

The Cold Cruise

THE EQUIPMENT USED IN THE NORTH TO RECEIVE THE EXODUS FROM THE MED

DOUBLE FOCUS

CONTAINER WEIGHING AND LIVORNO: 34 PAGES

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Bizerte the Blue
The ancient Tunisian city is attempting a relaunch

LEGAL

The Italian Port Governance Reform is passed

INTERVIEW

Ugo Salerno, C.E.O. of RINA



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RIGHT The Church of Our Saviour in Saint Petersburg. On the next page, the city's terminal

The Cold Cruise

by **MATTEO MARTINUZZI**, Stockholm

THE BALTIC SEA has become an ever more popular cruise destination, given the concerns that the Mediterranean is experiencing partly because of the instability in North Africa, Turkey, the Middle East, and the temporary ban on major passenger ships in one of the traditionally most visited destinations, **Venice**.

The voyage on board the "Norwegian Star", a Norwegian Cruise Line unit, **was an auspicious occasion to study the Baltic Sea area**, which promises significant growth for the cruise market in the coming years.

Because of the weather, **the peak months for this destination are from May to September**, the period when the majority of the traffic is scheduled.

Statistically, the Baltic Sea is considered part of the macro area of Northern Europe (it includes the Fjords, the British Islands and the North Sea) and therefore the numbers provided by CLIA, **the Cruise Lines International Association**, are for an area that is larger than what we are discussing here. **In any case it is interesting to report these numbers to better understand the cruise phenomenon in Europe's cold seas.**

CLIA's complete statistics from 2015 are not yet available, **so we are reporting partially those from 2014 and those already pub-**

lished for 2015.

In those two years there were a total of 101 cruise ships active in Northern European waters with a capacity of 126,283 beds, **resulting in an average of 1,250 beds per ship.**

On the whole these figures translate into a potential 1.51 million passengers on 1,184 cruises, with a total capacity of 13.49 nights spent by passengers on board ship, **with an average duration of 8.93 nights per cruise.**

The Baltic Sea represents the largest segment of the Northern European market, **generating a capacity of about 4.99 million passenger-nights.**

In 2015 this number rose to just over 5.1 million as per the broadest growth scenario for the sector in Northern Europe, **recording 8.4% growth.**

What follows is an analysis of the logistics at Baltic ports and their desirability as ports of call.

COPENHAGEN

This important destination for cruise tourism has four passenger terminals; Langelinie Quay, Nordre Toldbod, **Freeport and the new Ocean Quay.**

The latter was inaugurated in 2014 and has three berths for the new generation of cruise ships, **each with its own independent maritime station.**



LEFT The cruise terminal of Copenhagen

RIGHT The access canal to Stockholm: villages face the waterway while large ships pass by





60% of the traffic is now concentrated in this area, which includes, most importantly, **a home porting service.**

Other ships are berthed in the other ports closer to the city centre.

Although the Ocean Quay facilities are new and functional, their logistics leave a bit to be desired. In fact, to reach the Ocean Quay terminal, **a tourist who flies into the Copenhagen airport,** must first take the metro to the city centre and then travel with luggage in hand on two more local buses.

It is a bit too complicated, and the only alternative is a very expensive taxi, **because of Denmark's high cost of living.**

In fact, all the additional expenses, like a hotel room, a dinner or a souvenir (**typical expenses for a cruise tourist in a ship's home port**) are already quite expensive for a Southern European traveller's budget.

WARNEMÜNDE

Warnemünde is a suburban neighbourhood of Rostock that belongs to the city's first district, **and which overlooks the Baltic Sea.** It is a small but welcoming seaside resort.

It has a cruise terminal that can receive two large cruise ships and most importantly, has excellent logistics, because the rail station is right outside the terminal and this makes it possible to reach it in less than a half hour from the historical centre of Rostock, which can boast architecture in the Baltic Gothic style, **despite the damages it sustained during the Second World War.**

But Warnemünde is most important as a port for travellers to Berlin, **which can be reached in two to three hours by train or bus.**

Given the large number of low-cost flights to Berlin from Southern Europe and the possibility of finding lodging in the area at excellent prices, Warnemünde can serve as a secondary home port.

TALLINN

The city port has cutting-edge facilities, particularly for ferry traffic, **since it is a strategic port for this mode of transport.**

Furthermore there are two parallel lines of docks that can receive a maximum of four large cruise ships.

The latter are not equipped with a maritime station, **because cruise ships usually only call in Tallinn,** and do not carry out home porting operations.

The historical centre of the medieval city is very close to the dock for passenger ships and can comfortably be reached on foot.

This Hanseatic port went by the German name of Reval until Estonia gained its independence from Russia in 1918, when it changed to Tallinna, **receiving its current name in 1933.**

The historical centre has three separate parts: the first is Cathedral Hill, where the bishops, the Teutonic Knights and finally Baltic Germany's nobility had their centres of power; **today the buildings of Estonia's government are located here,** as well as many embassies and it is the destination for diplomatic delegations.

Then there is the Old City, that is, the old Hanseatic urban nucleus, which was a centre of commerce during the Middle Ages, **and only joined the Hill politically at the end of the 19th Century.**

Finally there is the Estonian city, which is located south of the Old City.

This is the neighbourhood where the Estonians settled, **who went on to become the most numerous ethnic group in the city in the mid-19th Century,** exceeding the Baltic Germans.

SAINT PETERSBURG

Saint Petersburg is the most important destination for any cruise ship on the Baltic Sea.

Whoever buys a ticket for a



LEFT The Tallinn cruise terminal

RIGHT The Little Mermaid, the most famous symbol of Copenhagen's port area





cruise in this area does it primarily to visit the Tsars' capital city. This Russian city of art and culture is a magnet for cruise ship traffic, **synonymous with Venice in the Adriatic Sea.**

Going to watch the famous opening of the enormous bridges over the Neva River opposite the Winter Palace is a must-do.

Small ships can nearly reach the centre of the city, berthing in the Neva River (but port fees are much higher); the rest go to the new Marine Facade terminal (completed in 2011) **which is located on the Vasilyevsky Island about 10 kilometres by road from the heart of the city.**

It is a large and functional structure equipped with a total of 2,171 metres of docks, **which can receive up to seven cruise ships of a maximum length of 340 metres.** There are three cruise terminals located here, **plus one dedicated to cruise-ferry traffic.**

In Russia, to disembark independently one must have a visa which costs about €150 including

posting the passport and consulate fees.

To remedy this and avoid queuing in the museums at the same time, it is possible to join "visa-less" **excursions offered by the ship or by a Russian tour operator.**

This is why cruises are often chosen as a preferred way to visit Saint Petersburg without having to go through the complicated and expensive process of getting a visa. **How can one bypass this obstacle?** Andrea Parodi, a consultant who is responsible for contact with Italian-language guests for Escursioni.ru explains: "Since 2003 (with Decree 532) and according to the updated legislation in the following years, the Russian government and the other relevant entities issued regulations that allow cruise ship passengers to cross the border at the Port of Saint Petersburg, even without the normal tourist visa, if they join organised excursions and comply with certain conditions, including the most important condition, which is always to

be accompanied by the assigned guide and to have a Tour Ticket issued by any Russian Tour operator, **provided that it is specially authorised by the Border Police and the Port Authority.**"

Even excursions that are sold by the ships can therefore only be carried out with the backing of a local agency, and obviously, as a result, the final price of the service offered is higher, **since part of the price paid by the passenger must go to the local company.**

Saint Petersburg is a city of art and culture with a cultural heritage without equal in this geographical area: it was founded by Peter the Great in 1703 with the construction of the Peter and Paul Fortress, which was meant to be a bulwark against a possible Swedish attack (**which never occurred**).

Given the historical and cultural richness of this port, **two days are hardly enough to get an idea of what Saint Petersburg has to offer.** The three things that a cruise tourist cannot miss are the Royal Palace of the Tsars at Pe-



terhof, the Church of Our Saviour on Spilled Blood, **and the Hermitage Museum**, keeping in mind that this vast architectural complex houses one of the largest art collections in the world, which alone would take several days to visit fully.

HELSINKI

After the beauty of Russia's city of art and culture, we continue with the Finnish capital city, maybe the most disappointing destination on this voyage, since this city truly has little to offer from historical and artistic points of view, except perhaps for its two, **Lutheran and Orthodox**, cathedrals.

Cruise ships that call at Helsinki berth at the Hernesaari or West Harbour terminals. The former is located in the industrial zone behind the covered basin of the former Kvaener-Masa Yards facility (**now Arctech Helsinki Shipyard**), while the latter is next to the facilities of the city's major ferry terminal, an im-

portant node for this kind of traffic.

STOCKHOLM

The last port of call on our trip is the Swedish capital, which one reaches after about five hours of sailing between islands and canals, a pleasant journey, **especially at sunset**.

This waterway is heavily trafficked and every day there is a column of ferries and cruise ships entering and leaving from the city's several ports, sailing along the coast of various villages only a few metres from the shore, **villages that live in harmony with this great aqueous highway**.

There are three major ports for cruise ships: Frihamnen, Stadsgården, **and Skeppsbron**.

The first is dedicated to the largest cruise ships, **and is furthest from the centre**.

The second is where the Norwegian Star berthed, and the third, which is dedicated to smaller ships, is located right on the main island of the historical centre,

Gamla Stan.

Gamla Stan is the urban nucleus of Stockholm, a city that is spread out over several islands, where the architecture of the historic buildings, the multitude of canals and luxuriant parks make a strong impression on a tourist, **especially on sunny summer days**.

The public transport system is very practical between the metro, tram and buses, although there are no direct links to the two main ports, **so one has to read carefully before disembarking**.

We mustn't forget that Frihamnen and Stadsgården are also important ports for ferry traffic, so besides cruise tourists, these areas are frequented by vessels going to Russia, **Estonia and Finland**.

Besides the city's historical and artistic patrimony, **it must be said that walking in the narrow streets of the centre allows one to dip into the life and culture of this Swedish city**, which is an excellent destination for cruise tourism.



Bizerte the Blue

The ancient Tunisian city is attempting a relaunch with a new mega marina with 300 berths and a dedicated “security team”

by **LEONARDO PARIGI**, Genoa



A NEW marina with 300 berths for boats up to 30 meters, an area for more than 50 yachts, **parking for 250 places.**

Are just some of the numbers of the new tourist port of Bizerte, **called Cap 3000.**

An investment of over 150 million Euros to redesign the Tunisian tourism after the attacks of 2015, **when Daesh did massacre of tourists at the Museum of Bardo and on the beach of Sousse.**

The most tragic moment of the new course of Tunis after the ouster of Ben Ali in 2011.

Today, Tunisia has decided to go further with strength, promoting events, **commercial and tourist partnerships with Europe.**

The port of Bizerte, projected even in the Mediterranean architectural style, is part of this overall project, **the revival of the North African country as a major tourist destination,** in anticipation of this summer and the next few months. The site, which also includes a residential complex of 280 luxury apartments and hotels overlooking the docks and the sea, **is also connected to the construction of two satellite-marinas of Jarzouna and Menzel Abderrahmane.**

The project, already revised and strengthened in recent months, **also saw the refurbishment of Gammarth harbor during last autumn.**

Cap 3000 is one of Tunis tools to bring not only in the country cruise tourism, or couples of backpackers, but also of a higher range tourists, **both for expenditure and for investment capacity.**

The terrible attacks of 2015 had to change course to dozens of cruise ships, leaving many resorts already booked empty, **making it even more dramatic economy that tourism has always invested a lot.** Today Tunis tip a revival in style.

Restaurants, bars, **hotels but also history and culture with the colors of Bizerte behind.** The port, however, is not something totally new. Eleven years of waiting for the construction of the harbor, **which is now one of the largest of the sector in the Mediterranean.** More than two thousand people will be directly and indirectly employed after the inauguration of Cap 3000, **which covers 35 hectares.**



Tunisian tourism had registered strongly negative numbers in the course of 2015.

Official figures from the Ministry of Tourism reported 60,000 less admissions than the previous year, **and 2016 has yet to be written.**

The tourism levels necessarily undergo a global situation of great uncertainty, **in addition to terrorism factor.**

Compared to 2010, a few months before the start of the so-called "Arab Springs" - that just started from Tunisia, spreading in a few months to many other states across the region - **2015 saw -50% of all booked nights across the country.**

Even the only arrivals at the Tunisian borders had slumped by more than a million and a half, **from 4.5 million visitors to three million people.**

Consequently, the income in the tourism sector had suffered a meltdown of -23% compared to five years earlier.

