

ReteAutostrade
Mediterranee S.p.a.

The Italian ECOBONUS – Concluding findings

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**JOINT SHORT SEA SHIPPING AND MOTORWAYS OF THE SEA
FOCAL POINTS AND SHORT SEA PROMOTION CENTRES MEETING**

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From the DPEF 2005-2008.....:

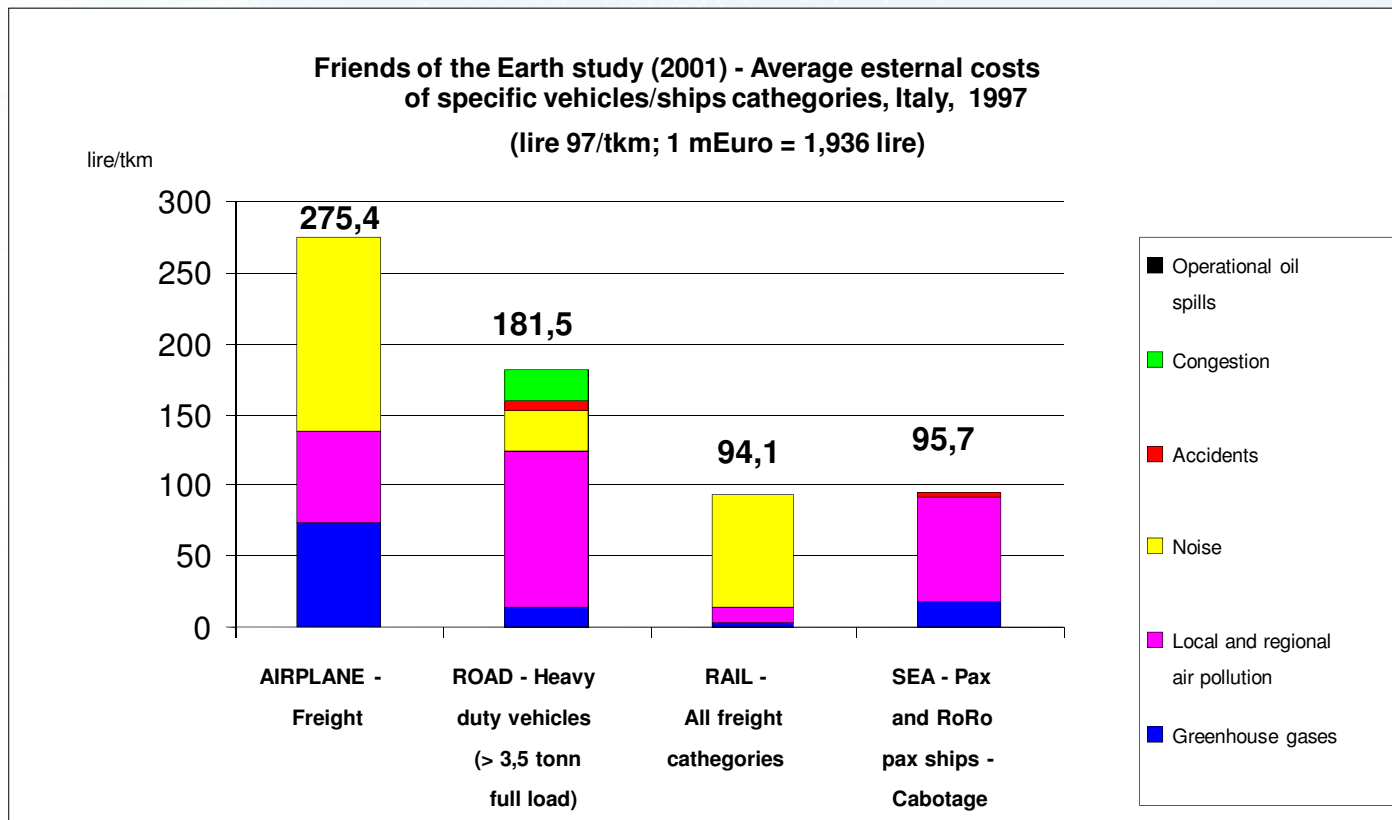
- *Road accidents cost more than **30 Billion Euro per year**;*
- *The incidence of the congestion costs on the overall industrial production surpasses 1,4%, which means a cost equal to approximately **12 billion euro every year**;*
- ***Congestion costs in the major cities have recently exceeded 6 billion euro per year**;*
- ***The growth of the mobility of goods** between Italy and the rest of Europe can be proved by one single data: **in 1967 19 million Tons of goods passed through the Alps, whereas in 2003 the tons were 135 millions** .*

