ECG News
Truck Ship Compound Train Barge
ECG – The Association of European Vehicle Logistics
Issue 15.14, 6th April–10th April 2015

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ECG Spring Congress & General Assembly
28-29th May 2015, Lisbon, Portugal
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ECG & other industry events

►**ECG Maritime & Ports Meeting**, **on 23rd April**, in Koper, Slovenia

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

►**ECG Board Meeting and Spring Congress&General Assembly**, **on 28-29th May**, in Cascais, Portugal

► **ECG Quality Working Group Meeting**, **on 9th June 2015**, in Brussels, Belgium

► **ECG UK & Ireland Regional Meeting**, **on 10th June 2015**, in Liverpool, UK

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

►**ECG Board Meeting**, **on 9th July**, in Naples, Italy

►**ECG Conference**, **on 15-16th October** in Vienna, Austria

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

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

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

NEWS FROM BRUSSELS

EU to co-fund development of green fuel infrastructure in French waters

(Source: European Commission, 9th April 2015) The EU's TEN-T Programme will co-finance with nearly €500,000 a regional project supporting the use of alternative fuels, in particular liquefied natural gas (LNG), in the Seine river and the French Channel area. The project is expected to reduce environmental impact and cut down on fuel consumption in water transport. The project aims to introduce greener fuels in French regional water transport and pave the way to their wide deployment in line with the new EU requirements on the reduction of maritime transport emissions. This study will focus on the regulation, safety and installation aspects of the necessary infrastructure to support the deployment of alternative fuels. It will also transfer knowledge to about 75 stakeholders in eight ports through a specific training programme preparing the participants on the use of low emission fuels. The project was selected for EU funding with the assistance of external experts under the TEN-T Annual Call 2013, priority 'Decarbonisation / substitution or environmental cost reduction'. Its implementation will be monitored by INEA, the European Commission's Innovation and Networks Executive Agency. The project is to be completed by December 2015.

AUTOMOTIVE INDUSTRY

Western European sales recovery accelerated in March

(Source: Automotive News Europe, 8th April 2015) Registrations last month increased to 1.56m cars from 1.41m a year earlier, according to data and estimates compiled by consulting firm LMC Automotive. That lifted the annual selling rate to 13.15m cars in March from 12.91m the previous month. "We're finally seeing a strong rebound in the market after years of underperformance," LMC analyst Jonathon Poskitt said. The solid sales growth recorded in Europe's five biggest markets was helped by a "backdrop of improving consumer confidence" across the region, he said. The data, an aggregation of published registrations and projections for smaller markets, show a regional gain powered by a belated upturn in France – where March registrations rose 9.3%, outpacing Germany's 9% advance. The UK's annualised selling rate also extended its climb to 2.69m vehicles in March, according to LMC calculations based on registrations published earlier in the day, keeping it well ahead of third-ranked France's 1.98m. Spain, Italy and Portugal also continued to record double-digit sales growth as they recover from a steep demand collapse following the 2008 financial crisis. Another consulting company, IHS Automotive, said improving confidence and returning private buyers were some of the main factors behind the strong sales figures. IHS Principal Analyst Tim Urquhart said an increasing willingness by private customers to buy cars, particularly in the ailing Southern European economies, has boosted sales. "March is traditionally one of the strongest months in the Western European markets with factors like the UK market's plate change and an extra sales day, but even without these factors, it was a very positive overall result for the region," Urquhart said in an emailed statement. IHS forecasts sales in Western Europe to grow by 3% this year to 12.5m units. "We expect gains to continue until the end of the decade in line with the ongoing and gradual economic recovery to hit a final figure of 13.5m - although this is of course still well behind pre-crisis levels," Urquhart said.

