



The French – Iberian rail link: a market of great interest to the FS Group

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Foreign Markets Responsible

The French – Iberian rail link: a market of great interest to the FS Group

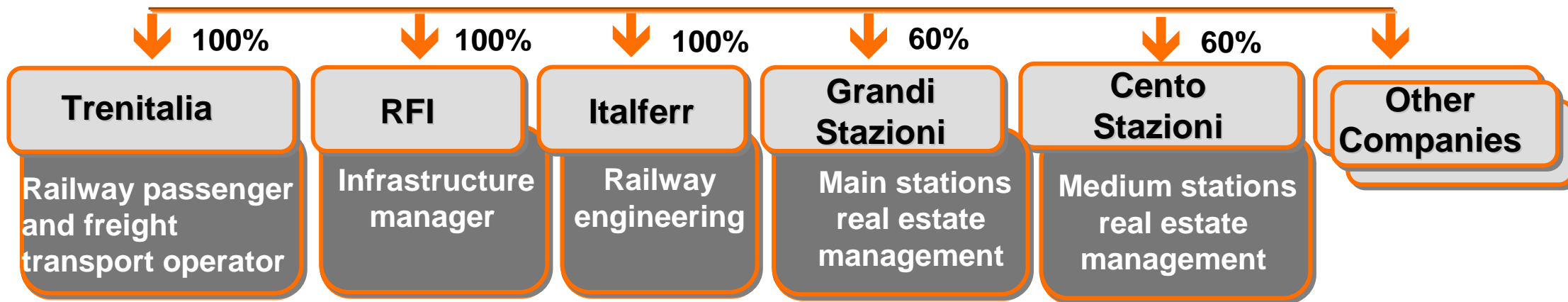
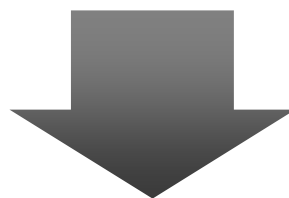
OVERVIEW :

- **FS Group main information**
- **The Italian transport flows and the Spanish market**
- **The S.I.S.T.E.R. Project: a tailor made solution**

