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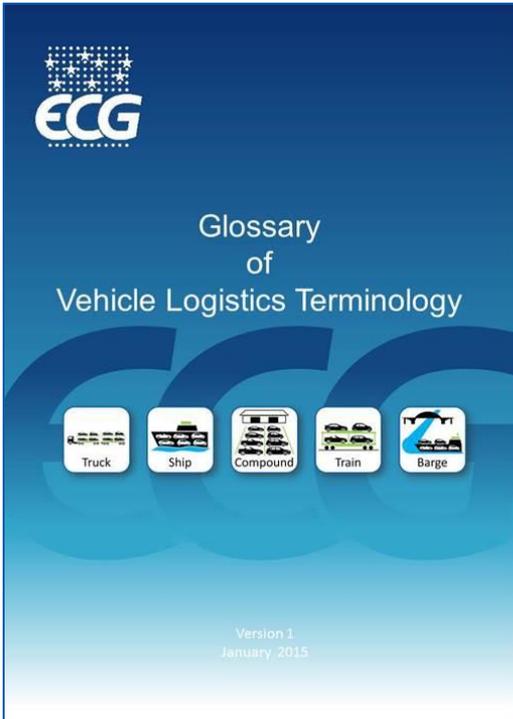
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Version 1  
January 2015

**ECG has published a Glossary of Vehicle Logistics Terminology**

**Download it from the ECG website!**



**C.A.R.** Control Automotive Risk  
**Consulting Group**



## ECG & other industry events

- ▶ **ECG Maritime & Ports Meeting, on 11-12<sup>th</sup> February**, in Barcelona, Spain
- ▶ **ECG UK & Ireland Regional Meeting, on 18<sup>th</sup> February**, in Birmingham, UK
- ▶ **ECG Land Transport Meeting, on 10<sup>th</sup> March**, in Bonn, Germany
- ▶ **Automotive Logistics Conference, on 11-12<sup>th</sup> March**, in Bonn, Germany
- ▶ **ECG Dinner Debate, on 24<sup>th</sup> March**, in Brussels, Belgium
- ▶ **ECG Board Meeting, on 25<sup>th</sup> March**, in Brussels, Belgium
- ▶ **ECG Maritime & Ports Meeting, on 22<sup>nd</sup> April**, in Koper, Slovenia
- ▶ **ECG Eastern Regional Meeting, on 23<sup>rd</sup> April**, in Koper, Slovenia
- ▶ **ECG Board Meeting and Spring Congress & General Assembly, on 28-29<sup>th</sup> May**, in Cascais, Portugal
- ▶ **ECG UK & Ireland Regional Meeting, on 10<sup>th</sup> June 2015**, in Liverpool, UK
- ▶ **Automotive Supply Chain Congress, on 10-11<sup>th</sup> June 2015**, in Liverpool, UK
- ▶ **ECG UK & Ireland Regional Meeting, on 12<sup>th</sup> November**, in London, UK
- ▶ **Automotive Supply Chain Global Awards, on 12<sup>th</sup> November 2015**, in London, the UK
- ▶ **ECG Russia Regional Meeting, (TBC)**

## NEWS FROM BRUSSELS

### ECG published the Glossary of Vehicle Logistics Terminology

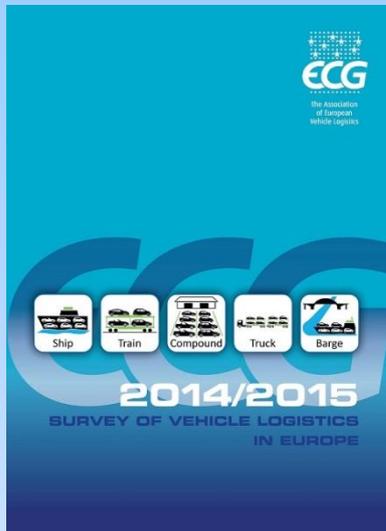
(Source: ECG, 28<sup>th</sup> January 2015) ECG is pleased to announce that its new publication, the ECG "Glossary of Vehicle Logistics Terminology" is now available. This user-friendly document is the initiative of the ECG Quality Working Group and includes the most common terms, with their definitions, used in the Finished Vehicle Logistics sector. The final draft of the Glossary was approved by members of the Working Group at its most recent meeting on 20<sup>th</sup> January 2015. It contains approximately 200 entries which cover terms from rail, road, and maritime transport. Whilst this publication does not claim to be an exhaustive source of information, it does provide sufficient and useful detail on the terms and will be constantly updated and improved. The Glossary is available for download [on the ECG website](#).