”



Foreword

A study conducted by the Friends of the Earth Association in 2001 compared the external costs produced by each mode of transport, demonstrating that **the maritime mode is the most socially advantageous.**



Foreword

Motorways of the Sea:

alternative routes to roads

the greatest opportunity to transform the mobility of goods

maritime routes served by ferries that connect the ports best equipped and most important in terms of goods trading



Foreword

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Share capital wholly owned
by the Italian Ministry of
Economics and Finance

In-house company within
the Ministry of
Infrastructures and
Transport



Mission

To create the **national "Motorways of the Sea" programme** in implementation of the corresponding European project provided for by the General Plan for the Trans-European TEN-T networks.

To develop **maritime transportation networks** as an essential means of connection within the European-Mediterranean context;

To plan and coordinate the measure **implementing the European Directives** on the Motorways of the Sea".

What is Ecobonus

Ecobonus

An incentive promoted and implemented by the Italian government that provided reimbursements between 2007 and 2009 of up to 30% of the costs sustained by road haulage companies that choose to use the Motorways of the Sea rather than roads and motorways.

The innovative way to incentivate co-modality:

To incentivate road haulage companies (DEMAND of transport) and not only to finance infrastructures or new services (SUPPLY of transport). Because of this innovative character and because of transparency of management ... 0 legal complaints and 0 legal competition issues complaints!

What is Ecobonus

The MoS Coordinator Luis Valente De Oliveira appreciated this Italian best practice.

In the special Report n. 3/2013, the **European Court of Auditors** wrote that "there are lessons to be learned from national programmes that work on the demand side with limited administrative outlay by paying lump sums direct to road transport operators that decide to shift their trucks or containers from road to ship or rail (e.g. 'Ecobonus' and 'Ferrobonus' in Italy)"

Objectives

Main Objective



To encourage a rebalance in the modes of transporting goods by supporting the use of maritime modes.

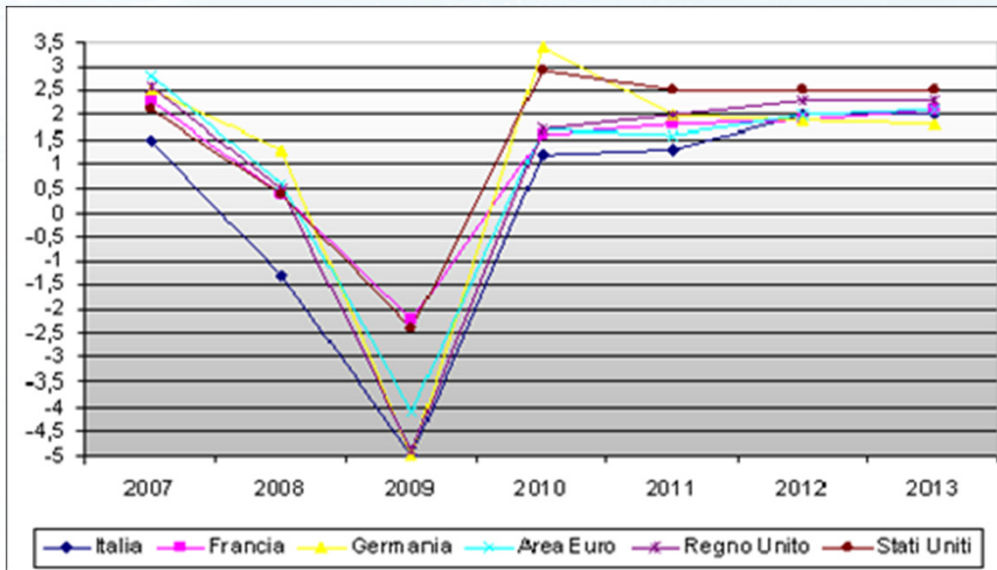
In particular, on the basis of the “Extraordinary Research Programme for the Development of Sea and River Coasting Vessels” carried out by CETENA and COFIR in June 2002, the goal was a **30% modal transfer from road transport to the sea by the year 2010.**

