Opportunities for North Adriatic Ports
Meeting with EU Transport Commissioner Bulc

Koper, 16th of March 2015
Neighboring ports contributing to regional development

- Venezia (Italy)
- Trieste (Italy)
- Koper (Slovenia)
- Rijeka (Croatia)

100 Nautical miles
<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feb and Nov 2009</td>
<td>LOI + MOU for collaboration</td>
</tr>
<tr>
<td>March 2010</td>
<td>Registration of NAPA as an independent entity</td>
</tr>
<tr>
<td>November 2010</td>
<td>Port of Rijeka joined NAPA</td>
</tr>
<tr>
<td>June 2010 and 2012</td>
<td>First presentation at the T&amp;L China exhibition</td>
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<tr>
<td>May 2011 and 2013</td>
<td>The first exhibition of NAPA in Europe on T&amp;L Muenchen</td>
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<tr>
<td>October 2011</td>
<td>NAPA ports included in the “Core ports” of the TEN-T “core network”</td>
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<tr>
<td>November 2011</td>
<td>Cooperation Agreement / Dry port Villach Furnitz</td>
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<tr>
<td>November 2013</td>
<td>Confirmation of NAPA in Baltic-Adriatic and Mediterranean corridor (TEN-T + CEF)</td>
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<tr>
<td>Jan 2012 / Nov 2013</td>
<td>Presentation of MDS Transmodal study to the EC / EP</td>
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Other **promotional events**: India, Egypt, Vietnam, Turkey, Morocco, Qatar, South Africa

**Institutional conferences** (EU, national and international level)

- **TEN-T project**
  - ITS Multiport Adriatic Gateway, NAPADrag, NAPAProg, NAPASTUDIES
- **CBC Slovenia - Italy**
  - SAFEPORT and ADRIA A
- **Territorial cooperation**
  - INWAPO, EMPIRIC, SEEMARINER, MEMO, WATERMODE, SONORA, LOSAMEDCHEM, GRRENBERTH
## European benchmark

### Total throughput in million tonnes (2013)

<table>
<thead>
<tr>
<th>Port</th>
<th>Total Throughput</th>
</tr>
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<tbody>
<tr>
<td>Rotterdam</td>
<td>440.0</td>
</tr>
<tr>
<td>Antwerp</td>
<td>190.9</td>
</tr>
<tr>
<td>Hamburg</td>
<td>139.0</td>
</tr>
<tr>
<td>NAPA ports</td>
<td>108.0</td>
</tr>
<tr>
<td>Marseille</td>
<td>80.0</td>
</tr>
<tr>
<td>Bremen</td>
<td>78.8</td>
</tr>
<tr>
<td>Zeebrugge</td>
<td>43.0</td>
</tr>
</tbody>
</table>

### Container throughput in million TEU (2013)

<table>
<thead>
<tr>
<th>Port</th>
<th>Container Throughput</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>11.6</td>
</tr>
<tr>
<td></td>
<td>8.6</td>
</tr>
<tr>
<td></td>
<td>9.3</td>
</tr>
<tr>
<td></td>
<td>1.6</td>
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<tr>
<td></td>
<td>1.1</td>
</tr>
<tr>
<td></td>
<td>5.8</td>
</tr>
<tr>
<td></td>
<td>1.9</td>
</tr>
</tbody>
</table>

### Container throughput of NAPA ports in TEU

- **2009**: 1,050,000 TEU
- **2010**: 1,200,000 TEU
- **2011**: 1,350,000 TEU
- **2012**: 1,500,000 TEU
- **2013**: 1,650,000 TEU

### Total throughput of NAPA ports in tonnes

- **2009**: 120,000,000 tons
- **2010**: 120,000,000 tons
- **2011**: 120,000,000 tons
- **2012**: 120,000,000 tons
- **2013**: 120,000,000 tons
On strategic crossroads

- on the crossroad of Baltic-Adriatic corridor and Mediterranean corridor,
- recognized as a core EU port (within TEN-T regulations).
Why NAPA?

- **Geographic position** of North Adriatic (especially for Far East markets via Suez Canal);
- **Alternative** to North European ports;
- **Reducing** inland infrastructures burden and improving connections to the Central and Eastern Europe hinterland;
- **Balancing** regional development (North–South);
- Reducing **environmental** impact;
- **Global market** conditions (re-allocation of existing flows of goods, new businesses);

NAPA’S key principle: “Coopetition”
“Cooperate internationally – compete internally”
Objectives of NAPA

- **Commercial**: attracting more cargo to Europe via Adriatic Ports (southern gateway)
- **Institutional**: developing suitable public transport infrastructure (priorities for Trans European Transport Network / corridors) to support bigger volumes and efficient services

