

The Infrastructural and Multimodal Scenario in the CEI Area

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Infrastructural and Multimodal connectivity as factor of development and integration

Milan, 15th November 2019

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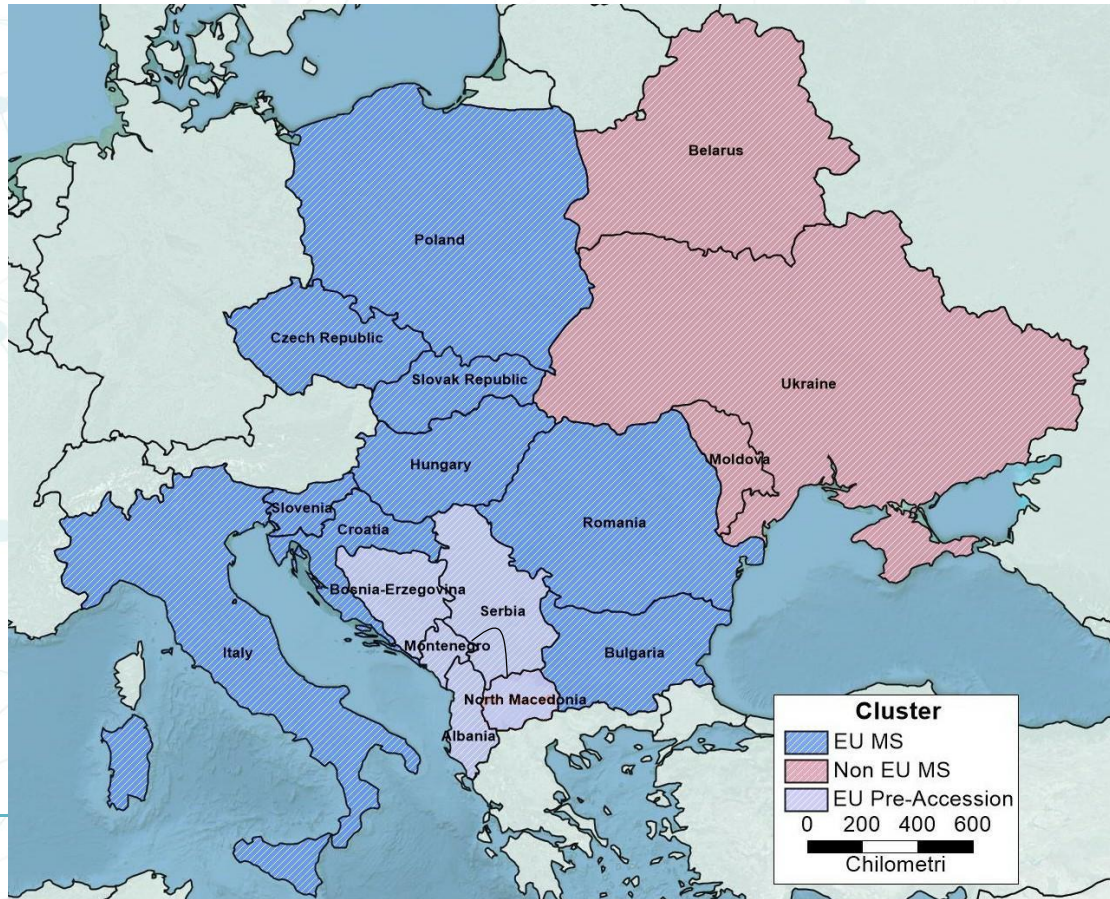


1. CEI's Area perspectives
 2. Economics of the CEI Area
 3. Italy and the CEI Area
 4. Future developments of CEI intermodal transport networks
 5. Conclusions
-

A satellite night view of Europe, showing the continent's outline and the glowing lights of cities and towns. The lights are concentrated in major urban centers and along coastlines, creating a network of bright spots and lines against the dark background of the night sky. The text "CEI's AREA PERSPECTIVES" is overlaid in a semi-transparent blue banner across the center of the image.

CEI's AREA PERSPECTIVES

CEI's AREA PERSPECTIVE COUNTRIES BREAKDOWN



CEI Region – 17 countries – 3 Clusters:

• CEI EU MS:



9 countries [IT, SI, HR, BG, RO, HU, SK, CZ, PL]

• CEI EU pre-accession:



4 countries [BIH, SRB, ME, AL, NM]

• CEI non EU:



3 countries [UA, BY, MD]

CEI's AREA PERSPECTIVE

EU MACRO REGIONAL INITIATIVES

EU Strategy for the Baltic Sea Region (2009)

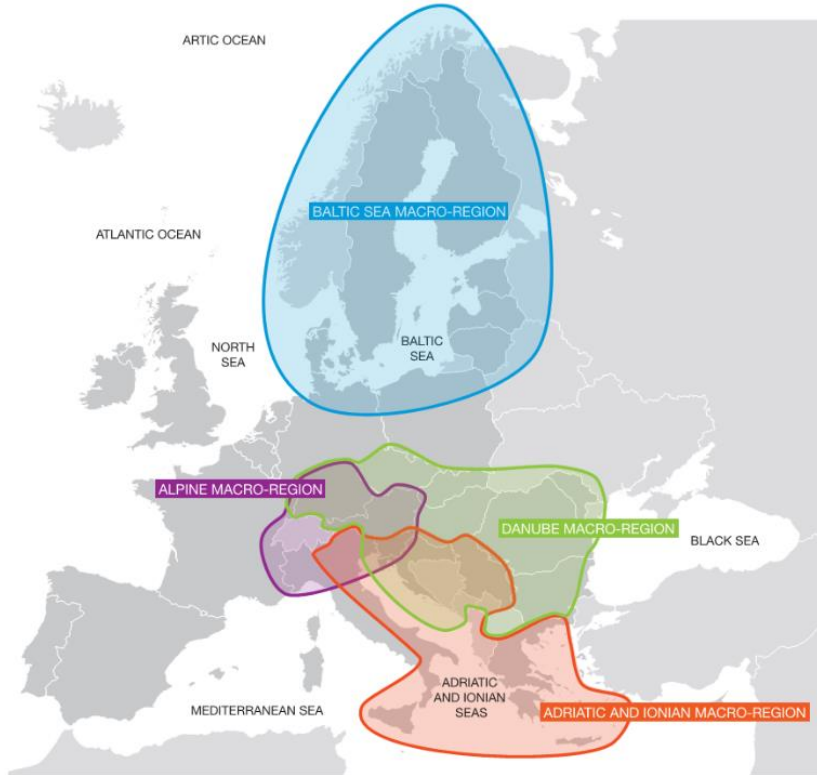
EU Strategy for the Danube Region (2010)

EU Strategy for the Adriatic and Ionian Region (2014)

EU Strategy for the Alpine Region (2015)

KEY FEATURES

- ❑ No new EU funds, legislation or formal structures
- ❑ Optimal use of all existing financial sources
- ❑ Better implementation of existing legislation
- ❑ Better use of existing institutions at all levels
- ❑ Bridge between EU and local policymaking



In 2014 the political leaders of the Western Balkan countries Albania, Bosnia and Herzegovina, North Macedonia, Kosovo, Montenegro and Serbia met for the first time under the term **Western Balkans Six (WB6)** in Berlin



MEMBER STATES INVOLVED

AUSTRIA, BULGARIA, CROATIA, FRANCE, GREECE, GERMANY, ITALY, POLAND, SLOVENIA AND THE UNITED KINGDOM



European Commission

2014

Launch of Berlin Process

aimed at enhancing the cooperation among Western Balkans, which includes the integration of connections and Transport System



2015

Proposal of TEN-T extension to Western Balkans

Based on the proposal, EU Commission updates TEN-T maps for the Western Balkans region in 2016.