Other Indirect Objectives

- sustainable development
- protection of the environment
- decongestion of the road network
- lowering the rate of road accidents

Objectives

To compensate for the effects caused by the recent European and worldwide **economic crisis** ...



... it was essential **to extend for two years (2010-2011) the Ecobonus system**, in order to increase the number of trips/tonnes transported on the routes receiving incentives by about one third (on July 2013 the UE Commission authorized the extension only for 2010)

Beneficiaries



Beneficiaries

Road haulage companies that transport goods for third parties, including temporary or permanent consortia

that **carry their vehicles**, whether or not accompanied by the relevant drivers, **on ships predominantly intended for the transport of goods (Ro-Ro and Ro-Pax), in compliance with EU standards** for the purpose of making use of given maritime routes.

- 1. All the EU road haulage companies**
- 2. Only on Italian routes**

Requirements

Requirements to obtain Ecobonus

companies must have carried out a minimum of **80 journeys** on each incentivised route by the end of the calendar year of reference;

companies are required to maintain the same **volume of traffic** in the subsequent three-year period;

an additional bonus is provided for those who carry out at least 1600 journeys on the same incentivised route within a year.



Applicable Regulations

The main regulatory sources

- **Law no. 265 of 22.11.2002** – creation of the subsidy
- **EC decision no. 496/03 of 20.04.2005**
- **Presidential Decree no. 205 of 11.04.2006** – allocation of funds
- Ministerial Decree of 31.01.2007 - identification of maritime routes to be incentivised
- Ministerial Decree of 26.03.2007 - identification of maritime routes to be incentivised
- Ministerial Decree of 25.10.2007 – methods for requesting the subsidy
- **Law no. 244 of 24.12.2007** – assignment of funds
- Ministerial Decree of 8.01.2008 – percentages to be applied to each route
- Ministerial Decree of 16.12.2008 – methods for requesting the subsidy
- Ministerial Decree of 7.10.2009 - identification of maritime routes to be incentivised
- **Ministerial Decree of 31.01.2011** – extension for the year 2010



Applicable Regulations – EC decision no. 496/2003

Decision no. 496/03 of 20.04.2005

The European Commission also wished to “**encourage the transfer of heavy goods methods from the roads to maritime paths**” and “for a period of three years, subsidies will be granted **to goods haulage companies** that use new or existing maritime routes instead of transporting on roads.”



The allocation and distribution of funds

Presidential Decree no. 205 of 11.04.2006

for measures for the innovation of the road haulage system for transporting goods, the development of supply chains and strengthening of intermodality, and the use of maritime modes in particular, maritime cabotage and environmental improvement

Law no. 244 of 24/12/2007

Allocation of **70 million Euro per year** for 2007/2009 three-year period.

Ministerial Decree of 31.01.2011

Allocation of **30 million Euro for 2010.**

Applicable Regulations – Identification of Routes

Criteria for Identifying the Routes

suitability of the maritime route for fostering the transfer of consistent amounts of traffic from road to maritime modes;

suitability of the maritime route for reducing traffic congestion on the national route network;

foreseeable improvement in environmental standards obtainable by using the maritime route in place of the corresponding road route.