IHS: UK Passenger car registrations grow 6.0% during March

(Source: Automotive Purchasing, 9th April 2015) UK passenger car registrations have continued to surge in the popular age-related number plate change month of March, according to the latest data published by the Society of Motor Manufacturers and Traders (SMMT). Registrations have grown by 6.0% year on year to 492,774 units, taking it to a monthly record for the market since the biannual number plate change regime was introduced during 1999. However, it may have been helped by an additional working day during the month – 22 days versus 21 days in March 2014. The improvement was driven mainly by fleet sales, which witnessed an increase of 11.6% to 219,153 units. However, private customers were the most attracted into the market, with registrations to these types of buyer having grown by 2.7% to 253,043 units. Registrations by business customers have fallen off marginally in the most recent month though, sliding by 6.6% to 20,578 units. The increase this month has significantly benefited the overall results of the market during the first quarter, and registrations in the year to date (YTD) now stand at 734,588 units, an increase of 6.8%. Ford yet again registered the highest number of passenger cars this month, with a minor fillip of 0.5% to its 63,466 unit tally. Ford also had by far the biggest selling model this month; registrations of the B-segment Fiesta stood at 27,034 units, while the C-segment Focus ended the month in third spot. General Motors' (GM) Vauxhall brand took second spot but sales retreated 2.8% to 48,689 units. However, this did not stop its B-segment Corsa taking second spot, although the C-segment Astra has slid to seventh in the charts. The Volkswagen (VW) brand gained in line with the market as a whole with an increase of 6.6% as it took third place with registrations of 38,685 units, supported by the C-segment Golf and B-segment Polo in fifth and sixth place. Nissan's Qashqai crossover took fourth spot in the model chart this month and the Nissan brand was fourth with a gain in its registrations of 21.5% to 31,026 units. It is likely to have been supported by the introduction of the X-Trail and Pulsar as well. Premium marques have also been positioned well up the brand chart again this month. However, Audi in fifth and BMW in sixth have had considerably weaker months with Audi up 1.1% to 29,153 units while BMW has dipped by 0.2% to 26,925 units. Nevertheless, new product has helped lifted Mercedes' popularity again, with its registrations up by 19.0% to 26,616 units, helped along by the C-Class which was the ninth best-selling car in the market. The gain recorded during March is now the 37th month in succession for the passenger car market in the country as it continues its record-setting run. The latest improvement comes in a month which is typically already one of the strongest during the year due to one of the two biannual number plate changes. Many customers who have ordered vehicles in the preceding months will wait to have them delivered in March to benefit from the new "15" number plate. The continued gains come as a result of a range of factors that have helped lift the market in past months. This includes cheaper oil prices and the benefit that has had on fuel costs. This has also had a knock-on impact on inflation, as has a supermarket price war. The economy remains buoyant while at the same time the prospect of an interest rate rise by the Bank of England has been pushed further into the future, making the cost of borrowing lower. Automakers and dealers have been undertaking significant deal-making in recent times through leasing offers and other incentives which has maintained the market momentum. This will also be being supported by the weaker euro which will help the price of vehicles imported into the UK from the Eurozone. Again, of particular note has been the extent of gains coming from fleet customers. As well as impressive leasing deals, demand may also be stimulated by customers looking to benefit from tax incentives on offer to businesses known as First Year Enhanced Capital Allowance, which was set to end on 1st April. Looking forward to the remainder of the year, many factors are expected to continue to have an influence, as well the quantitative easing announced by the European Central Bank, which is expected to have a positive knock-on effect for the UK economy. There also appear to be few fears for the future in spite of the impending general election, which appears wide open at the moment. As a result of the higher increases in the first quarter of

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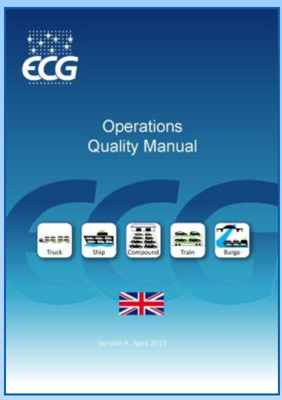
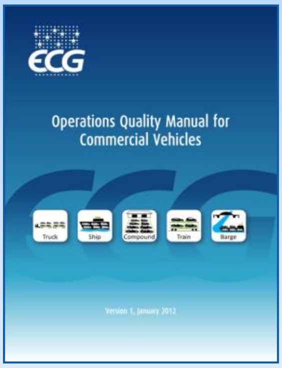
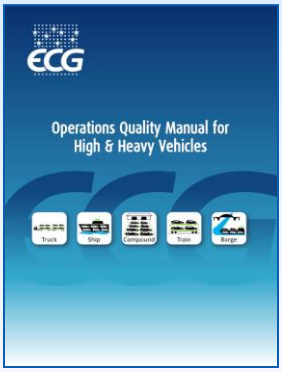






- Written by the Quality Working Group and the H&H Working Group composed of OEMs and LSPs.
- The manuals can be downloaded from: http://www.ecgassociation.eu/PublicationsReports/ECGOperationsQualityManuals.aspx

For comments or inquiries please contact: info@ecgassociation.eu

the year than initially anticipated, IHS Automotive forecasts for 2015 to reach 2.55 million units, a gain of 2.9% year on year. We are also looking at an around 3.0% fall the following year to 2.47 million units.

