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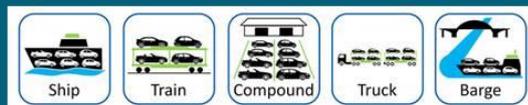
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*We wish you a very  
happy and successful  
2016!*





## ECG & other industry events

- ▶ **CSR Europe's Sustainable Supply Chain Logistics Forum, NEW DATE TBC**, Brussels, Belgium
- ▶ **ECG Land Transport Working Group, 18<sup>th</sup> February 2016**, Frankfurt, Germany
- ▶ **ECG Quality Working Group, 23<sup>rd</sup> February 2016**, Brussels, Belgium
- ▶ **ECG Eastern Regional Meeting, 14<sup>st</sup> April 2016**, Gdansk, Poland
- ▶ **ECG Spring Congress & General Assembly, 26-27<sup>th</sup> May 2016**, Lago Maggiore, Italy
- ▶ **Automotive Supply Chain Congress, 15-16<sup>th</sup> June 2015**, Liverpool, UK
- ▶ **ECG Conference, 20-21<sup>st</sup> October 2016**, Hamburg, Germany

## NEWS FROM BRUSSELS

### Germany encouraged to support Commission's toll proposals

(Source: *EurActiv*, 7<sup>th</sup> January 2016) Transport Commissioner Violeta Bulc wants to put an end to the EU's various toll schemes, and has rejected German Minister for Transport Alexander Dobrindt's proposed plans on the matter. Bulc told *Die Welt* that it is possible that the European Commission will present proposals this year that could serve "as the basis for a European toll system for trucks and cars." Therefore, EU Member States that have opted to toll their roadways would be organised into one single system. "I invite Germany to support us in this proposal," said the Slovenian politician. "We need a European solution for road charges," she continued, adding that, "Many different toll systems are a barrier to mobility within the internal market." Germany has had its toll scheme rejected by the Commission in the past, which cited unacceptable discrimination against non-German citizens. According to Berlin's plans, Germans would receive discounts when using tolled roadways. Bavaria's Minister President, Horst Seehofer (CSU), announced at the weekend that he would soon seek an end to Brussels' veto. Bulc reiterated the EU executive's stance on the issue during her interview with *Die Welt*, saying "There should be no discrimination based on nationality." It would be incompatible with EU law. In terms of the ongoing infringement procedure, the ball is now in Berlin's court. "In December, we requested additional information from the German authorities and have asked for an answer by February," she added. The Commission formally launched an infringement procedure against Germany on 18<sup>th</sup> June last year. Due to the ongoing disagreement, Dobrindt's plan, which was to have been implemented early this year, has now been postponed indefinitely.

## AUTOMOTIVE INDUSTRY

### Hyundai cuts production at St Petersburg plant

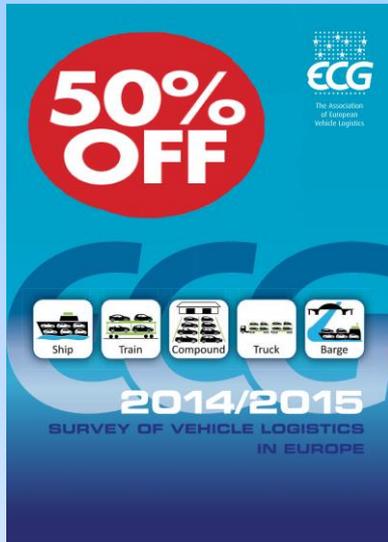
(Source: *Automotive Logistics News*, 6<sup>th</sup> January 2016) Hyundai will decrease the production volume at its St Petersburg plant by 6.3% this year to 215,000 units, the head of Hyundai Motor Manufacturing Russia has said. According to Hyundai, the plant suspended production on 1<sup>st</sup> January, and will reopen on 22<sup>nd</sup> January, after the plant is fitted with equipment to produce the Creta model. Unstable exports and the wider Russian economy have led to the decrease in production at Hyundai. In 2015, it exported just 14,200 cars, compared with more than 25,000 in 2014. Hyundai had forecasted a decrease in its export figures, but still expected to reach 18,000 units by the end of 2015. More than 10,000 vehicles were exported to Kazakhstan, and around 2,500 units went to Lebanon and Egypt, where Hyundai had launched exports in the second half of 2015. Sergey Bobryshev, Head of Glovis Rus, which manages Hyundai and Kia's logistics in Russia, said that establishing exports to regions outside CIS is common practice for local OEMs, but that supply channels are not yet well developed. "Exports from the Russian Federation are traditional for the domestic automobile brands. They have a long history and proven channels since Soviet times. For foreign car brands until recently, exports were conducted exclusively in the CIS countries," he said. "Therefore, exporting to countries outside CIS is relatively new. In the current environment, foreign producers exporting cars from Russian plants have relatively modest volumes and are more focused on the ports of the Baltic Sea, due to localisation in the north-west and central regions of the country," he added. According to chief analyst at Russian agency Autostat, Azat Timerhanov, Hyundai may improve its market position this year by acquiring the market share of other OEMs that will have to leave. "Most likely, Hyundai and Kia will continue to increase their market shares this year as they offer the best products in terms of price and quality. At the same time, a number of brands may leave the market, including SsangYong, Suzuki, Chrysler and





