Role of the maritime sector and MoS in the TEN-T

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RAM Logistica Infrastrutture Trasporti S.p.A.

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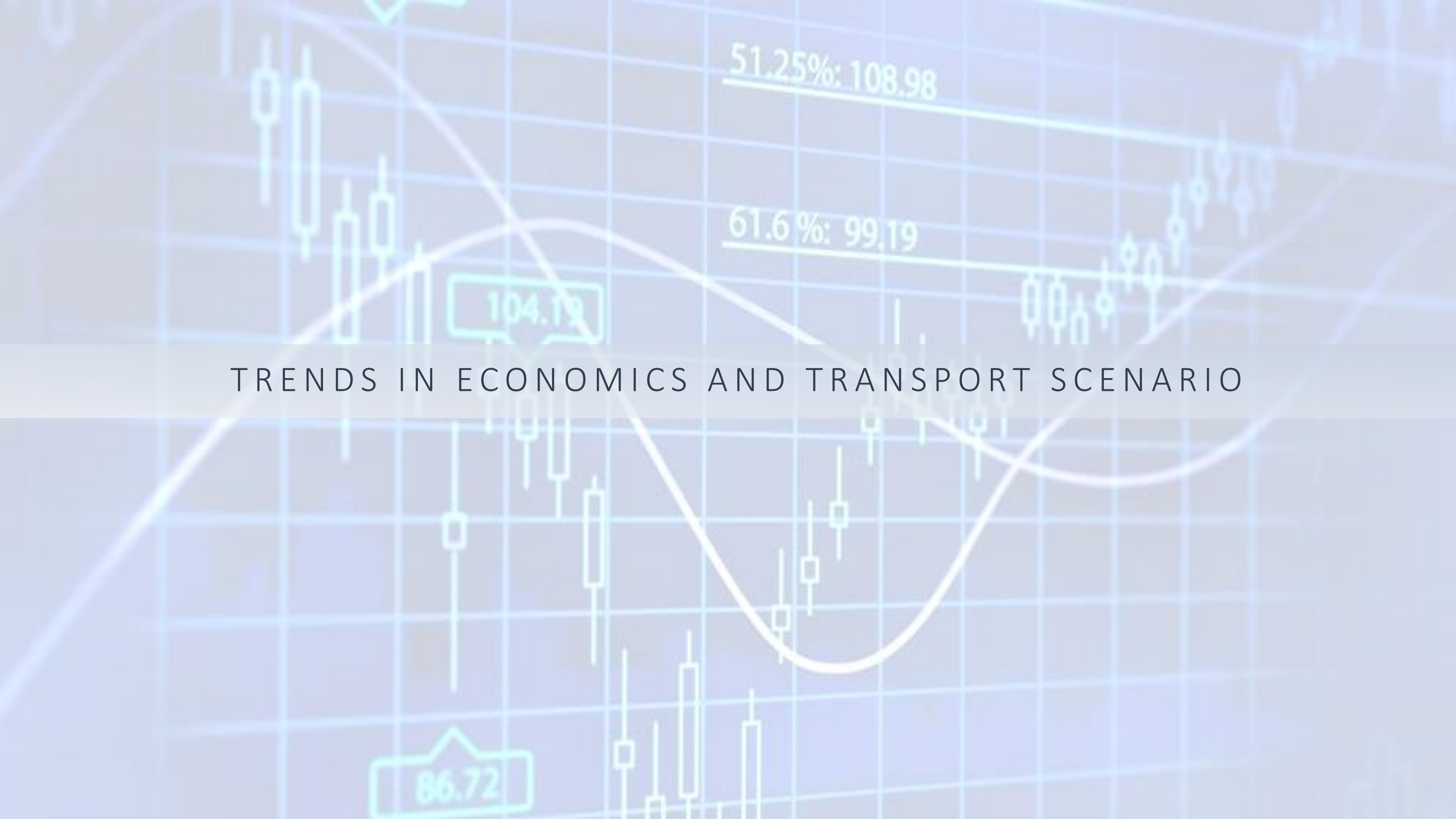