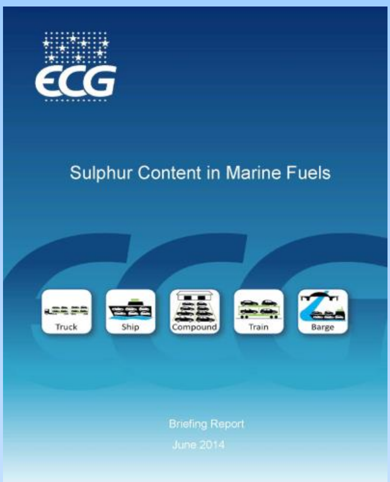
Hybrids mean business in Toyota's strong first quarter results

(Source: Automotive Purchasing, 8th April 2015) Cars sold, numbers crunched, results analysed: sales figures from the first three months of the year show Toyota sales on the up, rising at an even faster rate than the UK's healthy new car market. The total of 30,210 new Toyotas reaching Britain's roads marks a 9% increase on the brand's performance in the same period last year. The growth rate is well ahead of the total car market, which grew 6.8%. Increasingly strong fleet sales are a major contributor to Toyota's success, led by the performance of Yaris Hybrid and the British-built Auris Hybrid models. More and more businesses and company car drivers are turning to Toyota hybrids to gain the significant cost benefits delivered by the technology's low emissions, strong fuel economy, proven reliability and low maintenance costs. Toyota hybrids are also appreciated by business motorists for their smooth, refined and comfortable performance – particularly valued by those who regularly face long-distance journeys. Yaris Hybrid's fleet sales rose 18.2% on 2014's results and those for the Auris Hybrid hatch by 31.3%. The Auris Hybrid Touring Sports wagon increased sales by almost a quarter. Overall, hybrid sales represent 24% of total Toyota sales so far in 2015. New Aygo has established itself as a top-three performer in the fiercely competitive city car market. With sales volume up by more than 37%, it is currently claiming more than 10% of overall segment sales, helped by its sharp styling and great choice of personalisation features. Toyota's MPV's are also prospering, with Verso boosted by the introduction of its new 1.6 D-4D diesel engine and Prius+ reinvigorated by its styling and equipment revisions for 2015. As a consequence, Verso Q1 sales have climbed almost 17% and Prius+ by more than 25%.

Daimler nearing decision on Russian Mercedes plant

(Source: Automotive News Europe, 9th April 2015) Daimler has narrowed down potential sites for a Mercedes-Benz car plant in Russia to three locations, according to a Russian media report. Daimler will likely make a decision next month on whether to build Mercedes cars in the country where its vehicle sales are increasing despite the market's steep downturn, Russia Today said in a report. The automaker is considering St. Petersburg, Tatarstan's capital, Kazan, or the central Russian region of Sverdlovsk for the factory the report said. The president of the Russian investment agency Invest in Russia, Yuri Spiridonov, told reporters that Daimler plans to start building a plant at the end of 2015 to reach full capacity by 2017. He said the automaker plans to produce five models, the S class, E class, GL, ML and A class, according to the report. Daimler said there are "currently no decisions regarding local production of Mercedes-Benz passenger cars in Russia." The company, however, is "continuously reviewing local production in the light of market growth and sales potential," a company spokeswoman told Automotive News Europe. Daimler could use the terms of an existing agreement signed with another automaker such as General Motors to begin output faster, according to the Russia Today report. GM is ending sales of Opel and mainstream Chevrolet cars in Russia because of plunging sales. GM also will idle its plant in St. Petersburg. Daimler, however, has said it is not interested in signing an agreement on industrial assembly at GM sites in Russia, the report said. A weak currency, falling oil prices and Western sanctions over Ukraine have hit Russia's economy and consumers are avoiding purchases of big-ticket items such as cars. While Russian new-car sales have plunged 36% in the first quarter, sales of Mercedes vehicles rose 7.3% to 12,838, according to data from the Moscow-based Association of European Businesses in Russia. BMW sales fell 14% to 8,334. Audi's volume slumped 26% to 6,132 in the same period.