2018

Sofia Declaration

*EU and WB Countries agree on **Priority Agenda** including the launch of a new package of connectivity project through the **Western Balkans Investment Framework***

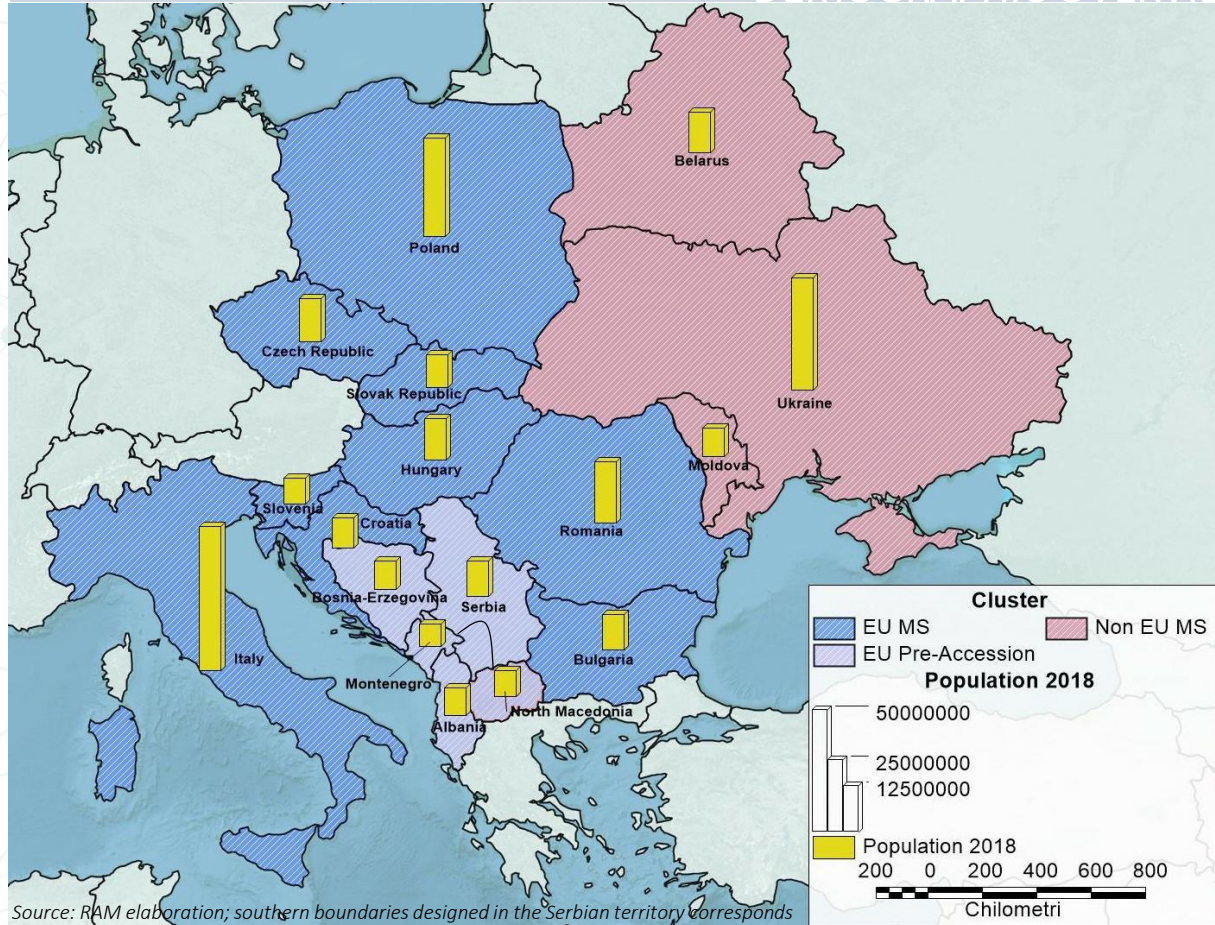


2017

Transport Community

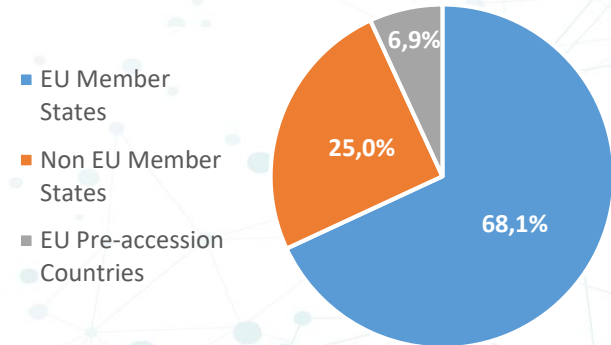
During the Trieste Summit, the "Transport Community" was founded by the Treaty and ratified by all partner (Council Decision EU (2019/392)).