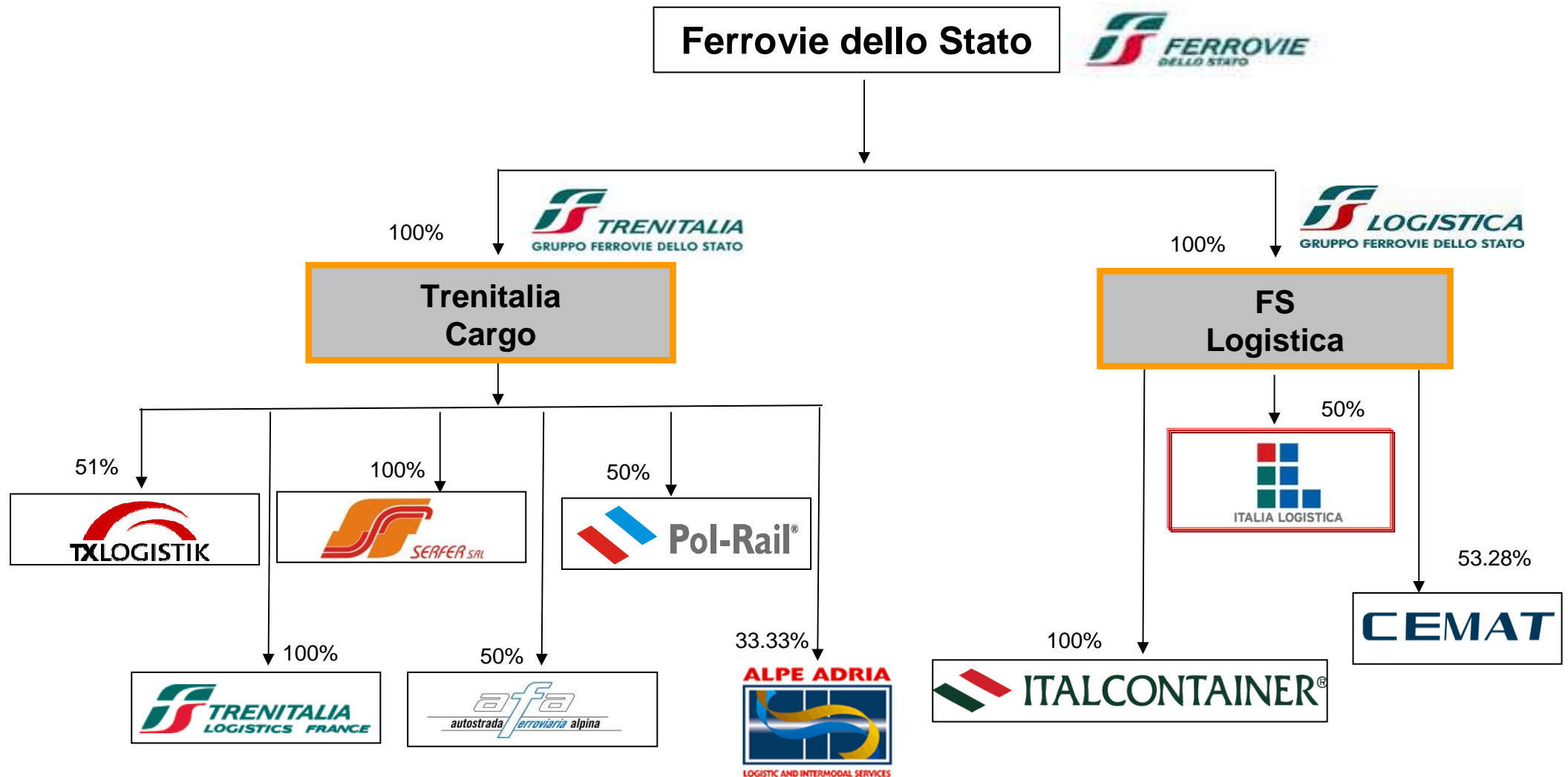
FS GROUP MAIN INFORMATION

Ferrovie dello Stato Group

Ferrovie dello Stato



Freight business in FS Group



Trenitalia Cargo's figures

□ Due to the economic crisis, in 2009, Trenitalia has reported a 24% decrease in tons transported

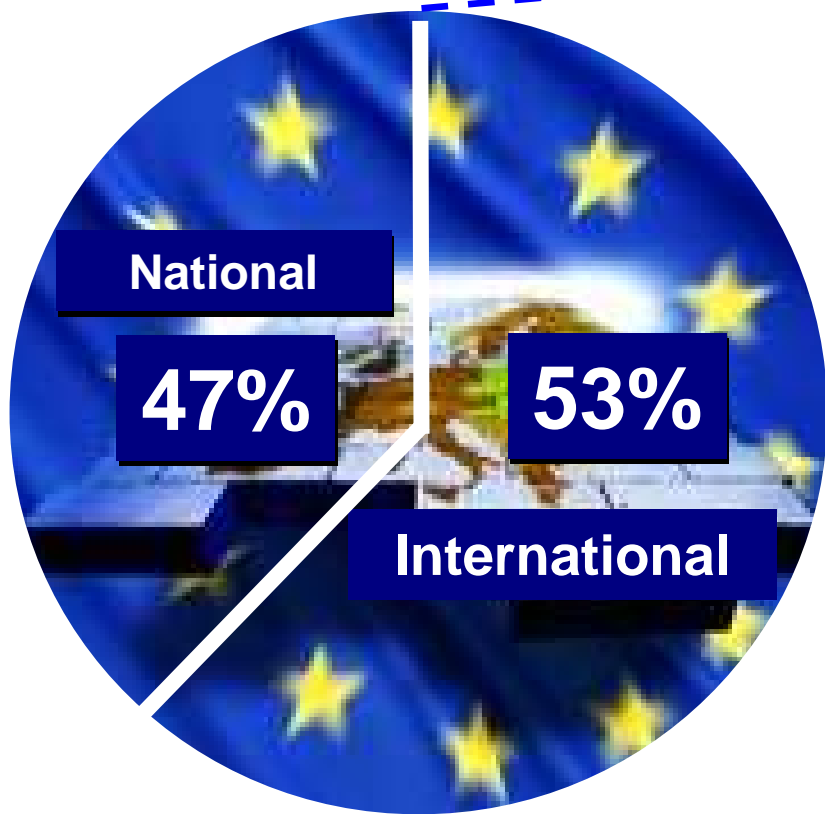
□ Fleet 792 locos,
□ Wagons 25.000 freight cars operating (2010)