Briefing paper on the sulphur content in marine fuels updated



As the Regulation on sulphur content in marine fuels came into force on 1st 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

Skoda makes further logistics investments in Kvasiny

(Source: Automotive Logistics News, 2nd April 2015) Volkswagen's Skoda division is planning to make further investments in logistics support as part of overall spending in its plant in Kvasiny, Czech Republic. The company said it is planning to increase annual output at the plant to 280,000 vehicles by 2018, up by almost 114,000 on total production last year. "Skoda Logistics will play a key role in developing the Kvasiny plant, because the company will place even greater emphasis on the leanness of the entire process and the accuracy of its material flow planning," said a spokesperson for the company. He added that the primary tasks on the logistics side include optimising material flow and logistics costs, as well as getting key suppliers nearer to the plant and improving the parts packing process. Skoda said it is also taking further measures in line with its 'Green Logistics' strategy. The carmaker recently signed a memorandum of co-operation in Kvasiny with the Czech Government and Hradec Králové authorities. As part of that agreement Skoda plans to invest around CZK 7.2 bn ($2.8m) into the site over the next three years. At the same time, the Czech state and the Hradec Králové region will be making investments in the public infrastructure. "The government funding totalling CZK 2bn is not credited directly to the client's account, but rather benefits the infrastructure of the district in developing Kvasiny's industrial zone," said Jan Mládek, Commerce and Industry Minister of the Czech Republic, who was speaking at an event to mark the new agreement. The public investments from the Czech state and Hradec Králové region will be focused on improving the transport infrastructure and technical infrastructure in Kvasiny and Hradec Králové regions. In addition, improvements are planned for education and healthcare in the region. Other companies are also expected to set up in the area. For its own part Skoda said that in early 2016 it will complete an extension to the existing logistics hall used for the assembly line supply process. This new extension will increase the storage capacity by more than 25%. The carmaker told Automotive Logistics that investments would also be made in optimising the on-site flows and standardising the plant's logistics operations. "In particular, the company is going to further develop its innovative 'Simply Clever' solutions, IT and support systems to provide a higher degree of process automation," said the spokesperson. This includes implementing an automatic guided vehicle (AGV) system to transport components to the assembly line and pick-to-light systems and related technology that is designed to make the process of picking components for the assembly line simpler and more accurate. The carmaker has already made extensive investments into the production and logistics facilities at Kvasiny to support the recent launch of the Skoda Superb. These included logistics improvements related to the new welding shop and assembly line at the facility. For instance, a 6,000m^2 logistics area has been built near the welding shop and there has been major investment in logistics technologies such as FTS and pick-to systems on the assembly line for the Superb. Kvasiny's central logistics provider is Preymesser, which is responsible for just-in-sequence (JIS) deliveries of components. Its halls and warehouses are situated only a few kilometres away from the Skoda plant. The company expects to make further developments at the logistics park adjacent to the plant in the coming years said the spokesperson. Alongside the Superb, the carmaker produces Yeti and Roomster models at the Kvasiny plant. Last year output reached 166,200 Skoda vehicles there.

France increases Renault stake in challenge to Ghosn

(Source: Automotive News Europe, 8h April 2015) The French government increased its stake in Renault, boosting its influence as the automaker's biggest shareholder in a challenge to CEO Carlos Ghosn that risks destabilizing the Renault-Nissan alliance. France will temporarily raise its holding to 19.7% from 15% and has already amassed most of the additional shares, the finance ministry said on Wednesday. The government said the move was designed to secure double voting rights for longer-term investors -- itself included -- after a vote at Renault's April 30 shareholder meeting. Legislation introduced under Socialist

Events in Brussels

The Alliance for European Logistics will hold the 7th European Logistics Summit 'Towards the EU growth and jobs agenda: The critical role of the European logistics sector' on **22nd April**
http://www.logistics-alliance.eu/index.php?page=all-events

