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

In memoriam Nikolaos Travlos

(Source: ECG, 10th October 2014) It is with great sorrow that we announce the passing of Nikolaos Travlos, the founder of **Neptune Lines Shipping and Managing Enterprises S.A**. earlier this month. He was well known throughout ECG and the industry.

The company was launched in 1975 with the purpose of providing cargo and ship handling services to all Greek ports. By 1980, the activities of Neptune Shipping Agencies S.A. had expanded to include operation of vessels in the entire Mediterranean area.

By 1986, Neptune Lines were operating the first Ro-Ro vessel in European ports and, soon thereafter, the first Pure Car Carrier vessel. This marked the beginning of the trading pattern of the company as it is today enjoying the recognition of major car manufacturers and having considerably increased the size of the fleet under their management.

Mr. Travlos bravely fought his battle with illness for many years during which time he never lost his drive, his energy and his commitment to make his knowledge available for the benefit of those with whom he was connected. Nikos Travlos was married to Maritsa Travlos and had one daughter, Melina, who is now running the company.

ECG Briefing Paper on Sulphur Content in Marine Fuels updated

(Source: ECG, 10th October 2014) New IMO rules will come into force on 1st January 2015 regulating the sulphur content in marine fuel in the so-called Sulphur Emission Control Areas, or SECAs. In the EU two SECAs have been designated: in the Baltic Sea and in the North Sea, covering the English Channel. The new rules mean that the sulphur content of the fuel used in these areas cannot exceed 0.1%, which is a considerable reduction from the current 1.0%. Shipping companies have several methods to comply with these new rules – the use of marine gas oil, exhaust gas cleaning systems (such as scrubbers) or the switch to the use of alternative fuels such as LNG. All of these options result in increased fuel costs for shipping operators and might as well cause a 'modal shift' from short sea routes to land transport. The change in the regulatory environment was the main reason for the update of the existing Briefing Paper which dated from back in January 2013. The new ECG document covers the background of the relevant IMO regulation, the International Convention for the Prevention of Pollution from Ships (MARPOL) as well as the history and the latest developments of the European Union initiatives to regulate in this field. It can be downloaded from the "ECG Position and Briefing Papers" section of the ECG website:
www.ecgassociation.eu/publicationsreports/ecgpositionandbriefingpapers.aspx

Transport MEPs want to keep Šefčovič

(Source: European Voice, 10th October 2014) The European Parliament's Transport (TRAN) Committee has written to Jean-Claude Juncker, the President-elect of the European Commission, asking him not to move Maroš Šefčovič from the transport portfolio to the energy union portfolio. Following the resignation of Alenka Bratušek on 9th October, the Slovenian nominee to be the European

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.

Benefits:

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

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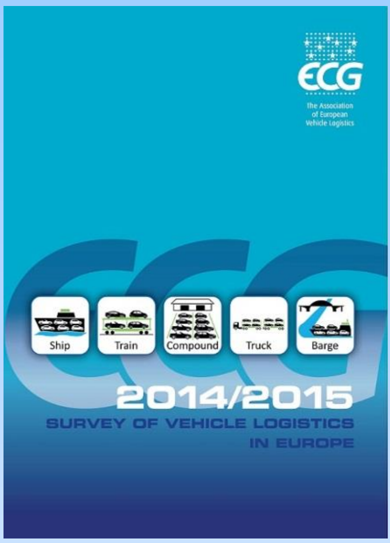
Commission Vice-President for energy union, there has been speculation that the new Slovenian nominee will be given the transport and space portfolio and that Šefčovič will be promoted to Vice-President for energy union. Slovenia's new nominee, Violetta Bulc, is thought to be too inexperienced to take on a Vice-Presidency. A portfolio reshuffle will be required. The letter from the TRAN Committee, signed by its Chairman Michael Cramer, follows reports on 8th October that Šefčovič may be moved to energy union. Bulc would then become the transport commissioner. The letter was sent after the announcement that Bulc would be the Slovenian nominee. "As you know, Mr Šefčovič had a very successful hearing on 30th September 2014, following which the TRAN Committee gave a very positive and consensual evaluation of his aptitude to be a member of the college of commissioners and of his possession of the necessary personal and professional skills, as well as political determination, to carry out the specific tasks assigned to him," Cramer writes. "We therefore trust that any possible reshuffle of your team will not involve Mr Šefčovič who has clearly demonstrated during his hearing a clear political vision for the future development of EU transport policy. You will agree with us that the EU needs a commissioner who can provide strong and decisive leadership of the transport and space portfolio."

