ECG News

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

ECG Board meeting in Turin

(Source: ECG, 10th September 2014) The ECG Board travelled to Italy this week where the Board meeting was kindly hosted at the CNH Village in Turin at the invitation of CNH and Iveco. The evening before, **Rolfo** invited the Board members to the company's premises in nearby Bra, where they gave a comprehensive tour of their factory and afterwards hosted a dinner in a spectacular local restaurant (*see photo on the right*). Following the Board meeting itself CNH had also managed to arrange a tour of their Maserati plant in Turin where the participants were able to view the whole production process of these exceptional cars (*see photo on the left*).

ECG would like to thank all concerned for their hospitality.

Composition of the new College of Commissioners announced

(Source: ECG & European Commission, 10th September 2014) The composition of President-elect Jean-Claude Juncker's College of Commissioners was announced on 10th September. This new College will introduce a novel system of co-operation among its members. It will have seven Vice-Presidents, six in addition to the High Representative for Foreign Affairs and Security Policy, each leading a project team with a composition that is open to changes over time. In a speech on 15th July in the European Parliament, Jean-Claude Juncker explained his view on how to manage the Commission: "I want a European Union that is bigger and more ambitious on big things, and smaller and more modest on small things." It is with this objective in mind that he chose to organise the new College around project teams. The project-based work will ensure a dynamic interaction of all Members of the College, breaking down silos and moving away from static structures. Vice-Presidents will also have a strategic filtering role. As a general rule, the President will not put any new initiative in the Commission Work Programme or on the agenda of the College, which has not received the backing of a Vice-President on the basis of sound arguments and a clear narrative. Another important novelty of the structure means the introduction of a First Vice-President in the person of the Dutch Frans Timmermans, who will be responsible for Better Regulation and will have a veto right over any proposals coming from the Commission. The new Commissioner responsible for Transport (and Space) will be the Slovakian Maroš Šefčovič who is not new to Brussels as currently he holds the position of Vice-President of the European Commission responsible for Inter-Institutional Relations and Administration. In the newly announced Juncker-Commission the transport policy has been teamed up with space, including the management of the EU's Galileo satellite navigation system. As Commissioner for Transport and Space, Šefčovič will oversee not only the Commission's DG MOVE but also the European GNSS Supervisory Authority (GSA), the European Maritime Safety Agency (EMSA) and the European Railway Agency (ERA). The Commissioner for Transport and Space will be an integral part of one of the most important project teams within the new Commission structure, "A New Boost for Jobs, Growth and Investment," spearheaded by Finnish Vice-President (and former Prime Minister) Jyrki Katainen. President-elect Juncker will steer his project teams to deliver swiftly, within the first three

ECG Academy

Course 9 will commence in October 2014

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.

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- Unique networking opportunities. Each course brings together over 20 individuals representing companies from across Europe
- The course culminates in the award of a Certificate in Automobile Logistics Management, which is an accredited qualification.

For more information please contact info@ecgassociation.eu

months of their mandate, on the jobs, growth and investment package announced in his Political Guidelines. This should allow the Commission to mobilise up to €300bn in additional public and private investment in the real economy over the next three years. As a next step the European Parliament has to give its consent to the entire College of Commissioners. This is preceded by hearings of the Commissioners-designates in the relevant parliamentary committees, which should start at the end of September. Once the European Parliament has given its consent, the European Council formally appoints the European Commission which is due to commence its mandate on 1st November 2014.

__ECSA__’s statement on the formation of the new Commission can be found further below in this issue. For more information on the composition of the new Commission and on the new Commissioner for Transport and Space, please see the following websites:
http://europa.eu/rapid/press-release_IP-14-984_en.htm
http://europa.eu/rapid/press-release_MEMO-14-523_en.htm
http://ec.europa.eu/about/juncker-commission/index_en.htm
http://ec.europa.eu/commission_2010-2014/sefcovic/about/cv/index_en.htm

CEF Transport: €11.9bn to improve European connections

(Source: European Commission, 11th September 2014) The European Commission has invited Member States to propose projects to use €11.9bn of EU funding to improve European transport connections. This is the largest ever single amount of EU funding earmarked for transport infrastructure. Member States have until 26th February 2015 to submit their bids. The funding will be concentrated along nine major transport corridors which, taken together, will form a core transport network and act as the economic life-blood of the Single Market. The funding will remove bottlenecks, revolutionise East West connections and streamline cross border transport operations for businesses and citizens throughout the EU. Commission Vice President Siim Kallas, responsible for transport, commented: “Transport is fundamental to an efficient European economy, so investing in transport connections to fuel the economic recovery is more important than ever. Areas of Europe without good transport connections are not going to grow or prosper. Member States need to seize this opportunity to bid for funding to be better connected, more competitive and provide smoother and quicker journeys for citizens and businesses.” EU financing for transport has tripled to €26bn for the period 2014-2020 (compared to €8 billion for 2007-2013), under the new Connecting Europe Facility (CEF). This is the first tranche of the new funding for transport to be made available. Taken together, these innovations - the tripling of transport financing combined with the decision to tightly focus the funding along nine major EU transport corridors - amount to the most radical overhaul of EU transport infrastructure policy since its inception in the 1980s. The new core network, to be established by 2030, will connect:

- 94 main European ports with rail and road links,
- 38 key airports with rail connections into major cities,
- 15,000km of railway line upgraded to high speed,
- 35 cross border projects to reduce bottlenecks.