□ Year 2009	Division
Revenue [Mln €]	553
Tonns/Km [Bln]	17



The international traffic of Trenitalia Cargo

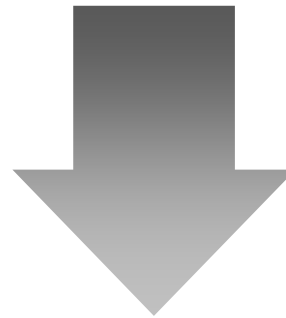
50 mln Tons
Transported by TI in 2009



Import & Export	tons (000)	%
GERMANY	9.582	37%
AUSTRIA	5.288	20%
FRANCE	4.238	16%
HUNGARY	1.099	4%
BELGIUM	1.006	4%
NETHERLAND	913	3%
POLAND	836	3%
SWITZERLAND	614	2%
CROATIA	519	2%
CZECH REP.	358	1%
DENMARK	345	1%
OTHERS	1.542	7%
TOTAL	26.340	100%

FS strategies in freight business

- ❑ International development
- ❑ Rightsize Italian terminal network
- ❑ Expand activities on the value chain (Logistics)
- ❑ Activate synergies in partnership with other operators in the “focal points” (e.g. ports)
- ❑ Enhance industrial value of assets (Inland Terminals)
- ❑ Specialisation and concentration of flows



Target: industrial and economic equilibrium of the business

THE ITALIAN TRANSPORT FLOWS AND THE SPANISH MARKET

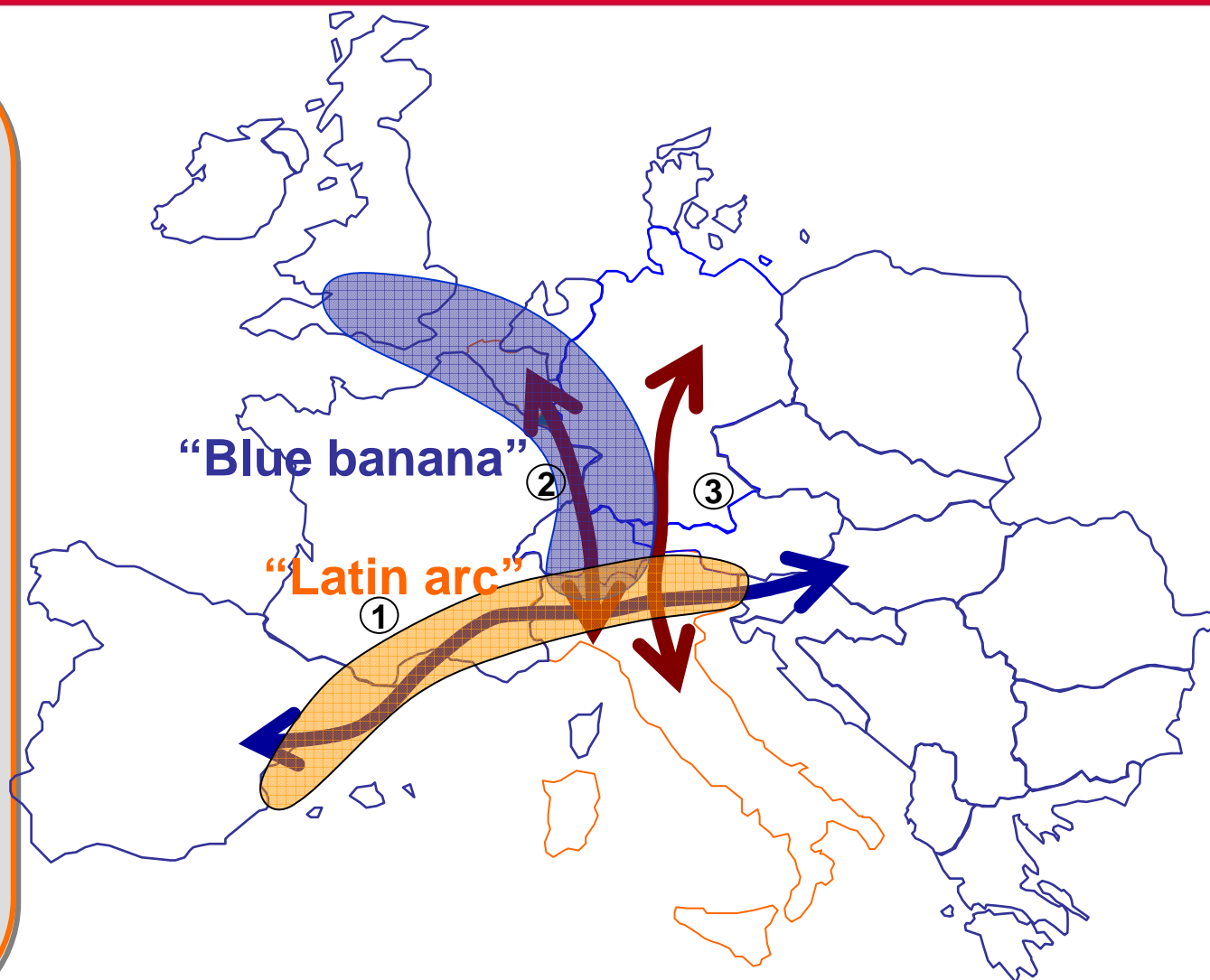
Italy and the strategic connection within the EU