FERRMED organises a conference entitled on 'The impact of intercontinental trade on EU competitiveness and Core Network Corridors (2015–2030)' on **22nd April**
http://www.ferrmed.com/?q=en/conferences/corridor-networks-2015-2030

The ITS Conference 2015: "A Digital Strategy for Mobility: from capacity to connectivity" will be organised by the European Commission on **24th April**
http://tinyurl.com/qyat2xz

President Francois Hollande doubles the voting rights of longer-term shareholders in French companies unless they opt out of the so-called Florange law by a two-thirds majority. By increasing its Renault holding, the government aims to block the automaker's "one-share, one-vote" proposal to opt out of the Florange law at the April 30 meeting. The move amounts to a public put-down to Ghosn, who has headed Renault and Nissan for the past decade. George Galliers, an automotive analyst with Evercore ISI, said: "It seems that Renault is being used as a political football." The intervention clearly "goes against the company's wishes," he said. The government's announcement appeared to come as a surprise to both Renault and Nissan, its partner in a 16-year-old alliance. "This was completely unexpected," a senior Renault source said. "Nissan was not given any warning." French Economy Minister Emmanuel Macron said the Renault share purchase reflects government determination to use all available tools "to promote a progressive, long-term kind of capitalism that supports workers and helps companies grow." The government said it would pare its Renault stake back to 15% after the shareholder meeting, outlining a system of put options that have been secured to guarantee a minimum price when the 14m shares are resold. The share purchase could also complicate any move to secure the future of the Renault-Nissan Alliance by replacing its reciprocal shareholdings with a better defined holding structure or even a full merger before Ghosn's contract expires in 2018. Renault has a 43.4% full-voting stake in Nissan and Nissan has a 15% non-voting stake in Renault. While Nissan is deprived of any votes on its 15% stake in Renault, the voting weight of the government's equivalent holding will surge under the new law. "Nissan is already unhappy at not being able to exercise its votes in Renault," the Renault source said. "This demonstrates a very clear determination by the state to weigh on any future decisions on the future of Renault and the alliance." Ghosn has previously ruled out a merger between Renault and Nissan but said the capital structure of the partnership could be reviewed before 2016. Renault shares were little changed after the government's announcement before eventually rising 0.8% to €85.92 at 13:25 CET on 8th April. Shares in Nissan closed 1.2% lower in Tokyo.

EUROPE

Paragon extends relationship with Vauxhall

(Source: Automotive Logistics News, 7th April 2015) Paragon, a leading UK supplier of end-of-life and PDI services for the car industry, has extended its contract with GM's Vauxhall division for the refurbishment of more than 30,000 ex-fleet vehicles a year. The extension of the contract will also see it handling vehicle deliveries out of its Corby site in the UK to Vauxhall dealers of second hand vehicles. It operates a fleet of 110 transporters and 150 single move drivers across the country. The company also said it was investing to expand and upgrade the Corby facility to meet demand. It is applying its own fleet management system, iSight, on the contract which it said would enable real time access to inventories to ensure the efficient management of vehicles. Paragon has a 10 year relationship with Vauxhall that has seen a number of innovations developed to create efficiencies in the de-fleet process. "Paragon continues to prove an efficient partner for our used vehicle supply chain," said Toni Sozzo, Vauxhall Motors' National Used Car sales manager. "They share our passion for innovation and continually strive to improve the service they provide. Paragon handled over 750,000 vehicles last year.

New UK HGV speed limits come into force

(Source: Lloyd's Loading List, 7th April 2015) Changes to HGV speed limits in England and Wales came into force yesterday, with the HGV national speed limit on single carriageway roads being increased from 40mph to 50mph and the speed limit for HGVs on dual carriageways increasing from 50mph to 60mph. The

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Freight Transport Association (FTA) said the changes would improve road safety for all road users. The Department for Transport (DfT) revealed in July 2014 that the change to the national speed limit on single carriageways in England and Wales would come into force this spring. FTA said: "FTA supported the decision to change the speed limit for HGVs, stating that it would mean an improvement in road safety as the differential between HGVs and other road users would be reduced." The association added that the changes would allow single-carriageway roads in the UK to be used more effectively and safely. Commenting on the introduction of the change to the HGV speed limit, Malcolm Bingham, FTA's Head of Road Network Management Policy, said: "This is a move to improve safety for all on single carriageway roads where the 20 mph speed differential between cars and trucks can lead to hasty overtaking manoeuvres that sadly often result in casualties. FTA believes that it will benefit industry as it will allow operators to use the additional speed, where it is safe to do so, and gain running cost benefits." FTA said the current speed limit was introduced in the 1960s, since when lorry technology has advanced considerably. "The change will modernise an antiquated restriction, which is not matched in most other European countries," FTA observed. It said the amended speed limit on single carriageway roads would apply outside built-up areas in England and Wales, unless specific lower local speed limits are in effect.