The funding will be attributed to the most competitive projects and focused on nine major transport corridors in Europe. The projects will receive EU funds but must be co-financed by Member States. The results of the bidding, the allocation to projects will be announced in summer 2015.

More on the CEF Call for proposals, the Corridors, and the CEF Transport Info Days on 9th and 10th October in Brussels, here:
http://inea.ec.europa.eu/en/cef/cef_transport/apply_for_funding/cef_transport_call_for_proposals_2014.htm
http://ec.europa.eu/transport/themes/infrastructure/ten-t-guidelines/corridors/index_en.htm

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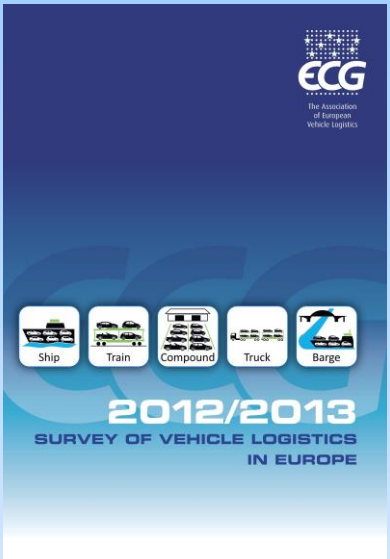

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From €125 for non-members

- Unique scientific publication, created by the sector to represent the reality of the industry in each single country across Europe, including Russia, Turkey and Ukraine.
- It combines global and European data and information on the automotive industry in general, and the finished vehicle logistics sector in particular.

To order a copy of the new ECG survey, please click on the following link: http://www.ecgassociation.eu/PublicationsReports/ECGBiennialSurvey.aspx

http://inea.ec.europa.eu/en/news__events/events/2014_cef_transport_info_day.htm

AUTOMOTIVE INDUSTRY

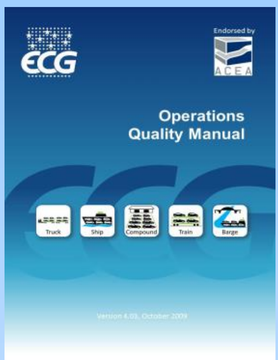
VW will reduce production at Russia plant

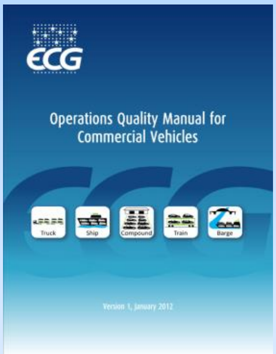
(Source: Automotive News Europe, 8th September 2014) Volkswagen will reduce production at its Russian factory in Kaluga to 150,000 vehicles this year from 200,000 originally planned, according to *Automobilwoche* sources. A VW spokesman declined to comment on the newspaper's figures but said the company was temporarily reducing production volumes at Kaluga due to the economic situation in Russia, with a 10-day shutdown that started on 8th September. Like other Western automakers, VW has been hit by the weakening rouble and by the slump in the Russian car market following the Ukraine crisis. Sales of VW Group brands, including the VW, Audi, Seat and Skoda, fell 11% to 154,606 through July, according to data from the Moscow-based Association of European Businesses (AEB). Overall sales in Russia were down 10% to 1.41 million in the same period. The Kaluga factory, which is 188km southwest of Moscow, builds the VW Polo and Tiguan models, as well as the Skoda Fabia and Octavia. The VW spoksman said the company remains fully committed to the Russian market and is consecutively fulfilling its investment programme in Russia, pointing out that a new body shop opened at Kaluga this year and that engine production in Kaluga and a new depot near Moscow will start operating in 2015. *Automobilwoche* also cited Opel's Board member responsible for sales, Peter Christian Kuespert, as expressing worries about Russia, one of Opel's biggest markets in Europe, compounded by Moscow's intervention in Ukraine. "There is no doubt that the situation in Russia is a concern. The market has shrunk substantially over the past few months and the Ukraine crisis has added to the uncertainty," Kuespert said. Foreign carmakers have invested at least $5bn in setting up local production in Russia since the mid-2000s. The government encouraged the trend by raising import duties on cars and lowering tariffs on parts. Besides Volkswagen, General Motors, Ford, Renault, Toyota and Hyundai are among those that produce locally. Russia's top automaker, AvtoVAZ, said in August it planned to cut production of its Lada cars in the coming months due to the falling Russian market.

