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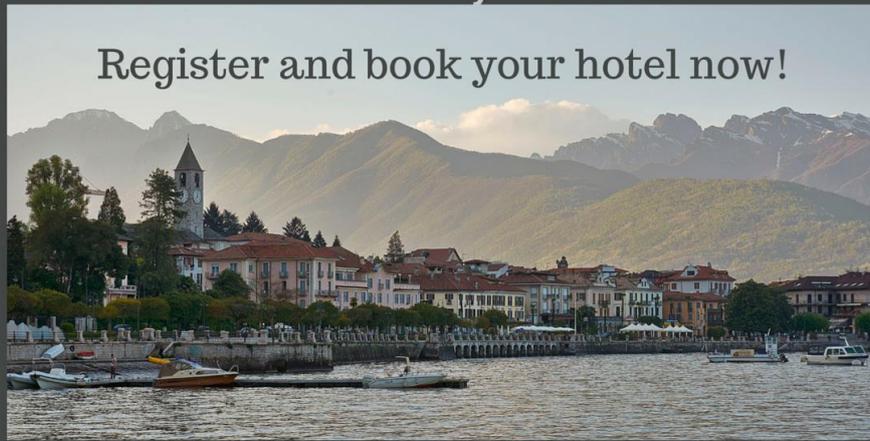
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- ▶ **ECG Spring Congress & General Assembly, 26-27th May**, Lago Maggiore, Italy
- ▶ **ECG UK & Ireland Meeting, 15th June**, Liverpool, UK
- ▶ **Automotive Supply Chain Congress, 15-16th June**, Liverpool, UK
- ▶ **ECG Conference, 20-21st October**, Hamburg, Germany
- ▶ **ECG UK & Ireland Meeting, 9th November**, London, UK
- ▶ **ECG Academy Alumni Meeting, 2nd December**, Bremen, Germany

NEWS FROM BRUSSELS

ECG holds successful Quality meeting

(Source: ECG, 29th February 2016) ECG held its first Quality meeting of the year on 23rd February in Brussels. About 40 participants gathered from LSPs, OEMs and inspection companies and others for a half-day session. There was plenty of healthy debate and much of the discussion revolved as usual around the Operations Quality Manual. Version 6 was published in January and its translations are now in the process of being uploaded to the ECG website. New additions are already being proposed for the next version of the document!

As a follow-up to the last Quality meeting, ECG prepared a table with the loose items handling policy of OEMs. This formed the basis of a lively debate on what to do next for standardisation as the handling of loose items can be a headache for LSPs. It was agreed to concentrate more on the most common and problematic missing items as a first step.

Representatives of Toyota Motor Europe presented their idea to introduce protective hats for truck drivers in order to avoid head injuries when they are loading and unloading cars. The issue was well-received by the members of the Group of whom many already use them for rail and ship operations.

The ECG Inspection Guidelines document was also discussed at the meeting – the transit and non-transit damage table will be updated and the splat chart of a passenger car, used for car inspections and prepared by ECG, will be added to it.

Last but not least, ECG updated the Group on their co-operation with AIAG, its American counterpart and on the soon-to-be-published M-22 Finished Vehicle Logistics Transport Damage Reporting document's version 3. This document contains the Global Vehicle Damage Codes, used for damage coding when inspecting a car, and is currently proposed as a joint ECG/AIAG document. ECG started a survey among OEMs in January on the utilisation of these codes in their internal processes. The survey is still open but one of the conclusions visible already is that the majority of OEMs are aware of the codes and almost all of them favour moving towards an industry standard in terms of damage coding.

The next meeting will be held at the end of June – the exact date to be circulated soon. In case you would like to know more about the Quality Working Group, or if you want to attend future meetings, please [contact Szilvi Kiss](#).

Car emissions: Kathleen Van Brempt to chair EMIS committee

(Source: European Parliament, 2nd March 2016) The Committee of inquiry into Emission Measurements in the Automotive Sector (EMIS) elected its Chair and four Vice-Chairs at a constituent meeting on 2nd March, thus officially starting its one-year mandate. Members elected the chair, Kathleen Van Brempt (S&D, BE) by acclamation. Afterwards Ms Van Brempt said: "I'm looking forward to working with everybody in this inquiry committee in an efficient way. We should ensure that the environmental legislation in place is robust, ambitious and bulletproof; and secondly, that this legislation is properly implemented and enforced." As Vice-Chairs, the committee elected, also by acclamation:

- Ivo Belet (EPP, BE);
- Mark Demesmaeker (ECR, BE);
- Kateřina Konečná (GUE/NGL, CZ);
- Karima Delli (Greens/EFA, FR).