AUTOMOTIVE INDUSTRY

Cutting logistics costs key to GM profit targets

(Source: Automotive Logistics News, 8th October 2014) General Motors has revealed details about how it plans to increase its margin to 10% in 2016, with cuts in material and logistics costs making up a large part of the company's savings in regions including North America and South America. During an investor meeting last week in Michigan, the company's Chief Executive Officer, Mary Barra, said that the company will reduce material and logistics costs specifically by around $2.5bn over the next two years. In North America alone, she said that GM would save $900m in both 2015 and 2016 in logistics costs. The plans are part of larger aims that include product and technology advances, a reduction in production platforms, targeted growth in China and the establishment of Cadillac as a separate business unit to pursue growth in the luxury market. GM also expects to return to profit in Europe by 2016. Margins are targeted to grow from around 8.5% in recent years to 10% by 2016. Barra said the company aims to improve relationships with suppliers and derive more global volume from fewer vehicle architectures. By 2020, the company expects that about 99% of global production will be on core architectures. To deliver better margins on forthcoming high-volume product launches, including the Opel/Vauxhall Corsa and Astra, and the Chevrolet Cruze and Malibu in North America, the company said it needed to lower enterprise costs for material and logistics. Last year, Grace Leiblein, Vice-President of global purchasing and supply chain (GPSC), made clear the company's intention to reduce logistics expenditure. She said that the company would trim its multi-billion dollar global logistics budget over the coming years by brining suppliers closer to assembly and investing in logistics infrastructure at plants, amongst other plans. Edgar Pezzo, GM's Executive Director of global logistics and containerisation has moved logistics to the fore in overall model planning and development. Central to that is the elimination of waste and this involves changes to material order processes as a way of eliminating extra inventory and making routes more efficient. GM has been pursuing a policy of 'total enterprise cost' for some years now, which has meant early consideration of supply chain costs and operations starting from vehicle development, including packaging requirements, supply breakpoints and long-distance transport and inventory costs. Pezzo said that while that was still a focus, spending had changed because of increasing fuel, trucking and other logistics costs. GM's logistics experts are now working even more closely with suppliers and the

Coming soon!
The new ECG Survey of Vehicle Logistics 2014-2015



- To be launched at the ECG Conference in Amsterdam, on 16 -17 October
- 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

Find more information at: http://www.ecgassociation.eu/publicationsreports/ecgbiennialsurvey.aspx

company's global purchasing department to lower material and logistics costs. That tightening of collaboration in planning has three main strategies: working with purchasing to better position suppliers taking into account global platforms, working with manufacturing to ensure the best infrastructure is in place close to the plants; and working with purchasing to localise as many suppliers as possible, especially in areas where there is a high imported content. Pezzo said that it is up to logistics teams to understand the requirements of design, sourcing and manufacturing to ensure that logistics can support and influence those areas. "Logistics is a very important part of the whole system," Pezzo told *Automotive Logistics*. "If we work upfront with our colleagues internally to optimise our network, we will contribute to the company's success, profits and overall objectives. The very fact that senior management is putting so much focus on logistics shows how important it really is at GM."

Suzuki's Hungarian plant cuts output

(Source: Automotive News Europe, 14th October 2014) Suzuki's Hungarian plant has operated at a reduced capacity for some time and the scaled-back production will continue for the rest of the year, the daily newspaper *Napi Gazdaság* reported on 14th October. Suzuki is keeping its target output of 150,000 vehicles for Esztergom, northwest Hungary, Suzuki spokeswoman Viktória Ruska told the paper. The factory has operated one shift instead of the usual two as it ceased production of two models, the Splash small minivan and the SX4 small SUV, and prepares for the production of the new Vitara from early 2015, Ruska said. The five-door Vitara subcompact SUV was premiered at the Paris auto show on 4th October and will go on sale in Europe early next year. Suzuki is not planning any layoffs and will return to two shifts once the new model's production begins, the spokeswoman said. The factory also builds the Swift subcompact hatchback, its top-seller in Europe, and the new S4 S-Cross. Suzuki's eight-month European sales were up 12% to 107,377, according to JATO Dynamics researchers, boosted by higher sales of the S4 S-Cross.

New role at Citroën (Greece) for Harris Germanakos

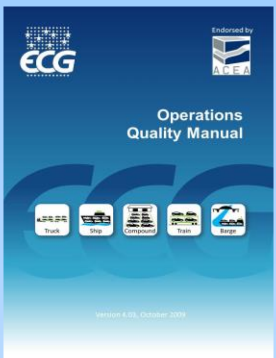
(Source: Automotive Purchasing, 8th October 2014) Harris Germanakos has been appointed Chief Operating Officer at Citroën (Greece). The franchise is owned by the Syngelidis Group which imports and distributes Citroën, Peugeot, Jeep and Lancia vehicles under license from the manufacturers. Germanakos was formerly Managing Director of **Hellenic Logistics**, also owned by the Syngelidis Group, which was sold earlier this year to **PAEGAE**, a long-established logistics company owned by the National Bank of Greece. Greece was particularly hard-hit by the financial crisis of 2008/2009 and the market for new cars dropped from a high of 300,000 units to just 55,000 last year. Now, the market is showing signs of recovery. "So far this year, the market has increased by just over 20% and all makes are establishing their strategic positions in order to gain the maximum from the years to come," said Germanakos. "We expect a slow and steady increase in sales to around 150,000 units in three years' time. At Citroën (Greece) we are creating a strategy and positioning the company for the future."