### Transport firms angered by minimum wage demands

(Source: European Voice, 29<sup>th</sup> January 2015) The European Commission has confirmed that it is looking into the effects of Germany's new minimum wage, which has raised concerns in several of Germany's neighbours. As of 1<sup>st</sup> January, German employers have to pay their staff a minimum hourly wage of €8.50 – but the wage is also payable to lorry drivers who are passing through Germany while working for non-German companies. Some companies in the transport sector, notably from Poland and the Czech Republic, have complained to the Commission about being forced to pay drivers the German minimum wage for the hours they spend on German roads – even though the drivers are merely passing through. Both Poland and the Czech Republic have fixed minimum hourly wages, introduced over the past two years, but they are significantly lower than Germany's. In Poland, the minimum is €3.01 an hour (12.67 zloty) whereas a Czech employee receives €1.83 an hour (50.60 koruna). A Commission spokesperson said it had started an investigation after "some aspects of the law related to the transport sector" were brought to its attention by Member States and representatives from the transport sector. But the Commission added that the minimum wage is "in line with the social policy commitment of the Commission". Two members of the college of European commissioners – Marianne Thyssen (employment, social affairs, skills and labour mobility) and Violeta Bulc (transport) – travelled to Berlin on 26<sup>th</sup> January for a two-day official visit, and said they would "make use of the opportunity to discuss this topic". Transport firms from another of Germany's neighbours - the Netherlands - have also questioned the German minimum wage and a requirement that drivers must produce pay-slips if asked by German authorities to prove that they are being paid the minimum wage, with firms facing a €30,000 fine in case of a breach of the rules. The Dutch firms are asking the Commission if such checks are allowed. The German government has agreed to postpone the monitoring process for a month. But a government spokesperson insisted that the law was "compatible with current EU legislation".

**ECG Note:** *The Commission has initiated a pre-infringement procedure (EU Pilot) with a deadline of 21<sup>st</sup> February for German authorities to answer. The IRU has called for an immediate moratorium on enforcement of the new German minimum wage law for international transport operators. For the IRU's full reaction please see the 'Press releases' section of this edition of ECG News. ECG is following this issue closely and will keep its members up-to-date on any further developments.*

## Now available! The new ECG Survey of Vehicle Logistics 2014-2015



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



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

## Commissioner calls for standardised road pricing in Member States

(Source: *EurActiv*, 26<sup>th</sup> January 2015) European Union Transport Commissioner Violeta Bulc called for the introduction of a standardised European-wide road pricing system in comments she made to German newspaper *Welt am Sonntag*. Bulc said there were many different systems in Europe at the moment and this was a burden on car drivers and an obstacle to their mobility. Germany plans to introduce a controversial road toll in 2016 aimed at foreign drivers using Germany's *Autobahn* motorways. German drivers would also pay the toll, but would be compensated with a reduction in existing automobile taxes. The government and the EU are embroiled in a dispute about whether this is compatible with EU law. Ahead of a planned visit to Berlin this week, Bulc told the newspaper it would make sense, in the medium term, to work on a European system for lorries and cars that could regulate road charges in a uniform manner for all EU countries. "The amount of the fee should, in my opinion, be exclusively based on the number of kilometres actually driven and should not be time-dependent," she was quoted as saying. "It doesn't matter where you come from - everyone will only pay for the distance they have actually driven and it will be billed on a device throughout Europe. We're currently investigating just such an idea." Bulc did not say whether all EU states would be required to introduce a car toll related to distance travelled. "There are many options - a fee could be obligatory but it's also possible to make it optional i.e. that countries decide themselves whether and on which roads they want to levy a road use charge based on kilometres driven."

Please find a reaction from Transport & Environment NGO to the announcement from the Commission at the end of this ECG News, in the 'Press releases' section.

## Public consultation on a Mid Term Review of the EU Maritime Transport Strategy

(Source: *European Commission*, 29<sup>th</sup> January 2015) The European Commission has launched a public consultation on a mid-term review of the EU Maritime Transport Strategy. The consultation aims at collecting views on the Strategy thus contributing to the European Commission's review. Respondents are asked to identify the key developments and challenges for the maritime sector as well as any suggestion for actions and initiatives aimed at enhancing the competitiveness and growth of the EU shipping industry. Following the public consultation, a report will be made publicly available on the Commission's website.

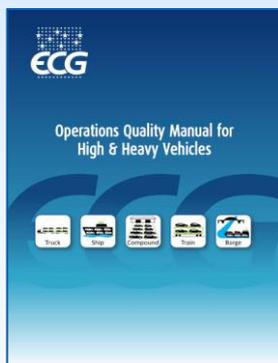
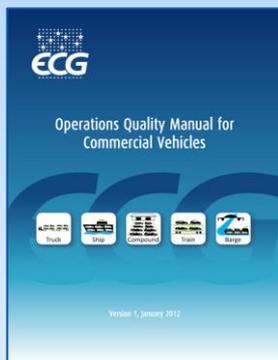
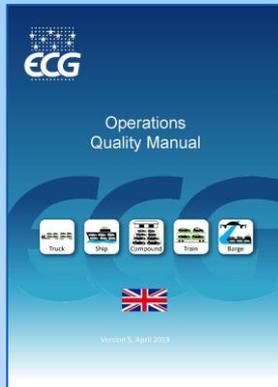
**ECG Note:** ECG members are welcome to participate in this consultation and can send their individual responses as well to the Secretariat, in order to feed into a possible ECG-contribution (please contact [tom.antonissen@ecgassociation.eu](mailto:tom.antonissen@ecgassociation.eu)). The consultation itself, as well as a background document, can be found [here](#) (deadline for response is 22<sup>nd</sup> April 2015):