TRENDS IN ECONOMICS AND TRANSPORT SCENARIO

ECONOMICS IN EU 28 AND ITALY
2009-2018 TRENDS

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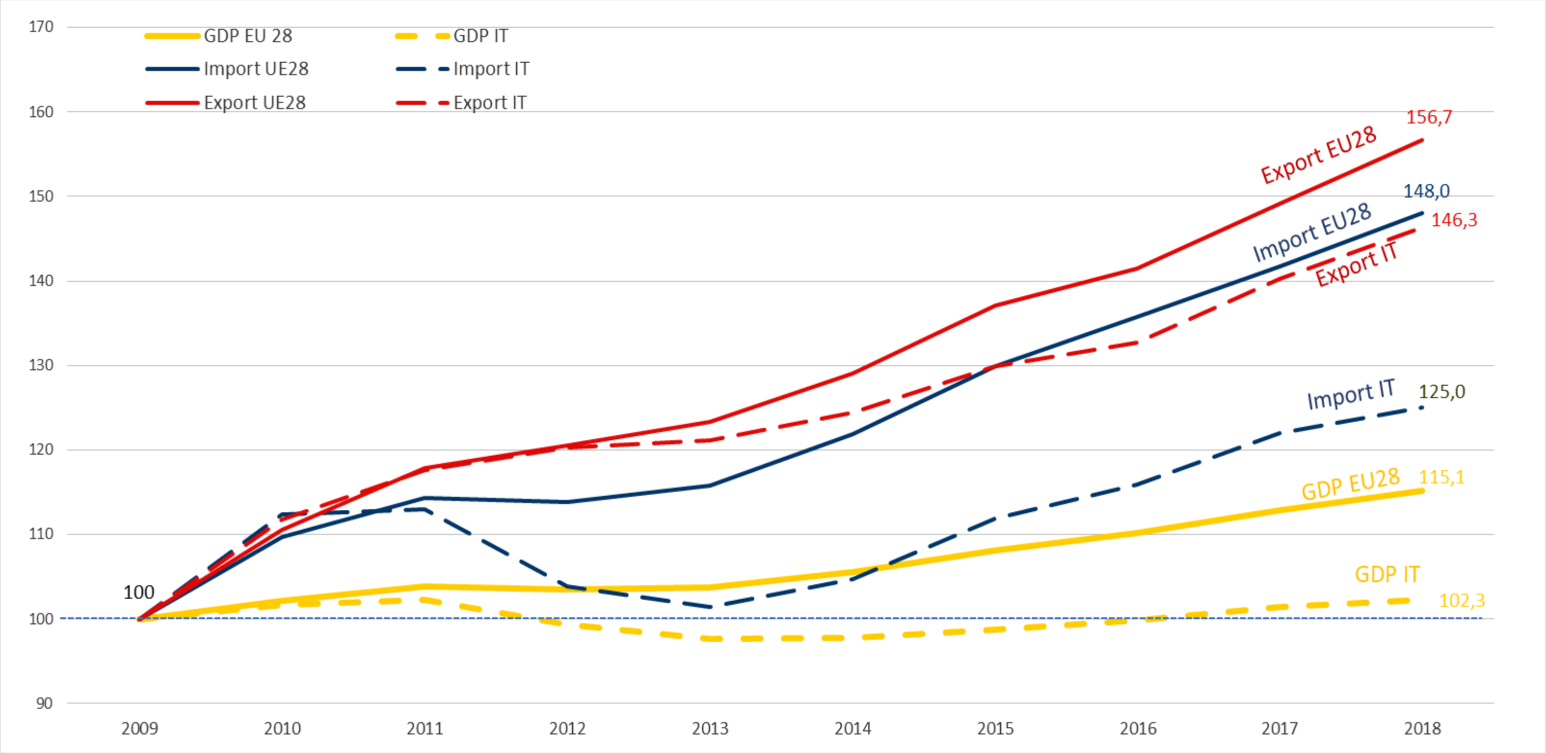

- **+15,1% EU 28 real GDP** in last ten years; Italian GDP registered **a slight increase of +2,3%;**
- **The growth of international demand in Italy and EU 28** has driven the GDP trend
- Ratio export/GDP growth in Italy: 20,1;
- Ratio export/GDP growth in EU 28: 3,75

Source: RAM elaboration on UNCTAD data in $ constant prices 2010; EU values for 2018 estimation on CAGR 2017-2009; index values 2009=100.

