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

## AKAN-SEL becomes ECG's latest member

*(Source: **ECG**, 20th November 2014)* ECG is pleased to welcome AKAN-SEL Nakliyat A.Ş. as its latest member! AKAN-SEL was established in Turkey in 1981 and offers logistics services to corporate customers, government agencies and international organisations. With its long history and wide network, AKAN-SEL provides secure transportation services under all conditions in the Middle East, Asia and Europe. With its own 140 car carriers and experienced staff, the company is one of the key players in automotive transportation, serving both domestic and international clients since 2004. AKAN-SEL moves approximately 4,000 cars a month to the Middle East, especially to Iraq where the company has been quite active for the last few years and maintains its leading position. It transports many brands such as Nissan, Range Rover, Jaguar, Toyota, Ford and KIA. To know more about the company, please visit its website: http://www.akansel.com.tr/eng/index.php

## Maritime & Ports WG Meeting in Zeebrugge

*(Source: ECG, 26th November 2014)* More than 25 members of the ECG Maritime & Ports Working Group (M&P WG) met on the evening of 20th November in the medieval Belgian city of Brugge for an informal networking dinner kindly sponsored by **INFORM**. They were joined by Dimitrios Theologitis, Head of Unit for Ports and Inland Navigation within the European Commission's DG MOVE, who delivered an insightful and thought-provoking speech which focused on the EU's infrastructure spending plans on ports and shipping lines – under the TEN-T's Connecting Europe Facility – while also paying particular attention to the current proposal for a new EU Port Regulation and the potential for innovation in the maritime sector.

The next morning the M&P WG members travelled to the **ICO** office in the Port of Zeebrugge for their meeting, which was attended by DG MOVE Deputy Head of Unit for Ports and Inland Navigation Rémi Mayet. Following the welcoming and introductory presentation by Marc Adriansens, Managing Director of ICO, Mr Mayet gave a more detailed overview of the Commission's current thinking and initiatives towards the ports sector. As main actions he detailed the need to connect ports to the Trans-European corridors; to invest in them by targeted use of EU funding while attracting more private investment; and to simplify administrative burdens while raising environmental performance. The proposed Port Regulation was again cited as part of this comprehensive strategy, and the ECG members (consisting of ports, terminal operators and shipping lines) appreciated the open and constructive discussion which followed the Commission presentation. Several other related agenda items were furthermore discussed, such as ECG's support to ECSA's upcoming European Shipping Week on 2nd-6th March 2015 (www.europeanshippingweek.com), and the meeting ended with a forward-looking presentation by INFORM's Director for Business Development Ruud

Vossebeld. His presentation delivered a seamless transition to the visit of the ICO terminal and the wider port area which followed the meeting, providing the participants (including the European Commission representative) a thorough view of ICO's portfolio of activities, including their state-of-the-art Terminal Operating System (TOS) which contains an "E-gate" access control tool and was implemented together with INFORM. It was deemed another successful M&P WG meeting, with the next one scheduled to take place at the **Port of Barcelona** on 11th-12th February 2015 (members of the M&P WG will soon receive more information regarding this next meeting, while other ECG-members with an interest are welcome to contact tom.antonissen@ecgassociation.eu).

## Truck makers face fines as EU steps up cartel investigation

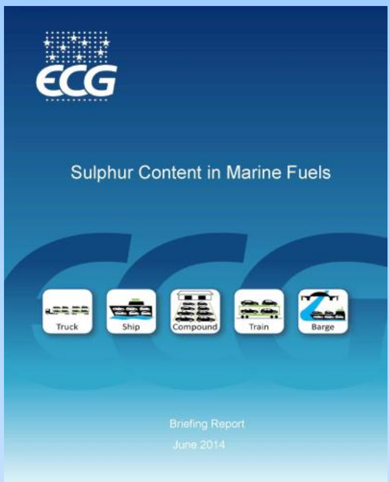
*(Source: EurActiv, 20th November 2014)* The European Commission has stepped up a wide-ranging cartel investigation that could lead to heavy fines for some of the world's biggest truck makers. The Commission announced on 20th November that it had sent formal charge sheets to several manufacturers it suspected of price fixing, marking the next phase of a complex investigation that began with raids on a number of companies' headquarters in January 2011. Daimler, Volvo, Volkswagen's MAN and Iveco parent CNH Industrial all confirmed they had received the European regulator's so-called Statements of Objections or were expecting it. Scania, also controlled by VW, had no immediate comment. Companies can be fined up to 10% of their annual revenue if the Commission concludes that there is sufficient evidence of an infringement of EU rules barring cartels and the abuse of market dominance. New EU Competition Commissioner Margrethe Vestager said that she believed it would be extremely difficult to reach agreed settlements in the trucking case. Such settlements are used by the Commission to bring swifter conclusions to cases, offering companies reduced fines if they admit to the alleged anti-competitive behaviour. Vestager, who took office this month, also emphasised the broader impact of price-fixing. "Keeping the cost of road transportation high has a damaging effect on the rest of the economy," she said during a news conference in Brussels. In its 2013 annual report, Volvo said it may face a significant financial hit as a result of the price-fixing probe. "It is probable that the group's result and cash flow may be materially adversely affected as a result of the ongoing investigation," the company said. Daimler has also warned shareholders that it may have to pay 'considerable fines.' The Commission declined to identify the companies that had received notice of its findings, saying only that a large number were involved. 'The Commission has concerns that certain heavy and medium-duty truck producers may have agreed or co-ordinated their pricing behaviour,' the Commission said in a statement.

