ECG News

Truck Ship Compound Train Barge

ECG – The Association of European Vehicle Logistics

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ECG's campaign on harmonising loaded truck lengths – You can help us!

As the readers of ECG News will know, Directive 96/53/EC on Weights and Dimensions of Heavy Goods Vehicles is currently being reviewed by the European institutions.

Today most trucks are restricted to 18.75m in length when crossing borders between EU Member States, even if for specialised vehicle transporters the limit of allowed loaded length within most EU countries is significantly higher. Therefore, for more than a decade ECG has been campaigning for an EU-wide harmonised loaded length of at least 20.75m.

Finally, in April 2014 the European Parliament (EP) adopted amendments that would allow vehicle transporters to cross all internal borders with up to 20.75m loaded length, which could end the current patchwork of national regulations. It would also mean that new EU legislation could clearly differentiate between loaded and unloaded length (for vehicle transporters only), which is not the case today.

Discussions will continue as of September 2014, since the Council of Transport Ministers still needs to agree to the EP's amendments before any proposed changes can become law.

If you are able to speak for your company and willing to help by supporting the ECG campaign towards your national transport ministry, please contact Tom Antonissen, EU Affairs Adviser at ECG to discuss.

NEWS FROM BRUSSELS

SARMED becomes ECG's member

(Source: ECG, 6th November 2014) This week ECG is very pleased to welcome SARMED to its membership! SARMED is a pioneering Greek company in the field of logistics. It is the head of a group of companies that offer a full range of supply chain services and the first privately owned company that started managing Customs warehouses for more than 23 years. SARMED is a well-established finished vehicle logistics (FVL) service provider in Greece, having Audi, Toyota, Mercedes, Ford, Renault and many other OEMs among its clients. The company's portfolio covers all stages of the supply chain, from the transportation of new vehicles from the moment they arrive in Greece until their final delivery to the official dealership network. SARMED operates 230.000m^2 of privately owned open areas, with a storage capacity of 9,000 vehicles, as well as a 4,000m^2 of covered areas which operate as a state-of-the-art workshop, where PDI and other technical services are carried out. Besides its services in FVL, SARMED engages in various other activities, ranging from packaging and labelling, to inventories and customs clearance services. For more info, please visit its website: http://sarmed.gr/en/

Transport sector faces €8.6bn annual loss

(Source: EurActiv, 3rd November 2014) The EU transport sector will lose €8.6bn every year if it doesn't address legislative gaps and market inefficiencies in the next two decades, the 'Cost of Non-Europe in the Single Market in Transport and Tourism' report found. The report, published by the European Parliament, warns that the transport industry risks becoming uncompetitive and will miss out on important gains if the EU holds back from liberalising the market. The publication coincided with new Transport Commissioner Violeta Bulc assuming office on 1st November. As the new Commissioner, Bulc has 100 days to shape the EU transport policy agenda before presenting her initiatives to the European Parliament and the Council of the EU. The study analyses what has been achieved up until now in the transport sector, and presents the areas that need further liberalisation through EU laws. It also estimates the losses the EU will incur without further EU regulation. According to the report, road, rail, and air transport has been progressively restructured in the past, but "20 years of regulatory actions have not created a sufficiently open market." Industry's resistance, and a slow implementation of the EU rules by Member States in national legislation, have left loopholes. It also created barriers for the smooth functioning of a single European transport market. The European rail sector, for instance, saw the establishment of a European Railway Agency among others. But even if the institution helped establish common rules on safety, and eased the exchange and use of information across the EU, two big obstacles remain. First, European trains find it difficult to move freely across borders due to current rail infrastructures. For example, a train crossing from Austria to Italy has to stop at the border and adapt to new signalling rules by adding tail lights or reflective boards. This costs time and money. Different gauges, or the electricity systems trains are connected to, represent more barriers that need to be dealt with at the European level, the study claims. Second, many companies cannot enter the market because of administrative limitations. Member States protect the national railways companies, which hold "a monopoly position in many domestic markets." The lack of competition results in inefficiencies and low quality services for consumers. The European rail industry association UNIFE has voiced the same concerns as the policy experts in the study. "The market opening and liberalisation must be pushed further in order to allow rail transport to develop its potential and compete with other transport modes," UNIFE stated in a press release. The situation in road transport looks better. But even if the sector has the most harmonised rules at EU level, it still encounters obstacles. The study describes road transport as "the largest single emitter of greenhouse gas and

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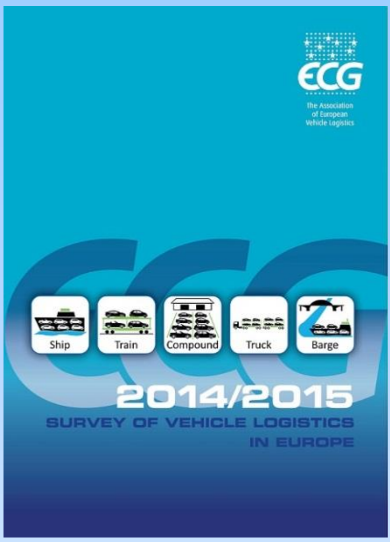

- Combines global and European data and information on the automotive industry in general, and the finished vehicle logistics sector in particular
- The only publication for the European Vehicle Logistics sector, also covering Russia, Turkey and Ukraine

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http://www.ecgassociation.eu/publicationsreports/ecgbiennialsurvey.aspx