Applicable Regulations – Identification of Routes

NATIONAL ROUTES
Catania - Civitavecchia
Catania-Genova
Catania - Livorno
Catania-Napoli
Catania - Ravenna
Catania - Venezia
Chioggia - Augusta
Civitavecchia - Messina
Civitavecchia - Palermo
Civitavecchia - Trapani
Genova - Napoli
Genova - Palermo
Genova - Termini Imerese
Livorno - Palermo
Livorno - Trapani
Messina - Salerno
Napoli - Milazzo
Napoli - Palermo
Napoli - Termini Imerese
Palermo - Salerno
Salerno - Termini Imerese
Savona Vado - Termini Imerese
Trapani - Formia

EU ROUTES
Civitavecchia – Barcellona
Civitavecchia – Tarragona
Civitavecchia – Tolone
Genova – Algeciras
Genova – Barcellona
Livorno – Barcellona
Livorno – Tarragona
Livorno – Valencia
Marina di Carrara - Castellon de la plana
Palermo – Valencia
Salerno – Tarragona
Salerno – Valencia

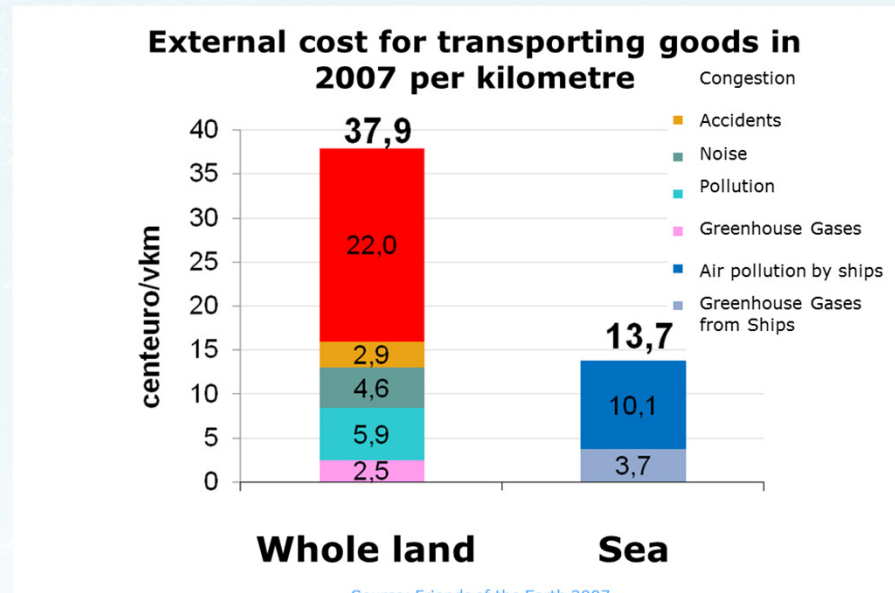
Incentivisable maritime routes identified by the Ministry of Infrastructures and Transports:

23 national
12 EU

Applicable Regulations – Determining of Percentages



UPDATE ON SOCIAL AND ENVIRONMENTAL COST ANALYSIS (congestion, pollution, accidents, etc.)



1. Identification of a «Vehicle type» (14 linear meters, 20 tonnes)
2. Application of the Social cost parameters per Km (both Sea and Land)
3. Elaboration of the Algorithm for Ecobonus (Social cost Land - Social cost Sea)
4. Calculation of the «Ecobonus» basis (as a percentage of the ticket paid: max 30% of the ticket!)
5. Any additional strategic considerations (new routes, maintenance of autoroute A3 Salerno-Reggio Calabria, congestion in the Alps, etc.)
6. Calculation of the final «Ecobonus»

Applicable Regulations – Determining of Percentages

The percentages to be applied to each rate paid to the maritime carrier **are fixed for each maritime route**