## AUTOMOTIVE INDUSTRY

### GM will suspend output at Russian plant

(Source: *Automotive News Europe*, 29<sup>th</sup> January 2015) General Motors will suspend production at its St. Petersburg auto assembly plant in Russia from mid-March until mid-May and is raising prices for its products because of the weak and volatile Russian rouble. A GM Europe spokesman confirmed a report by the Russian daily newspaper *Kommersant* of the plant shutdown. GM has raised prices for its vehicles sold in Russia because of the devalued currency, the spokesman said, but he could not confirm *Kommersant's* report that prices for GM products have risen an average of 20% in the last two months. Last year,

## The version 5 of the ECG Operations Quality Manual for PCs and LCVs now is available on-line!



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

For comments or inquiries please contact: [info@ecgassociation.eu](mailto:info@ecgassociation.eu)

GM's Russian sales fell 26% to about 258,000 vehicles, according to data from the Association of European Business (AEB). Industrywide, the AEB said that auto sales in Russia fell 10% to 2.49 million vehicles last year and that it expected 2015 sales to fall to 1.89 million, a forecast that several automakers said was too optimistic. Ford Motor on 29<sup>th</sup> January cited Russia's weak rouble and struggling economy as major reasons the company lowered expectations for its European business in 2015. The company said the loss would narrow from \$1bn in 2014 but would be wider than previously thought. It had previously estimated losses from Europe at about \$250m in 2015. "We expect to see a big headwind from Russia in 2015," Chief Financial Officer Bob Shanks said of a market that was once projected to become the largest in Europe, with more than 4 million in annual vehicle sales. "We're looking now at industry volume this year that's probably sub-2 million units. You've got very high interest rates. You've got the collapse of the rouble," he said. Volkswagen's labour chief Bernd Osterloh said on 29<sup>th</sup> January that VW lost hundreds of millions of Euros in Russia because of the decline of the rouble.

### Renault expects to make 3,000 Alpine cars a year

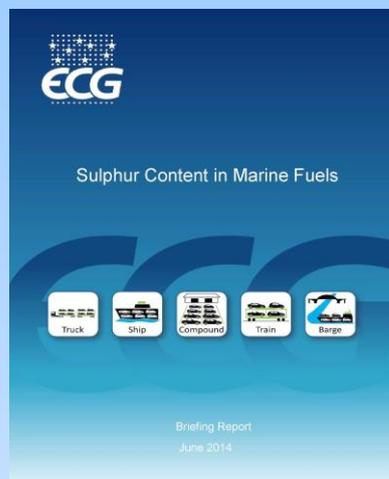
(Source: *Automotive News Europe*, 28<sup>th</sup> January 2015) A Renault executive revealed the output expectations for the automaker's Alpine-badged sports car on 28<sup>th</sup> January. "In terms of scale, on average [annual production] volume will be about 3,000 cars, with a peak of 5,000 initially due to the novelty factor," Alpine head Bernard Ollivier told *Reuters* in an interview. Renault plans to launch production of the sporty brand at the end of 2016 and start selling Alpine models in Europe and key emerging market economies the following year, Ollivier said. No further details were revealed, but a spokesman told *Automotive News Europe* that the project is "on schedule," adding that the automaker is "on track to deliver the model to customers in about two years." Alpines have not been made since 1995. The new sports car will have a rear-mounted engine and be built at Renault's plant in Dieppe, northern France. News of the revival coincides with Renault's celebration of the Alpine brand's 60<sup>th</sup> birthday. To mark the occasion, Alpine has created the Alpine Vision Gran Turismo, a virtual racing car that will feature in the Gran Turismo 6 video game.

