



FEM Bulletin

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FEM new website goes live!

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Internal developments

FEM Congress 2016 – do not forget to register!

The next FEM Congress will take place on 6-7 October 2016 in Bordeaux, organized by the French member association CISMA. Many of you are already registered but we need many more!

Remember you can benefit from advantageous discounts by registering early!

See <http://fem.dev.leseclaireurs.com>



FEM takes part in CeMAT 2016

FEM actively participated in the CeMAT 2016 exhibition held on 31st May – 3 June 2016 in Hannover. FEM Secretary General took part in the Opening ceremony and VIP tour on 31st May and then attended the IFOY Award ceremony in the evening. The day after, FEM Executive Committee and Board held a joint meeting. Product groups Intralogistic Systems and Elevating Equipment also met. Finally, FEM delegates met with international colleagues at the International Associations' Cocktail.

FEM would like to take this opportunity to warmly thank the VDMA for opening its tent and making its facilities available to many FEM delegates.

The 2018 edition of the CeMAT show will be co-staged with HANNOVER MESSE on 23-27 April 2018.





Task forces activities

Outdoor Noise Directive

The European Commission will publish the final report of the ODELIA study on the scope and limit values of the Outdoor Noise Directive in the coming weeks (meanwhile it is available from the [secretariat](#)).

As a next step of the review process, the European Commission is going to launch an impact assessment study in September 2016: results are expecting early 2017. In this context, a public consultation is scheduled in October or November 2016 in parallel with targeted consultations of specific stakeholders, including trade associations. The impact assessment study aims to assess possible changes in the OND, such as stricter noise limits, but also removal of third party certification, as well as related environmental benefits and socio-economic costs.

Then, on basis of the impact assessment study, the European Commission will draft its legislative proposal for the review of the OND. The Commission proposal is announced for the end of 2017 or early 2018.

Meanwhile, a meeting with the new Commission's desk officer in charge of the ONR review is foreseen mid-July. The objectives are to present FEM, especially equipment covered by the OND, but also main FEM positions on the ODELIA report and the OND review. The next meeting of the Commission Noise Expert Group (NEG) is scheduled on 30 September 2016.

Machinery Directive

The Commission published in mid-May 2016 the [EC Fitness Check Roadmap on the Evaluation of the Machinery Directive 2006/42/EC](#). The Roadmap reiterates that the evaluation will cover all aspects of the Directive, over the period 2009-2014, namely: the scope, essential health and safety requirements, and conformity assessment procedures. Other particular issues which are planned to be assessed are: definitions of product categories in Article 2; the definition of partly completed machinery; the coherence of the Directive with other internal market legislation; requirements for the modifications of the machinery already placed on the market; the indicative list of safety components. At the same time, the evaluation study is making steady progress. The consultant Technopolis concluded the inception report in early June. This is the first deliverable of the study, indicating the activities undertaken so far by the consultant and the results of the inception phase, which include the fine-tuning of evaluation questions and their corresponding indicators, the mapping of costs and benefits and an analysis of pre-existing information (on standardisation, conformity assessment, market surveillance activities) and data. Also, the inception report consists of an updated work plan and timeline.

The study team developed 16 evaluation questions, classified in line with the evaluation criteria (**context** – questions on market size and structure; **relevance** (match between the Directive and current needs of the market for both manufacturers and users, the extent to which its objectives have been met for all actors); **effectiveness** (discrepancies in the interpretation of Directive in the different Member States, the reasons for these, effectiveness of third party conformity assessment for Annex IV products, effectiveness of the development and use of harmonised standards, identification of mechanisms to identify non-compliant products), **efficiency** of the Directive (costs involved for

different stakeholders, quantification of direct and indirect costs and benefits for all activities related to the application of the Directive), **coherence** of the Directive (to what extent the Directive is coherent with other national or European legislation), **EU added value** of the Directive (to what extent the European Directive adds value compared to what can be achieved at national or regional level). As requested by the Commission, the study puts a strong emphasis on the efficiency aspects, particularly the analysis of relevant quantitative data in terms of costs and benefits. The report reads that indirect and indirect costs and other data are not easily or readily available so the study team plans using averages or ranges rather than exact hard data.

