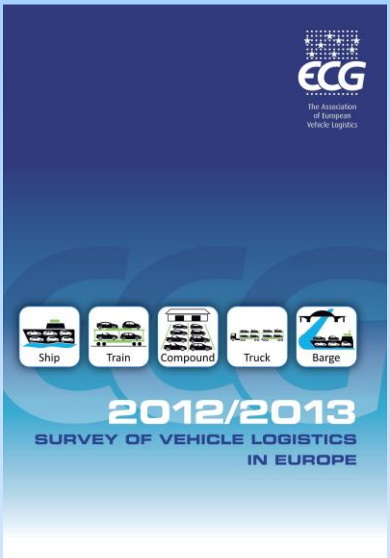

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NEWS FROM BRUSSELS

ECG is very pleased to welcome 2 new members in the week of its 2013 Conference in Berlin!

M.C.C.L. – New member of ECG

*(Source: **ECG**, 10th October 2013)* ECG is very pleased to welcome M.C.C.L. as its newest member. Founded in 1995, Mediterranean Car-Carriers Line (M.C.C.L.) is a family organisation based in the Port city of Piraeus, Greece. The shipping company is specialised in the sea transportation of vehicles in the Mediterranean and Black Sea ports. The management, the office personnel and the crew of M.C.C.L.'s vessels are people with long experience in the sea carriage of vehicles and rolling cargo. The company's efforts towards customers' satisfaction have always been to deliver cargo on time without any damages. M.C.C.L. ensures proper handling of clients' demands, any special requests for a full transportation service are always processed and efficient solutions are suggested. M.C.C.L.'s 6 pure car-carrier and Ro-Ro vessels move more than 200,000 vehicles per year. For more information, please visit the website of M.C.C.L.: http://www.mccl.gr

Galliker Transport AG – New member of ECG

*(Source: **ECG**, 10th October 2013)* ECG also has the pleasure to welcome Galliker Transport AG as a new member. Founded in 1918, Galliker is a family holding company headquartered in Altishofen, Switzerland. The Galliker Group counts 2,300 employees and a total fleet of 980 trucks. Among other activities, Galliker offers since 1965 an international car transport service. Galliker's international car transporter fleet, composed of 120 trucks, picks up new vehicles produced in different countries and transports them to the Galliker compound in Altishofen (100,000m^2). The storage capacity is 12,000 cars. Central disposition and advanced IT technology enable on-schedule delivery of cars throughout Switzerland. Galliker moves internationally 100,000 new cars per year. For more information, please visit Galliker's website: http://www.galliker.com

Connecting Europe Facility: Committees approve infrastructure funding mechanism

(Source: European Parliament, 08th October 2013) Transport and Industry Members of the European Parliament (MEPs) approved an agreement on the Connecting Europe Facility (CEF), the European Union's new funding mechanism for infrastructure projects of common interest for trans-European transport, energy and telecoms networks, at a joint committee meeting on Monday 7th October. The CEF should have a budget of about €29.3bn for 2014-2020. The agreement is still subject to approval by the full house of the Parliament. The CEF will provide funding for key transport infrastructure projects to improve cross-border connections, remove bottlenecks, bridge gaps and improve interoperability. Support should focus on projects with strong EU added value, which develop the core network, as well as those of common interest in the field of traffic management systems. Of the €23.17bn earmarked for transport projects, €10bn would be transferred from the Cohesion Fund to be used exclusively in Member States eligible for Cohesion Fund money. The CEF would support projects of common interest to modernise and expand Europe's energy infrastructure, and enhance security of supply by helping to ensure that no Member State is isolated or dependent on a single energy source. The European Commission estimates the number of projects of common interest contributing most to strategic energy infrastructure priority corridors and areas at about 100 in the field of electricity and 50 in the field of gas. Projects of common interest in the fields of electricity, gas and carbon dioxide should be eligible to receive EU financial assistance for studies and, under certain conditions, for works in the

