

UFM OPEN DAYS

**“How to promote socio-economic development
in the region through improved multimodal
logistics and transport networks”**



Port de Barcelona

Barcelona, 23 November 2011



Contenido

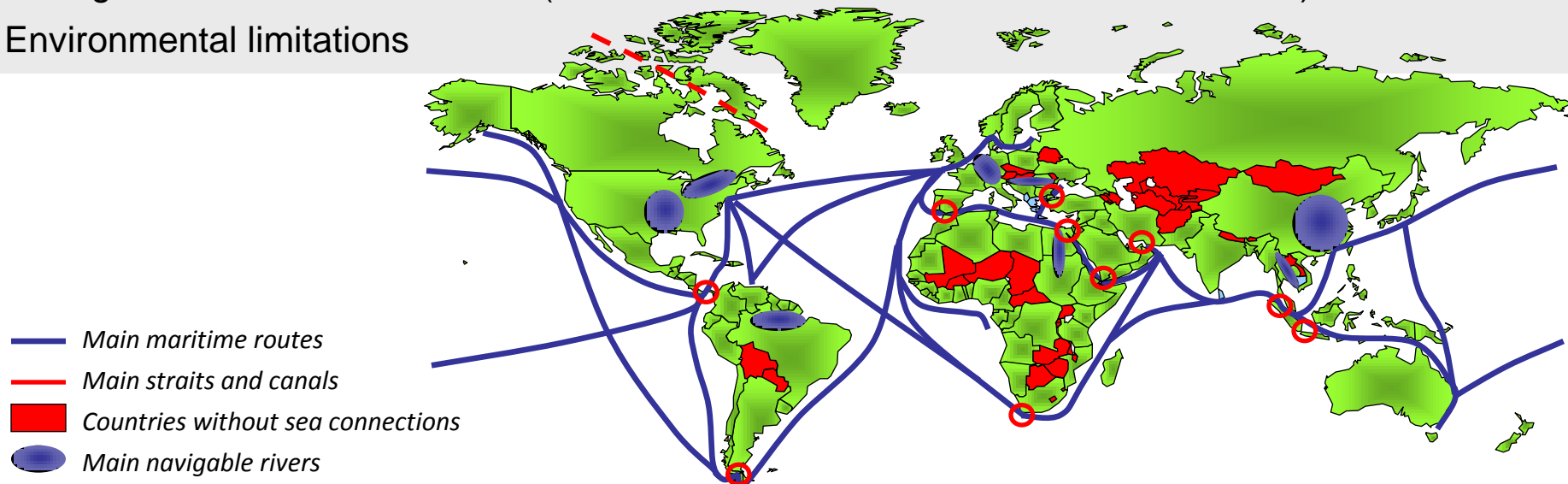
- I. Logistics in the world economy
- II. The role of ports in Logistics
- III. The relevance of the Mediterranean Sea in international trade
- IV. The opportunity of EuroMed-Asia traffic



Logistics in the world economy

Main features of world logistics today

- ✓ Global scale companies (Multinationals)
- ✓ New logistics “mega-operators”
- ✓ Cooperation and competition between ports
- ✓ Relation between ports and logistics centres
- ✓ Change in the typology and amount of Logistics costs (less inventory costs vs. more transport costs)
- ✓ Lead time (Goods delivery in 24 hours)
- ✓ Geographically integration of logistics activities
- ✓ Changes in distribution schemas (one vs. several continental distribution centres)
- ✓ Environmental limitations