CEI's AREA PERSPECTIVE DEMOGRAPHIC OVERVIEW

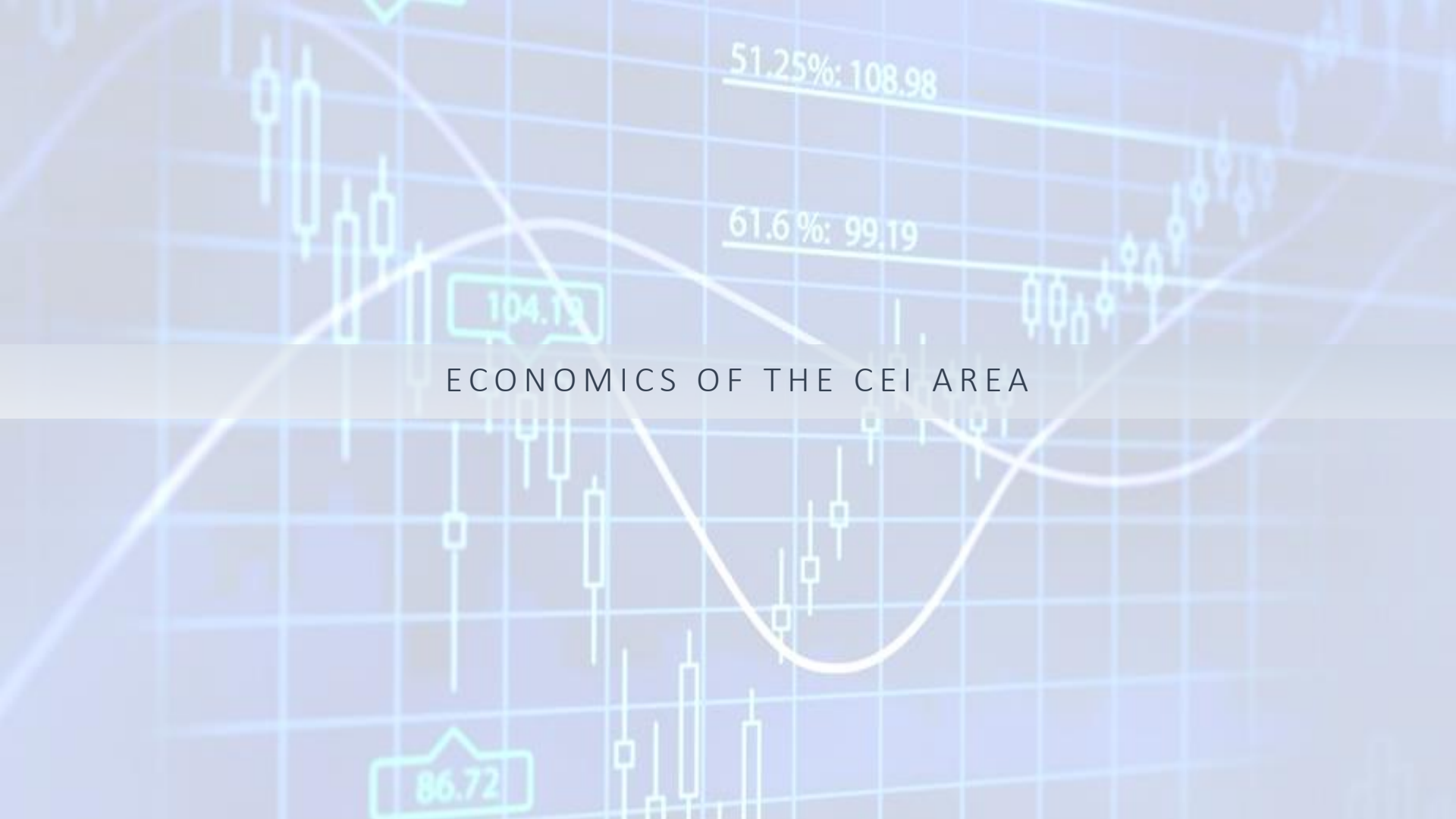


CEI Region: Population **>230 Mln Inh. in 2018**, in slight decrease over the past 10 years (-1,1%):

- CEI EU MS Cluster: 156,9 Mln inh.
- CEI EU pre-accession: 15,8 Mln inh.
- CEI non EU: 57,6 Mln inh.



Source: RAM elaboration; southern boundaries designed in the Serbian territory corresponds to Kosovo

A financial chart with a light blue background and a grid. It features candlestick price data and two curved trend lines. The top trend line is labeled '51.25%: 108.98' and the middle trend line is labeled '61.6%: 99.19'. A price point of '104.19' is highlighted in a box, and another price point of '86.72' is also highlighted in a box at the bottom left.