**Fields of cooperation:**
- Land transportation and hinterland connections
- Quality and efficiency of port operations
- Short Sea Shipping and Motorways of the sea
- Marketing and Promotion
- Information technologies and communication systems
- Safety, security and environmental protection
- Passenger sector
Confirmed new TEN-T regulation
+ CEF 2014-2020 (Corridors Forums / Work plan)

In coordination the new Port regulation (market access and financial transparency)

In preparation the regulation of State aids

In preparation the regulation on Concessions

To be confirmed Macroregion policy: Adriatic-Ionian strategy

In progress „Social dialogue“
Business strategy of each of the ports (potential, specialization etc.)
A) **Venice Offshore – Onshore innovative port system**: with 20 mt draft, guarantees nautical accessibility for 3 ULCV at same time (+ energy terminal), revitalizing the "old" port facilities and the road, rail and river infrastructure network heritage, to enhance the competitiveness of the import – export Italian manufacturing system.

B) **Development of chemical logistic distribution chain**, creating a specialized terminal devoted to chemical products, valorizing **former 2000ha industrial onshore areas of Porto Marghera**, in line with the **Port Centric Logistics trend** (remediation and conversion in light manufacturing and logistic activities).

C) **Promotion of Mediterranean Short-Sea-Shipping**: **New Ro-ro / Ro-Pax Mediterranean Traffic Motorways Of The Sea Terminal In “Fusina” Area (DBFO PPP On Concession Model)**: operational since May 2014, the new state-of-the-art terminal reconverted a polluted industrial area, building on direct links with Greece and other lines with major Mediterranean Countries (Turkey, Israel, Albania and others).

D) **LNG Bunkering and distribution facilities**, availability of alternative clean fuels in order to support the uptake of alternative fuels and propulsion systems.

E) **Traffic Management System / Telematics System and complexion of Ultra-broadband network for the whole port area**
- interoperability between National Single Window and Venice Port Community System;
- ICT system related to the port accessibility (gate –in, gate out process) and data exchange with the others traffic management systems;
- Railway telematics systems for shunting operations and its integration with PCS and information systems of other subject involved in developing rail services.

H) **Development of the railway, road network and parking areas to separate the urban and commercial port traffic and avoiding road congestion to access the port**

L) **Dredging of the port canals**
The main investments for infrastructures in the programming of the port of Trieste are aimed at increasing the handling of containers and goods, diversifying the sectors, enlarging warehouse space and increasing the port offer. This will be achieved extending the wharves and building new terminals dedicated to containers and RO-RO traffic to be realized by 2020-2030; this will also be achieved re-qualifying the existing railway system in the port and its connections. The main projects relating to the port of Trieste (pict. 6) are the following:

A) Logistics Platform 1st part (132 mln euro) – construction of a new port area connected to the “Grande viabilità triestina” and the off-port rail network, with a quay of 431 metres in length and a depth of 13 metres;

B) Logistics Platform 2nd part (184,5 mln euro) – continuation of the previous work with construction of equipped yards and new wharves, structures from which the future Pier 8 will develop;
- the enlargement of Pier VII, first phase (85 mln euro), increasing the potential up to a maximum of 1,200,000 TEU;
- the enlargement will have a second phase (107,4 mln euro);

C) Zaule ferry terminal in the Noghere valley - 1st stage (27 mln euro) – a new terminal to be used for port operations, container handling and goods storage, with a 'working' draught of no less than 12 metres for berthing RO-RO vessels; the realization will have a second phase (126 mln euro);

D) Enlargement and upgrade of the passenger terminal and the renewal of the maritime station: 14 mln euro.

Together with the realization of new infrastructures Trieste port has planned the:
- upgrading of the railway lines and railway terminal;
- improvement road accessibility to the port;
- upgrading of the traffic management system: the automation of the authorization for the entry process, a new operating centre for integrating all ancillary port services (COS).
A) **Brajdica Container Terminal** - terminal (components A i B) has started its regular operations on July 13, 2013. Following completion of works, the terminal length has been increased by additional 320 m and the new storage area has doubled to over 300,000 TEUs. The depth alongside the new quay is in excess of 14 m, which allows berthing of some of the largest container vessels in the Mediterraneas. This reconstruction enables the port to reach its full capacity of 600,000 TEU per year.

B) **Zagreb Pier** - construction of a new container terminal at Zagreb pier follows as a logical answer to this growing need for container transport capacities. Container terminal at Zagreb pier, which will ultimately occupy an area of approximately 22 hectares, is conceived as a quay of 680 meters in length. The total length of the quay would finally reach 680 meters in length and reach the capacity of 600,000 TEUs per year.

C) **Construction of road D403** is a responsibility of Croatian Roads, and it is included it in National 2014-2017 Road Investment Plan.