***ECG Note:*** *For the original press release from the European Commission please see ECG News 14.45.*

## Commission President Juncker outlines investment plan

*(Source: European Voice, 26th November 2014)* The European Commission's investment plan will propose leveraging €21bn to generate a €315bn investment boost for the European Union's economy, Jean-Claude Juncker, the President of the Commission, told MEPs on 26th November. Juncker described the plan as an "investment offensive" and "the greatest effort in EU history to mobilise the EU budget to trigger new investments." "We are offering hope to millions of Europeans disillusioned after years of stagnation," said Juncker. He announced that the money, made up of a €16bn guarantee from the EU budget and a €5bn contribution from the European Investment Bank (EIB), would focus on funding investment in infrastructure. It will target broadband and energy networks, transport infrastructure in industrial centres, renewable energy projects, education and training, and funding for SMEs and middle capitalisation companies. The Commission described the proposed leverage of 15 as "prudent estimates from historical experience". Juncker suggested that the fund, due to last three years

## Briefing paper on the sulphur content in marine fuels updated




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

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

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

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

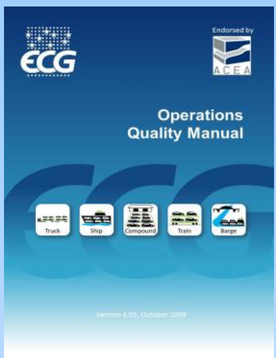
from mid-2015, could be renewed for a further three years. He stressed that the fund was one element in an overall strategy to return Europe to growth. The Commission and the EIB will also develop a "transparent pipeline identifying viable projects at EU level" into which the fund will invest. In parallel, the Commission will propose legislation to reduce red-tape and make the EU more business-friendly. Juncker committed to proposing a €300bn investment scheme in the wake of the European Parliament elections in May to secure the support of the centre-left for his appointment as Commission president. The plans are likely to be criticised for lacking ambition and relying too heavily on leverage. Emmanuel Macron, the French economy minister, warned last week that the fund should produce new money that would not otherwise have been spent, to the tune of €65-€80bn. Juncker defended his plan on 26th November saying that "abundant liquidity allows Europe to grow without more debt" and that "we will not betray our children and our grandchildren" by taking on more debt. But, he continued, "we are not just moving money around, we are maximising it". Juncker expressed hope that Member States themselves would boost the fund. Significantly, he announced that such contributions would be excluded from calculations of Member States' deficits. In theory this would mean that Member States such as France or Italy could pour money into the fund without breaking EU budget rules.

