

EGEA Board of Directors Meeting

26th February 2014, 09h00 – 18h00
in Brussels

Minutes


Participants:

Leon Andriessen (President) [LA]
Michel Vervekken (1st Vice-President) [MV]
Massimo Brunamonti (2nd Vice-President) [MB]
Thierry Coton (Board Member) [TC]
Dave Garratt (Treasurer) [DG]
Klaus Burger (Board Member) [KB]

For the Secretariat:

Sylvia Gotzen [SG]
Eléonore van Haute [EVH]

Apologies:

Jaume Berenguer (Board Member) [LB] 

1. Welcome

Leon Andriessen welcomed all Board members to the extraordinary Board of Directors' meeting.

2. Approval of the minutes of the last Board meeting held on 14th November 2013 in Brussels

The minutes of the last meeting of the Board of Directors held on the 14th of November 2013 in Brussels were approved without further comments.

3. Financial situation 2013 and pre-agreed budget 2014

3.1. Financial situation dated end of December 2013

SG presented the financial situation dated end of December 2013. As expected, the financial statement showed a negative balance of -38.131,52 € in the expenses for 2013. The following points were discussed in more detailed:

- **Receipts – Contract with Autopromotec:** KB enquired about the state of affairs of the Autopromotec contract. MB replied that Renzo Servadei, on behalf of AICA, is conveying his apologies for the late contract and he is proposing to sign it at the next EGEA General Assembly in Bologna.
- **Expenses - Supplementary work hours for Neil Pattemore's work for ECSS and PTI:** The Board was informed that Neil Pattemore has been working more hours than budgeted for

ECSS and PTI. The additional expenses for ECSS are 3.131,80€ and for PTI 7.673,75€. SG asked for the Board's approval for Neil's supplementary work hours.

Decision: the Board agreed to pay an extra of 10.805,55€ for Neil's supplementary work hours for ECSS and for PTI.

- **Expenses – Inflation of technical advisor's retainer:** SG invited the Board to agree on a retroactive reward for Neil Pattemore's good work for 2013, by compensating the inflation (as it will be done by FIGIEFA for 2013). SG clarified that this is not obligatory under the contract, but SG suggested to make this adaptation, like in 2013, as it would be fair and seen as an appreciated gesture.


Decision: After discussing the matter, the Board preferred to opt for an inflation of Neil Pattemore's retainer of 2%.

- **ING Assets for EGEA (dated 20th February 2014):** 127.608,17 €
- **Final planned deficit for 2013:** The expected final deficit is thus estimated at -48.937,07€.

Decisions:

- The Board took note of the financial situation dated end of December 2013 as presented by the Secretariat
- Decision to submit the formal approval of the 2013 financial statement to the next General Assembly in Bologna together with an audit.

3.2. **Pre-agreed budget 2014**


- **Discussion of WG budgets (as far as available)**
- **Feedback from the Secretariat on new regime**
- Following the last Board meeting on the 14th of November 2013 in Brussels, the Board decided that the Secretariat should cover a minimum set of activities with a minimum number of working hours (as indicated in the cost offer dated 23.10.2013 for the hosting of the EGEA secretariat¹). SG reiterated that the complementary side of this decision was to transform the Working Groups  'projects' and to also include hours for 'manpower' for the Secretariat into their budgets in the future. Basic work for the organisation of the working groups were agreed to be covered, but if there was substantial work expected (for WG2, WG6, WG9 and WG 10), this could not be covered by the minimum and needed to be funded by revenues from projects.

Following this reminder, the Board and the Secretariat discussed again what should be covered by the Secretariat as a minimum service for the Working Groups, beyond the sheer administrative work. After a longer discussion, the Board decided that with this budget, a minimum of 2.5 days of work per WG plus 2 days work per WG meeting (for EVH) per year should be covered, even at the expense of others lobbying activities such as PTI. Any other WG activity should be covered by the WG project funding.

The Board reminded the Secretariat that a budget has been allocated to the Secretariat for the lobbying activities, statutory activities, and WGs basic/administrative activities and

¹ Offer of 23rd October 2013: "120 days p.a. for Eleonore (= 50% part time); 30 days p.a. for Sylvia (= 2,5 days per months); 15 days p.a. for Mona. The activities covered should be Statutory activities (Board meetings/General Assemblies), General Management, Finances, Communication, Monitoring of EU Affairs, PTI Lobbying (still ongoing in 2014), Co-Management for EGEA of CITA ECSS Project, WG1, WG2: PTI – impact for WG2. This Scenario would exclude the expected substantial work for WG2, WG6, WG9 and WG10".

that the Secretariat must work within that budget. No additional expenses will be allowed without any prior Board's approval.