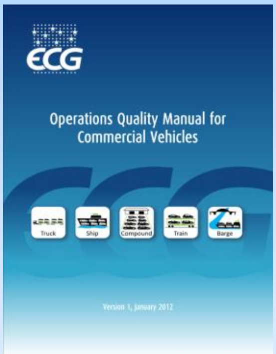
EUROPE

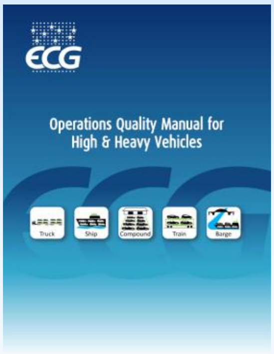
Antwerp Ro-Ro terminals start with paperless export

(Source: Maritime Professional, 10th October 2014) The Antwerp Port Community System (APCS) introduced the e-Desk for containers already in 2012, and this year the successful collaboration has been extended to rolling stock. The port of Zeebrugge (where **ICO** and **WWL** operate) started the e-Desk for Ro-Ro in February, and now the Antwerp terminals are following suit. All exports of new and second-hand vehicles and exports or transit of containers can now be declared electronically, so that paper declarations and accompanying documents

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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are no longer necessary. Each player, who has four obligatory data items that form part of the export declaration, can enter these parameters in the e-Desk. These parameters are: the Vehicle Identification Number (VIN: the 17-character chassis number), the Movement Reference Number (MRN) of the export declaration, the type of document (export or transit, as they are processed in different systems) and the Customs office of the point of exit (Antwerp or Zeebrugge). The advantages of the e-Desk include the uniform procedure in both ports, and the uniform Customs reporting, which permits faster processing of the exit declaration. This in turn means that exporters can quickly and easily demonstrate that their goods have left the EU, which is necessary for the VAT administration. The collaboration between Antwerp and Zeebrugge in automation of port processes is the result of smooth arrangements within the Cargo Community System, a non-profit organisation in which the ports of Antwerp, Ghent and Zeebrugge collaborate with the Customs department, the Flemish government and the waterway operators W&Z and De Scheepvaart to streamline the flow of information along the logistics chains.

Shippers support development of data collection system for maritime emissions, says GSF

(Source: Lloyd's Loading List, 8th October 2014) The Global Shippers' Forum is calling for shippers' carbon reporting requirements to be fully considered as the maritime sector develops technical and operational measures to reduce emissions. Ahead of the International Maritime Organisation's (IMO) Marine Environment Protection Committee (MEPC 67) meeting between 13th and 17th October, GSF is supporting progress towards establishing a data collection system for ships to measure maritime emissions. Shippers are under increasing pressure to be able to report Scope 3 (indirect carbon emissions) to customers and require this data from ship operators. Chris Welsh, Secretary General of GSF said: "Next week, we hope that the IMO's special correspondence group taking this work forward will make further progress on a data collection system. A pragmatic and practical data collection system, based where possible on actual fuel consumption and distance travelled, will help identify where emissions need to be cut whilst assisting shippers in making carbon efficient supply chain decisions." As the European Commission also works on proposals for a monitoring, reporting and verification (MRV) system from 2018 for all large ships that use EU ports, GSF welcomes the IMO's decision to also establish a global system. Ultimately a global reporting system for ships is required as shipping remains a global industry. Mr Welsh added that "shippers are increasingly required to measure, evaluate and report the carbon impact of global goods transportation for their customers. A standardised global system will help meet these requirements. As IMO continues this work, it is vital that shippers' views are factored into proposals and existing methodologies and tools that are already supported by industry are considered." GSF published its Maritime Emissions Policy Briefing earlier this year, examining the latest developments with maritime emission policy debate and the important role of shippers in that debate. GSF was created in 2006 as the successor to the Tripartite Shippers' Group, first organised in 1994. Like the Tripartite Shippers' Group, the GSF represents the interests of various national and regional shippers' organisations in Asia, Europe, North and South America and Africa. It is focused on the impact of commercial developments in the international freight transportation industry and the policy decisions of governments and international organisations that affect shippers and receivers of freight.

See also a related press release from ECSA under the "Press Releases" section of this ECG News issue.