## EUROPE

### Cargo removed from Höegh Osaka

(Source: *Automotive Logistics News*, 28<sup>th</sup> January 2015) More than three weeks after the Höegh Osaka ran aground in the Solent, the cargo on-board is removed from the ship. A team of people are driving the vehicles, including Land Rovers, Jaguars, Porsches and JCB machines, off the vessel at Berth 101 at Southampton docks. Any vehicles which are significantly damaged or do not start will be towed off the ship. The operation is expected to take until at least the end of the week, if not the start of next week. A decision will not be made as to the fate of all the vehicles until each car has been fully inspected off the ship. **Höegh Autoliners** has said that water damage only occurred on the bottom deck and the side to which the ship was listing. While many of the vehicles on-board were destined for Middle Eastern markets, offers to buy the vehicles at knockdown prices have already been flooding in on social media and comment sections. However, despite the offers, it remains a possibility that all the vehicles could be destroyed. A similar incident occurred in 2006, when the Cougar Ace carrying 4,703 Mazdas lost stability and developed a 60-degree list. It remained that way for a similar period of time to the Osaka, before being righted. The vehicles were strapped down, and most appeared undamaged, but Mazda made the decision to scrap all the vehicles, because it was not known what effect the listing could have had, and it did not want the risk of lawsuits. There were suggestions that engine oil could have leaked, or that sea air could have affected parts. An expert in risk

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



As the Regulation on sulphur content in marine fuels came into force on 1<sup>st</sup> January, 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>

management told *Automotive Logistics* that “the Cougar Ace is an understood reference point, even before this grounding, for a lot of OEMs and insurer clients, so will no doubt form part of every impacted OEM's decision making for this incident. It was widely reported at the time, and people are aware of it and what Mazda did.” He went on saying that “there is no protocol in place for this,” he continued. “It's a judgement call for the individual OEM. If the vehicles are clearly undamaged – no external damages apparent – some marine cargo policies will have a Brands Clause which allows OEMs to write them off to protect their brand. If the affected OEM has a Brands Clause, this course of action becomes more possible as that option is insured.”

## Hungary's anti-VAT fraud regulations causing concern for auto sector

(Source: *Automotive Logistics News*, 27<sup>th</sup> January 2015) Hungary's introduction of mandatory regulations designed to combat VAT fraud in the movement of freight by road is causing concern in the wider European automotive sector because of the level of bureaucracy involved in its application. While the government's efforts to tackle VAT fraud are welcomed, some are concerned that the enforcement of the electronic system will hamper the timely and efficient transport of parts both within the country and between it and its EU neighbours. Moreover, certain bodies, including the German trade chamber, have warned it could harm the Hungarian economy and hit the competitiveness of the country's manufacturing and logistics base. The Electronic Trade and Transport Control System (EKAER) is designed to monitor goods trafficking in real-time within Hungary and on goods transported on public roads between Member States of the EU. Companies engaged in the movement of goods in this way are obliged to apply for an EKAER number for every journey, which is valid for 15 days. The system is related to the road toll that has to be paid on vehicles in Hungary and compliance is monitored by road-side checks. Failure to comply carries a maximum default penalty equivalent to 40% of the value of the freight being moved. Last week the Hungarian authorities extended the test period on the introduction of the regulations to 28<sup>th</sup> February, which means that the reporting of EKAER numbers, including licence plate numbers remains in place and checks will be carried out. During this period, however, no penalties will be imposed. In the meantime, the Hungarian authorities could revise the regulations and make modifications to them, something that OEMs and logistics providers are eager to see, though any changes made will not be revealed until the end of February at the earliest. **DB Schenker**, which has questioned the impact of the regulations on the efficiency of its services in the country, could only say that the effects on the company and its customers remain to be seen. “We need to wait for those results in order to determine how we will handle the final regulation and its consequences,” said a spokesperson for the company. A number of other logistics providers supporting the automotive industry in the country have also reserved comment until the full impact of the regulations is clear. Daimler which has a plant in Kecskemét said it recognised the importance of the VAT fraud issue and the political initiatives designed to tackle it. The company qualified this by adding that the competitiveness of Hungary and the Kecskemét region was especially important to it and that the reduction of bureaucracy was an aim laid down in its Strategic Partnership Agreement with the Hungarian government. In a statement the carmaker added: “We still see significant potential for improvement regarding the introduction of the new EKAER regulations in order to reach these goals. In this respect, we – together with industry representatives – are in close contact with the government, in order to manage the implementation for all parties involved as efficiently and smooth as possible.” In Hungary, only vehicles over 3.5 tonnes are subject to paying a usage-proportional road toll when using highways and other roads. This toll is proportional to the distance travelled on tolled roads and is determined by the axle number and Euro class of the vehicle. Vehicles under 3.5 tonnes using tolled roads have to pay toll in a vignette system, where



## Events in Brussels

The European Commission will hold the Smart, Green and Integrated Transport Information Day on **2<sup>nd</sup> February**

<http://ec.europa.eu/research/index.cfm?pg=events&eventcode=AA1D4952-CD98-351B-DF9799D6BDD4A240>

*ECG will attend.*

ECSA organizes the European Shipping Week between **2<sup>nd</sup> and 6<sup>th</sup> March 2015** in Brussels

<https://www.europeanshipingweek.com/>

*ECG will attend.*

ECG organizes its annual **Dinner Debate** on **24<sup>th</sup> March** in the European Parliament: "Roadmap to a Single European Transport Area: priorities of the finished vehicle logistics sector"

the toll is not proportional to the distance travelled but a fixed price have to paid for a certain period of time.

