The International Maritime Transport and logistics Conference

Towards Global Competitiveness in Maritime Industry

"INVESTING IN PORTS"

The Trends, The Future

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The perspective for Mediterranean container ports in a new global scenario

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DICAAR

Mediterranean Area

- 15% of world traffic flows (2005)
- 19% of world traffic flows (2017)

Source: Eurostat

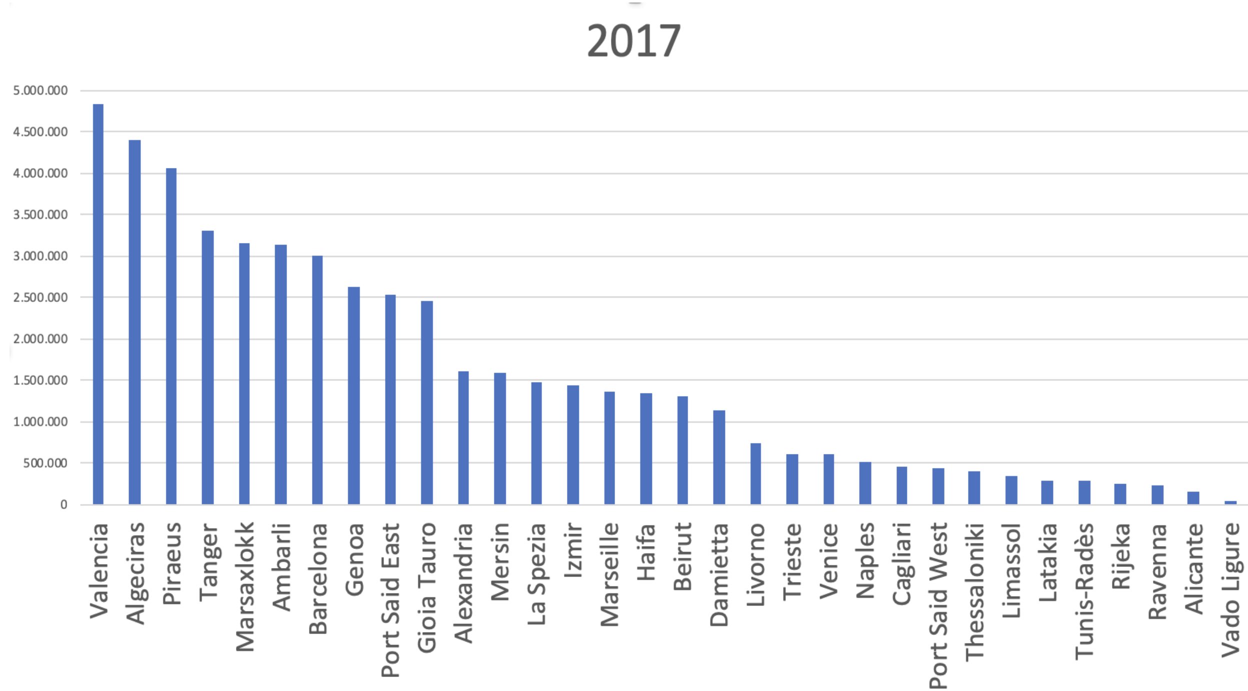
+123% of sea traffic freight between 2001 and 2014