51.25%: 108.98

61.6%: 99.19

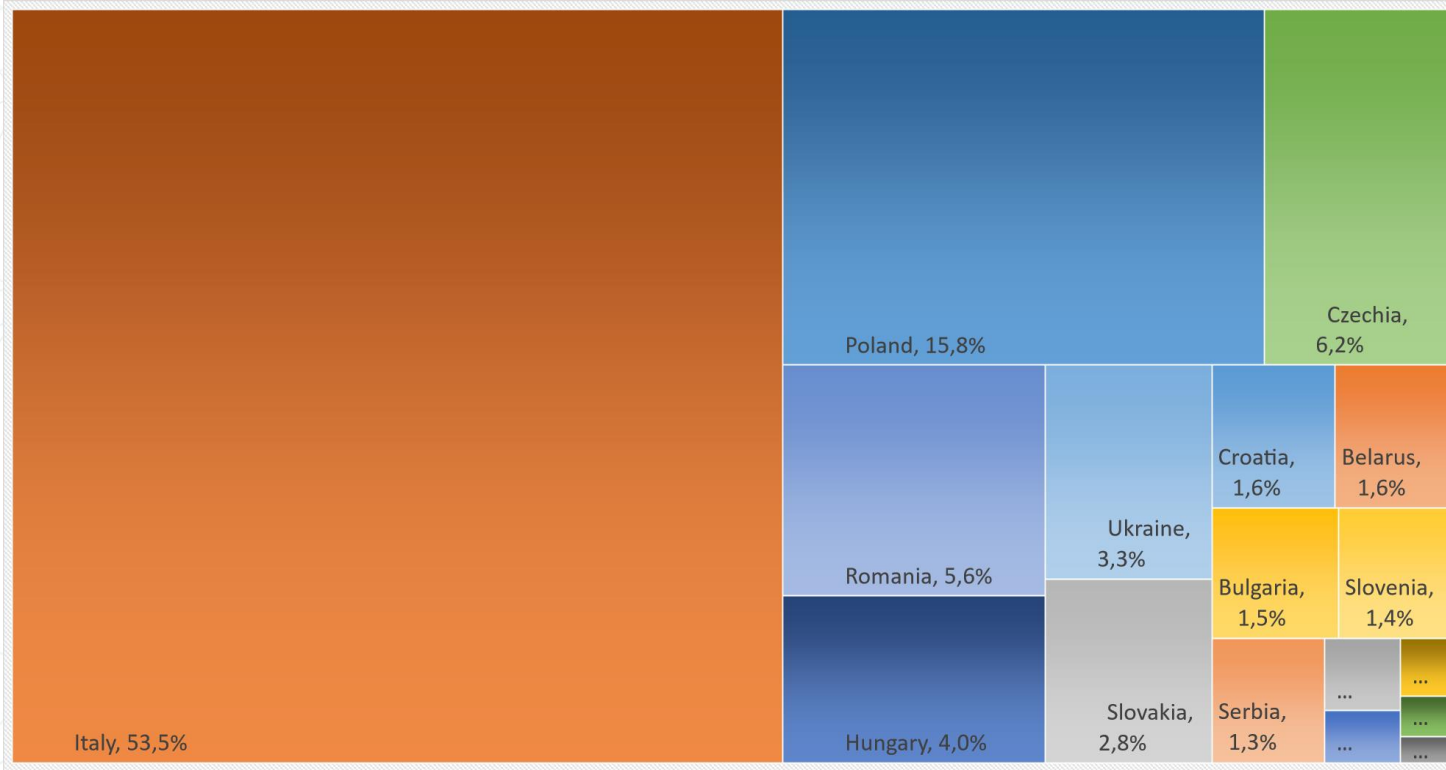
104.19

86.72

ECONOMICS OF THE CEI AREA

ECONOMICS OF THE CEI AREA

CONTRIBUTION TO CEI GDP



CEI GDP 2018 **3.999 Bln €**

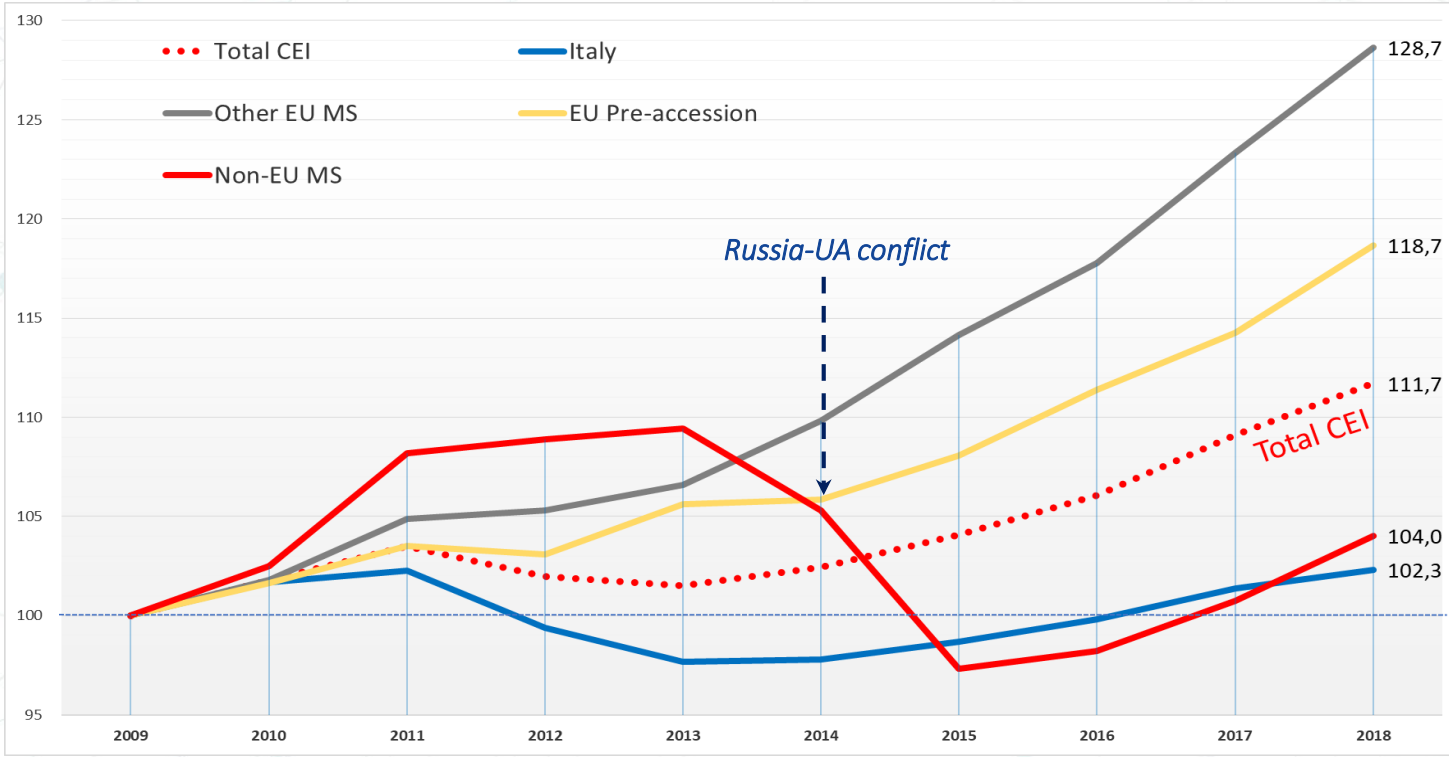
Breakdown of CEI 2018
GDP and population
geographical components:

	% CEI GDP	% CEI Pop.
Italy	53,5%	26,2%
Other EU MS	38,9%	41,9%
Pre-Accession	2,6%	6,9%
Non EU MS	5,0%	25,0%

ECONOMICS OF THE CEI AREA

GDP TRENDS

GDP [in \$, constant prices 2010]



CEI GDP change 2018-2009: + 11,7%;

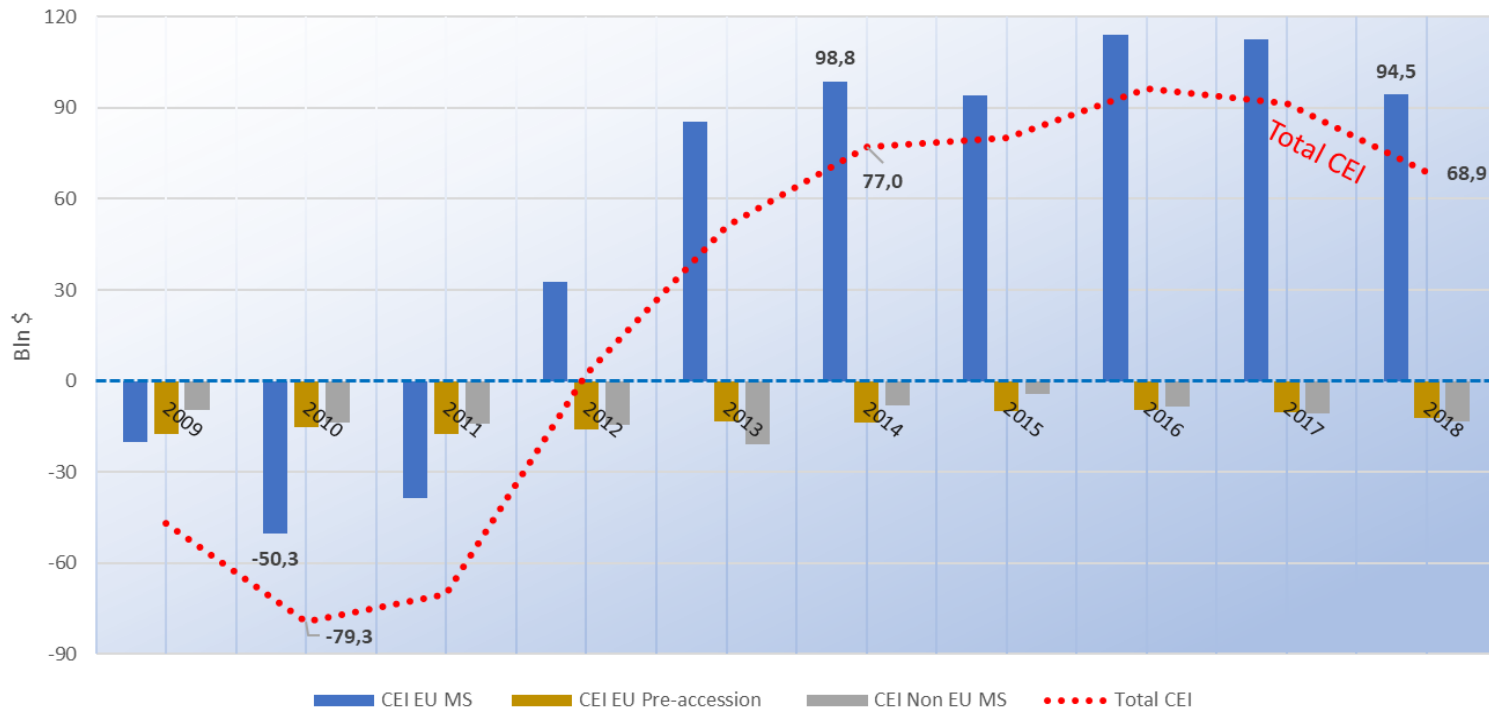
- High performance of “new EU MS” with a 2009-2018 average change of +28,7% (PL, RO and SK >30%);
- CEI EU pre-accession: all countries registered a GDP increase > +15%, especially in Albania and Montenegro
- CEI non EU: high increase in Moldova and Belarus GDP's

Source: RAM elaboration on UNCTAD data, values in \$, constant prices 2010; index 100= 2009 values

