

# Connecting Europe and Asia: the maritime dimension

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General Manager SRM

Vienna, 14<sup>th</sup> December 2018

The European leadership in the maritime sector

The growing role of China in the Mediterranean

A glance at Italy's Euro-mediterranean position

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# A new observatory: a permanent analysis on ports and shipping

## News

**SRM partner of the 2018 Dialogue of Continents Forum | Paris 3-5 September**

SRM is partner of the 2018 Dialogue of Continents Forum. The event is organised by the Reinventing Bretton Woods

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**Geo-strategic scenarios of Italian ports in the Mediterranean | Assoport | Rome, 19 July**

On Thursday 19th July the Association of the Italian Ports presented a study on Geo-strategic scenarios of Italian ports in the Mediterranean

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**Italian Excellence: The Ro-Ro sector | Article in "Porti campani in RETE" magazine**

Italian Excellence: The Ro-Ro sector. This is the title of the analysis written by Alessandro Panaro, Head of "Maritime & Mediterranean Economy"

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**Network and Infrastructure | Confartigiano Conference | Bari, 13th July**

On 13th July SRM will be speaker at one of the conference organized by Confartigianato in anticipation of the 2018 Mezzogiorno Convention

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**Italian Maritime Economy. China, energy corridors, ports and new routes: geomaps of a changing Mediterranean**

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# The Growth in maritime trade

*80% of global trade by volume and 70% of global trade by value are carried by sea and are handled by ports worldwide*

## WORLD SEABORNE TRADE IN 2017



Global volumes gathered momentum and reached  
**10.7 billion tons.**

**4%** annual growth:  
fastest growth in five years

## WORLD SEABORNE TRADE GROWTH FORECAST: 2018–2023

Volume projected to grow

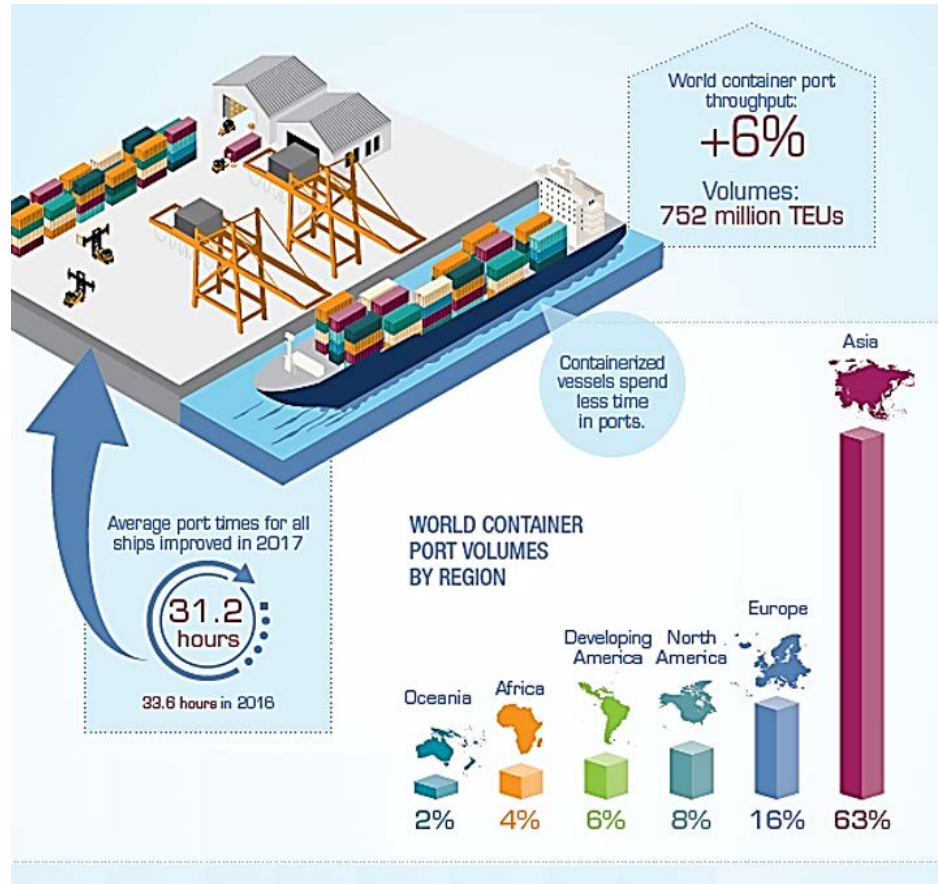
**+3.8%**



- **Containerized** trade volumes: **+6%**
- Five major bulks: **+4.9%**
- **Crude oil: +1.7%**
- **& Refined petroleum products and gas: +2.6%**

Source: SRM on UNCTAD, 2018

# Trade of goods is mainly by containers



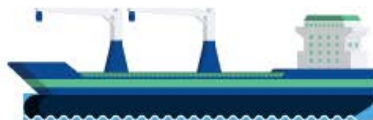
- The **container ports of the world** handled a combined throughput of **752 Mteu** in 2017 (+6%).
- **Asia** accounted for **63%** and **China** accounted for **35%** of world container port volumes.
- Ports are **more efficient** than in the past: the average port times is **2.4 hours shorter**.