The committee will investigate:

- the Commission's alleged failure to keep car test cycles under review,

ECG Parking requirements table published

A comprehensive table has been published on the ECG website which summarises the parking requirements as specified by the majority of OEMs!

| Manufacturer | Transmission | | | | Gearbox | | | | Handbrake | | | | Keys | | Comments | Date |
|--------------|--------------|----|----|----|---------|-------|------|-------|-----------|-------|------|-------|------|--|----------|------|
| | CVT | DP | MT | AT | Over | Under | Side | Front | Side | Front | Side | Front | Side | | | |
| Audi | | | | | | | | | | | | | | | | |
| BMW | | | | | | | | | | | | | | | | |
| Mercedes | | | | | | | | | | | | | | | | |
| Volvo | | | | | | | | | | | | | | | | |
| Peugeot | | | | | | | | | | | | | | | | |
| Renault | | | | | | | | | | | | | | | | |
| Ford | | | | | | | | | | | | | | | | |
| Vauxhall | | | | | | | | | | | | | | | | |
| Seat | | | | | | | | | | | | | | | | |
| Skoda | | | | | | | | | | | | | | | | |
| Alfa Romeo | | | | | | | | | | | | | | | | |
| Jeep | | | | | | | | | | | | | | | | |
| Land Rover | | | | | | | | | | | | | | | | |
| Subaru | | | | | | | | | | | | | | | | |
| Toyota | | | | | | | | | | | | | | | | |
| Honda | | | | | | | | | | | | | | | | |
| Nissan | | | | | | | | | | | | | | | | |
| Hyundai | | | | | | | | | | | | | | | | |
| Kia | | | | | | | | | | | | | | | | |
| MG | | | | | | | | | | | | | | | | |
| Suzuki | | | | | | | | | | | | | | | | |
| Isuzu | | | | | | | | | | | | | | | | |
| Infiniti | | | | | | | | | | | | | | | | |
| Acura | | | | | | | | | | | | | | | | |
| Lexus | | | | | | | | | | | | | | | | |
| Volvo | | | | | | | | | | | | | | | | |
| Subaru | | | | | | | | | | | | | | | | |
| Toyota | | | | | | | | | | | | | | | | |
| Honda | | | | | | | | | | | | | | | | |
| Nissan | | | | | | | | | | | | | | | | |
| Hyundai | | | | | | | | | | | | | | | | |
| Kia | | | | | | | | | | | | | | | | |
| MG | | | | | | | | | | | | | | | | |
| Suzuki | | | | | | | | | | | | | | | | |
| Isuzu | | | | | | | | | | | | | | | | |
| Infiniti | | | | | | | | | | | | | | | | |
| Acura | | | | | | | | | | | | | | | | |
| Lexus | | | | | | | | | | | | | | | | |

The assembly of the parking requirements regarding the position of the gearbox, handbrake and the placement of the keys was initiated by the ECG Quality Working Group.

The table:

- is useful for FVL operators so that no outdated requirements are in place;
- points towards standardisation in the industry as far as the position of the gearbox and the handbrake is concerned;
- highlights a trend regarding the key placement but standardisation still has to take place on this field;
- is freely available on the [ECG website!](http://www.ecgassociation.eu)

If you spot any inaccuracies or have any additional information or comments, please contact ECG at info@ecgassociation.eu

- the alleged failure of the Commission and member states' authorities to take proper and effective action to enforce and oversee enforcement of the explicit ban on "defeat devices" in cars' exhaust systems,
- the Commission's alleged failure to introduce automotive tests reflecting the real-world driving conditions,
- the member states' alleged failure to lay down provisions on effective, proportionate and dissuasive penalties applicable to car manufacturers for infringements, and
- whether the Commission and the member states had evidence of the use of "defeat mechanisms" before the scandal emerged on 18 September 2015.

The EMIS committee will meet again on 22nd March.

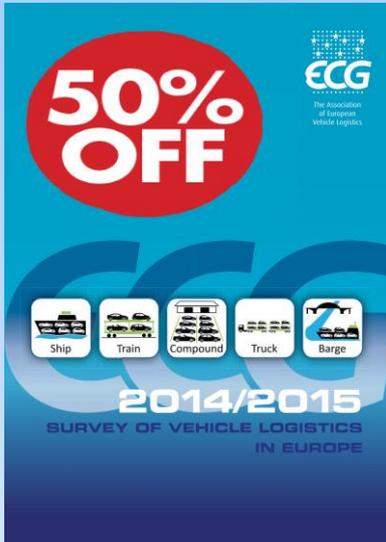
Dieselgate researcher says Commission overhaul won't bring big change