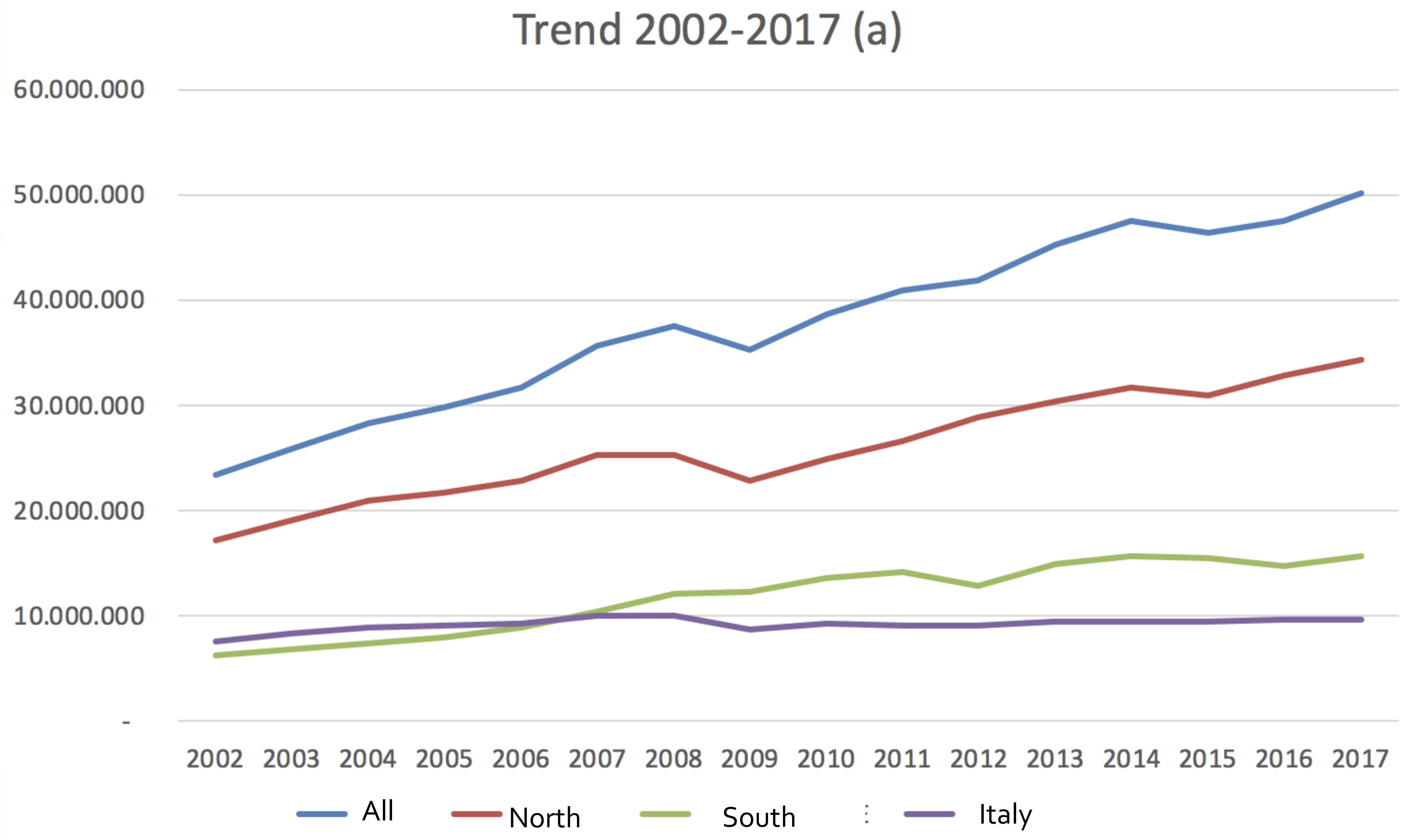
Enclosed sea Basin, as a big lake

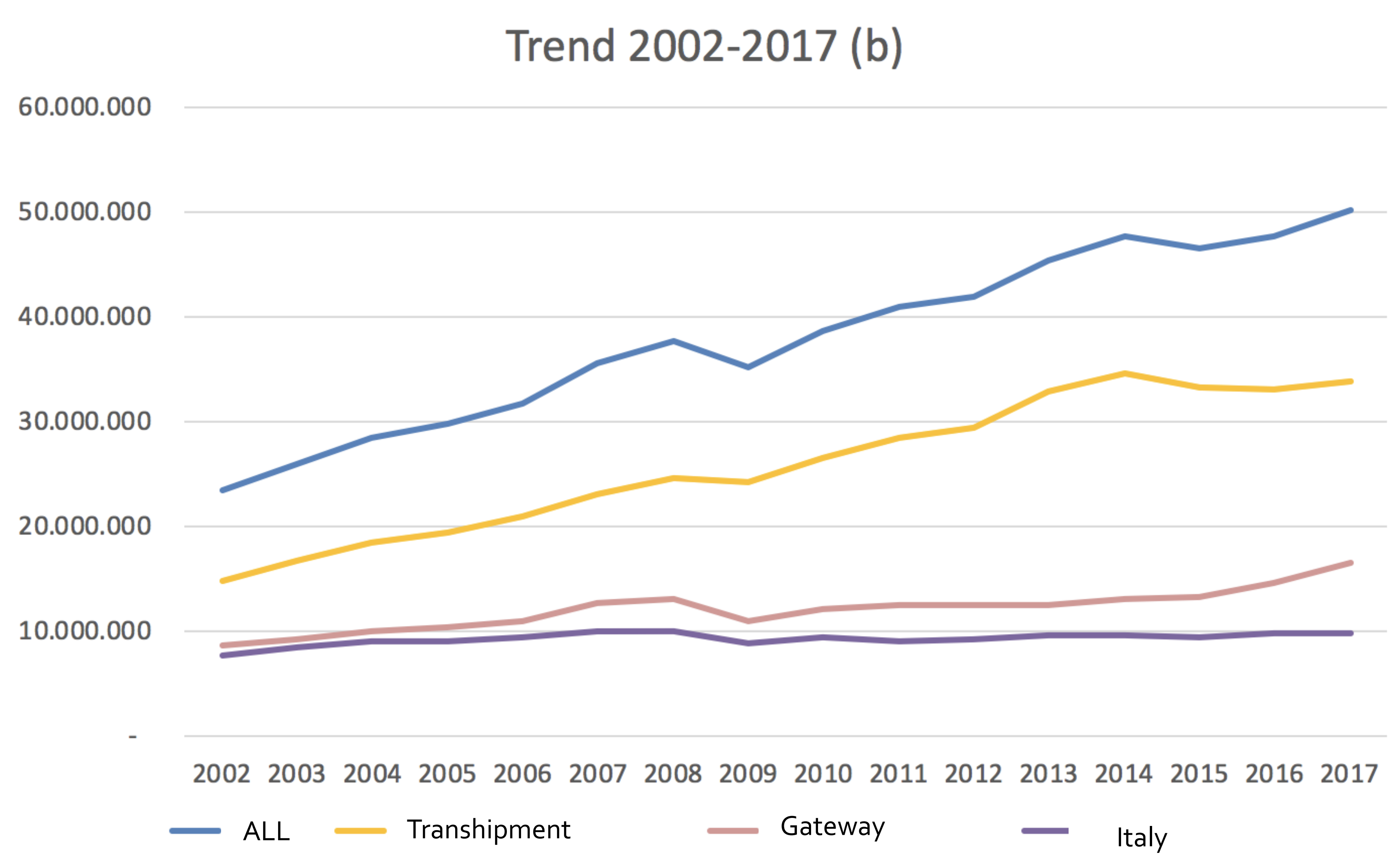
It is perceived from outside, for transhipment, as a whole geographic area

Half billon of people lives around it (one of the most important in the world)

MEDITERRANEAN SEA CHARACTERISTICS




Trend 2002-2017 (a)
60.000.000
50.000.000
40.000.000
30.000.000
20.000.000
10.000.000
-
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
All
North shore
South shore
Italy


Trend 2002-2017 (b)
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2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017