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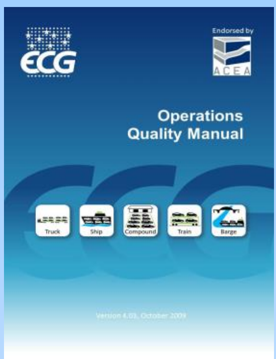

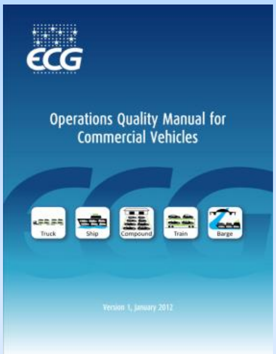

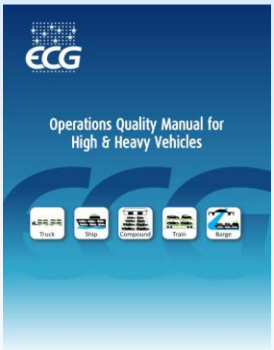

- Written by the Quality Working Group and the H&H Working Group composed of OEMs and LSPs.
- The manuals can be downloaded from: http://www.ecgassociation.eu/PublicationsReports/ECGOperationsQualityManuals.aspx

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form of grants or innovative financial instruments. The total budget for funding energy projects would be €5.12bn and MEPs insisted that these projects should be funded primarily by financial instruments. Projects of common interest in the telecommunications sector should be eligible for EU financial support in the form of grants and procurement for core service platforms, generic services and cross-sector projects. Actions in the field of broadband deployment, including generating demand for broadband, should be eligible for EU financial support in the form of financial instruments. The total budget for the funding of telecommunication projects would be €1bn. The new regulation would enter into force after its publication in the EU Official Journal and apply from 1st January 2014.

Car CO_2 vote bumped up to Ministers

(Source: European Voice, 04th October 2013) Member States decided on Friday 4th October to delay for the third time a vote on whether or not to ratify a deal that was reached in June this year on new emissions limits for cars. The politically sensitive issue has been bumped up to ministerial level, to be discussed by Environment Ministers when they meet in Luxembourg on Monday 14th October. The vote is being delayed by Germany while it tries to convince Member States of the merits of an alternative proposal. Poland and the UK supported Germany's move to delay the vote again, but they are not yet ready to support Germany's alternative proposal, according to sources. The deal struck in June between Members of the European Parliament (MEPs) and representatives of the Council of Ministers would limit emissions from 2020 to a fleet average of 95 grams of carbon dioxide per kilometre. Ireland, which then held the Presidency of the Council, reached that deal based on a negotiating mandate given by the Member States. But in a highly unusual move, Germany later blocked a final Council vote to ratify the deal. It did not have enough support to reject the deal, but Germany persuaded other Member States to support delaying the vote until after its federal elections. Germany's car industry has been lobbying fiercely against the proposed new limits on CO_2. With the elections over, the Lithuanian government, which has taken over the Presidency of the Council, has put the issue back on the agenda. But Germany is still not conceding defeat. At a Competitiveness Council, it circulated a proposal to delay the introduction of the new 95g CO_2/km limit from 2020 to 2024. Germany's previous efforts to make the targets easier for its carmakers to meet were focused on expanding the "super-credits" scheme, so that electric vehicles counted more toward a fleet's emissions average than heavy cars. But Germany has now abandoned this approach in favour of a longer phasing-in of the requirements. To make this change, Member States would have to reject the deal struck in June and restart negotiations with MEPs. This would delay the vote into a second reading that would be unlikely to be concluded before the end of this Parliament's mandate. The delay of more than a year comes as automakers say they need more long-term certainty for future car approvals. "Failure to reach agreement on this law before the current Parliament's mandate ends in 2014 would be a missed opportunity to guarantee manufacturers deliver cars that consumers can actually afford to operate in the long-run," said Johannes Kleis of the European consumers organisation (BEUC). According to sources, the UK is considering supporting Germany's alternative proposal in exchange for Germany agreeing to oppose the proposed European Union cap on bankers' bonuses.

