



CEIR GAZETTE

28 April 2011



CEIR CONGRESS FOR 2011 WAS HELD IN ISTANBUL, TURKEY

CEIR Congress was held in Istanbul, Turkey on 26th – 28th of April 2011. CEIR Annual Meetings are very important for every actor in the valve sector. During these meetings, participants had the chance to follow up the emerging needs of the valve sector and tried to find common solutions to the needs of the market. Besides, participants had the opportunity to learn about the works of all National Associations, had the chance to get the latest information about Product Committees' works, and could see the valve sector's position in other continents with the participation of valuable people coming from India and USA. During the Annual Meetings, participants did not only share the work of each other but also met new people and had good memories for the future with the days passed together.

NOMINATIONS FOR THE POSITION OF PRESIDENT, FIRST AND SECOND VICE PRESIDENT WERE HELD IN CEIR CONGRESS

During the General Assembly of CEIR Congress in Istanbul, nominations were held. The new structure of the board is as follows:



Bülent Hacraifoğlu
President



Mauizio Brancaloni
Past President



Klaus Schneider
First Vice President



Pascal Vinzio
Second Vice President



Jean Claude Cennac
Board Member



Simon Woods
Board Member



Ger Vos
Board Member



Alexey Babichev
Board Member



Emilio Ferrer
Board Member



Joao Saraiva
Board Member

CEIR IS UPDATING ITS VISION AND MISSIONS STATEMENTS

CEIR decided to update its vision and missions for the future. The first draft is prepared and comments from all members were received.

The purpose of this update is to take into account the European context of today and to review CEIR Product Committee activities and enhance their effectiveness. Furthermore, with the updated vision and mission, CEIR plans to define new strategies to attract support and commitment from all members. The goal is to be the meeting place for industry talents, understand industry and user needs, monitor technical standards, develop new environmental and energy efficiency guidelines, provide guidance on EU directives, and be the voice of the European valves and taps industry towards EU institutions.

For the past few years, CEIR realized that there can be improvements made in aspects of commitment, joining forces, transparency of intent, synergy within and among product committees, and in the scope of action of marketing.

In order to solve these issues, CEIR will be a strong reference point for industry leaders and forum for marketing executives, to have a better legislative support and lobbying, to fight more strongly against counterfeiting and non-conforming products, and be a consensus area for European economic and market trends, statistical surveys and analysis.

The new vision of CEIR is as follows;

“CEIR must be recognized as the international reference body for technical disciplines and a source of harmonized regulations for efficient and environmentally friendly Taps and Valves.”

To achieve this vision, our missions are defined as follows;

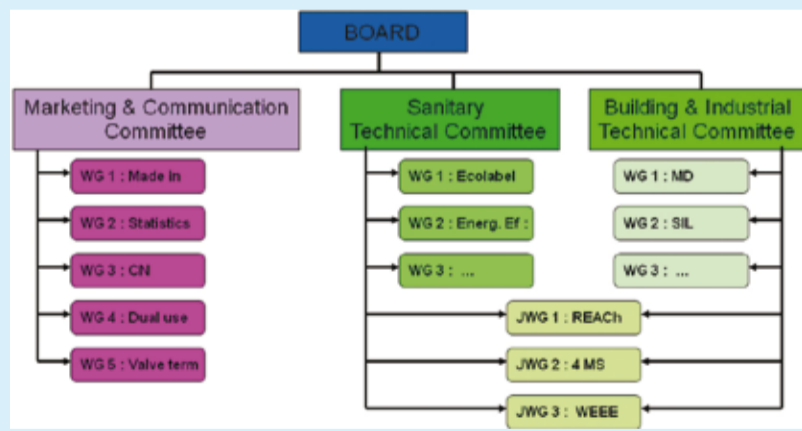
“CEIR must develop appropriate programmes and tools to support the European valves and taps industry in understanding and maintaining knowledge of valves and taps technologies and the related market requirements.

CEIR must actively promote energy savings and environmental integrity.

CEIR must maintaining an open and constructive dialogue with all EU stakeholders and institutions determining or influencing the progress of our industry.”