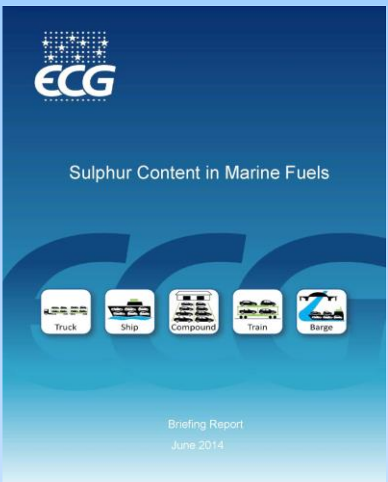
polluting emissions in the EU." Moreover, the number of fatalities occurring on EU roads is still high. Poor social and employment conditions for drivers are as big of a problem as the road pollution and safety standards. Currently, many companies use drivers who falsely claim being self-employed in another member country. This created "incentives for transport companies to adopt dumping practices", and worsen the conditions for all of the drivers across the EU. The experts estimate that if all these loopholes are addressed and covered by EU actions, completely integrated road and rail sectors would bring at least €70bn to the EU economy in the next two decades.

The European Parliament study can be downloaded from the following links:
Road transport and railways:
http://www.europarl.europa.eu/thinktank/en/document.html?reference=EPRS_STU(2014)510986
Air, maritime and inland waterways:
http://www.europarl.europa.eu/thinktank/en/document.html?reference=EPRS_STU(2014)510987

EU gears up for more road toll schemes

(Source: EurActiv, 5th November 2014) The European Commission announced it will propose a new law to make road toll schemes across Europe more user-friendly if it fails to achieve it through non-binding measures. Speaking at a European Parliament hearing on European road toll systems for private vehicles on 5th November, the Commission said there was a lot of room for new initiatives in the area. As more countries introduce road toll schemes, the European Commission wants to ensure that the new set-ups are easy to use across the EU and are non-discriminatory. Toll roads have been set up in Hungary, the UK, and Latvia in the recent months. Sweden, Belgium and Norway are planning to put in place such schemes in 2016. "We have seen a proliferation of national draft schemes lately," said the Commission at the hearing. "But we need to be mindful of the overall coherence of the introduction of those schemes." The announcement comes two weeks after Germany introduced a controversial law that charges vehicles for the use of its *Autobahn*. While all drivers technically have to pay for the same highway, German citizens are given the opportunity to deduct these costs from their annual car tax. The law has yet to be approved by Berlin, but if it comes into force, the system will discriminate against foreign drivers. The EU's executive arm refused to comment on the German initiative during the hearing, as the Commission does not take a position on draft laws. But unable to escape media pressure, Siim Kallas, the previous Transport Commissioner made earlier a statement on the issue. "We strongly believe that all European drivers should be treated equally. That's in the Treaty; it's not negotiable," said Kallas. Violeta Bulc, the new Transport Commissioner, who took office less than a week ago, is yet to take a stand on the issue. Policy makers, industry representatives, and NGOs present at the hearing, also discussed the option of aligning Member States' road toll systems for private vehicles to prevent having 28 different ones. They furthermore discussed how to finance and maintain road infrastructures. Road charging helps maintain infrastructures and it's a revenue source for Member States. The Commission has been a strong promoter of the "user and polluter pays" principles through road charging. At the moment, only tolls for heavy goods vehicles are regulated at the European level. Private vehicles, which include passenger cars, motorcycles and light commercial vehicles, are regulated by the national laws. The Commission, however, monitors that the EU countries' charging schemes comply with principles of non-discrimination and proportionality. Following presentations and discussions, the audience remained divided over whether a European road toll system should be put in place. Wim van de Camp, an MEP from the European People's Party, said his group will favour common rules at the EU level. He said Member States "need to align their systems, to make life easier for road users." Representing the users' point of view in the panel, Lauriane Krid, Policy Director at Fédération

Briefing paper on the sulphur content in marine fuels updated



With the Regulation on sulphur content in marine fuels coming into force on 1^{st} January 2015, ECG has updated its Briefing paper to better inform our readers.

The new rules will affect companies that operate routes in the Sulphur Emission Control Areas (SECAs), i.e. the North Sea with the English Channel and the Baltic Sea. In these zones the sulphur content of the fuel can't surpass 0.1% which is a great technical and financial challenge for these operators.

The Briefing paper contains IMO and EU regulatory background and analysis of the latest developments, as well as a glossary of terms.

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http://www.ecgassociation.eu/publicationsreports/ecgpositionandbriefingpapers.aspx

Internationale de l'Automobile (FIA), said that the road systems should be tailored to Member States' needs instead of having generalised road pricing in Europe. According to IRU, road users already contribute substantially to road maintenance, but it's up to the Member States to efficiently allocate the revenues. Whether the EU will have common rules for private vehicles will be the job of Commissioner Bulc to decide. The new college of Commissioners has promised to present their working programme with concrete proposals in its first 100 days of work. In the mission letter describing Commissioner Bulc's responsibilities for the next five years in the transport sector, President Juncker said she should "ensure an EU wide focus on optimal connectivity in order to connect different modes of transport and facilitate the lives of the travelling public." "You should also develop policies to foster a cross-transport approach increasingly based on a 'user-pays' philosophy, on a non-discriminatory basis," President Juncker continued. William Todts, senior transport policy officer at Transport and Environment (T&E) said that Europe "needs smarter solutions to the acute problems of annoying traffic jams and rising emissions from road transport. Vignettes are both discriminatory and ineffective in discouraging unnecessary travel. So we really hope Commissioner Bulc will use all the tools available – technical but also financial – to encourage member states to set up distance-based charging schemes that make people use roads more efficiently," he added.