AUTOMOTIVE INDUSTRY

Europe's September car sales offer hope of recovery

(Source: Automotive News Europe, 08th October 2013) New-car registrations in Western Europe rose 5% to 1.13m units in September this year, pointing to a modest rebound for auto sales in the region, market forecaster LMC Automotive

ECG Academy

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said. "After recent months where the seasonally adjusted annualised rate of sales has been easing back, September was much stronger, picking up to 11.8m units per year – the best performance so far this year," the forecaster said in a statement. LMC said the rise reflected the improving business and consumer sentiment in the region. It added that the end of the recession in the euro zone in the second quarter of 2013 was key to growth in the market, but warned that weak consumer spending and unemployment still plagued some countries. New-car sales rose in all but 2 of the major regional markets in September. In Spain, sales rose 29% helped by a new scrappage incentive scheme and the introduction of a VAT increase the year before. In the UK registrations were up 12%, driven by a 17% increase in private sales, while in France deliveries rose 3%. In Germany, the region's biggest market, sales fell 1%, and in Italy deliveries were down 3%. LMC predicted Western Europe's full-year sales will drop 3% this year to 11.44m, the sixth continual year of decline. In 2014 deliveries will rise 1% to 11.56m, the forecaster said.

Hyundai's Czech plant sees output at full capacity despite downturn

(Source: Automotive News Europe, 04th October 2013) Hyundai plans to build 300,000 cars this year at its plant in the Czech Republic and keep production at full capacity in the coming years. Spokesman Petr Vanek said the plan was to keep the plant at full capacity in the future regardless of the situation in European markets as production is also exported to other countries such as Australia and South Africa. Nearly all of Hyundai's Czech production is exported. The plant opened in 2008 and builds the i30 compact car, ix35 compact Sport Utility Vehicle (SUV) and ix20 sub-compact minivan. The Czech facility is one of 3 car plants in the country along with Volkswagen's Czech unit Skoda and a joint venture between Toyota and PSA Peugeot Citroën. The European car industry association (ACEA) reported that Czech output rose by 50% year-on-year in August, helping to narrow a decline that has been hurting the country's key business sector since 2012. The Czech economy moved out of recession in the second quarter of 2013, boosted by exports.

Renault-Nissan increase Moroccan production

(Source: Automotive Supply Chain, 09th October 2013) Tuesday 8th October saw the official inauguration of the second production line at the Renault-Nissan Tangier plant in Morocco. This expansion, the result of a public-private partnership between the Kingdom of Morocco and the Renault Group, makes the plant the largest in Africa and a key source of productivity and development for the country's automotive sector. An investment of €400m will increase the output capacity of the site to 340,000 vehicles a year, starting in 2014. The opening was presided over by Abdelkader Amara, Moroccan Minister of Industry, Trade and New Technologies, and in the presence of Jacques Prost, Managing Director of the Renault Morocco Group. "Today's ceremony is extremely important to us. It illustrates Renault's willingness to meet its commitments and Moroccan Authorities' ambition to develop the automotive industry in Morocco. I am sure this second production line will produce great quality Sandero vehicles and will be a strong testimony of the 'made in Morocco' label globally," said Prost. Renault noted the contribution of suppliers in their support for the plant and that the development "respects the ambitious roadmap" co-ordinated by the Renault-Nissan plant and the Kingdom of Morocco, together with the Moroccan Association for Automotive Industry and Trade (AMICA). Inaugurated in February 2012 by the King Mohammed VI and in the presence of Carlos Ghosn, President of the Renault-Nissan Alliance, the Tangier plant has 2 production lines – including stamping, paint, sub-assembly and assembly – and covers an area of 300ha. 1,400 people have been recruited for the needs of the new line, raising the plant's total 2-shift workforce to 5,000 people, who are currently honing their skills with the Morocco's Institute for Training Automotive Industry Professionals (IFMIA).