D) **Information flow integration – Port Community System (PCS)** will be build and in this way the entire maritime route and logistic system and its business processes should be integrated in order to facilitate and accelerate the administration, circulation of goods, documentation supervision and goods control.

E) **Development of a comprehensive port environment protection plan (EMS)** - the EMS documentation management system is available to Port of Rijeka Authority, and the fully implemented EMS in near future will to be available to all concessionaires.

F) **Video CCTV and ID cards** - as a precondition for future operation of the Port of Rijeka after the EU accession, it was necessary to install CCTVs. Works on installation of Video CCTV and ID cards for Brajdica Container Terminal are finished. Similar works on the rest of the port basin area are expected to start in second half of 2015.

G) **The concept of a new port on the island of Krk** - conceptually the new port at the island of Krk is spread along the area of peninsula Tenka punta on the western side of the Omisalj’s bay, in the vicinity of crude oil terminal and petrochemical plant. Long-term development potentials are estimated to more than 3 million TEUs containerized cargo as well as specialized terminals for general cargo and other commodities.
4) Port of Koper business strategy and development projects

Till 2020:

A) **Extension of Pier I – Southern side**, consolidating capacities for Container traffics for 1,3 mio TEU/year.

B. **Improving berthing facilities** in port’s basins (I, II, III) => containers, Ro-Ro, liquid bulk, dry bulk, general cargo

C. **Last mile port access and hinterland connections** (relevant tasks of the Ministry, but a key condition for the port development):
   - directly connecting the port with the motorway (and rearranging internal port’s transport network)
   - double railway line Koper – Divača
   (and solving other bottlenecks within an integrated national network development according TEN-T corridor’s policy)

D. **Extension of port’s area** in its immediate hinterland => port’s enlargement

E. Construction of **new warehousing capacities for value added logistics** => **Distribution center**

F. Up-grades on **ICT solutions** towards integration on the logistic chains

G. Continuation with the proactive approach on **Environmental, Safety and Security** issues

H. Optimization of **Energy consumption and considerations on appropriate alternative fuels solutions**

Till 2030:

- Extension of Pier I – Northern side; consolidating capacities for Container traffics up to 2 mln TEU/year.
- Extension of Pier II
- Arrangement of Pier III
Common challenges and opportunities for North Adriatic Ports
a) The **deep transformation of the world trade traffic and economic geography after the Asiatic robust expansion** that led the trade relation between Far East and Europe to become more and more important and overtake the traditional transatlantic trade relation between North-America and Europe;

b) The raise on the economic international stage of the **Southern Mediterranean economies**, such as those from Morocco to Turkey, and the deepening of their trade relations with the EU;

c) The **manufacturing activities**, hence those activities whose business model exploits the full potential of waterborne transport, **have been concentrating their production and logistics in the “new Europe” countries, in the Center and Northern-Italy, Southern Germany, Austria, Slovenia, Croatia and other Balkan countries**: all areas potentially covered by the North Adriatic Ports;

d) The Eastern European markets seeking an improved sea access in the **Adriatic**, aimed at increasing its international trade with Mediterranean countries, as well as countries beyond Gibraltar and Suez.

The geographic advantage has been paving the way for North Adriatic Ports:

- to become more competitive than other **European Port Gateways** (Northern Range and Baltic Ports) for the traffic regarding the “New Europe”;
- to regain “old Europe” markets, served until recently by the Northern range ports.
According to MDS Transmodal Ltd, North Adriatic port container traffics are foreseen to grow up to 5.9 mln TEUs by 2030.

NAPA market potential for containers

Share & Volume ('000s TEU)

- Less than 10%
- 11%-30%
- 31%-50%
- 51%-70%
- 71%-90%
- Greater than 91%

### 2012 vs. 2030

<table>
<thead>
<tr>
<th>Region</th>
<th>2012</th>
<th>2030</th>
<th>2030 var. 2012-2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Adriatic Ports</td>
<td>1,6</td>
<td>5,9</td>
<td>269%</td>
</tr>
<tr>
<td>Northern Range</td>
<td>20,3</td>
<td>28,9</td>
<td>42%</td>
</tr>
<tr>
<td>Tyrrenian</td>
<td>3,6</td>
<td>6,4</td>
<td>78%</td>
</tr>
<tr>
<td>Black Sea</td>
<td>0,3</td>
<td>0,6</td>
<td>100%</td>
</tr>
<tr>
<td>Other</td>
<td>5,7</td>
<td>10,6</td>
<td>86%</td>
</tr>
<tr>
<td>Total</td>
<td>31,6</td>
<td>52,4</td>
<td>66%</td>
</tr>
</tbody>
</table>
According to the ITF transport Outlook 2015

- **International trade is estimated to grow by a factor of 3.4 by 2050.**
- International freight (ton*km) will grow by a factor of 4.3, due to augmented average trade distances (> 12%) and heavier cargo
- Between 2010 and 2060 intra OECD countries trade will halve. **Non OECD countries trade will more than double**
- **Asia linked international trade corridors will grow most!**