EU routes	From 80 to 1599 journeys completed	From 1600 journeys completed
Civitavecchia-Barcelona	20%	25%
Civitavecchia-Tarragona	20%	25%
Civitavecchia-Toloun	20%	25%
Genoa-Algesiras	10%	13%
Genoa-Barcelona	10%	13%
Livorno-Barcelona	20%	25%
Livorno-Tarragona	15%	19%
Livorno-Valencia	15%	19%
Palermo-Valencia	20%	25%
Salerno-Tarragona	20%	25%
Salerno-Valencia	20%	25%

National Routes	From 80 to 1599 journeys completed	From 1600 journeys completed
Catania-Civitavecchia	28%	30%
Catania-Genoa	28%	30%
Catania-Livorno	28%	30%
Catania-Naples	28%	30%
Catania-Ravenna	28%	30%
Catania-Venice	28%	30%
Civitavecchia-Palermo	28%	30%
Genoa-Naples	20%	25%
Genoa-Palermo	28%	30%
Genoa-Termini Imerese	28%	30%
Livorno-Palermo	28%	30%
Livorno-Trapani	28%	30%
Messina-Salerno	28%	30%
Naples-Milazzo	28%	30%
Naples-Palermo	28%	30%
Naples-Termini Imerese	28%	30%
Palermo-Salerno	28%	30%
Trapani-Formia	28%	30%

Operational Management

The Ecobonus must be managed in a way that ensures operational agility and efficiency of procedures

The Italian State has entrusted operational management of the Ecobonus to

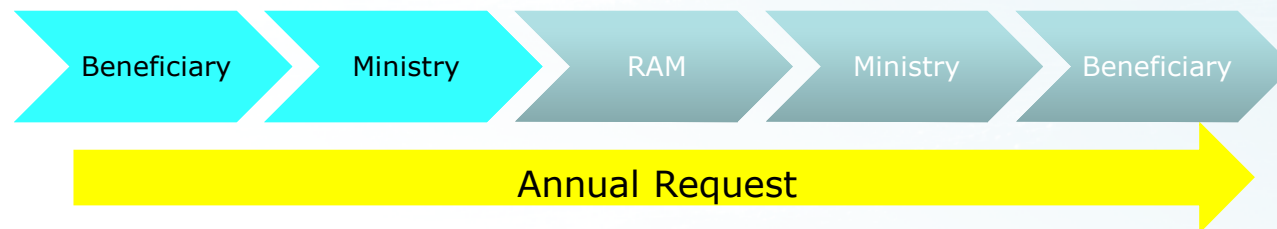
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Operational Management – Step 1

Interested parties present an application composed of the following to the Ministry of Infrastructures and Transport within the end of January of each year:

- a general **form** gathering information on the beneficiary;
 - **Appendix 1:** information on the individual companies
 - **Appendix 2:** a list of the incentivised routes
the number of journeys completed
the tonnage and/or linear metres transported
the total cost incurred.
-
- **accounting documents:** invoices/boarding insurance policies with receipt, certified by the maritime carrier
 - **administrative documents:** certified through registration in the register of road haulage companies transporting goods for third parties and with the chamber of commerce



Operational Management – Step 2

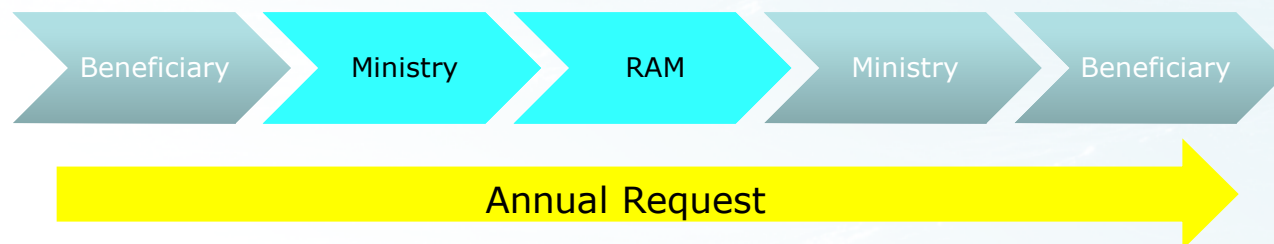
Once received by the Ministry, the applications are registered and sent to **RAM Spa**, which takes charge of them to proceed with the investigations