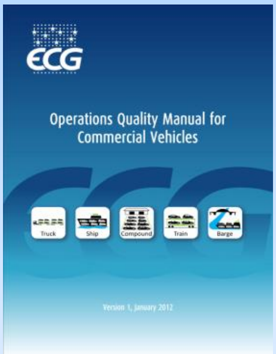
# AUTOMOTIVE INDUSTRY

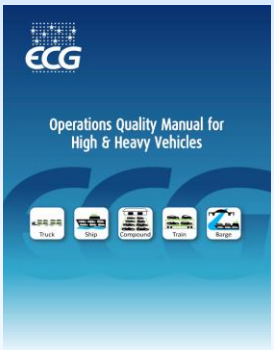
### Seat follows Dodge out of Russia

*(Source: Automotive Logistics News, 25th November 2014)* Seat has stopped its imports to Russia after the ongoing fall in vehicle sales. A spokesperson for the Spanish OEM confirmed that the movement of vehicles in Russia has become unprofitable during the second half of 2014. Rumours that Seat was planning to stop sales in Russia first appeared several months ago. Analysts have noted that, along with a drop in the Russian market, the OEM had a "lack of competitive models and inefficiency in the advertising policy." The move follows a similar decision made by Chrysler's Dodge brand, with Russian experts suggesting other OEMs that do not have localised capacities in Russia, or a large market share, are also under threat of having to leave the market. Analysts have said that in the coming months, the list of OEMs leaving the country could grow to include Fiat and Alfa Romeo, which are distributed by Chrysler's local division. However, Alfa Romeo has said it currently has no plans to leave the Russian market. Representatives for Chrysler and Fiat in Russia said that despite the difficult economic situation, the supplies to the Russian market would continue. In the first half of 2015, Fiat's profile in Russia will be boosted with the launch of two new models: the MPV 500L and the crossover 500x. Alfa Romeo asserted that it had a specific place in the Russian market. The company said the brand has its fans, but admitted this did not amount to big sales. "Even if they increase, the company will still have a very small market share," explained Catherine Chmeleva, Sales Director of Russian car distributor **Rolf** Altufevo. "But the manufacturer has not put any ambitious goals in place so far; [it remains] a niche brand in the Russian market." In the next six months, analysts forecast that larger players may also leave the country, including Citroën and some Chinese brands. Currently however, spokespeople from JAC and FAW say that despite the devaluation of the rouble, among other problems, they feel comfortable and don't have any plans to stop imports. According to Vladimir Popov, President of Favorite Motors – a Russian dealer for Seat, Chevrolet, Volvo, Kia and Ford – the main reason for the departure of Seat and Dodge was the unwillingness of the parent company to invest in localisation of production, and the high level of competition in the segment. The situation has been made more problematic by the devaluation of rouble, which has made the import of small volumes unprofitable. "At the same time, Seat got to the Russian market very late and did not have time to gain a

## 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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foothold here," said Vladimir Mozhenkov, Vice-President of Russian dealer Avtospetstsentr. The company's latest attempt to enter the Russian market was its fourth.

## Global economic uncertainty hits UK exports in October

*(Source: Automotive Logistics News, 26th November 2014)* The latest figures from the Society of Motor Manufacturers and Traders (SMMT) show that exports of passenger vehicles made in the UK dropped by almost 11% in October to 116,165, against 130,263 for the same month last year. The figure follows an export drop of more than 8% from the previous month, compared to September 2013. According to the SMMT, global economic uncertainty is affecting demand. Exports accounted for 78% of UK car production in 2014 year-to-date, which stood at almost 1.3m, with a little over 1 million vehicles exported. Of that number, there is an even split between vehicles exported to the European Union (EU) and those to non-European countries. The continued sales slump in Europe and Russia is one of the reasons that export numbers have fallen, and manufacturing of passenger vehicles was down 6.7% in October to 150,060 units. However, the SMMT's CEO, Mike Hawes, said that overall, the UK's manufacturing industry was in a strong position. "Billions of pounds have been invested into UK facilities in the past two years, with several new models starting production this year and more in the pipeline," he said. "There is still demand for UK-built products given their reputation for quality, design and engineering excellence." Exports are the backbone of UK manufacturing because 80% of what is made in the country is exported, while 85% of the cars sold in the country are imported. At a recent meeting held by Nissan and Sunderland City Council in London, Professor Garel Rhys CBE, of the Cardiff University Business School, indicated that this was a positive equation because the UK industry is not dependent on its home market for growth. That means that carmakers in the UK will be looking for an improvement in Europe. The drop in exports was more pronounced in the commercial vehicle sector, which showed a fall of 30.6% for October, though production for the UK market was up 14.6% in the month. UK commercial vehicle manufacturing declined 8.9% in October, the smallest monthly fall since June 2013 according to the SMMT. "The heavy fall seen in UK commercial vehicle manufacturing over the past year is now levelling off as the effects of last year's restructuring only apply to year-to-date figures," said Hawes. "With new models now being produced in UK plants, production for the home market grew for the first time since June 2013. It remains to be seen if the recent growth in EU demand will continue, but the indications are of greater stability in the months to come."