NEW STRUCTURE OF ORGANIZATION IS PROPOSED BY BOARD DURING THE CONGRESS

During the CEIR Congress in Istanbul, in order to become a more effective organization, a revision on the organization structure was proposed. Board believes that, with the new structure, better legislative support and lobbying can be achieved and that CEIR can become a more strong reference point for industry leaders and forum for marketing executives.



A SEMINAR WAS HELD IN BERLIN BY THE FOUR MEMBER STATE INITIATIVE FOR THE MATERIALS IN CONTACT WITH DRINKING WATER ON 2nd OF MARCH

As you may know, the four member states are composed of Germany, France, The Netherlands and The UK. Dr. Birgit Mendel (The Federal Ministry of Health, Bonn), Bill Harper (CEN Water Rapporteur), Wennemar Cramer (Ministry of Infrastructure and the Environment), Thomas Rapp (Federal Environment Agency), Lambert van Bree-men (Ministry of Infrastructure and the Environment), Jean Baron (Service Public de

Leau), and Joanna Hunter (Drinking Water Inspectorate) were present in this seminar.

The objectives of this meeting are as follows;

- ▶ To establish convergence of the operations of national approval systems for materials and products in contact with drinking water.
- ▶ To promote approval systems providing high uniform levels of consumer protection.
- ▶ To promote optimum use of regulatory and scientific resources
- ▶ To collaborate in supporting developments at EU level aimed at creating consistent practice.

Four Member States (4MS) claim that the existing European provisions for the hygienic behavior of materials and products in contact with drinking water are not consistent and coherent. The declaration aims to provide a horizontal approach for all materials in contact with drinking water to which product directives or regulations can refer.

4MS state that there are extensive European regulatory requirements for materials in contact with food, which enables execution and assessment by authorities. On the other hand, at the European level there is no equivalent consumer safety foreseen for the most important foodstuff, which is Drinking Water.

Starting from late 1980's, various steps were taken to harmonize the hygienic requirements for materials and products in contact with drinking water. However, these attempts could not solve the main problem. As a result of this, CEN (European Committee for Standardization) experts indicated that they cannot decide on regulatory issues and asked further guidance to the 4MS Group. 4MS prepared proposals which are then subject to review and comment by its Expert Group – CPDW. When agreed, they are formally passed to CEN.

The presentations of the meeting can be obtained from CEIR Secretariat.

THE KICK-OFF MEETING OF JWG ErP ON WATER EFFICIENCY: PROJECT SET-UP AND FINANCING WAS DONE ON 2nd OF FEBUARY 2011 WITH GREAT PARTICIPATION

The kick off meeting was done by 16 participants including 10 companies and 4 national associations. Jörg Rudolph from Neoperl Company was the chairman of the meeting.

The action plan for the next meeting was set as the following:

- ▶ Collection of life-cycle assessment studies
- ▶ Scope (products) to be agreed
- ▶ Methodology to calculate energy savings to be discussed
- ▶ Draft label scheme principles to be discussed
- ▶ Discuss possible ecolabel parameters and base case product ahead of Ecotap stakeholders meeting in Sevilla on 22.03.2011.

CEIR COULD NOT CREATE A COMMON POSITION FOR “MADE IN MARKING” PROPOSAL

On 21.10.2010, the European Parliament voted and approved (619 voting, 525 in favour, 49 against, 44 abstentions) the INTA Committee report and some amendments on the Commission proposal for a regulation on the indication of the country of origin of certain products imported from third countries.

The EP indication of origin would apply to “End consumer products” under code 8481 (Taps, cocks, valves and similar appliances for pipes, boiler shells, tanks, vats or the like, including pressure-reducing valves and thermostatically controlled valves). The Council (Member States) will soon start discussions in first reading on this matter under the Hungarian Presidency.

Amendment 42 covering Annex – row 9 c (new) and code 8481 (Taps, cocks, valves and similar appliances for pipes, boiler shells, tanks, vats or the like, including pressure-reducing valves and thermostatically controlled valves) was approved.

The Commission proposal and the European Parliament's amendments will now have to be considered by the Council in first reading. The Council did not start discussions yet.

The national associations were advised to make their position known to their respective national authorities without delay.