ECG AGENDA

► **ECG UK & Ireland Regional Meeting** on **29th October 2013** in Birmingham, UK

► **ECG Maritime & Ports Working Group** on **7th 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

Volkswagen will invest $236m in Brazil auto plant

(Source: Automotive News Europe, 04th October 2013) Volkswagen Group plans to invest €173m to build the seventh generation of Golf in Brazil in 2015, VW Brazil CEO Thomas Schmall said. VW will expand its existing plant in Curitiba to build the new Golf, which was launched in Europe in March this year. The plant, which opened in 1999, builds the old Golf and Fox models. Currently, Brazilian customers who want a new Golf rely on imports from Germany. The new output, in the southern state of Parana, will raise Volkswagen's auto production capacity in Brazil by 20% to 1,000 vehicles per day, Schmall said after meeting Brazil's President Dilma Rousseff in Brasilia. Volkswagen currently operates 3 car and 2 engine and commercial vehicle plants in the country. Schmall said construction had already started to extend the plant. As Volkswagen brand's best-selling car, the Golf is a key model in VW's plans to boost global sales to 10m by 2020, particularly in developing markets like Brazil. With 3.8m vehicles sold in 2012, Brazil is the world's fourth-largest car market after China, the United States and Japan.

EUROPE

Grimaldi: “Beware of the modal degeneration!”

(Source: Ship2Shore, 07th October 2013) The fourth edition of the Shipping and the Law Convention organised by lawyer Francesco Saverio Lauro, gathered a wide international audience of ship-owners, lawyers, insurance companies and shipping entrepreneurs to debate on the most critical aspects of the shipping industry. “Guest star” of the convention was Emanuele Grimaldi, Co-Managing Director of the **Grimaldi Group** and newly appointed President of Confirtarma, the Italian ship-owners’ association, who did not hesitate to make straightforward comments on consumption, emissions and new technologies. “For the time being, ship-owners are a sort of gamblers, obliged to bet rather than invest. As a matter of fact, trying to forecast future gas supplies is absolutely impossible, and before enforcing any rule it is advisable to study all consequences, even in terms of general costs, to prevent further risks: if we were obliged to transport gas by road we would be polluting more than if we used traditional fuel, therefore we should talk about modal degeneration rather than modal inversion,” Mr Grimaldi said. Mats Berglund, CEO of giant Pacific Basin, confided that in some sectors, where slow streaming measures can be easily applied, it is more convenient to use second-hand ships than more sophisticated eco-ships. Mr Grimaldi said: “Scrubber technology is still standing at an early stage which means that the potential of development is dramatically high. Regarding low-sulphur fuel oil, it is rarely produced by refineries. We found a Central European company manufacturing a high quality fuel with 0.3% sulphur content; having issued a substantial order, we’ll pay it as a 0.4-0.5%. It will then be shipped to Trieste.” During the convention, Vincenzo Petrone, President of Fincantieri, pinpointed how technological and subsequent rule-contractual innovation creates an interesting opportunity for the Italian ship-building yards. He added that investing in new technologies and providing the highest international standard should make them able to beat their competitors in the future.

DB Schenker expands network in Turkey

(Source: Automotive Logistics News, 08th October 2013) Germany’s **DB Schenker** is setting up its own domestic network for procurement and distribution in Turkey, with automotive being one of the primary industries covered, along with electronics and machinery. According to the company, network expansion in the country is taking place in 3 phases. The first phase extends from Edirne in the northwest corner of the country covering Istanbul, and onto distribution nodes at Bursa and Izmir. The second phase covers transport between Eskisehir, Afyon and Antalya in the southwest. The company said that these phases are already

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/ten-t_days_2013.htm
ECG will attend

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: "Logistics in 2030 – Challenges and way forward" by the European Commission DG MOVE on 7th-8th November 2013
http://eulogisticsconference2013.com/
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