For more news on the German and UK road toll schemes please read the articles under the 'Europe' section of this ECG News.

AUTOMOTIVE INDUSTRY

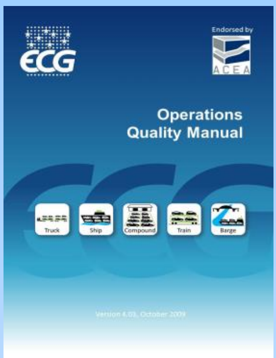
VW halted Russian output for a week

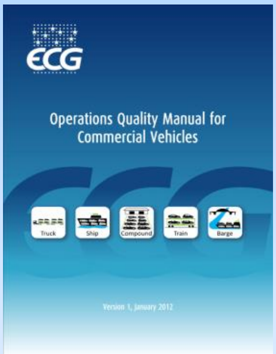
(Source: Automotive News Europe, 3^{rd} November 2014) Volkswagen Group halted production in Russia again as Western sanctions and the weak Russian rouble keep hurting auto demand. VW shut down its factory in Kaluga for five working days through 7^{th} November to adjust volume to the "general economic market situation in Russia," a VW spokesman said on 3^{rd} November. The stoppage is the second shutdown at the plant, which builds the VW Polo subcompact and VW Tiguan compact SUV as well as the Skoda Fabia subcompact and Octavia compact. VW already halted assembly lines for 10 days starting on 8^{th} September. Volkswagen Group's Russia sales fell 13% to 193,354 in the first nine months, matching an overall decline in the market, the Moscow-based Association of European Businesses (AEB) lobby group said in a statement on 8^{th} October. VW brand sales were down 20% through September while Skoda sales dropped by 2%.

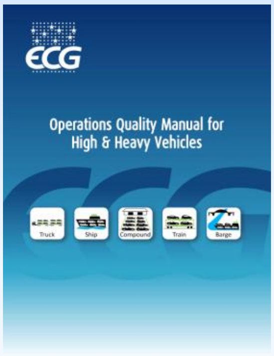
It's export or die for UK car industry

(Source: Automotive Logistics News, 5^{th} November 2014) Looking at the pattern of production and trade in the UK car industry there was one straightforward message that came out of the automotive industry meeting held on 5^{th} November by Nissan and Sunderland City Council in London – export or die. Presenting the report he was commissioned to write by the Council at a meeting room in the House of Lords, Professor Garel Rhys CBE, of the Cardiff University Business School, highlighted that the car sector in the UK today was very different to what it used to be, something clearly seen in what was made here and what was actually bought. "We export 80% of what we make and 85% of the cars sold in Great Britain are imported," said Rhys. "That is going to remain the case because most of our industry is based on single plants which make on average only one or two models. The dealers have to fill showrooms and they have to bring models in from abroad." Equally, said Rhys, the specialists can only find a viable sized market if they "massively export". His findings make for positive reading for those transport and logistics providers responsible for importing and exporting finished

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
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vehicles. One prime example in the UK is Nissan, which this week marks the milestone of producing 2 million Qashqai's off the line at its Sunderland plant, which by assembly volume is the UK's largest ever plant. However, 73% of the vehicles made at Sunderland, which also includes the Juke, Note and Leaf EV, are sold abroad in 132 countries around the world. The flip side of that is that there is also security in not being over reliant on the home market. "It gives strength because if only 20% is going to home market we are not dependent on it," said Rhys. "You are in an industry that spreads its sales everywhere. Too often you can be too reliant on the home market and when that goes down you are in trouble. That doesn't happen now." This is reflected in another announcement from Nissan: namely that the Infiniti Q30 will be made exclusively at the Sunderland plant from next year, and will be exported around the world, including to Europe, North America and China. The Sunderland plant could approach its 550,000-unit annual capacity once full production is achieved on this model. Producing vehicles with a global appeal is crucial for manufacturing in the UK and something that Honda in Swindon needs to quickly adopt if that plant is to survive, suggested Rhys. One other feature of the UK car industry today that differs to what it did as recently as 2005 is that the market is dominated by two main carmakers: Nissan and Jaguar Land Rover (JLR). Last year Nissan produced almost 502,000 vehicles while JLR made almost 418,000, a combined output of around 926,600, or 61% of all production in the UK (According to Rhys, JLR is likely to soon exceed Nissan UK's output since it is expanding its three assembly plants in the UK). It is these two carmakers that are going to deliver most of what is needed to push the UK to record levels of annual output exceeding 2 million, of which exports are going to continuing making up the great majority. A final example of why exports are so important to the country's manufacturing was seen in the survival of Vauxhall's Ellesmere Port facility in the UK over the Opel Bochum facility in Germany. "The Germans were desperately trying to close Ellesmere Port to keep Bochum open," recalled Rhys. However, with some good collaboration between the government, unions and management that fate was avoided; but there was an additional reason for this: "The Opel people made the mistake of thinking they did not have to close any plant in Germany, and that they would export," said Rhys. "But to where were they going to export? Opel had not exported out of Europe for 35 years." The UK is now in a different position, with a well-established export market for its leading international producers. "The UK motor industry is export-led 'par excellence'," said Rhys in his report. "This reflects the activities of all the car firms in that industry. They must export or die."