The FEM Machinery Directive has started putting forward preliminary ideas and possible answers to the evaluation questions, in preparation of the upcoming consultations. Targeted consultations are due to start in July 2016 and run in parallel with the Commission's open public consultation which will run from mid-September, until the end of November 2016.

In parallel to these developments, FEM has been very active in engaging in the discussions on the ongoing update of the 2nd edition of the Machinery Directive Guide, particularly within the Orgalime Machinery Working Group. The FEM comments have been endorsed by Orgalime and consolidated in the overall industry input on the Guide, sent to the consultant.

A discussion on the state of play of the Guide, as well as the review study will take place at the next Machinery Working Group meeting, tentatively scheduled on 9-10 November 2016.

Revision of Exhaust Emissions of NRMM Directive

The sixth and last trialogue meeting on the NRMM file took place on 6 April 2016 and resulted in a [final compromise text](#) negotiated between the European Parliament and the Council. The co-legislators came to an agreement on all outstanding issues, including the time limit of 20 years for the availability of replacement engines on the market for the NRE categories (between 19 and 560 kW), and the parts of the text where there were discrepancies between the Council and the EP in the area of Delegated versus Implementing Acts.

The Committee of Permanent Representatives held a meeting on 22 April to approve the trialogue agreement. The Environment Committee in the EP also met on 26 April, endorsing the compromise text and thus paving the way to the plenary vote on the NRMM Regulation, scheduled for 5 July 2016. If the Parliament adopts its first reading position on 5 July, the Council is expected to follow suit and rubber-stamp the new Regulation at the next Council meeting after the plenary vote (August or September). The Delegated and Implementing Acts are also planned to be adopted by the Commission by December 2016.

FEM is currently working on a Guide on the new NRMM Regulation, cooperating with other partner associations (CECE, CEMA, EGMF, EUnited Municipal) within ITF, in order to produce a common text for the key provisions which are of relevance to the machine manufacturers. FEM has nominated a number of experts to provide their contributions to the content of the Guide. A kick-off meeting with all experts (from the other associations too) forming a so-called Drafting Group will take place on 13 July 2016. The aim is to finalise and publish the Guide before the end of 2016.



EU legislative issues

General Issues

EU Single Market Strategy

The European Parliament's [resolution](#)/own-initiative (INI) report on the Single Market Strategy (rapporteur: Lara Comi, EPP, IT) was adopted in plenary on 26 May. The EP position supports further integration of the single market, coupled by cutting red tape and compliance costs for companies, particularly for SMEs, while ensuring a high level of protection for consumers, employees, and the environment. The MEPs also welcomed the Commission's suggestions on the VAT reform, including the possible simplified VAT approach for e-commerce and reviewing VAT rules for digital services, as well as finding appropriate measures to put in place the so-called "collaborative economy", and the implementation of the Joint Initiative on European standardisation (JIS).

As announced in the Single Market Strategy, the Commission launched two inception assessments on the following initiatives, as announced in the EC Single Market Strategy: "[Internal Market for Goods – Enforcement and Compliance](#)"; "[Achieving more and better mutual recognition for the single market for goods](#)". The first inception assessment put emphasis on the need to address the problem of non-compliant products on the market which often go undetected, as the exact share of non-compliance on the EU market cannot be precisely quantified. The policy options proposed are closely inter-twined with two key objectives: firstly, facilitating compliance; and secondly, detecting and taking action against non-compliant products. The Commission plans to release a public consultation on the Internal Market for Goods (enforcement and compliance) before the summer of 2016.

In the second inception impact assessment, the Commission considers several policy options to achieve more and better mutual recognition for the single market for goods. For instance, the possible revision of the Mutual Recognition Regulation (EC) No 764/2008 is listed as an option.