Today, Tunisia starts from one of its strengths to give new impetus to the whole economy, **despite**

having to deal with the widespread feeling of insecurity of the nowadays tourist flows towards the southern Mediterranean.

Not surprisingly, on the site of the new marina of Bizerte, **you can find a section dedicated to the safety of the new port.** «The Security Team of the Bizerte marina - the site reports - offers much more than just security: it delivers peace of mind and confidence across the residential, commercial, **and marina zone**». But security today requires very specific qualifications.

And therefore the new marina is also being protected by a security team trained in the United States Security Agencies with regard to high-risk situations: anti-terrorism, intelligence, hostage negotiation, and so on. This is not merely a sign of greater attention, **but the precise demands of the market to return to places frequented only a few years ago.**

The massacre in Sousse last year has led many Western governments to explicitly advise against travelling to Tunisia and resorts built for the great masses of French, **Belgian and British tour-**

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ists thronging the beaches. British tourism in the Sousse region has disappeared: **-98%**. The hospitality sector has had to equip with cameras, metal detectors, armed guards, **but trust is hard to come back.**

Last year, more than thirty hotels that have closed in the region, **out of a total of 96 accommodation.**

A 65 km as the crow flies from the capital, **Bizerte try today to get out of the crisis thanks to a more selected greater spending power custom.**

The city, which in ancient times enjoyed a privileged seafront facing Italy, **has undergone several upheavals in time.**

Conquered by Arab troops in 647 A.D., it went into the imperial orbit after the expulsion of the "invaders" **by the army of Charles V in 1535 during the conquest of Tunis.** Subjugated by the Ottomans in 1574, **the colorful town on the coast became a port from which went from the pirate raids against the Venetian and Genoese merchant fleets.**

Today could be born a new phase for the city, **based on tourism of the sea.**



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Israel and Turkey time for a thaw

by **UMUR UGURLU***, Istanbul

SINCE Turkey recognized Israel in 1949, Israel-Turkey relations have been one of the most important yet complex issues pertaining to Turkish foreign policy.

Military, strategic, and diplomatic cooperation between Turkey and Israel were accorded high priority by both countries, **which shared concerns with respect to the regional instabilities in the Middle East.** According to a New York Times report in 1999, the strategic partnership between the two countries had the potential to alter Middle East politics: Trade and tourism were booming, **the Israel Air Force practiced maneuvers in Turkish airspace and Israeli technicians were modernizing Turkish combat jets.** There were also plans for high-tech cooperation and water sharing.

Israeli-Turkish relations soured in 2010 after the deadly Israeli raid on the six-ship Turkish flotilla seeking to break the Israeli blockade on Gaza and to deliver aid to the Palestinians living there. On 2 September 2011, Turkey downgraded diplomatic ties with Israel and suspended military co-operation after the UN released its report of the "Mavi Marmara" raid.

In December 2015 Turkey and Israel reached "understandings" aimed at normalizing ties between the two countries, **following days of secret meetings in Switzerland.**

And finally a reconciliation agreement was announced on 27 June 2016 to end the six-year rift in the relation between both countries:

- *the Turkish Parliament will pass a*

law cancelling all appeals against Israeli soldiers involved in the killing of nine Turkish citizens during the Gaza flotilla raid and will also block any future claims;

- **commitment to stop terrorist or military activity against Israel on Turkish soil including funding and aid to such activities from Turkey.** Palestinian movement Hamas will be allowed to operate on Turkish soil but only as a political movement;

- **Turkey will accept to send all aid to the Gaza Strip through Israel and then from Israel to Gaza on land;**

- **Israel will allow Turkey to advance humanitarian projects in the Gaza Strip, such as building an hospital, power station and a desalination station, all subjected to Israeli security considerations;**

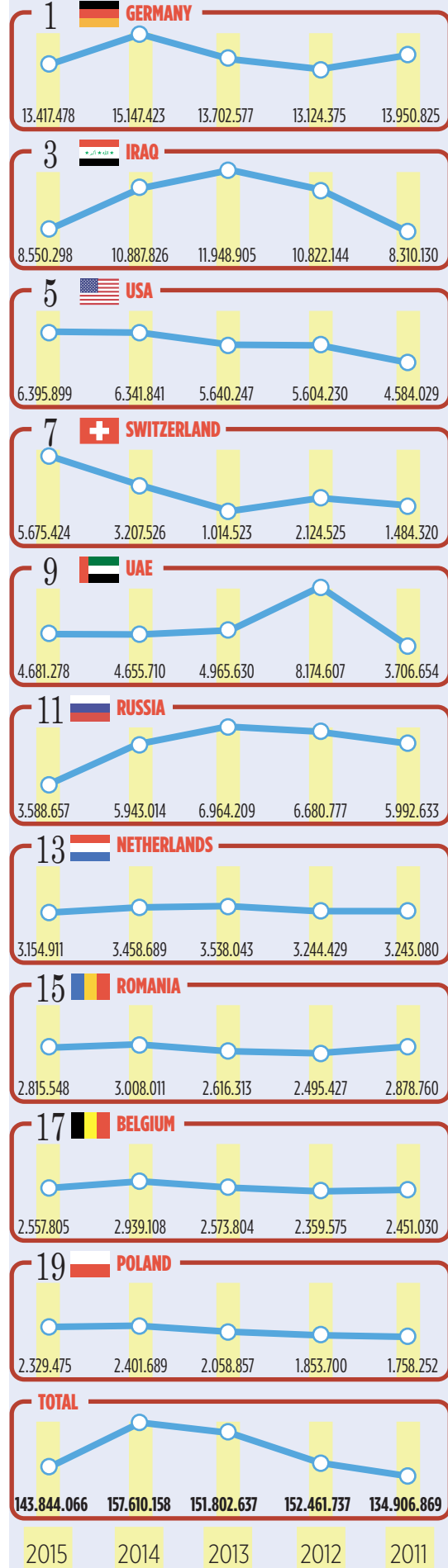
- **Israel will give \$20 million as compensation for the families of those who died and were injured in the raid.** The money will be transferred through a humanitarian fund in Turkey. An Israel official said the money will be transferred only after the Turkish parliament will pass the law renouncing all appealings against Israeli soldiers involved in the incident;

- **the two countries will start a process of renormalizing their relations, reappointing ambassadors to Ankara and Tel Aviv and ending all sanctions between the two.**

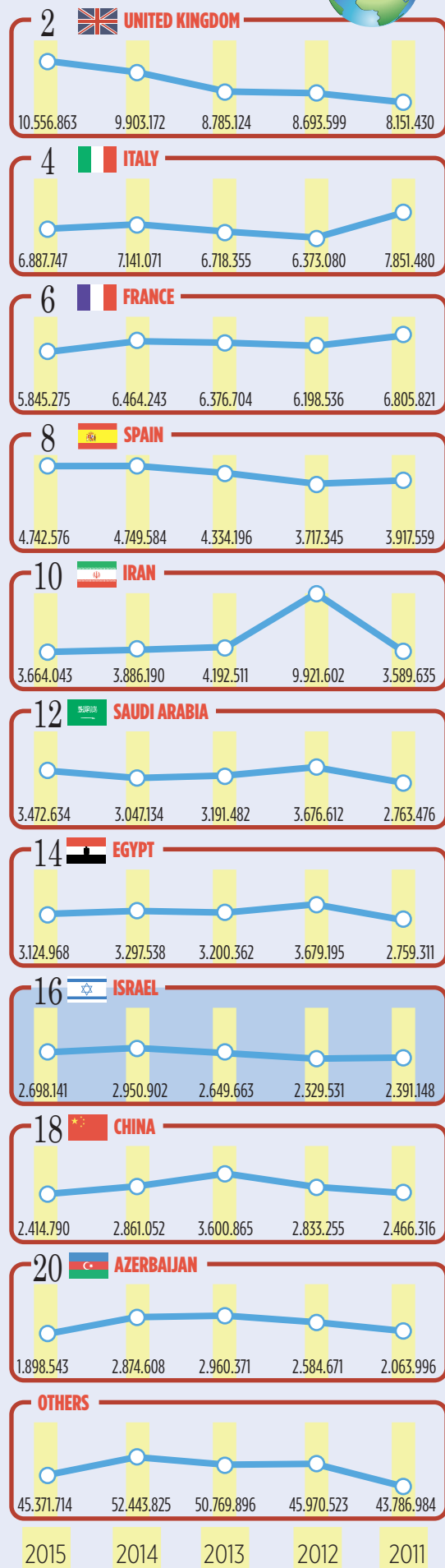
The agreement was approved by the Israeli security cabinet by a vote of 7-3 on June 29.

Trucks of Turkish aid have begun arriving in the Gaza Strip via Israel as part of a reconciliation accord reached between Israel and Turkey last month. The shipment consists of 10,000 tons of aid, including toys, diapers, clothes and food. **The first trucks entered**

Turkey Exports by country and (top 20 country in exports)



year



Gaza on Monday after security vetting in Israel, with more planned in the coming days.

It is very clear that the cooling of temperatures in the relationship comes after many years of mutual accusations and continuous tension between the two countries over conflicting philosophies and world views. Israel statistics shows that an overall volume of \$ 5.44 billion dollars in Turkish-Israeli trade during 2014. This marks an all-time high point in Turkish-Israeli economic relations, up 11.5 percent from 2013, including \$2.75 billion in Israeli exports to Turkey (a 10% year-to-year increase) and \$ 2.68 billion in Turkish exports to Israel (**13% higher than 2013**).

The bilateral trade volume between the two countries is currently at around \$4 billion. Turkey's exports to Israel rose by 13% to around \$2.7 billion from 2011 to 2015, **according to official Turkish statistics**. Over the same period, Turkish imports from Israel dropped from around \$2 billion to \$1.6 billion.

The bilateral trade volume and tourism numbers will likely soar in short order, **according to businesspeople from both sides**.

On the other hand the logistics companies are focusing these developments how they may penetrate this new volume. Turkish trucking companies that saw their overland routes disrupted by

the war in Syria turned instead to the sea, **and began using the Israeli port of Haifa to get their goods to Jordan**.

By the container shipping some of the companies hereby report on the opening of a container services connecting Turkish ports and Israeli ports such as Haifa and Ashdod. Turkey's top imports from Israel are chemicals and plastics, **accounting for a combined 35,000 TEUs**. Turkey's top exports to Israel are glass, metal and ceramic products.

Turkey is Israel's 7th or 8th largest trading partner.

Today, the potential for energy cooperation is much lower than has been assumed given the enormous technical hurdles that would have to be overcome to build a pipeline through the Mediterranean to Turkey, **and the fact that Turkey would have to reconcile with Cyprus for the pipeline**.

In fine, that Israel began planning two ports for domestic reasons, as part of moves to add capacity, **increase competition and bring down high living costs**. Israel also needs the new ports so it can accommodate the industry's huge new container ships. **Because about 99% of its imports**, measured by volume, arrive by sea.

Wishing you all calm seas.
*Captain & Seaway Logistics Professional



“Now RINA is ready for its stock market debut”

C.E.O. Salerno reveals his strategies and recounts his career as a good manager, he admits: “I wouldn’t mind if I had been born a singer”

by **BIANCA D’ANTONIO**, Naples

IT IS DIFFICULT to find anyone in the world of shipping who does not express appreciation for Ugo Salerno, **the C.E.O. of RINA**. It is difficult to find anyone who does not think highly of the “Engineer”, as they call him in the sector, in which he is considered a first-rate manager, with an extraordinary sense of balance and equipped with a great sense of humour, polite, friendly, and accustomed to telling the truth (**“otherwise I don’t have any fun”**). Originally from Naples, he moved to Genoa 28 years ago which he says he likes very much, **Salerno always has a suitcase in hand**, and despite not being fond of aeroplanes, he is always flitting from continent to continent to develop relationships, sign agreements, visit and look after his clients, participate in important meetings, whilst always mindful of changes in the market. Taking command of RINA in 2002, Salerno quickly transformed it into a first-rate company with unimaginable prospects, **which is now almost ready for its debut on the Milan Stock Exchange**. The last operation completed, which was the acquisition of EDIF, as Salerno pointed out, “profoundly transformed the company, **increasing its revenue by 25%**. This has changed the group’s outlook, which is different, more concrete, and can bring RINA to the stock exchange between two and three and a half years, **market conditions allowing**.” Salerno takes life very seriously, but with a healthy dose of irony, he is never presumptuous or disrespectful.

So where do you want to go?

“I want to see RINA able to compete on equal footing with the largest international operators. There is still a long road to traverse, but it will bring me great satisfaction to have made the

most of what I have done.”

Do you remember all of the business that RINA handles?