ECONOMICS IN EU 28

MERCHANDISES TRADE: IMPORT 2018

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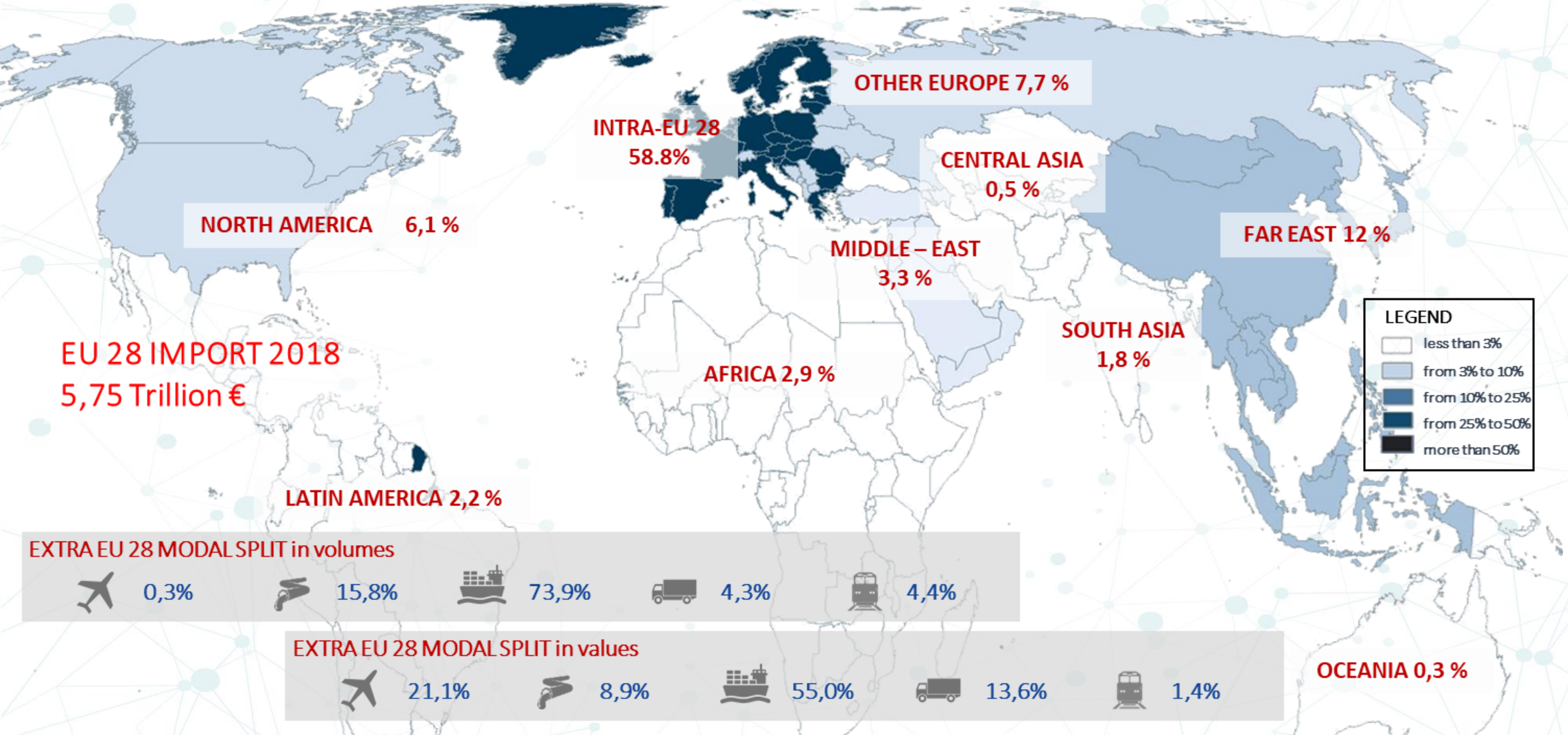