To download the report, please open the below link and click on the 'article attachment' at the bottom of the page:
http://www.shdlogistics.com/news/view/car-manufacturing-offers-9bn-opportunity-to-uk-supply-chain

$16bn bill for OEMs to meet new CO_2 rules

(Source: Automotive Purchasing, 3rd November 2014) The extra costs of building more fuel-efficient cars could prove ruinous to some European manufacturers, experts have warned. A study by ISI Automotive, said that the automotive industry as a whole will have to spend "around $16bn between now and 2022" in order to comply with the EU's fleet average CO_2 target figure of 95g/km. ISI said most of what in engineering terms is "low-hanging fruit", such as smaller engines and a greater focus on low rolling resistance, aerodynamic efficiency and lightweighting, has already been exploited and making the next step in fuel efficiency could spell the end for some OEMs. "Having studied reports from the European Environment Agency, the International Council on Clean Transportation and the European Commission, we think that these [new generation] cars will require an extra $1,350 in [engineering] content," said ISI's report. This would be a significant percentage of the factory cost of building a car: the average mass-market manufacturer only makes a profit margin of $400 - $500 per car.

ECG AGENDA

►**ECG Land Transport Meeting, in November (TBC)**

►**ECG Quality Working Group Meeting, in November (TBC)**

►**ECG UK & Ireland Regional Meeting on 12th November**, in London, UK

►**ECG Board Meeting, on 19th November**, in Brussels, Belgium

►**ECG Maritime & Ports Meeting, on 20-21st November**, in Zeebrugge, Belgium

►**ECG Academy Module II, on 25-29th November**, in Bremen, Germany

►**ECG office closed, between 25th December and 1st January**

►**ECG Board Meeting, on 27th January**, in Munich, Germany

According to a report by the International Council on Clean Transportation quoted by ISI, if the EU targets a new CO_2 fleet average of 80g/km for 2025, the cost of the extra engineering content could rise to $1,760 more than that of today's typical Golf-sized diesel cars.

Carmakers face uncertainty from EU's 2030 CO_2 goals

(Source: Automotive News Europe, 1st November 2014) The European Union's new 2030 climate and energy targets create uncertainty for automakers because they let Member States decide whether to include transport pollution in the EU's carbon emissions trading system. Such a move would force fuel suppliers to take part in Europe's cap-and-trade system. This might result in higher fuel costs being passed along to car buyers. Automakers are probably breathing a sigh of relief that a Danish proposal to include transportation emissions in the EU's carbon credit trading system didn't survive the European Council meeting last weekend. Automotive industry lobby group ACEA said it "welcomes the fact that the framework calls for a comprehensive and technologically neutral approach to transport-related emissions." ACEA's position is that EU regulators shouldn't attempt to pick winners by mandating any specific technology. Instead, they should build a framework and let the market decide. "In more general terms, ACEA believes that any new CO_2-reduction policy should be cost-efficient, technologically neutral and balanced in achieving the aim of reducing CO_2. It is important for our industry that we can now focus on getting the current targets properly implemented, which already proves challenging enough," ACEA Secretary General Erik Jonnaert told *Automotive News Europe* in an email reply to questions. But leaving the door open for individual governments to include them creates the risk that countries such as Denmark will push ahead on their own. "That decision to allow specific Member States to go ahead creates the risk of an eventual EU-wide decision," said William Todts, a senior policy officer at Brussels-based clean-air lobbying association Transport & Environment (T&E). Europe's car industry is already the world leader in fuel efficiency because of the EU's carbon emissions standards, which created a level playing field for emissions reduction while setting challenging targets and a timetable. The CO_2 standards have been a major incentive for carmakers to invest in low emission powertrains, which in turn they launch in other markets. Volkswagen, for example, recently said it would launch more than 20 electric vehicles and plug-in hybrids in China by 2018. But the EU's carbon trading system, or ETS, in which polluters are "allowed" a certain emissions level and have to buy "credits" if they exceed it, has not caught on in countries like the US. Adding tailpipe emissions to the system would not affect automakers directly, Todts said. Currently, power suppliers are the "regulated entities" that participate in ETS. The auto industry would be added to the ETS by including oil companies along with fuel suppliers. Transport emissions, despite Europe's automakers' strong track record, are a clean-air problem. Road transport contributes about one-fifth of the EU's total CO_2 emissions. But slapping more taxes on fossil fuels, in the case of transportation, won't help reduce pollution much, according to a study by Cambridge Econometrics. "Putting road transport in the ETS alone would result in just 1% efficiency improvement over the next 15 years at current ETS prices (€6 per ton of CO_2)," according to the study. Todts at T&E said that fuel-efficiency standards are a better way to meet carbon goals. "They have worked," he said. "Everyone in the world is copying us now." The three targets for 2030 agreed by European leaders on 24th October are to cut greenhouse gas emissions by 40% compared to 1990 levels; to improve energy efficiency to 27% compared with business as usual; and to increase the share of renewable energy in the mix to 27%. Interestingly, these targets are much less ambitious than the ones set in 2009, when European leaders committed to reducing CO_2 emissions by 80-95%by 2050. Overall, the modest targets may indicate that Europe is shifting its focus away from aggressive pollution reduction, for two reasons: 1) the ongoing recession and 2) Europe has realised that its climate goals are linked to energy security, at a time when relations with Russia (a major energy supplier) grow

increasingly tense. Low-carbon technology is now couched in language on energy security. "The European Council also recognised that the EU's energy security can be increased by having recourse to indigenous resources as well as safe and sustainable low carbon technologies," the Council concluded at its 23-24th October meeting.