Logistics in the world economy

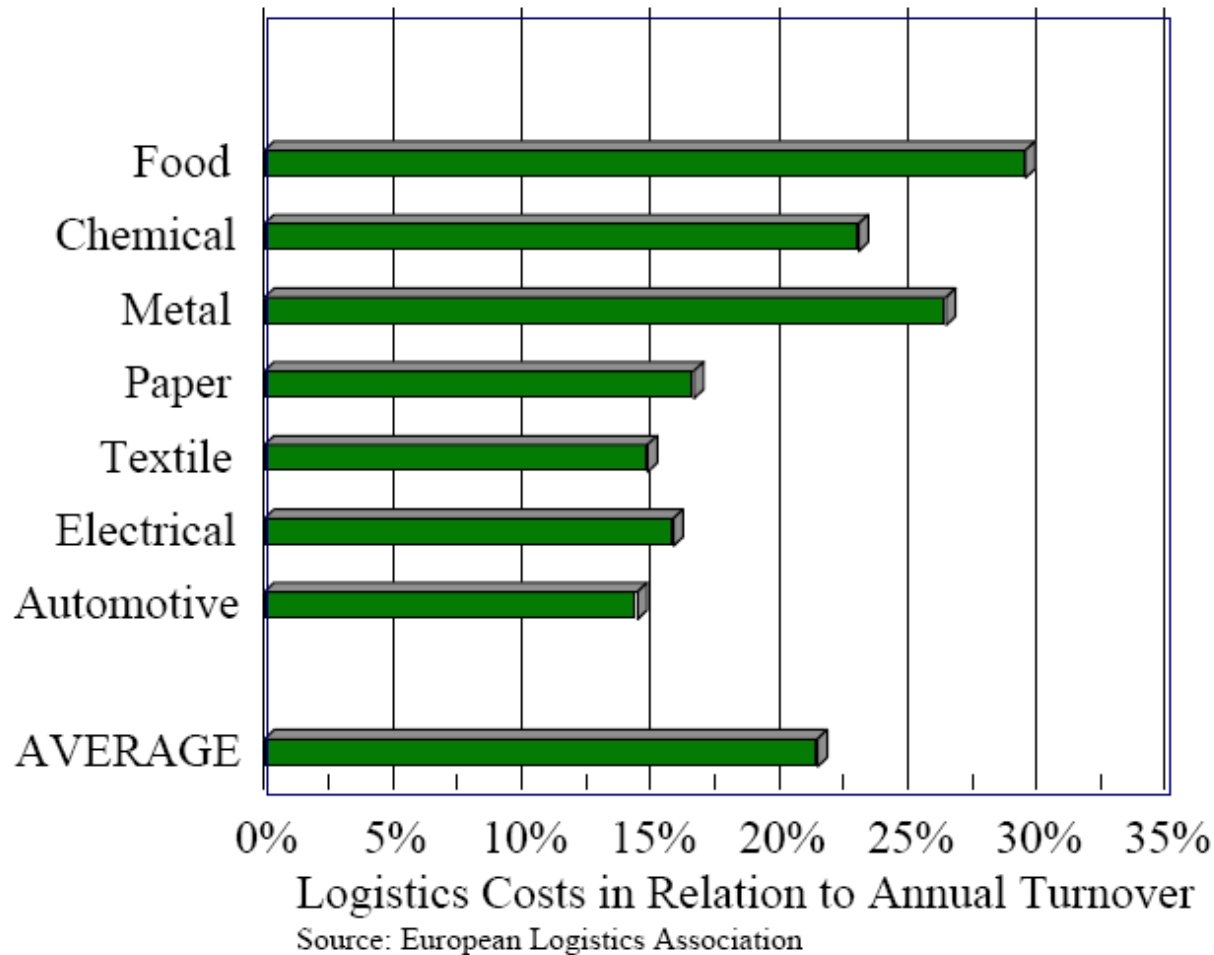
Why efficiency in maritime logistics is so important?

- Since 1950, world GDP has been multiplied by 7, and **worldwide exports by 100**.
- In 2010 in Spain, **55% of exports and 83% of imports were done by sea**. Road transport only accounted for 41% and 16% respectively.
- **In 2010**, world ports handled 500 million TEU approximately, approximately **20% more than in 2005**. Road transport increased 4,5%.
- In Spain, **port activity represents 20% of the transport GDP** and 1,1% of the total GDP. It creates **35.000 direct jobs and more than 110.000 indirect jobs**.
- Spanish port traffic **has increased 60% in the last 14 years** (1996-2010).
- Nowadays, general cargo's **logistics costs represent 4,7% of their total value**



Logistics in the world economy

Logistics costs as a substantial proportion of the final price





The role of ports in Logistics

The impact of port costs in the global logistics chain

Only a minor percentage of the costs of logistics chains or even of the maritime leg of these chains, are due to ports

Main port costs

- ✓ Port fees
- ✓ Terminal Handling Charges
(THC=150€ aprox. Far East / Europe)
- ✓ Container stockage in terminal – Wharfage
- ✓ Inspections

Other costs linked to ports

- ✓ Customs clearance
- ✓ Loading / Unloading train or truck
- ✓ Other (commissions, land connections, etc.)