ECONOMICS OF THE CEI AREA

TRADE BALANCE

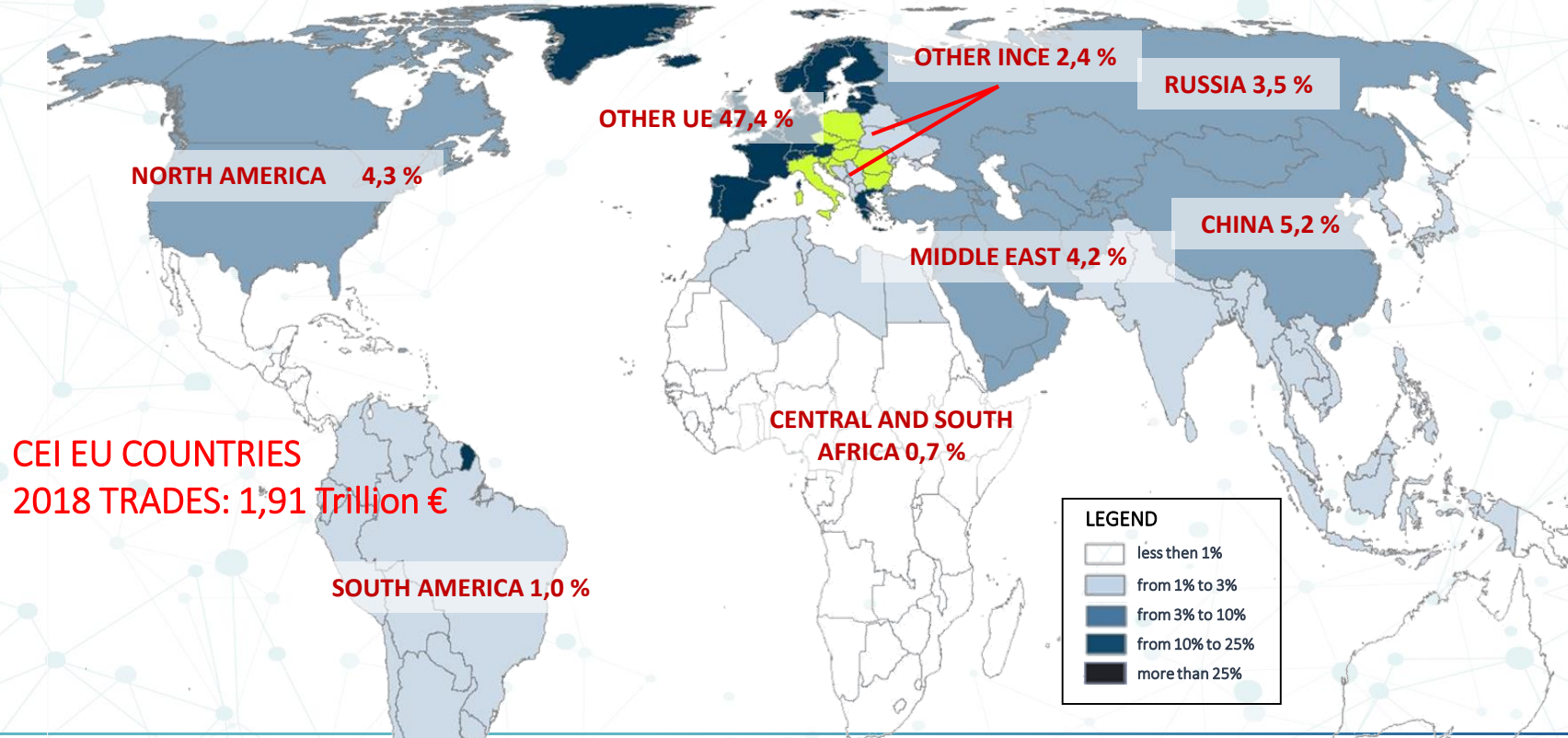
Trade Balance [Export-Import goods and services, Bln \$, constant prices 2010] CEI countries



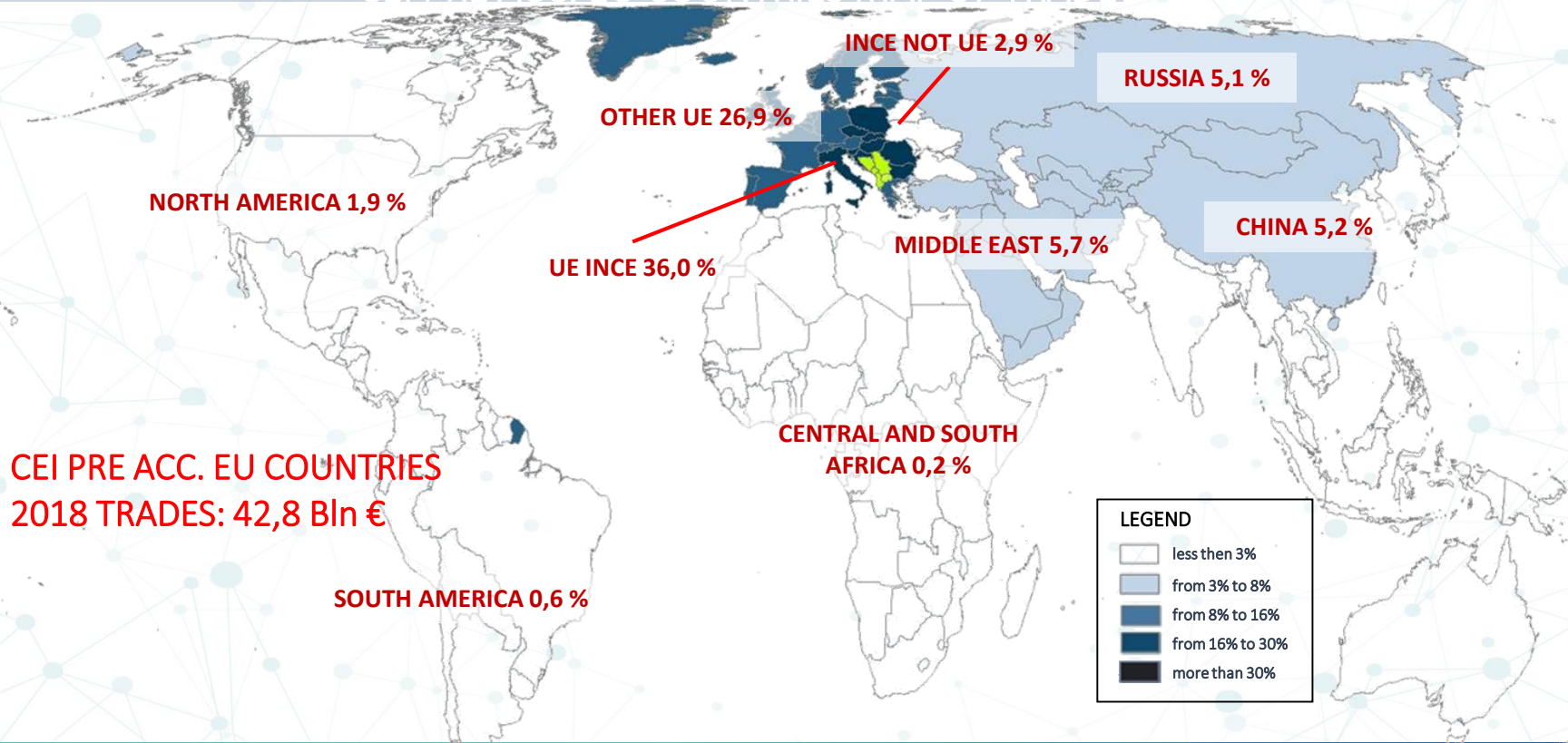
- Since 2012 high increase of export flows in CEI EU countries (in particular IT and secondary PL and CZ) with an aggregate surplus of 94,5 Bln in 2018;
- Pre-accession and Non EU countries high importers of industrial goods and services