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measures at Calais since the crisis erupted in June and has already invested £7m in a secure HGV parking area and additional fencing at the Port. We now learn that the French government will apparently be picking up the £1.1m bill for the new camp. As experience has clearly shown, this will barely scratch the surface of the problem.” He went on saying that “migrants at Calais already outnumber security officials by 18:1. Our greatest concern is that the number of staff will be reduced and redeployed at Dunkirk. The inevitable outcome of this will be that what is already a bad situation will get much, much worse. It is unthinkable that lives, already at risk, are lost.” The RHA will continue to push for deployment of the French military at Calais and will be requesting a meeting with the Mayor of Calais, Madame Natacha Bouchart. Madame Bouchart has also voiced her concerns for the citizens of Calais who have been placed in an untenable situation. “This is now a critical situation which cannot be allowed to continue,” continued Richard Burnett. “The lives and livelihoods for hauliers and for thousands of Calaisians are now being put at severe risk. Pressure must be brought to bear on the French government to act.” Concluding, he said: “The situation at Calais will not disappear any time soon and that is where the focus must remain. It must be addressed and resolved as effectively and quickly as possible. Duplicating the problem to another port 30 miles away is not the answer.”

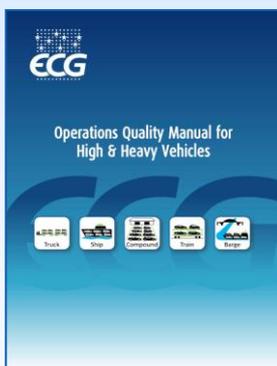
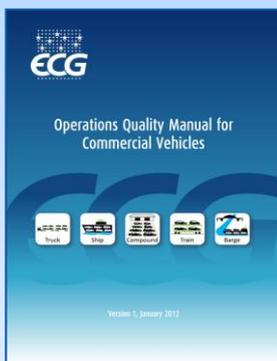
### Calais at ‘unprecedented’ crisis point for truck drivers