## GM approves Opel SUV and engine investments in Germany, Poland

*(Source: Automotive News Europe, 20th November 2014)* Opel will add a flagship SUV to its line-up. The General Motors division will invest €245m in its home plant in Rüsselsheim, Germany, to build the SUV. GM CEO Mary Barra said the model will be a second flagship for the brand after the Insignia midsize sedan. Barra was speaking after visiting Opel's headquarters in Rüsselsheim for the second time this year. Opel said the SUV will be launched by the end of the decade but did not give any more details. The car will be called the Monza and will use underpinnings from GM's Buick brand, German car magazine *AutoBild* said on 20th November on its website. The SUV will go on sale in 2019 with prices starting below 30,000, *AutoBild* said. Opel CEO Karl-Thomas Neumann had said in March the brand would move more into crossovers because of strong customer demand for the body style. GM will also invest more than €500,000 in the production of new engines and transmissions in Rüsselsheim and Kaiserslautern in Germany, and in Tychy in Poland. "Opel is very important to GM strategically," Barra said. "The new investments will help to rejuvenate the brand's appeal and strengthen our position in Europe." GM said in 2013 that it will to invest €4bn in its European operations by 2016 to overhaul Opel's aging

## ECG & other industry events

►**ECG Land Transport Meeting**, **on 2nd December**, in Frankfurt

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

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

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

►**ECG Russia Regional Meeting**, **in February (TBC)**

►**ECG UK & Ireland Regional Meeting**, **on 18th February**, in Birmingham, UK

► **Automotive Logistics Conference**, **on 10-12th March (TBC)**, in Bonn, Germany

►**ECG Dinner Debate**, **on 24th March**, in Brussels, Belgium

►**ECG Maritime & Ports Meeting**, **on 22nd April**, in Koper, Slovenia

►**ECG Eastern Regional Meeting**, **on 23rd April**, in Koper, Slovenia

►**Automotive Supply Chain Congress**, **on 10-11th June 2015**, in Liverpool, the UK

►**Automotive Supply Chain Global Awards**, **on 12th November 2015**, in London, the UK

product range with 23 new or replacement products and 13 new engines. In February, Opel signed a collective labour agreement with employees at its German factories in Rüsselsheim, Kaiserslautern and Eisenach, in an accord that includes a job protection guarantee until 2018. Opel employs around 3,300 employees at the Rüsselsheim plant, where the Insignia and Astra models are built. Boosted by new models such as the Adam and Mokka subcompact SUV, vehicle sales of Opel and sister brand Vauxhall increased 8% to 753,992 in the first 10 months in a total market up 6%.

### Suzuki plant in Hungary will return to double shifts ahead of Vitara launch

*(Source: Automotive News Europe, 21st November 2014)* Suzuki will return to two-shift production at its plant in Hungary in December as it builds stocks of the new Vitara, the news agency MTI reported, quoting the unit's CEO, Ryoichi Oura. Suzuki unveiled the five-door Vitara subcompact SUV at the Paris auto show last month. The model will go on sale in January, competing in a booming segment with cars such as the Renault Captur and Opel Mokka. Suzuki's plant in Esztergom, northwest Hungary, has worked in one shift in the past months after ending output of the Splash small minivan and the SX4 small SUV. The factory also builds the Swift subcompact hatchback, Suzuki's top-seller in Europe, and the new SX4 S-Cross. Suzuki's vehicle sales rose 10% to 140,099 in the EU and EFTA countries in the first 10 months. Its market share rose a percentage point to 1.3%. Suzuki has said that the Vitara was created specifically with Europe in mind and the company hasn't decided whether to sell it in other markets.

## EUROPE

### Daimler announces winners of European Carrier Awards 2014

*(Source: Automotive Logistics News, 26th November 2014)* Daimler has announced the winners of its annual European Carrier Awards, which are given each year in recognition of the best performance provided by its outbound services suppliers. German transport provider Ernst Frankenback was named best partner in the passenger car segment, while **ECM (Vehicle Delivery Service)** from the UK was recognised as best partner in the commercial vehicles segment. Ernst Frankenbach was singled out for the award in the passenger car segment for what Daimler described as "outstanding performance increases". The company was previously recognised for its services in the European Carrier Awards in 2002 and 2009. ECM, meanwhile, also made it a third win with Daimler, having previously won the European Carrier Award for the passenger car segment in 2011, as well as being given a special award last year for overall performance in 2013. In addition, **Horst Mosolf**, logistics entrepreneur and eponymous head of one of Daimler's longest standing logistics providers, was honoured with a lifetime achievement award. The German company has provided services to Daimler for more than 50 years and has been recognised five times in the passenger car segment. "Transport logistics are one of the key levers for our success – without them, no vehicle would get from the factory to the customer," said Heiko Gaiser, Head of Global Transport Logistics at Daimler. "The performance of our transportation partners is therefore very important to us. Together, we are continuously working on making our global vehicle transports even more efficient and flexible." The awards are part of Daimler's European Carrier Day, which this year was held at the Mercedes-Benz van production facility in Vitoria, Spain. Around 100 European transport logistics providers attended the event to discuss current industry trends and challenges facing the industry.

