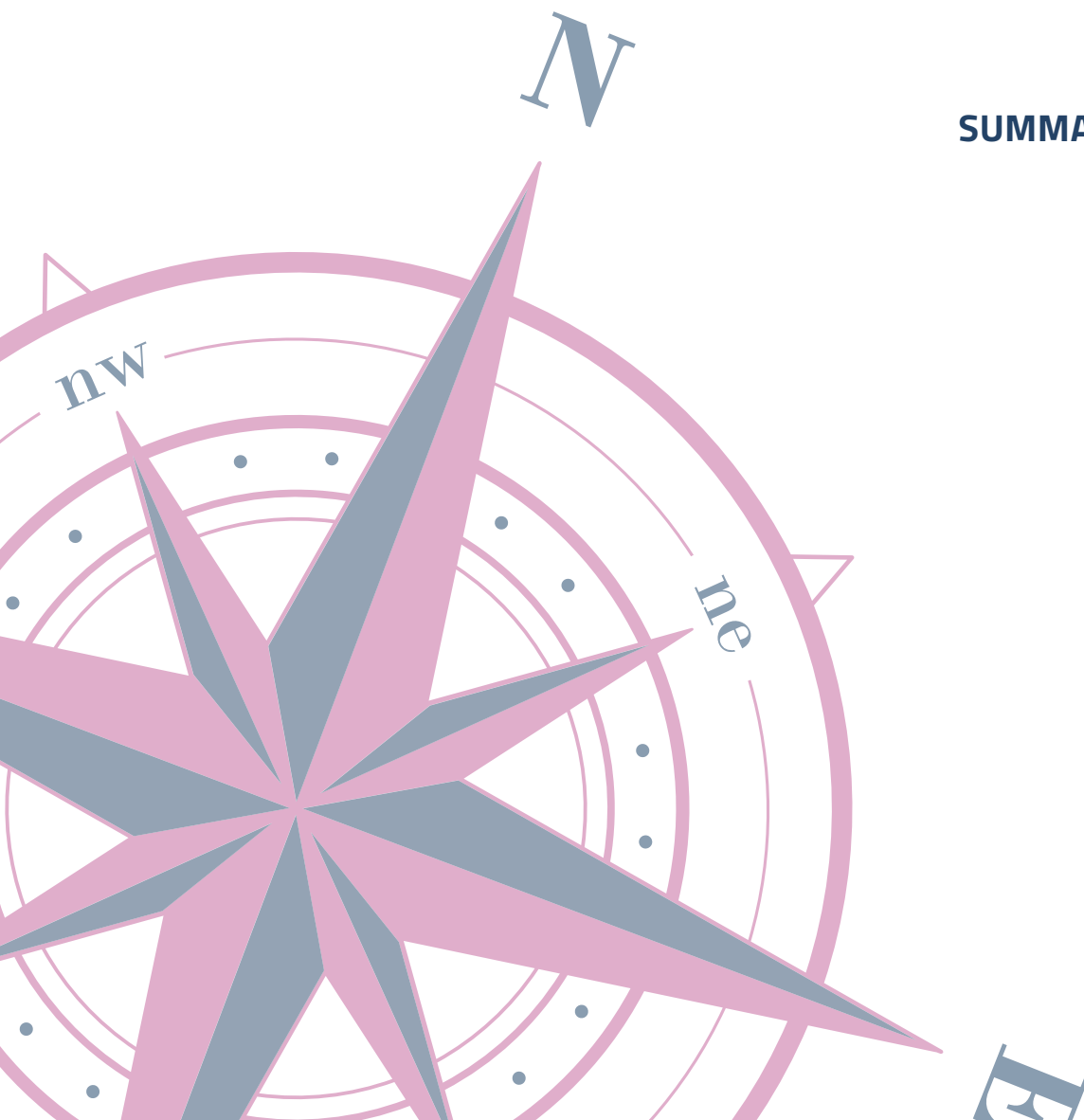


# MARITIME ECONOMY REPORT 2018

Italy, China, energy corridors, ports and new routes:  
geomaps of a changing Mediterranean

Brussels, 7<sup>th</sup> November 2018

SUMMARY OF THE REPORT



### Maritime transportation keeps playing a key role in global commercial exchanges; growth is expected in the future. There is a rise in the global fleet

- **Volumes of seaborne exchanges have grown by 4%**, reaching 10.7 billion tonnes, which represents the **fastest growth** in five years. **Liquid bulk traffic accounts for over 30%** of international maritime traffic. It mainly involves the transportation of oil and oil products, gas and chemicals.
- Estimates in the medium-long term forecast an average annual **increase of 3.8% between 2018 and 2023**, which will cover all segments of maritime transport and in particular, containerized traffic and solid bulk cargoes.
- **Emerging economies** continue to represent the most significant part of maritime transport by size, with a **59% share of exports and 64% of imports**; in particular, **Asia** accounts for 40% of exports and 61% of imports.
- **Global container traffic has grown by 6.4%** in 2017 reaching a total volume of 148 million TEU handled.