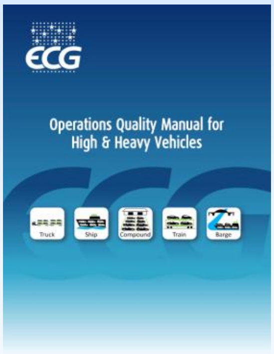
OEMs plan for Icelandic volcano contingency

(Source: Automotive Purchasing, 8th September 2014) Fearing disruption from eruptions from Icelandic volcano Bardarbunga, emergency logistics expertise is being sought to safeguard automotive industry production amid ash cloud uncertainty. A number of major OEMs have begun looking at contingency planning, as the automotive industry fears a repeat of the Icelandic ash cloud that devastated global flight schedules and led to costly production line delays. With news that the Bardarbunga volcano eruptions continue to increase in magnitude and lava spews 60 metres into the atmosphere, vehicle manufacturers are keen to avoid a repeat of the disruption caused by grounded flights in 2010, advises emergency logistics specialist Evolution Time Critical. "September is a traditionally busy period for automotive logistics as OEMs and suppliers work to replenish buffer stocks that have been heavily drawn on during seasonal shutdowns," says Evolution Time Critical Managing Director, Brad Brennan. "Lean supply strategy and the requirement of a diversifying range of components to meet broadening model ranges, means that 2014 buffer stocks have needed to be smaller and therefore won't stretch as far as in previous years." Brennan continued saying that "the possible threat of flight disruption means that it is crucial for vehicle manufacturers to work harder than ever to ensure contingencies are in place where possible. The inflexibility of lead times provides an obstacle for suppliers keen to get ahead and protect against potentially

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

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disruptive flight cancellations. In such cases, the strategic use of emergency logistics expertise offers potential solutions to build up reserve stocks in advance, or find alternative routes during a crisis." Current forecasts are unclear as to whether a resultant ash cloud is imminent, but a number of OEMs are taking no risks, added Evolution Time Critical. "We have spoken with a number of customers that are proactively looking at contingency planning to secure robust processes, as vehicle manufacturers and suppliers are increasingly aware of the cost of supply chain failure," says Brennan. "The globalised production footprint of automotive supply chains means that the ramifications for being unprepared for widespread flight disruption could affect markets worldwide. The worst case scenario of utilising proactive contingency is that there is no direct impact from the Bardarbunga volcano, but OEMs are heavily protected against future supply chain nuances; whereas the cost of failure through lack of preparation could run into millions."

Fiat halted Serbian factory production

(Source: Automotive Purchasing, 9th September 2014) The Serbian division of Italian carmaker Fiat, a major driver of the Serbian economy, has temporarily halted production, the company said in a statement issued on 8th September. Serbian media reported earlier that day that the plant in Kragujevac was halting production from 5th until 9th September. The company's statement read that "the causes of this temporary setback are external and related to situation in the European and global automotive markets." Fiat did not say how long production would be halted. The factory, a €1bn joint venture 67% owned by Fiat and 33% by the Serbian state, began producing Fiat's 500L family of compact cars in July 2012. In 2013, it was the country's biggest exporter, with revenues of €1.5bn.

Renault will build Bollore's electric Bluecars

(Source: Automotive News Europe, 9th September 2014) Renault signed a partnership deal to build electric cars for French billionaire Vincent Bollore's car-share programmes on 9th September. The companies will also carry out a feasibility study for Renault to develop and build a new three-seater electric vehicle equipped with Bollore's batteries to be sold to consumers, companies and municipalities. Under the agreement Renault will build Bluecar electric vehicles at its Dieppe plant in northwest France for the Bollore Group's car-sharing programme. The factory builds the Clio high-performance R.S. subcompact hatchback and is set to build an Alpine sports car scheduled for launch in 2016. Until now, Bollore's Bluecars were built in Italy under a joint venture with designer and contract manufacturer Pininfarina. The companies will also set up a joint venture, 70% owned by Bollore and 30% by Renault, to provide car-sharing services in France and elsewhere in Europe. Renault said Bollore will offer the Renault Zoe and Twizy EVs in its car sharing networks. Renault EVs will be gradually integrated into Bollore's car-sharing fleet to reach a proportion of 30% as quickly as possible, the automaker said. Bollore's Bluecars can travel about 241km per charge. The company's Autolib car sharing service is offered in Paris, Lyon and Bordeaux and will launch in London by 2016. Bollore is also investing $35m to set up its first US operation in Indianapolis, Indiana, where it began construction in April on a network of 25 vehicle distribution kiosks and as many as 1,000 public charging stations. Once Indianapolis is up and running, Bollore hopes to set up similar public fleets in other cities around the US. Bollore also wants to expand the service to China. Renault said the total production of Bollore cars built at the Dieppe and Italy sites is expected total 2,500 units in 2015. Neither Renault nor Bollore specified production numbers after 2015. Renault delivered 19,093 electric autos last year out of a total of 2.63 million cars and light commercial vehicles.