## Events in Brussels

The European Shippers' Council holds the 'Sulphur regulation and its impact on shippers' workshop on **2nd December**
http://www.europeanshippers.eu/news/sulphur-workshop-2-december-2014-brussels/

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

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

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

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

## Belgian port workers strike hits car shipments

*(Source: Automotive Logistics News, 24th November 2014)* Strike action by Belgian port workers disrupted shipments in and out of the country's ports on 24th November, with significant disruption at the port of Antwerp, one of the top five largest vehicle handling ports in Europe. There was also disruption at the ports of Ghent and Zeebrugge. The 24-hour strike, which started at midnight on Monday, 24th November, was called by three national unions, protesting about the erosion of index-lined pay rises and tax increases, according to maritime services provider, Inchcape Shipping Services (ISS). On Monday, ISS Belgium advised that there was a backlog of 65 ships waiting at anchorage to call at the port of Antwerp, with a further 12 vessels waiting to depart. A spokesperson for the port of Antwerp confirmed that vessels had to wait to enter and leave the port. "There are people working, but since we have people missing in the whole chain, activities cannot be conducted in a normal way," the spokesperson told *Automotive Logistics*. While exact indications of the impact on automotive volumes was not available, the spokesperson did say that terminal operators and port companies had informed customers in the days leading up to the strike that less activity was to be expected on Monday, and advised clients to concentrate operations on another day. "We've seen more activity this weekend, so it seems that clients did follow the advice they got from the operators," added the spokesperson. A spokesperson for **International Car Operators (ICO)**, a vehicle processor with car terminals at both Antwerp and Zeebrugge, said that the main disruption was at Antwerp but that, as with the port authorities, ICO had informed its customers in advance and handled vessels at the weekend prior to the action being taken. "Customers are not happy with the impact of the strikes, but at ICO we try to limit the problems," said the spokesperson. Meanwhile, at the Port of Ghent, there were only three ships in port on 24th November rather than the scheduled seven, because of the strike action. A spokesperson said that it would take several hours before normal services were restored. Further to this latest action, a national general strike is expected to take place on 15th December this year. "A national strike won't mean nobody will be working, so we will do as we did (today) – organise ourselves the best way we can and inform our clients so they can take the necessary precautions too," the spokesperson for Antwerp port said.

***ECG Note:*** *See also the related declaration "Seafarer and docker union leaders warn EC over European ports plans" under the Press Releases section of this ECG News issue.*

## RHA reinforces call for driver training funding in the UK

*(Source: Commercial Motor, 21st November 2014)* The UK's Road Haulage Association (RHA) has reinforced its call for the chancellor to help hauliers fund training for new drivers. With the Autumn Statement drawing near, the RHA is again urging George Osborne to commit to helping operators fund the acquisition of vocational licences for new HGV drivers. The association estimates that there is currently a shortage of 45,000 drivers in the industry, with 35,000 expected to retire in the next year. Chief Executive Richard Burnett said: "If the UK haulage sector is to stand any chance of remaining competitive with the rest of Europe, the chancellor must make a commitment in his Autumn Statement to fund vocational licences for new drivers. The real cost of an [HGV] licence at £4,000 to £5,000 per individual is a major barrier to entry. Funding for the road haulage industry is funding for growth. The UK economy is, for a massive part, reliant on road haulage. Without drivers, the economy will come to a standstill," he added. The RHA claims that less than 5% of the industry is aged under 25, while the average age of a driver is 57. The Chancellor will make his Autumn Statement on 3rd December.

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## No justification for freight toll rises, says FTA Ireland

*(Source: Lloyd's Loading List, 24th November 2014)* FTA Ireland has hit out at proposed toll increases on routes across Northern Ireland, claiming that there was "no justification" for an increase in the motorway tolls and adding that a rise in tolls now "will exacerbate motorway avoidance". Neil McDonnell, General Manager for the Freight Transport Association Ireland (FTAI) stated: "Toll increases for commercial users are entirely unnecessary and may prove counter-productive. Toll-road operators should be discussing with us ways to discourage motorway avoidance instead of putting up tolls further." With immediate effect, Irish lorries using the roads in Northern Ireland are required to pay a road toll of €13 (£10) per day, while UK-registered lorries are not. Truckers have also been told that they must pay toll increases on many of the state's new motorways. For some routes – including the N4 Kinnegael-Kilcock motorway – the toll will rise by 10% to €7.10 for a four-axle lorry. FTAI further pointed that the timing of the increase was "completely wrong" and that instead this was a time when the National Road Authority (NRA) should be considering measures to remove HGVs from towns and villages and move them onto the motorways. McDonnell added: "There has already been substantial evidence of avoidance of tolls by commercial traffic as demonstrated during the 'toll holiday' in November 2013. NRA traffic statistics show an increase in traffic density across the motorway network. Improvements in the overall economy are giving the toll operators increased revenues already. "On behalf of the freight and logistics industry, FTA Ireland is appealing to PPP operators not to increase tolls for commercial traffic, even where they are contractually permitted to do so. Such increases are likely to prove revenue-negative for them, as they increase the level of toll avoidance by commercial operators."