# The European leadership in the maritime sector

European shipowners control **40%** of the world merchant fleet



**60%** of world's container ships



**52%** of world's Multi-purpose vessels



**43%** of world's oil tankers



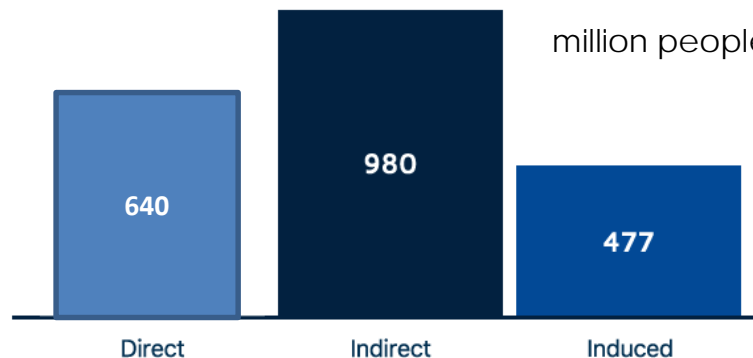
**37%** of world's offshore vessels

V.A. billion euro



The direct, indirect and induced Economic value of the European shipping industry is €140 bn

million people



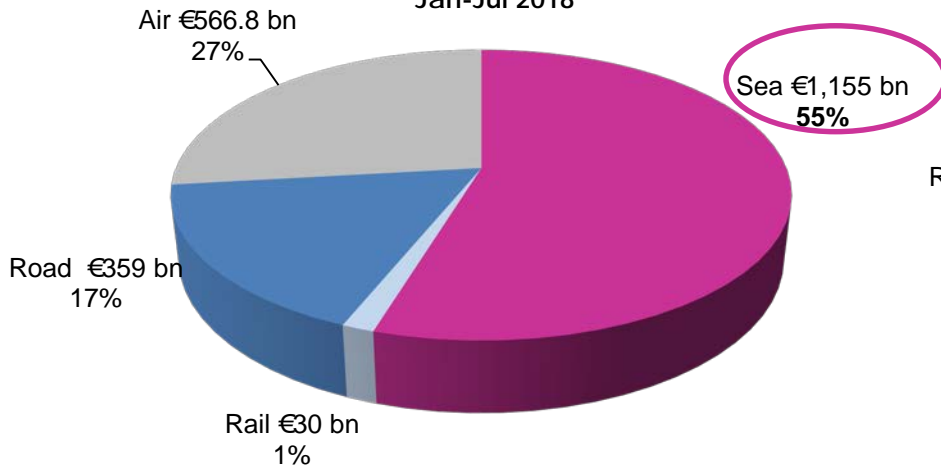
The direct, indirect and induced Economic employees are 2.1 million people

# Maritime commercial trade EU with Extra EU

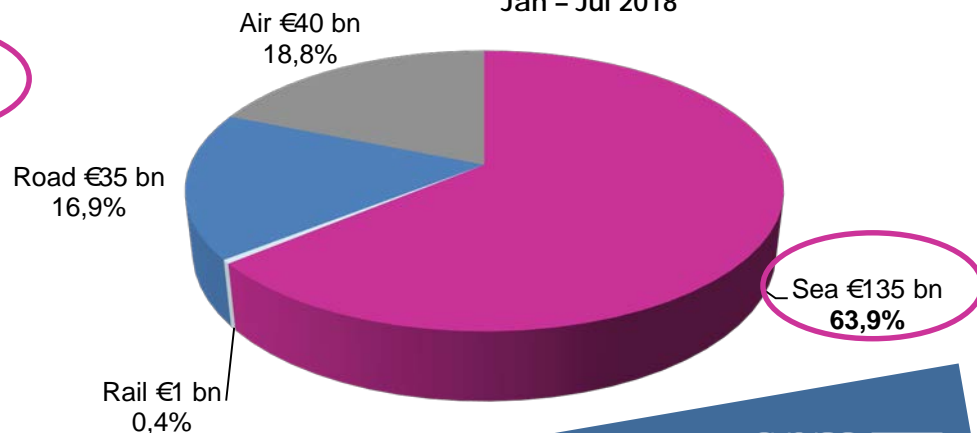
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- In 2017, China is the 2<sup>nd</sup> EU trade partner (€573 bn, or 15.3%). 63% of traffic with China travelled by sea.
- In the period Jan-Jul 2018, trade relations by sea between EU and extra EU were € 1,155 bn. most of the total traffic with extra UE was maritime traffic (55%).
- In Italy trade by sea with extra EU reached 64% of total traffic equal to €135 bn. (70% with China).
- **Maritime transport is clearly the most significant.**