ALL
Transhipment
Gateway
Italy

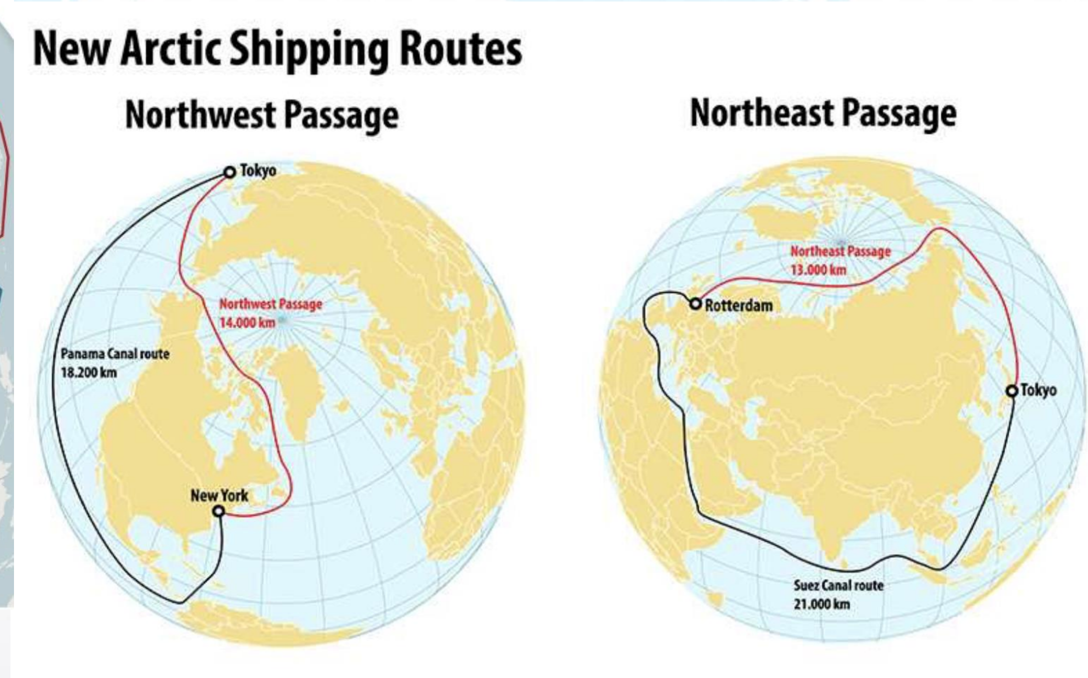
Port	% 2006-2017
Beirut	284.8%
Tanger	259.8%
Ambarli	225.2%
Piraeus	189.3%
Trieste	179.7%
Rijeka	164.8%
Mersin	147.0%
Marsaxlokk	112.1%
Alexandria-El Dekheila	108.9%
Venice	93.1%
Haifa	92.6%
Izmir	86.5%
Valencia	85.0%
Genoa	58.2%
Port Said East	53.5%
Marseille	43.9%
Ravenna	37.7%
Algeciras	34.8%
Damietta	34.5%
Barcelona	29.7%
La Spezia	29.6%
Thessaloniki	16.8%
Naples	14.6%
Livorno	11.5%
Taranto	0.0%
Limassol	-4.4%
Alicante	-5.0%
Tunis-Radès	-6.2%
Gioia Tauro	-16.7%
Cagliari	-32.9%
Latakia	-38.1%
Port Said West	-57.9%
Vado Ligure	-81.0%