Italy is passed through by the higher concentration of Transport European Network (TEN)

- 1) Corridor V
- 2) Genova - Rotterdam
- 3) Berlino - Palermo

Logistics is fast growing in the “latin arc”

Italy is the only country to be part of the “blue banana” (the major European area of production and consumption) and of the “latin arc”



The Italian traffic Axes: land transport

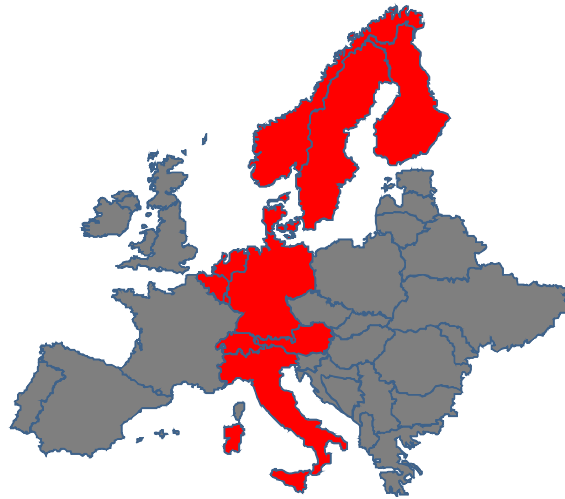
WEST AXIS

49,3 Mton



NORTH – SOUTH AXIS

79,1 Mton



EAST AXIS

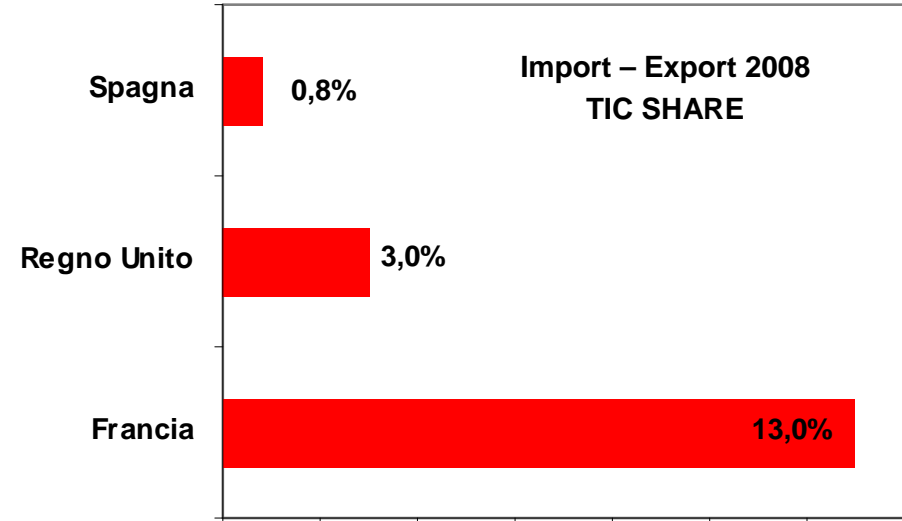
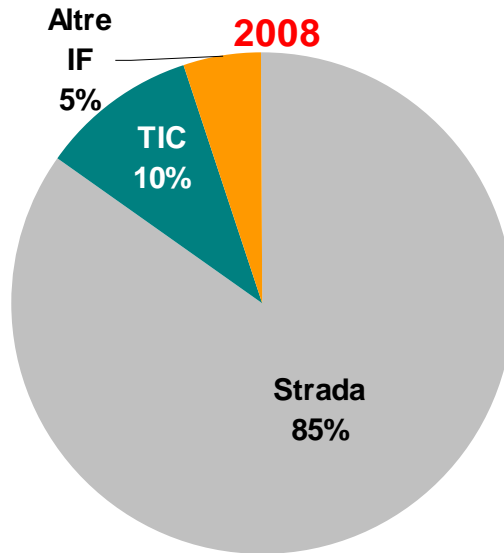
29,8 Mton