Registration

- Allocation of a registration number and date
- Archiving of the application in the

Investigation folder

- Processing of the application by the operators and entry of the date into the "ECOBONUS" computerised management system
- Completion of the investigation based on the documentation attached to the application
- Any notices to be sent to the applicant to request additional documentation
- Assignment of an "eligible" or "ineligible" status to the application

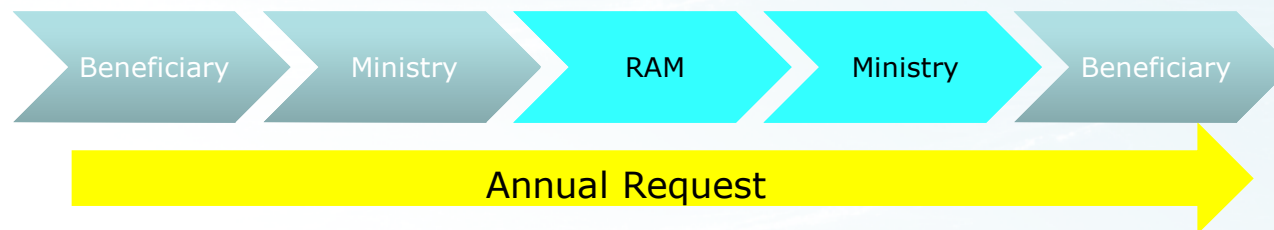


Operational Management – Step 3

The investigative activities carried out by RAM are assessed and approved by a **Ministerial Committee** formed for that purpose.

Investigation Output

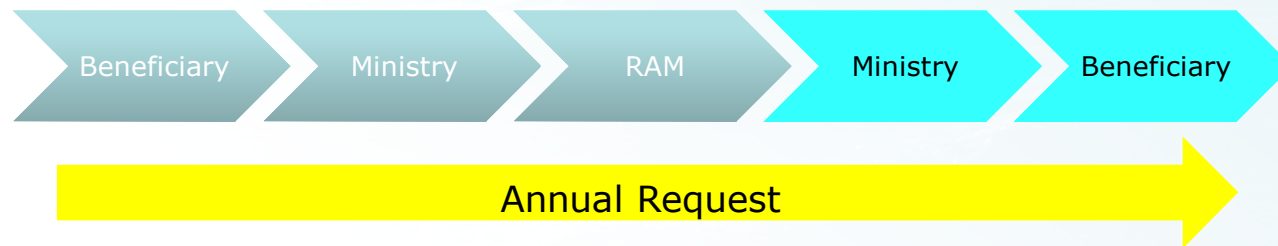
- Convening of the Assessment Committee
- Presentation of the investigative work by RAM to the Committee
- Report by the Committee on the outcome of the assessment
- Sending of the list of applications assessed as "eligible" and "ineligible" to the Ministry.



Operational Management – Step 4

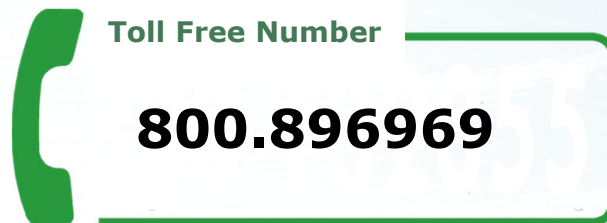
Based on the assessment by the **Ministerial Committee**, the Ministry proceeds with the delivery of the subsidy

The entire procedure was completed in a maximum of 18 months



Operational Management - Help Desk

In order to make the "Ecobonus" application procedure more understandable and simplified, a **Help Desk service** has been created to support beneficiaries.



