

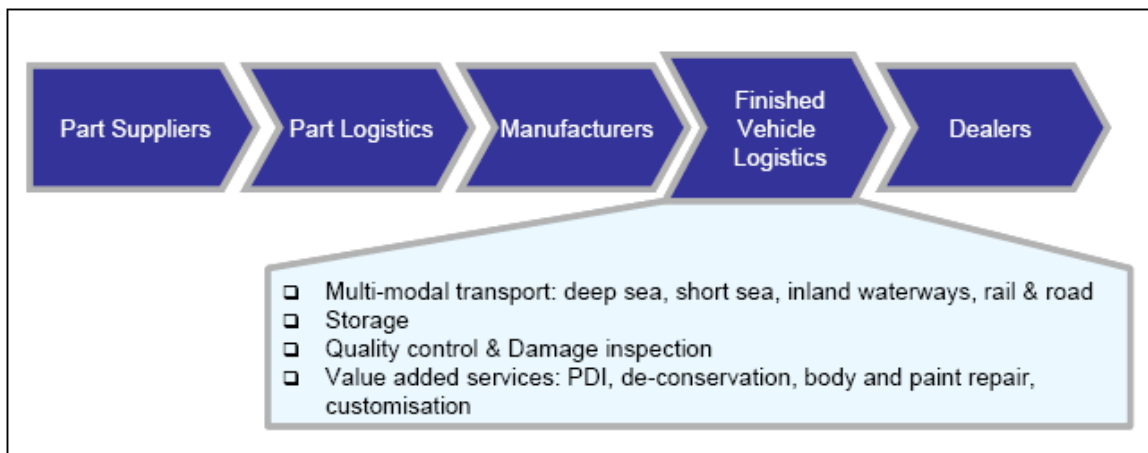


The Association of European Vehicle Logistics (ECG)

Package of measures to support freight transport - ECG's response

ECG as a stakeholder

ECG represents more than 2/3rds of the European Finished Vehicle Logistics industry. ECG members come from 24 different European countries and operate in the field of outbound logistics for the Automotive sector, including quality control at the end of the assembly line, storage in special compounds, transport in all modalities – rail, road, sea and port terminals – removing of car distribution protection, accessories fitting, Pre-Delivery Inspections (PDI), customising, workshop activities and the refurbishing of former fleet vehicles. Finished vehicle logistics is hence a vital part of the automotive supply chain.



In order to provide good service and stay competitive in the challenging and demanding global automotive industry, ECG members need to constantly strive for efficiency.

In the global automotive market, manufacturers need ways of building cars to order, based on individual demand and to maximize supply-demand efficiencies.

Vehicle logistics is playing an important role in satisfying both needs through technical enhancement centers, which can adapt basic production models to suit individual customers or local markets or sophisticated network design, which can speed the flow of a vehicle from factory, through storage, enhancement and final delivery and provide accurate delivery times for dealers and owners.

Package of measures

On 18 October the European Commission published a package of measures including: Action Plan on freight logistics, Communication on freight-oriented rail network and several initiatives in the field of maritime transport, in particular a Communication on European ports policy as well as 2 public consultations on Maritime Space without barriers and Motorways of the Sea.

ECG welcomes the Commission's focus on logistics and integrated approach to freight transport logistics tackling all modes of transport.

ECG believes that logistics is a task for industry however it recognizes that the European Union can provide an efficient and harmonized framework that will help to meet the challenges facing logistics. Freight transport logistics is mainly a transnational activity and therefore a proposal at EU level is not only welcomed but even desirable. National policies may not produce the interoperable solutions that are needed for a Europe without borders.

Having said that it is of paramount importance that the European proposals facilitate the reconciliation of requirement for efficiency of logistics services (as a key factor in European competitiveness) and the environmental sustainability of the industry's practices. The right balance between both objectives must be met in order to ensure its proper development.

Below ECG would like to present its comments on Action Plan on Logistics, Communication on freight-oriented rail network and Communication on EU Ports policy.

1. Action Plan on freight logistics

ECG welcomes the fact that the proposal of an Action Plan was preceded by a broad consultation of interested parties. The time and effort that the European Commission has put in this exercise should be praised. ECG assisted in this process by contributing to the consultation and is pleased to see that many points have been taken into account and hopes that further comments will also be considered.