“I remember much, but not everything. RINA has a very complex structure, it has a very wide range of activities. I know them in a general manner, but certainly not in detail.”

What did you think when you became RINA’s leader, since at the time the company’s only activity was the certification of ships?

“When I arrived, RINA was in a very difficult situation, it was not diversified and it was coming out of a very serious accident that caused a dangerous blow to its reputation. In a word, it was in danger of being sold to a competitor for a song. But I knew that it was a good company for the people who were working there. It was a challenge for me, I was convinced that there was the potential to make it a good company, and I must say that it was not the first time in my career that I found myself in a similar situation.”

What was your dream as a boy? “To earn decent money and not to travel too much and work too hard like my father, who was an example not to be followed in terms of work.”

With a father who was an engineer, naturally you studied engineering. But what did you do when you graduated?

“I graduated at 22, and I started work as a junior lecturer because I thought it was a comfortable life, but after a few months, I realised that there were few prospects of a career, so I participated in a selection at IBM, where they took me on as a sales representative, and this contributed much to my education: it taught me humility.

Then I went to Italcantieri in Sestri Ponente, where I stayed two and a half years; I spent eight years in Ravenna at Fermar, and then in ‘88 I went to Coe & Clerici, where I held the position of technical director, and finally to RINA in June of 2002.”

You were born and grew up in Naples, now you live in Genoa. Are you more Neapolitan, or Genoese?

“I am deeply Neapolitan and proud to be. I admire Naples for its history, art, philosophy, and beauty, but I have lived in Genoa for 28 years. I am very happy in the city of Genoa, and it is beautiful, but I am still Neapolitan.”

How did you get into the world of shipping?

“I graduated with a degree in Marine and Mechanical Engineering, so it was a natural and inevitable culmination.”

Do you remember the first ship that you boarded for work?

“Let me say first that I don’t like ships. The first one that I boarded was a cable layer, but I remember it because it was run by a professor of mine. Ships don’t evoke strong feelings in me. I am profoundly different from my father, because he was in love with technology. I, on the other hand, am interested in the commercial part, in negotiation and in the management of ships. The only thing that excites me and brings tears to my eyes is when a ship is launched, the moment at which the ship breaks away from the port and heads for the sea.”

What is your biggest thrill?

“A kiss, and write that down. Apparently I am a restrained person, but on

the inside, I am perpetually boiling."

What other job would you have wanted to do?

"If I had a beautiful voice, I would have liked to be a singer because nothing is more exciting than being in a theatre, in a stadium full of people who admire you."

What dreams do you still have for the future?

"Professionally I have been very fortunate, I had opportunities that perhaps others didn't have. Certainly, I was prepared and clever enough to take them, but I was [also] lucky. What is my dream? To continue to lead this company with success and with the appreciation of the people around me."

You know many shipowners: which are the most interesting?

"I admire those who have succeeded in building something durable, those who have had the courage take risks and get involved, and I am happy to be friends with some of them."

Wife, daughter, mother, sister: are you happy among women, or...? "I would say that I am."

Who are the most important people in your life?

"My women."

Do you enjoy spending time sailing your boat: is that your greatest wish if you didn't have so many work obligations?

"I would like to go around the Mediterranean for at least one month out of the year and I hope to be able to do that."

You travel a great deal for work: which country do you find most fascinating?

"I don't like travelling for work much because you always have very tight time frames, you don't sleep much, you are tired and stressed. Let it be clear, I wouldn't dream of complaining, but I would like to be able to travel for pleasure. I am very curious, and the countries that fascinate me most are in Asia, because it is so far away from us. I admire the Chinese will to negotiate, the Japanese capacity for reflection, their love of art and their courteousness. Asia arouses enthusiasm in me and excites me, I feel at ease there, and then I like big things, and everything there is big..."

Where do you go for vacation?

"In the summer, on the boat, and in the winter to Ischia. Then I adore car trips and I hope to have the time to take them soon. But I hate taking aer-

oplanes because it is uncomfortable on long voyages."

Music, reading, cinema?

"I am not a fanatic, but I like all music, from Baroque music of the Seventeenth Century to contemporary music, which stops at the Eighties for me. Reading? For curiosity, I read books that tell of countries that I have never seen, for pleasure, I read escapist books, for example, I very much enjoy the novels of Maurizio De Giovanni. And finally the cinema... I love three directors: Woody Allen, Stanley Kubrick and Pupi Avati. I always go to see their films automatically, because I know that they would never disappoint me. And then I love motorcycles, even though I don't ride them often now."

Have you ever had a complex because you are not very tall?

"Am I short? I was never aware of it. You know that my dearest friend is two metres tall? On the other hand... I have a complex because I have little hair: don't you think?"

I think that the world is full of people with little hair but lots of charm. Let's talk about actors: don't tell me that when Luca Zingaretti became famous you didn't feel a bit more glamorous...

"It would be too simplistic to think so: If you will allow me to say so, I am more intriguing than Zingaretti..."

Are you an impulsive or a reflective person?

"I seem to be reflective because I think very much beforehand, which is why I am never relaxed."

What makes you lose your temper the most?

"Lack of faith."

What are the qualities that you cannot stand in people?

"Bad manners and presumptuousness."

Who is Ugo Salerno? Describe yourself.

"A concentration of contradictions hidden in a person who has spasmodic self-control. It's not for nothing that I am a Scorpio."

What are your other best and worst qualities?

"I didn't think that I had any defects. And in terms of my best qualities, I have all imaginable ones. Including height, whether you like it or not."

What frightens you the most?

"A bunch of things, but what frightens me the most is outliving the people that I love."

Have you ever felt disheartened, unable to face difficult situations? "Always, every time that something goes badly for me, but I am very quick to recover."

Are you superstitious?

"No, even the horoscope brings bad luck: I don't read it and I don't even want to hear about it."

If you could go back and do something differently, what would you do?

"I wouldn't change anything, I was actually too lucky and I hope that at a certain point life doesn't make me pay the price for that."

Are you a person who always says what he thinks, or are you diplomatic?

"I am certainly diplomatic, I do not lie, but perhaps I sweeten the truth."

You are a successful man, you have achieved high goals: What role has your wife played?

"An essential role, she is my life companion who shared everything that happened over the years with me, who made it possible for me to work and gave me 43 years of happiness that I hope will continue. Gabriella conquered me not only because she was a beautiful girl, and is now a beautiful woman, but also because of her ability to happily stand by my side."

What do you see in your future? "In the medium-term, slowing down my activity and enjoying more free time."

In private are you a cheerful person, or withdrawn?

"I am cheerful, noisy, I am not a socialite, I like being at home with a small group of friends. Gabriella sometimes complains about it and says that it's not possible to have a serious conversation with me."

Will the Italian maritime sector have to face yet more dark years?

"I am reasonably optimistic. For those who are very exposed it will take a bit more time. Italian shipowners are very experienced and tenacious which is why I expect that the banking system will give them the credit that they deserve."

Do you believe that family-owned shipping companies still have a future?

"They do, if they understand that management should not necessarily be entrusted to a member of the family if he or she does not measure up to the task. If this is the case, the company, as long as it is large enough, should be entrusted to a first-rate manager."



RINA company's profile

The classification society Registro Italiano Navale (R.I.N.A.) was established in Genoa in 1861 and reformed in 1999 (RINA S.p.A.) as joint stock company. Today, with a history going back 150 years, **RINA is a global corporation, a repository of skills and expertise delivering benefits to industries all over the world:** its mission is to support their growth by setting up relations as a real partnership.

It means investing in teamwork by highly qualified resources, that we develop with training and refresher courses running to about 155.000 hours a year.

RINA Group's companies operate in five Business areas, proposing innovation, environment and sustainability-based solutions: Marine, Energy, Business Assurance, Transport and Infrastructures, **IFIs Banks and Investors.**

The services are set up to multiply the potential of our partners, **to make organisations more competitive in their markets of reference and to ensure that they operate as efficiently and sustainably as possible across every stage of their business activity.**

To guarantee complete activities' transparency, services are managed in two separate and independent branches, where specific companies operate:

- TIC Services (Testing Inspection Certification): ship classification, certification, testing and inspections are assigned to **RINA Services S.p.A.** and to its subsidiaries;
- E Services (Engineering): design, consulting engineering, operability assurance, special studies and project management are assigned to **D'Appolonia S.p.A.** and to its subsidiaries.

With the formation of this international, multidisciplinary group, **RINA is now the Group's holding company**, providing its central staff services to the operating companies: administration and finance, resources management, communication, legal services and general services. The company deploys 163 offices in 60 countries, with an operational network of more than 2.750 employees, **whose hard work helped to generate an over 330 million euro turnover in 2014.**

The Italian Port Reform is passed

An editorial by **Stefano Zunarelli***

*Lawyer and Professor, Expert at the Technical Mission Structure of the Italian Ministry of Infrastructure and Transport

ON 28 July, the Council of Ministers definitively passed the Legislative Decree on the “Reorganisation, Rationalisation and Simplification of Port Authorities”, which reforms the first part (as it were, the “institutional” part) of **Law no. 84/1994**. Although media attention has mainly concentrated on the reduction of the number of Port Authorities from 24 to 15 (which have become Port System Authorities), which currently operate 57 ports (although regions can request the insertion of additional ports of regional importance, as well as the provisional continuance of some Port Authorities for a transitional period of three years), I believe that it is useful to call attention to the other innovative elements contained in the legislation, **which seem to be intended to have a significant impact on the relaunching of the development process of the Italian port system and the entire national economic-production system.**

The legislative decree, which falls within the more general framework for the modernisation of public administration and its simplification through the measures foreshadowed by Law no. 124/2015 (known as the Madia Law), has a major innovative impact on the institutional arrangements of our ports, **whose structures are to be slimmed down to make the decision-making process faster.** Meanwhile, the decree is a further, fundamental step in the creation of the imple-





menting measures for the Strategic Plan for Ports and Logistics, which is intended to win Italian ports their rightful, **important place in the context of European logistics by increasing their efficiency and competitiveness.**

The first innovative element that should be pointed out is the simplification of bureaucracy. On one hand the Single Customs Windows for the inspection of goods was implemented, **which is under the authority of the Customs Agency.** This will substantially reduce the time it takes to coordinate all of the inspection activities. At the same time, the implementation of the Single Administration Window will also be introduced, under the control of the Port System Authorities, which is meant to accelerate all the other administrative procedures (**not pertaining to purely commercial activities**) that con-

cern the companies operating in and with the port. **Even the procedures for the adoption of the Port Strategic Plans have been significantly streamlined.**

In terms of the reorganisation of governance, **the structure of the Port System Authority has been considerably slimmed down,** compared to what it was in the past. It will be led by a fairly small Management Committee (from 3 to 5 members), all publicly appointed (Ministry of Infrastructure and Transport, the Regions and the city where the Authority is based), **alongside a President, chosen by the Minister of Infrastructure and Transport with the agreement of the Region or the regions of the Port System Authority.**

Also in terms of the assignment of responsibilities of the Port System Authorities, they will mainly fall to

the Management Committee, while at the level of individual ports, other than the one where the System Authority is based, **the System Authority will have a local office which is tasked with advisory duties and with making suggestions about matters of local importance,** as well as its own administrative duties.

Furthermore, a "Sea Resource Partnership Committee" **was instituted within each Authority,** with advisory functions, which will be made up of representatives from the associations of companies and labour organisations that are active in the port. Public and private entities, which have competencies or a particular interest in specific aspects of the port life, **will be called to participate in the meetings of these committees.**

First of all, in order to guarantee coherence with the national strategy, **the greater involvement of the Ministry of Infrastructure and Transport in the process of preparation and implementation of decisions that could have strategic importance for the development of the individual ports or of the national port system as a whole,** is called for. This era of significant centralisation of strategic thinking is accompanied by the creation of the "National Coordination Conference of the Port System Authorities," **which the Minister will lead,** to avoid competition between neighbouring ports, and at the same time stimulate cooperation between them, which will become a fundamentally important place for the discussion in order to create an overall shared national plan for strategic and infrastructural choices, avoiding the danger of inevitable localist tendencies.

When the new regulatory framework is complete with the passing of the Decree on Port Concessions, **which implements art. 18 of Law 84/1994,** it will finally be possible to say that after years of discussion and most of all, uncertainty about legal positions, the groundwork has been laid to allow international maritime and port operators to invest in our country once more, under conditions of certainty.