(Source: *Lloyd's Loading List*, 18<sup>th</sup> December 2015) Violent scenes witnessed on 17<sup>th</sup> December in and around Calais have been described as “unprecedented” by the Freight Transport Association (FTA). Touring the Eurotunnel facilities on what was expected to be the busiest day of the year for vehicles travelling through Calais, the FTA’s manager for road freight and enforcement policy Chris Yarsley said he saw thousands of migrants attacking trucks as they queued on the motorway. Yarsley, who is normally based in the FTA’s Brussels office, said: “I am flabbergasted at what I have seen today; there were literally thousands of migrants benefitting from the queue of slow moving traffic on the roads around Calais. They were attacking vehicles, breaking the locks of trucks, slashing roofs of the lorries and climbing in the back of them.” “French Police were highly visible and were taking extreme measures to break up the crowds including using tear gas and closing the motorway in order to control the situation, but appeared to be overwhelmed by the numbers. The migrants appeared to be organised in their attacks, as we were told of disturbances in the town centre which diverted police attention allowing opportunities for incursion attempts, and migrants took advantage of traffic being slowed on the road outside of the security fencing.” The FTA has estimated that £89bn worth of UK trade passes through Calais on a yearly basis. Previously, FTA has written to the Mayor of Calais, and the UK’s Foreign Secretary and Prime Minister calling for action on the worsening situation for its members in the French town. Yarsley continued: “The situation in Calais is totally unacceptable – the area is clearly in crisis. Truck operators and their drivers are in the firing line – sometimes literally. Whatever your views on the plight of migrants and asylum seekers, no-one has a right to threaten, intimidate or physically attack drivers and other innocent bystanders.” “FTA expects and demands safe passage for truck drivers and others going about their lawful business. This must be the primary concern of French and British governments before someone gets seriously injured, or even killed.” Representing FTA, Yarsley had been invited by Eurotunnel to a round-table meeting with other national industry associations, including the IRU and Border Force at the French port to discuss security at Calais.

### Record breaking year for Eurotunnel’s freight shuttle

(Source: *Lloyd's Loading List*, 23<sup>rd</sup> December 2015) Eurotunnel’s Le Shuttle freight service has posted a new all-time record year in 2015 carrying more than 1,464,880 trucks (data as at 22<sup>nd</sup> December at midnight) in both directions between Folkestone (Kent) and Coquelles (Pas-de-Calais) beating the previous

## Version 5 of the ECG Operations Quality Manual for PCs and LCVs are available online!



- Written by the Quality Working Group and the H&H Working Group composed of OEMs and LSPs.
- The manuals can be downloaded [here](#)

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high set in 2012, the year of the London Olympic Games. "This is the highest level of traffic generated since the start of commercial services and has been achieved more than a week before the year end. This extraordinary performance is proof of the confidence that transporters from across Europe have in Eurotunnel and its staff and is recognition of the competitive advantages of the Shuttle service, compared to ferries, with its high departure frequency, 24 hours per day, 365 days per year," the company said in a statement. "With infrastructure availability at 45%, three new truck shuttles on order and a market which continues to grow, the outlook for Eurotunnel is positive," it added. The fixed link operator was facing its busiest period of the year far more serenely than it could have imagined earlier this autumn when a spate of incursions by migrants on to its French terminal caused regular disruption to freight traffic. "The security that has been put in place around the site (of the French terminal) since the middle of October has proven to be extremely effective," Eurotunnel's spokesman, John Keefe said.

## REST OF THE WORLD

### China fines eight car carrier shipping lines

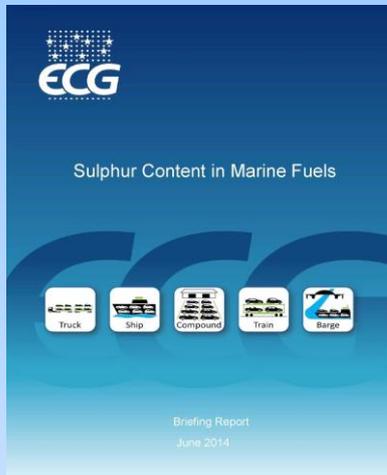
(Source: Automotive Logistics News, 6<sup>th</sup> January 2016) China's National Development and Reform Commission (NDRC) has fined eight international shipping lines for anticompetitive practices in the transport of finished vehicles. This news follows similar fines levied in Europe following a 2013 investigation by the European Union, Japan and Chile, where competition authorities were involved. The shipping lines involved are NYK Line, Mitsui OSK Lines, K-Line, Eastern Car Liner, from Japan; Korea's Eukor Car Carriers; Wallenius Wilhelmsen Logistics of Norway; and the Chilean companies CSAV and CCNI Car Carrier. The Chinese-led investigations lasted more than a year, and concluded that there was evidence of extensive price fixing on five routes, involving both finished vehicles and machinery. Indeed, on the route linking Europe with China, the evidence suggested that such practices had been routine for at least four years. The various companies involved had arrived at a "mutual non-aggression" pact and collaborated between themselves to ensure they could continually increase prices and maintain market share. The investigators concluded that this had restricted competition, increased dispatch costs, and effectively worked against the interests of exports, importers and consumers. As a consequence of its findings, the NDRC has imposed fines of 4-9% on company income relating to business in China in 2014. In total, this comes to a combined \$62.86m split between the eight shipping lines. NYK Line was not fined, since it had revealed the existence of the monopoly agreement, and provided important supporting evidence. In contrast, Eukor Car Carriers was fined the most: \$43,750,200. The company accepts the fine and says it will do its utmost to avoid similar occurrences happening in future.