One of the first impressions after having read the Action Plan on Freight Transport Logistics is that it is a very ambitious plan with many and sometimes unrealistic deadlines. The measures introduced in the proposal are very relevant, however the question is whether it is possible to realise all of them at the same time. ECG suggests that Commission's actions should be concentrated on a few well selected measures that will bring a clear added value to freight transport logistics.

From ECG's point of view the key actions are: vehicle dimensions, continued bottlenecks exercise, personnel and training, e-freight and potential of RFID technology as well as simplification of administrative procedures. In this paper ECG provides comments also on other measures.

Vehicle dimensions and loading standards:

ECG welcomes the intention of the European Commission to study the options for a modification of the standards for vehicle weights and dimensions and to consider the added value of updating Directive 96/53/EC.

ECG supports the revision with a view to:

1. harmonise the legal requirements of maximum dimensions of loaded trucks in international traffic to have the immediate impact of reducing the number of trucks required to transport cars, thus reducing congestion, pollution and CO2 impact.

The directive 96/53 makes a difference between maximum weight (“for use of a **laden** vehicle”) and maximum dimensions (“for use of the vehicle”) of road trains (article 2). Consequently, no general prescription is laid down regarding maximum loading dimensions.

Car transporters’ loaded and unloaded dimensions significantly differ. Cars can be loaded not only on the transporter itself, but also on extendable overhangs above the driver’s cabin and behind the trailer. Thus, Council directive 96/53/EC, that among other provisions, sets the maximum height of a road train at 4 m and its maximum length at 18,75 m, doesn’t concern loaded transporters. It has been left to the discretion of the Member States to decide on the maximum authorized dimensions of the latter.

Revision of the directive should allow for harmonization of maximum dimensions in all EU member states. However harmonization in international traffic only. Each individual member state should be free to decide on its national dimensions.

The following changes should be included in the revised European legislation:

- **Length:** abandon of all restrictions on front and rear overhangs; instead, the length of the overhangs should be included in the total authorized length of the vehicle; the total maximum authorized length for loaded vehicles in international transport should be set at, **at least, 20, 75 m** including front and rear overhang; the 18, 75 m maximum length should continue to apply to the registration of vehicles.
- **Height:** consideration of flexibility on height in international transport

The issue of increased height from the current 4 meters raises the question of road and infrastructure safety as well as the issue of intermodal competitiveness. However if the European Commission was considering increasing the allowable height for all other modes of transport, than the car transport sector would like to see the height for international transport harmonised at 4,20 meters (without making any changes to the currently allowed height within the individual member states); this would very much increase the loading capacity of car transporters.

A detailed proposal on the issue has been presented on the number of occasions and ECG can assist with further explanation if needed.

2. create legal framework for the use of the modular concept at EU level (25,25 meters)

ECG insists that the consideration of the issue is based on evidence supported facts, disregarding emotion-guided arguments.

Sustainable quality and efficiency:

Continuous bottlenecks exercise:

ECG has been actively involved in the exercise from the very beginning and is now participating in the focal points group meetings during which recommendations for identified bottlenecks are elaborated.

ECG finds this a useful and practical exercise. It enables to identify the main obstacles to the smooth transport in Europe, focuses on their resolution and provides recommendations.

ECG would like to thank the Commission once again for taking into consideration the recommendation on the vehicle dimensions elaborated and presented by ECG and for passing it on the consultation companies currently analyzing the issue. Harmonisation of legal requirements of maximum dimensions of loaded trucks in international traffic could have the immediate impact of reducing the number of trucks required to transport cars, thus reducing congestion and CO2 impact

ECG welcomes the continuation of the exercise and hopes that the approved recommendations provided during the exercise will be fully taken on board by the European Commission.

Personnel and training

The future of EU logistics depends very much on the people working in the sector. **Well qualified** and **sufficient** number of personnel is key to a proper functioning and future development of the logistics sector.

Currently the transport sector suffers from an acute shortage of personnel across all modes of transport, this in turn puts a serious strain on capacity.

As a result some of the companies are unable to fully utilize their fleet. Drivers shortage means inefficient supply chain and thus a negative impact on European industry and growth.