Brexit: Gibraltar keeps one foot in both camps

Madrid's comments on sovereignty unwelcome on the Rock: "We'll find a way to remain British, but within the EU"

by **STEFANO PAMPURO**, Barcelona

GIBRALTAR will be a bystander observing the post-Brexit world. This much, at least, **was made clear by Chief Minister Fabian Picardo when he addressed Gibraltar's Parliament.**

However, Gibraltar will open a dialogue with Scotland with which it shares the difficult task of attempting to remain within the European Union, **despite the result of the referendum held at the end of June which calls for the exit of the UK from the EU**, the timeframes or mechanisms of which are still unknown.

Picardo has begun talks with the Scottish Prime Minister - and leader of the Nationalist Party - Nicola Sturgeon, **in order to find a common path that will allow their territories to stay within the European Union.**

For now, these are exploratory talks that seek to establish a concrete framework.

Picardo stated that Gibraltar remaining in the European Union should not be the result of a new application for access to the single market: in short, the overseas territory would remain in the EU, and should not have to start a new, **long and yet unknown procedure to gain re-admission.**

In fact, while it's already hard to imagine the UK opting out of Europe, it would be even harder to find some legal framework that would, **sometime down the line, justify re-admission to the EU of one of the UK's individual territories.**

For this reason, explains Picardo, "we wish to simply remain with the access that we have today." According to Picardo, **Northern**



Ireland should also join the discussions.

Despite the outcry surrounding Brexit, **it wouldn't be the first time that a territory has withdrawn from the European block.**

The best-known case is that of Greenland, **which had become part of the European Economic Community when Denmark joined in 1973.**

As a result of a referendum held in 1982, however, (the only prior instance before the UK's 23 June Brexit vote) Greenland officially left the EC, **in 1985.**

In that instance, Greenland was removed from certain treaties, **as a solution to formalize its withdrawal.**

Another case concerns Algeria, which, following its declaration

of independence from France in 1962, **left the Common Market.**

More recently, there was the case of the French overseas territory of Saint-Barthélemy, **which requested derogation from EU policies by virtue of its distance from the Continent and as of 1 January 2012 it entered into a special relationship with the EU as a so-called OCT member.**

In short, Gibraltar claims that if the procedure applies in one direction, **why not apply it in its reverse.** If components of an EU country applied for exit from Europe, **those same components may request to remain should their country leave the European Union.** Chief Minister Picardo's hopes aside, **the outcome of this line of thought is hard to predict.** All this led Spanish Foreign Minister Jose Manuel Garcia Mar-

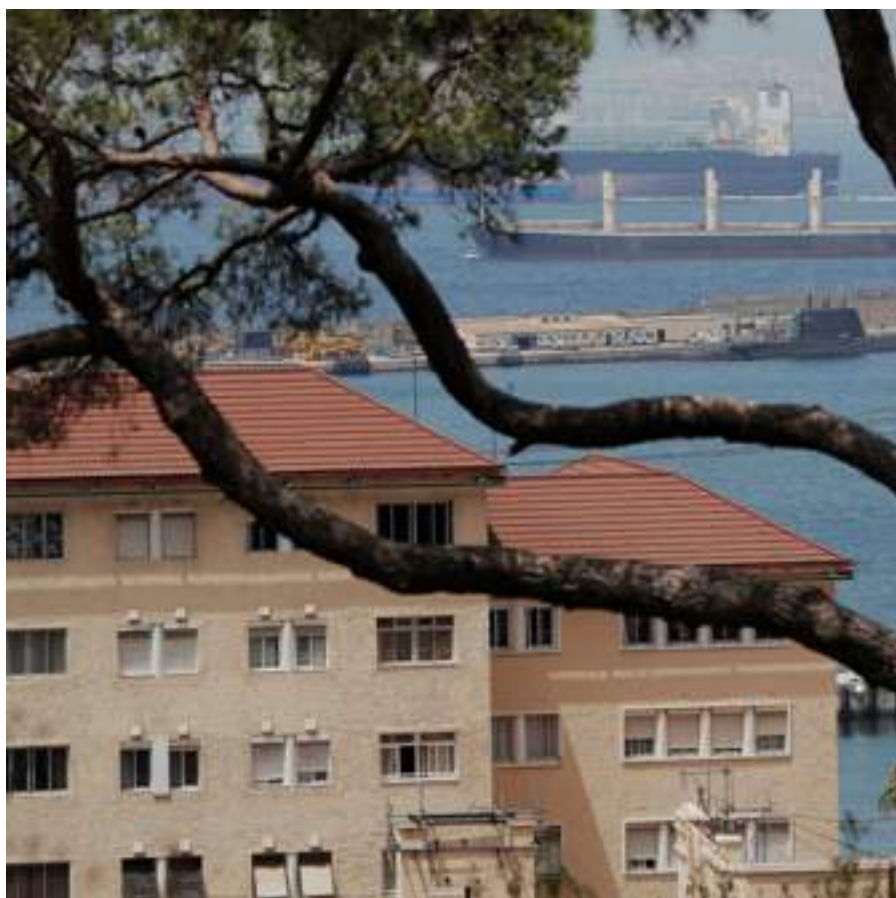
gallo, in a response to the Brexit victory, to affirm that the result made “the prospect of a Spanish flag flying on the rock of Gibraltar, **much closer than before.**” The remarks were not well received on the Rock: Picardo was quick to point out that a referendum was held on the issue of joint Spanish-UK sovereignty in November 2002, **when the idea was rejected by almost 99% of Gibraltar’s voters.**

Not only that, but Gibraltarians celebrate 10 September as a national holiday: the date celebrates yet another referendum, which confirmed, in 1967, **their dependence on Britain.** “Anyone who thinks that this is the time to propose a participatory sovereignty model is making a big mistake,” **said Picardo dismissing Margallo’s comments.**

It’s certainly difficult today in Gibraltar to find someone willing to give up the benefits that entry into the European Union have secured for the citizens of this small territory, who overwhelmingly voted for the pro-remain camp. Alongside the best support from chief Minister Picardo, an *ad hoc* movement, called “Stronger in Europe”, **led by Gemma Vasquez**, a lawyer, also backed the remain vote.

The movement tried its best to bring home to the British people the benefits of continuing to be part of Europe.

It seems that in the coming months Gibraltarians will be forced to weigh historical and emotional matters, **against matters of expediency.**



Colombia-Algeciras the Drug-Highway

Corrupt authorities, crooked companies, fake bananas concealing drugs. White powder logistics seems to have no rivals

by **STEFANO PAMPURO**, Barcelona

ONLY recently, the police and the Spanish Customs Authorities intercepted 169 kilos of cocaine in the port of Algeciras.

The cargo was hidden in plastic bananas to evade inspection, and it was falsely declared that the load came from Colombia, **although the drugs were actually loaded in the port of Turbo and were accompanied by forged documents.**

In Madrid, the Ministry of Interior Affairs explained that the organization responsible for the transport of drugs used a fruit import-export company as a front to import the drug in containers from Latin America, and a second company in the same industry was entrusted with storing the cargo at its facilities, **once it had landed successfully.**

The investigation began in 2014, when the investigators started shadowing a criminal organization which they believed imported containers carrying cocaine, **which was then distributed throughout Spain and Belgium.**

Based on these suspicions the authorities carried out their investigation and managed to demolish a network of collaborators that revolved around the organization. Within the container, **the drug was stored in a pallet marked with a red cross.**

On the wooden platform the authorities discovered 19 boxes with 88 fake bananas that contained 171 pounds of cocaine.

Once the white powder was discovered, the authorities set the trap to catch the importing company that would inevitably receive the goods; they traced the





two refrigerated trucks as they came in to load the pallets in the port of Algeciras, and carried them to an industrial warehouse owned by a fruit distribution company in the town of Lepe (**Huelva**).

It was in that building that the Civil Guard and the police filmed a man, **the head of the company, receiving the goods**. He is now in jail charged with drug trafficking. Investigations continue in order to determine the involvement of other people in this operation, **in particular the company in charge of the actual import**.

The European Commission considers the Strait of Gibraltar the gateway for drugs accessing Europe.

The 2016 Report on Drug Trafficking in the EU territories, compiled by the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) and Europol, defines the role of Latin American countries in the European cocaine industry, **and the different routes and methods used in drug trafficking across the Atlantic**.

Colombia, Brazil and Venezuela are identified as the key areas where the majority of drug cargo departs, **because those countries are closer to the ocean and it is easier to bribe the police**.

In 2012 a large drug operation was discovered, involving the entire office of the border police at the port of Cartagena (**Colombia**).

In that case, eight officers and three executives had pocketed bribes to turn a blind eye on three loads of drugs directed towards Antwerp.



Cartagena and the gas challenge

Under the impetus of the European Union and producers the port is gearing up for LNG storage and supply

by **STEFANO PAMPURO**, Barcellona

SPAIN'S port of Cartagena now boasts the country's first facility to be converted to allow for the re-fueling of all eighty ships powered by natural gas (**LNG**) that currently exist in the world, which represents to a reduction in pollution compared to other fossil fuels. The president of the Port Authority of Cartagena (APC), Antonio Sevilla, used the inauguration of the event "New opportunities for natural gas" to explain the advantages of this option. The project, headed by ENAGAS and Puertos del Estado, seeks to promote the use of LNG as fuel for transportation, **especially maritime, and is supported by the European Commission through the Core LNG initiative.**

The initiative, worth a total of €33 million in investments, of which half will be financed with European Community funds, will carry out 25 studies to be completed by 2020, **on infrastructure adaptation and logistics business development to provide LNG bunkering for both small scale services and large tonnage ships.** Besides the more than 42 partners located in Spain and Portugal, there are two pillars on which this ambitious project rests; the first one is the administrative component, to come up with the framework for a national action plan to promote LNG as a marine fuel; the second, more technical, seeks to design and deliver gas storage and supply facilities in ports like Cartagena, Barcelona, **Huelva and Ferrol**, through a series of pilot projects. The idea is to find out to what extent the introduction of this type



of fuel in maritime transport is feasible, **taking advantage of the Iberian Peninsula's potential and infrastructure.**

For his part, the general director of Infrastructure at Enagas, Claudio Rodriguez, stressed that the decline in natural gas consumption caused by the economic downturn is leading companies in the sector to venture into new markets **(like maritime transport for instance).**

For this reason, ENAGAS is betting on the widespread use of LNG in ships, for its lower environmental impact compared to fossil fuels, and also because EU regulations are increasingly aimed at penalizing the use of diesel fuel with high sulphur content, **as has already happened by law in North Sea**

and Baltic Sea countries.

Not to mention that big cruise lines like Carnival and MSC have already shown interest in equipping their ships with engines adapted to function with liquefied natural gas.

The Port Authority has also decided to start a project with the support of the Facultat Nautica of Cartagena and Barcelona, **inviting students in the naval engineering and deck officer programmes to visit the bridge and the engine room of these "green" ships**, and to apply more resources to current curricula and invest more time on the study of these technologies, inviting professors and technicians to share their experiences within the walls of the classroom.



Bills of lading & English jurisdiction

Who breaks it pays it

by **ALBERTO PASINO***, Trieste

The validity of the choice-of-court clauses in the bills of lading and the free movement in the decisions that define the judgements on the subject are both regulated, at the level of the European Union, **by EU Regulation no. 1215/2012, concerning jurisdiction**, the recognition and execution of decisions in civil and commercial matters.

Such clauses quite frequently assign the jurisdiction to English courts. Given the outcome of the British referendum of 23 June, 2016, **it is logical to ask whether and to what degree Brexit will influence this issue.**

In order to understand how disruptive it looks in relation to maritime issues it is essential that the premise below is clear.

The matter currently governed by Reg. no. 1215/2012 was originally dictated by the Brussels Convention of 1968 on jurisdiction and the execution of decisions in civil and commercial matters, **which was signed by the then member states of the European Community and successively replaced among the member states by Regulation (EC) no. 44/2001.**

The United Kingdom became part of the Convention of 1978 and, in the act of adhesion, asked and obtained that its text be modified, **in particular intervening in the choice-of-court clauses.** Added to the two traditional parameters of validity of the agreement, which consist of the fact that it be a) concluded or evidenced in writing, or b) in a form admitted by the procedures that the parties have established between them, a third parameter was inserted (**sub-clause c**), which established that the jurisdiction pact could be validly concluded in a form admitted by the practices of international trade.

The inclusion of this new criterion, which was authoritatively judged to be a *"relaxation of the formal requirements"*, was put in place to defend the validity of the clauses

vesting jurisdiction, was determined by the need to *"safeguard the jurisdiction of the High Court of London, which is chosen in many standard contract forms, including bills of lading"* (Baatz).