(Source: EurActiv, 2nd March 2016) One of the researchers that put Volkswagen's emissions cheating on the map said the European Commission's proposal to more strictly police the car industry won't deliver 'fundamental change.' "What is being proposed in Europe is not a fundamental change. There will not be a central authority," said Vicente Franco of the month-old type approval proposal to rein in national authorities around Europe and give the Commission new oversight powers. Franco's research with the International Council on Clean Transportation led US watchdogs to investigate Volkswagen. That spiralled into the scandal that forced the company to recall millions of vehicles that were outfitted with emissions doctoring devices. Critics have slammed EU car emissions regulations for being much less strict than laws in the US. Diesel cars - like the Volkswagen models that were caught with cheating devices - make up a significantly larger part of the European market. In Europe, Franco said, "on-road NO_x emissions of modern diesel cars are on average higher than for heavy duty trucks." After the Volkswagen scandal broke, the Commission fast-tracked its proposal to introduce tests that measure cars' real driving emissions and introduced another bill to give the executive new oversight powers over national type approval authorities. A special inquiry committee in the European Parliament held its first meeting on 2nd March and will investigate how the executive has handled the emissions cheating scandal. Franco met with MEPs from different political groups on 1st March, including some who are in the inquiry committee. "The risk is that if the enforcement practices are not harmonised, then the manufacturers will still be able to cherry pick the national type approval that is more sympathetic and more lenient," he said of the type approval proposal. Franco and other researchers revealed that Luxembourg's car type approval authorities' green-light one fifth of all cars in Europe, although no cars are manufactured in the country. The European Commission's proposal to reform the type approval system would give the executive new powers to sanction national authorities caught turning a blind eye on car manufacturers' cheating. The bill will also keep manufacturers from directly paying the type approval authorities of their choice to carry out tests. EU Internal Market Commissioner Elżbieta Bieńkowska has said there is no need to set up a new EU agency to oversee Europe's car industry. But critics argue the Commission won't have the resources or authority to rein in national regulators around the EU and prevent another emissions cheating scandal. "The Volkswagen scandal is truly a game changer. I don't think it will put us at the same level that they are at in the US because they have a centralised authority such as the EPA (the US Environmental Protection Agency), which has tremendous powers and resources to do its job," Franco said. A delegation from the EPA met with Commission officials and MEPs last month ahead of the Parliament's vote on regulations for real driving emissions testing. Under the type approval bill, the executive's scientific research unit, the Joint Research Centre (JRC) will be tasked with testing cars that are available on the market in Europe. The draft regulation, which still needs to go through negotiations with the Council and Parliament, does not include a budget increase



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for the JRC when it takes on its new testing role. A Commission spokesperson declined to specify how many JRC employees will be running emissions tests. Franco, who previously worked at the JRC as an engineer, said the research centre would “probably need more investment” to test a significant number of cars. “They’re doing good work, that is for sure. But it depends on the workload. If they were to screen 10% of the European fleet that might be a stretch,” Franco added.

AUTOMOTIVE INDUSTRY

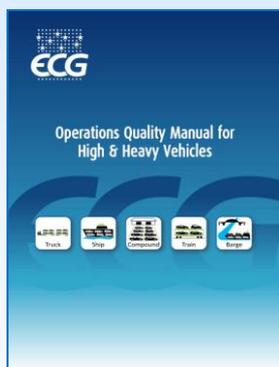
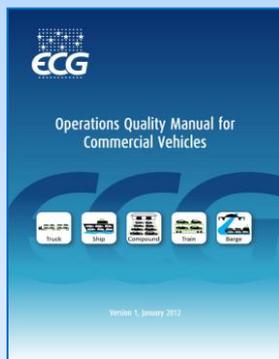
Automakers say tighter EU border controls over refugees could hit production

(Source: *Automotive News Europe*, 2nd March 2016) The auto industry’s lean manufacturing system is vulnerable to any tightening of Europe’s border controls in the wake of the region’s refugee crisis, Ford, Opel and Daimler executives said at the Geneva Motor Show. The prospect of dismantling Europe’s Schengen free-travel agreement to stem the flow of refugees and migrants worries car executives, as tighter border controls could also interfere with the traffic of goods. “A breakdown of Schengen would be horrific for us,” Opel CEO Karl-Thomas Neumann told reporters. Opel depends on the unhindered transport of goods and components from factories in Germany, Spain, Poland, the UK and Italy, Neumann said. “We have huge logistics operations in southern Europe, any disruption would have an immediate impact on the bottom line,” Neumann said. Schengen was established over 30 years ago and now counts 26 members, 22 of which are European Union members. To stem an influx of migrants, some Schengen countries have reintroduced border controls in recent months, leading to fears the whole system could collapse. Opel, the European division of General Motors, has pledged to turn a profit in 2016, a goal the company reiterated in Geneva. In Europe, GM posted an adjusted loss before interest and tax of \$800m last year, after a \$1.4bn loss in 2014. Bernhard Mattes, Ford’s Germany boss, said any restrictions on cross-border movement of goods could severely hamper production. “We have plants in Germany, Romania, Spain and in England. Our logistics are geared towards supplying our plants just in time. That’s the basis for the efficiency of production in Europe - of course we want to maintain that,” he said. Daimler CEO Dieter Zetsche said his company was already at the limits of its production capacity thanks to demand for luxury vehicles including the new GLC and the new E class. Parts need to arrive at the factory to ensure the company’s production system functions seamlessly. “Our factories are running with one or two hours of time buffer,” Zetsche said, adding any closing of borders could disrupt the company’s production system. EU leaders are planning talks with Turkey on 7th March and their own migration summit on 18-19th March. The meetings look like a final chance to revive a joint response to the crisis before warmer weather will make it easier for more refugees to travel across the Mediterranean.

