

# EuPC Focus

EUROPEAN PLASTICS CONVERTERS NEWSLETTER  
PROVIDING EUPC MEMBERS WITH A BRIEF OVERVIEW  
OF EUPC ACTIVITIES AND ISSUES

## AUTOMOTIVE & TRANSPORT

October 2009



### EU set to identify policy options for the future of transport

In June, the European Commission adopted a Communication on the future of transport policy, aiming at fostering debate for its next Transport White Paper scheduled for 2010. In 2001, the Commission issued a first White Paper which set the agenda for the European policy throughout 2010. This document was subsequently updated in the 2006 mid-term review.

Despite the current crisis of the automotive industry and the burdens stemming from it, the Communication makes no reference to this topic. Nevertheless, the Communication acknowledges the importance of having an effective and sustainable European mobility system for the years to come. The document also concludes that a focus on innovation and a full integration of different modes of transport would be essential to meet various challenges such as an ageing population, fossil fuel scarcity, migration, globalisation and urbanisation.

An open consultation followed the Commission's Communication which ended last month.

For more info, please contact Alisa De Backer at [alisa.de.backer@eucia.org](mailto:alisa.de.backer@eucia.org)

### Future competition law regime for motor vehicles proposed by the Commission

In July, the European Commission adopted a Communication concerning policy lines for the future legal framework for motor vehicle distribution and after-sale services, following the expiry of the Block Exemp-

tion Regulation (BER) in May 2010.

The Communication is the result of a review exercise which began in 2007 and was followed by an in-depth market survey carried out by the Commission, which culminated with the publication of a report in May last year.

In its proposal, the Commission makes the distinction between the primary market where competition is running smoothly, except for structural overcapacity, falling real prices and the aftermarket. In the aftermarket, or after-sales service and repairs, the competition is less intense. The Commission highlights the need to introduce safeguards against price discipline imposed by manufacturers and against market segmentation and, therefore, proposes to extend BER for a period of 3 years.

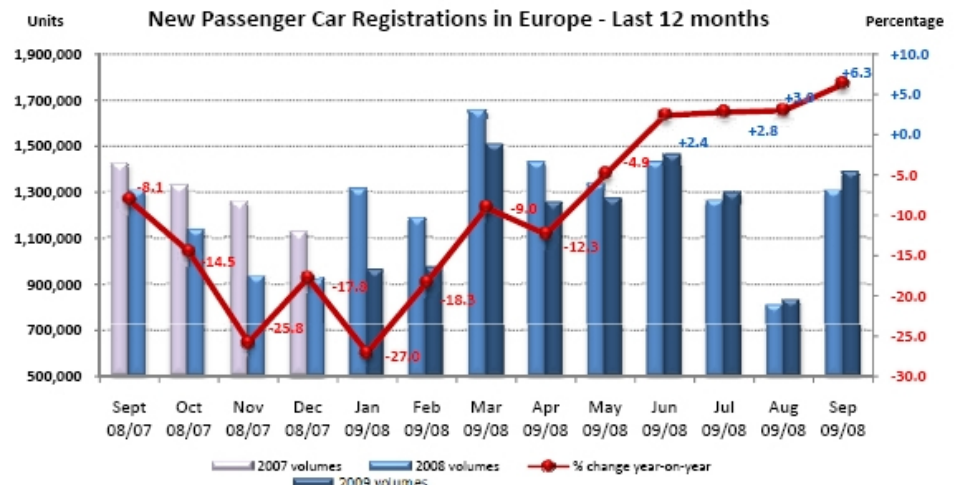
Concerning the aftermarket, the Commission sees the need to apply general competition rules such as independent operators' access to technical information, access to spare parts and access to the network of authorised repairers. Nevertheless, it also calls for new issues to be tackled which have become

more prominent in recent years, such as the misuse of warranties aimed at excluding independent repairers.

### New passenger car registrations up by 6.3% in September

In September, European passenger car registrations increased by 6.3% compared to the same month the previous year, with a total of 1,388,136 new car registrations. ACEA's regular report shows that the West European market increased by 9.6% in September, the largest increase since 1999. Nine months into the year, only Germany (+26.1%), Austria (+6.7%) and France (+2.4%) recorded positive outcomes, in comparison with the Spanish (28.6%) and British markets (15.5%) which shrunk.