EU 28 IMPORT 2018

5,75 Trillion €

EXTRA EU 28 MODAL SPLIT in volumes

0,3%	15,8%	73,9%	4,3%	4,4%

EXTRA EU 28 MODAL SPLIT in values

21,1%	8,9%	55,0%	13,6%	1,4%

Source: RAM Elaboration from UNCTAD data and EUROSTAT

ECONOMICS IN EU 28

MERCHANDISES TRADE: EXPORT 2018

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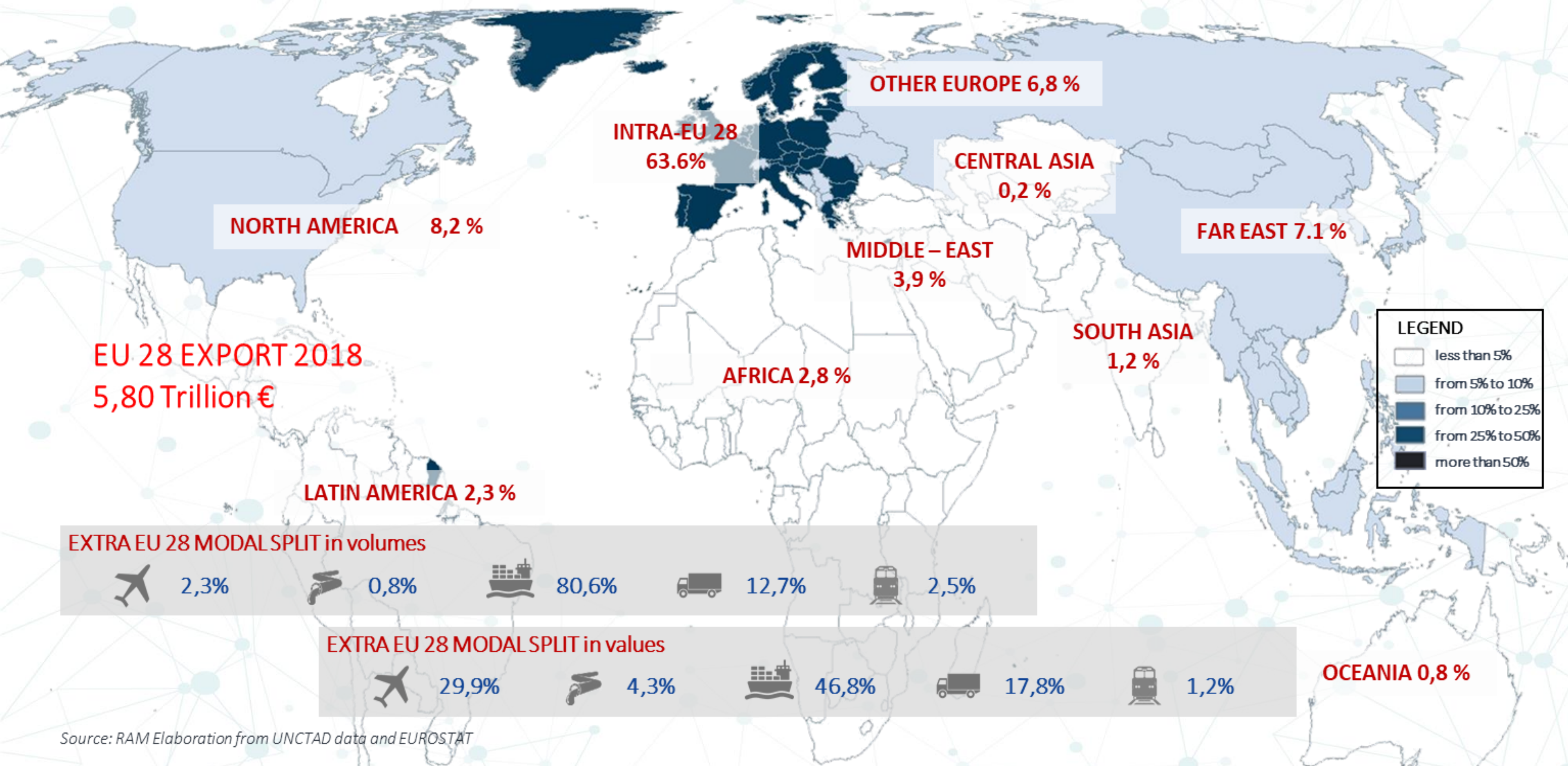

EU 28 EXPORT 2018
5,80 Trillion €

EXTRA EU 28 MODAL SPLIT in volumes

2,3% 0,8% 80,6% 12,7% 2,5%

EXTRA EU 28 MODAL SPLIT in values

29,9% 4,3% 46,8% 17,8% 1,2%

Source: RAM Elaboration from UNCTAD data and EUROSTAT

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EU 28 FREIGHT TRAFFIC

Transport Modes	Change 2014-2018	Elasticity traffic/GDP 2014-2018
Air Cargo [t]	15,6%	1,7
Seaborne [t]	7,7%	0,9
Ro-Ro	*11,3%*	1,2
Container	*15,0%*	1,7
Rail [t-km]	6,9%	0,8
Roads [HDV*km]	9,5%	1,1
Inland Waterways	-2,1%	n.a.
GDP	9,0%	

ITALY FREIGHT TRAFFIC

Transport Modes	Change 2014-2018	Elasticity traffic/GDP 2014-2018
Air Cargo [t]	23,7%	5,1
Seaborne [t]	6,7%	1,4
Ro-Ro	*27,3%*	5,9
Container	*2,5%*	0,5
Rail [t-km]	9,5%	2,0
Motorways [HDV*km]	13,6%	2,9
GDP	4,7%	

Source: RAM elaboration on Eurostat, Assaeroporti, Aiscat, ESPO data; Air cargo for EU data embeds post traffic.

