



Short Sea Shipping links in the Western Mediterranean

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We believe ports can:



provide business opportunities



contribute to sustainable supply chains



be innovation hotspots



enable trade flows



create high productive employment

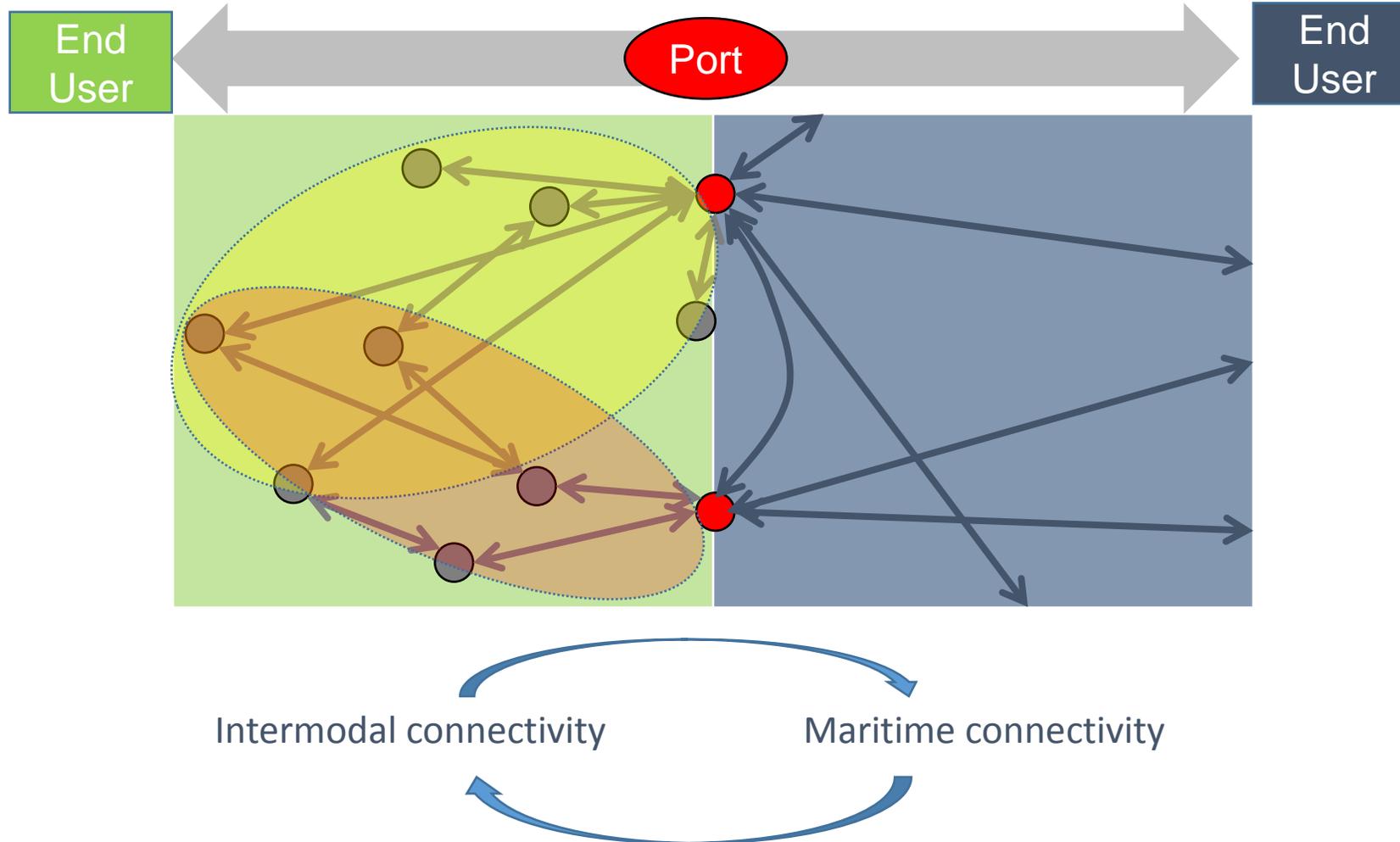


develop into vital economic clusters

Context: distance matters for trade flows – unlocked potential

- The larger the distance between countries, the smaller the trade flows between them.
- This is still the case, notwithstanding the huge improvements in international transport systems.
- Maritime transport continues to be a barrier to trade Three examples:
 - Spain exports more to Portugal (7%) are as high as those to Italy (7%) even though the Italian economy is over five times larger than the Portuguese one!
 - Spain exports more to Belgium than to Morocco!
 - Italy exports more to Switzerland than to all North African countries combined!
- This clearly shows that distance still matters in trade and that maritime transport imposes trade barriers.

Important theme: New Service Development (NSD).



Favourable (policy) environment for NSD

- New scheduled freight services create economic & societal value
- Within the EU, freight transport has doubled within 30 years and forecasts suggest an ongoing growth-> increasing road congestion and environmental concerns
- Intermodal & shortsea transportation: alternative to road transport (and potential source of competitive advantage for shippers / ports / countries)
- Regional and national policymakers and companies:
 - promote initiatives
 - set transport mode shift goals
 - provide financial assistance and invest in intermodal transport



However...

NSD often does not emerge

Creation of new intermodal freight services is problematic and often unsuccessful.

- Case studies show service developers reluctant to take risks.
- Developers cannot capture ‘value for society’.
- Many freight transport companies are focused on operations.
- beneficiaries of subsidies (generally intermodal operators) often decide either not to implement approved projects, to stop them or reduce the scope of the services.
- NSD often requires cooperation, which increases complexity.

NSD is required to attract more volumes/ improve competitive position



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- Early mover advantage through NSD. Example: Hamburg (70 weekly trains to Bavaria compared to 6 from Rotterdam).
- Underutilized assets need NSD to grow.
- NSD challenges ports in Andalucia:
 - Algeciras: Improved hinterland connectivity (Madrid & beyond).
 - Malaga, Cadiz & Huelva: improved maritime connectivity (shortsea & deepsea). Both Cadiz & Malaga are way below record throughput levels.
 - All: developing new RoRo services.