Rotterdam congestion 'not due to new MV2 terminal', insists APMT

(Source: Lloyd's Loading List, 8th April 2015) APMT has hit back at claims that a slower-than-expected rollout of operations at its new container-handling terminal at Rotterdam's Maasvlakte 2 (MV2) was one of the major factors in the current traffic congestion at Europe's biggest container port. Leading barge and intermodal operator Contargo will next week introduce a congestion surcharge on containers carried to and from Rotterdam, claiming its barges are waiting three or four extra days at the seaport to unload and re-load shipments, making it necessary to charter extra capacity. Last week, a spokesman for the Rotterdam Port Authority pointed to two factors as being responsible for the congestion: strong container traffic growth and delays in two new handling terminals - one operated by APMT and the other by RWG - coming into service at MV2. Sources had reported that APMT was only handling one ship per week at its new fully automated terminal at MV2, which will be inaugurated 24 April. The other new terminal at MV2, run by RWG, is still in its test phase but commercial operations could start later this month or May. However, a spokesman for APMT told Lloyd's Loading List.com: "To give the impression that our new terminal is operating at a low level of activity and is one of the main causes of the congestion is completely false." He underlined that APMT had no congestion issues either at its MV1 terminal or at MV2, where he said a normal ramp-up of operations had taken place since the end of last year. "Our new terminal at MV2 has added capacity at the port and is currently handling two to three vessels per week, 50 barges and 10 trains (per week) and 700 trucks per day," the spokesman said. That number of vessels handled would also be stepped up in the coming weeks. When fully operational, the two new terminals at MV2 will be able to handle around 5m containers annually.

Russian Railways Logistics takes stake in Latvian rail freight forwarder

(Source: Railway Gazette, 9th April 2015) Russian Railways Logistics has acquired a 50% stake in Riga-based freight forwarding company Liepājas Naftas Tranzīts through its RZDL Multimodal business. Announcing the deal on 9th April, RZDL said its aim was to expand the rail freight market and establish a 'consolidated rail transport chain' connecting with Latvia's ports which would enable it to offer westbound transit services with 'stability and regularity'. RZDL will also provide LNT with legal support in the Russian market. RZDL is a

subsidiary of the United Transport & Logistics Co. intermodal freight joint venture of the national railways of Russia, Kazakhstan and Belarus. It “is developing business in Europe and Asia as a priority”, according to RZDL Chief Executive Pavel Sokolov. “Currently we have a joint venture Euro Rail Trans operating in that area. We believe that the co-operation with the Latvian-based freight forwarder will give us a lot of new opportunities in the multimodal transport market in the EU.”

SNCB Logistics privatised

(Source: Railway Gazette, 2nd April 2015) Pan-European private equity house Argos Soditic has taken a 66% stake in SNCB Logistics, the freight division of the national railway, as part of a financial restructuring of the operator. The agreement adds €70m to the capital of SNCB Logistics, of which €20m has been contributed by Argos Soditic and the remainder from external sources. In addition, SNCB has converted into cash a €25m subordinated loan which it had previously agreed to provide to its freight arm. SNCB remains a minority shareholder in SNCB Logistics and expects to work in partnership with Argos Soditic to develop “new products and services” and “place clients and their needs at the centre of developments”. After several years of heavy losses, SNCB Logistics posted EBITDA earnings of €11m in its full-year 2014 results, which Gilles Mougenot, Partner at Argos Soditic, says is a testament to the strength of the SNCB Logistics management team led by Geert Pauwels. “SNCB Logistics’ strong link with the Belgian ports (Antwerpen, Zeebrugge and Gent) can prove to be a strong catalyst for its future growth”, Mougenot told Railway Gazette’s sister title DVZ. “All the conditions are there for us to invest. We see a lot of potential for SNCB Logistics to become a game changer in the Belgian and European rail freight market.”