ECONOMICS OF THE CEI AREA

CEI EU COUNTRIES MAP OF TRADE

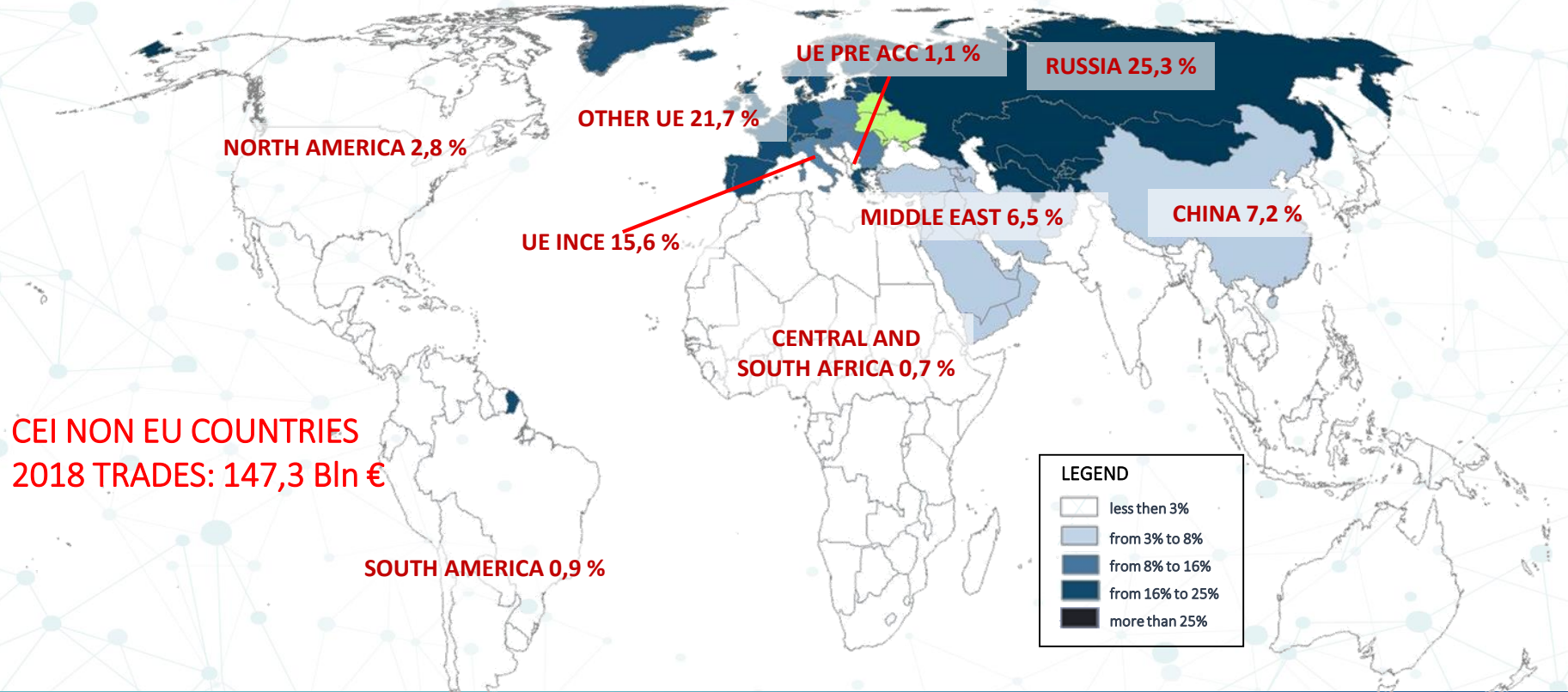


Source: RAM Elaboration from Comtrade Data and "World Countries" shape file downloaded from <http://tapiquen-sig.jimdo.com>.



ECONOMICS OF THE CEI AREA

CEI NON EU COUNTRIES MAP OF TRADE

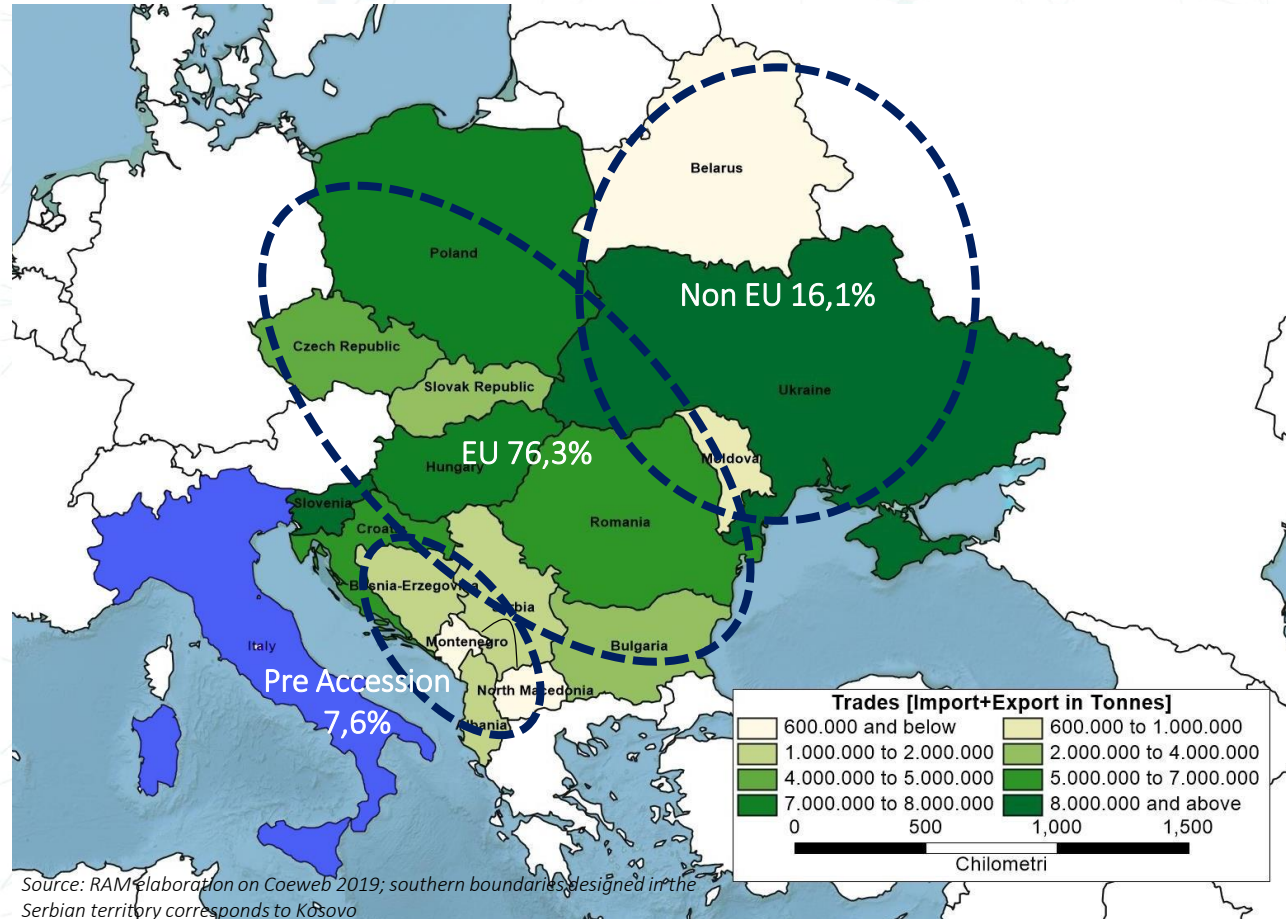




ITALY AND THE CEI REGION

ITALY AND THE CEI REGION

TRADE FLOWS



Merchandises trades Italy-CEI in 2018:

- 57,86 Mln tonnes (a share of around 12,4% of total IT-world trades)
- 99,2 Bln € (a share of around 11,2% of total IT-world trades)

Change 2009-2018 IT-CEI trades +52%:

- IT-CEI EU MS +48%
- IT-CEI Pre-Accession +4%
- IT-Non EU MS +111%

ITALY AND THE CEI REGION

TRADE FLOWS MODAL SPLIT

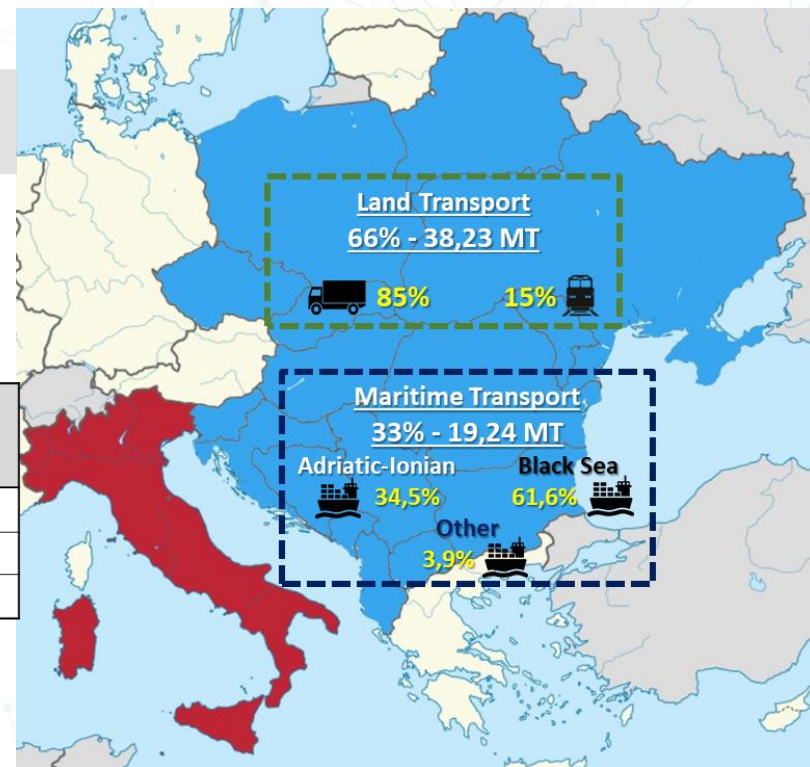
General Modal split:

MODAL SPLIT IMPORT-EXPORT IT-CEI in volume



Modal split per clustered area:

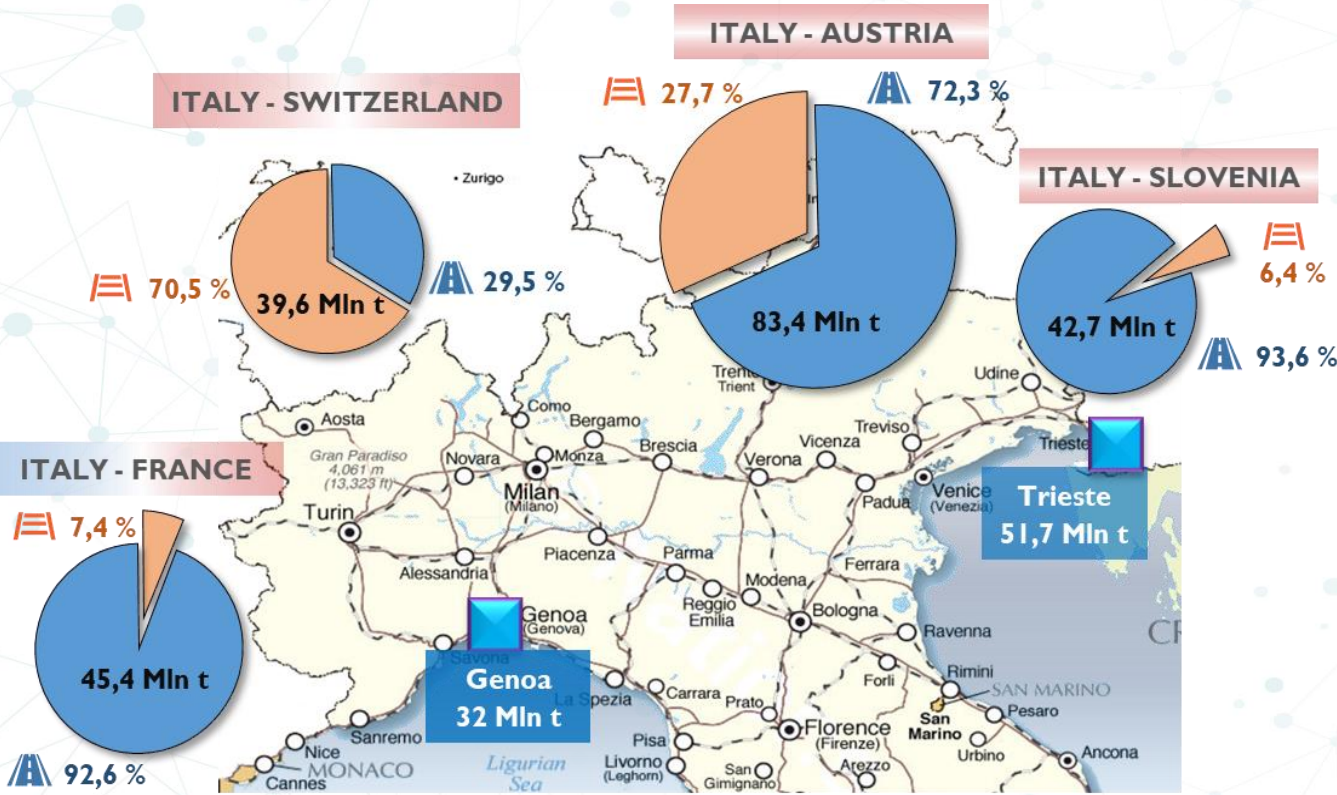
IT-CEI Import Export [2018 volumes]						Total
CEI EU MS	0,8%	19,6%	12,1%	67,4%	0,03%	100%
CEI Pre-Accession	0,01%	49,4%	5,5%	44,6%	0,02%	100%
CEI Non EU MS	0,0%	89,8%	0,4%	9,8%	0,01%	100%



Source: RAM elaboration on Coeweb 2019; the non allocated quantities have been proportionally redistributed on single transport modes. Maritime transport in Black Sea region embeds the maritime flows with Ukraine, Belarus, Romania and Bulgaria; Adriatic Ionian region embeds maritime flows with Albania, Croatia, Slovenia, Serbia, BIH, North Macedonia and Montenegro; Other includes the other CEI countries

ITALY AND THE CEI REGION

NODES AND AXIS OF ITALIAN INTERNATIONAL TRADE FLOWS

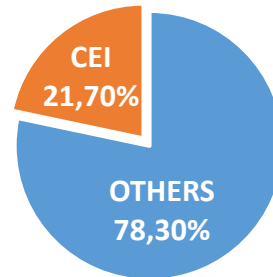
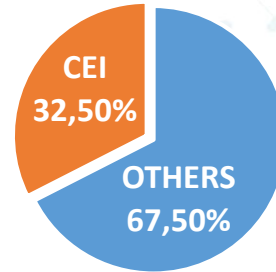


- Traffic freight flows 2018 on IT cross border sections: **211,1 Mtonn** of which:
 - Road: 153,9 MlnT - 72,6%
 - Rail: 57,2 MlnT - 27,4%
- Port of Genoa** gateway for flows on North-West Europe route;
- Port of Trieste** gateway for North-East Europe route with frequent direct rail connections to Budapest Bilk (HU), Dunajská Streda (SLK) and Ostrava (CZ) as well as relaunched connections to Praha and Brno (CZ)