Import-Export UE with Extra EU  
Jan-Jul 2018



Import Export Italy with Extra EU  
Jan - Jul 2018



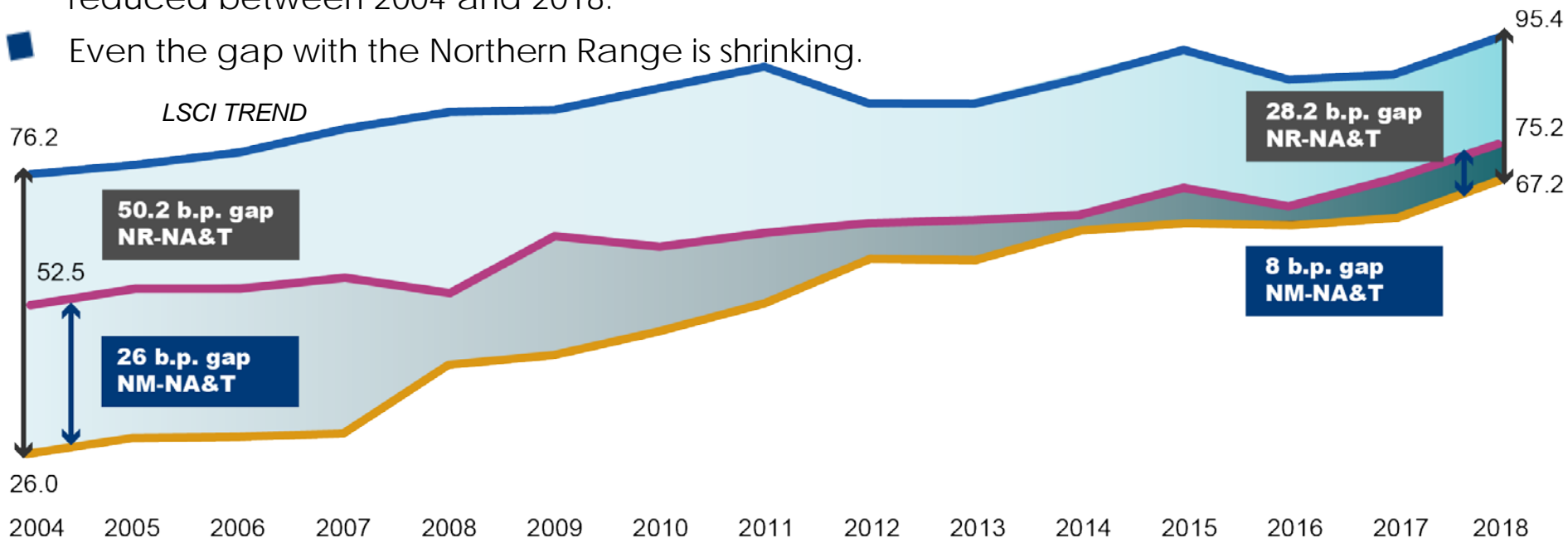


# Southern Med ports are increasing their competitiveness

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The gap between the ports of the South and the North of the Mediterranean has greatly reduced between 2004 and 2018.

Even the gap with the Northern Range is shrinking.



Source: SRM on Unctad

<b>Average NR</b>	Northern Range (Germany, Netherlands, Belgium)
<b>Average NM</b>	North Mediterranean (Spain, France, Italy, Greece)
<b>Average NA &amp; T.</b>	North Africa & Turkey (Morocco, Egypt, Turkey)



# The most important data on the shipping sector in the Med

25%  
WORLD'S  
CONTAINER  
LINER  
SERVICES

20%  
GLOBAL  
SHIPPING  
TRAFFIC

83%  
SHARE OF  
TRADE BETWEEN  
ITALY AND MED  
BY SEA

19 PORTS  
THROUGHPUT  
>1 MLN TEUs

909 mln  
tonnes  
SUEZ CARGO  
TRAFFIC

+500%  
GROWTH OF  
CONTAINER  
TRAFFIC SINCE  
1995

611 mln  
tonnes  
SHORT SEA  
SHIPPING

In this scenario a new centrality of the Mediterranean is emerging thanks to ... *three key factors*:



**The New Suez Canal:**

reduction in time, no limits in ship size, logistic facilities



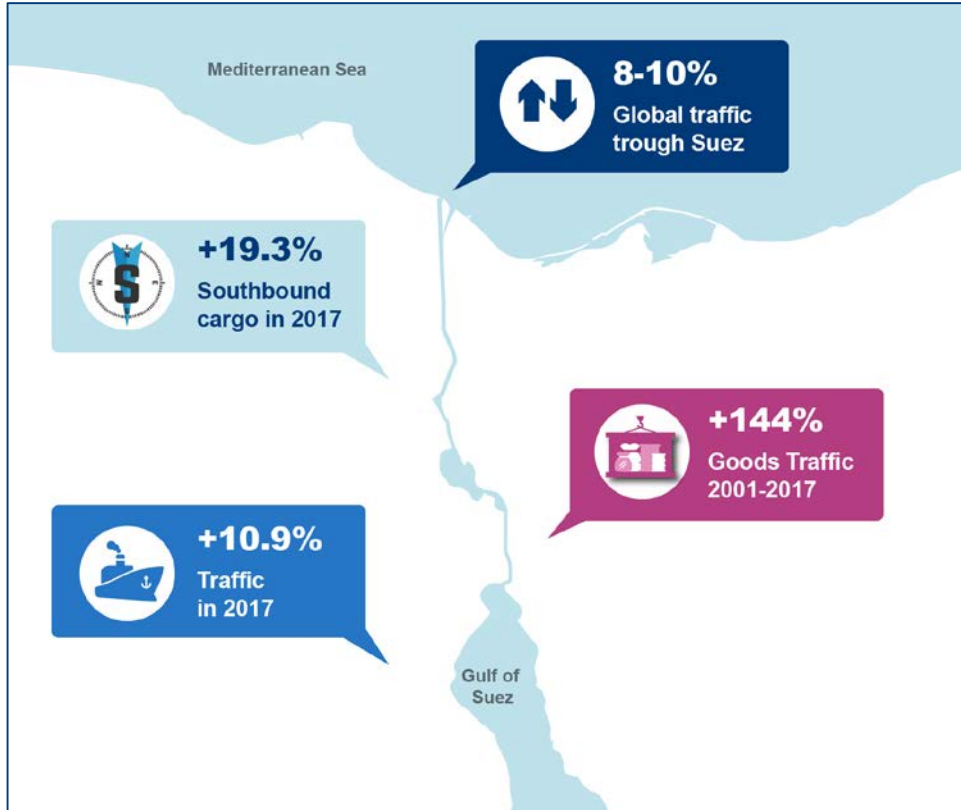
**The growing role of China:**

in the Mediterranean / Belt and Road Initiative



**Evolutions in the shipping industry:** growing ship size and mergers between carriers determine economies of scale and the need of routes with many stop where to load and download