## Germany discreetly shelves plans for DB partial privatisation

*(Source: Lloyd's Loading List, 24th November 2014)* Germany has discreetly shelved plans for the partial privatisation of state railway Deutsche Bahn (DB). Earlier this month, a leaked report on plans to reduce stakes in several state-owned entities described such a move as an "option" for the future. However, this triggered strong criticism from sections of the governing coalition and a modified version of the report, approved by the German cabinet this week, now states: "The conditions for a partial privatisation of the transport and logistics divisions (of Deutsche Bahn) are currently not right." During Angela Merkel's first term, plans had been drawn up to relinquish a minority stake in DB but were withdrawn when the global economic downturn struck in 2008.

## EU to support better sea transport link between Nantes St-Nazaire and Vigo

*(Source: INEA, 24th November 2014)* The EU's TEN-T Programme will back with over €3.5m the upgrade of the existing sea line between Nantes St-Nazaire (France) and Vigo (Spain) to ensure reliable and frequent shipping service of cargo transport. The alternative sea route is expected to help reduce road traffic and air pollution, leading to a fully operational infrastructure by late 2015. The new service started operations this year with three rotations per week. It is planned to add a fourth rotation by July 2016, when occupancy ratios are satisfactory. The line's upgrade consists of increasing the infrastructure's capacity and improving the interface between the sea terminals and their hinterland connections. New berth for Ro-Ro ships (carrying wheeled cargo) will be constructed at the Port of St-Nazaire and a floating ramp will be installed in the Port of Vigo to improve embarkation and disembarkation. The overall objective of the project is the alignment to the Atlantic Corridor goals, in terms of providing sustainable transport and contributing to create cohesion synergies between the peripheral and core regions of the European Union. The project is promoting alternative sea transport from France to Spain and Portugal with an expected positive impact on traffic management, modal shift from road to sea and reduction

of emissions from road transport. The project was selected for EU funding with the assistance of external experts under the TEN-T Multi-Annual Call 2013, priority 'Motorways of the Sea'. Its implementation will be monitored by INEA, the European Commission's Innovation and Networks Executive Agency. The project is to be completed by December 2015.

# REST OF THE WORLD

## WWL takes full control of Thai sales and customer service functions

*(Source: Automotive Logistics News, 24th November 2014)* **Wallenius Wilhelmsen Logistics (WWL)** has revealed that it is bringing its sales and customer service operations in Thailand in house to "better co-ordinate its business in a growing market". Those functions have been handled by Wilhelmsen Ship Service (WSS) for the past two decades. WWL said that the move should not affect day-to-day relations with WWL's customers as the team will remain the same. Sunee Phansatitwong, who was responsible for the WWL sales at WSS, has now joined WWL as General Manager, Commercial, in Thailand. "Me and my team have now become part of a wider logistics team, offering all aspects of logistics from factory to dealer," said Phansatitwong. "We are naturally very pleased to continue supporting our customers in the region." WWL said that the decision to change the structure of the business was driven by market changes underway in the country, which included the fact that carmakers were flocking to Thailand, while domestic producers were expanding production. Trond Tønjum, Vice-President and head of South East Asia for WWL, noted two main factors influencing the development of the logistics business in the country. The first is better trade ties, in part influenced by New Asian Economic Community (AEC) agreements underway, which are expected to ease exports between South East Asian markets; and the second is automotive production capacity growth. Automotive exports are expected to almost double during the next three to four years, from about 1.2m to 2.2m vehicles, the company said. "With AEC coming into effect from January 2016, we expect cross border trade to increase," said Tønjum. "Thailand will become a natural production hub and a transit country for most of South East Asia, including Myanmar, Laos, Cambodia, and Vietnam." The change in business structure is also intended to bring efficiency gains and open up development of WWL's business beyond ocean logistics. "Thailand is now joining the ranks of global production hubs like Mexico, South Africa and others as a major exporter for auto makers," said Tønjum. "We now expect the exports from Thailand to go beyond South East Asia to Europe, Australia and North America, and we are ready to offer our services, expertise and support."