EUROPE

Rosyth-Zeebrugge route secured for the future

(Source: Automotive Purchasing, 4th November 2014) **DFDS Seaways**, the Scottish Government and Forth Ports have signed a Memorandum of Understanding in which they agree to continue the Rosyth-Zeebrugge freight shipping service under the management of DFDS Seaways. "We are very pleased to be able to continue this freight route for the benefit of our customers, for whom it was important to safeguard their transport business between Belgium and Scotland. We have always been very committed to this route and we are very satisfied that with good dialogue with the Scottish Government and Forth Ports we were able to find a solution to maintain the service in light of the forthcoming sulphur requirements, which will pose enormous challenges for the transport industry," says Niels Smedegaard, CEO of DFDS, who signed the agreement today with Scottish First Minister Alex Salmond and CEO Charles Hammond of Forth Ports. Rosyth-Zeebrugge will continue to be the only freight service between Scotland and Continental Europe. DFDS Seaways will maintain its existing sailing schedule, with the vessel FINLANDIA SEAWAYS offering three departures in each direction per week. In addition to this, DFDS Seaways and Forth Ports are pleased to announce that infrastructure improvements at the Rosyth terminal will allow double-stacking of containers on board the vessel. This decision will increase freight capacity, as requested by Scottish and Continental customers. Senior Vice-President Kell Robdrup adds: "We would like to thank all stakeholders involved for their continued support for this environmentally-friendly mode of transport and we look forward to welcoming additional customers making use of the only ferry service directly linking the Continent and Scotland."

Sulphur detection drones to monitor ECA compliance

(Source: Automotive Logistics News, 3rd November 2014) The enforcement of sulphur emission control areas (SECAs) in the waters around northern Europe will be supported with the use of sulphur detection, or 'sniffer' drones, which will be used to monitor emissions from ships. From January 2015, the sulphur content of bunker fuel in the North and Baltic Seas, as well as the English Channel, will be restricted to 0.1% m/m unless vessels are fitted with an abatement system. Similar limits are proposed for the coasts around the US and Canada. The proposal incorporates global standards agreed in 2008 under Annex VI of the International Maritime Organisation's (IMOs) MARPOL regulations. The drones, which are manufactured by Explicit, an IT solutions provider based in Lyngby, Denmark, use a self-guided system that seeks out ships at sea and measures sulphur emissions, and reports the data back in real-time. Explicit has received $100,000 in extra funding from the Danish Environmental Protection Agency (EPA). The Danish government recently announced an annual budget of $1.27m, which will be dedicated to monitoring emissions. Explicit was also one of ten finalists in the recent 2014 Ocean Exchange contest held in Savannah, Georgia. Ocean Exchange, an international cross industry platform of companies that promotes corporate social responsibility, said the funding for Explicit highlighted "the urgent need for strong enforcement initiatives with new sulphur limits on ship emissions only a few months away." The drone is being tested together with Force Technology A/S, and is backed by the Danish Ship Owners' Association and the Danish Maritime Agency. Concerns in the maritime sector about maintaining compliance with the forthcoming sulphur emissions regulations have

Events in Brussels

CLEPA holds the 'Driving the future of E-Mobility' event on **18th November**
http://www.clepa.eu/events/driving-the-future-of-e-mobility/

The 'Intelligent Mobility for Smart Cities' event is held on **18th November**
http://www.imobilitychallenge.eu/roadshow/view/id/15

The Centre organises the event 'All change for the Single European Railway' on **19th November**
http://www.edelman.be/events/change-single-european-railway/

The European Commission, UNIFE, and CER organise the European Rail Freight Days 2014 on **27-28th November**
http://www.cer.be/events/upcoming-events/european-rail-freight-days/2014/11/27/

CER organises the event 'Can rail help deliver a brighter future for Europe?' on **4th December**
http://tinyurl.com/lox9q37
ECG will attend

UIRR organizes the 'Intermodal /Combined Transport in Europe' event on **4th December**
http://extranet.uirr.com/invitation

CER and UNIFE hold the European Railway Award 2015 on **21st January 2015**
http://www.europeanrailwayaward.eu/
ECG will attend.

ECSA organizes the European Shipping Week between **2nd and 6th March 2015** in Brussels
https://www.europeanshippingweek.com/
ECG will attend.

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led to the set-up of a coalition of ship owners and operators called The Trident Alliance. The body was officially launched in July this year to collaborate on the enforcement of the SECA rules to ensure a level playing field between operators. The Trident Alliance's Chairman, Roger Strevens, is also Vice-President Environment at **Wallenius Wilhelmsen Logistics** (WWL). Speaking about the use of new technology being rolled out to monitor sulphur emissions, he said: "The Trident Alliance has been contacted by several organisations and entrepreneurs, and members have taken initiatives to explore a range of different paths for facilitating measurement of sulphur emissions. It is early days, and the outcomes are not certain, but these are important steps to support technology development." Other examples of the technology being explored to monitor emissions compliance include handheld instruments for measurement of sulphur levels in the fuel being used in ships, and the automated reporting of fuel line temperatures as an indicator of whether they are running on heavy fuel oil or marine gas oil. Five more companies have joined the Trident Alliance since July: Scorpio, Flinter, Solvang, Nordic Tankers and Ardmore Shipping Corporation. There are now 25 members in the coalition.