As a result, a [public consultation](#) was launched on 1 June, to assess whether the Mutual Recognition Regulation has been meeting its intended objectives, and if there are any potential flaws in the principle of mutual recognition. As a reminder, this principle applies to products that are not covered by EU harmonisation legislation, and are therefore subject to national technical requirements which are mutually accepted within the single market. Therefore, a product that is lawfully commercialised in a Member State has the right to be sold without restrictions in another EU country, without having to adapt to national rules of that country. The consultation will run until 30 September 2016.

Circular Economy

The [Council Conclusions on the Circular Economy Action Plan](#) were adopted at the Environment Council meeting on 20 June 2016. In the final Conclusions, the Council calls for: a significant reduction of landfill waste, a greater focus on forging synergies between circular economy and other policy areas, as a means to facilitate the transition to a circular economy, further recognition of "systemic innovations", boosting sustainable behavior, consumption and production, both in B2C and B2B markets; and also promoting the uptake of GPP in the circular economy, by creating incentives for the effective application of GPP, and looking at the application of life cycle costing as well.

In terms of the second pillar of the CEP, which is the Waste Package comprising 5 proposals for the review of Waste Directives, the Environment (ENVI) Committee in the European Parliament held an exchange of views on the implementation of the waste legislation (particularly Waste Framework Directive & Packaging of Waste) on 21 June.

The draft reports on five proposals in the Waste Package (rapporteur: Simona Bonafè, S&D, IT) were also discussed in the Industry, Research and Energy (ITRE) Committee in the European Parliament on 14 June, and in the lead ENVI Committee on 15 June. Regarding the [draft report on the proposal for amending the Directives on WEEE, Batteries and end-of-life vehicles](#), the rapporteur called on the Commission to carry out a comprehensive review of these Directives by 1 January 2018, which would also encompass the scope and targets, based on an impact assessment and taking into account the Union's circular economy policy objectives and initiatives. However, one of the key messages highlighted by the industry is that the WEEE Directive is still undergoing implementation and a review by 1 January 2018 would be premature and furthermore, no new targets should be added to the ones under the existing Directive.

REACH Regulation

Candidate list

ECHA updated the [Candidate List](#) with one new substance, namely [Benzo\[def\]chrysene](#), on 20 June. It now includes 169 substances. This triggered immediate communication requirements (Article 33). However, a unanimous agreement cannot be found on a phthalate substance: DCHP (this is used in plastisol, PVC, rubber and plastic articles). Therefore, the European Commission should take a final decision and discuss it in the REACH Committee (Member States) by September 2016.

Applications for authorisation: the case of chromium trioxide

As a reminder, chromium trioxide cannot be used in any manufacturing process in Europe after 21 September 2017, unless a specific authorisation has been granted to an equipment manufacturer or an upper link in his supply chain. The chromium trioxide and its applications have been identified an issue of concerns for the material handling industry. Therefore, FEM is closely monitoring next developments and possible lobbying actions with other industry sectors.

A consortium of importers and formulators of chromium trioxide - called CTACSub – submitted an application for authorisation for 6 major industrial uses, notably chrome plating and surface treatment in the engineering industry. In parallel, further applications were submitted for large treatment surface uses or specific uses. The European Chemical Agency (ECHA) are currently assessing these applications. The ECHA Committees issued a draft opinion on the CTACSub application 6 uses. They would recommend granting an authorisation, but for shorter period of time: applicants requested review periods of 12 and 7 years, while ECHA committees provisionally recommend 7 and 4 years respectively.

The CTACSub consortium is afraid that the necessary authorisation will be granted for shorter period of time or under stricter conditions of use. In this case, some downstream user, such as FEM members, may not be able to meet such stricter conditions. Therefore, the CTACSub consortium built a coalition with downstream users to convince decision-makers: European Commission, EU Member States and MEPs, that chromium trioxide is still needed in Europe. As regards FEM, we will issue a letter to be circulated to the European Commission and national authorities to request them to support a decision granting authorisations to continue using chromium trioxide in Europe.

While the final ECHA recommendations are foreseen after the summer, the publication of authorisation decisions is expected in June or July 2017.