Port	% 2011-2017
Piraeus	141.6%
Izmir	114.3%
Alexandria-El Dekheila	108.1%
Rijeka	65.9%
Tanger	58.3%
Trieste	56.7%
Barcelona	47.9%
Mersin	44.5%
Marseille	44.1%
Genoa	42.0%
Thessaloniki	35.7%
Venice	33.7%
Marsaxlokk	33.4%
Beirut	26.2%
Livorno	25.4%
Algeciras	21.9%
Ambarli	16.6%
La Spezia	12.7%
Valencia	11.7%
Haifa	8.3%
Alicante	6.8%
Gioia Tauro	6.2%
Ravenna	3.7%
Taranto	0.0%
Limassol	-0.2%
Naples	-1.9%
Damietta	-6.1%
Port Said East	-21.0%
Tunis-Radès	-23.1%
Cagliari	-24.4%
Latakia	-44.3%
Port Said West	-58.9%
Vado Ligure	-74.1%

What is happening around?

One Belt One Road

Shanghai – Helsinki route: 40 days vs 52 days



Shipping Alliances

2M

- Maersk
- MSC
- HMM

7,7 mln TEU
36% global capacity

OCEAN ALLIANCE

- Cosco
- CMA CGM
- Evergreen

6,2 mln TEU
28% global capacity

THE ALLIANCE

- ONE (NIK LINE, MOL, K LINE)
- HAPAG-LLOYD
- Yang Ming

3,6 mln TEU
17% global capacity

The top 20 container shipping companies have, as global TEUs capacity :

- **2000: less then 50%**
- **2008: about 70%**
- **2018: about 90% (79% at 10 top companies)**