ECG AGENDA

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

►**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

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

ECSA's former helms warn against Brussels' mess and call for maturity

(Source: Ship2Shore, 13th October 2014) John Lyras, head of Paralos Maritime Corporation and former President of the European Community Shipowners' Association (ECSA) warned delegates at the Shipping and the Law conference about the troubles caused by Brussels' bureaucratic intervention in the shipping industry and invited the stakeholders to defend IMO's status as a true reference for the sector. He underlined the need to protect the integrity of IMO as the global regulator for shipping, to prevent it from degenerating into a forum just aimed at the promotion of single national interests. "Regional and even unilateral shipping regulation can mask covert protectionism, nationalism and political expediency; this is highly undesirable for shipping that should not conform to the desiderata of national governments and the worrisome pre-empting of international regulations becoming endemic in Europe and Australasia," said Lyras. "Nobody can object when the European Commission makes law; as a result the body is becoming less and less legitimate. Shipping trade associations must lobby governments and Members of the European Parliament against the EU's unacceptable decision-making processes". Starting his speech by quoting compatriot ancient philosopher Heraclitos' panta rei (all flows, i.e. nothing remains constant), Lyras stressed that shipping is facing many challenges today: "therefore we need to defend longstanding unique maritime institutions such as the well-established principle of strict but limited liability, currently facing the challenge of the review of the EU environmental liability directive, P&I Clubs system of maritime insurance, subject to continuous assessment by the European Commission (DG COMP) for eventual anti-competitive behaviour, classification societies subject to the EU Regulation on recognized organisations and especially the integrity of the IMO itself as global regulator of shipping in the technical and operational fields and not as a forum for the promotion of national or regional political aspirations." In the era of globalization, the phenomenon of regionalism and unilateralism occurs often in the environmental area, though not exclusively. "This may be due to covert protectionism, nationalistic ideals or political expediency. But regional rules are unworkable for ships that call at different ports of a world subject to ever changing trade patterns. Ships are not 'elastic entities' to conform to the desiderata of local rulers. We should acknowledge that the IMO regulatory regime for international shipping covering a wide range of topics is comprehensive. It is worrisome that increasingly regional and unilateral measures pre-empt or even go beyond international regulations." Lyras recalls that particularly in the EU following the entry into force of the Lisbon Treaty in 2010 regulations are framed in general terms leaving 'details' to so-called *comitology* procedure, a subject dear to lawyers: delegated acts and implementing acts. "Nowadays there is an overwhelming majority of such acts of EU legislation being adopted, as contrasted to Regulations and Directives. So shipping becomes a host to wars between the EU institutions. Who regulates these very important 'details'? It will be determined on a case by case basis whether it will be a delegated act or an implementing act. In 2013 as many as 2,500 technical measures were adopted under the comitology procedure but only 70 Regulations/Directives were adopted subject to the 'visible power' of the Commission under the co-decision procedure with the Council and European Parliament. In essence the 'hidden power' is encroaching upon the 'visible power'. One wonders whether the EU institutions have received the message of the recent European elections! In view of the above unhappy state of affairs, shipping and its organisations must be vigilant in order to anticipate problems and to avoid becoming the victim of unconstitutional proceedings." According to Lyras, another endemic challenge is shipbuilding overcapacity - resulting not from a response to real market needs but driven by other considerations: industrial policy or the need to sustain work in shipyards - that adds to notorious volatility of freight market and prevents it from stabilising between supply and demand. Shipping's most urgent challenges include understanding the role of private equity finance and a need to lobby against regulation that is aspirational rather than founded in practical experience.

Events in Brussels

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

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

Emanuele Grimaldi, another former head of ECSA also called to act collectively to respond to increasing level of regulation at a time when yields remain under pressure from excess tonnage.

Brittany Ferries drops plans for LNG-powered ferries

(Source: Lloyd's Loading List, 14th October 2014) Brittany Ferries has dropped plans for a Liquid Natural Gas-powered ferry and also the conversion of three existing ferries in its fleet to the 'clean' LNG fuel. The company said it had taken the move because operators will not be able to benefit from a temporary exemption from the new low-sulphur rules - which come into effect at the start of 2015 - while making "the environmental transition to LNG". Brittany Ferries' Chairman Jean-Marc Roué said this was "regrettable" but his company would have been faced with "the double-whammy" of the investment in LNG provision and at the same time paying "tens of millions of euros annually" in additional fuel costs while its vessels were being converted. The €270m LNG vessel had been earmarked to enter service in 2017. Brittany Ferries will now equip six of its vessels with scrubbers - three that had already been planned plus the three that were originally intended to become LNG-converted - representing an outlay of €70-80m.

Dublin Port Company's new car terminal opens

(Source: Automotive Purchasing, 13th October 2014) Representing a total investment of €3.4m, the new terminal at Dublin Port Company will cater for 2,500 vehicles at a time, monitored by a state-of-the-art security system, manned on a 24/7, 365 days basis. Speaking at the opening, Dublin's Minister for Transport, Tourism and Sport, Paschal Donohoe, welcomed Dublin Port Company's strong throughput statistics which were published for the third quarter of 2014. The figures for this period show a 7.3% increase in export and import trade through Ireland's largest and busiest port. "The opening of the new trade car terminal at Dublin Port signals confidence in Ireland's economic recovery and motor industry," commented Minister Donohoe. "The car industry supports thousands of jobs and this investment by Dublin Port Company will further facilitate the growth in this sector. The opening of the terminal reaffirms Dublin Port Company's commitment to planning for future growth in a timely and forward-thinking manner." The works include the construction of a new 80m flyover bridge across East Wall Road. The bridge allows cars to move between the port estate and the new terminal without any interruption to traffic in the surrounding areas. The perimeter of the terminal also incorporates a "living wall", or vertical *façade* of green plants, which will be visible from East Wall Road by mid-next year as a permanent feature of the facility. "Dublin Port has an important role to play at the heart of the national and local economy, facilitating the effective movement of goods to and from the island," said Minister Donohoe. "Today's trading figures show the resilience of the Irish economy and I commend Dublin Port Company on its strong trading performance in the third quarter and year to date. "As a barometer of economic growth, the figures point to a very promising year for 2014 with strong increases in both throughput and ferry passenger numbers already evident. This is very welcome news indeed." Measuring 4.3 hectares, the terminal will accommodate the growing number of trade vehicles entering Dublin Port as Ireland returns to economic growth. There were 58,399 trade vehicles recorded in the first nine months of 2014, up 29.8% on the 44,987 that arrived in the same period last year. New figures for the third quarter this year show the arrival of 14,802 trade vehicles, mostly new cars destined for car dealerships, up 48.8% on the corresponding quarter in 2013.