It should be noted that there are several steps after the ECHA assessment of applications. Although ECHA provides a recommendation, the final decision to grant an authorisation or not (and how long) is taken by the European Commission. Then, the decision is submitted to the REACH Regulatory Committee (Member States) for vote and to the European Parliament and the Council for scrutiny.

REACH review

A regular monitoring of achievement of the REACH objectives is legally required every 5 years as from 2012. Therefore, the European Commission has launched a review of the REACH Regulation (see Commission [Roadmap](#)). The Commission intends to publish its report on the REACH review in June 2017.

The review will be based on various sources, such implementation reports from Member States and ECHA, significant legislative and policy developments since 2013. In addition, in line with the 2012 exercise, the Commission will launch a series of thematic studies, for example on the simplification of the authorisation process, the impact on innovation and SMEs, as well as the interface between REACH and health & safety legislation.

Restriction of the use of hazardous substances in China

As a reminder, the Chinese Ministry of Industry and Information Technology published the ‘China RoHS 2’ legislation (see Chinese [version](#) only) at the end of January 2016: it will take effect on 1 July 2016. In addition, Chinese authorities have recently published a “[Frequently Asked Questions](#)” (an informal translation in English is available from the [secretariat](#)).

As a main change, the new ‘China RoHS 2’ extends the scope, which is now identical to EU RoHS Directive. It only applies to finished products, including cables, repaired products and upgrades. No exclusion is foreseen.

However, the ‘China RoHS 2’ FAQ provides a list of excluded products, such as products for military application, product applied in special environment or extreme conditions and product for exports. Also, the FAQ provides a non-exhaustive list of products in scope that is divided in 10 categories: 1. Communication devices; 2. Radio & TV equipment; 3. Computer & office equipment; 4. Household appliances & electronic equipment; 5. Electronic measurement & instrumentation; 6. Industrial electric appliances & electronic equipment; 7. Electric tools; 8. Medical electronic equipment; 9. Lighting products; and 10. Electronic education, arts and crafts, sports and entertainment products. Although combustion engine equipment is not explicitly excluded neither in the legislation, nor in the FAQ, they would be out of scope.

So far, only the labelling of product content (hazardous materials table) is mandatory: manufacturer must provide information according to the existing standards. The package marking requirement does not seem to be mandatory since the existing standards is only recommended. As regards the substance restrictions, the substances are listed in the ‘China RoHS 2’, but there is no requirement in place. The Chinese authorities should first publish a “catalogue of EE products” subject to restriction.

Radio Equipment Directive

According to Article 2 of the R-ED, radio equipment is defined as: “an electrical and electronic product that intentionally emits and/or receives radio waves for the purpose of radio communication and/or

radio determination; an electrical and electronic equipment which must be completed with an accessory, so as to intentionally emit and/or receive radio waves for the purpose of radio communication and/or radio determination". Orgalime and other industry sector associations, including FEM, have raised concerns about the implications that that this definition may bring about, if it interprets that a combined equipment (which is a machine that includes a radio device) becomes a radio equipment and therefore has to fulfil the essential requirements of the R-ED.

This would then mean the manufacturer would have to change its conformity assessment procedures (currently in line with the Machinery Directive or other applicable legislation) to fulfil the requirements of the R-ED.

The industry met the Commission on 17 May, seeking clarification of this matter. The Commission that a combined equipment should be fulfil the essential health and safety requirements in accordance with its main applicable legislation (e.g. Machinery Directive). The R-ED requirements would not apply to the whole combined machine, but only the radio module which is covered by the definition of radio equipment. The manufacturer will need to carry out a risk assessment to verify whether the 'combination' (incorporation of the radio device into the product) produces any changes in the behaviour of either the product, or of the radio component. If there are no changes, the manufacturer of the combined equipment should only specify in the technical file that the inclusion of the radio module is "neutral". He/she may request from the radio device manufacturer the instructions, neutrality test, Declaration of Conformity of the radio device and add this information to the technical file of the combined machine. No duplication of the conformity assessment carried out is needed. If the behaviour changes, the manufacturer needs to indicate in the technical file how the combined operation of the radio module takes into consideration the essential safety requirements of the main applicable legislation (for the machine, the Machinery Directive, for example; for the radio module, the R-ED). The manufacturer of the combined equipment may obtain from the manufacturer of the radio device the relevant technical information on how the incorporation of the radio device into the combined equipment affects the radio spectrum or not. There is no need for a separate conformity assessment for the RED but only the proof included in the technical file that there is a behaviour change.