Forwarders urged to challenge 'unjustified' shipping line surcharges

(Source: Lloyd's Loading List, 5th November 2014) FIATA, the international trade association that represents the world's freight forwarders and logistics service providers, said it is time for the world's container shipping lines to "provide greater clarity on the ever increasing variety of surcharges that they apply". Robert Keen, chairman of FIATA's Multimodal Transport Institute, said that forwarders were accustomed to currency and fuel surcharges, but "need more transparency for other surcharges, often with questionable names and purposes that are charged to freight forwarders". Keen said: "In the past, we have seen Administration Fees, Peak Season Surcharges, or ISPS add-on surcharges. Of late, we have had examples of 'container cleaning fees' and 'container sealing fees', without any evidence of the expense actually being incurred." There have also been recent examples of port congestion surcharges caused by labour unrest and haulage surcharges resulting from HGV driver shortages, "which is difficult to understand as there is no explanation and little justification for an additional charge for a service that the container line is finding difficult to provide", FIATA said. Keen, who is also Director General of the British International Freight Association (BIFA) concluded: "It is time for freight forwarders to stop accepting at face value opaque and unjustified surcharges."

Santander upgrades to cope with increased vehicle traffic

(Source: Automotive Logistics News, 5th November 2014) Finished vehicle traffic continues to rise at the northern Spanish port of Santander. In the first three quarters, it handled 264,852 units, equivalent to growth of just more than 20%, meaning it is on course to beat its 2005 record of 320,000 vehicles for the year as a whole. The port authority is in the process of improving the Ro-Ro terminal, where a tender has been issued for resurfacing work. The work, which will take place over a three-month period, has an estimated cost of €1.05m, with bidders given the deadline for offers by 5th December 2014. A second tender, also linked to the new vehicles terminal located at the Espigón Central on Raos quay, has also been issued, covering work on a fourth rail siding. This must be completed within four months, with a base price set at just more than €921,000. It will be built to the north of the three existing tracks and be some 660m in length. Currently, the load factor on trains serving the terminal is extremely high, so the new siding is needed to ensure the port can continue to offer high levels of quality. In 2013, Santander port handled 309,000 new vehicles, the large majority of which were shipped by rail.

EU supports the construction of a green ferry in Germany

(Source: INEA, 4th November 2014) The EU's TEN-T Programme will co-finance with over €4m the construction of an innovative propulsion system with liquefied natural gas (LNG) for a combined passenger and freight ferry in Germany. The ferry will serve as a pilot for a new generation of green ships, which aim to cut down on air pollution over the sea. European regulations require the shipping sector to reduce sulphur in marine fuel in the North Sea to 0.1% as of January 2015. One of the ways for the sector to reach this goal is to use cleaner fuels, such as LNG. This project will work towards two major environmental and socio-economic goals: to reduce the sulphur emissions from ships through the use of LNG and to relieve traffic by combining passenger and freight transport on the same vessel. The development covers the innovative concept and design, implementation and installation of the LNG-propulsion system and its required components, as well as a pilot study on implementation resulting in recommendations on best practice. The project will also draft the legal basis for LNG propulsion vessels to operate in the harbour in order to allow safe refuelling and loading/unloading of freight. The ferry aims for a faster passenger and freight transport connection between Helgoland island and the mainland than the current ferries using conventional fuel. With its reduced emissions, it will also contribute to protecting the North Sea, which has been declared an Emission Control Area and, more specifically, the nearby Wadden Sea nature reserve. It will also safeguard the island as an attractive location for both permanent residents and seasonal visitors. The project was selected for EU funding with the assistance of external experts under the TEN-T Annual Call 2013, priority 'Decarbonisation (oil substitution or environmental cost reduction)'. Its implementation will be monitored by INEA, the European Commission's Innovation and Networks Executive Agency. The project is to be completed by December 2015.

EU to invest in the development of the Port of Dublin

(Source: INEA, 29th October 2014) The EU's TEN-T Programme will co-fund with almost €2.5m studies on the capacity development in the Port of Dublin to improve the freight traffic connection to the main rail and road axis linking Ireland to the UK and continental Europe. The project covers a set of preparatory studies for the construction works of the Alexandra basin redevelopment (ABR) global project with the aim to increase the port's capacity and adapt it to customer needs, mainly in the freight sector. After the completion of works the port will be able to accommodate larger ships and provide them with multipurpose berths for multiple transport modes. The studies include planning, environmental impact assessment, hearings on the project, economic and financial assessment, preparation and application for all relevant permits, licenses and consents, as well as procurement of detailed design services and documentation for the construction phase. The project was selected for EU funding with the assistance of external experts under the TEN-T Multi-Annual Call 2013, priority projects. Its implementation will be monitored by INEA. The project is to be completed by the end of 2015.