**ECG Note:** For more information on the EKAER system, please refer to <http://ekaer.hu/en/> (scroll down for multi-lingual options) and also see [ECG News 14.48](#).

### Danish port to pioneer LNG storage tank with EU support

(Source: INEA, 26<sup>th</sup> January 2015) The EU's TEN-T Programme will co-finance with over €1m a pilot construction of the first liquefied natural gas (LNG) tank and bunker at the Port of Hirtshals in Denmark. If the pilot is successful, a larger LNG bunker will be developed to supply both marine and road transport with cleaner and cheaper fuel. European Regulations require the shipping sector to reduce marine sulphur emissions in the North Sea to 0.1% since January 2015. One of the ways for the sector to reach this goal is to use cleaner fuels, such as LNG. The TEN-T programme puts forward the obligation to provide publicly accessible LNG refuelling facilities in all core European ports by 2030. As the first such initiative in Denmark and one of the first in Europe, this project will develop a 200 tonne/500m<sup>3</sup> pilot LNG storage tank and bunkering facility, with the perspective to develop it into a larger one of 3000-5000m<sup>3</sup>. The new facilities will provide LNG for ships both within and outside the EU, as well as regional consumers including road transport. The project's outcomes are expected to serve as best practice to other ports in northern Europe and encourage consumers switch to alternative fuel with reduced environmental impact. It will also be the first step towards creating a robust LNG supply infrastructure in the region. The project was selected for EU funding with the assistance of external experts under the TEN-T Annual Call 2013, priority 'Decarbonisation / Oil substitution or environmental cost reduction'. Its implementation will be monitored by INEA, the European Commission's Innovation and Networks Executive Agency. The project is to be completed by 30<sup>th</sup> June 2015.

### EU to support Danube river development in Germany

(Source: INEA, 23<sup>rd</sup> January 2015) The EU's TEN-T Programme will co-finance with almost €4m a study preparing the design and planning of a federal waterway on the Danube in south-eastern Germany. The project aims to improve the shipping conditions on Danube and preventing floods in the region. Insufficient draught depth is currently limiting the navigation capacity on Danube between the Bavarian cities of Straubing and Vilshofen, some 150km away from Munich. This study will lay out the works to improve the waterway, in particular the necessary preconditions to obtain the construction permissions and budget approvals. The study is part of a larger project aiming to improve the important waterway axis Rhine/Meuse/Main-Danube with the objective to develop shipping conditions on the entire waterway. The project was selected for EU funding with the assistance of external experts under the TEN-T Multiannual Call 2013, priority projects. Its implementation will be monitored by INEA. The project is to be completed by the end of 2015.

### Northern Adriatic ports receive EU support

(Source: INEA, 27<sup>th</sup> January 2015) The EU's TEN-T Programme will back with almost €3m studies on a better connection between the northern Adriatic ports and the main rail and inland waterways networks in the region. The project's ambition is to contribute to the development of these ports as interconnection points between maritime and other modes of transport. The studies will focus on improving the hinterland access of the sea ports of Trieste, Venice (Italy), Koper (Slovenia) and Rijeka (Croatia) and the inland ports of Chioggia, Porto Levante and Mantova (Italy) to the core European transport networks by rail and inland waterway connections. In specific, the project will:

- Prepare an advanced analysis for future investments in these ports;

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- Promote co-operation and agreements between ports, freight operators and inland terminals to improve services;
- Promote efficient sea-rail freight intermodal solutions to integrate the ports into the core transport corridors crossing the northern Adriatic;
- Foster sea-river co-modal services and integration of the sea ports of Venice and Chioggia into the Po river system;
- Promote investments in Information and Communication Technologies (ICT) to improve the efficiency of the short sea shipping and its interconnection with other transport modes.

The project was selected for EU funding with the assistance of external experts under the TEN-T Multi-Annual Call 2013, 'Motorways of the Sea'. [The project](#) is to be completed by December 2015.

