



Speech of Walter Vassallo to be read after the video.

Ladies and Gentlemen,

First of all I would like to apologise for not being here today. Secondly, I would like to thank the kind person who is reading this note! Usually I do not prepare text to be read when I make a speech, but in this occasion I thought it was somehow necessary..!

Before pointing out some of the main ideas and concepts underpinning the video I prepared and which has just been played I would like to spend a few words about the organisation I represent.

AMRIE (the Alliance of Maritime Regional Interests in Europe) is an independent organisation and policy research institute, established in 1993 by an initiative of some member of the European Parliament.

AMRIE's mission is to develop an integrated European maritime policy, covering maritime transport and maritime regional economic issues. This is prosecuted via the relations with the European Parliament and the involvement in key Europe-wide Projects.

With our work we assist the European Commission in developing their policy and research programme in support to the sustainable development of transport.

The video prepared wants to highlight many of the main issues which we have to bear in mind when talking about intermodality, interoperability, optimal usage of transport modes and infrastructure.

Transport is crucial for our economic competitiveness and commercial exchange. However, new global patterns, increase of energy consumption, growing economies, environmental problems, organisational difficulties, non-optimum use of the various transport modes, and lack of adequate infrastructure provision are penalising both transport users and the economy.

A logistic re-thinking is needed to ensure a sustainable development of our transport network and our economy.

In the context of the Common Transport Policy, Motorways of the Sea and Intermodality are of paramount importance for the re-balancing of transport modes, the seamless integration between sea and land, and the development of our regional hinterland.

There are a number of questions, which we should try to answer.

How can we ensure a sustainable development of the overall transport system? How can we enhance the integration between different Geographical areas? How can we enhance the integration between land and sea and between different transport modes? How can we achieve a modal shift?

The European policy makers in their agenda want to answer these questions for the improvement of the transport network, the enhancement of safety and security, the decrease of congestion, and of the environmental impact.

These questions cannot be answered via academic exercises, discussions about marginal social costs or via promotion activities.

It is a Real and Practical Question which needs Analyses in Real and Practical Terms.

That is the reason why first it is a must to analyse in real and practical terms which are the factors affecting the modal choices. If we do not do it, we cannot be competitive because we cannot have a clear and precise picture of the inefficiencies. Many of the factors are directly linked to the port functions and services. Think for instance about the costs for the stevedores, the reliability of catch the time windows, the interoperability and interconnectivity.

It is the case that when comparing performance across segments we have to talk about competitiveness, but when assessing the possibility of improving the overall European transport system (e.g. including a short sea shipping leg in a certain route/logistics chain) we should talk about complementarities and only then it will be possible to ensure the development of an efficient and effective short-sea corridor with intermodal interfaces and linkages to the regional hinterlands.

A key issue is represented by the port and **port hinterland functions, system, and services** (which directly influence the quality and efficiency of maritime transport – including timing issues, reliability - and therefore affect the modal choices of the operators).

The freight market structure and functioning represent a key issue around which the maritime transport development, the **port hinterland economic development and linkages**, and the ports cargo supply and demand represent the critical paths.

When talking about freight market structure and functioning, attention should be paid to the market segments, the **categorisation of the ports**¹ and their demand and supply, the commodity flows, which determine transport flows (*it is not the box which is important, but what is inside!*), and the **complementarities of the transport system within the economic-productive system**.

We are assisting nowadays to the shift of the location of the production and distribution centres in Europe toward the East of Europe, which should be taken into account when talking about sea motorways and TRANS-EUROPEAN TRANSPORT NETWORK, since the economic and productive systems are directly related to the transport flows.

¹ It is important to establish a typology of terminals, based also on size, function, geographical scope, and other dimensions for segmentation (i.e. user type, distance, commodity type). In this way, the typology of terminals and their specialisation (e.g. bulk and container) can be constructed with reference not only to their technical specifications, but also their function within the networks and their ability to satisfy the needs of the market (i.e. volume and surface area, logistical services offered).

When talking about Sea Motorways and port systems, special attention should also be paid to the sea transport flows in the areas under consideration in terms of typology, size, functions, geographical scope, and other dimensions for segmentation.

The challenge for the European ports will be the achievement of their efficient integration with the landside and the **trans-European transport corridors**.

The concept of the **trans-European transport corridors** arose after the fall of the Berlin Wall. They are meant to facilitate the exchange of goods, persons, oil/other energy supplies, and telecommunications systems within Europe. These complex infrastructure networks are of strategic importance for a number of Mediterranean Countries from a geopolitical and geo-economic point of view.

The Mediterranean area - including the Adriatic, Ionian, and Aegean seas - contains peripheral areas, including promising ports in the Eastern Mediterranean, (e.g. Corinth) and more developed areas.

The TRANS-EUROPEAN TRANSPORT NETWORK **Corridor VIII** runs east-west through south-eastern Europe, linking transport flows from the Adriatic and Ionian Seas to those from the Black Sea will represent a key way to be developed towards the East. This artery has grown in importance in the system of pan-European links thanks to the creation of another, **Corridor X**, directly linking Austria and **Greece**.

In addition the **North-South Corridors I** (Berlin - Palermo), the **Adriatic-Baltic** trajectory, and **Rotterdam - Genoa Corridor** crossing the longitudinal **Corridor V** (Lisbon - Kiev) delineate a key area in the Mediterranean which should boost the trade towards the North and the East side of Europe. On this regard, ports like Valencia, Barcelona, Genoa, Trieste, Taranto, Valletta might represent the key nodal points for the concentration of cargo flow.

In terms of future development, the European Union's enlargement to the East, will move the Adriatic into a central stage position, marking a shift away from the Union's geo-economic centre of gravity.

Given that the sea motorways are an integral part of the TRANS-EUROPEAN TRANSPORT NETWORK network, it is important to stress their **relationship with the land-based transport networks**. For this reason and related to their funding they are referred to *as projects which develop main sea transport routes linked to the TRANS-EUROPEAN TRANSPORT NETWORK network*.

Related to this aspect, the **pre-selection of well-defined sea main routes** represent the challenge for the future of the overall transport system in Europe. Hence it will be important to ensure **the inter-linkages and cohesion between the areas and ports in the area under consideration, the economic regions in their hinterland, and the production and distribution centres**, taking into consideration the TRANS-EUROPEAN TRANSPORT NETWORK Corridors and the priority projects/supported actions.

In addition, it will be important to ensure that land the sea integration will have the ability to **link major population centres and industrial and commercial network nodes**.

In this endeavour it is vital to ensure at ports **concentration of cargo flow, infrastructure provision, quality and reliable services**.

Linked to these aspects it is clearly important to distinguish between a) **infrastructure funding** for the development of ports and port hinterlands and their connections with the land-based trans-European Networks and b) the provision of flexible **sea transport services**.

Concluding, the emphasis in developing a genuine sea motorway network should be based on efficient European port Networks and will need to be placed on port hinterland development. With this emphasis goes the maritime regional economic development that accompanies and facilitates the improvement of port hinterland efficiency and the economic and logistic supply chains to be developed beyond the maritime regions themselves.

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