This change makes clear that the European Court of Justice's interpretation is indispensable. That is, it was necessary in order to determine whether the unilateral inclusion, by the carrier of the jurisdiction, of clauses in the bill of lading, would represent a jurisdiction agreement concluded in a form which accords with the practices of international maritime commerce, **and if such agreement prevailed with regard to third party bearers of the bill of lading.**

The Court answered this query in the affirmative. It determined that an agreement between the parties over the jurisdiction clause contained in a bill of lading, is presumed to exist in the event that their conduct is in conformity with the practices that govern the specific sector of international trade in which they operate and of which they are aware, **or should have been aware, and which is generally and customarily respected.** The Court affirmed the existence of a 'user', namely where the carrier has unilaterally inserted the jurisdiction clause into the bill of lading, then the agreement also extends enforceability against third parties of the jurisdiction agreement in question, **and the judges in the individual member states went along with that orientation.**

However, several critical voices have been raised against this move. On one hand, in fact, the very existence of a regulatory user which was confirmed by the jurisprudence of the Court of Justice has been called into question; on the other hand, it was pointed out that according to the European Parliament (Recital O, Res. 7.9.2010 on the implementation and review of Council Regulation (EC) No. 44/2001) the fact that *"third parties may be bound by a choice-of-court*



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agreement (for instance in a bill of lading) to which they have not specifically assented [...] may adversely affect their access to justice and be manifestly unfair."

In brief, the United Kingdom's access to European juridical space involved a considerable relaxation of the formal rules protecting the validity of jurisdiction pacts, **interpreted by European Community and individual member states' jurisprudence in accordance with the validity and its effect on third parties who are bearers of the jurisdiction clauses inserted without their consent in bills of lading by carriers.** Up until now, this has favoured the (expensive) British judicial system, **with an appreciable effect of disincentivising those disputes that do not justify the expense of a British lawsuit.** Because of containerisation, this affects a fairly noticeable share of the complaints.

The phenomenon, which originated in 1978 because of Great Britain's adroitness, **seems to have come to an entirely unexpected and brusque end with the Brexit.**

As is natural to expect, from English shores come reassurances of the fact that despite the outcome of the referendum, British judges will continue to recognise the validity of choice-of-court agreements, **applicable law and legal contracts, and their decisions will continue to circulate within the European Community.** Opinions on the continent seem to indicate exactly the opposite.

As illustrated, the jurisdiction of English courts is based on Reg. 1215/2012, **which also ensures that decisions pronounced by English courts circulate freely in the European Community and limits incorrect procedural techniques through a particular lis pendens rule.** Because of the Brexit, this regulation, when its temporary period is over, will stop being applied in the United Kingdom. **Sentences from English judges**

will stop enjoying free circulation and their recognition and execution will depend on possible bilateral agreements.

Given the absolute inadequacy of such agreements, **it is right to expect that the United Kingdom will seek to enter into negotiations with the European Union to reach a bilateral agreement that governs such questions.** However, it is not at all clear that the European Union has an interest in maintaining or strengthening the position of dominance that London enjoys in the European judicial market, as it is now an established fact - as documented (Requejo) - that the great majority of European countries can boast of legal services suitable to appropriately handle (and, logically, **at lower costs**) the disputes which have been exclusively handled by the English courts, until now. And if it is quite plausible to expect a certain reluctance on the part of the European Union to support the British position, it seems no less probable that in the future, **judges in member states could subject jurisdiction clauses based on the previously cited letter c) of art. 25 Reg. 1215/12 to more severe scrutiny,** in particular in light of the amendment made to that provision, which will now require evaluation into the possible substantial invalidity of the agreement assigning competency, in the context of the regulations currently in effect in the member state identified in the agreement itself.

Whatever the result of the path that has been opened by Brexit, one fact has by now become clear. The main purpose of the jurisdiction clauses is to increase the degree of predictability of the competency as much as possible. The many doubts generated by the Brexit over which regulations will govern the contours of international private law, **as discussed here, profoundly undermine this predictability and suggest an opportunity to consider alternative solutions to the choice of preferring English jurisdiction in bills of lading.**

FOCUS ON CONTAINER WEIGHING





Italy starts off with 150 facilities ready to go

Despite the short time-frame on container weighing, Italy's supply chain has responded well: the Solas amendment entered into force on 1 July

by **ALBERTO GHIARA**, Genoa

"THE DECLARED weight of a container provided by the shipper and used for all stow planning and onboard stability purposes can, if inaccurate, **cause major discrepancies between actual and declared weights**. Furthermore, incorrect weight can result in stack overload and the application of excessive compression and racking forces on containers and their lashings. Although there are no financial gains to be made by the shipper who declares less than actual weight, **the industry acknowledges that overweight containers are a problem**. However, as yet this has not justified a requirement for compulsory weighing of containers prior to loading." With these words, in an August 2006 report, the UK Marine Accident Investigation Branch described an incident that had occurred on board the P&O Nedlloyd Genoa in January of that year, **resulting in a loss of containers in the North Atlantic**. Many other marine incidents brought to light the large discrepancies between declared and actual weights, **although it was established that not all accidents were caused by weight discrepancy**. In January 2007, when the "MSC Napoli" ran aground on the English coast, **the weight of 660 containers on board had been verified**. In 20% of cases the actual weight exceeded the declared one by at least three tons, spiking in one instance to 20 tons, totalling, just in the sample analysed, **312 tons in extra weight**, over what the captain would have taken into account. Another striking case where incorrectly declared container weight was considered the culprit was that of the



"Mol Comfort", a container ship, with only five years in service, which broke in two in February 2013, **off the coast of Yemen**. Although the investigation did not clearly establish the causes of the failure of the hull, this episode helped to speed up the entry into force of the obligation of cargo weighing, which the international maritime community, together as the International Maritime Organization (IMO), **had been planning since 2011**. In November 2014, the IMO's Maritime Safety Committee approved an amendment to norm VI/2 of the Safety of Life at Sea (SOLAS) Convention, which introduces the obligation to specify the verified gross mass (VGM),

i.e. a document listing the certified weight for each container. In Italy, guidelines on the application of the IMO amendment were enacted in May 2016, just a few weeks prior it coming into force, **on 1 July 2016**. Most nations, however, were much tardier in their reaction. **The reality on the ground, in Italy**, has shown that many of the negative effects which were feared would occur with the entry into force of the container weight requirement, did not materialize. Aware of a widespread state of unpreparedness, **the IMO granted a transitional period to adapt to the new rule**. Italy has also approved interim guidelines, of a 12 month duration, during which,



under certain conditions, **weighing instruments which have not yet been certified may be used.** Even the acceptable margin of error between declared and actual weight has yet to be definitively fixed, **and varies from country to country within the European Union.** Many operators have criticized the inaction of the Euro-

pean Commission, **which is likely to make differing weighing procedures a point of competition amongst the various national port systems.**

So far, truck drivers in Italy, who are often forced to wait for long periods due to delays in relaying the VGM, **have taken the brunt of the adjustments.**

As for the number of scales present in Italy, the Ministry of Infrastructure and Transport has surveyed about **150** (although that number keeps increasing), distributed as follows: **Augusta**, 1 scale; **Ancona**, 5 scales, including two that are the property of the *Port Authority*; **Bari**, 3 scales that are the property of the *Port Authority*; **Brindisi**, 4 weighbridge scales; **Cagliari**, 4 scales; **Genoa**, 32 scales, including 16 in the port area and 16 in the main areas of the backport; **Gioia Tauro**, 4 scales; **La Spezia** has 14, including 4 at the *LSCT terminal gate*, 2 within the same terminal, and 2 more in the *Tarros Terminal*, 6 in the *Santo Stefano Magra dry port*; **Marina di Carrara**, 7 scales; **Naples**, 4 weighbridges within the port. In **Palermo**, the *terminal company* is installing one static bridge weighing system, the *Authority* is assessing whether 2 weighbridges owned by an operator comply with regulations. **Ravenna** has 6 scales; **Salerno**, 2 scales; **Savona**, 3 scales, one of which is at the *Reefer Terminal* and one at the *Vio inland port at Vado Ligure*; **Taranto**, 3 scales; **Trieste**, 15 scales; **Venice**, 11 scales, plus 16 industrial scales available from *Porto Marghera* that could be employed in case of future need.



“We are efficient, but one can't say the same for the whole of the E.U.”

by **ALBERTO GHIARA**, Genoa

ITALIAN ports had a few weeks, after the approval of the international guidelines and their implementation in Italy last May, to adapt to the international regulations (**amendment to the SOLAS Convention**) which requires the weighing of containers before they embark. Despite the IMO's invitation not to be too strict in the introductory phase of the regulations (which began on 1 July), the fear on the part of administrators and operators was that a lack of preparation would prevail, both in terms of certified weighing instruments and knowledge of the procedures on the part of the operators - from loaders to road haulage companies - and finally in terms of the computer systems through which the required information travels, that is, the so-called VGM document (**verified gross mass**). All this could lead to stoppages in the flow of traffic, additional costs, and legal battles.

Now that the amendment has been in effect for a few weeks, what is the situation?

Assoporti President Pasqualino Monti explains, “Definitive results and an overall assessment cannot reasonably be available until three months have passed. At the end of the summer we will be able to make a clear assessment about whether the new regulations on the weighing of containers have really affected operations in the ports, and what burdens and delays they may have caused, and therefore to further perfect the operational solutions.”

Beyond official figures, what is your first impression?

“One can already confirm without fear of being proven wrong, that the larger Italian ports and their most important terminals both in the ports and cargo storage areas, have passed what we might call their stress test with flying colours. In response to this binding international regulatory framework that is important because it is intended to guarantee the safety of ships and therefore of thousands of sailors, and in response to the new dangers created by the entry into service of the large container carriers, whose balance of weights directly affects the function of the stability and strength of their structures, the Italian port and logistics system has reacted decisively better and with greater efficiency than other European countries, where there were attempts to circumvent the burdens of the new SOLAS Convention.

Do you think it was necessary to introduce these measures?

“The new requirements on the weighing of containers respond to a safety logic that couldn't be and can't be challenged, even marginally. For the Italian Port Authorities, safety has been a key word in the determination of strategies and operational procedures. It is a basic commitment that involved the Port Authorities, the terminal operators, and the community of operators, who in almost all cases have worked together cohesively and coherently.”

Were there any critical problems with the communications system and the VGM verification?

“There are certainly problems to be resolved, like those associated with road haulage, which had to bear unfair burdens because of a lack of coordination between the sending of the document and the arrival of the LGV containers for weighing. But we mustn't forget that this was a problem in the test phase. The new regulations took effect on 1 July and the response from the ports could be called satisfactory, and certainly improvable. The Port Authorities, terminal operators, and the operators, as well as the Maritime Authority, have proven to be very flexible and able to adapt. In terms of costs, perhaps it will be necessary to move forward with a standardisation that would prevent distortions of competition for traffic between terminals merely because of their contractual strength, when the governance framework established by the reform law takes effect.

Is the roll-out phase complete? What are the next steps?

“What is needed now is that we not let our guard down, and that we tighten alliances with freight villages and the logistics system even further. The key to the future is a systemic approach that involves shippers, as well, and therefore the fabric of productive companies in addition to those specialised in distribution and logistics. As of now, I would say that the implementation of the new regulation on the weighing of containers was an important test of the Plan for Logistics and the Ports, whose strong point is coordination between various facilities and different entities and organisations.”

“But now we must network the scales”

Spediporto, the association of shipping agents in Genoa, tackled the challenge of the mandatory weighing of containers

by **ALBERTO GHIARA**, Genoa

SPEDIPORTO, the association of shipping agents in Genoa, tackled the challenge of the mandatory weighing of containers by creating the VGM Consortium, which operates four scales in Tortona, **and in the future will open a second site in the same city with two other at-grade scales**, in addition to one stacker.

The latter scale will be useful in cases where a single truck is carrying tow containers which must be weighed separately.

Another task that the consortium will carry out is to send electronically the VGM document (verified gross mass), which contains data like the weight of the container and the name of the forwarder, through the port's information system (port community system or E-port) to the recipient companies **(terminals and shipping companies)**. “The outlook of the consortium's activities in these first weeks of operations has been positive, - Alessandro Pitto, **the president of Spediporto explained**. - Every day we carry out between 60 and 70 weighings. We are not yet at full capacity, **the weighings will increase with the entry into service of the second site.**”

The situation that was created after the SOLAS regulations took effect on 1 July is better than expected. **It was expected that the scales in Northern Italy would not be sufficient and that there would be overcrowding.**

But this, in fact, did not occur, for various reasons. Many exporters equipped themselves with scales at their facilities or determined weight using “Method 2” (*editor's note: adding up goods, packaging and tare weights*); **furthermore**



there are many operators who offer a weighing service, as our consortium and the terminals do.”