The report also notes that the current market conditions are strongly resented in the new EU Member States. In the period from January to September of this year, new car registrations fell by 28.7% in these countries. Despite this, Slovakia (+19.7%), the Czech Republic (+8%) and Poland (+1.7%) are faring well, being the only expanding markets of the new EU Member States.



## Germany in bid to become leader in electric-car manufacturing

In an effort to become the world's top market for electric vehicles, German lawmakers recently approved a plan to put a million electric cars on German roads by 2020. The impetus for the development of a viable electric car is a result of the need to reduce greenhouse gas emissions so as to curb climate change and reduce reliance on fossil fuels.

Critics of the plan however say electric cars do not have a long enough 'range', i.e. they are not well-suited to long-distance driving, and a major overhaul of power supply infrastructure will be required to make them convenient for consumers.

Nonetheless, automotive analysts acknowledge that Germany is lagging behind regarding green cars, with countries such as China, Japan and the US investing heavily in electric and other alternative technologies. Moreover, Spain has pledged to put one million electric cars on its roads by 2014, while Portugal plans to set up Europe's first national re-charging network for electric vehicles. On a similar note, the UK intends to offer subsidies of up to £5,000 to encourage motorists to buy electric or plug-in hybrid cars.

The German plan, on the other hand, does not provide for such direct incentives to opt for an electric car. Instead, the German government bolstered its car-scrappping scheme with €5bn euro; ten times that allocated for its electric car revolution. It should also be noted that such incentives do not aid

the climate protection cause, since according to WWF Germany, only a 1% reduction in car emissions would be achieved by 2020, even if Germany reached the goal of 1 million electric cars.

## Clepa Is Calling for EU Financial Aid to Suppliers

European auto suppliers, which are in dire straits due to the sharp drop in car production, have been advocating for the creation of €3bn European Union-managed fund that they could use in emergencies.

Clepa, the European Association of Automotive Suppliers, is actively trying to set up a scheme that would allow for auto suppliers to be paid the money they are owed by car makers quickly. As it stands, car makers can take up to months to pay bills sent by suppliers, with this payment period ranging from 30 days, as is common in Germany, to 180 days in Italy.

Under normal circumstances this kind of payment period is a norm; however, this is no longer the case with many suppliers running out of cash and needing to get paid quickly. To make matters worse, banks have frozen lending to auto suppliers due to the apparent risks involved.

Clepa is hoping that a reverse factoring scheme – when a supplier invoices a car maker, the latter would ensure the invoice is accurate and then forward it to an agency funded by the corresponding EU Member State. The agency would then quickly pay the supplier, and the car maker would later pay the agency – run by the EIB will soon come into effect.

## Events

### The Hybrid Vehicle Event

The Hybrid Vehicle Event will take place on Thursday 12 November 2009 at Mavtech, the technical centre of Mavel, in Lyon.

As a **World Premiere**, Mavel gives the opportunity to representatives of the automotive industry to **view two hybrid vehicles entirely disassembled** and to understand the impact on their own industry. Conferences will be presented relating to this topic, and the exhibition will start with the possibility for participants to take photos and videos.

We offer a free Zoom document (pdf and Excel files relating to all vehicles that are produced worldwide, model by model) for all **people who will register on behalf of EuPC** (you must simply enter the advantage code 'EUPC-112' in the appropriate box of the order form).

Please note that the number of places to this event is limited and the registration will be made on a first come, first served basis.

For more info, and to obtain the relevant form, please contact Alexandre Dangis at [alexandre.dangis@eupc.org](mailto:alexandre.dangis@eupc.org)

## EuPC Upcoming events

27	November 2009	B&C Plastics Fire Experts Forum	Brussels, EuPC Offices
1	December 2009	B&C Excom	Brussels, EuPC Offices
2	December 2009	Steering Committee Meeting	Brussels, EuPC Offices
2	December 2009	Packaging Excom Meeting	Brussels, EuPC Offices
2	March 2010	Packaging Excom Meeting	Brussels, EuPC Offices
3	March 2010	Steering Committee Meeting	Brussels, EuPC Offices
16	March 2010	NPA Meeting	Brussels, EuPC Offices
17	March 2010	NPA Meeting	Brussels, EuPC Offices