# The new Suez Canal (traffic pivot) has grown by double digit 11

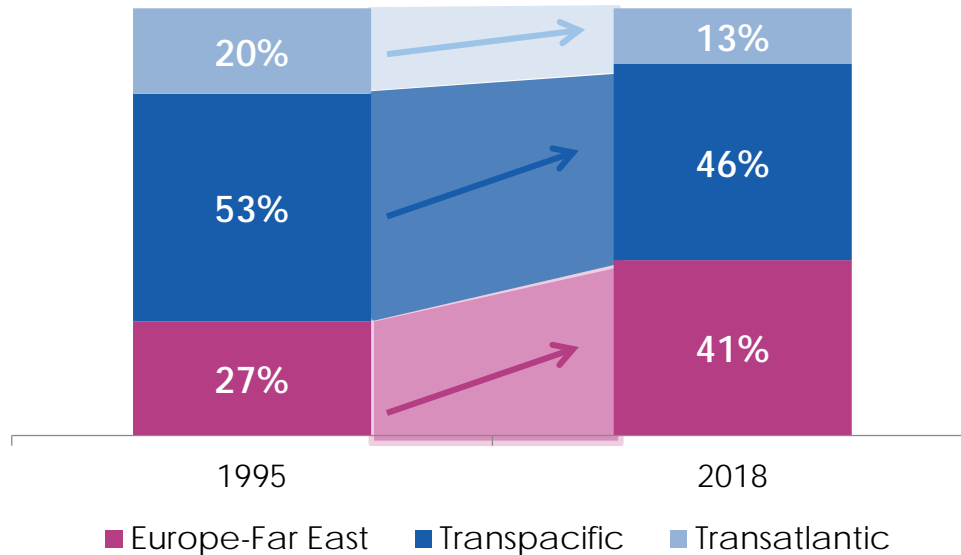


- Transit goods account for **8-10%** of the entire globe. In 2017, **910 million tonnes of goods** and **more than 17,550 ships** passed through the Canal.
- Between 2001 and 2017 the Canal's traffic trends recorded a **144% increase** in transit goods.
- Remarkable was the growth of the Southbound cargo (**+20%**).
- In 2017 traffic increased approximately by **11%** on the previous year.
- **Between January and October the Canal's traffic trends recorded 816 million tonnes (+9.1%).**

# New Centrality of the Mediterranean:

## The growth of shares on the Europe-Far East Route

Estimated containerized cargo flows on major East-West container trade routes, 1995–2018 (% TEU)



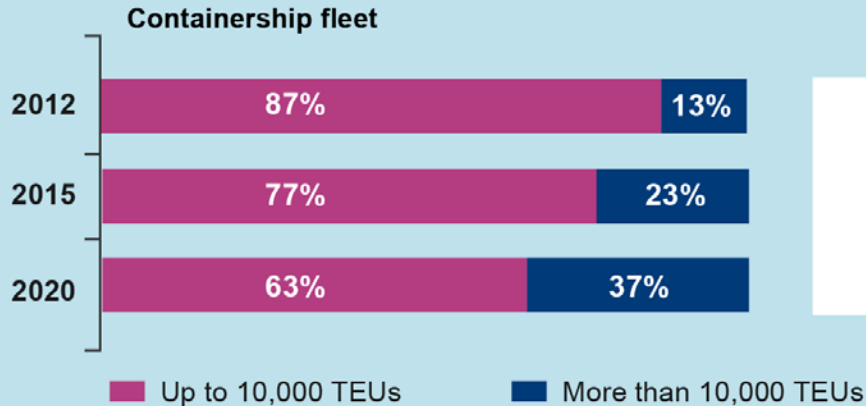
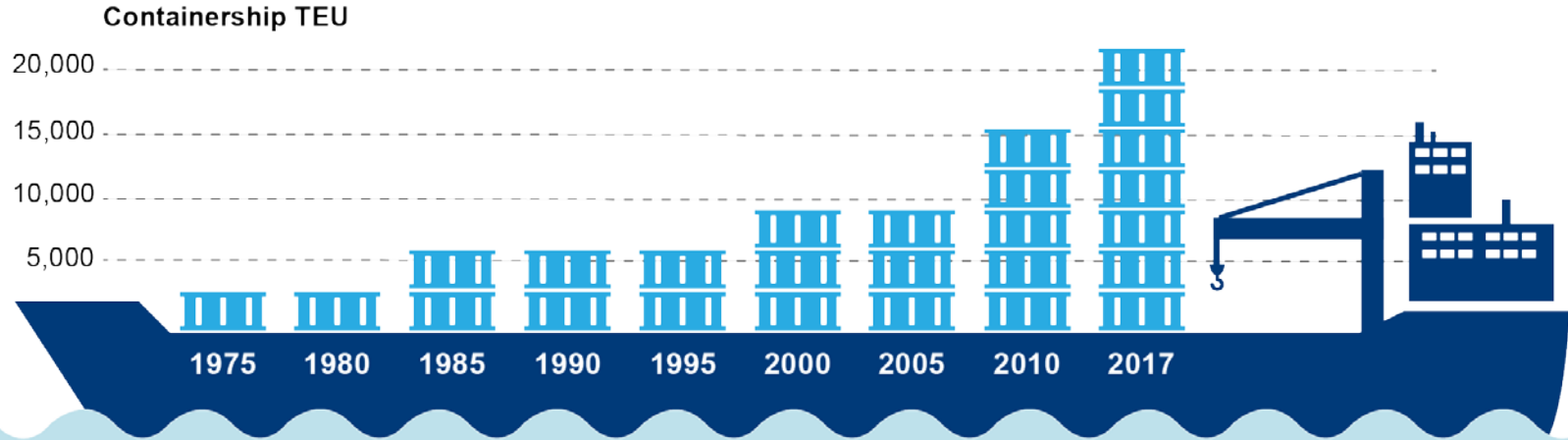
- In 2018, the **Europe-Far East** and the **Transpacific** were by far the two biggest trade routes, accounting to 25 and 28 mln TEUs of traffic respectively.
- **Europe-Far East**: from 27% in 1995 to 41% in 2018.
- As a result of this growth, **the Mediterranean recovers its centrality**

For China the Mediterranean is a crossroads where to meet European markets, North Africa and the Middle East with an option to reach the East Coast of the US