SHORT SEA SHIPPING AND MOTORWAYS OF THE SEA

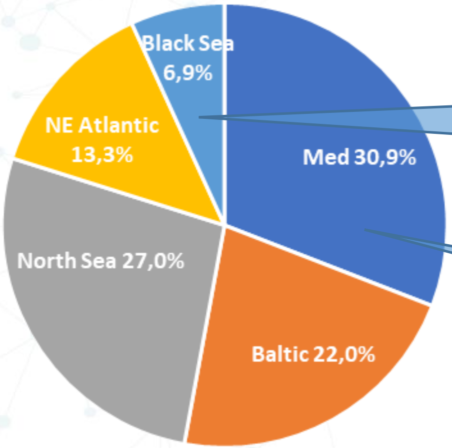
MOS AS THE TEN-T MARITIME DIMENSION

- TEN-T double layer articulation: core and comprehensive
- 9 land Core Network Corridors as instruments for the completion of the core newtork
- Motorways of the Sea defined in art. 21 of Reg. EU 131/2013 as maritime dimension of the Trans-European transport network

Source: TEN-TEC

- 60,7% of total EU 28 freight maritime throughput in Short Sea Shipping routes, while Deep Sea accounts for 39,3%

SSS throughput per EU basin



Italy leader amongst EU countries for intra-Black Sea maritime freight traffic, with a 26% of market share on regional throughput

Italy is the leader with a 34,7% market share

Source: RAM elaboration on EUROSTAT data

MOS DIP AND FUNDINGS UNDER CEF 2014-2020

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3 PILLARS

1 Environment
further support to the reduction of pollution and decarbonization in maritime transport, taking into account The European Green Deal

2 Integration of Maritime Transport in the Logistics Chain
funding modal shift, last mile connections, digitalization and interoperability and climate resilience of port infrastructure

3 Safety, Traffic Management and the Human Element
training of maritime professionals and safety considerations linked to increased ship sizes

MARITIME PORTFOLIO UNDER CEF 2014-2020

Priorities	*N. of Actions*	*CEF funding (Mln €)*
Motorways of the sea	50	€ 436 (1: € 226; 2: € 158; 3: € 51)
Maritime ports	80	€ 1,060
Innovation and New Technologies	21	€ 96
Total	151	1,592

7,2% of actual allocated CEF-T 14-20

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Ro-Ro:
Italy in 2017 hold a market share of 18,1%, just behind United Kingdom

Firsts 5 EU 28 countries for Ro-Ro [2017]	Market share EU 28
United Kingdom	22,4%
Italy	18,1%
Sweden	10,1%
Germany	7,9%
France	7,7%

Non-cruise Pax:
Italy in 2017 first EU country for total ferry and national ferry passengers with a 18,3% market share

Firsts 5 EU 28 countries for non-cruise Pax [2017]	Market share EU 28
Italy	18,3%
Greece	16,3%
Denmark	14,4%
Sweden	13,9%
United Kingdom	10,5%

Source: RAM elaboration on EUROSTAT data

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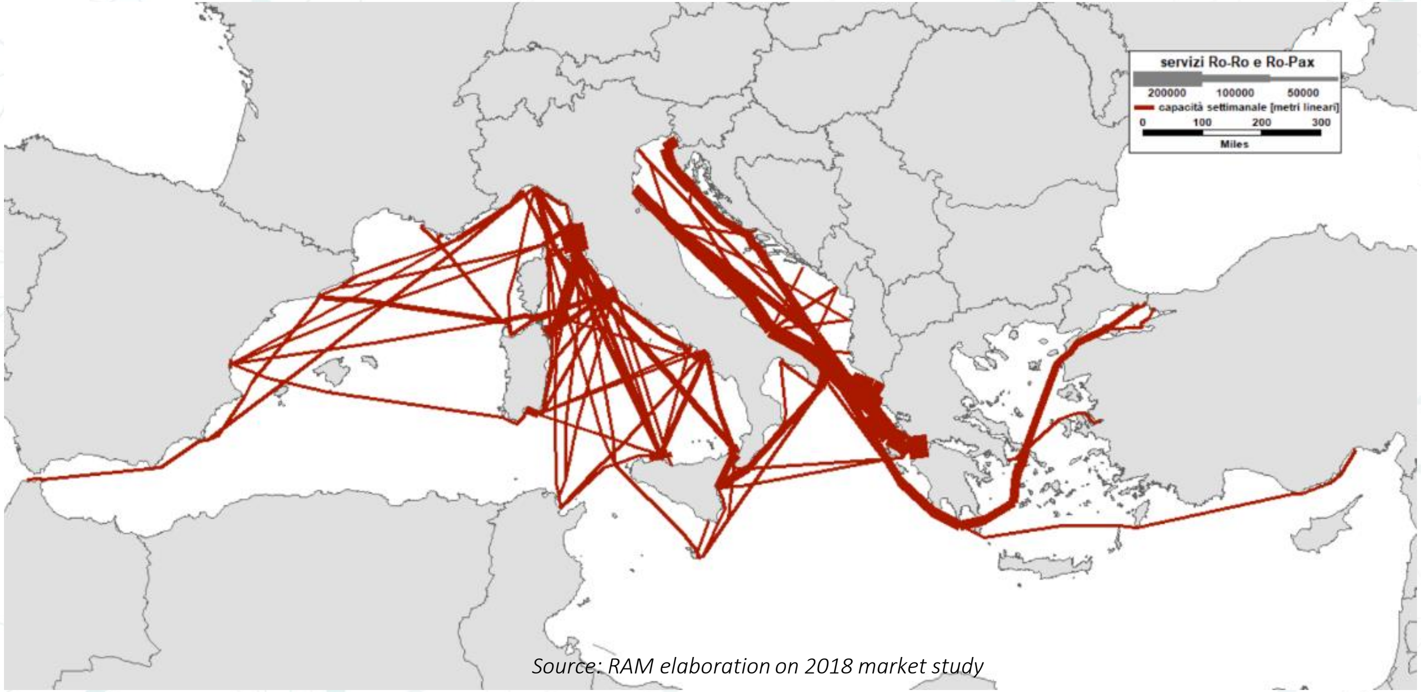