An EC working document clarifying the status of combined equipment has been recently issued. The aim is to integrate the Commission's proposed document in the new version of the RED Guide, and also provide the same interpretation in the other relevant sectorial Guides (LVD, EMCDD).

Trade

Bilateral trade negotiations

EU-USA (TTIP)

The European Commission published on 24 May a [report](#) which lays down the main issues where progress was reached during the 13th round of the TTIP negotiations, which took place between 25 and 29 April. The three key pillars of the negotiations were extensively debated: market access, regulatory cooperation, and rules. Important progress has been made in terms of the removal of customs duties for industrial tariffs. In terms of regulatory cooperation, the negotiators are aiming at completing the consolidation of the EU and US textual proposals on regulatory cooperation and good regulatory practices. However, there are remaining divergences on technical barriers to trade (TBT), particularly for conformity assessment & standards-setting proposals.

As regards the different chapters under regulatory cooperation, the Commission is currently working on a revised version of its 2015 proposal for an engineering annex, to be presented at the 14th round of negotiations (scheduled for the week of 11 July in Brussels). The main objective of this annex is to promote convergence of technical requirements and of standards and promote cooperation between the two parties.

On 10th May, FEM co-signed a letter on standardisation within TTIP together with Orgalime and several other engineering sector associations. The letter stresses the need to promote international standardisation and the necessary transparency in setting standards. On this latter point, it is suggested that the US creates a single portal listing the applicable legislation, the relevant standards, the accredited standards bodies etc.

EU-Japan

At the EU-Japan Leaders' Meeting on 3 May, Japan's Prime Minister Abe and European Commission President Juncker agreed to finalise negotiations on a Free Trade Agreement by the end of this year. The new target is an agreement to be reached during the annual Japan-EU summit in the latter half of the year. Japan and the EU began free trade negotiations in April 2013 and missed the earlier deadline for reaching a deal set for the end of 2015.

In the meantime, the 16th round of negotiations took place in Tokyo in April 2016. It addressed generic issues such as trade in goods, services and trade barriers, but also investment and public procurement. The next round of negotiations will be held in Brussels in September 2016. Japan is the EU's second biggest trading partner in Asia after China. Together the EU and Japan account for more than a third of the world's GDP.

EU-Canada

On 29 February, Canada and the European Commission announced that the legal review of the comprehensive economic and trade agreement ([CETA](#)) had been completed, and a new approach to investment protection and dispute resolution inserted into the text. However, final ratification by national Parliaments is still in doubt: Romania announced it will not ratify the CETA as a reaction to the refusal by Ottawa to lift the visa requirement for its nationals. Furthermore, the Dutch Parliament passed a motion rejecting provisional application of the EU-Canada trade deal, while the Walloon Parliament officially requested the regional government not to grant full powers to the Belgian federal executive to sign the CETA. In order to come into force, the treaty must be ratified by the European Parliament and each of the parliaments of the 28 Member States. The European Commission's aim would be to ratify the CETA this year and see it enter into force in 2017.

EU-China

On 22 June, the European Commission issued a [Joint Communication](#) entitled "Elements for a new EU strategy on China", which spells out the EU's partnership with China in the next five years. This initiative identifies a number of opportunities to be explored in EU-China relations, including an ambitious and comprehensive agreement on investment. The EU also has the long-term ambition of developing a deep and comprehensive free trade agreement with China, once the investment deal has been concluded. However, before this goal can be reached, China still needs to put in place significant reforms to address unfair competition for foreign investors (which may arise from its industrial over-capacity, particularly in the steel sector), including the elimination of state-induced economic distortions and reform of state-owned enterprises. The Council of the UE is currently invited to validate the elements proposed in this Communication