French government indefinitely suspends truck toll

(Source: Automotive Logistics News, 13th October 2014) The French environment and transport ministries have announced they have indefinitely suspended plans for a controversial truck toll, an already watered-down version of the so-called 'ecotax'. The ecotax on heavy goods vehicles was originally proposed in July

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2013 and was expected to raise €1bn annually, but after protests from the trucking industry, a toll scheme was proposed for roads with the heaviest freight traffic. The toll transit was to apply to trucks over 3.5 tonnes driving on particularly congested highways. However, the toll had already been severely limited, down from 15,000km of highways to 4,000km. This was due to come into effect in January 2015, but the government has now suspended it indefinitely. The tax would have had a significant impact on a high percentage of automotive logistics vehicles travelling on France's roads. Many countries in Europe already have similar taxes that affect heavy duty vehicles in place, including Switzerland, Austria, Germany, Czech Republic, Sweden, Slovakia, Poland, Finland, Denmark, Belgium, and the United Kingdom. French Minister for Transport Alain Vidalies commented to the press on how difficult it would have been to implement the ecotax, including in a trial phase, after speaking with haulage federation representatives. Further protests from truck drivers were scheduled to begin next week, but have been suspended after the news. A number of environmental groups have expressed disappointment with the government's retreat. Cyril Jarny, Director of the Group for the Environment, Renewable Energy and Solidarity (GERES) France, a non-governmental organisation that specialises in sustainable energy and environmental protection, said that the retreat was a sign of the government's weakness. "This clearly shows that the French government retreats in the face of the transport companies, to avoid more contestation in a period of weakness," he said. "This retreat is also due to the dogmatic position of our new Minister for Environment, Ségolène Royal, about environmental taxes. She wants to promote a non-punitive environmental policy. This shows that our 'old thinking' politicians are still considering the environment as a specific field, not part of the economic development and not an integrated dimension of the global policy." Hubert Flocard, a retired director of research at the French National Centre for Scientific Research, said that the French government had effectively played all its cards already when it came to new taxes. "Among the many taxes that the government elected in 2012 imposed on the country, the only one that was really justified and needed for the good of the nation was the ecotax," he said. "Unfortunately the government waited until the French people got fed up with new taxes to try to implement this ecotax, thus leading to regional or professional revolts that the government yielded to." GART, the group of French transport authorities, said in a statement that one of the transport modes concerned with the indefinite postponement of the environmental tax is the railways, as it is "a decision that could weigh heavily on the sustainability of financing transport infrastructure." Without the money for rail infrastructure that the ecotax would have raised, there could be concerns about how quality of service may be impacted.

Ukraine and Russia to mutually increase import duties on cars

(Source: Automotive Logistics News, 15th October 2014) Russia and Ukraine are soon set to raise the import duties on passenger cars from each respective country by 10-15%, official statements from the authorities in Moscow and Kiev suggest. Formally, the reason behind the increase in import duties on passenger cars from Ukraine to Russia is due to the signing of the Free Trade Zone Agreement with the European Union by Ukraine. "After the entry into force, Russia will have to cancel trade preferences for imports of 174 different products from Ukraine, including cars," noted Russia's Prime Minister Dmitry Medvedev. As a result, the average import duty will be raised from 15% to 25%. Ukrainian authorities have officially said that an investigation by the interdepartmental commission on international trade found "that the import of cars from Russia is growing because of incentives, subsidies and export support programmes, which negatively affect the domestic [Ukrainian] car market." Currently, Russian vehicles imported to Ukraine are subject to 10% customs duty, but authorities have promised to take "mirror measures" against Russia, which would see the duty also raised to 25%. However, experts say these measures are just a desperate attempt by Russia and Ukraine to protect their domestic markets;

which are falling rapidly due to the deteriorating economic situation in both countries. "We have come to a time when the political decisions of two countries pose a serious threat to business. Mutual export restrictions will affect a number of companies, both Russian and Ukrainian, and generally disrupt the logistic flows, which ultimately will have a negative impact on existing projects in the automotive industry and the overall investment attractiveness of the industry," the head of a Russian car dealership who wished to remain anonymous commented.