- ❑ The North – South Axis is the main one for volumes and share of the rail mode (Trenitalia's share* : 27,2%)
- ❑ The East Axis represents the area with the highest development rate. (Trenitalia's share* : 14,2%)
- ❑ The West Axis is on the eve of European rail competition (Trenitalia's share* : 10,2%)

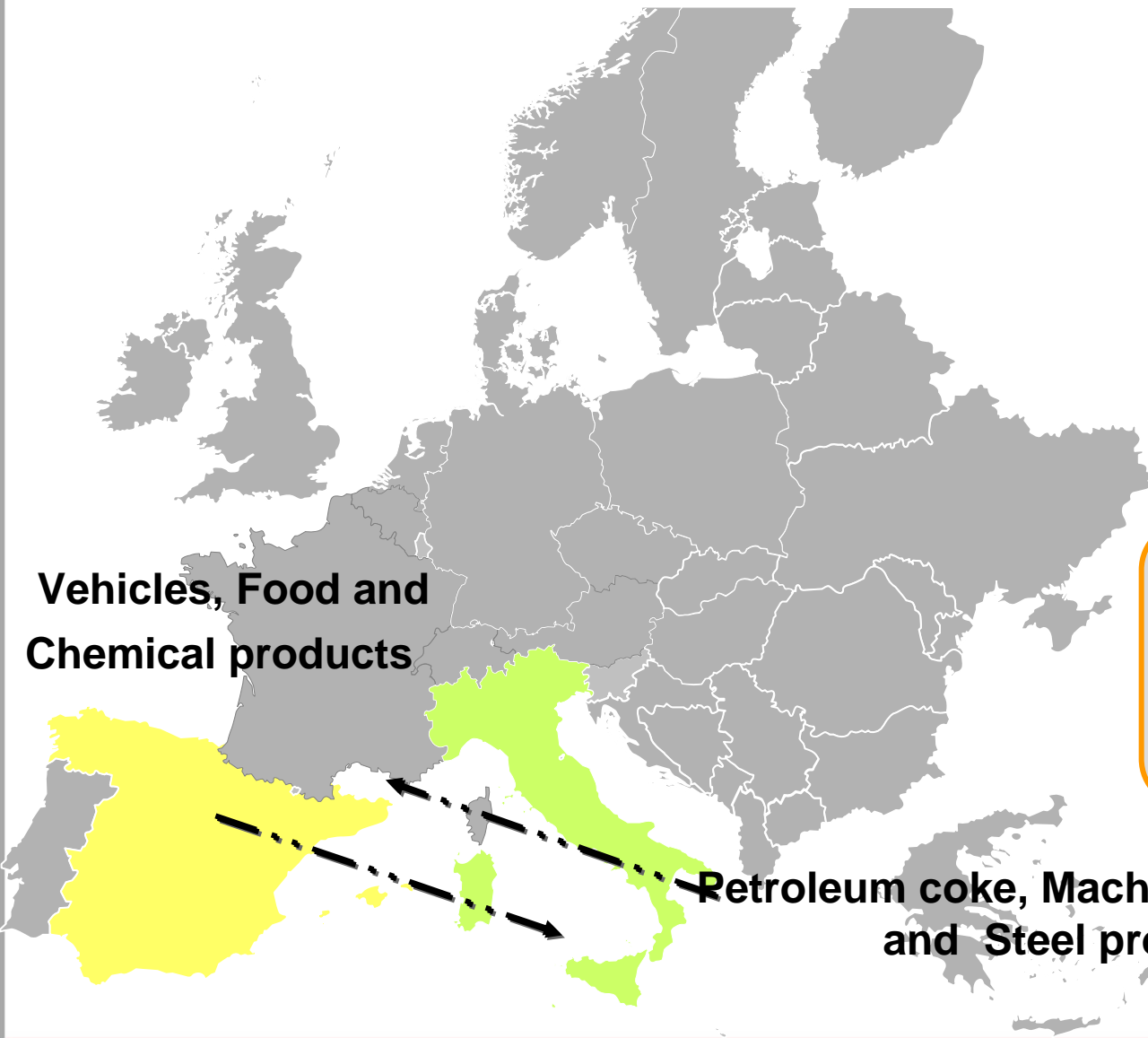
Focus on the West Axes by land transport mode

Transport mode in Italy



- ❑ Truck mode keeps a strong share (85%);
- ❑ TIC firms up on the French market;
- ❑ Rail mode has a low share in the Spanish market →