The WWL press release on this matter can be found under the 'Press releases' section of this ECG News.

### Santa Marta port achieves new productivity levels

(Source: Automotive Logistics News, 6<sup>th</sup> January 2016) In the Colombian Port of Santa Marta, the specialist finished vehicles facility Fast Terminal set a new productivity record in December. In the space of one hour and fifty minutes, the terminal disembarked 632 vehicles. According to the port, this is some 232% faster than the regional average, which is around 100 units per hour. The new record was achieved on K-Line's 'Bosporus Highway', which had been inbound from Mexico with 632 Chevrolet cars. Fast Terminal managed to sustain an hourly discharge rate of 332 vehicles, which it says is both significantly better than the continental average of 160 units, and the overall record established in

## 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 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 may not 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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the Americas of 276 units. According to Mauricio Suárez Ramírez, President of the Santa Marta Port Company Group, such levels of productivity are not isolated. "Previously, we had efficiency levels of 272 vehicles per hour, which was already a record for the continent. Now, we have beaten our own record, achieving a discharge rate of 332 units per hour, which means that there will be more employment opportunities for our people," he said. José María Sola Freixa, President of Fast Terminal International noted, "Today we may say our intention is to increase and permanently maintain our efficiency in vehicle unloading and we are by far complying with the needs of our clients, making the Port of Santa Marta, through Fast Terminal, an important point for global promotion." Not only was the whole unloading operation achieved without incident, but it also represented significant savings for K-Line, whose vessel spent less time docked. Freixa added that this will make the port of Santa Marta even more attractive in the future.

### VW sued by US DoJ over emissions scandal

(Source: *Automotive Logistics News*, 6<sup>th</sup> January 2016) The US Department of Justice (DoJ) sued Volkswagen on 4<sup>th</sup> January for allegedly equipping some of its vehicles with defeat devices deceive emissions testing. The OEM revealed that it had installed the cheating software in at least 11m of its diesel cars. The software enabled the vehicles to emit more toxins into the air once on the road. Nearly 600,000 of the vehicles were sold in the US. The DoJ's civil complaint filed on behalf of the Environmental Protection Agency states that the 2-litre and 3-litre vehicles sold by VW had illegal defeat devices that impaired emission control systems, and caused emissions to exceed EPA standards resulting in harmful air pollution. It also alleges that the OEM violated the Clean Air Act by selling vehicles that are designed differently from what VW had stated when applying for certification to the California Air Resources Board and the EPA. Cynthia Giles, the EPA's enforcement chief said, "With today's filing, we take an important step to protect public health by seeking to hold Volkswagen accountable for any unlawful air pollution, setting us on a path to resolution. So far, recall discussions with the company have not produced an acceptable way forward. These discussions will continue in parallel with the federal court action." While things seemed slightly hopeful for the company before Christmas, the news that the DoJ is suing VW for at least \$45bn will come as a bit of a shock. In the market, its shares have fallen 10% this week alone. In addition to the latest government lawsuit, several consumer class actions against Volkswagen are pending, along with private lawsuits filed by dealers, car owners, and investors, and possible criminal charges. It is still unknown whether or not Volkswagen is considering buying back the vehicles from consumers in the US. If that goes ahead, it would certainly prove a logistical nightmare for the company, on top of the barrage of lawsuits it now faces.