Ecobonus



ramspa.it

Results – 2007-2010

NUMBER OF JOURNEYS	2007	2008	2009	2010	
National Routes	325.819	349.406	372.110	435.388	+ 33%
EU Routes	136.030	139.722	107.203	129.394	
TOTAL (GENERAL)	461.849	489.128	479.313	564.782	+ 22%
TONNES TRANSPORTED	2007	2008	2009	2010	
National Routes	9.064.281	13.877.093	10.288.347	13.002.986	+ 43%
EU Routes	4.026.099	3.926.835	3.167.210	3.509.770	
TOTAL (GENERAL)	13.090.380	17.803.928	13.455.557	16.512.756	+ 26%
TAXABLE AMOUNT (€)	2007	2008	2009	2010	
National Routes	136.471.474	154.709.987	156.640.709	188.093.174	
EU Routes	75.312.755	91.114.088	67.047.759	87.543.401	
TOTAL (GENERAL)	211.784.229	245.824.075	223.688.468	275.636.575	
ECOBONUS AWARDED	2007	2008	2009	2010	
National Routes	31.061.691	44.514.869	45.564.920	54.897.107	
EU Routes	14.596.380	18.464.401	14.365.166	19.189.348	
TOTAL (GENERAL)	45.658.071	62.979.270	59.930.086	74.086.455	*

* The subsidy of € 74,086,455 was recalculated as the allocated funds were equal to 30 million Euro

The total amount provided to non Italian road haulage companies was equal to about

Euro 15.000.000

(7,5%)

Main countries:

- Spain
- Greece
- Switzerland
- Austria
- France

Annotations:

- Decrease of Spain GDP in 2008 and 2009
- Increase of load factor

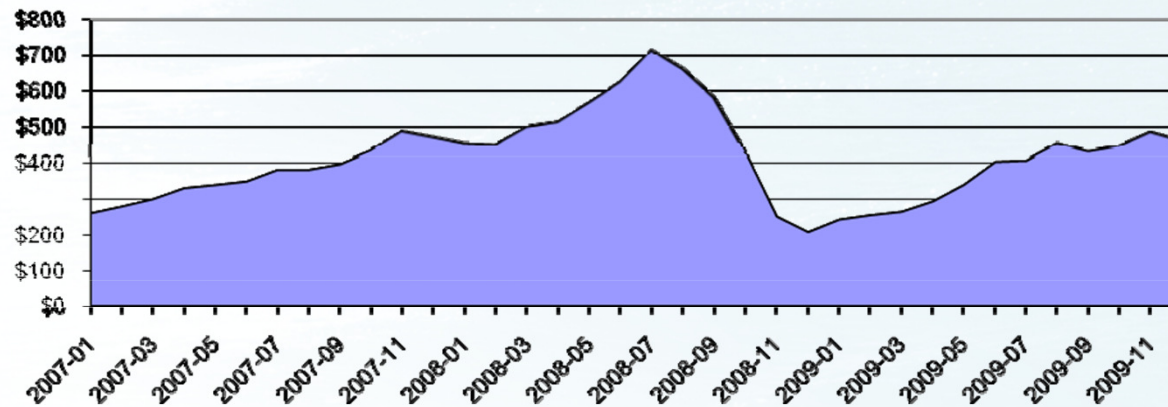
Controls

The incentive beneficiaries will be monitored annually, for a three-year period, starting from the year after the last year in which they were granted aid (2010) to see if they **maintain the commitments** taken. Specifically, for the years 2011, 2012 and 2013, the Ministry of Infrastructures and Transport will acquire the necessary elements for monitoring from the firms that obtained aid for all the years in which it was granted. In this way, except where caused by force majeure, or if independently of the wishes of the individual beneficiary firms (interruption or change to a route granted incentives, the opening of a new line with incentives that is more suitable to the firm's needs, the acquisition of new company contracts or the termination of pre-existing trade agreements etc), those who benefitted from aid for the entire period 2007-2010 will be obliged to maintain the commitments taken.