Germany's new road toll to cost foreign drivers up to €130

(Source: EurActiv, 31st October 2014) The German government introduced a controversial road toll on 30th October which will force foreign car drivers to pay up to €130 a year for using Germany's Autobahn motorways. The plan, intended to help Germany fund the upkeep of its transport infrastructure, which is used by millions of foreign vehicles, may yet face a legal challenge in Brussels for discriminating against foreign motorists. After months of heated debate between Chancellor Angela Merkel's Christian Democrats (CDU) and their Bavarian sister party Christian Social Union (CSU), Transport Minister Alexander Dobrindt dropped an original idea to raise the fee on all roads. However, the minister stuck to the plan that the toll will not lead to extra costs for German drivers by allowing them to offset the levy against an already existing motor vehicle tax. Dobrindt, a leading member of the CSU, said he was convinced that his draft law does not discriminate against foreign motorists and therefore would stand if challenged in court. "The infrastructure fee is sensible, fair and just," the minister said, adding that the revenues of the toll would only be used to modernise Germany's motorways and main roads. The toll is expected to be introduced in 2016. Motorists have to pay it by registering their license plates via the internet. Foreigners can also pay the levy at gas stations. The fee will take into account the cylinder capacity and environmental compatibility of the car with a maximum toll of €130 a year. Foreign drivers can pay a 10-day levy for €10, or two months for €22. The minister expects revenues of €3.7bn of which around 3bn will come from domestic drivers. With estimated introduction costs of nearly €200m, the net revenue might shrink to just €500m a year. Dobrindt's CSU wants foreign motorists to pay tolls on motorways because they think it is unfair that foreigners travel for free in Germany while German drivers have to pay tolls in neighbouring countries like Austria, Switzerland and France. The CSU pressed the motorway toll issue in coalition talks after last year's German federal elections. But Merkel's CDU and its other coalition ally, the centre-left Social Democrats (SPD), said they would only back the toll if it did not lead to extra costs for German motorists and if it complied with European Union rules that prohibit discrimination

against foreign motorists. Germany has already introduced a satellite-based toll system for lorries that obliges truck drivers to pay on motorways. This toll depends on the number of kilometres actually driven.

Germany set to extend truck toll system

(Source: Lloyd's Loading List, 6th November 2014) The German government has adopted a parliamentary bill extending the country's satellite-based truck toll system, Toll Collect. The bill recommends that a further 1,100km of the country's '*Bundesstraße*' federal highway network be added to the roads on which the toll is levied, effective July 2015. The bill also makes provision to subject trucks of more than 7.5 tonnes to the system whereas currently it only applies to trucks of over 12 tonnes. Toll Collect currently covers Germany's entire '*Autobahn*' motorway network of almost 13,000 kilometres, and 1,200 kilometres of *Bundesstraße* roads. But the government intends to extend it to all highways in the latter category by 2018. Germany's *Bundesstraße* network has a total length of about 40,000 km. The bill has been adopted by the German cabinet and will now be debated in parliament, with the Merkel administration looking to introduce the changes in July 2015.

UK HGV Road User Levy sails past annual target in just six months

(Source: Commercial Motor, 29th October 2014) The HGV Road User Levy has exceeded the estimate for annual revenue six months after it was launched, raking in £23.4m for the government. The figure was revealed by transport secretary Patrick McLoughlin on 23rd October during a transport question session in parliament. In August the Department for Transport revealed the levy had, four months in, raised £17m from an initial annual target of £20m. Transport minister Robert Goodwill added at that time that this figure showed that compliance had been high, and that DVSA officers had issued over 850 fixed penalty notices to drivers who had not paid the levy, resulting in fines worth more than £250,000. A separate parliamentary answer by Goodwill this summer revealed further detail, namely that in the 12 month period ending June 2014, 1.79 million foreign-registered goods vehicles travelled from Great Britain to mainland Europe. This was a 15% increase on the previous 12 month period. The revenue from the levy is not ring-fenced and goes into the general taxation pot. There have been various suggestions put forward as to how best spend it, with the boss of the Malcolm Group suggesting a fuel rebate. UKIP has even said it would do away with the levy if elected to introduce a Brit Disc instead, which would cover foreign-registered cars too.

PRESS RELEASES

Santiago Garcia-Milà re-elected as Chairman of ESPO

(Source: ESPO, 4th November 2014) Mr Garcia-Milà was unanimously elected for his second term as Chairman following a vote of by ESPO's General Assembly in Brussels on 4th November afternoon. Mr. Garcia-Milà is currently Deputy General Manager of the **Port of Barcelona**, in addition to being Vice-President of the International Association of Ports and Harbours (IAPH), the President of Barcelona's Port Community System, PortIC, Chief Executive Officer of tmZ, Zaragoza Inland Terminal and associate lecturer in International Marketing at the University of Barcelona.

The General Assembly also elected Annaleena Mäkilä and Eamonn O'Reilly as Vice-Chairs. Mr. O'Reilly, who serves as the Chief Executive of the Dublin Port Company, will now start a second term in the role. Ms. Mäkilä is currently Executive Director of the Finnish ports Association. Santiago Garcia-Milà starts his second term as Chairman of ESPO, following his tenure for the years 2012-2014.

Upon his re-election, Mr Garcia-Milà said "the last two years were quite challenging for ESPO, both with a new port regulation proposal on the table and the development of a new TEN-T policy framework. On both topics, ESPO has succeeded, notwithstanding the diversity of its ports, in taking a solid position and work in a professional way with EU policy makers towards a better policy." The work is not finished, he added. "I hope we can continue on this path, explain to EU policy makers how ports function, share our knowledge and our experience and convince Europe's decisions makers that Europe's ports work. I am happy to contribute to this work for two more years and would like to thank ESPO members for this vote of confidence." The election of Mr. Garcia-Milà coincides with the publication of ESPO's Annual Report 2014, which outlines the activities of the organisation over the past year.