### VW is likely to buy back 115,000 cars in US

(Source: *Automotive News Europe*, 7<sup>th</sup> January 2016) Volkswagen Group assumes it will have to buy back about 115,000 cars in the United States as a result of the emissions scandal, German Daily *Süddeutsche Zeitung* reported. VW expects it will have to either refund the purchase price of about a fifth of the 580,000 diesel vehicles affected or offer a new car at a significant discount. The automaker expects that the rest of the vehicles will need major refits, incurring significant costs for parts and a long stay at the garage as parts of the exhaust must be reconstructed and approved, the newspaper reported. On 5<sup>th</sup> January, VW brand Chief Herbert Diess said he was confident the automaker would reach agreement with US regulators to bring the affected diesel vehicles into compliance with US emissions laws. Diess said fixing older VW cars equipped with 2.0-litre diesel engines would be more difficult than bringing more recent models into compliance. Some US regulators and lawmakers have said VW may have to buy back older models. Diess did not say whether VW was discussing that, but said he was optimistic an agreement with U.S. regulators would be

## Events in Brussels

MEP Inés Ayala Sender (S&D) and the European Transport Safety Council (ETSC) are organising a lunch debate on [‘Improving the night time visibility of lorries’](#) on 12<sup>th</sup> January

The Belgian Car and Cycle Federation (FEBIAC), in cooperation with the European Automobile Manufacturers’ Association (ACEA), organises the [2016 European Automotive Forum](#) on 14<sup>th</sup> January

ACEA holds the event entitled [‘Reducing CO<sub>2</sub> from Road Transport Together’](#) on 16<sup>th</sup> February

CER and UNIFE hold together the [European Railway Awards](#) on 16<sup>th</sup> February

*ECG always attends these events whenever possible. If a member is interested in any of them, please contact ECG.*

reached soon. The US Environmental Protection Agency said on 6<sup>th</sup> January that “recall discussions with the company have not produced an acceptable way forward. EPA continues to insist that VW develops effective, appropriate remedies as expeditiously as possible.” The *Süddeutsche Zeitung* also reported that about 50 employees - including several division heads - had come forward as part of an internal amnesty program to help the company clear up the scandal. Volkswagen has admitted it installed software in certain diesel models sold in the United States that allowed the cars to pass government emissions tests, but then emit nearly 40 times the allowed levels of pollutants on the road. Diess said Volkswagen expected the company would be able to repair by the end of 2016 about 8.5 million diesel cars sold in Europe that did not comply with emissions standards.

## PRESS RELEASES

### The Grimaldi Group receives the 2015 Logistics Supplier Award from Fiat Chrysler Automobiles

(Source: *Grimaldi Group*, 23<sup>rd</sup> December 2015) On 15<sup>th</sup> December the Grimaldi Group received from Fiat Chrysler Automobiles (FCA) the Qualitas Award 2015 in the Supply Chain/Logistics Supplier category.

The Awards ceremony took place at the FCA Headquarters in Turin with the presence of the top management of FCA and over 1.000 employees and suppliers from Europe, the Middle East and Africa (EMEA), 18 of which were awarded in their respective category.



The Grimaldi Group has been recognised as Supply Chain/Logistics Supplier of the Year for providing high quality services and excellent performance to the FCA group in a proactive manner.

“Receiving this award is a demonstration of our commitment to renew our services in order to meet the expectations and the needs of our customers, always working proactively,” said Emanuele Grimaldi, Managing Director of the Grimaldi Group, with his brother Gianluca, who received the prize. “We are proud to have received this prestigious award for the second time in three years,” concluded Emanuele Grimaldi.

With over 60 years of experience in shipping, the Grimaldi Group is specialised in the operation of roll on/roll off vessels, car carriers and ferries. It is a consolidated provider of integrated logistics services based on maritime transport to the biggest vehicle manufacturers. Particularly, the Neapolitan Group offers logistics services for the transport of vehicles between North Europe, the Mediterranean, West Africa, North and South America.

The Grimaldi Group has been a logistics partner of Fiat-Chrysler for the last 45 years, transporting vehicles in Europe, Africa, the Near East, North and South America.