Source: Port Indicator 2018 – SRM Assoporti

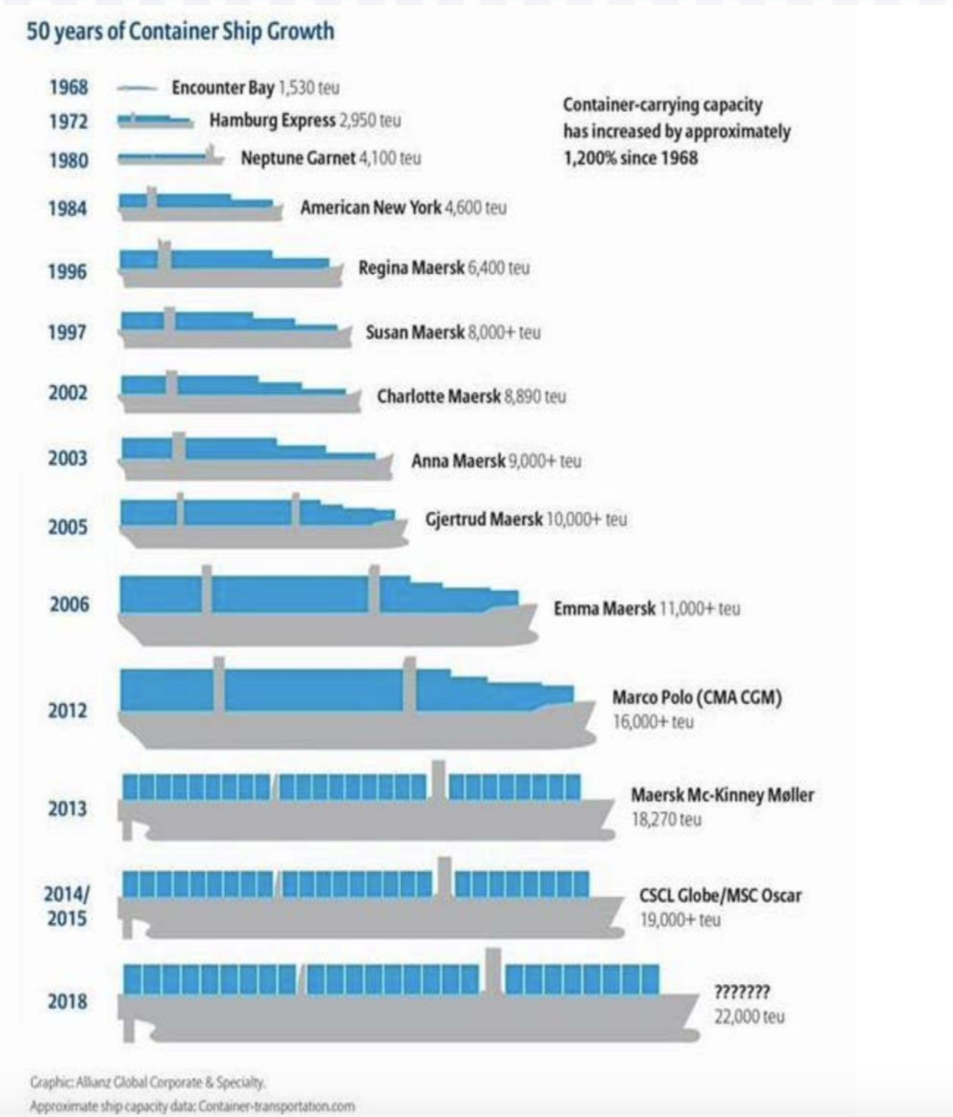
18.000-23.000 TEU +24,7%

13.500-18.000 TEU +7,5%

10.000-13.500 TEU +5,4%

less than 10.000 TEU +5,8%

New ships orders forecast to 2020



Source: SRM/Alphaliner

Critical issues and risks

- Med area may not be so central respect to world traffic flows
- Now the Adriatic corridor seems to be the favored way to Central Europe
- This is a «game» with few players and then few decision makers
- Big Container vessels are increasing
- Transhipment Traffic is stationary from 2014. Is it still competitive?

What prospective?