Port's impact on the efficiency and competitiveness of logistics chains is not linked to costs and/or tariffs, is linked to speed, transparency, productivity and intermodality



The role of ports in Logistics

Key features of an efficient port

- 🔑 **Reliability:** clients and logistics operators need to know their planning (lead time, etc) is going to be respected and fulfilled. And this despite inspections, etc.
- 🔑 **Speed:** Reduce as much as possible time of stay of merchandises in the port due to port procedures.
- 🔑 **Transparency:** clients need to know always what is happening to their cargo and why
- 🔑 **Intermodality:** Number, frequency, capacity, price of train, barge, Ro-Ro connections

AND PRICE!!





The relevance of the Mediterranean in international trade

The Mediterranean in the Europe-Asia trade



- La ruta Europa-Far East transporta aproximadamente tres veces más contenedores que la ruta transatlántica.
- La actual **ventaja competitiva de los puertos del norte de Europa** se construyó cuando la ruta transatlántica era el vínculo más importante que conectaba los principales centros de producción y consumo (Europa Occidental y Estados Unidos y Canadá).
- El incremento de tráfico de la ruta Far East-Europe supone una **oportunidad** para los puertos del sur de Europa



The opportunity of EuroMed-Asia traffics

Claves para aprovechar esta oportunidad

**Promote
freight traffic**

► **Infrastructures (port & connectivity)**

► **Logistics chains integration**

► **Client orientation and efficiency**



1. Infrastructures: Expansion of the Port and Logistics areas

The Port area will be increased by 2,3 times

More surface, more capacity:

Investment	500 M €
Concession	30 years
Capacity	2,3 M TEU (2012) 3,0 M TEU (2020)
Surface	100 ha
Wharf line	1,500 ml
Draught	16.5 m

Capacities/year:

2008

2012

Project
Completion

Tons:

50 million
2,6 million

85 million
4,5 million

130 million
10 million

Containers (TEU):

New terminal Prat
wharf: Hutchison

TCB container
terminal extension

Investment	27,3 M €
Concession	30 years
Capacity	2,2 M TEU
Surface	85 ha
Wharf line	1,380 ml
Draught	16 m

Both container terminals, TCB and Hutchison, are expanding their surface areas and will offer a capacity for more than 4,5 million TEU in 2012



2. Services offer: Logistics chain integration

The growing role of port authorities

The orientation of **port business towards intermodal transport and the logistics chain** as key elements of their competitiveness requires more flexible organizational structures with the capacity to serve new markets, offer new services ...

-El objetivo es la promoción de **Servicios de Valor Añadido** para que los clientes tengan mejores servicios.