As a result of this call, all member states declared their position by explaining the reasons of their decision.

CEIR respects different positions of National Associations and could not forward a common position for this issue.

CEIR ACCEPTED THE NEW CODE OF CONDUCT

The board of CEIR accepted the proposal to use the new Code of Conduct based on the Orgalime version with immediate effect. It will be attached to the attendance list of each meeting. When signing the list, participants agree to apply the code during the meeting. The secretary of the meeting will ensure that the code is respected.

Code of Conduct

The following rules shall at all times be respected within CEIR:

CORE PROCEDURES

1. Meetings of a body, committee, working group or other form of cooperation within CEIR shall only take place after the members have been invited to the meeting in writing. The notice inviting to the meeting shall also include the agenda of the meeting.
2. Minutes shall be kept of each meeting as referred to in 1., above, these shall be sent to all members of the relevant body, committee, working group or other form of cooperation. The minutes shall be kept in an organized form for a period of at least 7-10 years.
3. Consultations and discussions in a body, committee, working group or other form of cooperation on the topics on the agenda and other topics, where these are related to the matter (i.e. topics that may be of interest for the position and for determining the position of the individual members in competition), shall be limited to the official meeting, of which minutes will be kept.
4. During the consultations as referred to in 3., above, it shall not be decided to discuss certain topics during the meeting subject to the condition that this will not be recorded in the minutes. If such condition is stipulated the chairman of the meeting shall refer to proceed to discuss the topic in question.
5. Each meeting of a body, committee, working group or other form of cooperation during which confidential topics are discussed, shall be attended by at least one staff member of the association. This staff member will monitor topics that are sensitive from a competition law point of view. If there are doubts about such sensitivity, the topic shall not be discussed until the advice of an expert in the field of competition law is obtained, and this advice is to the effect that the topic may be discussed without any objection, or until the limits to be observed during the discussion are clear.

A. PROHIBITED TOPICS

The following topics are prohibited and out of bounds during meetings of bodies, committees, working groups or other forms of cooperation within CEIR, particularly as far as information on these topics is exchanged between companies which might be considered as competitors:

- Sale prices, rates, (retailed) price adjustments, recommended prices, discounts, surcharges and other price-related topics concerning products or services of member companies;
- Pricing, timing of the market, e.g. by choosing a specific geographical area, specific customer or specific groups of customers in specific markets;
- Restrictions of production or sales;
- Pre-consultations with respect to invitations to tenders or potential clients;
- Changing on other costs of competitors to one's own offer;
- Exchanging market information by the individual members, i.e. information about production, reserves, sales, investment, discounts, R&D expenses and other information, as far as this is related to specific categories of products or services, that may be regarded as commercially sensitive information;
- Publishing of the average price or of the price bandwidth within the sector;
- Exclusivity for specific suppliers or customers;
- Bypassing specific suppliers or customers;
- Any other topic that could lead to combination of market behaviour restricting competition;
- Pre-consultations between companies when responding to invitations to tender (in tender procedures with both public and private purchasers);
- Agreeing that all competitors add a charge to their bid (which would then be used for "compensating" the bidding costs of those companies that would not win the tender).

B. TOPICS THAT MIGHT PRESENT A PROBLEM

The following topics might, under certain circumstances, present a problem from a competition law point of view, but especially in a highly concentrated, oligopolistic market (i.e. a market with only few players). This means that these topics shall at all times only be discussed within the context of CEIR to prepare consultation with an expert in the field of competition law:

- General terms and conditions of sale and delivery. If these points to sensitive competitive parameters (e.g. prices, rates, nature of substances, non-changing specific costs) or if the use of the conditions is mandatory, the competition authorities may object;
- Restrictions on participating in trade fairs. In a general rule, with companies should be free to participate in any trade fair. However, restrictions to the freedom to participate are only allowed under specific conditions. Criteria regarding the members of CEIR to obtain a better price or other conditions from the trade fair organization does not constitute a problem under competition law;
- Schemes for recognition/loyalty criteria. For as long as recognition or membership of CEIR does not play a decisive part for the potential customer when choosing a product or service, there are no objections to this from a competition law point of view. As soon as the customer does find this important, however, these schemes must satisfy specific criteria;
- The constitution of CEIR is allowed, in principle, to collect commercial information about individual companies and to make this information available to the members in an organized manner. It must in any case be absolutely guaranteed that no information on individual companies can be deduced from this aggregated information. In some countries the national competition authorities will only allow such activities systems if the collected information can be qualified as "commercially historical", e.g. (depending on the circumstances) presenting data of at least one year before, and/or if the information is made publicly available.