The effective date of the requirement caught many countries unprepared.

This is why the IMO granted a period of grace in terms of inspections while procedures are being rolled out.

This leniency was also adopted in Italy, where temporary rules lasting 12 months were introduced. “We are in a temporary phase, **in which the information must be fine-tuned.** Once we have passed this introductory phase, **there will be less leniency in in-**

spections and it will therefore be necessary to rely on certified weighings. Uncertified ones will have a short lifetime.”

The consortium's activities may be working well, but one couldn't say the same for other stages of the procedure.

Road hauliers calculated a 25% loss in productivity due to delays at the gate because VGMs had not been received.

The problem was reported by Trasportunito (“**if there was no overcrowding**, it is only because road haulage is paying the price for all the critical problems in the system.

But it cannot go forward this way”) and confirmed by Pitto, who explains: “**There were cases in which the truck arrived before the telematic document.** Some road hauliers appeared without documents because they were not informed, but not many. But in other cases, **the VGM was received by the company**, but there was a delay in the transmission of the information to the terminal. From the experience we had, when there is a forwarder involved, **the VGM is received by the company on time**; delays take place at the next phase. But when the loaders are directly responsible for the communication, they often have to use rigid or timed-response information systems, which means the data is sent when computer systems shut down, **and they arrive late.**”

Spediporto predicted that there could be computer problems. This is why the consortium insists that its weighings, even those handled by third parties, become part of a network, so as to send the data through the E-port system: “**It is**



the only way to avoid problems. We shall see whether the Port Authority will make this procedure mandatory. Even the shipping companies often use global information systems, **which have difficulty interfacing directly with individual port systems.** This results in longer time frames."

Another advantage that the forwarders pointed out is that by going through the E-port, **the data is also immediately available to the Harbourmaster's Office, making any possible inspections faster because of an initial computerised screening.** On the other hand, it is still not

clear what will happen for transshipment: "For this type of container, **the regulations will take effect three months after the others did on 1 July.** We shall see what happens. If a container comes from a country that has not signed the Convention, **it will have to be weighed in Italy.**"

Upgrade in record time

ON 1 JULY, the new regulations of the SOLAS Convention came into effect. This requires the issuance of a Verified Gross Mass certificate (so called VGM - Verified Gross Mass) for all containers prior to boarding.

The new regulations arise from analysis conducted by the International Maritime Organization (IMO) on serious shipping accidents which occurred in recent years, and the goal is to set new standards of safety in navigation.

This need to improve safety created the new international regulations, **which imposes on the consignor the obligation to provide VGM data in advance, not only to the commander of the ship but also to the shipping company and the port terminal.**

The impact on the supply chain, both at the national and international level, has been and continues to be very challenging, **since all operators have had to adapt their operating and electronic data interchange procedures.**

The Genoa terminal Psa Voltri-Pra', the largest port facility in Italy dedicated to the import and export of containers by sea, has supported the legislation's adjustment process in IT and commercial procedures, by updating their systems timely and preparing, in record time, a high tech weighing station at the pre-gate, both interfaced with the TOS (Terminal Operating System) and the Port Community System, **in order to ensure an adequate contingency solution for those instances where containers reach the terminal without the corresponding VGM.** The new weighing station stands out for its oper-





ational capability and the technological features adopted by the Italian export port community of Genoa. **The terminal invested around €500,000 to install it.**

Psa Voltri-Pra' entrusted the management of the weighing station to the Consortium Port Services (CSP), **with which the port has a cooperation agreement for the optimization of bureaucratic procedures since 2013.**

In this first phase of implementation of the weighing service, the CSP acts as a joint venture (a founding partner) of VGM Consortium, formed by an initiative between Spediporto, **Spediservices and the companies Cerisola and Brillante.**

“It began well, but it needed more flexibility”

Q & A - Antonio Pandolfo,
Sales and Marketing Manager, Europea Servizi Terminalistici

On 1 July, the compulsory weighing of containers to be exported from the ports came into effect. How is your company adapting to it?

“Our company, always attentive to the various problems that any new regulation entails, is gearing up with a weighing terminal installed near the gate, completely automated, which allows the quick weighing of the container and sends the data directly to our operating system (TOS), which in turn sends the information via Edi directly to Shipping Lines,” replies Antonio Pandolfo, Sales and Marketing Manager of the Europea servizi terminalistici - European group of terminal services (EastTerminal) which has port and logistics facilities all around Sicily.

In your opinion, is the amendment to the SOLAS Convention that implements these changes acceptable?

“I think that a wider range of flexibility would have been appropriate, especially in reference to our demands that were presented through the trade association Assiterminal. Our recommendations included the opportunity to use dynamic weighing stations with a tolerance of +/- 3% up to a maximum of one tonne. This would have allowed more solutions in view of the lack of certified instruments in the territory.”

How is your company preparing to provide a comfortable and fast weighing service?

“We carried out an information campaign directed to all our





customers, by preparing a detailed enough newsletter, with methods and procedures to be implemented according to the different scenarios, with prior request of all the information. We prepared the training of operators at the gate especially in raising awareness among the trucking companies, and we can say that all this has allowed the early days of implementation to pass

without major problems.”

Do you think that the scales available right now in Italian territory are adequate, in terms of quantity and technological quality, to meet the needs of operators?

“I think not, and for that reason, as did Assiterminal, we had asked for the use of alternative means. Take into account that if

you look at our Sicilian territory, I think we are present in all ten locations.”

Do you plan to expand your business infrastructure in the future in view of this?

“Absolutely, we have already planned to install another facility in the coming months at our Inland Terminal, which is located in the Catania Industrial Zone.”

“MILOS: procedures come already digitized”

Questionario - Luca Abatello,
Chief Executive Officer, Circle

From 1 July the weighing of containers exported through ports has become mandatory. How is your company gearing-up?

“We’ve been following the evolution of national and international amendments to the SOLAS Convention from November of 2014, when they were adopted by the International Maritime Organization,” explains Luca Abatello, CEO of the software firm Circle. “The tricky thing is that each country that ratified the agreement gave discordant solutions, based on domestic systems. The situation, then, precluded the prompt rise of a shared framework, especially since in Italy a clear picture only emerged on 31 May this year, with the release of a communique by Italy’s General Command of Harbour Masters. In any case, we made strides to come up with software that is both modular and interactive: Milos Weight Verification, which we developed in the months preceding the entry into force of the regulations, as a flexible response to the new challenge of SOLAS.”

In your opinion, are the amendments introduced to the SOLAS Convention compatible across the board?

“The basic goal is certainly so. The issues relating to safety and data security are important; and we firmly believe that digital management of the data is crucial in this context, to make sure the new procedures don’t impact negatively on the supply chain. Perhaps a bolder policy decision would have served better, one sole set of EU rules applied to all EU ports. Precisely in



this regard, our Milos solution has been developed to be highly adaptable: since each region has responded differently to the new rules, what is therefore called for are specific solutions for the various countries and ports.”

How are you getting ready to

provide a weighing service that is both speedy and convenient?

“In advance of the entry into force of the legislation, we have developed and made available a specific solution, Milos Weight Verification, which shifts the onus away from shippers, allowing logistics and port or dry-port terminal operators, to digitize the



triggering a rush to be compliance-ready by the deadline of 1 July. What, in part, was missing, was a greater availability of data within the logistics chain at the transport corridor level. For this reason it is imperative that VGM data can be transmitted automatically and fully digitally, via standardized connections, to recipients of the data, depending on the specific context, as has been done by our clients, Terminal San Giorgio, Intermodal Terminal Nola and Rivalta Terminal Europa.”

In this regard, do you plan to expand your business offer in the future?

“The idea was precisely to develop connections that allow VGM data to be shared among those back-port terminals who are adapting to the new norms, and their respective ports. This will help prevent bottlenecks at the destination-ports for freight and to minimize the impact on the operation of the entire supply chain. With a view to a smooth, efficient and fully digitized supply chain, we’re also proposing to offer complementary services and are now expanding into volumetric calculation systems, OCR truck registration verification, RFID badges for access to port security, and eSeals.”

VGM verification procedure, and automate the documents transmission to the IT systems of the players involved, depending on the scenario, who require the data, in accordance with the legislation, which may include Port Authorities (PCS), maritime terminals and shipping agen-

cies.”

In your assessment, is the number of scales available right now in Italy adequate and are they technologically sound enough to meet the needs of operators?

“We believe that there’s been a good response in recent months,

“Two scales with a capacity of 80 tons”

Q & A - Claudio Bertini,
 Technical Director of Interporto Toscano

“WE EMPLOY two certified metal weighbridge scales with a maximum capacity of 80 tons, connected to the Port of Livorno TPCS system. The user can either pay directly, by debit or credit card, or enrol in one of our firm’s packages for a customer-specific identification code or a badge issued directly by Interporto Toscano, **with a monthly payment option.**” This is what the technical director of Interporto Toscano, Claudio Bertini, revealed in this interview.

By 1 July, a new regulation comes into effect requiring shippers to verify the gross mass of a packed container for export from the port. How is your company preparing?

“We at Interporto arranged for a platform with 2 next-generation certified scales to be installed; the scales are fully automated and function around the clock, with a staff member on hand to assist, Monday to Friday from 6:00 to 18:00, for the use and training of the users.”

In your opinion, is the amendment to the SOLAS Convention introducing this change reasonable, or is it an obstacle to everyday operation?

“The entry into force of SOLAS is completely reasonable, safety at sea being paramount. After overcoming the initial organizational phase, the procedure will become part of the standard procedure to be followed.”

What about the preparation of the port of Genoa on this front?

“We do not know in depth the sit-



uation of the Port of Genoa; from the operators there we’ve learned that after an initial panic reaction they’ve taken steps to find solutions throughout the area.”

How would you assess the state of preparation of other ports your company works in?

“Livorno is fortunate in that it has a significant and well-organized backport a few kilometres from the port, where this procedure can be carried out safely.”

Are the guidelines presented by BIC (Bureau International des Containers) effective or too generic?

“At first they appeared fairly generic but the work done by the Harbourmaster at the national and local levels was crucial to clarify operational issues.”

What are the scales that your company will use as of 1 July?

“Interporto Toscano uses two certified metal weighbridge scales with an 80 ton maximum capacity, connected to the port of Livorno TPCS system. The user can either pay directly, by debit or credit card, or enrol in one of our firm’s packages for a customer-specific identification code or a badge issued directly by Interporto Toscano, with monthly payment options.”



Parma weighs all shipments

THE REQUIREMENT that all containers transported by sea be weighed, which was introduced into the SOLAS Convention on the first day of the month of July, has not taken the CePim-Interporto di Parma Freight Village by surprise. The company activated a new certification service for the weighing of containers two weeks ago, equipping itself with technology and instrumentation allowing operators to carry out certified weighing of the Verified Gross Mass (**VGM**) of containers quickly and easily.

In fact, **CePim has prepared two weighing platforms inside the freight village**, in its own cargo storage areas equipped for the storage of containers and swap bodies, thus offering their clients, producers, and other transportation operators a quick and reliable service at extremely competitive prices.

The weighbridges are up to 18m long and have a maximum load of 80 tonnes: they are therefore suitable for weighing any vehicle. Furthermore, EC compliance and annual calibration ensure that the two scales meet the requirements of the SOLAS Convention. Luigi Capitani, CePim's C.E.O., explained, "With the activation of the two platforms, we invested in a service that integrates our business supporting imports and exports, which we consider to be useful because of CePim's strategic position at the crossroads of two maritime and port basins: **the Upper Tyrrhenian and the Adriatic**. These are two geographical areas in which we have long established relationships and business activities, **with the port of La Spezia and the port of Ravenna.**" The service makes it possible to choose between the various types of weighing: one only has to visit CePim's website, www.cepimspa.it or send an email to solas@cepimspa.it, mentioning the date and time when one wishes to carry out the weighing, along with essential information - type of weigh-





ing, vehicle number plate and container registration - to obtain a reservation code and the assigned scale in real time. **When the weighing is complete, the system will send the VGM document directly to the organisation that has requested it.** "The new regulations concerning commercial shipments by sea," Capitani observed, **"which were supported by the International Maritime Organization,** must be well received because they have the worthy purpose of guaranteeing greater safety in maritime container transport operations. **Of course, it will take time for it to become clear whether these measures are sufficient or whether it will be necessary to intervene in the procedures to further rationalise them.** At the same time, market demand will tell us at CePim whether it is necessary to purchase more equipment to meet the demand for this specific service."