ECG AGENDA

►**ECG Board Meeting on 10th September,** in Turin, Italy

►**ECG Eastern Regional Meeting on 25th September,** in Sofia, Bulgaria

►**ECG Maritime & Ports Meeting,** in Le Havre, France **on 29-30th September**

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

►**ECG Conference** on **16th & 17th October 2014** in Amsterdam, the Netherlands

►**ECG Academy Alumni Meeting on 7th November**, in Munich, Germany

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

►**ECG Dinner Debate in the European Parliament, on 19th November (TBC),** in Brussels, Belgium

►**ECG Board Meeting, on 20th November,** in Brussels, Belgium

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

EUROPE

More than three quarters of Germans oppose longer trucks

(Source: No Mega Trucks Campaign, 5th September 2014) More than three quarters of Germans are against the introduction of longer, heavier vehicles (LHVs) on German roads, according to a representative survey carried out by the opinion researcher institute Forsa on behalf of the German Pro-Rail Alliance, the Automobile Club Transport (ACV) and the Association of German Transport Companies VDV. A total of 79% of those questioned said they opposed the introduction of LHVs on German roads while only 17% said that they were in favour. The previous Forsa survey in 2011 showed that 77% were against LHVs and 18% in favour. The main reasons given by those surveyed was greater risk of accidents (55%) and increased government spending for upgrading the road network (51%). Another important reason given by 47% of those polled was that using LHVs would shift transportation from the railways back onto the roads, damaging the environment. Whereas the transport ministry began trials of longer vehicles at the start of 2012 and despite the opposition of the majority of federal states, public mistrust has continued to increase. All the typical arguments put forward by supporters had failed to pass the test. Only 22% of Germans were convinced that LHVs would actually lead to fuel savings and help protect the environment. Less than a third of Germans believe the claim that allowing LHVs would reduce the overall number of trucks on the roads. In contrast, 55% of those surveyed are assuming that introducing LHVs will lead to more, not less, goods vehicles on the roads.

For more information on this rail-backed campaign in Germany, please see www.nomegatrucks.eu.

Commission proposes €12.7m from Globalisation Fund for former workers of PSA in France

(Source: European Commission, 11th September 2014) The European Commission has proposed to provide France with €12.7m from the European Globalisation Adjustment Fund (EGF) to help 2,357 workers made redundant by carmaker Peugeot Citroën Automobile (PSA) to find new jobs. The redundancies mainly concern the Aulnay plant (Ile-de-France), to be closed, and the Rennes plant (Brittany). The proposal now goes to the European Parliament and the EU's Council of Ministers for approval. Commissioner for Employment, Social Affairs and Inclusion László Andor commented: "As a consequence of globalisation, the European car industry is going through major structural changes. Redundancies like those in France are major shocks to regional economies and many workers in the motor industry are experiencing hardship. The proposal for €12.7m from the EGF demonstrates EU solidarity with these workers, and would help them get new skills, find new jobs or start their own business." France applied for support from the EGF following the dismissal of 6,120 workers at PSA. These redundancies were the result of a rapid decline of the EU's share of the global passenger car market. The measures, co-financed by the EGF, would help the 2,357 workers facing the greatest difficulties in finding new jobs by providing them with active career guidance, thematic workshops, a variety of training and upskilling schemes, and grants for business creation. The EGF measures are in addition to wide-ranging programmes carried out by PSA in the affected regions as part of its statutory obligations following mass redundancies. The total estimated cost of the package is €21.1m, of which the EGF would provide 60%.

REST OF THE WORLD

Events in Brussels

The European Commission organises the European Mobility Week between **16th and 22nd September**
http://www.mobilityweek.eu/home/

European Voice holds an international conference on 'Vehicle connectivity', on **18th September**
http://tinyurl.com/kun5cuz

Green eMotion EU flagship project holds 'The Green eMotion electric rally:
A showcase of an interoperable e-mobility system' **on 18th September**
http://tinyurl.com/p36ljxx

The European Transport Forum will be held on **23rd September**
http://www.europeantransportforum.eu/

EARPA holds its 2014 Conference **on 1st October**
http://tinyurl.com/lhqvtsz
ECG will attend

The 4th IRU/EU organizes the Road Transport Conference 'Future of road transport: Innovation & efficiency' on **9th October**
http://www.iru.org/en_4thirueu
ECG will attend

HIT Rail organises the 'Interoperability in Practice' workshop for the railway industry on **9th October**
http://interoperability.hitrail.com/