REST OF THE WORLD

Asian companies look to expand into Myanmar

(Source: Transport Intelligence, 2nd April 2015) For the fiscal year ending 31st March, Myanmar’s trade deficit increased by 88%. The country imported $16bn of goods for the time period and exported $11bn of goods. According to Reuters, capital goods such as construction materials for infrastructure projects accounted for 40% of imports, fuel 30% and consumer goods 20%. As such, the country has launched a national export strategy, which, according to the government will strengthen smaller businesses. "Exports have become concentrated on a handful of products, mostly unprocessed natural resources, and export destinations remain limited," the government said in a statement. Indeed, there is a good bit of interest in this country as it continues to emerge as a manufacturing location. According to United Overseas Bank’s Asian Enterprise Survey, one in four Asian businesses plan to expand into Myanmar this year. The survey is based on 1,024 businesses from China, Hong Kong, Indonesia, Malaysia, Singapore and Thailand and further finds that of the respondents, 31% of Hong Kong respondents noted plans to expand to Myanmar this year followed by Thailand (28%), mainland China (26%) and Malaysia (25%). Additionally, 44% of Asian businesses planning to expand into Myanmar are in the automotive industry and 39% are in the food and beverage industry. Logistics and shipping companies are following suit as well at 30% and 33% respectively. Vehicle import regulations have been relaxed in Myanmar since 2011 and as such imports have been on the rise. A recent example of the growing interest from the automotive industry is the announcement from NYK Line which established a joint venture for car transportation in Myanmar with its partners Silverbird Auto Logistics and Phee Group. Also, leading automobile manufacturers such as Ford and GM have partnered with local dealers to open showrooms. Also, these manufacturers also provide service and spare parts. In 2013, Japan's Suzuki Motor Corp, resumed production of vehicles in Myanmar for the first time in three years, manufacturing about 100 small trucks a month and Nissan has partnered with Tan Chong Motors to build what is described as the largest automobile assembly plant in Myanmar with anticipated capacity of 10,000 vehicles a year. The plant is scheduled to open this year. According to a Nissan spokesperson, parts will be sourced from Thailand, India, China and Japan as well as by local suppliers.

As Myanmar continues to open up intra-Asian supply chains will connect with it, extending an already intricate logistics network to create additional opportunities for logistics providers.

BMW heads to China for the 2015 Auto Shanghai

(Source: Automotive Purchasing, 7th April 2015) Held every other year since 1985, Auto Shanghai ranks as one of Asia's leading motor shows. Celebrating its world premiere is the BMW X5 xDrive40e Sports Activity Vehicle, the first plug-in hybrid production model from the BMW core brand. The new BMW 2 Series Gran Tourer marks its Asian premiere as the first premium model in its segment to offer maximum variability and room for up to seven people. The BMW 1 Series makes its first appearance in Asia in a new edition that is

even more expressive, sporting and efficiency-minded. The three luxury-class athletes are unveiled in China for the first time: the new BMW 6 Series Convertible, the new BMW 6 Series Coupe, the new BMW 6 Series Gran Coupe and their relations, the M6 high-performance models BMW M6 Coupe and BMW M6 Gran Coupe from BMW M GmbH, that unite top-level driving dynamics, efficiency and exclusivity. BMW i presents innovative services under the banner of BMW 360° ELECTRIC, namely ChargeNow and Second Life batteries. New services and apps for the Chinese market come courtesy of BMW ConnectedDrive, which now offers the Concierge Service, the ConnectedDrive Store, the BMW Social App, the Ximalaya audio streaming service and the Xiami music download service. Beyond this there are two innovative motorcycle models marking their Asian premiere: the new BMW R 1200 R and the new BMW S 1000 RR.