According to official statistics from the Russian Federal Customs Service, ten carmakers in Russia deliver cars to Ukraine at the moment. Experts have said however that the imports and exports from Ukraine and Russia have virtually stopped in recent months. For example, in August, Renault-Nissan-AvtoVAZ reduced its sales in Ukraine to only 194 cars, a downturn of 69.9% year-on-year. OEMs are currently refusing to comment as to how the raise in import duties could affect their sales, but noted that they are continually assessing the situation, and it is currently too premature to make conclusions. Vladimir Bespalov, an analyst at Russian agency VTB Capital, said that the Ukrainian car industry will continue to fall, even if the increased import duties are introduced, because of economic and political instability in the country. In September, 5,788 new cars were registered, falling 10% from August (6,402 units), and falling 72% when compared to September 2013. The Association of Ukrainian Motor Vehicle Manufacturers reported that 71,011 cars were sold in Ukraine in the first eight months of 2014, showing that sales have fallen 51% year-on-year. In Russia, new-car sales dropped by 26% in August, and 20% in September to 197,233 passenger cars and light commercial vehicles. In the first nine months of 2014, sales were down 13% to 1.78m when compared to 2013.

Russia will not ban vehicle imports from EU and US

(Source: Automotive Logistics News, 15th October 2014) OEMs and logistics providers may be able to breathe a small sigh of relief as Russia's Ministry of Industry and Trade has said it is not considering the possibility of a ban on the supply of passenger cars to Russia from the US and EU, according to Autostat, a Russian automotive analysis firm. When asked about the possibility of banning vehicle imports to the country, the Deputy Minister, Andrei Dutov said, "It is not considered. Why ban something? We need support measures inside the country." The possibility of a Russian ban on vehicle imports has been lingering since the US and EU imposed sanctions on Russia following the Ukraine crisis. In August, Russia's State Duma had not ruled out the possibility of banning the import of cars from the EU and US, worth up to 800,000 roubles ($19,500). At the time, Dmitry Medvedev, the Prime Minister said, "We are ready to introduce a potentially protective measure in the aircraft industry, shipbuilding, automotive and some other industries. The government understands the importance of co-operation in this sphere. And, of course, we should adequately assess our own opportunities." Although the latest news from Russia is positive for OEMs, Russia's automotive market is still falling, with production and material shipments in sharp decline as well. It was recently revealed that Russian vehicle sales have fallen for the ninth month in a row. Russia's government has resumed a programme to support its domestic car industry, which accounts for around 75% of the market. Production is slowing in response to the market: Gaz has recently announced it is reducing its contract assembly for GM and Daimler, moving to a four-day week until 12th April 2015, which will impact the supply chain of CKD deliveries. Autostat reports that a spokesperson for Daimler said the reason for reducing assembly is because of a shrinking market, but that it hopes it will be a short-term measure. GM has also halted production at its St Petersburg plant for two weeks, lasting until 27th October.

REST OF THE WORLD

New auto berth opens at Port of Baltimore

(Source: Automotive Purchasing, 9th October 2014) A new auto berth has been officially opened at the Port of Baltimore's Masonville/Fairfield Marine Terminal. The new $22m facility, which replaces an old berth that has been in operation for more than 70 years, is aimed at driving increased automobile shipping to the city. The new, larger berth is considered key as cargo ships grow in size. It is also important for a terminal that ships a range of vehicles, from Mercedes-Benz, Chrysler, Jeep, Toyota and Fiat automobiles to heavy Ro-Ro construction equipment. "This new auto berth will further bolster the Port of Baltimore's already strong reputation as the leading auto port in the United States and is welcome news for the nearly 1,100 direct jobs that are generated by the Port's auto business," said Maryland Transportation Secretary James T. Smith Jr. "Thanks to the leadership of Governor Martin O'Malley and Lt. Governor Anthony Brown, Maryland will continue to make the necessary facility and infrastructure investments to ensure the Port of

Baltimore remains the premier auto port in the country." The existing berth is still operational, but officials are studying how it should be upgraded in the future. Michael Rye, Port Manager for shipping firm **Wallenius Wilhelmsen Logistics**, which operates at the location, commented: "Having two working berths will allow auto manufacturers at Fairfield to see their cars quicker, to load out quicker, to deliver out quicker. There will hopefully be less berth conflicts, less schedule conflicts." In 2013, the Port of Baltimore handled more than 750,000 cars, the most among any US port. The Port of Baltimore is ranked as the top port among all US ports for handling autos and light trucks, farm and construction machinery, imported forest products, imported sugar, imported aluminium and imported gypsum.