INEA holds the 2014 CEF Transport Info Day, on **9-10th October**
http://tinyurl.com/kp8m7bd

CLECAT organizes the '2014 Freight Forwarders Forum, Envisioning the Future of Logistics: Challenges and Solutions Explored' on **6th November**
http://tinyurl.com/nc4bsv5

VW signs contract with GEFCO for inland vehicle deliveries in China

(Source: Automotive Logistics News, 10th September 2014) Transport and logistics provider **GEFCO** is now distributing imported vehicles for the Skoda and Volkswagen brands following a contract it signed with the German carmaker last year. The company's Asia division is receiving vehicles from the ports of Shanghai and Tianjin, located in the east of the country, and transporting them under contract with local providers by road to 150 dealerships throughout China, including those in hard-to-access regions such as Tibet and the Xinjiang region, in the north-west of the country. The company is receiving orders on a daily basis and moving an average of 5,000 vehicles per month. However, a company spokesperson told *Automotive Logistics* that during the peak seasons of the year the shipment of those volumes were expected to surge, an eventuality that the company is ready to meet. Peak seasons in China are around the Chinese Lunar New Year, mid-year and at the end of the year. To guarantee the European standard in its subcontracting of the transport to local providers, GEFCO said it was carrying out stringent vendor management system controls, including quality management and regular review meetings. It is setting up key performance indicators (KPI) and reporting systems, as well as maintaining a programme of continuous training. "In addition, GEFCO's IT system, which connects all parties, including clients, subcontractors and the GEFCO team, will also help gain more visibility of the whole process thus ensure quality, safety and on-time delivery of the operation," said the spokesperson. "Meanwhile, in response to the need resulting from business expansion, GEFCO is planning to invest in its own fleet in the near future." The company is planning growth in the country of 50% this year and GEFCO China's Managing Director, Andrea Ambrogio, believes the company can sustain annual growth rates as high as between 20-25% for much of the remaining decade. GEFCO has recently provided a new door-to-door multimodal transport service for Volkswagen China by shipping 40 of its imported vehicles from Germany via the Chongqing-Xinjiang-Europe rail route. This marks the first ever block train to transport finished vehicles from Europe to China, exploring a faster and more convenient alternative for clients in the automotive industry. "Logistics for finished vehicles is one of the GEFCO Group's traditional areas of expertise," said Laurent Sik, FVL Manager for GEFCO Asia. "This new partnership with Volkswagen China is a perfect demonstration of the extent of our knowledge and our ability to meet the requirements of the sector, in terms of lead times, security, flexibility and reliability."

VW and Chrysler fined by China regulator for price monopoly

(Source: Automotive News Europe, 11th September 2014) China's anti-monopoly regulator announced on 11th September its first-ever punishment of foreign carmakers for price-fixing, fining Volkswagen Group and Chrysler a combined $46m. The penalty raised the possibility of similar fines being levied against other global automakers such Mercedes-Benz and Jaguar Land Rover, which are being probed for possible anti-competitive behaviour. The Shanghai branch of the National Development and Reform Commission (NDRC) said in a statement it would fine Chrysler's China sales unit 32m yuan ($5.22m) for operating a price monopoly. The price regulator in Hubei province announced it would fine the sales unit of FAW-Volkswagen Automobile Co. Ltd., one of Volkswagen's two China carmaking ventures, 249m yuan for price-fixing at its Audi sales unit. Three Chrysler dealers in Shanghai and eight Audi dealers in Hubei would also be fined, the regulators said. Punishment for Chrysler and Audi has been widely expected as the NDRC has previously said it had concluded the two carmakers had broken the anti-monopoly law. Audi had already admitted "partially" breaching the rules. Officials at Chrysler in China could not be reached for comment. A spokesman at Audi in China said the company was preparing a statement. An array of industries has been coming under the spotlight as China intensifies efforts to bring companies into compliance with its anti-monopoly law enacted in 2008. The auto sector has been under particular scrutiny, and the NDRC has been investigating

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the industry amid accusations by state media that global carmakers are overcharging consumers.

China puts shipping sector on front burner

(Source: World Cargo News, 5th September 2014) China's State Council (CSC) has published guidelines that put maritime transport sector reform on the political agenda. The plan sets out a series of national targets that the CSC wants Chinese shipping companies and government agencies to work towards, with an implementation date set by 2020. The targets focus on:

- a structural re-engineering of the sector,
- upgrading and expanding the main enterprises,
- creating a modern shipping services sector,
- reforming the state-owned carrier sector,
- improving China's shipping companies' competiveness in international markets,
- enhancing the sector's environmental credentials.