Transport Policy Event: "The Truck of the Future: Innovative, fuel-efficient, safe" by ACEA – The European Automobile Manufacturers' Association on 5th December 2013
http://truckofthefuture.eu/
ECG will attend

complete. The third phase, meanwhile, begins in Istanbul, extends from Ankara to Aksaray and Mersin, and out to Gaziantep, near the southern border with Syria, with further route dispersal in up to 8 directions into the interior. "This phase will go into operation in early 2014," explained Erik Leiss, CEO of DB Schenker Arkas, the Turkish division of the company. "We can thus offer our customers throughout Turkey regular departures, reliable lead and transport times, attractive prices and end-to-end consignment tracking in national land transports, in line with consistently high DB Schenker standards," he said. The main countries importing into Turkey include Germany, the United States, China – including Hong Kong – and France, while exports from the country, which are led by automotive, go mainly to Germany, the United Arab Emirates (UAE), India and the US. "Having our own land transport network in Turkey will enable us to cover yet another important market for our customers, and further tighten our network," said Karl Nutzinger, Management Board Member responsible for Land Transport at DB Schenker. With more than 40 regular lines, DB Schenker Arkas offers one of the highest transport frequencies for groupage to and from Europe, and provides a direct connection for customers through its European hub in Salzburg, Austria, including daily departures to Istanbul, Izmir, Ankara and Bursa. DB Schenker reported that 85,000 shipments weighing a total of approximately 185,300 metric tonnes were moved by road and rail in 2012. In September this year, the company also introduced its Bosporus Shuttle rail service, with 3 pairs of trains each week between Germany and Turkey. The trains cover the 2,300km stretch between Nuremberg and Istanbul in 5 days.

GEFCO celebrates a Delphi award

(Source: Automotive Logistics News, 09th October 2013) Global supplier of electronics and technologies, Delphi Automotive, has awarded its 2013 Above & Beyond prize to **GEFCO**. In an event that has now been running for 7 years, the accolade recognises special services performed by suppliers that went beyond a logistics provider's contractual obligations in the past year. The ceremony was held in Frankfurt on Monday 16th September. Aside from the Above & Beyond award, suppliers vied for the Delphi Pinnacle award, as well as the Technology award. The winners this year included ARD Logistics, the CPS Group, Daesung, Delfingen, Flow Dry Technology Inc., RPK, Tito Global Logistics, TNT and Wieland Werke AG. In 2012, Delphi paid tribute to 19 suppliers from 11 different countries. GEFCO's Corporate Sales Director, Emmanuel Arnaud, said: "GEFCO is truly proud to be recognised once again as a reliable and committed partner. This award reflects our ability to develop innovative solutions for contract logistics and transportation services for Delphi, and to exceed their expectations for service, delivery, quality, and competitiveness."

REST OF THE WORLD

Deicmar warns of vehicle handling monopoly at the Port of Santos in Brazil

(Source: Automotive Logistics News, 07th October 2013) Deicmar, which operates Brazil's second largest new vehicles terminal in Brazil, is petitioning the government to suspend the tender associated with a new finished vehicles terminal in the Saboó area at the Port of Santos. What are currently 5 independent areas are being bundled together to form a single concession, where both Ro-Ro and general cargo handling will be authorised. However, Deicmar claims that terms and conditions are such that the only practical application of the proposed terminal would be one handling purely containers, since new vehicle handling would be unprofitable. According to Deicmar, if terms and conditions are not amended, finished vehicles handling in the port will become the effective monopoly of TEV, the largest such terminal in the country, belonging to the Santos Brasil Group. This is disputed by Santos Brasil, which