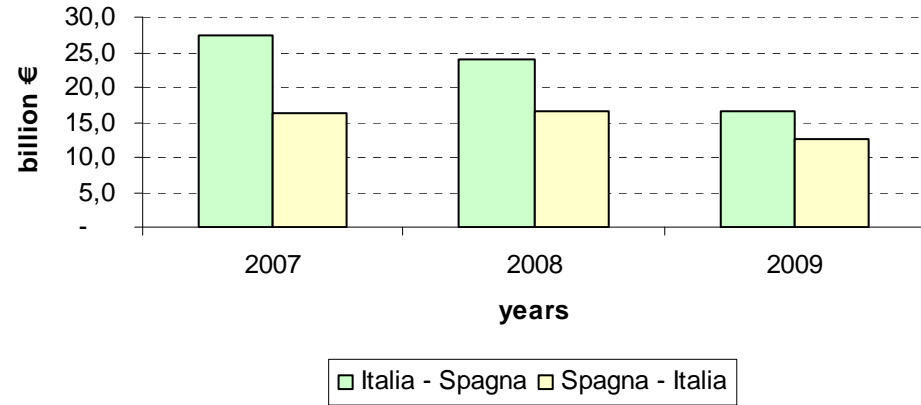
Spain – Italy international trade



**Vehicles, Food and
Chemical products**

**Petroroleum coke, Machinery, Chemical
and Steel products**

Commercial Exchange- Trend



In 2009 the exchange were:

- from Italy to Spain 16.6 billion/€
- from Spain to Italy 12.7 billion/€.

Railways and the Spanish market

➤ **Lack of dedicated service**

➤ **Imbalanced traffic**

➤ **Strong truck competition especially from Spain to Italy**

➤ **Short Sea Shipping competition is higher from the South of Italy**

➤ **A different rail gauge**



Technical and economic reasons make the Spanish market hard to capture by rail

S.I.S.T.E.R.

“Sustainable Iron and Steel Transport by European Railways” Project:

A tailor made solution for the Iberian- Italian steel market



2009

The S.I.S.T.E.R. Project: the Partners

Lead Partner



FS LOGISTICA S.p.A.
Logistics service supplier (Italy)

Other Partners



TRENITALIA S.p.A.
Rail company (Italy)



ALGEPOSA INTERMODAL S.p.A.
MTO (Spain)