- **WG budgets:** the Board decided together with the Secretariat that a circular should be sent to all WG members and respective Chairmen to inform them about  change of status from 'Working Groups' to 'projects' and about the ensuing financial implications for all national associations and for EGEA ultimate members.


Each WG shall establish its own budget in coordination with the Secretariat. The Secretariat should make an official call for project fundraising to national associations in coordination with the working group Chairman.

This budget will have to be submitted for approval to the Board of Directors, and subsequently be included in the annual financial statement to be presented to the General Assembly.

The budget for each WG's project funding should be submitted to the Board at least one month before the next Board meeting.

- **Presentation of the budget:** Despite the initial preference expressed by the Board not to include the respective WG project funding budgets into the general EGEA budget, it was nevertheless agreed to include all revenues streams into the annual balance sheet, but to separate these from the regular EGEA budget.

3.3. **Analysis of VAT optimisation for EGEA** (subject to feedback from KPMG)

- SG reported about a meeting that a small delegation from EGEA had with KPMG on February 7th. While investigating, it appeared that EGEA will need to register for a VAT number if income from sponsors will be above 15.000€ 
- This would have a consequence on Neil Pattermore's invoices which would need to be subject to VAT as well. The Secretariat will come back to the Board with a draft budget 2014 modified accordingly.
- There is the possibility to create a "unité de TVA" (VAT unity) together with FIGIEFA, which would allow to handle secretariat (manpower) cost as internal transfer and invoicing without adding VAT.

Decision and Actions:

- The Secretariat will register EGEA for a VAT number.
- The Secretariat will ask for a cost offer from KPMG for such a "unité de TVA". FIGIEFA will be asked if it would participate in the funding of such investigation.

4. **EGEA Working Group rules: Revision of the 'Internal Rules of Procedures' for the EGEA Working Groups**

- 4.1. **Definition of rules for working members for their contribution to WG budgets (manufacturers, distributors, who should pay?)**
- 4.2. **How many representatives per member association?**
- 4.3. **Voting rules**
- 4.4. **Any other update needed:**
 - Procedures for project validation
 - New chapter on summarising new rules and obligations for WG members

Decision and Action: The Board members together with the Secretariat reviewed the EGEA Working Group rules in order to address all possible issues and concerns. Please see attached draft revised EGEA Working Group rules (dated 26.02.2014).

5. EGEA Working Group activities

5.1. **WG9: EGEA label**

- Analysis of the memo from Osborne Clarke (dated 20th December 2013)
- Decision from the Board if we go for the creation of EGEA label with all legal and practical implications

Discussions:

- SG reported about a meeting between a small delegation from EGEA and Osborne Clarke that was held on December 9th (please see attached presentation). The results of that meeting confirmed that the creation of the EGEA label will imply that EGEA would be fully liable for the whole quality label process, including ensuring compliance and enforcement.
- DG explained how the GEA is currently operating with its accreditation scheme in UK, and went through the sequence of each step to follow. He then mentioned that he is working part-time for that activity together with an engineer to cover the technical side of this process.
- At the end of the discussions, it appeared that the Board and the Secretariat still have several questions to which the WG9 members should reply before any further decision will be taken.

Decision:

- Before going forward with the creation of the label, the Secretariat will have to contact Pete Bradley and ask him and WG9 members the following questions:
 - Who can test the specifications and check whether they are legally and technically well drafted?
 - Who would be able to ensure continuous compliance?
 - As the EGEA Board would need to get an insurance coverage for possible liability/damage claims, are WG9 members ready to contribute financially to the funds needed to launch the creation of the label (+/- 150.000€ for insurance, administrative costs +/- 5000€ and laboratory costs)? How many MACs manufacturers are willing to contribute?
- WG9 is requested to provide the Board members and the Secretariat with a business plan.

5.2. **WG6: Approval of project funding**

- The Board reviewed the WG6 project funding proposal, and it was agreed that WG6 should look for 53.975,00€.
- EVH informed the Board members that three testers are currently being tested by GOCA to check whether a common EU solution could be defined and whether or not, following these results, GOCA will join the project.
- As decided under point 4 of the agenda, an official call for project fundraising should be made available to all EGEA members and national association once the project funding proposal is approved by the Board. As soon as the GOGA results are known, the Secretariat will be requested to launch this official call for WG6 project funding to all EGEA members.
- Until now, the following associations confirmed their participation:
 - AICA: 18.000 € (6 companies)
 - ASA: 10.000€ (4 companies)
- MB reported that AICA has been in contact with some shock absorbers manufacturers which would be very interested in joining the project and contributing to the WG project funding.
MB will keep the Secretariat and the Chairman informed about any development and next steps.