Two different types of shortage can be identified: general shortage and shortage of qualified drivers.

There are many reasons for the shortage of drivers, one of them is the image of the sector. Commission's proposed action to find ways to improve the attractiveness of transport logistics profession can therefore be fully supported. ECG welcomes this initiative and awaits the practical actions in this field.

A very important factor in the fight against shortage of personnel is training. Currently it is a full responsibility of the operators. This is a very costly exercise and therefore ECG welcomes the intention of the European Commission to highlight opportunities for targeting EU Cohesion Policy interventions towards logistics training. ECG would welcome a clear guide as to what EU subsidies are available for such purpose, so that operators have a clear and easy access to them.

Additionally ECG in principle welcomes the proposed action of the European Commission to ***draw up a list of minimum qualifications and training requirements in order to ensure the mutual recognition of training certificates***. The benefit of mutual recognition may be the improved mobility across the European states and that in turn may benefit employers as well as employees.

However ECG would like to point out that the directive 2003/59/EC with its Certificate of Professional Competence scheme (CPC scheme) already aims at harmonised training of drivers that will facilitate worker mobility on the common market, therefore ECG is questioning whether there is a need for additional legislation. Additionally despite the potential benefit of increased mobility, such harmonization is resulting in high costs, which need to be covered either by companies or drivers themselves. Some estimates done by the British Driving Standards Agency (DSA) show that the full training for a CPC certifying initial qualification might cost as much as 3000 GBP (around 4000 euros). The mandatory 35 hours periodic training will also correspond to an expense of several hundreds of euros. Finally – once again according to the study of the DSA, the fee for sitting a CPC test will amount to around 200 GBP (266 euros).

Therefore ECG would like to appeal to the European Commission to find the right balance between the measures aiming to increase mobility of drivers and the costs associated with it. Otherwise additional training requirements will not improve but worsen the situation of shortage of drivers.

It is also worth mentioning that ECG already strives to improve the level of training and mobility prospects of the managerial staff of companies involved in car distribution. About 2 years ago ECG has set up ECG Academy. The first course has been already successfully completed by over 20 students representing the finished vehicle logistics sector, car manufactures and car suppliers. The second course is currently in progress and a third course is planned for September 2008. On completion of the course students acquire the certificate of automobile logistician. The ECG Academy is aimed at tackling the scarcity of skilled management resources affecting the industry across Europe. ECG would be very happy to serve European Commission with its knowledge and experience in this field.

E-freight

Roadmap

The concept of e-freight and a vision of paper-free electronic flow of information accompanying the physical flow of goods is certainly very appealing to ECG, whose members struggle with paper bureaucracy every day. Bureaucracy means additional costs and time delays and this leads to inefficiency.

ECG supports the idea of developing a ‘roadmap’ for the implementation of e-freight as it may be a good exercise to identify the problem areas and the missing links for the standardization action. However in order to ensure the success of such exercise it is necessary to clearly define and limit its scope, because the standardization of too broad processes may not work.

RFID

In general ECG supports all IT-based solutions that can render logistics more efficient, however they need to be cost-effective.

Pressure for operational efficiency has always been of major importance in logistics, however due to the most recent trends such as increased competitiveness in the automotive industry, vehicle logistics providers find themselves under an even greater pressure to improve productivity and quality, reduce lead-times and reduce cost. ECG recognizes advanced

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(information) technology such as RFID as one of the potential ways to successfully achieve this. Implementation of RFID solutions means speed, reduced mistakes and as a result increased efficiency.

There are two types of RFID that are appropriate for vehicle logistics: Real Time Locating Systems (RTLS) and “Checkpoint” Systems.

RTLS are currently implemented in some production plants on small scale basis and can identify the actual location of a vehicle in a storage yard to within a few meters. They provide benefits in productivity improvements and labour savings from reduced search time, data accuracy and improved operations by minimizing the possibility of human error, the associated reduced damage and increased customer satisfaction.

“Checkpoint” Systems provide visibility to a supply chain by identifying when a vehicle has passed a particular ‘gate’. This would typically be the arrival/departure gate of a storage yard, but could equally be a ‘gate’ within the yard where a certain procedure is carried out. The biggest benefit for automotive logistics providers of such a system is advanced collaboration throughout the supply chain and improved operations through minimizing human error.