Figure 3.3. *International freight in tonne-kilometres by corridor: 2010 and 2050*

*Baseline trade scenario*

NAPA: the right position (EU manufacture shifts)

Port Manufacturing Accessibility index - PMAI
Share of manufacturing employment on total employment
(source: VPA elaboration on Eurostat data)

1999

2013
The shortest sea route from the Far East to the heart of Europe

2000 Nm SHORTER ROUTE
up to 8 days shorter transit times*

* if “slow steaming” at 12 knots

Shipping 1 TEU (18 gross ton) from Korea to Koper saves 320 kg of CO2
NAPA: a greener way to EU markets

-97 KG CO2/TEU
Where can the European Commission support such cooperation?
1. Prioritizing investments on the external nodes of the core network (ports and airports);

2. Strengthening the role of the Southern ports gateway (like NAPA, Mediterranean and Black Sea) as to re-balance the trade between north and south, increasing the overall system efficiency and to reduce the transit time of cargos on the Far East-Mediterranean route;

3. Guaranteeing a European common level playing field for port services

4. EU should support infrastructure development in each NAPA port, for the implementation strategy that foresees a progressive enlargement of North Adriatic ports’ capacities, both on the east side and the west side, in order to accommodate a container traffic of at least 6 million TEUs by 2030 on top of Ro-Ro traffic and more traditional ones

5. Supporting NAPA infrastructure development in ports and related logistic systems will guarantee the full deployment of Core Network Corridors such as:

   - **Baltic-Adriatic Corridor**, which merges a Western corridor port-root, Venice and Ravenna, and an Eastern corridor port-root, Trieste and Koper, in order to serve the main Central and Eastern European markets;

   - **Mediterranean Corridor**, which includes the Adriatic Sea as a multiport gateway in Venice, (Western North Adriatic) and in Trieste, Koper and Rijeka (Eastern North Adriatic), connecting the ports with East and West European markets;

   - **Pan-European Corridor X**, partially overlapping with CNC Rhine-Danube, Mediterranean and Orient-East Med, from Salzburg to Thessaloniki and to Istanbul.
NAPA: CEF Transport projects (1)

NAPA4CORE
Improving North Adriatic ports’ maritime accessibility and hinterland connections to the Core Network

- **Funding Objective 1**: Pre-identified sections of Core Network
- **Partnership**: Luka Koper (coordinator), Venice Port Authority, Venice Newport Container & Logistics SPA, Trieste Port Authority, Italian Ministry of transport (RAM)
- **Goal**: support the development of the ports of Venice, Trieste and Koper as efficient and sustainable entry and exit points for container and ro-ro traffics, fully integrated into the Core Network (Baltic-Adriatic and Mediterranean Corridor).
- **Total Budget**: 150.499.996 €
- **TEN-T Co-financing**: (20% - 16%): 28.471.999 €

ACTIVITIES

- **Port of Venice**: construction of a new wharf and container storage platform in Montesyndial area
- **Port of Trieste**: works for realizing the basic infrastructures - quays and disposal facility - of the future so called Logistic Platform requalification of a port area for Ro-Ro traffic
- **Port of Koper**: Upgrade of port access and improvement of land connections for container traffics
**NAPA: CEF Transport projects (2)**

**NAPA4MOS**

Improving North Adriatic motorways of the sea and their efficient integration in the logistic chains

- Funding Objective 3: **Motorways of the Sea** (MoS)
- **Partnership**: Venice Port Authority (Coordinator), Venice Ro-Port MoS spa, Italian Ministry for infrastructure and transport (RAM), **Luka Koper**, d.d.
- **Supporting partner**: Med Cross Lines, Neptune Lines, MCCL, Adria Transport, Rete Ferroviaria Italiana (RFI), Rail Cargo Austria, Rail Cargo Logistics
- **Total Budget**: 60.835.000 €
- **TEN-T Co-financing (30%)**: 18.250.500 €

**Goal**: improve the maritime links between the North Adriatic ports of Venice and Koper and their integration into the European intermodal logistics chain by improving their hinterland connection (railway) and improve connections with other ports of South-East Europe and East-Mediterranean.

**Activities**

**Port of Venice**: Completion of the works of the new Motorways of the Sea Terminal:
- construction of service area, the dedicated railway yard and the terminal operating software
- completion of the doubling of the port internal rail connections serving the new MoS Terminal and the European and national rail network;

**Port of Koper**: Increase of the maritime and land accessibility to support Ro-Ro MOS traffic:
- construction of a new berths for the ro-ro traffic,
- construction of new railway tracks devoted to ro-ro traffic.
THANK YOU FOR YOUR ATTENTION