C. TOPICS THAT DO NOT PRESENT A PROBLEM

The following topics constitute the core business of most of CEIR's activities and discussions and controversies on these topics do not necessarily present any problem under competition law, provided that the topics mentioned under A. are not touched upon:

- General technical standards and business choices, as long as discussions on these topics do not relate to any individual company's behaviour. These discussions focus on the overall level and do not affect any company's behaviour in the market;
- Lobbying activities relating to general interests in the sector and concerning on legislation and other public issues which may affect the sector;
- Labour law and social issues. These issues are considered to be irrelevant under competition law;
- Legal issues. These issues are by definition of a general nature, as these will affect any company's business in the same extent;
- Standardisation issues. (1) The standardisation procedure is transparent and open for participation by any interested party, (2) there is an obligation to comply with the standard, (3) access to the standard is provided on fair, reasonable and non-discriminatory terms, and (4) any discussions within the standardisation procedure are restricted to technical aspects. Standardisation is aimed at compatibility of products and/or technical progress; this will naturally be to the benefit of the end user;
- Safety and health issues. CEIR has an interest in enhancing safety and health with respect to the use of the sector's products;
- Environmental issues. CEIR has an interest in enhancing protection of the environment with respect to the use of the sector's products.

CEIR logo and footer: All rights reserved © Orgalime - www.orgalime.org

some interesting figures and indicators on the overall Market and its forecasts, with specific references to exchange trades with India and China. This paper is available on CEIR Web site. The Conference and the relevant Exhibition, were inaugurated by Mr. A.K.Purwaha , Chairman & Managing Director of Engineers India Ltd, with a participation of over 200 Experts and Stake-holders of the Indian Valve Sector. Mr. Uma Shanker, in his addressing speech, highlighted the importance of CEIR presence and hoped that our two Associations will continue regularly – in the years to come - the mutual exchange, in order to better shape our common goals, on the world scenario, and work together on global platforms for better knowledge, understanding, networking and interaction.

CEIR 1st VICE PRESIDENT PARTICIPATED TO THE ANNUAL MEETING OF VMA IN IDAHO (USA) IN OCTOBER 2010



The Annual Meeting of VMA (Valve Manufacturers Association of America) was organized on 30th of September – 2nd of October 2010, in Coeur d'Alene, Idaho. CEIR 1st Vice President Mr. Bulent Haciraifoglu has represented CEIR. During this meeting, presentations were made about valve industry outlook, future projections and trends in the market. In the last day of the congress, Mr. Haciraifoglu made a presentation and provided detailed information about CEIR Congress and invited VMA members to the upcoming event.

These participations increase our good relations with VMA that has been build over the years. CEIR tries to improve these relations and would like to increase cooperation for the benefit of the global valve industry.

CEIR SIGNED AN AGREEMENT WITH CETIM FOR STUDIES, TRAINING AND RESEARCH

CEIR PRESIDENT ATTENDED THE CII VALVE CONFERENCE IN MUMBAI (INDIA) IN DECEMBER 2010



Our President Mr. Maurizio Brancaleoni has attended, as "Guest of Honour", the 2010 Valve Conference "India – The Technology Destination", at the Taj Lands End Hotel in Mumbai, last December 6th 2010.

The Conference was organised by the CII (Confederation of Indian Industries), under the chairmanship of Mr. Uma Shanker, CEO of Advanced Valves (Noida, India) and Mr. Arvind Goel, Managing Director of AUMA India Ltd (Bangalore, India), Chair and Vice Chairman of the CII - Valves and Actuators Division, respectively.