# The size of ships is growing

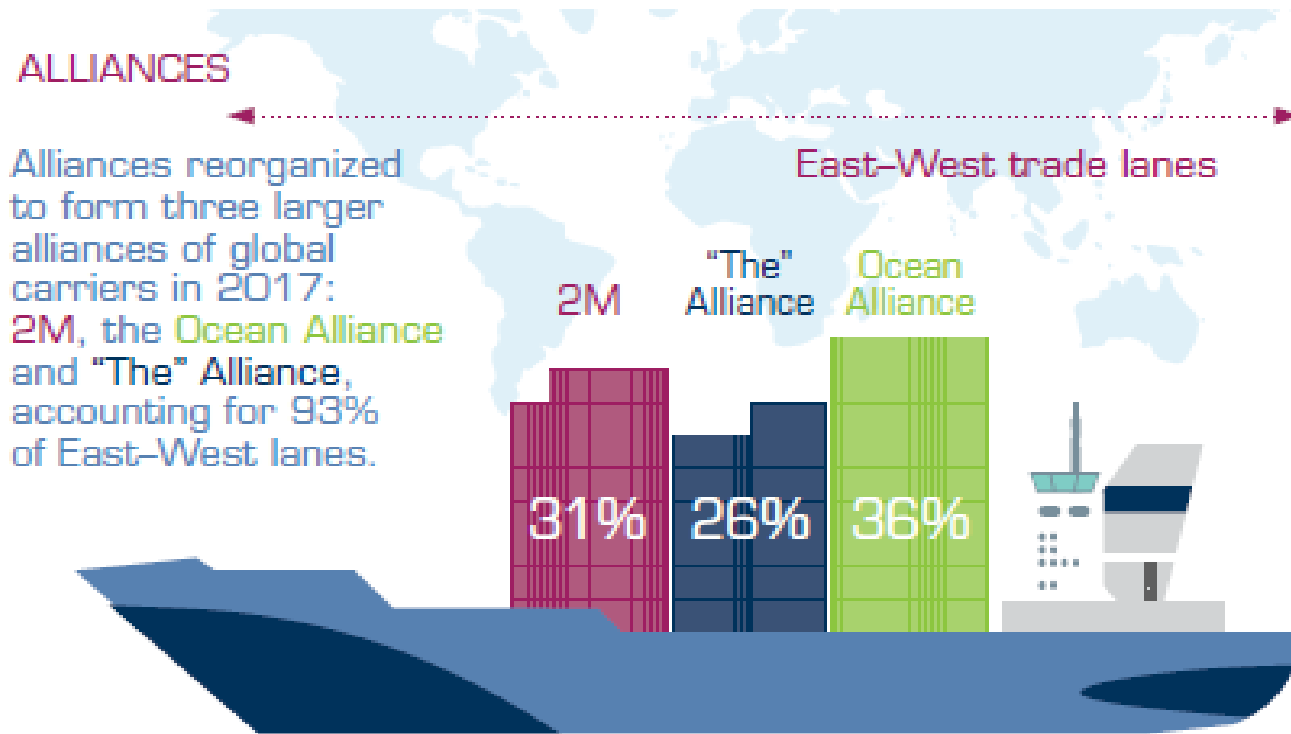
14



**129 new ships**  
of the 10-23,000 TEU category  
will be launched by 2020  
(57 of which in the 18-23,000 TEU)

Source:  
SRM on  
IHS,  
Alphaliner

# The new drivers of maritime economy: the big alliances<sup>15</sup>





Year 2012

Container ships – daily movement report ( $>13000$ )

Year 2017

TEU portacontainer range

- TEU  $< 7,000$
- $7,000 \leq \text{TEU} < 13,000$
- TEU  $\geq 13,000$

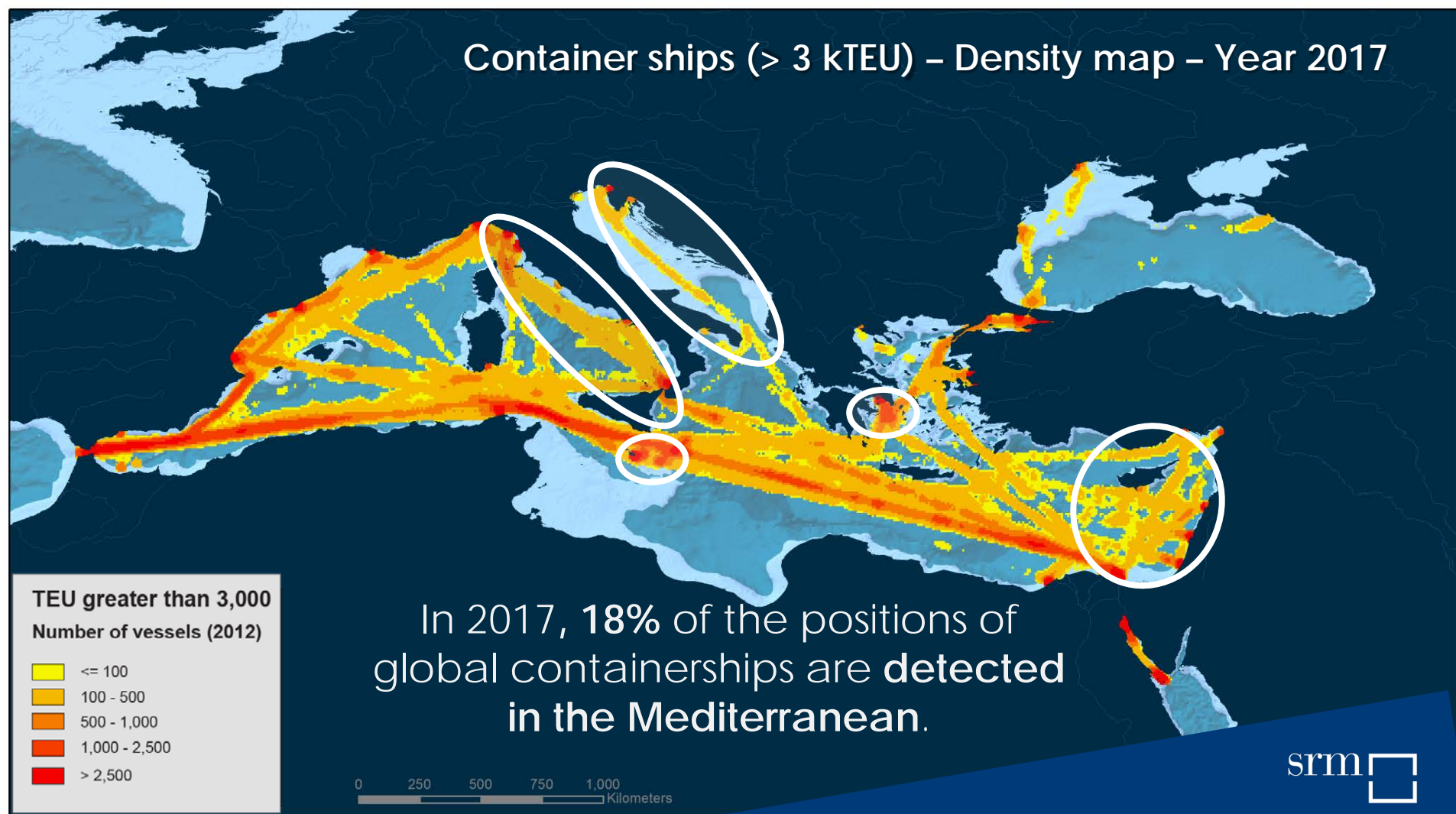
# Container ships (> 3 kTEU) – Density map – Year 2012