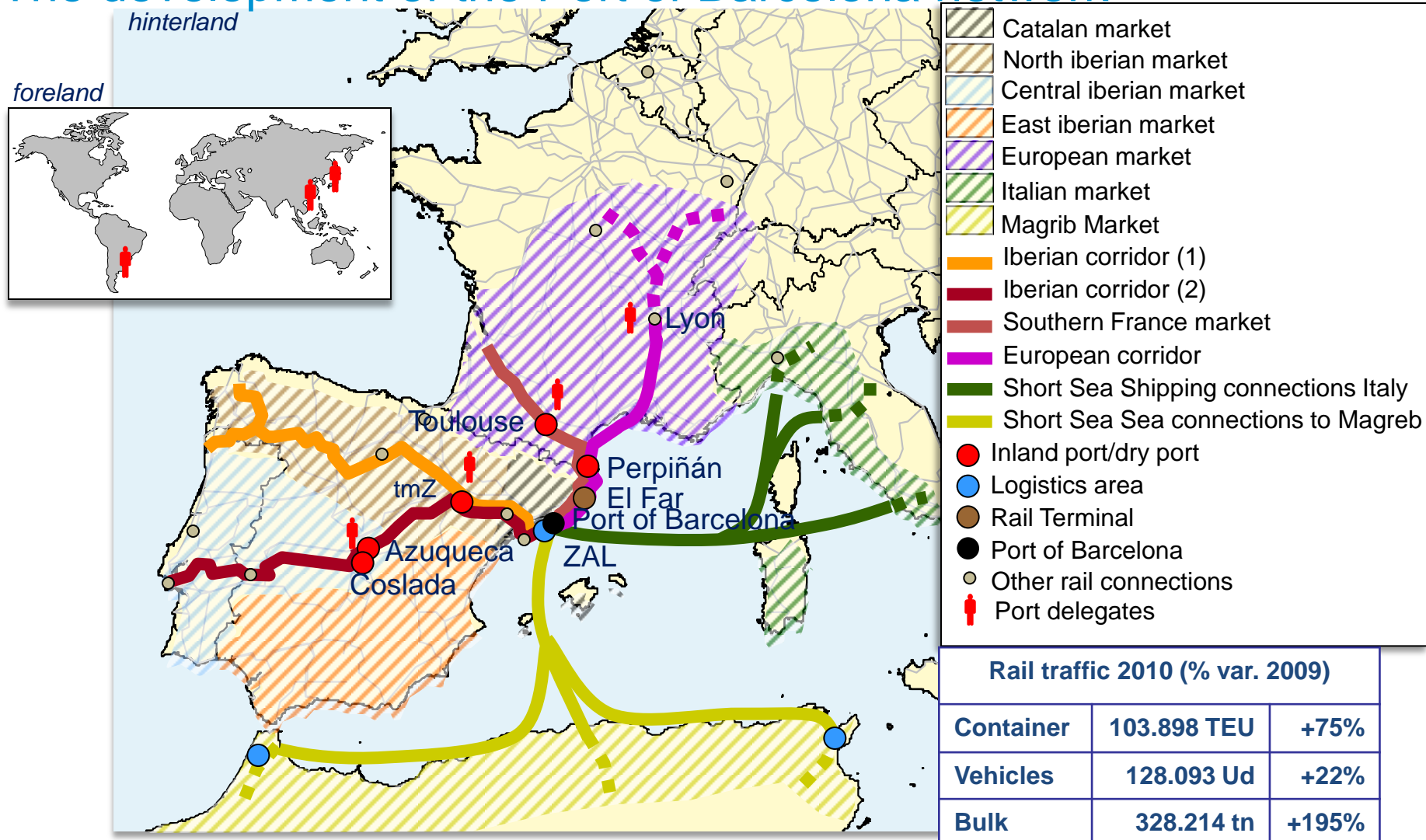
-El puerto ha pasado de ser proveedor de infraestructuras a **promotor de servicios** de la cadena de suministro.

-Rol del puerto como impulsor, promotor, gestor, partner... para pivotar el desarrollo de proyectos con **intereses compartidos** y con una única dirección → mejorar la accesibilidad, el nivel de servicios y la competitividad en los mercados del hinterland



2. Services offer: Logistics chain integration

The development of the Port of Barcelona network





2.Services offer: Logistics chain integration

The inland terminals concept

Terminales marítimas interiores, puertos secos, ZALes, terminales intermodales con capacidad de prestar servicios de manipulación, de transporte, logísticos y operaciones de valor añadido, vinculadas al Puerto de Barcelona y conectadas mediante corredores de transporte multimodales.