It is worth mentioning that vehicle logistics providers make considerable investments in order to improve the efficiency and competitiveness of their services. There are some examples of a good use of RFID based RTLS solutions for finished vehicle logistics in practice. For instance one of the ECG members Broekman Automotive in the Netherlands has recently decided to deploy an RTLS solution for tracking and locating approximately 42 000 vehicles in storage and process at its Rotterdam site, making it the largest RTLS implementation worldwide. The RTLS project is called “BRAINS” and stands for Broekman Automotive Identification Network system. The implementation of the system has been finalized and the system is in operation for 1, 5 years.

Due to an increased interest in this technology, recently ECG held a working group to explore the planning process that anyone within the supply chain will need to go through to identify the right RFID solution for their needs and how to build a business case to implement such a project.

ECG believes that RFID technology has a potential to make logistics more efficient, competitive and sustainable. As shown above RFID technology is

already used or is being considered by ECG members to be used on their premises. Some car manufacturers have also implemented it at their manufacturing plants. The next step would be to extend the use of the technology to the whole automotive supply chain from manufacturer to end user. This would enable to track and trace freight along its journey and to automate the exchange of content-related data.

This requires the full cooperation of relevant supply chain actors. Finished Vehicle logistics operators do not restrain from investing in new technologies, if those can help them to improve efficiency, however their resources are very limited (especially those of SMEs) and therefore financial subsidies as well as appropriate information about them would be required from the European Commission.

Standard for information flows and standard data set to describe freight

ECG strongly supports the initiative to standardize the information exchange systems. Currently there are as many different systems as there are administrations and this impedes vehicle logistics operators from providing competitive and efficient services.

Intelligent Transport Systems

ECG supports the idea *of development of a framework for ITS applications*, however in this exercise the European Commission should restrain from introducing new standards. Investment in such application is considerable and therefore the companies will not be able to change their systems to new. The companies make such investments only if really justified.

Standardisation of functional specifications for a single interface is justified because it follows from European Commission's intention to standardize the information format.

Accelerated work towards interoperability in electronic fee collection has a full support of ECG, because it is essential for the efficient transport and should prevent companies from multiple investments in various on the board technologies and devices.

Simplification

ECG supports the concept of ‘single window’, so that operators need to give the information only once and ‘one-stop administrative shopping’ so that goods can be controlled by the authorities at the same time and at the same place. Excessive administrative procedures can be a big impediment to the efficiency of logistics providers therefore any initiative to simplify it is very welcomed.

ECG is looking forward to further discussions on the practical implementation of such measures.

ECG welcomes the concept of **maritime transport space without barriers** and has replied to the public consultation organized by the European Commission on this matter.

The only remark that could be made at this point is that the proposed deadline for this measure – 2008, seems a bit unrealistic considering the complexity of the exercise.

The idea of **Single Transport document**, which can be used in all modes of transport thereby facilitating the multimodal freight transport, seems very appealing, however ECG has its doubts as to whether it is in fact feasible. There were already such attempts in the past, however until now to no avail.

Should the European Commission still pursue the idea, ECG would insist that such a proposal is closely consulted with all the relevant stakeholders, a thorough impact assessment is carried out and that the document is in line with all current international practices.

Liability – ECG is not in favour of purely *European* approach of a standard (fall-back) liability clause proposed by the European Commission. An international nature of transport requires an international approach and the EU liability regime would only complicate the issue further.

ECG supports the work towards creating a multimodal regulatory structure for liability taking place at global level (UNCITRAL) and welcomes the fact that European Commission is willing to await the outcome of its work. However ECG would suggest reconsidering the deadline for this particular measure as end of 2008 is too early and does not allow enough time to assess the added value of an UNCITRAL Convention.

Security

Vehicle logistics operators face many different and incompatible security standards therefore developing European standards, in line with existing legislation, voluntary schemes such as supply chain security measures (Authorised Economic Operator) and international conventions and standards would be desirable.