"This is the first time we are detailing the strategic targets and main missions for the development of the shipping industry since the foundation of the People's Republic of China," said He Jianzhong, Vice-Minister of the Ministry of Transport in an official statement. "This CSC paper will have a guiding effect for boosting confidence, enhancing reforms of shipping firms and prompting companies to transform and upgrade themselves," he added. The plan will be backed by a series of tax and regulatory reforms that will, in particular, encourage ocean carriers to invest in modern and greener fleets. CSC sees these measures as giving China a more powerful role in international trade and the global maritime industries. The move comes at a critical time for China whose economy has been slowing and some of its main ocean carriers, particularly in the container and bulk shipping sectors, have been losing money. The initiatives also follow the government's actions that have banned Valemax vessels from calling at its ports and prevented Maersk Line, MSC and CMA GGM - the three largest liner shipping companies in the world – from establishing the P3 Alliance.

Renault-Nissan and Daimler focus on Manzanillo port

(Source: Automotive Logistics News, 10th September 2014) Renault-Nissan's alliance with Daimler is reported to be importing equipment for the construction of its recently announced plant in Aguascalientes in Mexico through the west coast port of Manzanillo. The choice of Manzanillo is a significant one because the port is expected to import Nissan parts and components from Asia for production at the joint venture plant, which begins in 2017. Nissan already uses Manzanillo for parts imports to its existing factories in Aguascalientes. As revealed by Sofia Garcia, logistics service purchasing manager at Renault Nissan Purchasing Organisation, the rise in global material flow is helping Nissan increase its loading efficiencies to Mexico. Garcia pointed out that this not only involved combined flows with Renault, but also to Jatco, a Nissan subsidiary that builds transmissions and which opened a second plant in Aguascalientes in August this year. That commitment is backed up by the port administration's comments in the local press which assert that the port remains the main commercial choice for the carmakers. Renault-Nissan and Daimler are dividing investment of €1bn for the new plant which will build compact vehicles both for Nissan's premium Infiniti brand by 2017 and by 2018 for Mercedes-Benz. In August, Renault-Nissan officially opened a vehicle distribution centre (VDC) at its second plant in Aguascalientes, Mexico following an investment of $31m. The VDC will also support logistics operations at the Renault-Nissan-Daimler plant where eventual annual production capacity is expected to reach 300,000 vehicles. In addition, Renault Nissan already has an international parts centre in Aguascalientes where containerised parts are received and where parts are packed and processed for exports to South America and Europe.

Turbulence in the Middle East sees automakers reframe their plans

(Source: Automotive Purchasing, 5th September 2014) As a significant sweep of the Middle East remain in the grip of conflict, global automakers are being compelled to formulate alternative strategies to limit any negative impact on their regional operations. While Syria has been a lost market for some time now, the more recent flare up in Iraq and the Kurdish region - and the possibility of stiffer military ripostes from the US and allies - has auto majors working on the defensive strategies. “Supply to Iraq is on hold at the current time and Audi Middle East is working to support our dealer-partner during this difficult time and until the situation improves,” said Jan-Hendrik Schmitt, Audi Middle East’s Sales Director. Those shipments meant for Iraq are now being diverted to other markets “for the foreseeable future”. This is where the continuing upturn in the Gulf’s new-car sales will play a prominent role in plans by auto companies to offset the loss of Iraq. The Syrian situation had dragged another market - Lebanon - into the fray. In Audi’s case, the diverting of shipments from Iraq will “fulfil the increasing demand for our model range in other countries,” said Schmitt. “We reported an 11% increase on sales for the half-year and with new models such as the A8 L and the A3 Sedan launched, our sales potential is very healthy for the rest of 2014.” But the loss of Iraq and the city of Arbil - a market that many had seen as one of the growth markets for the medium-term with massive investments on infrastructure and allied sectors - will still be a big loss in the interim. More so as it was felt by many in the industry that year-on-year sales growth would stabilise in most of the Gulf after going through robust double-digit highs in the last three years. “Ford is watching the situation closely... The crisis has severely impacted our business,” said Jim Benintende, President of Ford Middle East and Africa. In recent years, nearly all of the global auto brands managed to build up some sort of representation in Arbil, while simultaneously working on their supply lines to feed networks in Iraq. The expectation was both markets would be the new pivots in scaling up regional unit sales for the auto industry. BMW Group Middle East now has directives in place that disallow its employees from travelling to Iraq. Interestingly enough, BMW sales in Iraq was actually up 4% in the January to August timeframe. Obviously, much of that was front-ended in the initial months of the year and before the conflict swept through a major part of the country. For the foreseeable future, the car companies will concentrate on squeezing out optimum growth from the Gulf markets. The UAE remains a haven of growth, with Ford MEA confirming that its “best growth potential in the near term will come from Saudi Arabia and the UAE. In BMW Group’s case, the UAE accounted for 54% of the 20,446 units sold in the region between January and August.