Daimler opens 'built-to-suit' PDC in Guangzhou for aftermarket

(Source: Automotive Logistics News, 8th April 2015) Daimler's division in China – Daimler Northeast Asia Parts Trading and Services (DPTS), which looks after aftermarket logistics for Mercedes-Benz vehicles – has opened a 36,000m^2 parts distribution centre (PDC) in Guangzhou. The company described the facility as 'built-to-suit', by which it means the facility was constructed to the carmaker's exact specifications. It joins a network with the company's five other regional warehouses, which are in Beijing, Shanghai, Kunshan, Chengdu and Yangzhou. "Our new built-to-suit warehouse will clearly strengthen DPTS's nationwide network, while underlining both our strong momentum in recent years and confidence into our future in China," noted Steffen Holzer, CEO of DPTS. "With our genuine parts services we will continue to stand for parts availability, quality and efficiency, which are as important for us as they are for our customers – in China, like elsewhere." DPTS has a total warehouse capacity of approximately 170,000m^2, including the latest footprint, and stocks more than 53,000 different parts for Mercedes passenger cars and vans and trucks. The division is offering same day delivery if needed, as well as during Saturday, and is making deliveries across distances up to 4,000km. At present the company reports it is serving 325 Mercedes-Benz passenger car dealers, plus another 52 Mercedes-Benz van and 34 truck outlets, altogether in 196 cities across China. "DPTS plays an important role for our customer-first approach in China, by delivering our customers genuine parts in the right quantity, with the right quality and at the right time and place," said Hubertus Troska, Member of the Board of Management Daimler AG responsible for Greater China. "Going further, we will continue to enhance our parts and aftersales logistics infrastructure, being just more proof of our deep root in China's automotive industry."

PRESS RELEASES

ICS Highlights Ocean Governance Issues at United Nations Meeting

(Source: the International Chamber of Shipping (ICS), 7th April 2015) In New York on 7th April, the International Chamber of Shipping (ICS) represented global ship-owners at an important United Nations meeting, having been invited to speak as a panellist as part of the UN Inter Consultative Process on the Law of Sea.

The opportunity was taken by ICS to highlight the extent to which shipping is very effectively regulated by the International Maritime Organization (IMO) and the International Labour Organization (ILO) in order to deliver the United Nations' sustainable development goals.

With respect to environmental sustainability, ICS explained how shipping is the only industrial sector already to have a mandatory global regime in place, adopted by IMO, to regulate and reduce its CO_2 emissions. A recent IMO study determined that total CO_2 emissions from international shipping reduced by over 10% between 2007 and 2012. ICS also gave an overview of the global regulations adopted at IMO to reduce sulphur emissions from shipping and to limit the movement of invasive species in ships' ballast water, and how the shipping industry was investing hundreds of billions of dollars to order to ensure compliance.

With respect to social sustainability, ICS explained that shipping is also unique in having the comprehensive framework of global regulations governing seafarers' employment and working conditions provided by the ILO Maritime Labour Convention, which is now being enforced worldwide, as well as an ILO international minimum wage for seafarers.

However, ICS noted that the collective cost to the shipping industry of implementing new environmental regulations, which was already starting to be felt, was estimated to be in excess of $500b over the next 10 years, something which had not been fully taken into account when the rules were adopted. Government regulators therefore needed to give equal priority to each of the three pillars of sustainable development, including the economic, which was especially important in view of shipping's role in continuing the spread of global prosperity.

Speaking in New York, ICS Director of Policy and External Relations, Simon Bennett remarked:

"Unless the shipping industry is commercially viable it will not be able to deliver the investments in environmental and social improvements that are sought by regulators on behalf of society at large."

ICS therefore suggested that the conduct by IMO of full and proper cost benefit analysis of all new future regulatory proposals would help to ensure the delivery of sustainable development, consistent with the goals agreed by the United Nations.

At the New York meeting, ICS also commented on the recent decision by the UN, in January 2015, to recommend that UNCLOS should be expanded to include a new legally binding instrument on the conservation of marine life in areas beyond national jurisdiction, which could include tools such as 'High Seas' Marine Protected Areas.

ICS Director of Policy and External Relations, Simon Bennett remarked: "ICS sees benefit in the designation of High Seas protected areas, to address issues such as unregulated fishing, but it should be borne in mind that under the authority of UNCLOS, shipping is already comprehensively regulated by IMO. While the shipping industry recognises that the regulation of other ocean activities, especially on the high seas, may not be so well developed, we do think great care should be taken with regard to the current balance that exists between the rights and obligations of states in their flag, coastal and port state roles. In the context of regulating international shipping, the current balance has worked very well, as demonstrated by the sustained increase in the efficiency of shipping and the dramatic reduction in the number of shipping and pollution incidents."