Improving performance and Benchmarking

ECG supports the establishment of performance indicators as long as the issue of service level and the environmental efficiency are given equal attention. The purpose of performance indicators may not be to assess the environmental performance only. For performance indicators to provide an accurate picture of quality levels they should cover the entire logistics chain from manufacturer to end user and all supply chain actors should be involved in the creation process. Also the currently available performance indicators (for road for example) as well as all the experiences gathered so far should be taken into account.

ECG agrees that efficiency of transshipment facilities is particularly important for multimodal transport and therefore supports the intention to benchmark intermodal terminals. It should be ensured though that both service providers and users of intermodal terminals are involved in the benchmarking preparation work.

Establishment of performance indicators and benchmarking exercise should serve the customers of logistics and transport services to discern between operators and terminals and to improve their performance. In this context ECG supports the measure and thinks that the help of the European Commission can be useful.

Once completed the information on performance indicators and benchmarking should be available to everybody concerned, however ECG does not support the creation of code of best practice or recommendation. It is up to the relevant actors to make their choices regarding the mode of transport or the terminal.

Promotion of best practice

In general ECG is not in favour of promoting any modality with public money and therefore does not support extending the role of the Shortsea

Promotion Centers to inland transport logistics with the use of public money, neither.

ECG does not agree that multimodal freight transport is underutilised due to the lack of knowledge. The every day activity of ECG members consists of finding alternative logistics routes that would deliver the goods as quickly and as efficiently as possible. If some modal routes are not being used it is not because they are not known but rather because there are not suitable for a particular service or too expensive.

On the other hand ECG very much supports the idea of establishing a network between logistics institutes and looks forward to further discussions on the measures.

Statistical data

ECG supports the initiative of determining data on freight transport logistics across modes and would be interested to participate in any project undertaken for this purpose.

'Green' transport corridors for freight

ECG believes that all freight transport stakeholders representing all modes of transport are responsible for the improvement of environmental performance and the reduction of the negative effects of the transport activity such as air pollution, noise pollution or congestion. Hence ECG supports all the efforts in this direction as long as they do not discriminate against any particular mode of transport.

The idea of 'green corridors' sounds interesting, however it needs further clarification and definition in order for ECG to be able to comment on the measure in detail. It is not clear for example what role road would play in the concept of 'green corridors'.

It should be highlighted that ECG has already undertaken action in order to contribute to the reduction of negative effects of its activity. It has recently commissioned a study that will come up with a set of reference data allowing the measurement of the External Cost of Transport for new vehicles (CO2 emission, Air Pollution, Noise, Congestion, Accidents). The study will provide a Standard to measure CO2 emissions per each kilometer and per single car transported by Road, Railway or Sea.

The CO2 Footprint Standard will allow logistics service providers to better manage their environmental management systems while allowing a reliable environmental reporting that takes into account the CO2 footprint of each car transported per each kilometer. The study will also highlight many of the inefficiencies affecting the distribution of cars and commercial vehicles and hopefully will enable to cut the huge number of kilometers that car transporters run empty.

The study is part of the “Common Efficiency Improvement Program”, initiated by ECG in order to face and fix the substantial inefficiencies affecting automotive logistics.

Urban freight transport logistics

ECG is of the opinion that any attempt at establishing of recommendations, best practice, indicators or standards for urban transport logistics, including freight deliveries and delivery vehicles should be done in consultation with not only representatives of urban areas but also with other stakeholders such as logistics operators.

In fact the best measure to reduce the urban congestion would be to encourage deliveries at off-peak times.

ECG supports the reinforcement of the freight part of CIVITAS Programme in order to better co-ordinate or integrate passenger and freight transport, interurban and urban logistics.

2. Communication on rail network giving priority to freight

ECG supports the establishment of the freight-oriented rail network envisaged in the Communication of the European Commission although regrets that the initiative which has already been mentioned in 2000 in the White Paper on European transport, in its review in 2006 as well as in the Communication on ‘Freight transport logistics’ has taken shape only now.

Currently due to problems with rail such as unreliability, high costs, lack of punctuality, lack of good railway connections, priority given to passenger trains, problems at the border due to differences in technical standards and carrying requirements throughout the EU, ECG members do not use rail as

much as they would wish to. Even though the share of automotive industry in rail transportation is by far the largest compared with other industries.