GM eyes Russia production restart

(Source: *Automotive News Europe*, 26th February 2016) General Motors can envision a day when it restarts vehicle production in Russia, its top European executive said. After sales slumped during Russia’s economic crisis, GM last year stopped sales of mainstream Chevrolet models and all Opel cars in the market and mothballed its St. Petersburg factory. GM has no current plans to restart production but the company’s Europe boss, Karl-Thomas Neumann said the carmaker has the “building blocks” needed if it decides to revive its Russian operations. “We still have a dealer network for Cadillac and premium Chevrolet models, so never say never,” Neumann told *Automotive News Europe* in an interview. But GM is unlikely to relaunch its Opel brand in Russia. “I would be very surprised if the brand we come back with is Opel,” said Neumann, who is

Version 6 of the ECG Operations Quality Manual for PCs and LCVs is 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](#).

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

also Opel CEO. Neumann said it makes sense for GM to keep hold of the St. Petersburg factory even though no cars are currently being built there. "If we sold it, the gain would only be short term and it doesn't cost us much to keep it." Before its closure, GM built the Opel Astra and Chevrolet Cruz compact models at the plant. GM now sells only three import cars in Russia - the Chevrolet Tahoe, Corvette and Camaro. Two years ago Neumann succeeded in getting GM's Russian operations transferred to its European unit from the automaker's largely Asian focused international operations division. At the time it was considered a coup because Russia was forecast to overtake Germany as Europe's largest car market. This nearly happened in 2008 and again in 2012, when vehicle sales rose to 2.93m. Russia had been Opel's only growth market and GM had success with its dual brand strategy in the volume car market. However, following GM's bankruptcy in 2009, Opel never fully returned to its former success in Russia, where sales reached a record high at 99,000 cars in 2008. In 2014, volumes fell 20% to 65,000 and the trend early last year showed sales in a free fall. Chevrolet was managing far better at 200,000 as recently as 2012, but it too saw sales drop precipitously. GM pulled both brands from Russia's volume car market came in March 2015 after the economy continued to collapse under the strain of low commodity prices, especially crude oil. At the time, new-car sales in Russia were on track to shrink by nearly 50% from its 2012 mark of nearly 3m amid a plunging rouble and economic sanctions imposed after the Ukraine crisis. With the business case worsening, Neumann was unwilling to build up his fixed cost base to meet Russia's Decree 166, which stipulates foreign carmakers operate with an annual capacity to produce 300,000 cars locally in order to avoid costly import tariffs. Most Russian plants struggle to achieve anything close to that level. AvtoVAZ CEO Bo Andersson told participants at the 2015 Automotive News Europe Congress in Birmingham, that most car plants are sub-scale with only three in the country producing 200,000 units or more. GM's St. Petersburg factory only built about half that amount, Andersson said at the time. GM's US rival, Ford, took a different approach to expanding in Russia, forming a joint venture with Sollers that took some of the financial burdens of expanding plant capacity off of the American carmaker's shoulders. Ford remains committed to the market, despite its 40% drop in volume last year to 38,600 cars, which was more than 10,000 units below Chevrolet's sales despite its departure from the mass car market. Compared with the saturated European market, where sales are primarily driven by replacement demand, Russia remains a car market with a high structural potential, thanks in part to low car ownership. Because of this, GM made an effort to part ways amicably in case market prospects become sufficiently bullish to warrant a return. "We tried to leave Russia in a way that we don't burn any bridges," Neumann said. "We wanted to be a good citizen and do it in such a way that we can look each other in the eyes afterwards."