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pointed out that the concessionaire will have to handle a statutory minimum of 104,000 vehicles annually, with up to 42% of the terminal given over to either Ro-Ro traffic or general cargo. The new concession is of particular interest to Deicmar, which already operates a similar sized mixed new vehicles and non-containerised general cargo terminal in the Saboó area of the port. However, its concession is about to expire, prompting it to seriously consider bidding for the new development area on offer. It currently handles around 200,000 new vehicles per year. The winner of the new concession will simply have to offer the cheapest stevedoring and wharfage rates. The concession, which will expire within 10 years, is estimated to generate total revenue of $544m. However, Gerson Foratto, Director of Deicmar, pointed out that, in the first 2 years of the contract, there will be a negative cash flow of $20m, since no container handling will be allowed in that period. Revenue improvement will only begin in 2016, when part of the site will be permitted to handle containers at non-discounted rates. “In order to win the tender, bargain prices will have to be offered as a means of cross-subsidising traffic,” said Foratto, meaning that what is on offer is really a container terminal masquerading as a mixed traffic terminal that includes new vehicles. The permitted vessel size will also be too small to effectively accommodate large Ro-Ro vessels, he added. "The port already has overcapacity in terms of containers, while Ro-Ro traffic is under-catered for,” said Mr Foratto.

Nigeria prepares to expand auto industry

(Source: Automotive Logistics News, 04th October 2013) The Federal Executive Council of Nigeria has approved a policy to develop the country’s local automotive industry’s production and supply base, while limiting foreign imports of vehicles both for government purchases and by increased tariffs. The Nigerian government’s Automotive Industrial Policy Development Plan seeks to increase assembly in the country and attract investment from global suppliers. It is also aimed at phasing out imports of second-hand vehicles, which are known locally as “Tokunbo”. According to statistics published in *The Nation* in 2012, 5,685 vehicles were imported into Nigeria during one recorded month, over 3,800 of which were second-hand. Around 28% of all vehicles imported monthly into the country are new. Under the new regulation, all vehicles procured by the federal government will have to be sourced from local assembly plants. The government will also discourage the importation of vehicles by setting higher tariffs. Labaran Maku, Nigeria’s Minister of Information, said that the shift towards a more localised focus came after “recommendations were adopted at various fora, conferences and consultations with stakeholders, including some original equipment manufacturers (OEMs).” Despite the fact that the new policy has been approved, it still awaits legislative backing from the National Assembly; if brought through, however, Ministers anticipate an increase in equipment manufacturing and the creation of numerous jobs – an estimated 700,000 – and technological advances across the country. Following the Council meeting, Dr Olusegun Aganga, Head of Trade and Investment, said that officials received input from OEMs such as Nissan and Toyota who were set to announce investments in Nigeria. “The Council approved that the recommendation should be backed by appropriate legislation to give comfort to investors that there will be no abrupt change in policy,” he said. To further cement the commitment to automotive progression in the country, the Industrial Training Fund (ITF) is also working with Cena of Brazil to open up new automotive training centres in Nigeria. Some universities have also implemented degree programmes in auto-mechanical engineering. To avoid any breakdown of the new policy and support growth in the automotive supply chain, the federal government plans to establish 3 automotive “clusters” across the country, as well as reviving the metal, steel, and tyre-manufacturing industries.

Malaysia’s Straits Auto Logistics expands Ro-Ro fleet

(Source: Automotive Logistics News, 03rd October 2013) Malaysian shipping service provider Straits Auto Logistics has invested $20m in a Ro-Ro vessel

capable of carrying more than 5,300 vehicles. The company, which is a joint venture between Japan's NYK Group and local Malaysian companies, now has a fleet of 6 Ro-Ro carriers, and its executives see further growth for the sector in the ASEAN region. The vessel, which is 14 years old and was built in Japan, has 12 decks and will have 3 times higher capacity than Straits Auto Logistics' current vessels. Managing Director Datuk Adrian Henry D'Silva said that there was a need for increased efficiency and faster delivery within the wider automotive logistics market in the region; he claimed that expanding the capacity of the Ro-Ro ships would enable this. "We operate car trailers in Peninsular Malaysia, a car terminal at Westports, car distribution centres at Kuching and Kota Kinabalu and a forwarding and customs agency company," he said. "Customers are demanding speedy and flawless delivery of their prized vehicles, so we have upgraded our capacity with this modern class vessel," he added. Straits Auto Logistics purchased its first Ro-Ro vessel in 2002, which had a capacity of 1,110 cars. This was replaced in 2003 with a larger ship. The company's main customers are Toyota, Mitsubishi and Isuzu. In further signs of the sector's growth, fellow Malaysian shipping operator Giga Shipping has also announced plans to expand its yard facilities over the coming years. Whilst much of the group's business is also focused around finished vehicles in the Port of Sabah and in the Port of Sarawek, it stated that over the next 3-4 years demand would rise from Indonesia and Thailand, and as such, a greater platform would be required to deal with increased flow. Malaysia sold more than 600,000 light vehicles in 2012. The market is currently tightly controlled with duties and taxes that favour local carmakers. The market is poised, however, to see increased flows of vehicles and automotive parts to and from other ASEAN countries as a regional Free Trade Agreement (FTA) comes into effect by 2016 that will eliminate most tariffs and taxes between member countries.