Therefore ECG strongly supports the aim of the European Commission's Communication to create a strong European rail network, part of TEN-T and to promote the creation of better quality of service in freight transport in terms of journey times, reliability and capacity. Needless to say that European rail network needs to be strengthened mainly in the land-locked areas, avoiding any unfair and illogical competition with Short Sea Shipping, even more sustainable than rail. For vehicle logistics providers quality is a determining factor in the choice of the mode of transport.

ECG supports the Commission's choice of progressive implementation of a rail-freight network through initiative designed to a better coordination between infrastructure managers of different Member States and the creation of corridor structures. However it should be underlined that freight oriented corridors structures should only be a medium term approach and in the long term a freight-dedicated rail network should be formed.

This of course should be independent of the required expansion of the road network. ECG is considering to study the effect on environment of eliminating road congestion by expanding the motorways and by implementing intelligent road traffic guidance systems.

Freight oriented corridor structures

ECG supports the corridor approach as long as it is practical and non discriminatory (for example what is a consequence for networks outside the corridor?). ECG would like to underline that the scope of the freight-oriented network should not be static, but should evolve if needed through addition of new sections and lines. The corridors should remain well connected to other modes of transport.

ECG is looking forward to more details on the corridor structures as for the moment there are still many questions regarding the concept which remain unanswered.

ECG would like to stress that all the relevant stakeholders, including the users such as ECG members, should be involved in the forming process.

Quality and Infrastructure

ECG supports the measures in order to improve quality.

ECG welcomes the Commission's intention to increase investments in infrastructure, since in fact most of the bottlenecks in rail result from insufficient investment in the capacity of infrastructure: train length, gauge, axle load and maximum speed. Additional investments will contribute to the improvement of the situation.

Allocation of train paths and priority rules

ECG strongly supports the European Commission's intention to enable authorized applicants to request train paths throughout the freight-oriented network. It is also very much in favour of setting up priority rules for freight in case of traffic disturbance. These two actions are key for the future success of railway undertakings.

Ancillary rail services

ECG welcomes the intention of the EC to make access to the ancillary rail services (especially terminals and marshalling yards) easier and clearer for all the rail operators.

Strategic group

ECG welcomes the fact that all the suggested measures will be examined in the form of the strategic group that will define and identify the characteristics of the corridors, determine legislative measures and fix the powers and responsibilities of the corridor structures. ECG would like to stress that vehicle logistics companies should be part of such a group as well and therefore would like to be informed about further developments in this field.

3. Communication EU ports policy

ECG welcomes the Commission's Communication on European ports. The Communication recognizes the key role of ports in the logistics chain and in the EU economy as a whole. ECG feels that by setting a framework for the European ports policy, Commission provides a certain degree of legal

certainty which is necessary for future development and modernization of European ports.

From ECG's point of view the main role of EU port policy should be to create an appropriate framework to increase port capacity through new infrastructure and port facilities investments and to improve the development of port's performance through increasing port efficiency and productivity rates.

Port performance, hinterland connections and Expanding capacity while respecting the environment

Around 90% of EU's trade with third countries passes through the European ports and therefore there is a clear need for the efficient ports, port services and hinterland connections. Additionally the recent growth patterns in maritime trade make this need even more acute.

ECG agrees that certain *improvements in the port efficiency and productivity rates* can be achieved, however it is worth pointing out that the biggest problem faced by ports and the operators is the lack of capacity. Therefore further infrastructure investments and promotion of private investors initiatives are needed.

ECG strongly supports the development of the new and the improvement of the existing port facilities. There are currently many transportation bottlenecks identified. Access to roads, railways, inland waterways and intermodal connections are insufficient and hence congested. Inland waterway barges need to compete for berths with deep-water vessels. These capacity problems affect actors across the whole supply chain. As a result delays occur, which have a further effect on the just-in-time distribution systems and are very costly to the transport operators.

The capacity problems in ports affect all the modes of transport, penalizing further development of intermodal transport.

ECG supports the view expressed in the paper that port development should always be left to the market which, in combination with policies of regional and national authorities is capable of finding its own solutions. However EU has also a role to play and providing a clear and transparent framework for further investments may be very useful for the national and local authorities.