With regard to services linked to logistics and transportation, **the company that built the Parma Freight Village has been a point of reference for many years.**

With its infrastructure complete - it is now one of Italy's freight villages to operate at full capacity and is among the 10 biggest in Europe - **the company has specialised as a logistics operator,** offering advanced and integrated services, plus the ultimate capability of customising their services in several freight sectors.

Among these, the following are particularly important: the agro-food sector (temperature controlled), the automobile sector, the iron and steel sector, and petroleum derivatives (**polymers, lubricant oils, pneumatic oils, etc.**), plus building materials and tiles. Despite the crisis that struck the logistics sector in recent years, **CePim's performance as a company has always been positive which has made it possible to continue to invest in physical and telematic infrastructure,** in safety systems and in green energy production facilities.





ON LIVORNO

“We will be the first rail port in the country”

Gallanti, special commissioner of the Port Authority: “China complains because we are still not publicising the Darsena Europa enough”

by **ALBERTO GHIARA**, Genoa

GIULIANO Gallanti, one of the most experienced Port Authority leaders in Italy (he started in Genoa in 1995), **is continuing his two terms as commissioner at the port of Livorno with a further, final, six month term.** Despite his experience at the most important Italian port, that is, the port of Genoa, where there is no shortage of tension and problems, and despite knowing how to manage legally thorny situations because of his experience as an attorney, **the port of Livorno gave Gallanti and his staff at the Port Authority in Palazzo Rosciano considerable trouble.** In any case the latest traffic data, which describes a growing port, contributed to improving the mood. Gallanti confirmed, “the numbers are encouraging. The containers have the highest percentage growth, but wheeled cargo is also doing well, as are new cars, **forest products...** Cruise traffic also had good results, in short: the port is in good health.”

When you arrived in Livorno, your main goal was to rationalise the spaces, better distributing the various specialised types of goods within the port. How far along is this project?

“The spaces are what they are. It is urgent that the work be completed, including the Darsena Europa. The first phase of this latest project, for the container area, has started. We are waiting for expressions of interest. The second phase, which is for RO-RO traffic, will be easier to complete as the facilities are less expensive and it won't be necessary to rein-



force the cargo storage area because it has no heavy cranes. In the meantime we completed the dredging and responded to the operators' demands.”

What is the importance of the Darsena Europa for Livorno?

“Describing the port of Genoa, Lloyd's List once used the caption, 'Back on the map'. Now this also applies to Livorno. We received expressions of interest from operators in many countries. Our leadership went to China and heard complaints because the Darsena Europa project had not been sufficiently publicised.”

What are the prospects for the port?

“It will become the biggest Italian port for rail traffic. We are completing the two rail-link projects, from the port to Pisa on one hand, and to the Vespucci Freight Village on the other. It will become a logistics base for the entire Mediterranean.”

But you had trouble accomplishing everything that you had planned to do.

“Bureaucracy has led to some obstructions. The key [of it all] is the strategic plan for the port. We made it, now we must face the difficulties of making it a reality.”

What are you referring to?

“For example, bulk goods are moved in the deep water area. The strategic plan for the port says that this activity must be moved and should be located in another area of the port. But this turned out not to be so easy. We are working hard to put the strategic plan into effect, but one must remember that the plan is not meant to eliminate existing rights.”

The port reform that the government has prepared will also affect the port of Livorno: from the seat of a Port Authority to part of a larger Port System that will also include Piombino. What does the future hold?

“We anticipated the provisions of the port reform. We have already signed a memorandum of understanding with Piombino. The agreement does not only concern shared planning, but



also a joint project for the Darsena Europa. The leaders of the two Port Authorities are already working together now, starting with the preparation of the environmental impact evaluation. There is much work to be done and the staffs of the Port Authorities are reduced. And then we are preparing a plan to present together at the interna-

tional level for the Livorno-Piombino Port System."

What do you think of the European regulations on ports, which the European Commission, Parliament and Council participated in creating and which could be approved by the end of the year? "We recently discussed it with other European ports that

are participating in the Expo at the headquarters of Assoport. It contains a series of provisions that will be applicable immediately when it is approved. One interesting issue is the definition of the nature of the Port Authorities' autonomy. The representative of the port of Hamburg pointed out that it could have some effect on the matter of concessions."

“High demand cannot be a problem”

Selmi (ASAMAR): “Disagreements between operators arise because there are so many requests to dock. institutions will find solutions”

by **ALBERTO GHIARA**, Genoa

WHAT role are shipping agents playing in the port of Livorno?

Fabio Selmi, the 'extended term' vice president of ASAMAR, answered, “It certainly plays a defensive role, that is it maximally safeguards what remains of Law 135/77, which protects the public interest in our profession as shipping agents. And also by continually appealing to the Port Authority, which we have always reminded about the application of the rules and regulations concerning the port.”

What projects is ASAMAR carrying forward?

“ASAMAR hopes to continue to take part in and support all the aspects of port activity, making an effective contribution both in terms of employment conditions and opportunities and in terms of the commercial prospects for growing traffic in the port of Livorno.”

In the renewal of the strategies of the major line carriers, what place can the port of Livorno play at the Italian level and at the level of the Mediterranean as a whole?

“The port of Livorno, it is well known, is already playing an important role, especially in the Mediterranean, both in terms of full containers and for wheeled cargo, the Motorways of the Sea and yet other sectors. The prospect of the new Europa Platform can be considered a major qualitative improvement because it offers the possibility of improving Livorno's position of absolute importance in the Italian and international port scene.”

What are the critical infrastructural issues in the port and what steps forward have been taken in recent years?

“Aside from the problem of the access canal to the port, which particularly limits the possibilities of the port, there is the problem of the dredging, which perhaps doesn't occur enough. There are various improvements that should be mentioned, like for example the viability of the rail lines, which are still waiting for a major improvement. Finally, the speed with which we have responded to the new VGM regulations in a very short time, is to be praised.”

As in other Italian ports, in Livorno, as well, the lack of space causes tension between the operators. In the future, will the port always be multipurpose in terms of the types of goods handled, or will it move towards greater specialisation in a few sectors?

“ASAMAR hopes that the port of Livorno, which has historically been characterised by its multifunctionality, will maintain its own particularity, which has always been its strength, and improve its own potential in terms of services for all the sectors of goods that are typical of the port; it is true that at times there are conflicts between operators, but it is doubtful whether they qualify as “problems” - in fact it indicates a consistent demand to dock - rather that it is necessary to operate so as to quickly and completely meet the demands of all the port's users.”

How are relations between the

port community and the local political institutions, like the city and the Region?

“Relations with the Region are excellent both because that institution has made a commitment to the infrastructural development of Tuscany's port system, and because of the various occasions on which the President, Enrico Rossi, was an active participant and welcomed guest at events, very often organised by ASAMAR, like the event at Livorno's Hotel Palazzo in April. Relations with the city, which has a new government, began with a reciprocal exchange of good shared intentions and understandings, and in any case to lead to better and more effective collaboration between the parties.”

What do you think of the port reform and what effect may it have on Livorno?

“The port reform, as everyone intends it to be, can be a driver of development of the Italian port system. Simplifying the administrative procedures that govern the forces at play can only be considered an important innovation. Of course the risk that such processes would be less democratic is always present, given the lesser degree of institutional representation that characterises the new “governance”, but everything depends on the person who is directly responsible for the management of the port of Livorno, for example, and on how and to what degree he or she listens to the users of the port, and the shipping agencies that are the “eyes and ears” of the ship-owners in the ports, in particular.”



“Four syndicates for the cruise terminal”

Provinciali (Porto Livorno 2000): “Apprehension about La Spezia? Different goals, but we are not resting on our laurels”

by **ALBERTO GHIARA**, Genoa

HOW do you see 2016 turning out at Livorno, in terms of passengers?

“Our business,” replies Massimo Provinciali, President of Porto Livorno 2000, the public company that manages the port’s passenger terminal, “is going well, in line with forecasts. In 2016 we’ll get 800,000 cruise passengers. On the busiest days we’ll receive 5 or 6 ships, a peak that is still manageable for us. Moving on to ferries, we handle 1.2 million passengers a year. Besides usual destinations, like Sardinia and Corsica, now both Grimaldi and Tirrenia are adding Sicily.”

What is the most important sector for Porto Livorno 2000?

“Business at Port of Livorno 2000 is evenly divided between cruises and ferries.”

On the topic of cruises, is there any news?

“We’re consolidating tried-and-true relations, increasing the number of Disney Cruise calls. Also, Livorno was chosen for the maiden voyage of the Carnival Vista, while MSC is also back performing ship turnarounds.”

Is the port able to provide sufficient berths?

“In the past we had problems and we had to use commercial piers. Now the North side of Molo Italia pier has been dredged, making it able to accommodate large, 300+ metre-long cruise ships. Besides that, since the end of 2015 we’ve put in place a protocol with CLP (Compagnia Lavoratori Portuali) for the use of berths N.46 and N.47 on the Alti Fondali pier, which are assigned on a priority-basis to cruise ships. It’s so much better that this year it was no longer nec-



essary to issue a writ to regulate the berths.”

The lack of space has led to some criticism directed at the ferries situation.

“The controversy involves the ro-ro part. As far as passengers go, there are no problems, it must be said that for this port the destinations served are almost essential. The links with Sardinia and Corsica are working.”

What does the port master plan provide for in terms of passengers?

“There are projects for the construction of the maritime terminal, car parks, and areas for boarding.

Currently we use a temporary cruise terminal. The port of Livorno is currently undergoing a process of public consultation, provided for by the Region of Tuscany law for public projects worth more than €50 million. The public is briefed about the projects, in this instance the Europa Dock and the passenger port. The white paper on the project will be presented on 21 July, containing views and suggestions, and perceptions on their impact. It’s a tool that assists the government in mitigating the effect of certain choices.”

How is Port of Livorno 2000 getting on, in terms of the road to privatization?

“26 September this year is the deadline for submission of tenders. We’ve had an intense Q&A phase to address questions of the participants, especially those relating to concerns about infrastructure. We have four joint-bids that replied with expressions of interest, have passed the prequalification stage, and have now been invited to submit an offer.”

What will the new company’s shareholding structure look like?

“The new partner will have 66%, with 55% put up on sale by the Port Authority and 11% by the Chamber of Commerce. The Port Authority and the Chamber of Commerce will each retain a stake of 17%.”

In recent years, the port of La Spezia too has increasingly opened up to cruise lines. How has this influenced your business?

“Right from the start, I’m not a big fan of competition between neighbouring ports. Already, when I was a director at the Minis-



try of Infrastructure and Transport I saw ports mostly as forming part of a national system. On the other hand, Livorno and La Spezia have different target areas and spheres. For those heading to Florence the reference port is Livorno. But we're certainly not resting on our laurels or content to live off the profits."

What investments have been made or will be made in cruises?

"In terms of the passenger port,

the biggest investment is for the Alti Fondali Pier in particular. Then, we're expecting investments of no less than €15 million from those who will participate in the privatization of Porto Livorno 2000."

How will the amalgamation between the Port Authorities of Livorno and Piombino, as part of the port reform, affect your business?

"It will help to create synergies.

Over the past five years Porto Livorno 2000 together with the Port Authority of Livorno and Piombino, attended the MedCruise events in Miami and in Europe, always working hand in hand to promote this region's goods and services, even before these lean times. The port of Piombino is more selective and more niche, and it cannot accommodate ships of 5,000 passengers."

RIGHT The passenger port of Livorno

Livorno makes a comeback

by **MATTEO MARTINUZZI**, Monfalcone

AFTER a few difficult years, the cruise ship port at Livorno has returned to growth, **with new prospects for the future thanks to the increase in the global passenger fleet and the unexpected developments in the Mediterranean tourist scene.** "In 2016 we have 416 calls scheduled and [we expect] about 800,000 passengers. In 2017, on the other hand, we expect fewer calls, **but about 870,000 passengers.** We will have growth because of the arrival of ships with greater capacity," Giovanni Spadoni, **the technical and sales director for the port of Livorno**, explained. "We can currently bring three large-sized ships into berth at the same time, with more berths available on other docks which are prioritised for passenger ships. **The berthing problems that we had in the past have been overcome, and we even had six ships at the same time.**"

This happened on 2 June with the "Norwegian Epic", "Eurodam", "Oceana", "Norwegian Spirit", "Sovereign" and finally "Zenith", **which brought a total of 11,300 passengers to Livorno in a single day.**

The management of this exceptional event was a true challenge for the Porto di Livorno 2000 company, **which organised the expansion of all the services to face such a heavy flow of traf-**

fic.

The port of Livorno is the third largest in Italy by number of transits, while its function as a home port (partial, that is with only some of the cabins disembarking/embarking) is limited to a few calls from "Costa Diadema" (five calls through December) and "**MSC Armonia**".