*On photo, from left to right: Alfredo Altavilla, Chief Operating Officer, EMEA and Member of FCA Group Executive Council, Emanuele Grimaldi, Managing Director*

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of Grimaldi Group, Scott Garberding, Head of Group Purchasing and Member of FCA Group Executive Council, Peter Weiss, Head of Supply Chain Management.

## Chinese authorities complete investigation into the car carrying industry

(Source: **Wallenius Wilhelmsen Logistics**, 28<sup>th</sup> December 2015) The National Development and Reform Commission (NDRC), one of China's competition compliance authorities, have announced the outcome of their investigation into the car carrying industry on 28<sup>th</sup> December. As part of their conclusions, Wallenius Wilhelmsen Logistics (WWL) was found guilty of instances of anti-competitive behaviour in the period August 2008-September 2012, and has been fined ¥45,061,269 (ca. \$7m).

The NDRC have conducted a thorough investigation which WWL has supported to the very best of its ability. The authority concluded that WWL and other carriers involved in ocean transport of new cars and high and heavy equipment participated in agreements which violated Article 13 of the Antitrust Law of the People's Republic of China.

"I am happy that this matter has been concluded," says Christopher Connor, President & CEO of WWL. "We take this very seriously. We accept the NDRC's conclusions and appreciate the efficient way in which they conducted the proceedings. WWL will continue to take the necessary steps to meet the highest ethical standards; it's what we expect from ourselves and what our customers deserve."

### Background

The investigations into the car carrying industry started in September 2012, when Japanese, US and EU authorities opened investigations. Other jurisdictions including China have followed and certain investigations are still on-going.

WWL works continually to meet the highest ethical standards. Over the past years the company has further:

- strengthened its competition compliance process and procedures, appointing a Global Compliance Officer to oversee and manage regulatory compliance issues, as well as Compliance Managers for its respective divisions and in all main markets;
- supplemented and enhanced the Competition Compliance Manuals for several jurisdictions, including China, Japan and Korea;
- reinforced training on the Competition & Anti-Trust Policy that outlines the company's requirements for compliant industry communication and documentation;
- introduced an Ethics Alert Line to encourage reporting of any non-compliant behaviour.

WWL will continue to monitor the development of anti-trust regulations on a global basis and make sure that all such regulations are fully observed.



## UN adopts resolution on multimodal transit corridors

(Source: IRU, 23<sup>rd</sup> December 2015) The UN General Assembly has adopted a new resolution “Toward comprehensive co-operation among all modes of transport for promoting sustainable multimodal transit corridors.”

Co-sponsored by 85 UN Member States, the new UN resolution focuses on multimodal transport, transit corridors and trade facilitation, while inciting Member States that have not yet done so to join the TIR Convention.

According to Igor Runov, Head of the IRU Delegation to the UN, “This historic Resolution represents a holistic and comprehensive approach to pursuing sustainable transport goals and the UN’s Sustainable Development Goals. It provides a much-needed focus on transport and transit, trade facilitation, infrastructure, financing and public-private partnerships to achieve these goals, which is embodied in the mission of the Global Partnership for Sustainable Transport.”

The Resolution cites the role of the Global Partnership for Sustainable Transport (GPST) as an innovative business and industry-led, action oriented, multi-stakeholder initiative involving all modes of transport, in promoting global co-operation and co-ordination on sustainable transport issues.

Her Excellency, Ambassador Aksoltan Ataeva, of the Permanent Mission of Turkmenistan to the United Nations in New York, said “Turkmenistan believes that transport can build prosperity in the broadest sense, enhancing the quality of life for all while protecting the environment. We need bold innovation and a true partnership among governments, civil society and the private sector. The resolution follows the guidelines of the 2030 Agenda for Sustainable Development and underscores the need for co-ordinating the work of existing platforms to ensure co-operation in the transport sphere, in particular the Global Partnership for Sustainable Transport.”

The Resolution further welcomes the efforts of relevant organisations within and outside the UN, including the World Bank, regional development banks, the World Customs Organization, the World Trade Organization, IRU, the International Union of Railways and the International Transport Forum.

*The resolution can be downloaded from the [UN’s website](#).*