TEU greater than 3,000  
Number of vessels (2012)



0 250 500 750 1,000  
Kilometers

## Container ships (> 3 kTEU) – Density map – Year 2017



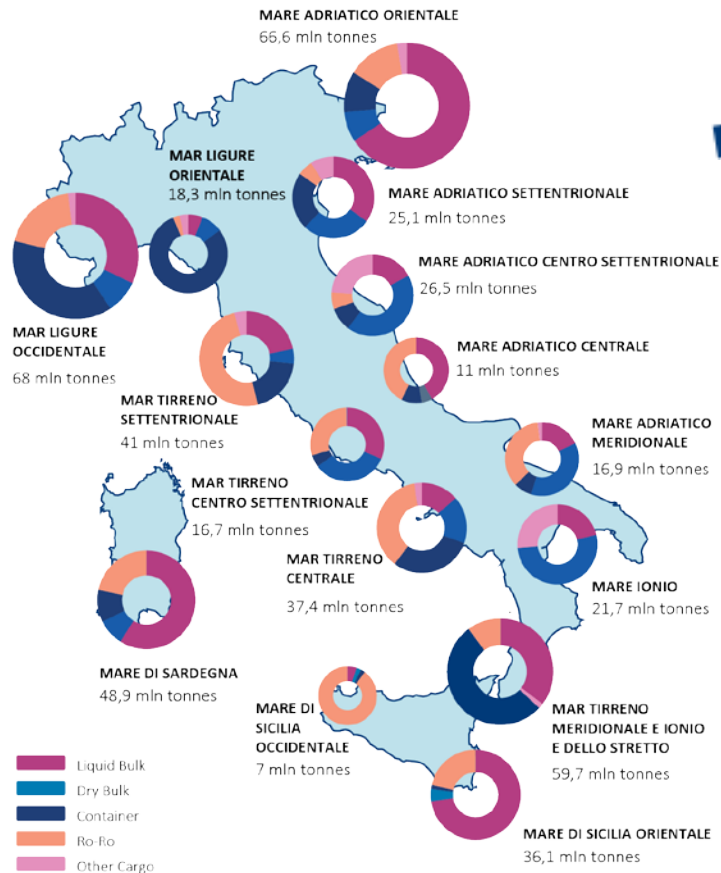


# Analysis of Italian ports performance

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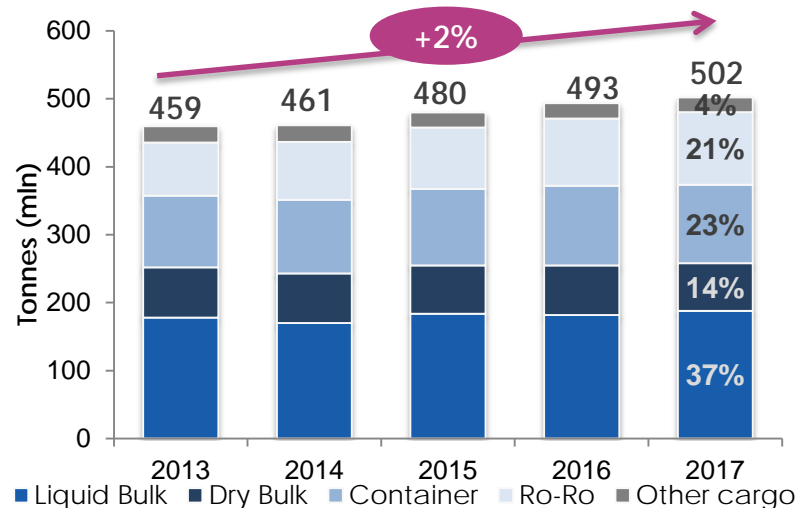
Type of goods handled by the Port Network

Authorities in 2017 (mln tonnes)



■ All Italian ports managed a volume of freight traffic that exceeded the threshold of **500 million tonnes**, +2% on 2016.