Honda to increase exports from Japan; Europe to be export base for Civic Hatchback

(Source: *Automotive Logistics*, 29th February 2016) Honda is planning to export more models from Japan to North America and Europe, including the Fit/Jazz, CR-V and hybrid models. At the same time, Europe will become a base for supplying the Civic Hatchback to North America and other parts of the world. The company said the moves were part of a strategy to strengthen its global vehicle production from two directions. In a press conference held on 24th February, Honda Motor's President and CEO, Takahiro Hachigo outlined his future vision and direction for the company. He said that Honda would begin exporting the Accord Hybrid this year from Japan to North America. It began exporting the Fit (known as the Jazz in other markets) in that direction last year, as well as supplying it from its Celaya plant in Mexico. Hachigo added: "In the future, we will consider producing and exporting Civic and CR-V while carefully monitoring demand in North America so that we can establish a mutually complementary production system between Japan and the US." He also said that with production of the export models mentioned and strengthening sales of Japanese models,



Truck



Ship



Compound



Train



Barge

Events in Brussels

The ERFA [Annual Event](#) on Rail Freight Rights will be held on **15th March**

The European Barge Union (EBU) organises its [Inland Waterway Transport](#) (IWT) event on **7th April**

The European Commission organises its [Road Transport Conference 2016](#) on **19th April**

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

Honda would look at annual capacity in Japan of around 950,000 units, up from around 730,000 last year. As much as 20% of the total will be exported, compared with around 9% in 2015. In Canada, meanwhile, Honda has altered its plans to have the plant in Alliston make CR-Vs for Europe, which was announced last year. Instead, the Canadian plant will focus on North America, while European destined CR-Vs will be supplied from Japan. Along with the CR-Vs being supplied from Japan to Europe, Honda is also planning to add the HR-V, a subcompact SUV based on the same platform as the Fit/Jazz, to existing exports of the Jazz. This way, Hachigo said that Japan would “complement production in Europe, which will focus on the next Civic Hatchback.” Honda’s plant in Swindon began exporting the Civic Type R to Japan last year, and it has been exporting it to Australia and South Africa for some time now. The company looks set to expand export destinations for the next hatchback made there. Earlier this year, Honda announced that it would be shifting production of the CR-V from the carmaker’s smaller plant in Guadalajara, Mexico, to its plant in Greensburg, Indiana, to add further capacity at the Mexican plant for the HR-V.

PSA Peugeot Citroën and NGOs publish results of first real-world fuel economy test

(Source: *Transport & Environment*, 1st March 2016) PSA Peugeot Citroën is fulfilling its transparency commitments to customers. In connection with the 2016 Geneva International Motor Show, it is releasing the initial results on real-world fuel consumption for three models. This initiative is a world first in the automotive industry. The results come from a test procedure established with two non-governmental organizations, Transport & Environment (T&E) and France Nature Environment (FNE), and are audited by Bureau Veritas. This protocol confirms the real-world fuel consumption of PSA customers, as well as the results of the independent data bases. In November 2015, with media coverage casting a pall over the automotive industry, PSA decided to take a unique approach by publishing real-world fuel consumption data for its cars in order to be transparent with customers. PSA is the first carmaker to adopt such an approach and is publishing initial fuel consumption metrics for three of its most popular vehicles. The measurements were made under a protocol developed with the NGO Transport & Environment, on public roads near Paris (25.5 km urban, 39.7 km extra-urban, and 31.1 km motorway) and under real-life driving conditions, notably with passenger and luggage loads, road gradients, and use of air-conditioning systems. Based on the European Union’s Real Driving Emissions (RDE) project, the protocol measures fuel consumption by means of a portable emissions measurement system (PEMS) installed on the vehicle. Bureau Veritas, an independent and internationally respected body, guarantees the protocol, ensuring that it is conducted in line with specifications and that the results are accurate and reliable. The initial measurements are comparable to those made by customers (obtained from independent customer surveys). They show that the procedure conducted with Transport & Environment is scientifically robust and representative of a typical driver. PSA is European leader for low-carbon emissions. Confident in its technologies, the Group is anticipating future testing standards and calling for the introduction of the Worldwide harmonized Light vehicles Test Procedures (WLTP), which will better reflect real-world driving conditions. Before summer 2016 PSA will release official real-world fuel consumption figures for 30 Peugeot, Citroën and core DS models.