Actions:

- Once GOCA's results will be available, the Secretariat will launch an official call for WG6 project fundraising to all EGEA members and national associations to complete the funding for the activity.
- MB should inform about the outcome of the discussions with shock absorbers manufacturers.

5.3. **WG2: Presentation of FSD analysis**

- SG presented the draft legal memo from Osborne Clarke which was established with input from the WG2 chairman.
- After some discussions and questions on the memo, and before going forward with it, it was suggested carrying out a final check of the facts described in the memo with some WG2 experts.

5.4. **WG7: Market Study data (Wolk/LeoImpact)**

- KB asked for some updates on the state of affairs of the creation of the market study data. There was no development since the last discussion with Wolk and LeoImpact in Bologna. As the offer might have changed since then, MB suggested to invite Wolk and LeoImpact at the next General Assembly meeting in Bologna for a short presentation to all members.

Decision and Action: to invite Wolk and LeoImpact to the next EGEA GA in Bologna.

5.5. **WG2: New standard for tailpipe tests for diesel**

- MB reported about the need to create a new standard for tailpipe tests for diesel (please see attached presentation). Some EU Member States are already consulting national stakeholders to update the technology and procedure for PTI regarding e.g. new and improved opacity meters. EGEA should therefore consider involving WG2 members, investigate about activities at national level and check how EGEA can demonstrate the legitimacy of the use of new equipment.
- Decision and Action: Following the discussion, it was decided to organise a new WG2 meeting and investigate amongst WG2 members whether:
 - other EU countries are already taking steps in identifying new generation Diesel emission testers?
 - WG2 members are aware of other technologies available for improved tail pipe tests on Diesels?
 - EGEA is willing to tackle the OBD check-only approach as a threat of wiping out the tail pipe test?
 - some independent testing would be available to show Member States that the new and improved equipment is available and is efficient.

5.6. **Creation of a new Working Group 3 "Vehicle lighting"**

- The Board decided not to create a new Working Group 3 on vehicle lighting as this issue could be integrated under WG6 activities as part of the PTI test lane discussions.
- Action: The Secretariat to inform WG6 Chairman accordingly.

6. **ECSS Tender: report from WP1 and WP2 activities and contentious issues encountered**

- Neil Pattemore reported about WP1 and WP2 activities, as well as about some contentious issues encountered (please see attached presentation).

7. Revision of PTI roadworthiness legislation

7.1. First analysis of results for EGEA

- The Secretariat reported about the key results of the trilogue agreement reached between the European Parliament and the Council last December 18th (please see attached presentation). SG informed the Board members that the Secretariat is currently finalising a comprehensive summary of the trilogue results.
- As next steps, EVH pointed out that the final decision concerning the legal form has been to opt for a Directive, which means that this legislation will set out the minimum requirements which the EU Member States have to implement in their national legislation. As such, there is a margin of interpretation by Member States. Therefore, coordination amongst EGEA members should be done to ensure harmonised actions and implementation of the PTI Directive.
- A suggestion was made to organise a WG on the implementation of PTI legislation at national level and to create an 'implementation manual' for all EGEA members.

7.2. Drafting of PTI legislation at UNECE level: participation of EGEA?

- EVH informed the Board about current work being done at Geneva UNECE level on the drafting of International PTI legislation. She also reported about the continuous and heavy lobbying carried out by the vehicle manufacturers in Geneva. This would be of consequences for EGEA, but EGEA participation at UNECE level would imply a very time-consuming activity for the Secretariat/ technical expert.
- Decision and action: Following the discussion, the Board decided that this activity would require too many resources from the EGEA Secretariat (financial + manpower). It was therefore suggested to try finding allies in Geneva who could report about key issues for EGEA and alert the Secretariat when needed. The Board suggested to contact Thomas Lück from CITA who is the CITA representative in Geneva.

8. Various issues depending on time left:

8.1. EGEA contribution to Transatlantic Trade and Investment Partnership (TTIP)?

- The Board decided to postpone this activity due to budget restrictions.

9. Any other business

- MB informed the Board members that the EGEA Board and General Assembly meetings originally planned in Bologna on 28th of May fall during the Reifen Essen Show where the AICA Secretariat and its members will be involved. MB therefore asked if it would be possible to postpone the Board and General Assembly meetings to Thursday 5th of June 2014 (a dinner would be organized the previous evening, on Wednesday 4th of June).

Decision and Action: The Secretariat will investigate the availabilities of the EGEA members to postpone the EGEA Board and GA meetings originally planned on May 28th as some of them may have already booked their flights.



Eléonore van Haute
EU Affairs Manager

Attachments :

- Draft revised EGEA Working Group rules (dated 26.02.2014).
- EGEA Presentation for the Board meeting