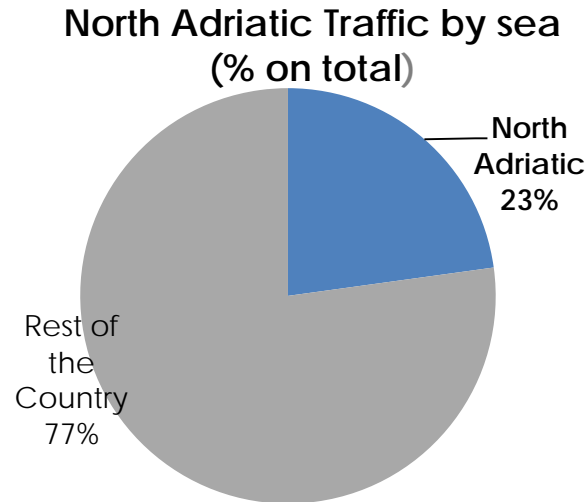
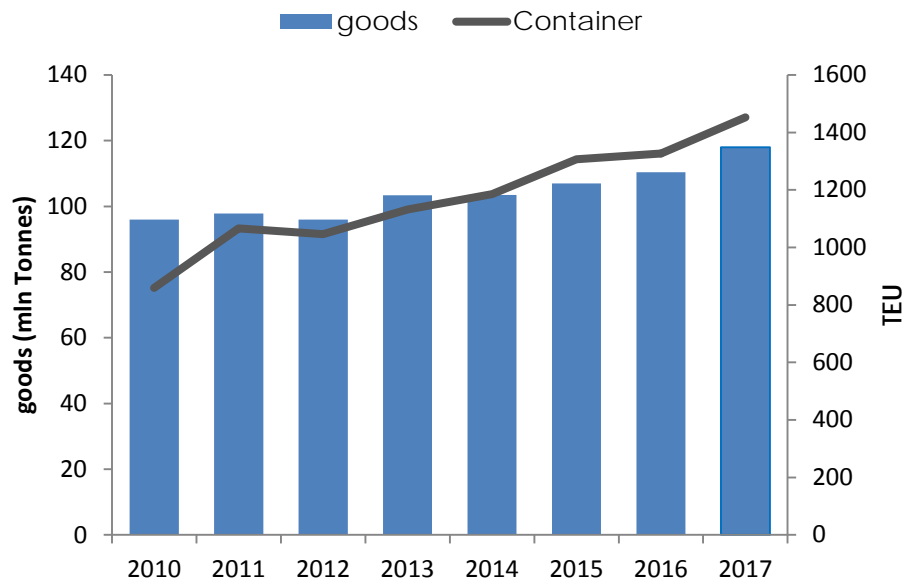
■ Ro-Ro (+8.5%) & Liquid bulk (+3.3%) have realized the best performances.



Source: SRM on Port Authorities

# The growing performance of the North Adriatic Arch's traffic

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■ North Adriatic arch – ports Authorities of Ravenna, Trieste and Venice – handled nearly 120 million tonnes of goods in 2017 (+ 2% on 2016).

# Logistics a strength point for Trieste

## Intermodal links

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### Italy

Padoa Interport, Milano shunting,  
Bologna Interport, Rubiera/Modena, Novara

### Austria

#### Direct connection:

Villach Süd CCT, Wolfurt CCT,  
Graz Süd CCT, Salzburg Hbf CCT,  
Salzburg Hbf, Linz Stadhafen,  
Wien Fraudenau, Wels

#### Wien N.W. Bahnhof links to:

Praha, Brno, Rostock

### Germany

#### Direct connection:

Kiel – Göteborg, München, Ulm,  
Burghausen, Ludwigshafen,  
Frankfurt am M, Köln, Duisburg