Source: RAM elaboration on 2018 market study

- 132 MoS services to/from 25 national ports, of which 16 embeds mixed national and international routes
- The Ro-Ro and Ro-Pax offer (June 2018) features 567 departures per week with more than 1,3 Mln linear meters of capacity allocated operated by 10 shipowners

LONG TRADITION FINANCING MOS IN ITALY

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ECOBONUS

Incentive to demand side

Period: 2007-2010 (4 years)
Mechanism: grants were provided as a reimbursement (up to 30%) of incurred costs by hauliers using freight maritime services
Funding: 200 Mln € national funds
Results: around 2 Million trips, 958,8 Mln € of total incurred costs by hauliers, overall external cost savings 414 Mln €

MAREBONUS

Incentive to supply side

Period: 2017/18 – 2018/19 (the time extension is under evaluation)
Mechanism: grants are provided provides to ship-owners (up to 30% of operational costs) with the commitment to transfer at least 70% of the aid to hauliers.
Funding: 118 Mln € national funds
First Results: 922 Mln Km of avoided road transport, external cost savings 359 Mln € (first year)

MEDATLANTIC ECOBONUS

Incentive on a dual call for demand and supply side

Nature: CEF-T cofinanced study Action
Objective: Feasibility study on a European incentive scheme for MoS
Partnership: Puertos del Estado, Italian and French Ministry of Infrastructures and Transport, IMT Portugal
Funding: CEF 2?