Natural gas vehicles an expensive, ineffective way to cut car and truck emissions – not a ‘bridge fuel’

(Source: *Transport & Environment*, 1st March 2016) Increasing the use of natural gas in cars and trucks would be largely ineffective in reducing greenhouse gas (GHG) emissions and air pollution, a new independent [study](#) finds. There are no GHG savings in shifting from diesel cars and trucks to compressed or liquefied natural gas (LNG) cars and trucks, while petrol-hybrid, electric and hydrogen cars

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deliver much greater climate benefits, the study for sustainable transport group Transport & Environment says. According to the authors, Ricardo Energy & Environment, compressed natural gas-powered cars (CNG) offer almost no extra air pollution benefits compared to petrol cars. While CNG cars emit less NO_x than diesel engines, the introduction of real-world tests and further tightening of emission standards will quickly reduce gas's advantage. The results come as the European Commission prepares both a proposal on national GHG targets for sectors not covered by the ETS and a communication on the decarbonisation of transport. Carlos Calvel Ambel, transport and energy analyst at T&E, said: "Natural gas is not a 'bridge fuel', but an expensive dead-end on the road to decarbonising transport. Europe is in danger of repeating past fuels mistakes with promoting diesel and biofuels that have proved costly and harmful." Gas-powered trucks and buses would always result in higher overall GHG emissions, the study also finds. That's because the lower exhaust emissions are undone by higher emissions and methane leakage during the extraction, production and transport of gas. Gas trucks also have only minor impacts on air pollution compared to the new Euro VI-standard trucks now on sale. Despite having little environmental benefits, gas currently enjoys lower fuel duties and governments across Europe are considering whether to invest public money in refuelling infrastructure. T&E see no justification for tax breaks for a fossil fuel. Carlos Calvel Ambel concluded: "We need to tackle truck CO₂ emissions but gas is not the answer. Gas trucks are no better on air pollution and are worse for the climate." Biomethane from sustainable sources, such as waste, can have niche uses – buses and delivery vehicles at local level – but cannot be generated in sufficient volumes for wider use in road transport, according to the analysis. While the study also finds clear air pollution advantages from using LNG in the shipping sector, its GHG emissions benefits are highly dependent on methane slip at the production, distribution and operational levels. LNG ships also incur higher infrastructure and capital costs.

EUROPE

Höegh Tracer Delivered, Starts 12-Year Charter

(Source: *World Maritime News*, 3rd March 2016) Ocean Yield ASA has taken delivery of the Pure Car Truck Carrier (PCTC) Höegh Tracer from Chinese shipbuilder Xiamen Shipbuilding Industry Co. Ltd. After being delivered from the shipyard today, the vessel commenced a 12 years "hell and high water" bareboat charter to **Höegh Autoliners**, the company said. Höegh Tracer is the third in a series of six Post Panamax vessels under the New Horizon design that Höegh Autoliners will take delivery of within this year. Featuring a deck space of 71,400m² and a carrying capacity of 8,500 car equivalent units, the vessel is one of the world's largest PCTCs. Following its maiden voyage from East Asia to Europe, the car carrier will thereafter sail from Europe back to East Asia via Africa and Oceania.

More information on the vessel can be obtained on [Höegh Autoliners' website](#).

Driver resignations highlight cross-Channel haulage concerns

(Source: *Lloyd's Loading List*, 2nd March 2016) Recent cases of UK international lorry drivers resigning from their posts have highlighted how difficult operating conditions through Calais have become for haulage firms because of the migrant crisis at the French Channel port, although *Lloyd's Loading List* has been unable to confirm reports that some hauliers are now offering special 'Calais bonus' payments to attract willing drivers. The Managing Director of UK-based Birds Transport and Logistics, Patrice Schneider, confirmed to *Lloyd's Loading List* that several of the company's drivers had resigned this year "due to the hassle of having to ensure the vehicle remains safe, the possibility of getting fined by UK



Border Force and the insecurity.” Although the resignations had come within the context of a driver shortage in the UK, Schneider said Birds was not planning to offer any form of bonus on the Calais route. UK-France business accounts for a third of Birds’ annual turnover of around £21m. “During last summer, the crisis had the double effect of reducing our turnover and increasing costs as drivers were stuck at ports or had to weekend in France - or run via other ports further along both coasts,” Schneider explained. “The situation deteriorated from September 2015 onwards, with migrants getting more aggressive - one of our drivers having a brick thrown at his windscreen whilst making his way to the Channel Tunnel.” XPO Logistics (formerly Norbert Dentressangle) revealed that it had recorded 57 migrant-related incidents at Calais since the start of the year, comprising delays in its road services and attacks on trucks. “We have been engaging in constant dialogue with the French, UK and European Commission authorities for months, highlighting the impact of the situation on the industry, including first and foremost security of our staff, and with a view to identify concrete solutions,” a spokesperson said. Stuart Stobie, group sales and marketing Director of Dover-based Priority Freight, said the concerns among haulage firms and drivers using Calais revolved around “security, driving hours, supply chain disruption, alternative methods of transport being used, and the threat to job security through increased cost and added time.” But he was not aware of any company offering bonuses to drivers transiting through Calais. Tim Philips, CEO of road freight forwarder Freightex, which uses many different carriers, commented: “Some drivers are not keen to come to the UK (due to the migrant crisis in Calais) and some companies are trying to find work that does not involve crossing the Channel.” Asked to comment on proposals from France’s biggest road haulage federation, FNTR, to lift the civil responsibility on hauliers when migrants are found aboard trailers and set up a compensation fund for firms whose business is impacted by the migrant crisis, Birds’ Schneider replied: “Whilst we cannot ignore the possibility of bribery, fining companies and drivers will not stop nor stem the influx of migrants. Focusing on fines or compensation only moves the discussion away from addressing the problem.” He also questioned whether abolishing fines or providing a compensation fund would make the job of drivers easier or better, “and, more importantly, ensure that as an employer, I provide decent working conditions”? Meanwhile, the Freight Transport Association said it is hoping a Franco-British Summit to be held in Amiens later this week will provide “a roadmap for action” to guarantee the safe passage of truck drivers and freight traffic through Calais.