## REST OF THE WORLD

### Höegh opens office in Mexico; looks for trade and cargo diversity

(Source: *Automotive Logistics News*, 27<sup>th</sup> January 2015) Norwegian car carrier **Höegh Autoliners** officially opened an office in Mexico City this week in a move designed to build on its established import/export trade in the country and take advantage of the opportunities for business that the growing automotive production in the country offers. According to Per Folkesson, President of Region Americas at Höegh Autoliners, speaking at the opening on 26<sup>th</sup> January in the Polanco district of Mexico City, last year Höegh handled 170,000 vehicles in and out of Mexico, a significant portion of the 2 million vehicles that it handles on an annual basis. The shipping line makes between 80-100 port calls on four inbound and four outbound trades for Mexico. Last year Mexico built a record 3.22 million vehicles, with 2.6 million headed for export. "We are now looking at an opportunity to expand our service offering in Mexico and, clearly, with the growth in production there will be plenty of opportunities to do this," said Folkesson. Along with Mexico's continued export growth, including potential for short-sea trade to the US, Höegh is targeting trade lanes in and out of the country to other emerging markets, including potential exports to Central and South America. The company has also built up its infrastructure and resources in Thailand and India over the last few years specifically to capture growth in those markets. The appearance of emerging markets such as Mexico alongside the more established ones has led to a degree of fragmentation in previously busy lanes. The consequence for car carriers such as Höegh is that volumes now need to be found on legs that were previously at capacity. Höegh's response will be to diversify the sort of cargo it carries. "So far about 90% of what we ship today is vehicles, or light buses and trucks," said Folkesson. "But we want to start loading more project cargo. That is extremely important for us to stay competitive." To do this, and make the most of economies of scale, the company has invested in six new post-Panamax vessels, termed Höegh's 'New Horizon' class. Each will have the capacity for 8,500 car equivalent units, making them the largest pure car and truck carriers (PCTCs), but they will also be equipped with heavy lifting equipment and a ramp capacity of 375 tonnes to carry a wide range of project cargo. "That is very important for us going forward because we need to diversify our cargo mix," added Folkesson. The first two of Höegh's Horizon class vessels are being delivered in the middle of this year, with four more to follow in 2016. These will add to Höegh's existing fleet of 60 PCTCs.



## Global trade: International freight transport to quadruple by 2050

(Source: *International Transport Forum, 27<sup>th</sup> January 2015*) ITF, the International Transport Forum presented its Transport Outlook 2015 at the OECD headquarters in Paris, France on 27<sup>th</sup> January. The report concludes that in the face of shifting global trade patterns, international freight transport volumes will grow more than fourfold (factor 4.3) by 2050. Average transport distance across all modes will increase 12%. The Transport Outlook's key findings are the following:

- As a result, CO<sub>2</sub> emissions from freight transport will grow by 290% by 2050. Freight will replace passenger traffic as main source of CO<sub>2</sub> emissions from surface transport.
- The North Pacific route will surpass the North Atlantic as the world's most busy trading corridor in terms of freight volume (in tonne-km), growing 100 percentage points faster than the North Atlantic. The Indian Ocean corridor will see large growth, with freight volume quadrupling.
- Intra-African (+715%) and intra-Asian (+403%) freight volumes will see particularly strong growth to 2050. Road transport will dominate here due to lack of other modes.
- The share of domestic transport of international freight flows, identified here for the first time, accounts for 10% of trade-related international freight, but 30% of CO<sub>2</sub> emissions. This is important: Domestic transport is shaped by national policies, less by international agreements.

"The foreseeable increase in global freight represents an unprecedented challenge for the world's transport systems", said ITF Secretary-General José Viegas at the launch. "Increasing capacity constraints in transport can act as a brake on economic growth." "A quadrupling of freight emissions can seriously undermine climate change mitigation." Viegas pointed to four action items that would help to avoid such a scenario:

1. Improve capacity management: Many freight facilities are underutilised;
2. Invest in missing links: More alternative and multi-modal connections increase efficiency ;
3. Prepare for mega-ships: Adapt infrastructure to more and bigger vessels, including the port hinterland connections;
4. Increase vehicle utilisation: Improve load factors and reduce idle times across supply chains.

The ITF Transport Outlook 2015 also contains a wealth of information on passenger transport. In particular, latest projections on CO<sub>2</sub> emissions and health impacts for car-based and public transport-based mobility scenarios for big cities in China, India and Latin America. According to these projections, cities in these regions will generate more than a third (38%) of the growth in passenger transport emissions to 2050. Policies to avoid urban traffic and shift to public transport could reduce this growth by 30-40%. But these must look at both climate and health impacts, as some measures reduce CO<sub>2</sub> emissions, but increase other pollutants.

If you are interested to read the online version of the ITF Transport Outlook 2015, please [click here](#).

## Georgia ports see growth in all sectors in 2014

(Source: *Automotive Logistics News, 27<sup>th</sup> January 2015*) The Georgia Ports Authority (GPA) ended last year with growth across all cargo sectors, including a 7.4% increase in total tonnage, and a 10.2% increase in container handling. The Port of Brunswick in particular continued to dominate in automotive and machinery trade after moving 688,575 units for the year. When combined with the Ro-Ro trade through the port of Savannah's Ocean Terminal, GPA handled 716,055 units last year, which is an 8.6% increase, or 57,190-unit increase year-on-year. Brunswick is the second busiest port in the US for automotive related cargo, and second for total automotive tonnage, behind the Port of Baltimore. In December alone, GPA moved 68,684 automotive and high and heavy units, an increase of 20.1% year-on-year (up by 11,507 units), and a record for the port. In fiscal year 2014, the Authority processed more than 700,000 vehicles and machinery units, with the majority handled at the dedicated Colonel's Island automotive and machinery terminal. Brunswick moved 670,866 units, and the port of Savannah's Ocean Terminal moved 29,548 for a record 700,414 units. More than 20 OEMs use the port, with Hyundai-Kia, Mercedes-Benz and Volkswagen accounting for a significant amount of business. With this continued growth at the end of 2014, GPA said it would continue to develop its facilities. In summer last year, the port announced it has a US Corporation of Engineer's permit to develop 300 hectares on the Colonel's Island facility, and said it could now move forward with OEMs and auto processors. "The available land and infrastructure are keys to maintaining our competitiveness and growth," a spokesperson said, adding that Brunswick was the number one US port for new vehicle imports.