The S.I.S.T.E.R. Project: Products



Coils

Wire-rod



Beams

Sheets

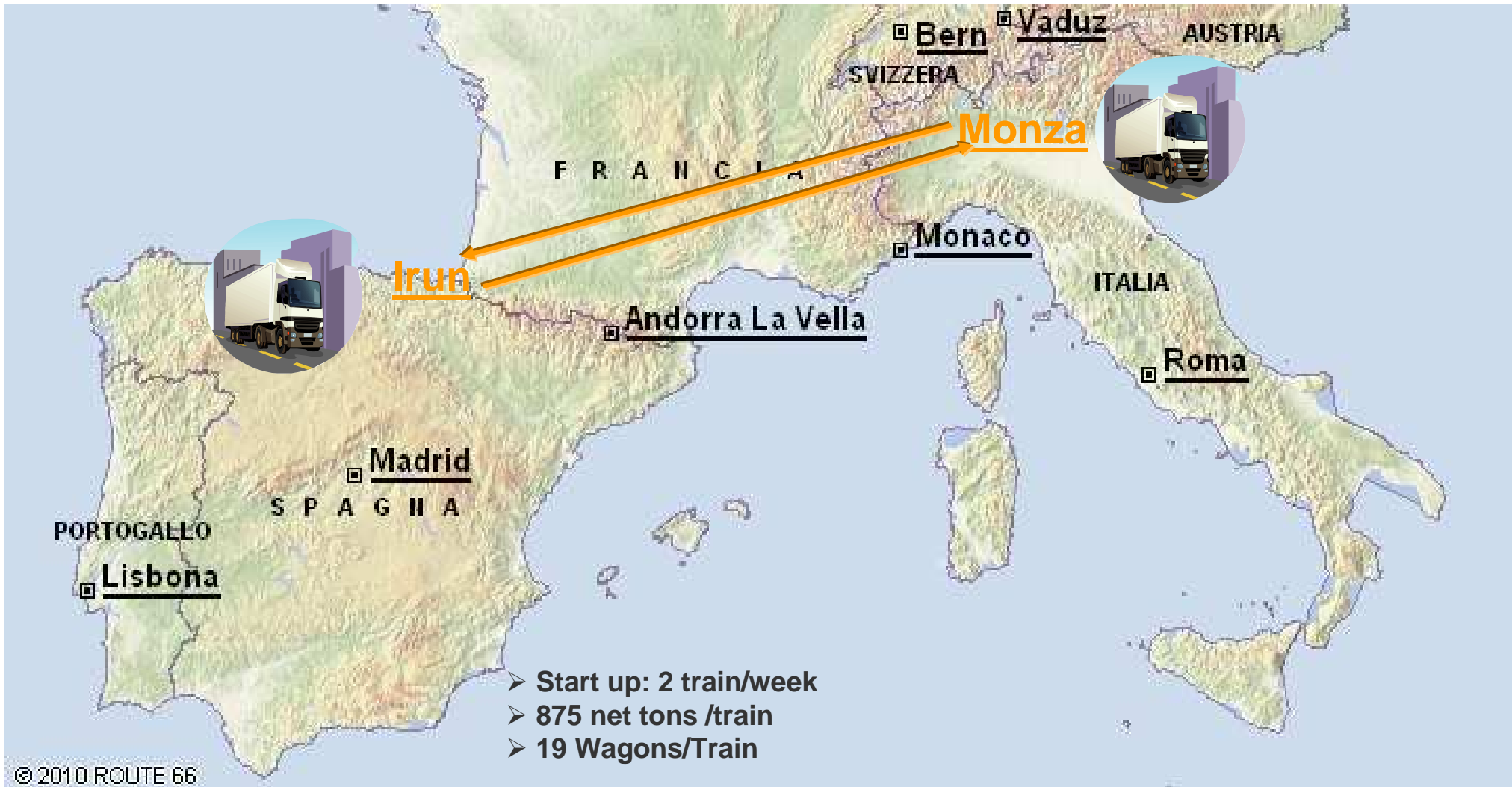


- **The Steel market is one of the leading sectors;**
- **Relevant flows Italy ↔ Spain:**
 - 885.000 tons from Spain to Italy;
 - 1.300.000 tons from Italy to Spain*.
- **The steel industry is transport intensive;**
- **Heavy and bulky products.**