Commissioner Bulc receives recommendations to reap the connecting power of inland ports

(Source: *European Federation of Inland Ports*, 26th February 2016) On 25th February 2016, Hans-Peter Hadorn, President of the European Federation of Inland Ports and representing the members of the Platform for Multimodality and Logistics in Inland Ports (the Platform) handed over the final results of the study on Multimodality and Logistics in Inland Ports to the Commissioner. Within the period of November 2014 to August 2015 the Platform brought together major stakeholders and experts from inland ports, logistics and transportation companies, operators, as well as shippers. The Platform defined the role that inland ports shall play in and integrated multimodal logistics chain, as drivers of economic growth with the objective of identifying barriers, good practices and providing policy recommendations in order to reap the full potential of inland ports. The final report of these findings contain a key recommendation that with the right incentives inland ports can play a decisive role in the development of a high-performance, sustainable and efficient interconnected trans-European network in fields as diverse as energy, telecommunications and transport. With a stronger positioning in the Core Network Corridor development, land use planning and digital solutions, inland ports become the connectors to bundle cargo flows as much as possible and help decarbonising transport. A common agreement was reached to make fully use of the recommendations and to gather concrete best practices from ports in order to secure the follow-up of the Platform.

REST OF THE WORLD

Eurasian Economic Union backs further co-operation with IRU

(Source: *IRU*, 1st March 2016) The Eurasian Economic Union (EEA) has backed TIR developments and infrastructure co-operation with IRU. In talks, Dmitry Cheltsov, who leads IRU’s work in Eurasia, discussed transport and economic growth potential across the Eurasian Economic Union with Danil Ibrayev, newly appointed Minister for Energy and Infrastructure, and Member of the Board of the Eurasian Economic Commission (EEC). The meeting focused in particular on international road transport corridors and road-side infrastructure, as well as the implementation of well-established UN agreements, most notably the TIR Convention. The new Minister was briefed on recent TIR developments in the Eurasian region, TIR expansion worldwide, and how accession to the TIR Convention and implementation of new TIR risk management tools can significantly reduce national transit costs and boost foreign trade. IRU stands ready to offer its experience and



expertise for the development of the Common Transport Market currently being established within the Eurasian Economic Union. Supporting ongoing IRU initiatives, Mr. Ibrayev also proposed to extend potential areas of co-operation and determine relevant regional events that IRU and the EEC could co-organise.

Pakistan in Turkey to learn about TIR implementation

(Source: IRU, 1st March 2016) As Pakistan looks to adjust its customs rules and regulations to implement TIR, the government is keen to learn from the experiences of other countries that have adopted TIR, notably Turkey. IRU with its member association TOBB, the Union of Chambers and Commodity Exchanges of Turkey, are, in return, actively helping Pakistan make the TIR system operational along its borders. A recent delegation from Pakistan was in Turkey to meet key players in implementing TIR and see first-hand how it works. Participants from Pakistan Customs and the Ministries of Commerce and Communications exchanged information with experts from the Government of Turkey and the private sector on international best practices in TIR implementation. The consultations also featured a site visit to a border crossing post, demonstration of procedures and the use of TIR IT tools, as well as a discussion on customs rules and regulations with key stakeholders of the TIR System, including IRU. The visit was supported by the Commercial Law Development Program of the US Department of Commerce, the US Agency for International Development, the US Embassy in Pakistan and the Pakistan Ministry of Commerce.