Conflict minerals

At the latest triologue meeting on conflict minerals file, on 16 June, the three institutions reached a political agreement to set up a mandatory due diligence system, in accordance with [OECD due](#)

[diligence guidelines](#), for all importers of tin, tantalum, tungsten, gold and their ores from conflict and high-risk areas. Due diligence will also be an obligation for smelters and refiners. However, the smallest firms will be exempted from this scheme, so as not to impose disproportionate administrative burdens. The competent authorities of the Member States will be responsible for ensuring companies comply with the new rules and determine possible penalties for non-compliance. The text agreed sets out disclosure requirements for large manufacturers and sellers who will need to indicate where they report on their sourcing practices based on a new set of performance indicators to be developed by the EU Commission. Moreover, these companies will be able to join a registry to be set up by the Commission and voluntarily report on their due diligence practices.

As for the next steps, additional triologue meetings are expected during the Slovak Presidency (to start from 1 July 2016) before reaching the final agreement on this dossier.

Intellectual Property

Intellectual Property Rights and Customs Enforcement

The European Commission has recently launched an [inception impact assessment](#) on the initiative “Modernising the enforcement of intellectual property rights”. In view of new technological developments and the increasing difficulties of cross-border protection of intellectual property rights, particularly in the online environment, the Commission aims at conducting a thorough evaluation of the functioning and fitness for purpose of the provisions of the current legal framework for the enforcement of IPR (Directive), especially its cross-border applicability, as well as address commercial scale infringements. The evaluation will look at several options to assess the different provisions of the Directive, notably: clarifying the application of the right of information in the cases of commercial scale infringements (art. 8) clarifying the scope and application of the rules concerning provisional and precautionary measures and injunctions, including the cross-border execution of injunctions; clarifying the rules for calculation and allocation of damages and legal costs; reinforcing the role of intermediate service providers in preventing IPR infringements; and encouraging the set-up of national courts specialised in areas of IPR infringement. The overall objective of strengthening and reforming the IPR enforcement rules is also laid down in the Digital Single Market Strategy.



Product Groups' corner

Cranes & Lifting Equipment

The International Crane Stakeholders Assembly (ICSA) has just published 3 guidance documents: Leaving mobile cranes unattended Lifting of a load with several mobile cranes Lifting of persons with mobile cranes The 3 documents are available for free download on the Cranes & Lifting Equipment page

Intralogistic Systems

The Product Group Intralogistic Systems has published its annual factsheet on the FEM website, which provides an overview of 2015 statistics for S/R machines and order intake. 2015 was a good year for the intralogistic systems industry as a whole since order intake increased by over 20% in 2015 compared to 2014. One important result to highlight is the “airport” sector: it showed an increase from 12% to 17% between 2014 and 2015 (see further details [here](#)).

In addition, the Product Group Intralogistic Systems has published a French and Spanish translation of its leaflet on how to achieve a successful intralogistic systems project. This document draws customers’ attention to key aspects to be considered from design to implementation of an intralogistic system project. This leaflet is now available in English, French, German and Spanish free of charge on the FEM website (see [here](#)).













Industrial Trucks

The results of the world industrial trucks statistics for the first quarter of 2016 have just been published. They show a fairly good start with a total of 292,791 trucks ordered and 274,107 trucks shipped all categories put together. In 2015, 1,099,080 trucks were ordered (+1%) and 1,064,224 trucks were shipped. For the detailed figures, please see the [Industrial Trucks Product Group page](#).



Publications & events

TRADE FAIRS CALENDAR

	<p>12-14 Jul 09 2016 Melbourne Link</p>	
	<p>13-16 Sep 2016 Tokyo Link</p>	
	<p>13-16 Sep 2016 Birmingham Link</p>	
	<p>20-22 Sep 2016 Moscow Link</p>	
	<p>1-4 Nov 2016 Shanghai Link</p>	
	<p>14-17 Nov 2016 Paris Link</p>	
	<p>1-3 Dec 2016 Mumbai Link</p>	

This newsletter is reserved to FEM members

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