NYK launches inland transport service in Myanmar

(Source: Lloyd's Loading List, 14th October 2014) NYK is launching an inland transportation service in Myanmar for finished automobiles in partnership with Silverbird Auto Logistics, a Myanmar-based company that NYK has worked with for several years. The service was launched on 14th October and marked the latest stage in NYK's development in Myanmar. NYK, Silverbird Auto Logistics, and the Phee Group are working to establish a joint venture company in 2015 – one that will "allow the NYK Group to offer comprehensive logistics services in Myanmar, both in name and performance", NYK said. Phee Group operates shipping agencies and a spectrum of logistics services that include shipping, third-party logistics, and warehousing in Myanmar, along with offices in Singapore, Cambodia, and Vietnam. The Myanmar automobile market, which had traditionally been dominated by used-car imports from Japan, changed dramatically in 2014 with the rapid increase of new-car imports from numerous countries. In line with this change, NYK is making efforts to expand the company's high quality logistics services within the country. In 2011, NYK restarted its pure car carrier service to Yangon, and this service is currently offered twice a month. NYK also offers its customers in Myanmar comprehensive logistics services that include storage, pre-delivery inspection, and customs clearance. Building on its know-how and experience in car transport in ASEAN countries, NYK said it would take advantage of the "creative solutions" initiated in the company's "More Than Shipping 2018" medium-term management plan to provide higher-quality inland logistics services in Myanmar. Myanmar has experienced a rush of new interest and investment in recent months, with other international freight forwarding and logistics companies investing in Myanmar, including Damco and UPS. Damco earlier this summer started operating the first international-standard warehouse and container freight station facility in Myanmar, and UPS this summer launched inbound and outbound air and ocean freight services to and from the country. The International Monetary Fund reports Myanmar having a growth potential of 8.5% in the fiscal year 2014-2015, with the demand for freight services expected to rise rapidly as Myanmar starts developing into a new manufacturing market.

PRESS RELEASES

Another Awards Success for NVD

*(Source: **NVD**, 2nd October 2014)* NVD won yet another coveted award [on 1st October] when we were announced as 'National Haulier of the Year' at the 2015 Fleet Transport Awards. This follows our great success at the same awards last year when Tim Neville was awarded with the title of 2014 Transport Manager of the Year. Earlier this year the Irish Logistics and Transport Awards presented us with the 'Transport Company of the Year' Award.

All of these awards celebrate best practice and innovation in the Irish road transport industry and we are delighted with our success. This hat trick of awards is a testament to each and every member of our hardworking staff. Our success at these awards is a credit to everyone working in NVD – from our office based staff, to compound and workshop staff and our drivers who essentially are the face of NVD on the roads and in dealerships across the country.

It is a fantastic achievement to win such a prestigious award as we saw off competition for the title from other major players in the transport industry including Clare Distribution Services (Dublin), Colkar Transport (Dublin), Macroom Haulage Ltd (Cork) and Roche Logistics Group (Wexford). NVD were also short-listed for the Customer Service Excellence Awards as well as the Environment Award at the Fleet Transport Awards.

Congratulations and well done all.

CER policy recommendations for the new political mandate

(Source: CER, 14th October 2014) The Community of European Railway and Infrastructure Companies (CER) has published a set of 'Policy Priorities' for the 2014-2019 mandate – recommendations for EU policy-makers CER believes would be conducive to effective EU railway and transport policies in the years to come.

Transport, energy, and climate policies play a crucial role in strengthening Europe's economic security, its economic competitiveness, and its ability to pursue a robust external policy. Rail, as a low-oil, low-carbon transport mode, should constitute the backbone of a new-generation transport system and facilitating its growth will deliver positive growth and employment impacts. In order to reach this potential, CER suggests a three-pronged approach:

One, stabilise the legislative framework for the railway market. Two, pursue a pro-growth agenda for the railway sector. Three, develop a new inter-modal strategy for transport.

CER calls for a shift in emphasis on the part of EU policy-makers. The priority in the regulatory field should now be the efficient implementation of the Recast Directive and of the Fourth Railway Package once it enters into force – while avoiding further modifications in the area of market legislation. EU institutions have at their disposal tools that are softer and more light-touch than outright law-making. CER calls for such policy tools to be developed in more depth in the context of an enhanced dialogue between the rail sector and EU institutions.

In the broader policy context, CER also calls for a fresh look at the conditions governing both competition and co-operation between transport modes. A level playing field needs to be created in a number of areas – while also developing new facilitation measures to enhance win-win co-operation between transport modes.

CER Executive Director Libor Lochman said: "CER looks forward to fruitful exchanges of views with the European Commission and the European Parliament in order to bring about the right framework conditions for rail to grow and fulfil its potential."

To download CER's 'Sector vision and policy priorities 2014-2019', follow the link:
http://www.cer.be/publications/latest-publications/latest-publications/sector-vision-and-policy-priorities-2014-2019/

Shipowners ask EU co-legislators not to pre-empt CO_2 progress at global level

(Source: ECSA, 15th October 2014) European shipowners are concerned by the intention of the Italian Presidency of the Council to move full steam ahead with an inter-institutional agreement on the EU Regulation for Monitoring, Reporting and Verification system of CO_2 emissions from maritime transport (EU MRV Regulation), which could potentially include commercial and operational information. ECSA therefore urges EU decision-makers ahead of the trialogue negotiations (which are due to start on 15th October) to re-focus on developments at international level, lest unilateral EU action lead to regional differentiation and ultimately obstruct progress in the IMO.