# PRESS RELEASES

## Musco's customised lighting solution for the Georgia Ports Authority saves € 509,000 annually

*(Source: **Musco Ferrostaal**, 20th November 2014)* As North America's busiest single terminal container facility, the Garden City Terminal operates 24/7 and covers over 485 hectares. The Georgia Ports Authority needed an energy efficient lighting solution designed to meet the challenges of its operations and high hours of usage. The existing floodlights presented many challenges for the Georgia Ports Authority: high-energy consumption, constant maintenance issues, and the system produced large amounts of spill and glare for the surrounding areas.

Musco's Green Generation Lighting® was the cost effective, environmentally responsible lighting solution for the Garden City Terminal. Energy consumption was reduced by 65%, annual $CO_2$ emissions were reduced by 3,569 metric tons, and maintenance costs were eliminated for 10 years. This lighting solution also comes with Musco's Control-Link® Controls and Monitoring system, which allows for system performance monitoring and flexible management of the facility with Control-Link's scheduling capabilities using web-based software and a 24/7 call centre. Over the next decade, the Georgia Ports Authority will save €5,096,000 in operating costs.

## Agreement on monitoring of $CO_2$ emissions from ships

*(Source: Council of the EU, 20th November 2014)* The Council's Permanent Representatives Committee confirmed an agreement with the European Parliament on new EU-wide rules for monitoring, reporting and verification (MRV) of $CO_2$ emissions from ships. The agreement was reached in an informal trialogue on 18th November.

International maritime shipping is the only means of transportation not included in the EU's commitment to reduce greenhouse gas emissions. Monitoring of $CO_2$ emissions from ships is the first step of a staged approach to reduce greenhouse gas emissions in this sector as well. The new regulation will improve information about $CO_2$ emissions relating to the consumption of fuels, transport work and energy efficiency of ships, which make it possible to analyse emission trends and assess ships' performances.

Gian Luca Galletti, Italian Minister for the Environment said that "The agreement reached between the Parliament and the Council has a great political value, as well as technical: with the new regulation establishing a mechanism for monitoring, reporting and verification of maritime emissions, Europe immediately gives a follow-up with a concrete decision to the commitments of the Climate-Energy Framework 2030. This agreement enables us to play an influential role in the negotiations within the International Maritime Organisation (IMO), with a view to finding ambitious solutions that combine environment protection with development."

New rules would cover $CO_2$ emissions from ships above 5000 gross tons. Warships, naval auxiliaries, fish catching or processing ships, wooden ships of a primitive build, ships not propelled by mechanical means and government ships used for non-commercial purposes would be excluded from these measures. From 1st January 2018, ship-owners would be obliged to monitor emissions for each ship on a per voyage and an annual basis. There are also provisions on monitoring and reporting, verification and accreditation, and compliance and publication of information as well as international co-operation.

The European Commission would have to publish an annual report on emissions from maritime transport to inform the public and to allow for an assessment of the emissions and the energy efficiency of maritime transport per size, type of ships, activity, etc. It would also have to assess biennially the maritime sector's overall impact on the global climate, including through non-$CO_2$-related emissions or effects.

The European Commission would have to review this regulation in the event that an international agreement to reduce greenhouse gas emission from maritime transport is reached, in order to align it with that international agreement. The regulation, once formally adopted, is to enter into force on 1st July 2015.

**Next steps**
The text is still to be examined by the European Parliament's Environment Committee on 3rd December 2014. After approval by the ENVI Committee, the Council is expected to reach a political agreement at the Environment Council meeting on 17th December, followed, after legal and linguistic revision, by the formal adoption of its common position, which should be transmitted to the European Parliament. It would be then for the Parliament to vote on the agreed text at one of its plenary meetings. The procedure could be completed in spring 2015.

## All eyes on IMO as Europe moves ahead with $CO_2$ monitoring regime for ships

*(Source: ECSA, 20th November 2014)* EU co-legislators reached an informal agreement last week on the Commission proposal for a Regulation on the monitoring, reporting and verification (MRV) of $CO_2$ emissions of maritime transport. The agreement paves the way for a European MRV system that will become operational as of 2018, applying to ships above 5000 GT arriving and departing from EU ports, regardless of their flag and ownership.

The Regulation is meant to be a stepping stone towards a global MRV instrument, which is currently being discussed at the International Maritime Organisation (IMO). Apart from data on $CO_2$ emissions and distance sailed, the negotiators agreed that the Regulation will also require ships to report cargo-related information.

"Whilst the inclusion of cargo-related information allows the measurement of energy efficiency of vessels, there are concerns regarding data reliability and confidentiality as well as reporting responsibilities and obligations", said ECSA Secretary General Patrick Verhoeven in an initial reaction and continued by saying that "This explains why IMO approaches the issue with great care."