MOS AND SSS AS CROSS-BORDER INFRASTRUCTURES

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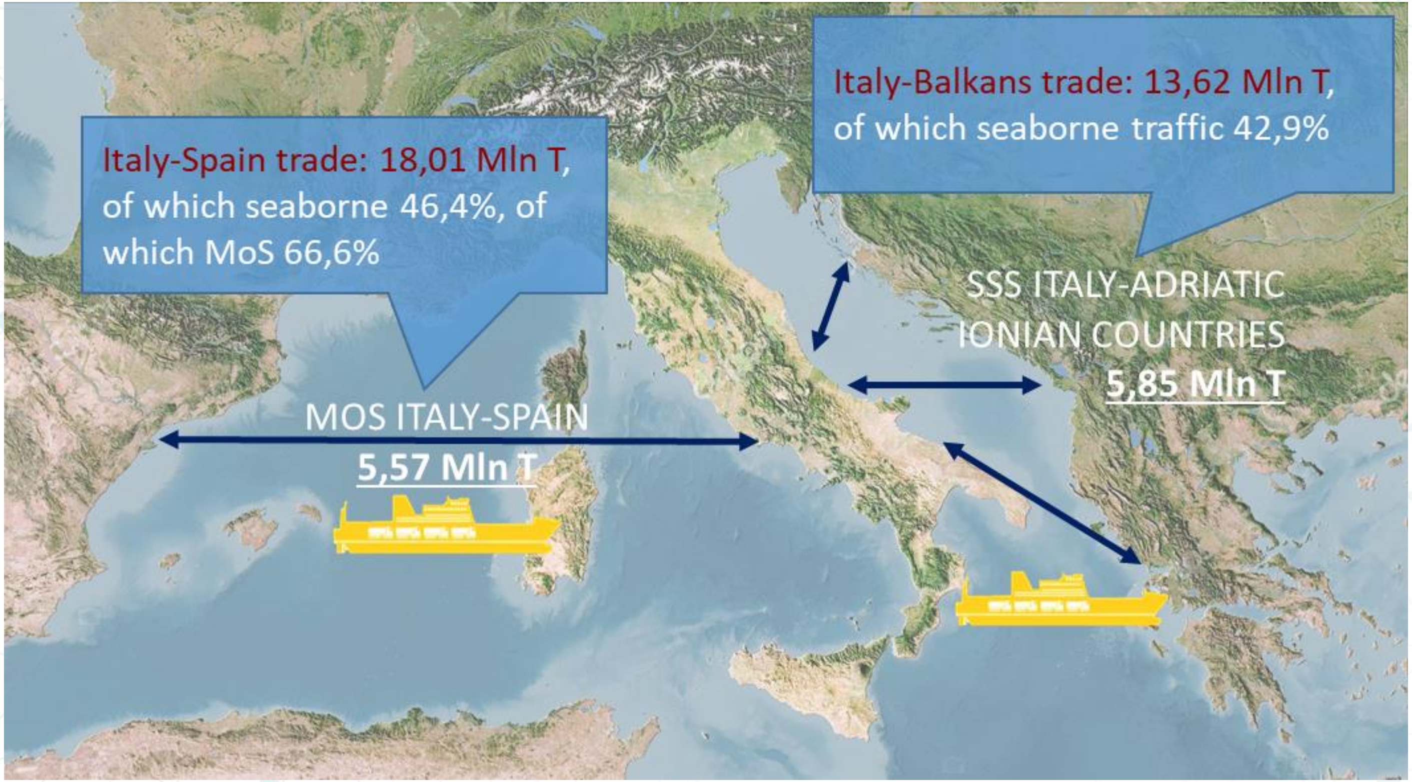

- MoS Italy-Spain handle 5,57 MlnT per year; Mont Blanc cross-border tunnel 9,5 MlnT on road transport. MoS as a fundamental mobile cross-border infrastructures

- SSS Italy-Balkans handle **5,85 MlnT per year**; this is almost the 43% of the entire trades (import + export) with Balkans countries.

Source: RAM elaboration on Port Authorities and COEWEB data; Ro-Ro and Ro-Pax weekly capacity calculated on market research applying a 50% load factor; a HDV medium lenght of 17 m; HDV medium weight of 20 Tonn. Balkans including Croatia, Bosnia, Montenegro, Kosovo, Albania, Serbia and Greece.

MOS CHALLENGES AND FUTURE PERSPECTIVES

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CEF TRANSPORT 2021-2027

Financial provisions

Cohesion Envelope	General Envelope	Totale
€ 11,3 Bln	**€ 12,83 Bln**	**€ 24,115 Bln**

LONG-TERM DECARBONIZATION COMMITMENT

- **Facilitation of synergies** amongst the transport, energy and digital further **supporting digitalization and decarbonization**
- **60% of CEF expenditure contributing to climate objectives**

Invest EU 2021-207

(*including Blending Operations, EU Guarantees and Loans*)

Budgetary guarantee	Mobilized investment (estimate)
€ 38 Bln	€ 650 Bln

- FOR SUSTAINABLE INFRASTRUCTURE
  € 11,5 Bln Guarantee = €180 Bln Mobilized investment (estimate)

- Support **investment required to efficiently address the climate change challenges** (Paris agreement);
- Finance the **greening of mobile assets**
- Facilitate the **involvement of the private sector in the investment of sustainable infrastructure**

Source: European Commission – DG MoVE

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MOS Detailed Implementaion Plan Consultation Process 2019-2021

Key elements

- Towards sustainable, smart (efficient) and safe MoS;
- Gaps and investment needs
- Financing
- Outlook of TEN-T review
- Legislative drivers and emerging trends affecting Mos
- Analysis per sea basin (Baltic, Mediterranean, Atlantic, Western Med, Eastern Med and Black Seas)

Revisions of the DIP MoS

- Decarbonization 2050 agenda
- Critical assessment and integration of cross cutting issues to support the TEN-T revision
- Update of the MoS analysis of port and transport flows
- Better alignment of priorities of the DIP with the Corridor Work Plans