In 2013, the European Commission put forward the MRV proposal with the intention of paving the way for an international solution. The IMO has in parallel been making progress towards establishing a global monitoring system. Currently, the work on the EU instrument is proceeding at a faster pace than the work of the IMO, and therein lies the risk. The EU instrument should be as simple and straightforward as possible, so as to be easily adaptable at a later stage to incorporate the outcome of the IMO process. Moreover, the simpler the EU tool remains, the more it will facilitate international negotiations instead of pre-empting them.

"The stated goal of EU regulators has until now been to make the MRV the first step towards a global solution on CO_2 emissions from shipping and I believe it is important to avoid any boomerang effect resulting from unilateral EU action. Co-legislators should therefore take into account ongoing IMO deliberations and anticipate the reaction of non-European IMO Parties. Failing to do so could present other IMO Member States with a de facto situation that might ultimately hamper a swift agreement at IMO level," commented Patrick Verhoeven, ECSA Secretary-General.

It should also be noted that the Commission's proposal indicates 2018 as the starting year for the monitoring exercise, giving ample time to the IMO to decide which global measures are the most environmentally effective and economically sound. European shipowners are therefore sceptical as to the urgency of an agreement at EU level when it would not only be possible but also more prudent to await the results of the IMO deliberations. "We hope that EU decision-makers will stay on the right course and avoid making any decisions that might hinder the ongoing progress at international level" concluded Mr Verhoeven.

European employers show road safety is good for business

(Source: ETSC, 13th October 2014) Five European private and public-sector organisations have been recognised for the results of company-wide programmes they have put in place to improve the road safety of their employees, vehicle fleets and the public.

The winners of the 2014 European Transport Safety Council (ETSC) PRAISE Awards for Work-Related Road Safety, announced at an event in Brussels on 13th October are:

- Large company – Arriva, Denmark
- Public authority – The Hellenic Air Force, Greece
- Small or medium-sized enterprise – Bolk Transport, The Netherlands
- Highly commended – Unilever, Poland
- Highly commended – The Port of Antwerp, Belgium

Antonio Avenoso, Executive Director of the European Transport Safety Council said: "These organisations are putting road safety at the heart of their operations and have the results to prove it. We hope these shining examples will inspire companies and public authorities across Europe to see the benefits road safety management programmes can bring. These include not only dramatically reduced numbers of collisions and injuries, but also reduced costs, improved employee wellbeing, fewer lost orders and less management time spent on dealing with the consequences of sick days, paperwork and legal issues. The business case for road safety at work is clear, but these companies are showing just how it can be done."

B2MoS Info Days to take place in Valencia

(Source: Escola Europea de Short Sea Shipping, 13th October 2014) The European Commission co-funded project B2MoS (Business to Motorways of the Sea) is now reaching its half-way point. To celebrate the co-ordination, the communications offices are organising the B2MoS Mid-Term Conference to promote the project and disseminate its results. The two-day event will consist of Information Days to which the partners, members of similar projects, stakeholders and members of the general port communities will be invited. The event will take place on 30-31st October 2014 and will be hosted by the Valenciaport Foundation and the Port Authority of Valencia (APV).

During the first day of the conference discussions will focus on the challenges facing interoperability regarding the exchange of crucial trade and transport documents: the electronic sea-way bill, proof of EU status, the e-manifest and the expansion of the electronic T2L, electronic sea-rail combined transport communications and seaports and river port system interoperability. Recommendations to address these challenges will be proposed and discussed by partners and stakeholders of the project, including representatives of relevant international companies (i.e. IPCSA), organisations (i.e. INTTRA) and authorities (i.e. Spanish Customs, Italian Customs, Italian Ministry of Transport and Infrastructure and several port authorities).

The second day will be dedicated to the presentation of the 14 initiatives providing 'quick-win' prototype solutions to improve the efficiency and increase the ease-of-use of MoS. These 14 initiatives have been divided into 4 groups: facilitation of customs declaration compliance, simplification of rail and inland waterway transport procedures, more efficient commercial transactions and procedures and improving information services for MoS customers.

The B2MoS project aims to boost the ability of short-sea shipping (SSS) to compete in door-to-door corridors and facilitate the development of the TEN-T Motorways of the Sea network connecting Europe, bridging thereby the gaps between TEN-T corridors and revitalising peripheral regions. It is co-financed by the EU through its TEN-T programme. The project is contributing to establishing a European maritime space without barriers by facilitating and simplifying compliance with regulations and by promoting intermodal sustainable transport solutions that reinforce the MoS strategy whilst taking full advantage of existing port facilities and SSS capacities.

The B2MoS global project intends to demonstrate through its activities how drawing on emerging and existing technologies sustained by efficient communications procedures and collaborative information exchanges between public and private stakeholders can improve, promote and simplify the use of multimodal SSS services. This is to be achieved by exploiting existing maritime links and facilities and by pooling together maritime, road and rail resources optimally through the use of European MoS.

For more information on the project please see: www.b2mos.eu