Controls

The **monitoring of maritime tariffs** in the Ecobonus period led to the results that the variations in tariffs were conditioned only by the bunker costs.

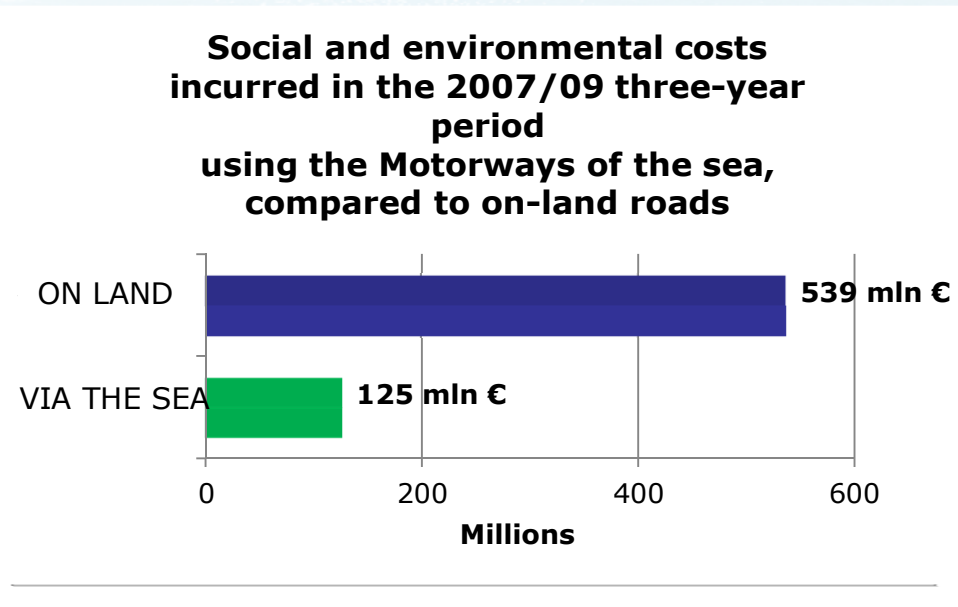
Costo Bunker In \$ per tonnellata (porto di Genova)
(fonte Clarksons)



	2007	2008	2009
variations of bunker cost from the previous year		35%	-25%
total variation costs for the year from the previous year		12%	-10%

Effects

The application of the indicators relating to the social cost of the various modes of transport per km for the relative number of incentivised journeys in the 2007-2009 three-year period led to the following results:



The total "social and environmental costs" incurred by using the motorways of the sea can be quantified as 125 million Euro. The "social and environmental costs" that would have been incurred if the same journeys had taken place on land would have been 539 million Euro.

Considering the extension to 2010, the advantage in terms of social and environmental costs becomes more significant.

The Ecobonus contributed to the promotion of the development and use of the "Motorways of the Sea" network

Reduction in the social costs generated by road congestion

reduction of pollution

reduction of road congestion

reduced use of fuel

allocation of sustainable means for transporting goods

more groupings of companies

benefits on productivity, competitiveness and logistical organisation

Thanks to the success of this **Italian best practice** there are very good chances that the European Commission, together with the other Member States, may consider the possibility of extending the measure to the entire European geography.

We therefore hope for a shared action by the European States with the support of numerous stakeholders for the purposes of developing a "**green and cost-efficient**" pan-European incentive that favours intermodality.

We are working on, in order to create a "**Magellano 2020**" project, within it it will be possible to facilitate "**Green Incentives**" for the best Governance of the new TEN-T corridors.

New partners for the project are welcome!

ReteAutostrade
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Thanks for your attention

Prof. Francesco Benevolo – Managing Director

Brussels, 18th December 2013

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