Source: European Commission – DG MoVE

THE DEVELOPMENT OF INNOVATIVE ECO-INCENTIVE SCHEMES

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- REVISION OF 2004 GUIDELINES ON STATE AID TO MARITIME TRANSPORT FOR MODAL SHIFT (AS IN RAIL FREIGHT TRANSPORT)
- FINANCING ECO-INCENTIVE SCHEMES FOR MODAL SHIFT AND BOOSTING THE ENVIRONMENTAL PERFORMANCES WITHIN THE EU 2021-2027 BUDGET
- INCENTIVE MECHANISM BASED ON TRANSPORT DEMAND (SUCCESSFUL EXPERIENCES OF ECOBONUS, FERROBONUS AND MAREBONUS) INSTEAD OF SUPPLY
- HOMOGENEOUS MECHANISM BASED ON ENVIRONMENTAL PERFORMANCES OF MOS AND ON THE ACTUAL USE OF THE “MARITIME ALTERNATIVE” FOR ROAD HAULIERS, SUCH AS THE “MED ATLANTIC ECOBONUS INCENTIVE SCHEME

MOS AS CROSS-BORDER MOBILE INFRASTRUCTURES

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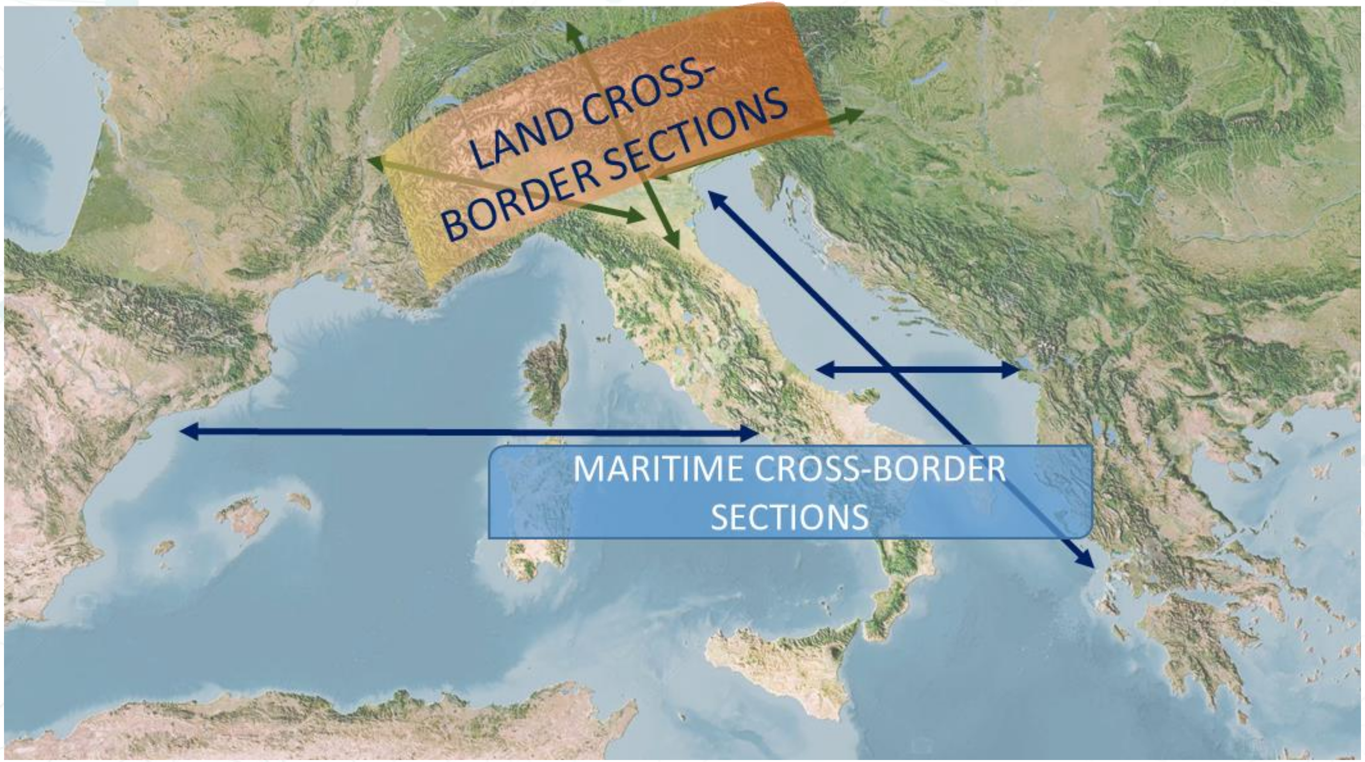

- Without considering the domestic transportation functions, MoS in Europe and more specifically in Italy act as mobile cross-border infrastructures

- CEF MoS confinancing rates on works:

	MoS	Land Cross-Border	IWW
Today 2014-2020	30%	40%	20%
Tomorrow 2021-2017 [proposal]	?	50%	50%

Thank You for Your Attention

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