PRESS RELEASES

The Grimaldi Group and the Fremura family jointly invest in the Port of Livorno

*(Source: **Grimaldi Group**, 8th September 2014)* Atlantica SpA di Navigazione, a company part of the Grimaldi Group, recently entered the capital of CO.I.FI. srl., a company of Group Fremura, through a subscription of a capital increase.

The CO.I.FI. Srl company has among its various investments a 33% participation in the share capital of Sintermar SpA (the same percentage is held respectively by the D’Alesio and Neri groups), a terminal operator active in the **Port of Livorno**. This investment was made with the aim of strengthening port facilities in the Port of Livorno.

Thanks to this initiative, the Grimaldi Group further invests in the Port of Livorno, in alliance with the Fremura family, which has a long experience in terminal operations and shipping agency activities. “The alliance with a leading company such as the Grimaldi Group is a pride for us and confirms the constant commitment of our family on the development of the Port of Livorno,” says Marcello Fremura, Chairman of the Fremura Group.

“The Port of Livorno is a strategic hub for our Group, both for our traffic flows of new vehicles and for the network of Motorways of the Sea that we have developed in recent years,” states Emanuele Grimaldi, Managing Director of the Grimaldi Group, together with his brother Gianluca. “Through this new investment, we confirm our willingness to put down roots in the Port of Livorno, thus helping to develop more traffic flows and generate new jobs,” concludes Emanuele Grimaldi.

The Grimaldi Group is present in the Port of Livorno since 1968 and is represented by the shipping agency L.V. Ghianda Srl, of which it is the majority shareholder. Currently, the Grimaldi Group serves Livorno with Ro-Ro vessels and traditional ferries, connecting it, directly or indirectly, to more than 120 ports served by the Neapolitan Group worldwide. In 2013, the Grimaldi Group handled 238,000 units between cars, vans, trucks and trailers in the port, an increase of 6% compared to the previous year.

In 2014, the number of calls in the Port of Livorno are expected to be about 770 and about 34,000 shift / man are due to be reached. Moreover, about 300,000 units (between cars, vans, trucks and trailers) are estimated to be handled, an increase of 27% compared to 2013. In particular, the volume of trailers is expected to increase by 120% compared to 2011.

These data are particularly relevant, bearing in mind the current economic situation and the crisis in the automotive sector.

ECSA reaction to next Transport and Space Commissioner

(Source: ECSA, 10th September 2014) At a press conference on 10th September, European Commission President-Elect Jean-Claude Juncker presented his team of Commissioners and unveiled his plans for several structural reforms.

Among the many changes introduced by Mr Juncker, and the one most relevant to the EU shipping industry, is the renaming of Directorate General (DG) from Mobility and Transport to DG for Transport and Space. In line with the new space dimension that has been added to the existing DG MOVE, the new DG would incorporate several space-related units from DG Entreprise and Industry (DG ENTR). Mr Juncker has put forward Slovak candidate Maroš Šefčovič as the Commissioner of this new service, taking over from Mr Siim Kallas. Mr Šefčovič is a Slovak diplomat and the current European Commissioner for Inter-Institutional Relations and Administration.

“We congratulate Mr Šefčovič on his nomination as Transport and Space Commissioner and look forward to a fruitful co-operation with him. We also thank outgoing Transport Commissioner Siim Kallas for the excellent collaboration we have had in the past five years,” commented ECSA Secretary-General Patrick Verhoeven.

Following the European elections in May, the major reshuffling of EU top jobs is drawing to a close. After a period of intense deliberations, the President and Vice-Presidents of the European Parliament (EP) as well as Quaestors have assumed their new roles. EP Committees have now been formed and their Chairmen have been nominated.

In the European Commission tectonic plates are also moving. President Juncker, after receiving the support of the European Council in June, was elected to the position of Commission President in July by the EP. Following lengthy negotiations with Member States, Mr Juncker presented his College of Commissioners on 10th September.

Some of the other changes that are relevant to the EU shipping industry include:

- The nomination of Danish candidate Margrethe Vestager as the new Competition Commissioner (DG COMP), replacing Joaquin Almunia.
- The merger of DG Environment (ENVI) with DG Maritime Affairs and Fisheries (MARE) to form the new DG Environment, Maritime Affairs and Fisheries. Maltese candidate Karmenu Vella is nominated as the new Commissioner for this new DG, taking over from former ENVI Commissioner Janez Potočnik and MARE Commissioner Maria Damanaki.
- Belgian candidate Marianne Thyssen has been nominated as the new Commissioner for Employment, Social Affairs, Skills and Labour Mobility, taking over from László Andor.
- Yet another portfolio will be created through the union of two existing ones. DGs Climate Action and Energy will also merge to create a new Commission service, under the responsibility of Spanish candidate Commissioner Miguel Arias Cañete, replacing Energy Commissioner Gunther Oettinger and Climate Action Commissioner Connie Hedegaard.
- DG Taxation and Customs Union (TAXUD) and DG Economic and Monetary Affairs (ECFIN) will also be fused into a single DG under French candidate Commissioner Pierre Moscovici, taking over from Jyrki Katainen.
- Finally, Italian candidate Federica Mogherini has been designated as the new High Representative for Foreign Affairs and Security Policy, succeeding Lady Catherine Ashton as the head of the European External Action Service.