#### München Riem links to:

Köln, Duisburg, Leipzig, Berlin, Hamburg

### Luxembourg

Bettembourg

### Hungary

Budapest Bilk

### Slovakia

Dunajská Streda

### Czech Republic

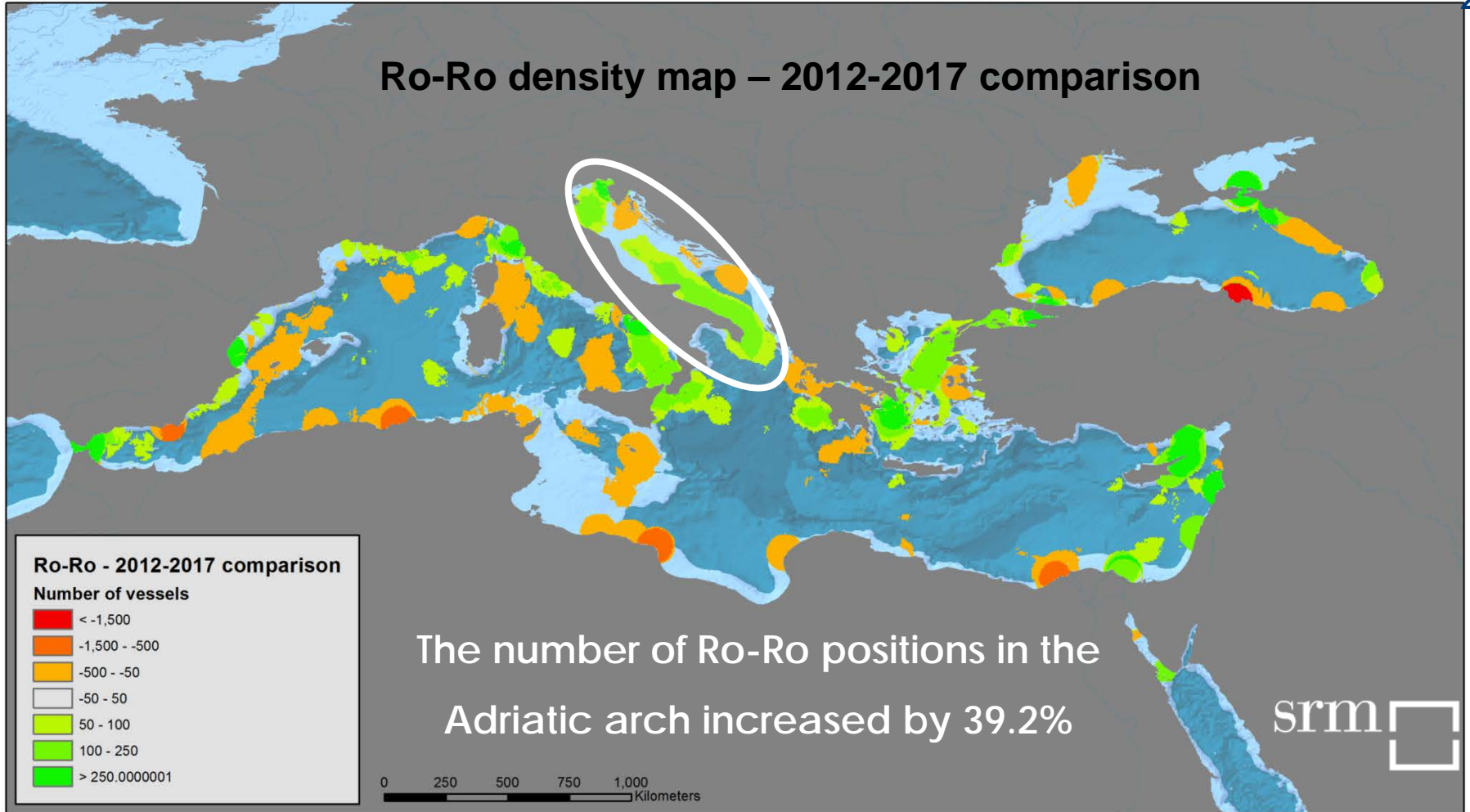
Ostrava



# Ro-Ro traffic in the Mediterranean Sea

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## Ro-Ro density map – 2012-2017 comparison





# Italy is a pivotal country in the middle of the Mediterranean<sup>23</sup>

Italy as logistic and energetic bridge between Europe, Mediterranean and Asia



15 Port Network Authorities and at least 5 strategic ports



Strategic gas pipelines from North Africa and Asia



Trade leader with Med and the BRI

Source: SRM



# What do we need to foster economic development in the Mediterranean?

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looking at ports and logistics in a **Euro-Mediterranean perspective** not only in their national context;



Implementing a European and a national “golden power” for a **bilateral agreement** with China;



Improving **intermodal connections** with inland areas, which that are key factors for Italian gateway ports;

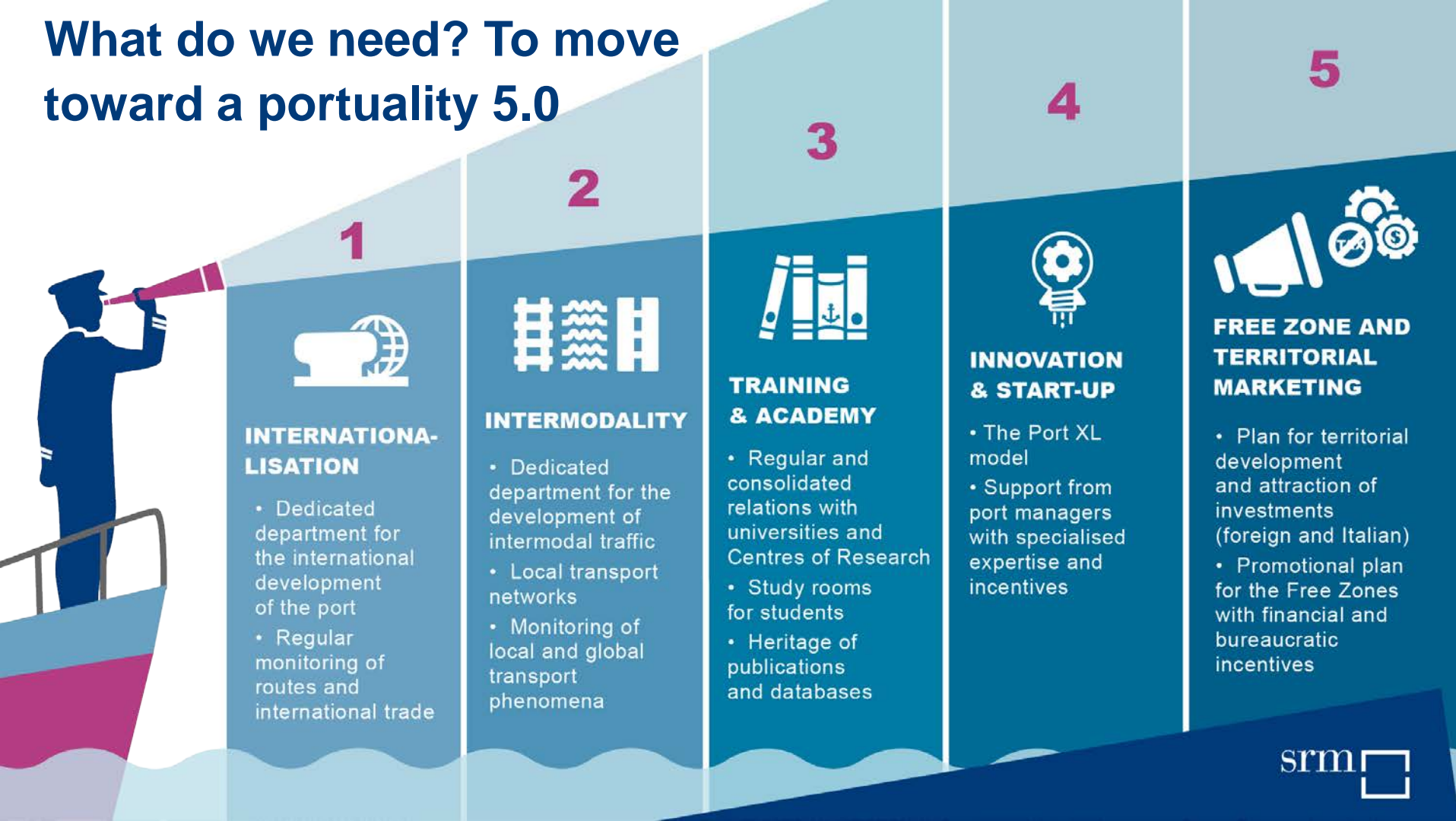


investing in **modernizing port infrastructures** at national and European level;



moving toward a new concept of ports... “**Portuality 5.0**”

# What do we need? To move toward a portuality 5.0





**Thank you for your attention**

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