<u>Four options</u> **(not alternative):**

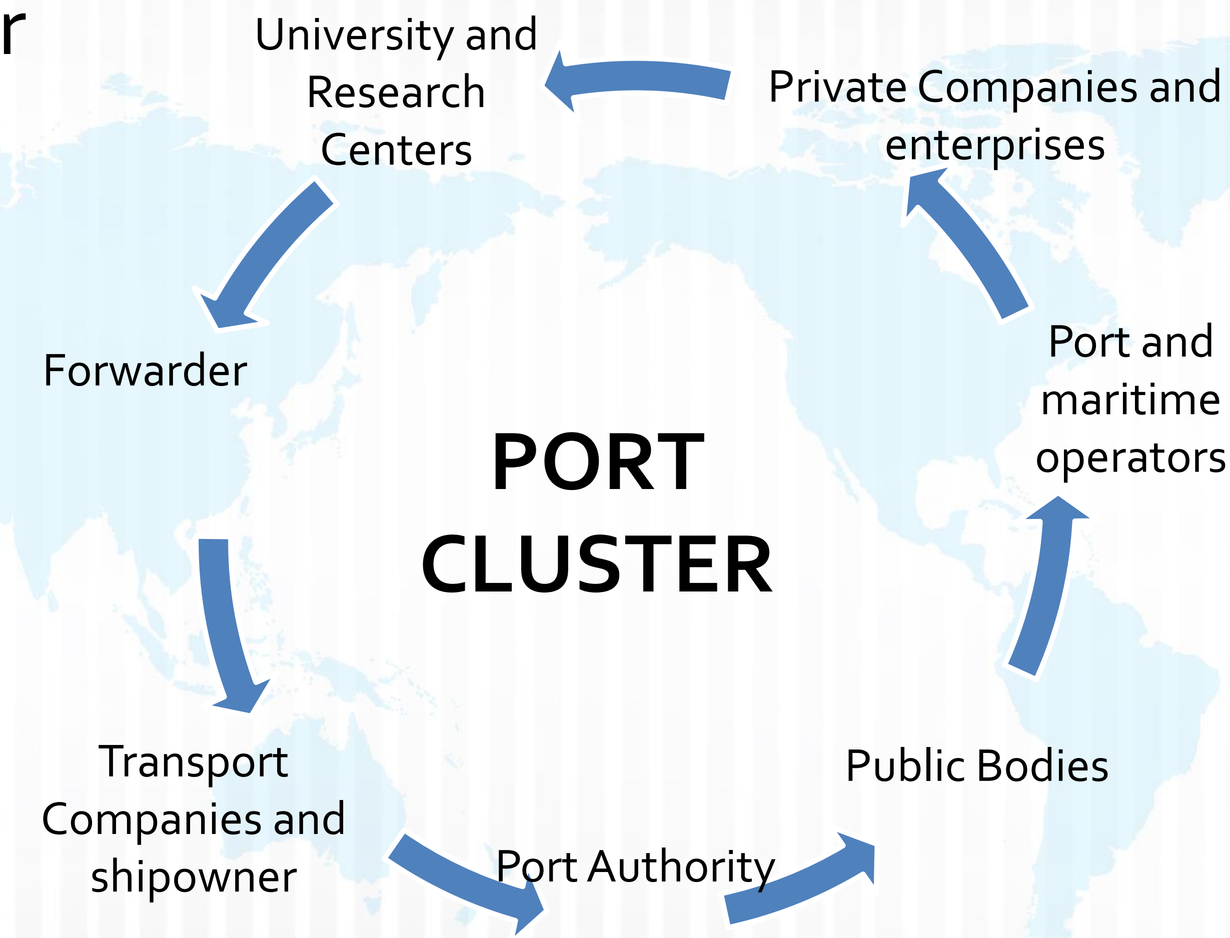
Port Cluster Policy .1

Create more production opportunities near port .2

Efficiency transport connections to final destination .3

New high added value services to whole supply chain. .4

1. Port Cluster Policy



from local or regional vision → **to large (mediterranean) view**

Clustering is the result of cooperation between political, economic and social institutions in the **area** – in terms of, for example, policy, legislation, labour supply , innovation technology and training.

Type of Clusters

Horizontal: between ports

Vertical: Between issues (one for each port)

Circular: between regions

Some of Cluster Issues

Management and manteinance

Training

Marketing

Environmental standards

Safety and Security

Energy

Cluster : The Key Factors

Four Key Factors needed to create a cluster:

Common interests .1

High Level of trust between actors .2

Integration between competition and cooperation .3

Real actions to be implemented .4

2. Create more production opportunities near port

- Reduce the distances between ports and industrial areas
- Free Zone area
- ZES – Special Economic Zones
- Integrated Logistic Areas
- Logistics Districts

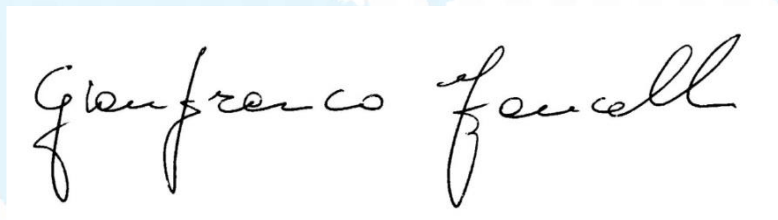
3. Fast and efficiency transport connections to final destination

- Less Yard and Berth bottlenecks (training policies finalised to create high qualificated operators)
- ITS and ICT networks to optimize exchanging documents procedures
- Road and Rail «Last mile» optimisation
- More and more Innovation (es. IoT)
- More intermodal transport systems

4. New high value added services to supply chain

- Warehousing services (es. Fresh food logistic)
- Production Services (es. automotive supply chain)
- Container services (es. box repairation)
- Logistic Management services (es. empty boxes cycle)
- Ship services (es. bunker service or waste management)
- Logistic integrated services (es. pallet management)

Thanks a lot for your attention



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