## PRESS RELEASES

### FCA Qualitas Award goes to the Mosolf Group

(Source: *Horst Mosolf*, 28<sup>th</sup> January 2015) **Horst Mosolf GmbH & Co. KG** has received an award from Fiat Chrysler Automobiles (FCA) for the consistent quality of its services. The automotive system service provider, which is one of the leading companies in this field in Europe, received the Qualitas Award 2014 in the supply chain/logistics supplier category last December. The prize was presented in 18 categories to winners from more than 1,000 suppliers in the EMEA region.



In 2014, the prize-winning ceremony once again took place in the Centro Congressi Lingotto in Turin. The Qualitas Award was presented to Dr. Jörg Mosolf by Scott Garberding, Head of Group Purchasing FCA, Alfredo Altavilla, FCA Chief Operative Officer EMEA, and Luc Billiet, Vice President Supply Chain FCA.

“It’s a special honour to receive this kind of award from a customer. It shows that we can offer credible services to companies and meet the high standards that we place on ourselves and those of our customers. We’ll also do all in our power in future to meet the quality standards required by FCA and exceed them,” said Dr. Jörg Mosolf, CEO of the

Mosolf Group. FCA’s statement giving its reason for the award said that the prize is particularly presented to new, innovative and flexible multi-modal concepts, which save natural resources to the greatest possible degree.

Mosolf has been working for the Italian automobile manufacturer for several decades. Its operations not only include providing transport and logistics services across Europe, but also warehouse, technical and workshop services like initial checks on vehicles when they are handed over or inserting additional equipment. Vehicles are also prepared for delivery and the preservation materials are removed from new vehicles. Among other things, the system service provider Mosolf took over what was then FCA’s central delivery warehouse in Kippenheim, Baden-Württemberg, in 1994, where it had already been managing the technical centre for ten years.

Transporting vehicles from the FCA production site in Tychy in Poland (near Katowice) to the **Grimaldi** Terminal AET Antwerp using specially arranged block trains is also a firm part of the co-operation arrangement – in addition to the pioneer work that Mosolf/MAR has performed in establishing export traffic by rail from Kragujevac in Serbia to the Port of Bar in Montenegro.

“I’m convinced that our all-round approach forms the basis for the high level of satisfaction in our customers like FCA. Our concept involves combining cost-effectiveness and quality with sustainability and offering service packages for all matters related to automobiles from one source,” said Dr. Mosolf.

### The Council of the European Union backs European Shipping Week

(Source: *ECSA*, 23<sup>rd</sup> January 2015) The Presidency of the Council of the European Union has granted official patronage to the forthcoming European Shipping Week (ESW) which will be held in Brussels during 2-6<sup>th</sup> March 2015. This support joins the European Parliament’s official patronage by its President, Mr Martin Schulz, and that of the European Commission.

In a letter to Patrick Verhoeven, Secretary General of the European Community Shipowners’ Associations (ECSA), Anrijs Matīss, Latvian Minister of Transport, gave his full support to the week-long event.

He said: “Taking into account the vital importance of the shipping industry for the European economy and society, I would be honoured to grant the patronage of the European Shipping Week and would like to express my full support to the event, aimed at facilitating discussions between the EU institutions and European shipowners and other stakeholders from the shipping sector.”



The European Shipping Week is the brainchild of the European Community Shipowners' Associations (ECSA) and will feature a variety of high-level events. All key European shipowners and stakeholders will be present during the week as the event provides an excellent opportunity to engage with policy makers and legislators from the EU to help shape the future regulatory direction of the maritime industry.

**ECG Note:** Upon the kind invitation by ECSA, ECG has agreed to be a "supporting organisation" of the European Shipping Week (see <https://www.europeanshippingweek.com/supporters/>) and looks forward to attending its flagship conference on 4<sup>th</sup> March as well as the many other side-events that will take place during the week of 2 - 6<sup>th</sup> March. This topic will also be discussed during the next **ECG Maritime & Ports Working Group** meeting which is set to take place at the ECG member **Port of Barcelona on 11-12<sup>th</sup> February**. Any ECG member or permanent sponsor wishing to obtain more information on this meeting, please contact [tom.antonissen@ecgassociation.eu](mailto:tom.antonissen@ecgassociation.eu) directly.