"As ECSA we would have preferred the inclusion of cargo-related data to have simply been postponed until an agreement was reached at IMO. We do however acknowledge that the negotiators took some of our concerns into account and have strengthened provisions on international alignment. We will carefully assess these changes as soon as the full text of the agreement becomes available. We believe it is essential that industry is closely involved in any further steps, for instance on defining the metrics of cargo data" added Mr Verhoeven.

"Most importantly, we call upon the European Commission to actively engage in a confidence-building exercise with non-European Member States at IMO, to ensure that the common objective of establishing an international MRV instrument will be achieved," he concluded. The trialogue agreement on the EU MRV Regulation still needs formal endorsement from the European Parliament and Council of Ministers. This process will not entail further changes to the specifics of the agreement and is expected to be finalised by January next year.

## Seafarer and docker union leaders warn EC over European ports plans

*(Source: International Transport Workers' Federation, 21st November 2014)* Docker and seafarer trade union leaders meeting at the ITF's Fair Practices Committee Steering Group called for a drastic re-examination of the European Commission's handling of the vital national and international resources.

Terje Samuelsen, Europe Chair of the ITF dockers' section and Chair of the European Transport Workers' Federation dockers' section, explained: "The Commission's latest response to the early and justified demise of their ports packages seems to be to actively foment infringement procedures against ports where social dialogue between employers and unions is working well. We don't know whether it's sour grapes or a desire to smuggle in a new port package under another name, but it's putting the whole model of successful and productive dialogue at risk. He promised: "Dockers across Europe will continue to ram home the point to the EC that 'if it isn't broke, don't fix it'."

The resolution of the ITF Steering Group, which brings together dockers and seafarers' unions from across the world, is as follows:

The ITF's Fair Practices Committee Steering Group meeting in London on 20th - 21st November 2014

NOTES the persistent attempts to erode the job security and working conditions of dockworkers in Europe;

NOTES the infringement procedures that have been, or are about to be, initiated against a number of European governments, including in Spain and Belgium, to challenge the existing rights of dockworkers;

REGRETS that over the past few years, a climate fuelling complaints against port labour organisation schemes has been created in Europe;

CONDEMNS the direct and indirect attacks on the right to, and scope of, collective bargaining in the sector;

EXPRESSES its grave concern over the complete lack of transparency and accountability of the process by which such infringement procedures can be initiated, whereby anonymous complaints can be made via a website;

CHALLENGES misinformation about well-organised ports in Europe, which contrary to allegations by some parties, are cost effective, efficient and have a high rate of productivity, making sizeable contributions to the economy both at the national and European levels;

PLEDGES its continued support for European dockworker unions who are fighting for their members' livelihoods and rights;

CALLS ON the European Commission, European governments and employers to act transparently and in good faith, and to desist from actions that would undermine workers and their unions who are key social partners as well as the social dialogue in place at national and European level; and

CALLS on the European Commission, European governments and employers to instead focus on addressing the combined impacts of insufficient cargo growth, automation and overcapacity in European ports, and to work with unions to minimise the social consequences of this.

## The Manifesto of the Alliance for a Competitive European Industry

*(Source: ACEA, 26th November 2014)* The EU was built on a number of principles that lay a solid foundation for doing business, creating jobs and wealth for Europe's citizens and the free movement of goods and people. Over the past 20 years, Europe has established a single market, introduced the Euro and enlarged to the East.

The Lisbon Treaty now provides us with a strengthened institutional framework to tackle the challenges of globalisation and sustainability. Now, more than ever, Europe's political leadership needs to ensure that this institutional framework delivers for both citizens and business in Europe.

At a time when industry needs a supportive environment to thrive, twelve EU-level associations have allied to encourage European policy makers to build the regulatory and institutional framework that Europe deserves. These associations are:

- The European Automobile Manufacturers' Association (ACEA)
- The Confederation of European Business (BUSINESSEUROPE)
- The European Chemical Industry Council (CEFIC)
- The European Cement Association (CEMBUREAU)
- The Confederation of European Paper Industries (CEPI)
- The European Apparel and Textile Confederation (EURATEX)
- The Union of the Electricity Industry (EURELECTRIC)
- The European Confederation of Iron and Steel Industries (EUROFER)
- The European Association of Metals (EUROMETAUX)
- FoodDrinkEurope
- FuelsEurope (European Oil Refining and Marketing Industry)
- The European Engineering Industries Association (ORGALIME)

*To download the manifesto of the organisations, please follow the link below:*
*http://www.acea.be/publications/article/shifting-gears-for-a-new-eu-industrial-partnership*