ITALY AND THE CEI REGION

OPEN ISSUES

IT-CEI OCCUPANCY ON 2018 ITALY-AUSTRIA AND IT- SLOVENIA CROSS BORDER SECTIONS

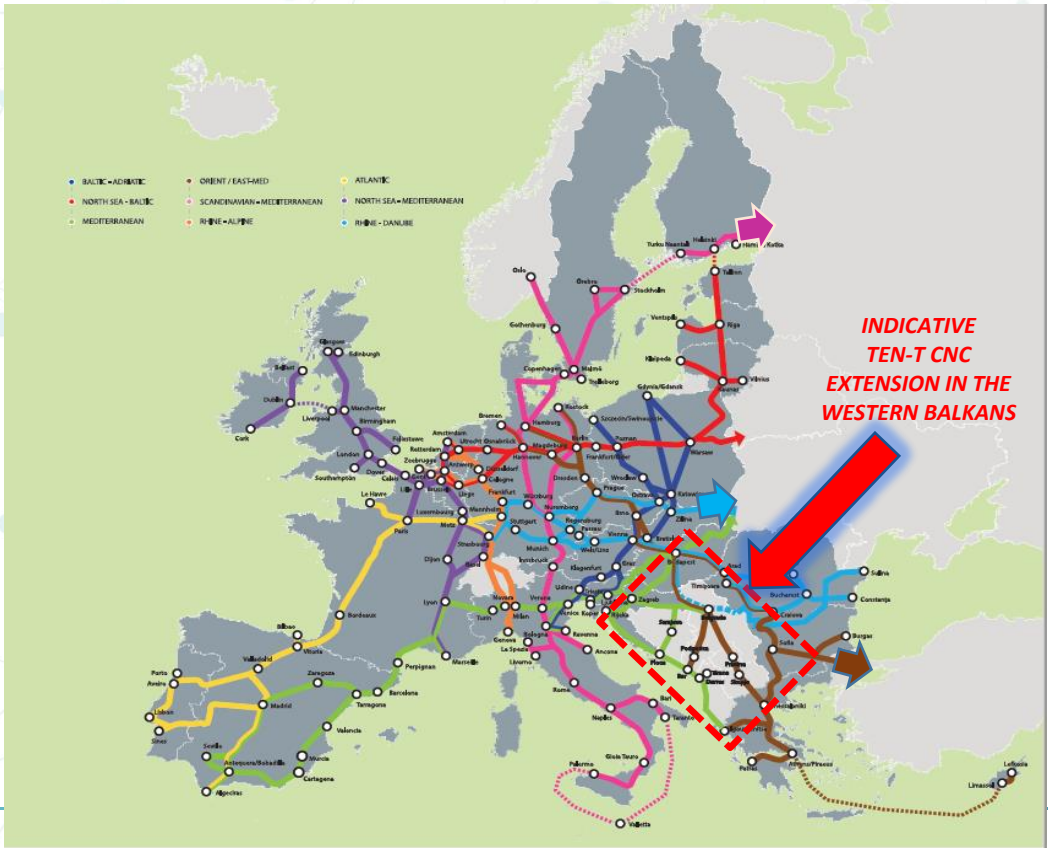


- Elasticity ratio observed in 2009-2018 GDP/freight traffic trends with CEI region: **decoupling x 4.4;**
- Current unbalanced and unsustainable modal split on IT-CEI freight trades, with needs to invest in:
 - new/upgraded railway infrastructures in cross-border sections and national axis;
 - railway interoperability and administrative simplification
 - implement international multimodal services

An aerial, high-angle photograph of a multi-lane highway. The road curves through a landscape of green trees and some buildings in the distance. The image is heavily blurred to create light trails from the vehicles, suggesting high speed. A semi-transparent grey horizontal band is overlaid across the middle of the image, containing the text 'FUTURE DEVELOPMENTS OF CEI INTERMODAL TRANSPORT NETWORKS' in a clean, sans-serif font.

FUTURE DEVELOPMENTS OF CEI INTERMODAL TRANSPORT NETWORKS

FUTURE DEVELOPMENTS CEI INTERMODAL TRANSPORT NETWORK TRANS-EUROPEAN TRANSPORT NETWORK EXTENSION



THE 9 TEN-T CORE NETWORK CORRIDORS (CNC) & THE INDICATIVE EXTENSION IN THE WESTERN BALKANS

- NORTH SEA-BALTIC**
- RHINE-ALPINE**
- SCANDINAVIAN-MEDITERRANEAN**
- BALTIC-ADRIATIC**
- ATLANTIC**
- ORIENT-EAST-MEDITERRANEAN**
- MEDITERRANEAN**
- ORIENT-EAST MEDITERRANEAN**
- RHINE-DANUBE**

Source: elaboration of RAM on TEN-tec source

FUTURE DEVELOPMENTS CEI INTERMODAL TRANSPORT NETWORK

BELT AND ROAD INITIATIVE



Key

- Silk Road Economic Belt
- New Maritime Silk Road

Projects subsumed under China's Belt and Road initiative

- Gas pipelines
- Oil pipelines
- Existing railroads
- Planned
- Proposed economic corridors



CEI's Region is the intersectional area of the land and maritime China-EU routes on the Belt and Road Initiative

2018 modal split EU 28-China trades:

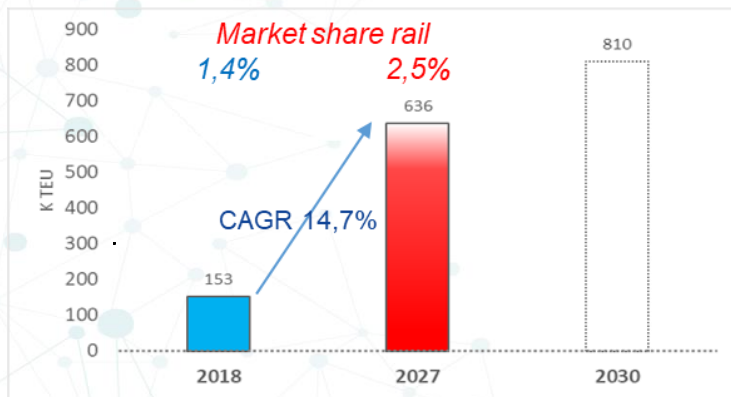
- in values: worth 578,8 Bln €
- Seaborne: 62,8%
- Rail: 2,7%
- Road: 6%
- Air Cargo: 28,5%
- in volumes: around 113,4 Mln T
- Seaborne: 93,3%
- Rail: 1,4%
- Road: 3,3%
- Air Cargo: 2%



Forecasting Belt and Road Initiative impacts on CEI transport system

Railway:

- Forecasted limited share of railway mode on Eurasian corridor - UIC estimation for baseline scenario in 2027 636 KTEU on rail



- capacity of national infrastructures might be used just for “transit flows” with limited value added and congestion issue

Maritime:

- Port of Trieste as macro-regional gateway hub on Far East-CEI trades for:
 - High maritime connectivity on deep sea services
 - Current intermodal accessibility
 - Planned terminal increase capacity investments



CHALLENGES AND ACTIONS

GOVERNANCE

Strengthening a coordinated governance process from the political, financial and technical point of view

VISION

A sustainable and efficient integration between TEN-T and BRI

LAND TRANSPORT SYSTEM

The current unbalanced modal split on IT-CEI freight trades and the GDP growth forecast in Eastern countries rise a serious challenge on the adequacy of the planned investments in railway transport, considering the saturation of the main entry/exit sections (see IT cross-alpine borders) and the future flows from BRI

MARITIME TRANSPORT SYSTEM

High potential to shift part of the current road traffic flows on Motorways of the Sea on the Adriatic-Ionian Sea routes Italy, and especially Trieste, as the main gateway hub port on international traffic serving CEI area

Thank You for Your Attention

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