## **IRU calls for immediate moratorium on the enforcement of German minimum wage in international road transport**

(Source: IRU, 28<sup>th</sup> January 2015) The International Road Transport Union (IRU) calls on German authorities to immediately implement a moratorium on enforcement of the new German minimum wage law for international transport operators, which entered into force on 1<sup>st</sup> January 2015, following Chancellor Merkel's recognition of related problems while speaking at a New Year's reception of the CDU District Association in Greifswald on 27<sup>th</sup> January.

The IRU also urges Member States and the European Commission to support a moratorium on the enforcement of the minimum wage requirement on international freight and passenger transport operations, including transit or point to point international transports.

Michael Nielsen, IRU General Delegate to the EU, said, "According to German authorities' interpretation, the new law applies to all transport operations in Germany, even when a truck is simply transiting the country for a few hours. It is not acceptable that German authorities can impose fines on companies of up to €500,000 when there is no legal clarity and no practical information has been made available to operators."

The IRU, EU Institutions and Member States were never informed of this new law, nor the obligations it imposes on companies, prior to its entering into force. Little information is publicly available in any other language than German, and even that is lacking detail; the registration procedure is inefficient and unnecessarily burdensome, providing just one fax contact point for companies to register drivers. A number of other practical questions also remain unanswered, such as how to exactly calculate the minimum wage for drivers working for companies established outside Germany.

It must also be acknowledged, as repeatedly stated by the European Institutions and European Court of Justice case law that the Posting of Workers Directive applies to a very limited number of contractual situations in international road transport.

Mr Nielsen added, "The IRU already contacted the German Ministers of Finance, Labour and Transport last year expressing concern for the lack of practical information available and calling on German authorities to introduce a moratorium on the decision to apply the German minimum wage to international road transport operations. The IRU welcomes Chancellor Merkel's recognition of the problems already highlighted by us."

Similarly, the IRU approached the Commissioners of Employment and Transport and the Directorate General for Mobility and Transport. In response, the Commission has now launched a detailed investigation on the new German law and initiated the pre-infringement procedure (EU Pilot) with a deadline of 21<sup>st</sup> February for German authorities to answer. The IRU equally welcomes this move and remains in constant contact with other Member States' EU representatives.

Upon the IRU's initiative, the impact of German minimum wage will be discussed during the extraordinary meeting of the International Transport Forum Group (ITF) on road transport being held on 5-6<sup>th</sup> February 2015 in Paris. The IRU urges ITF members to fully support its call to establish a moratorium.

Mr Nielsen concluded, "The IRU urges Germany, all other Member States and the Commission to ensure compatibility with the EU legal framework and provide sufficient information to international road transport



operators together with a reasonable period of adaptation before any measure with such a profound impact on the industry is introduced.”

### **T&E welcomes common rules to enable smarter road tolls in Europe**

(Source: *Transport & Environment*, 28<sup>th</sup> January 2015) Earlier this week, Violeta Bulc, the Commissioner for Transport, announced plans to develop a Europe-wide scheme to charge lorries and cars for using roads. Bulc clarified that the scheme would be optional, meaning that countries like the UK could opt out if they want to. She also stressed that the amount of the fee should be based exclusively on the distance driven and should not be time-dependent, which would bolster more efficient use of roads.

Currently European countries have too many different schemes for road tolls. Some, like France and Italy, have tolled highways (*péage*). Others have time-based vignettes for cars and lorries while others, like Germany, Poland and Austria, have kilometre-based charges for lorries but not for passenger vehicles.

William Todts, Senior Policy Officer at sustainable transport group Transport & Environment, commented: “EU governments are all faced with similar problems: falling fuel tax revenues, heavy congestion, and stubbornly high transport emissions. Smart, distance-based tolls are the way to tackle these problems head-on, and Europe can play a very useful role in making sure that systems across the continent work together as well as possible. So we’ll need some common rules for those countries that want to introduce kilometre-based tolls.”

“The EU should also make it easier to introduce distance-based charging, and avoid putting too many rules and obstacles in the way. It should remove technical barriers and ensure the compatibility of different systems. And it should use its infrastructure funds to help countries overcome the investment barriers they face when they want to start road charging.”

The discussion about European road charging rules flared up after Germany announced a new car-vignette that targets foreign drivers using German roads.

Germany, just like many other EU countries, is faced with high maintenance bills. It estimates its own underinvestment in road infrastructure at €2.5bn annually for every year since 2002. And that is just for maintenance – not for building new roads.

At the same time the cost of congestion amounts to a staggering €100bn annually. Smart tolls such as the London or Stockholm congestion charges have been proven to drastically reduce congestion.

Smart and environmentally-differentiated road user charging will improve transport efficiency and clean up vehicle fleets. The money raised from road toll schemes could be used to reduce labour taxes, creating much-needed jobs and strengthening the economy.