A copy of ESPO's Annual Report can be downloaded from the link below:
http://www.espo.be/index.php?option=com_content&view=article&id=50&Itemid=84

Port of Koper wins ESPO Award 2014

(Source: European Sea Ports Organisation, 5th November 2014) The Port of Koper in Slovenia has been awarded this year's ESPO Award in recognition of its work in creating a sustainable future for the port and its surroundings. Koper was presented with the Award at a ceremony in Brussels on 4th November.

The theme of this year's ESPO Award was Innovative Environmental Projects. Koper won the 2014 Award for its project, "No Waste, Just Resources!", which aims to reduce the amount of waste through encouraging its reuse or reprocessing into environment-friendly materials, and includes such innovations as the use of paper mill sludge as an anti-dusting agent, the introduction of a heating system that uses recycled wood, the operation of the waste separation centre and composting plant and the reuse of marine silt as a construction material.

The ESPO Award 2014 attracted twenty projects from ports from all over Europe compete for the prize. Koper beat shortlisted projects from the ports of Huelva, Lisbon, Marseille and Rotterdam.

***ECG Note**: ECG congratulates the Port of Koper for this prestigious award! ECG will organise a **Maritime & Ports Working Group** meeting and an **Eastern Regional Meeting** in co-operation with the Port of Koper on **22nd and 23rd April 2015** respectively. More information on the Port of Koper's winning project can be found here.*

European Shipowners launch ESSF sulphur survey

(Source: ECSA, 5th November 2014) European shipowners have launched a survey to monitor the economic impact of the 0.1% sulphur requirements for shipping in the European Sulphur Emission Control Areas (SECAs), which are due to enter into force on 1st January 2015, as foreseen by the amended 2012 EU Sulphur Directive.

Numerous reports have already been published on the implementation of the new sulphur rules and the ensuing risks of a modal backshift (from sea to land-based transport), but have so far primarily been based on forecasts. "As we get closer to the entry into force of the new rules it becomes vital to move to fact-based analyses and take stock of what is actually happening in the market," pointed out Patrick Verhoeven, ECSA Secretary-General.

The survey is part of a stepwise approach to ascertain the economic impact of the upcoming sulphur requirements by gathering factual information from ship operators active in the European SECAs (the North Sea, Baltic Sea and the Channel). It was agreed upon at the European Sustainable Shipping Forum (ESSF), a multi-stakeholder platform set up by the European Commission to assess the developments towards compliance with the new requirements of the content of sulphur in marine fuel, exchange best practices and provide overall co-ordination.

"We strongly encourage ship operators to take part in this survey as it is very important to get an accurate picture of the situation before and after the entry into force of the new sulphur rules," commented Mr Verhoeven. The survey is addressed to ship operators who are wholly or partly active in the European SECAs and will be repeated on a quarterly basis throughout 2015. Responses to the survey will act as a source of information for the European Commission, which has to closely monitor the impact of the shipping sector's compliance with the new fuel quality standards.

ECSA strongly encourages ship operators active in the SECAs to answer the survey, which will be running until 30th November. Responses will be submitted to ECSA and treated confidentially. The results will solely be presented in an aggregated form.

The ESSF survey can be found here:
https://www.surveymonkey.com/s/T7C5PTS

Less than €100m needed to make the Danube navigable efficiently year round

(Source: EFIP, 3rd November 2014) The European Federation of Inland Ports (EFIP), Inland Navigation Europe (INE), the European Barge Union (EBU), the European Skippers' Organisation (ESO), Pro Danube International (PDI) and the Maritime Port of Constanţa urge riparian states to implement better fairway maintenance and ensure navigation reliability on the Danube.

At a meeting of the EU Strategy for the Danube Region (EUSDR) in Vukovar on 28th and 29th October 2014, the Priority Area 1a – inland waterways presented a Fairway Rehabilitation and Maintenance Master Plan for the Danube and its Navigable Tributaries. It concludes that additional investments of about €85m would be sufficient to reach recommended levels of service, *i.e.* 2.50m fairway depth at low navigable water level along the majority of Danube sections (2.0 m for the German section Straubing-Vilshofen). Additional annual operational costs would amount to about €8m. Compared to the magnitude of many other transport infrastructure projects, this is a rather modest sum. The European Commission has also signalled its willingness to offer support through EU co-funding. The undersigning organisations therefore urge the Danube riparian states to endorse the master plan and to ensure its swift implementation!

The current lack of fairway maintenance on the Danube resulting in unreliable navigation is a pressing issue for the inland waterway sector and the industry using it. The failure of some countries to honour their commitment to maintain the Danube threatens the safe and cost-efficient navigability of the river with disastrous consequences for the sector and affected industry. For example, a push-boat with four barges costs its owner about €3,300 a day in fixed costs. This money is lost each day the boat cannot operate due to low water levels. More importantly, in the medium term, unreliable infrastructure conditions deter potential customers from transporting their goods by inland waterway in the first place.

The new master plan identifies critical maintenance locations which currently limit the navigability of the Danube and analyses the underlying issues and the financial needs required to resolve them. The majority of investments are needed for dredging equipment, fairway marking and riverbed surveying. Investments are to be carried out in full compliance with EU environmental legislation, thus ensuring respect for biodiversity and integrated water management. The provision of quality infrastructure and legal certainty by the public sector will kick-start private investment in innovative and cost-effective services with positive effects for economic development in Europe. The competitive edge of some of Europe’s key industries (steel, agro, oil & minerals, aggregates) on the global market heavily depends on cost-effective inbound and outbound shipments of raw materials by inland waterways.