The latter ship is scheduled to make 15 calls between 17 June and 23 September, **which account for the movement of about 50,000 passengers.**

Similar results are expected in 2017, **which is a definite sign that the market is holding strong after only 5,000 passengers embarked/disembarked in 2015.** In any case, the results achieved in 2012, **a record year in which the port reached the figure of one million total passengers, and 70,000 passengers used Livorno as a home port, are still far off.**

Therefore, after the shock of losing almost all of Royal Caribbean's traffic to La Spezia and the problems of management at the port, it seems that Livorno now has a new and positive outlook with real prospects.

The shift in cruise traffic away from the Adriatic because of Venice's unresolved problems, which governmental institutions seem unable to resolve, plus the political instability in Egypt and Turkey, **make it possible to pre-**



LEFT The Holland America Lines ship "Eurodam"

RIGHT The NCL ship "Norwegian Epic"





dict a further displacement of ships from the Eastern Mediterranean to the Tyrrhenian Sea.

Livorno, too, will benefit from this phenomenon, especially if it updates its infrastructure to meet the requirements of the ships of the future, **primarily the refuelling of gas-powered units.**

An advantage of this port is that it can boast that it is only 12 miles from a liquefied natural gas terminal.

On this subject, Spadoni reminds us that **“we are working on the procedures for authorisation and we believe that we will be the first Italian port to offer LNG refuelling.** The facilities at the nearby terminal could allow cruise ships to refuel without using barges or trucks to transport the gas.”

Thus the statement that the president of Aida Kreuzfahrten, Felix Eichhorn, made to *Il Secolo XIX - the MediTelegraph* about counting on the possibility of refuelling his dual-fuel MDO/LNG engine at the ports of Livorno and Civitavecchia - **when the “Aida-Perla” arrives in the Mediterranean next summer** - was confirmed.

The availability of appropriate infrastructure is a very important factor to attract more cruise traffic.

The chief of the Port Strategic Plan at the Port Authority of Livorno, Claudio Vanni, **is working on this very issue with the goal of enlarging the berths at the Alto Fondale Terminal**, as an anticipatory city planning operation of primary importance. For the economy of the city, the cruise industry remains extremely important: **this year it is estimated that 25% of the passengers in transit will venture in to the city, and they are expected to spend €5.26 million.**



LEFT The P&O Cruises ship “Oceana”

RIGHT The Royal Caribbean ship “Sovereign of the Seas”



Crossroad of interests in Upper Tyrrhenian Sea

Grimaldi, Onorato, Aponte, Schenone, Americans and Venetians are all competing for Livorno

by **ALBERTO GHIARA**, Genoa

THE ADDED value which the port of Livorno is betting on (together with Piombino, with which it will be joined into a single Port System Authority), **within the arc of the Upper Tyrrhenian Sea**, is the abundance of inland logistics areas. Unlike its Ligurian competitors, the port is not squashed between the sea and mountains, on the contrary it can depend on intermodal facilities in fairly close proximity, like for example, **the Vespucci Freight Village in Guasticce**. Last March, a temporary customs area was opened in the freight village: 6,600 sqm, of which a thousand were indoor, and two fast, **controlled corridors that link the new space directly with the Darsena Toscana and the Lorenzini Terminal**. For some time, the port has been approaching this issue with projects that will fill the gaps in the port's infrastructure. **This year there was much talk of the rail corridors**. For Livorno, this was an opportunity to relaunch the link between the docks and the freight villages. Another planned investment concerns the rail link, **a kilometre-and-a-half long section of tracks that will allow direct and more functional access to the port passing over the Strada Tirrenica Motorway**. But the most anticipated project is the Darsena Europa, which is expected to effect a qualitative improvement for the port, even on the international level: **it is an area reclaimed from the sea where various port activities will be established**. The most important of these will be the new container terminal, which unlike the Darsena Toscana Terminal, **will receive the larger sized ships that**



are now in circulation. The tender for the allocation is under way and the deadline for submissions is 30 September. **The Darsena Europa will also accommodate a terminal for ferries**, which will resolve the current competition between the operators in the sector, who are fighting over the available spaces. With a new large terminal, Livorno expects to become a hub on Europe's Scandinavian-Mediterranean Corridor, counting on the network which

also consists of the port of Piombino, the freight villages at Guasticce and Prato, and the Pisa and Florence airports, **and which may even include cooperation with La Spezia and Carrara**. 2016 is the year in which, as Port Authority Commissioner Giuliano Gallanti confirmed, Livorno **"is back on the map"** even in the national media. The port has enjoyed considerable exposure in the media because it has become a battleground between



but its interests go beyond containers. The hope is that Aponte will also invest in the cruise sector in Livorno. There is no shortage of projects for the city, **starting with the privatisation of Porto Livorno 2000**, the company that manages the passenger terminals. The tender process is also under way in this case, and there are four consortia in the running: Venezia Terminal Passeggeri (VTP) with Compagnia Impresa Portuale di Livorno (CILP) and shipping agents led by Medov of Genoa; Royal Caribbean with the tourist agency Aloschi Bros of Naples; Vincenzo Onorato's Moby in association with Livorno Terminal Marittimo (LTM); **and the Fremura Agency together with Costa Cruises and the Grimaldi Group of Naples.** Another important sector for the development of the port is the shipbuilding industry. The future of the basin areas is not yet clear, **in part because the Authority and the City do not have the same ideas about the subject.** Naval repairs are certainly a business that brings value to a port, **as the port of Gioia Tauro proves, where the construction of a basin is also being considered.** In light of the creation of the Port System Authority, **an opportunity will present itself with the creation of a demolitions' hub in the port of Piombino.**

the leaders of two major Italian shipping companies, the president of CONFITARMA and chief of the Grimaldi Group, Emanuele Grimaldi, **and Fedarlinea Vice President and Moby-Tirrenia Chief Vincenzo Onorato.** The rivalry between Grimaldi and Onorato is longstanding, but it is significant that the conflict has recently focused on Livorno, **which is evidence of the value of this port for the development of Italy's major**

coastal trade shipping companies. Onorato has traditionally had a presence in Livorno. Grimaldi is establishing an ever larger presence, launching a new link to Olbia and considering another to Sicily (**as is Onorato**). Another company that is very much betting on Livorno is MSC, the group led by Gianluigi Aponte, who, like Onorato, **is from Campania.** MSC has bought a stake in the Lorenzini Terminal company,

“Traffic has returned to pre-crisis levels”

Raugei (CLP): “The work of the Port Authority has taken steps forward, but the zoning of the port has not yet been established”

by **ALBERTO GHIARA**, Genoa

THE PORT Company of Livorno, after the reform of Law 84, in 1994, completed a transformation that stands out in the Italian landscape, it has become a well structured port company.

What are the sectors in which it has grown?

CPL President Enzo Raugei answered, “the Company now operates on two tracks: embarkation and disembarkation of ships, linked to the provisions of ex-Article 16 services to the two investee companies, CILP and Terminal Darsena Toscana. This is the traditional branch of CPL: the other is the cooperative that invests in other terminal companies, like CILP and TDT, but also LTM, the RORO, PAX and trailer terminal, and owns a majority stake in the Faldo car park, where new cars that are unloaded in the port are stored before being delivered to various licensees. We own the storage space, while the business is conducted by Autotrade. These are the most important activities.”

How is the port of Livorno doing at the moment?

“At this moment, the port is doing well both in terms of traffic and employment. It has recovered significant volume since the crisis. In 2015, forest products once again exceeded one million tonnes, we recovered in the automobile sector (+10%, after +24% in 2014). In terms of values, we are at figures comparable to pre-crisis years. In terms of container traffic, we are doing even better, thanks to the growth of the Darsena Toscana Terminal. The strong performance in the fourth quarter of 2015 is continuing in 2016.”

What is your opinion on the actions taken by the Port Authority in relation

to the projects and their completion?

“It is positive, despite some delays in the construction projects. Beyond ordinary maintenance, with the strengthening and improvement of the existing [infrastructure], the most important and long-term prospect was the approval of the strategic plan for the port. With the Europa Platform, Livorno is looking to build a major container terminal that will keep Livorno among the top ports in this sector. It is a product of the synergy between the Port Authority, the Region, and the Ministry of Infrastructure. In terms of the work to improve the existing [infrastructure], the channel depth was brought to -13m on the eastern side of the Darsena Toscana, two more berths were created at the Calata Lucca Quay, for another 400m, and the work has been completed for the tunnel through which the ENEL pipes will pass, which will allow for the enlargement of the access canal to Terminal Toscana. We will be able to receive 9,000 TEU ships.”

Why did the dispute between the shipowners Onorato and Grimaldi, which is being played out at the national level, involve Livorno?

“Livorno is an important hub for RORO traffic. In particular, for the islands, but in general it has always been a first-rank port at the national level in terms of the number of lane metres handled. Two major shipowners who are seeking to gain control of this business are fighting it out in Livorno. The cause for regret is that we are watching this fight in a situation in which the port would be better utilised if there were collaboration instead. In my opinion, the Port Authority itself or even higher authorities should intervene. One can't just helplessly watch as they each

match the other's new lines with identical ones. In the end, this situation must be controlled. The port market is regulated, everyone must conform to a definite policy.”

The rationalisation of the port areas is one of the Port Authority's objectives.

“It has moved forward on paper. In the strategic plan there was discussion of zoning the port. The areas and their intended uses were established based on the [types of] activities. In practice, this was not carried out in a definitive manner, there are some exceptions, for example, in the RORO sector in particular, in which we have seen a series of activities in the port, even in zones where they were not planned. Volumes are a little higher than before the crisis, but at the time there was only the LTM terminal, now there are five terminals. If supply is multiplied by five while demand remains constant, this creates imbalances.”

What do you think of the port reform?

“It changes the governance, but for companies that operate on the docks, it doesn't change much. It is a step forward in terms of controlling development strategies. It seems to me to be valid to concentrate resources on a few national nodes. We must be observant, because it went from a jointly managed public-private model to a model in which the executive committee is made up exclusively of public-sector representatives. The partnership [between private companies and port authority] plays an important role, although we would have preferred that its opinions be made binding on some issues. It is said that the labour part [of the reform law] will move forward in September, and that will concern us more directly.”



“What this port needs are ultra-flexible companies”

Q & A - Nicola Carrai,

Finservice Europe President and CEO of Seatransport

WHAT trends have marked the first half of the year at the port of Livorno?

“The trend has generally been positive. The international economic slowdown has caused everything to be a bit more uncertain and volatile. In fact, while some types of traffic are holding, others are contracting, while still others are experiencing a remarkable growth. In this context, extremely flexible firms such as ours are able to compete well, as they’re quick to adapt to any market downturn or unexpected development.”

Have the social and political crises now affecting many Mediterranean countries had any significant impact on traffic to and from Livorno?

“Overall numbers for these last two quarters have been positive, but some companies that specialize in intra-Mediterranean trade have suffered, some to such a degree they’ve had to shut down.” How would you rate the performance of the Port Authority in recent years? “We’re all aware that port authorities in Italy, unlike what happens in other countries, have been constrained not just by typically Italian red tape but also by a scenario of conflicting political interests; all this has brought about a degree of paralysis and broken promises, with harmful effects. Despite everything, in recent years the Port Authority has been and is continuing to be “actively engaged”.

One should also note certain analogies with the Region’s own agenda, after years of looking



the other way, finally, the Regional authorities seem to have realized the opportunity represented by the port of Livorno?

“There’s certainly interest in the port of Livorno on the part of some large international investors. It’s a starting point along a path that could bring positive re-

sults, which only a long-term perspective will reveal if we took the correct decisions or not.”

The reform of the ports as envisaged by Minister Graziano Delrio is set to revolutionize the governance of the Authority. What is your point of view in this regard?



“Surely after over 20 years, the need arose to bring the legislation up to date, in the interest of timely decision-making and coordination at the national level, to respond to a world where changes in shipping are increasingly faster and of global reach. As usual, it will not just depend on the regulatory infrastructure but, above all, what will make the real difference is whether there's a real desire to achieve the common good, that's what will get us the best results.”

The EU calls for increasingly diverting traffic from road to rail. How is the port of Livorno responding to this demand?

“Again, on this front as well there are positive signs, such as the commitment of the Region to make structural investments, and the removal of operational barriers in conjunction with the announcement of new services to and from the port (and/or the dry-port). Looking ahead, as part of the project for the new Europa Dock, the construction of over 700 metres of rails is planned, in addition to their connection with the Tyrrhenian rail line.”