Indian Railways launches auto rail hub in Chennai as part of wider rail freight plans

(Source: Automotive Logistics, 2nd March 2016) Indian Railways has inaugurated its first common user finished vehicle rail hub at Walajabad station, in Chennai in the south of India, close to a cluster of assembly plants. The hub is part of the Indian government's plan to increase the movement of vehicles by rail in India substantially over the next decade. According to information distributed by the *Press Information Bureau* of the Indian Government, the Walajabad hub is 5,000m² large, and will have loading capacity of 300 vehicles. The centre is located close to plants that include Renault Nissan, Hyundai and Ford, with access to the Ports of Chennai and Ennore for export flows. The hub is also touted as regional distribution centre for receiving brands such as Honda and Tata built in the north of the country. Suresh Prabhu, India's railway Minister, who inaugurated the centre, said that the Chennai site was only a first step in the development. He also highlighted the importance of working across vehicle brands. "Indian Railways is further working on how to get more auto transportation into the railway track," he said. "Railways cannot rely upon only one business partner and this is the way to do business and thus reach to cargo is essential to generate increased freight revenue." According to Indian Railways, only around 4% of vehicle traffic is transported through Indian Railways. The railways target is to increase its share to 20% by 2026. The rail hub is part of a set of reforms by the Indian Railways in recent years to capture a larger share of finished vehicle and overall freight volumes by rail. In recent years, the government had also allowed some operators to invest and operate specialised equipment. The opening of the centre comes shortly after an extensive rail budget presentation to the Indian government last week in which Prabhu first announced that the railways would soon open its first automotive rail hub. The Minister said that an inadequacy of warehousing and transport facilities on the state-owned Indian Railways was one of the reasons potential customers had stayed away from rail as a mode of transport. As part of wider plans for a rapid expansion of rail freight business, Prabhu said the logistics parks and warehouses needed, including those for the automotive industry, would be developed through public-private partnerships, though there is currently no indication of what private investors are involved in Walajabad. "With the coming in of Transloc – the Transport Logistics Company of India – we will be witness to a paradigm shift in our role as a national logistics provider," said Prabhu. Transloc was first announced in last year's rail budget as a means for Indian Railways to enter the fast growing logistics sector and keep pace with the industry. "The focus will be on providing last mile connectivity for freight business and significant reduction in logistic costs," said Prabhu. "At least ten goods sheds will be developed by Transloc in 2016-17. To capture the automobile traffic, we will soon inaugurate India's first rail auto hub in Chennai." The liberalisation of India's automotive rail policy in recent years has allowed foreign investment and private management of some services. For instance, APL Vascor, a joint venture between APL Logistics and Vascor, as well as Indian's biggest carmaker Maruti Suzuki, have both invested in rail rakes to move finished vehicles. Maruti Suzuki is currently running services from its plants in Delhi southbound. APL Logistics Vascor Automotive, a division of the APL Vascor tie up, has invested in the development of specially designed bi-level rail wagons, which are now in service, transporting cars between Chennai and both Delhi and Guwahati.

Philippines shows progress on logistics

(Source: Supply Management, 3rd March 2016) The Philippine government's plans to create a more efficient transport and logistics system, including a government body for supply chain, has moved forward in a meeting of key organisations in the sector. The Department of Trade and Industry and members of the United Port Users Confederation of the Philippines (UPC) and the Philippine International Seafreight Forwarders Association



(PISFA) discussed the critical issues and action needed to improve the country's domestic and international trade. "A more efficient transport and logistics system can better serve the international market, raise the country's competitiveness, and enable local industries to take full advantage of a healthy economy," said Department of Trade and Industry secretary Adrian Cristobal. The government also announced that its planned Logistics Industry Roadmap, which proposes the creation of a government body on supply chain and logistics, was in its final stages. The roadmap aims to establish strategies and programs to further develop the country's transport infrastructure, particularly roads and ports outside Manila such as Batangas and Subic. The government body on supply chain and logistics will co-ordinate all initiatives related to the supply chain and to follow through on implementation and compliance of policies. The roadmap will serve as a guide to improving the National Logistics Plan being drafted by the DTI's supply chain and logistics management division in partnership with USAID's Advancing Philippine Competitiveness (COMPETE) Project. Cristobal said harmonising supply chain and logistics initiatives and programs would help in the efficient allocation of limited resources to fix logistics problems. In the Philippines, logistics costs account for 24% to 53% of wholesale prices, with shipping and port handling costs making up 8% to 30%, depending on the goods and routes, and 5% of retail price of goods.

PRESS RELEASES

Brazilian authorities start anti-trust investigation of car carrying industry

(Source: Wallenius Wilhelmsen Logistics, 25th February 2016) The Brazilian Administrative Council for Economic Defense (CADE) has announced a probe into alleged anti-competitive behaviour involving the car carrying industry. Wallenius Wilhelmsen Logistics is one of nine companies mentioned in the announcement, and the company will support the Brazilian authorities' investigation into these allegations to the very best of its ability.

The investigations into the car carrying industry started in September 2012, when Japanese, US and EU authorities opened investigations. Other jurisdictions, like Brazil, have followed and certain investigations are still ongoing.

The processes will continue to take time, but further clarifications are expected during 2016 and 2017.