PRESS RELEASES

UN TIR bodies confirm that Russian customs are breaching international law

(Source: IRU – International Road Transport Union, 07th October 2013) As United Nations TIR bodies had a series of meetings in Geneva further to the Russian Federal Customs Service's (FCS RF) illegal decision to impose additional guarantees for TIR operations to, from and across Russian territory, governments from contracting parties to the TIR Convention clearly confirmed the breach of international law by the FCS RF and called for the immediate cancellation of the FCS RF's decision.

This call was first supported by governmental delegations from the TIR contracting parties who strongly voiced their concerns at the WP.30*.

More importantly, the AC.2**, which is the highest decision-making body of the TIR Convention, clearly confirmed that all recent steps from FCS RF are "contrary to the commitments of the Russian Federation under the TIR Convention."

In complete defiance of these calls from the international community, and in the absence of a final co-ordinated position of the Russian government, the FCS RF decided unilaterally, without prior notice, to immediately further extend such restrictions to the large Volga region.

Despite the official confirmation earlier this summer from the UN body in charge of supervising the TIR Convention – the TIR Executive Board – that this FCS RF decision was in breach with the UN TIR Convention hence with international law, the FCS RF nonetheless started introducing illegal restrictions on TIR guarantees step-by-step in the Far Eastern, Siberian and Ural Customs Directorates.
IRU Secretary General, Umberto de Pretto, stressed: "We are faced with an extraordinary situation. The governments of the contracting parties to the TIR Convention, the European Union and now the highest UN TIR bodies have all confirmed that Russia is violating international law. Everyone in the public and private sectors is unanimously calling on Russian customs to withdraw their unilateral and unfounded measures which, if implemented, will impact trade with Russia as well as the Russian economy and its citizens. Yet, Russian customs keeps extending its unlawful measures, even on the same day as the UN bodies met to discuss the matter. This flagrant defiance of international law must now stop! Russia has a long tradition of respecting international law and United Nations instruments as the best means of maintaining international peace and security, especially as a permanent member of the UN Security Council. Governments and the trade community are thus behind me in calling upon the highest competent decision-making bodies of the Russian Federation, to finalise as soon as possible their consultations, before it is too late for Russian trade and its people," Umberto de Pretto concluded.

To see the Russian Customs Directorates where the FCS RF illegal restriction on TIR guarantees applies, please click on the following link:
http://www.iru.org/pix/static/webnews-pages/TIR-Russia.png

To learn more about the TIR system please see:
http://www.iru.org/en_iru_about_tir

* WP.30: The United Nations Working Party on Customs questions affecting Transport is an inter-governmental body dealing with border-crossing facilitation and Customs issues.
** AC.2: The Administrative Committee is the highest decision-making body of the UN TIR Convention. It is composed of the 68 Contracting Parties to the TIR Convention and is responsible for examining compliance with the TIR Convention of any measure taken by a Contracting Party.

Strengthening the Eastern Partnership through transport: key results and next steps

(Source: European Commission, 09th October 2013) The European Union and the Transport Ministers of the Eastern Partnership met on Wednesday 9th October in Luxembourg to assess progress and endorse the next steps for improving transport connections. 2 years ago, the European Commission presented a transport action plan for bringing the EU's eastern neighbours closer to the EU. This approach was endorsed by Transport Ministers at their first meeting in Kraków, Poland, in 2011.