The S.I.S.T.E.R. Project: Monza-Irun-Monza



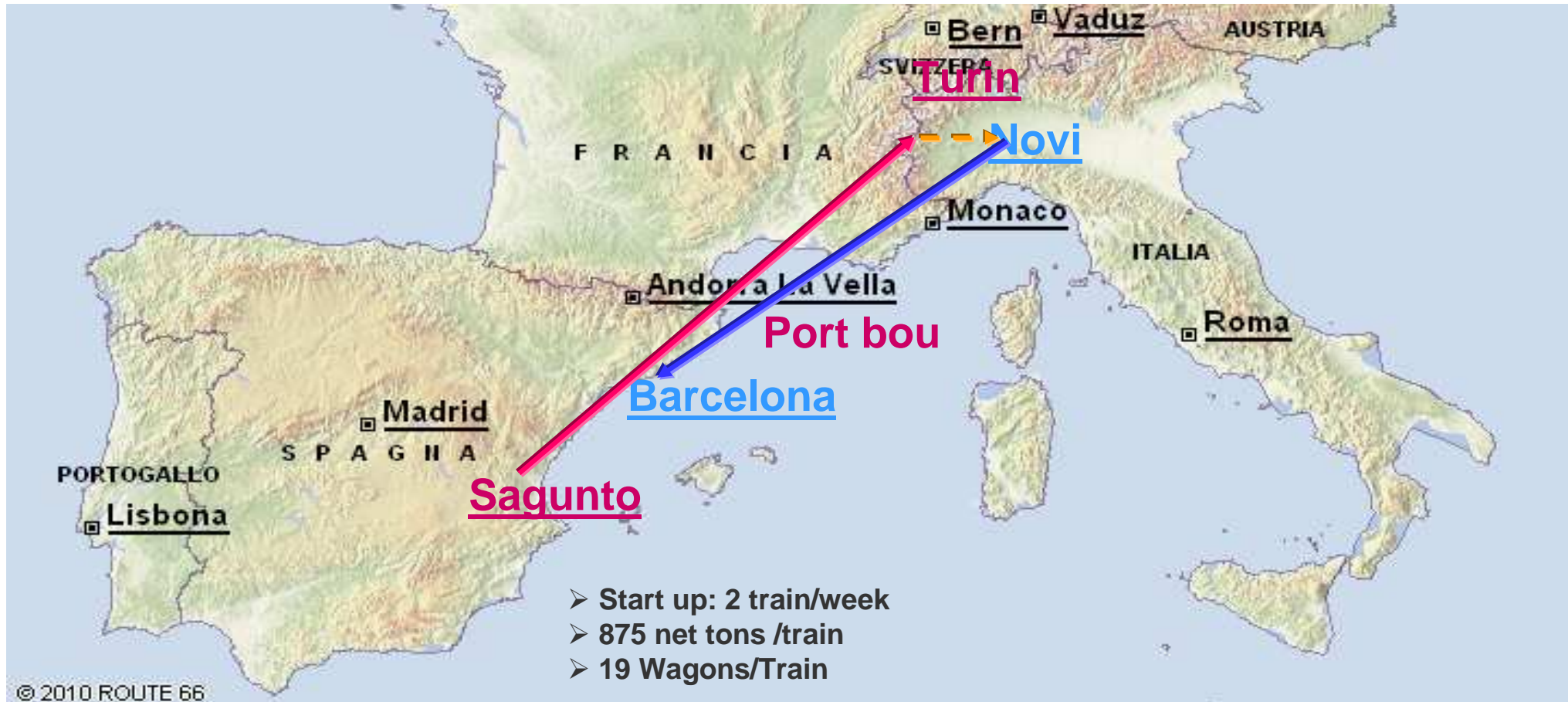
MARCO POLO
NEW WAYS TO A GREEN HORIZON



The S.I.S.T.E.R. Project: Sagunto – Turin- Novi - Barcelona



MARCO POLO
NEW WAYS TO A GREEN HORIZON



The S.I.S.T.E.R. Project: a tailor made solution

- o COMPLETE LOGISTIC SERVICE FOR THE CUSTOMER (LAST MILE, HANDLING, STORAGE...)
- o SYNERGIES OF DIFFERENT PROFESSIONAL KNOW HOW (RU,MTO, LOGISTIC SUPPLIER)
- o COOPERATION AMONG RU, INCUMBENT AND NEW COMERS (TI/ECR/RENFE)
- o CONVENTIONAL AND INTERMODAL TRANSPORT
- o SHIFTING OF STEEL PRODUCTS FROM ROAD TO RAIL



A BALANCED BLOCK TRAIN + A DOOR to DOOR SERVICE

The S.I.S.T.E.R. Project: Enviromental friendly

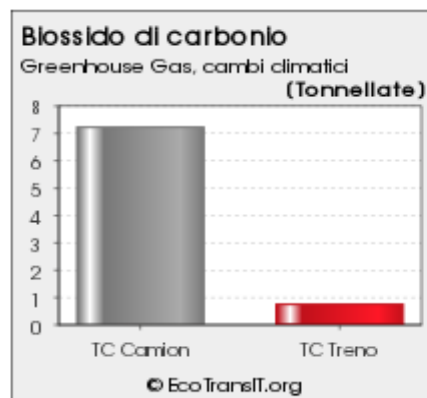
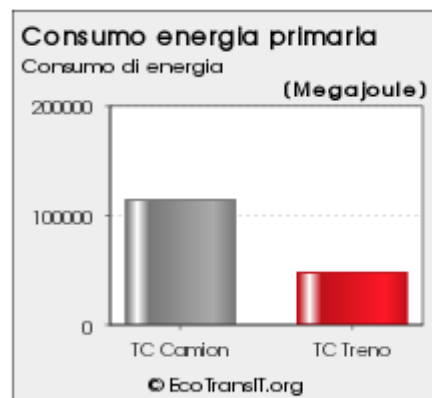
RELATION: MONZA- IRUN (1300 TONS)

Unità di energia: Megajoule chilowattora equivalenti in carburante

- Treno
- Trasporto fluviale

- Camion
- Nave

- Aereo
- Trasferimento intermodale



Consumo energia primaria		
Consumo di energia		
	[Megajoule]	
	TC Camion	TC Treno
Camion	114.371	332
Treno	0	47.350
Somma:	114.371	47.682

© EcoTransIT.org

Biossido di carbonio		
Greenhouse Gas, cambi climatici		
	[Tonnellate]	
	TC Camion	TC Treno
Camion	7,23	0,02
Treno	0	0,72
Somma:	7,23	0,75

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Each train consumes **35%- 50% less of primary energy** and it gives off only **12% of CO2** in comparison with truck

The S.I.S.T.E.R. Project: Key Success Factors

➤ A complete train link that overtakes the single wagon transport;

➤ A direct link between Italy and Spain  Quality and Reliability;

➤ A balanced service increases train competitiveness;

➤ Monitoring and information: tracking and tracing;

➤ Door to door service  Flexibility and Punctuality;

➤ Environmental Friendly.