Mr. Brancaleoni had, for the first time, the opportunity to present to our Indian Friends a paper describing CEIR and the European Valve Industry at large: giving



CEIR signed an agreement with CETIM in 2010 for the possibilities of studies, training and research in valve sector for its members. Cetim (Centre technique des industries mecaniques en France – French technical centre for mechanical industries) was created in 1965 at the request of mechanical industrial partners in order to provide businesses with the means and skills to increase their competitiveness, make the link between research and industry, promote the progress of techniques, foster improvement of efficiency and guarantee quality.

These goals are portrayed through various missions:

- ▶ technological anticipation centred around a strategic watch of technologies and markets;
- ▶ technological innovation which includes works in partnership with the scientific world, general studies, major federating projects, sectoral and multi-sectoral R&D activity, standardisation;
- ▶ publication of technological information and results of collective action: regional action, communication;
- ▶ the services naturally complement collective projects and actions. They are broken down into consulting, engineering and test actions.

Cetim, which is at the crossroads between research and industry is the French mechanical expertise centre. As a R&D tool for more than 8000 mechanical businesses,

it brings together 700 people, more than half of whom are engineers and technicians.

Cetim dedicates two-thirds of its activity to pooled action benefiting the mechanical professions which steer approximately 300 studies on a permanent basis.

Two major strategic factors are R&D and support given to SMEs. They are conducted through a set up of priority support points, particularly through the development of technological platforms and partnerships, through an involvement in competitive clusters or even by an European commitment.

Furthermore, Cetim has committed to obtain a more significant position to better assist SMEs which are confronted with the creation of new products and services.

65% of Cetim's resources are dedicated to technological innovation actions. The scientific and technical committee manages the use of all this collective financing.

More than half of this budget is dedicated to works requested and steered by representatives of each profession in the mechanical industry. No less than 30 commissions are in charge of programming and steering. There is an on-going cooperation with these professional organisations.

The program committees represent the cooperation and collaboration bodies between additional professional commissions.

We invite all our valued members to take the advantage of this possibility.

DELIVERABLES – SIL, LCC, EIF REPORT – ARE AVAILABLE FOR PURCHASE

We invite you to purchase these Deliverables from your National Secretariat.



CEIR BOARD SUPPORTS THE MARKET SURVEILLANCE CAMPAIGN FOR VALVES WITH CUSTOMS & EC WORKSHOP

CEIR Board supports the Market Surveillance campaign and EC workshop at the end of the year, as discussed in PC3 and proposed by the General Secretariat. PC3 will elaborate the necessary steps to be undertaken. 5 days of General Secretariat support are foreseen in the 2011 budget for this project.

The tools for this project are as follows:

- ▶ Collect conformity cases
- ▶ Determine list of critical products
- ▶ Create conformity fiches or check lists
- ▶ Communicate check lists to national customs authorities
- ▶ Publicise fiches on CEIR / national associations websites / market surveillance workshop

The checklists will include the title, introduction, scope, legislation, markings/warning evidences etc.

CEIR BOARD DECIDED TO FUND THE EIF REPORT FOR ONE MORE YEAR

CEIR Board decided to ask EIF if it is possible to have a contract for one year due to uncertain interest among the members.

EIF (European Industry Forecasting Ltd.) Report consists of two separately-bound volumes which covers macro-economic developments, the valve and actuator market by country, market by valve and actuator type, market by world region and end use industry, and market forecasts for 63 separate countries by end use and valve type.



In one year time, the continuation of this funding will be decided taking into account the interest among members.

VALVE TERMINOLOGY CD IS READY FOR USE



Two years ago, a working group was formed by PC3 for the preparation of Valve Terminology in various languages. The CD was based on the Valve Terminology Booklet and was prepared in consistency with the EN 736-2 Valves Terminology Part 2: Definition of Components of Valves Standard. The Terminology CD was prepared by POMSAD and Turkish / English languages were distributed to members. The addition of other languages to this CD was requested from the National Associations. After the addition of other languages, final CD will be distributed.

THE NEW VENUE FOR THE CEIR CONGRESS 2012 WILL BE IN PARIS, FRANCE

As proposed by CEIR Board during the meeting in Istanbul on 26th of April 2011, General Assembly approved the new venue of CEIR Congress to be in France. We would like to welcome you all for this event.