From investors point of view a key condition for investments is legal certainty. However for many investors the different community rules on the environmental protection that currently apply such as Habitats, Birds, Water Framework and Waste Directives create many difficulties resulting in legal uncertainty. Hence ECG welcomes the intention of the Commission to issue guidelines on the application of the Community environment legislation to port development in order to help stakeholders to implement them and understand them. Simplification of existing and pending environmental legislation would be helpful as well.

ECG supports also guidelines on state aid to ports in 2008 and hopes they will provide clear instructions and hence improve legal certainty.

Finally ECG recognizes the need to improve air and green house gas emissions from shipping, although it should be remembered that shipping is, already now, by far the more sustainable mode of transport.

ECG thinks that the solution to cut green house gas emissions should be searched for globally and therefore ECG insists that the Commission awaits the result of the negotiations to secure a global agreement that are currently taking place within the International Maritime Organization. Shipping is a global activity and therefore a global solution should be searched. Unilateral EU measures would put the shipping industry in a disadvantageous international position.

Modernisation

Maritime space without barriers

ECG fully supports the intention of the European Commission to simplify the customs and trade procedures for short sea shipping so that goods leaving one European port and arriving at the other are no longer considered as leaving the Community area. ECG has submitted its position to the public consultation on the EU maritime space without barriers and is looking forward to a legislative proposal in 2008.

E-maritime

ECG also supports the e-maritime initiative as a good way to improve and simplify the communication between ship and shore and the public and private stakeholders. This port integrated system will however require a lot of time and a lot of integration between the different administrations in order

to be fully implemented. The exercise is however worth a try. ECG is looking forward to the policy document to be published in 2009.

A level playing field – clarity for investors, operators and users

The role of port authorities

ECG agrees that the autonomy of port authorities should be sustained. This first and foremost avoids superfluous bureaucracy. Additionally the financial autonomy is a prerequisite for the efficient allocation of investments. However it should be highlighted that transparency on the ports activities and of the relative tariffs applied is absolutely needed in order to avoid unreasonable and unjustified costs increase. If a port authority in addition to its standard tasks also offers other economic activities, this should be presented separately.

Public Financing – Transparency

ECG supports the publication of guidelines on state aids to ports in 2008 and the extension of provisions on transparency of Directive 2006/11/EC to all merchant ports.

Port concessions

From operators point of view there should always be many service providers in the ports.

However in cases where the concession systems apply, ECG thinks that there is no need for imposed harmonized and detailed systems for concessions, as long as these are transparent non-discriminative and fair. Of course it should be made sure that through the tendering process the most efficient service providers with highly competitive price structures are successful.

ECG agrees that when tendering processes are used, the appropriate length of such processes needs to be ensured. Their duration must be set so that it does not limit open competition and allows the investment to be paid off.

Cargo handling

Cargo handling should be subject to normal market conditions and competition. The most important aspect from operators point of view is that

the service is available 24 hours a day, seven days a week and the service rates are fair and the payment reflects the true working time incurred.

Pilotage

From operators point of view there is a need for simplification in this area.

The possibility to obtain the Pilotage Exemption Certificates (PECs) should be enhanced, because PECs are gained through proven experience and relevant examinations. PEC is issued to holders which have sufficient local knowledge and experience and can demonstrate that can substitute the local pilot ensuring safety conditions. Exemption certificates are a good way to simplify the current requirements regarding pilotage without affecting safety or quality of the process.

Competition with third countries

ECG welcomes the intention of the Commission to make an inventory of the problems encountered with third countries and suggests that those problems are addressed in the EU neighborhood policy as well as other EU external relations meeting with third countries.

Work in ports

ECG supports the full and correct implementation of existing EU and national rules on health and safety at work.

Conclusion:

ECG welcomes the package on freight transport published by the European Commission, which recognizes the importance and the size of this sector and provides an integrated approach.

ECG recognizes that many measures proposed in the package are relevant, however the sheer amount of the different measures (30 measures in the Action Plan for Logistics only) may be unrealistic to realize within the time framework the European Commission set itself and therefore ECG would suggest to focus on the few, but most relevant first.

From ECG's point of view the key issues include: maximum dimensions, shortage of drivers, rail-freight oriented network in land-locked Member

States areas, modernization and capacity development of European ports, e-freight and simplification of administrative procedures for logistics operators.

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