The proposed team of Commissioners will now have to receive the blessing of the European Parliament. To that end, candidate hearings by the EP will be held in the week of the 29th September. Should the MEPs agree to the proposed team, the Juncker Commission will officially begin its term on the 1st November and steer EU policy-making for the next five years.

Rail Forum Europe elects Michael Cramer as new President

(Source: Rail Forum Europe, 4th September 2014) Members of the Rail Forum Europe (RFE) Managing Board unanimously elected Michael Cramer (Greens, DE) as the new President of Rail Forum Europe, the MEPs' platform dedicated to rail transport. Mr. Cramer, who is also chairing the European Parliament's Transport and Tourism Committee, succeeds Brian Simpson who recently became the European Co-ordinator for the Motorways of the Sea and was President of the RFE since its creation in 2011. Mr. Cramer will take office as the new RFE President on 11th September.

During the same meeting, Gesine Meissner (ALDE, DE) and Georges Bach (EPP, LU) were elected as vice-Presidents of the Association.

The new RFE President Michael Cramer said: "I am a strong supporter of rail and I am convinced that rail has a fundamental role in making transport more sustainable. The Rail Forum is a well-established platform that will definitely help rail play a more pivotal role in EU transport policy."

RFE Vice-President Gesine Meissner commented: "I am more than happy to re-launch the activities of Rail Forum Europe that we successfully carried out during the past Parliamentary term. Rail stakeholders and decision makers should indeed work together to make rail a competitive mode that better enables the free movement of goods and people across the EU."

RFE Vice-President Georges Bach stated: "I am honoured to have been nominated as RFE Vice-President and I am convinced that Rail Forum Europe is an ideal platform to discuss and find solutions for the main issues affecting the rail sector and propose best practices and success stories."

Combined Transport's expectations on EU transport policy

(Source: UIRR, 5th September 2014) The road-rail Combined Transport operators and transhipment terminal managers (UIRR) have formulated their expectations of European Transport policymakers on the occasion of this year's European elections, the formation of the European Parliament's Transport Committee, as well as ahead of the nomination of the new European Commission.

The UIRR expectations were motivated by the following three overriding desires:

- Create a balanced regulatory playing field in transport to enable fair and equal competition of every transport mode offering long(er) distance transport services to be based on technical merit and management excellence only.
- Boost the competitiveness of railways by meaningfully advancing towards a truly Single European Railway Area in technical aspects, through the accelerated implementation of Rail Freight Corridors, the development of the rail infrastructure, and the further reinforcement of fair competition in rail operations through the elimination of privileged relationships, which continue to prevail in state owned railway holdings.
- Temporary measures to assist the transition period are needed in the meantime to assist the sustainable modes of transport (rail, inland navigation and short sea shipping). These modes are essential components of much needed intermodality in long(er) distance freight transport presently disadvantaged by regulatory imbalances, which should be temporarily assisted through benefit measures (until the desired legislative adjustments are all adopted and implemented).

In order to achieve measurable progress in these topics, the following actions are recommended for the 2014-2019 legislative period:

1. Enact the amendment of the Directive 96/53/EC regarding weights and dimensions as adopted in first reading in April 2014;
2. Conclude the Fourth Railway Package Technical and Governance Pillars as proposed by the European Commission;

3. Adopt the revision of the European Excise Duty Directive (2003/96/EC) as proposed by the Commission (COM/2011/169);
4. Recast the Combined Transport Directive (92/106/EC) to become an effective temporary mitigation and promotion tool;
5. Recast the Eurovignette Directive (1999/62 modified twice by 2006/38 and 2011/76) into the eToll Directive;
6. Consistently monitor the progress of implementation of adopted laws through consideration of the Commission's Reports;
7. Duly consider the potential that intermodality and Combined Transport can deliver towards achieving European transport policy aims during the mid-term review of the Commission's Transport White Paper and the formulation of the new Freight Logistics Action Plan.

ECG Note*: Together with some of its members, ECG has also been working on the Combined Transport Directive notably by responding to a recent EC consultation regarding its possible review. The main request of the sector is that finished vehicles shall in future be included in the current definition of "loading unit" within this directive, so that the sector's operators would also be able to take advantage of some of the fiscal incentives, such as tax exemptions, foreseen by the Combined Transport Directive 92/106/EC. In this regard, constructive discussions with the association UIRR have been started and will hopefully lead to closer co-operation on EU files of importance to the multimodal community.*