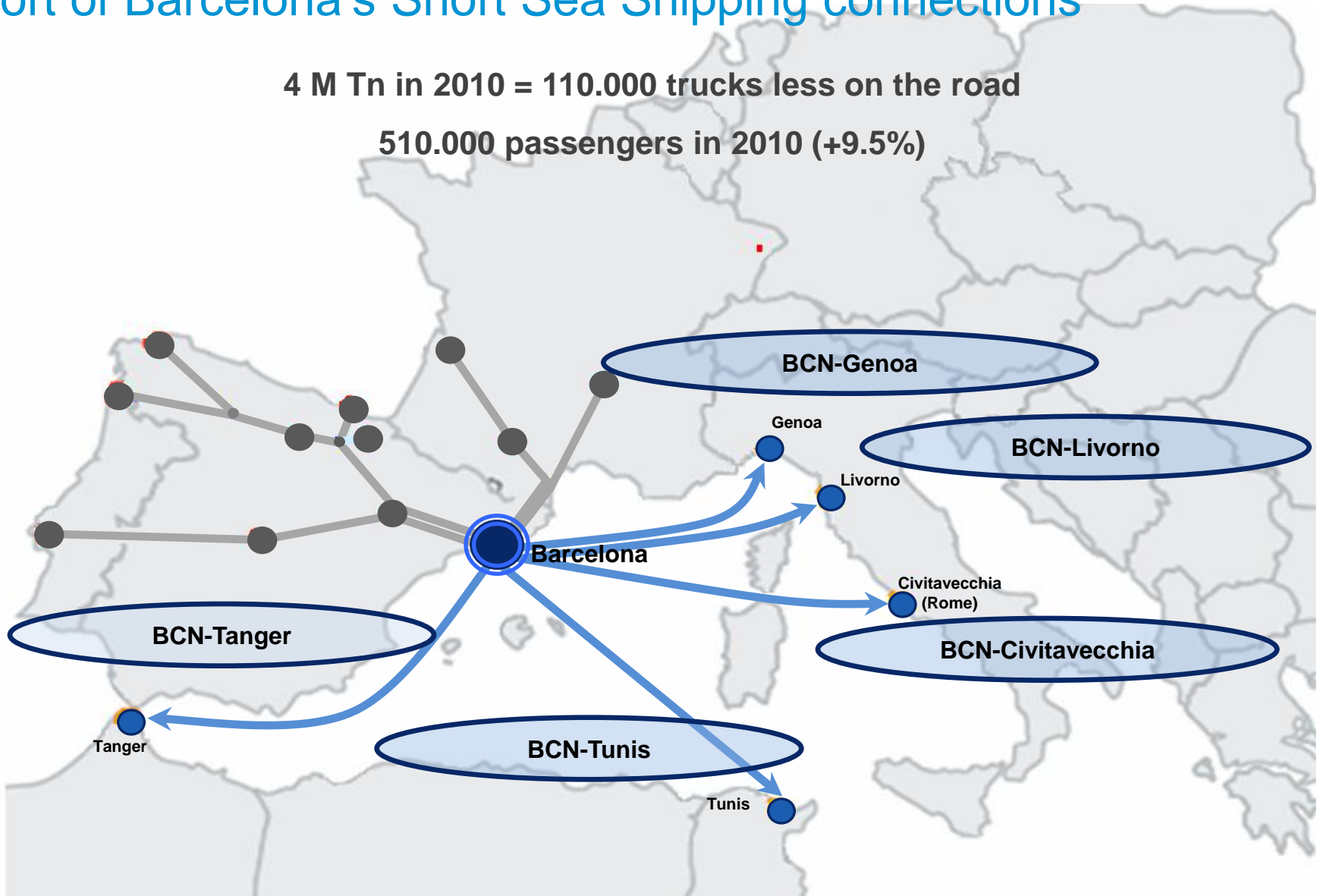
Asegurar la conectividad de la red terrestre y marítima y ganar accesibilidad física y comercial frente a los cargadores, importadores y exportadores.

2.Services offer: Logistics chain integration

Port of Barcelona's Short Sea Shipping connections

4 M Tn in 2010 = 110.000 trucks less on the road

510.000 passengers in 2010 (+9.5%)





2. Client orientation and efficiency

Improved efficiency

Some of the tools developed in order to improve efficiency

1. Portic: The Port Community one stop shop



2. SAC: The customer service



3. The Quality Plan & Efficiency Network



A step forward in the Mediterranean Port sector

Towards an excess in the port offer?

During the last years the Mediterranean has seen the appearance of new ports and the expansion of others. This has resulted in a dramatic increase of capacity



The dramatic increase of capacity has not resulted in a dramatic **increase of traffic (except transshipment)**



A step forward in the Mediterranean Port sector Towards an excess in the port offer?

In order to be able to attract more traffic (and not only transshipment) and better serve the industry and companies of our hinterland, now we need to **concentrate not only in the expansion of the surface but also in:**

- a) Development and **improvement of sea connections** among ports (for cars, for containers, for ro-ro, etc)
- b) **Efficient inland connections** by rail, barge, road with consumer and industrial areas
- c) **Improving customs** and paracustoms procedures and simplifying EU procedures for cargo coming / going to non – EU MED countries
- d) Simplification / Digitalization of information and **documentation flows**



A step forward in the Mediterranean Port sector

Improving Mediterranean ports efficiency

Improving the efficiency of MED ports and the networks connected to the ports could result in

- 1.- **Increase of competitiveness** of the industries and companies of our hinterlands,
- 2.- **Reduction of prices** of products being consumed and exported
3. Significant increase of the country's exports
4. Dramatic **increase of traffic** in the region.



www.portdebarcelona.es

Thank you.





Port de Barcelona