### The Mediterranean increases its centrality thanks to Suez, Chinese investments and important plans developed in ports

- **Suez is showing record-breaking increase rates. The Canal handled 909 million transiting tonnes in 2017 and 17,550 ships (+11% on 2016).** North-South traffic has increased by 20% (this category accounts for 52.6% of the overall traffic of goods in the canal). Conversely, traffic in the opposite direction is stable (+3%).
- The straits of Hormuz and Malacca, alongside **Suez**, are the main nodes of global energy traffic accounting for **40% of the world's naval transits of oil**.
- **Container traffic in the Mediterranean has grown sixfold over the last 20 years (+500%). The top 30 Med ports have exceeded the 50 million TEU threshold** (53 in total). This figure amounted to 9 million in 1995.
- Since 2004, according to the **Liner Shipping Connectivity Index** of Unctad, South Med ports (North Africa and Turkey) have considerably narrowed the competitive gap with their North Med counterparts. **This competitiveness indicator shows a difference of 26 b.p. in 2004, a figure that today (2018) only accounts to 8.** The gap has narrowed also compared to the Northern Range (from 50 to 28 b.p.).

### The Belt and Road Initiative (BRI) is being implemented successfully and with big investment in Mediterranean ports and terminals

- The BRI will activate about \$1,400 billion worth of investment in infrastructure in order to build and strengthen maritime, road, airport and railway works. Up to now, \$146 billion worth of projects have been detected, 13% of which in shipping & Logistics.

- **There will be new investments along the Silk Road.** Forecasts indicate that in 2020, thanks to these investments, China will reach an export of \$780 billion and an import of \$570 billion with the countries involved in the initiative.
- **Chinese investments in Mediterranean ports and terminals** have reached **€4 billion**. New investments in **2017**, amongst which there is **Valencia**, a remarkable keystone for the Chinese Dragon in the **Western Mediterranean**. This follows the operations **in the East (Piraeus)** and **in the North (Zeebrugge)**, especially important to the management of transshipment for goods directed to the UK and Scandinavian countries.

### Naval gigantism is still a significant trend and alliances between carriers continue

- **The strategy of the great alliances - 2M, THE Alliance, Ocean Alliance** - which now cover 82% of global capacity, continues to be pursued. In particular, on East-West routes, these control 93% of total traffic.
- **Naval gigantism era will continue in the future.** Until 2020, there will be 582 mega-containerships in the 10,000-23,000 TEU category, and 123 of these will belong to the 18,000-23,000 TEU class.

### Italian ports are growing, the reform has shown the first positive consequences and there is renewed awareness of a potential key role for Italy in the new geo-economic scenario

- **In Italy, the international component of maritime transport is growing.** In 2017 our maritime import-export amounted to over €210 billion, showing a 12.4% increase on the previous year.
- **38%** in value of Italian import-export travels by ship. This share exceeds **70%** when we consider exchanges in terms of volume.
- **China is one of our main partners.** China is one of Italy's major partners in terms of maritime import-export, which accounted to nearly €30 billion in 2017.
- **In 2017 Italian ports exceeded half a million tonnes.** Outstanding results were shown in the RO-RO sector, recording 107 million and +8.5% on 2016, record-breaking figures compared to the last decade.
- **Italy keeps its leading position in Short Sea Shipping in the Mediterranean.** Italy is the first country in the EU28 in terms of goods transport by Short Sea Shipping in the Mediterranean, with 218 million tonnes of goods transported (market share 36%).

### **SRM's Geo localizations continue on naval routes. These have recently been expanded to include small and medium container ships and Ro-Ro vessels. Some of the main data**

#### **Container Traffic**

- Since 2012 the presence of container ships in the Mediterranean bigger than 13,000 TEUs has increased by 37%, while that of the category 3,000-7,000 TEU has decreased by 18.7%.
- The number of ships transiting through the Mediterranean and bigger than 3,000 TEUs which call at least one Italian port has increased by 8%, and that of ships over 13,000 TEUs has grown by 56%.

#### **The 3 big alliances (2M, Ocean Alliance e The Alliance)**

- Since 2012 the presence in the Mediterranean of ships bigger than 13,000 TEUs belonging to the 3 big alliances has increased by 54.4%. if we consider vessels bigger than 3,000 TEUs transited in the Mediterranean the trend accounts to -10.2%. The number of ships bigger than 13,000 TEUs that transited through the Mediterranean and belonging to the Ocean Alliance has increased by 341.4%.
- Overall presence of ships bigger than 3,000 TEUs in the Greek port of Piraeus, recently involved in Chinese investments carried out by Cosco, has grown by 47% whereas that of vessels bigger than 7,000 TEUs has increased by 75%.

#### **Ro-Ro Traffic**

- SRM has detected 70,000 daily positions of Ro-Ro ships in the Mediterranean (year 2017). Since 2012 the number of Ro-Ro ships in the Mediterranean has increased by 7.4%.
- Since 2012 the number of Ro-Ro ships transited in the Tyrrhenian sea has increased by 15.4%.
- Since 2012 the number of Ro-Ro ships transited in the Adriatic Sea has increased by 39.2%.