"Transport does not stop at borders. It brings the people and economies of Europe closer together. The Eastern Partnership is about extending the EU's success stories to our closest neighbours so that they can also benefit from faster, cheaper and safer transport connections," said Siim Kallas, Vice-President of the European Commission.

Transport co-operation with the Eastern Partnership countries is essential for increasing trade links and bringing the eastern and western halves of the European continent closer together. Smoother transport connections create opportunities for companies and people alike. This is a concrete example of the benefits that the EU can bring to the Eastern Partnership countries. The EU’s focus is on helping the partner countries to converge with EU rules in all transport modes, as well as on improving transport infrastructure and connections between the EU and its closest neighbours.

At the meeting in Luxembourg, the Ministers endorsed key results and gave guidance for future co-operation with a joint declaration.

The first results of closer transport co-operation with the Eastern Partnership countries can be summarised as follows:

Harmonisation with the EU legislation and gradual market integration: the partner countries have started reforms to align their transport systems with EU standards. The association agreements that the EU has negotiated with several partner countries envisage more regulatory convergence in transport. The most significant achievements of market integration are the signature and implementation of comprehensive aviation agreements that the EU has negotiated with Georgia and Moldova.

Regional Eastern Partnership Transport Network: Partner countries have agreed on priority connections in road, railway, air and sea transport in the Eastern Partnership region. Most importantly, this network connects with the trans-European transport network (TEN-T) and will serve as guidance for future investments.

Priority infrastructure projects on the regional transport network: projects such as the reconstruction of the Krakovits-Lviv-Brody-Rivne road in Ukraine and the upgrade of the railway line between Georgia and Azerbaijan are among those which partner countries have identified as priorities for improving connections with the EU and within the region. These projects could benefit from financing under existing EU funds and loans from international financial institutions.

As a next step, the Eastern Partnership Summit to be held in Vilnius, Lithuania, on 28th and 29th November 2013 is expected to endorse some concrete and achievable targets resulting from transport co-operation. Following the summit, the Eastern Partnership Transport Panel will oversee continuing technical co-operation to advance regulatory convergence and the implementation of specific projects.

4th Railway Package: Open, flexible and interoperable

(Source: CER, 09th October 2013) The Community of European Railway and Infrastructure Companies (CER) calls on Members of the European Parliament (MEPs) to craft compromise amendments that shall be conducive to the emergence of a single European railway area that is open, flexible and interoperable.

CER takes note of the high number of amendments tabled and welcomes this strong contribution from MEPs which proves the importance of the matter at stake.

CER strongly supports reverting to the existing structural requirements as set in the recast directive which allows for several governance models but subject to objective non-discriminatory access conditions. CER is convinced that the European Commission's proposal imposing very strict separation requirements is too narrow and goes against a reasonable application of the principle of subsidiarity. Discriminatory behaviour can better be prevented by strengthening national regulatory bodies and by strengthening the European network of national regulatory bodies.

CER strongly backs flexibility for the award mechanism – i.e. tendering, direct award, or in-house provision – and for the scope and size definition of Public Service Obligations (PSO): these must remain the legal and political responsibility of each competent authority. In addition, it is essential to clarify the scope of the social provisions applicable to Public Service Obligations in case of a change of operator.

CER actively supports simplified and more efficient processes for safety certifications and authorisations of the equipment for placing on market and in service. The rail sector calls for the proposals on the European Railway Agency (ERA) regulation, and on the rail safety and rail interoperability directives to be put on a fast track and be agreed as soon as possible with the Council of the European Union.

CER Executive Director Libor Lochman said: "I am happy to see the remarkable progress made by the European Parliament in tackling the Fourth Railway Package. There is cross-party support for vital ideas for the future of European railways that are supported by CER. It is my wish that these ideas will be duly considered as fundamental building blocks for each political group, leading to sensible compromise proposals that will be acceptable for clear majorities of MEPs."