

The Euro transport policy: Mediterranean and Black Sea.

by Alessandro Figus

It is well to start with a short history of the Mediterranean Sea. In fact, on the territory around the Mediterranean Sea flourished some of the most ancient civilisations, like for example the Aegean. The sea was opened as a highway for commerce by merchants trading from Phoenicia. Carthage, Greece, Sicily, and Rome were rivals for dominance of its shores and trade; under the Roman Empire it became virtually a Roman lake and was called “Mare Nostrum” (Our Sea). Later, the Byzantine Empire and the Arabs dominated the Mediterranean. Between the 11th and 14th centuries, Italian city trading states such as Genoa, Venice, and Barcelona dominated the region; they struggled with the Ottomans for naval supremacy, particularly in the Mediterranean Sea. Products of Asia passed to Europe over Mediterranean trade routes until the establishment of a route around the Cape of Good Hope (late 15th century) and from the Mediterranean Sea through Bosphorous to the Black Sea and Asia. For example in the Middle Age the navy of Maritime Republic of Genoa reached the Caspian Sea through the Black Sea.

After the Suez Canal was opened in 1869, the Mediterranean Sea resumed its importance as a link on the route to the East. The trade by sea increased with the development of the Northern regions of Africa and oil fields in the Middle East. The importance of the Mediterranean as a trade link and as a route for attacks on Europe resulted in the European rivalry for control of its coasts and islands and led to campaigns in the region during the both world wars. Since World War II the Mediterranean region has been of strategic importance to both the United States and, until its dissolution, the Soviet Union. In 1995 countries bordering the Mediterranean signed a pact agreeing to protect it by eliminating toxic waste disposal there over a 10-year period.

The problem is : today is it possible to consider the Mediterranean and Black Sea the same region ? Historically, the Black Sea has stood at the confluence of the Russian, Persian, and Ottoman Empires. During the Cold War, it was further divided between East and West. Public images of the region. The twin revolutions of 1989 and 1991, leading to the collapse of communism in Eastern Europe and the dissolution of the USSR itself, in turn opened the door for a new chapter in the region’s history specially with the particular and logical relationships with the European Union. Politically with NATO members Bulgaria, Romania,

and Turkey dominating the western and southern shores and newly minted CIS states Moldova, Ukraine, Russia, and Georgia along the north and east, the region begins to take shape.

In reality the wider Black Sea region must also include the Caspian Sea, the all three Southern Caucasus states - Georgia, Armenia, and Azerbaijan-. In referring to the region, we implicitly refer to the Euro-Asian energy corridor linking the Euro-Atlantic system with Caspian energy supplies and the states of Central Asia. Moreover, we are also making some claim to the projection of a Black Sea system northward from Transnistria (Moldova)¹ and Odessa, because a stable system would require both the resolution of “traditional conflicts” along a Northeast arc and access to the great commercial rivers that flow into the Black Sea: the Danube, Dniester, and Dnieper. Conceptually the Black Sea region is today really tying with Caspian Sea and with the Mediterranean strategy and policy. So, in the past, the area stretching from the Adriatic Sea to the Black Sea and further eastwards to the Caspian Sea was a zone of bipolar conflict during the Cold War period and today the major by-products of these contradicting actors and factors in the last ten years have been crises and wars in the Balkans and in the Caucasus. The risk of this zone erupting into conflicts was neutralised by a wise and prospective “Black Sea policy” of Turkey, Bulgaria, Romania (candidates to entry in European Union), Russia, and Ukraine.

The mechanisms and alliances Europe and the United States develop in co-operative efforts in the Balkans, Caucasus, and Black Sea region will also likely be immeasurably valuable in tackling the long-term challenge of bringing democracy to the Greater Middle East. In the wider Black Sea region, ethnic conflicts, post-conflict societies, and economic devastation confront us with the same conditions we will find in the Greater Middle East.

The Mediterranean countries are known to be the most popular tourist region in the world, today the region is the destination of nearly 200 million international tourists, who for the most part stay on the Northern coast of the Mediterranean thus involuntarily causing a nuisance for the environment. The growth of tourism for the next years is forecasted to be nearly 10% per year. In the same way, with the development of tourism the maritime transportation in Mediterranean didn't stop increasing. It is a really big problem.

It is clear that when we speak about tourism this strategy to put in front a choice : tourism is not compatible to pass the oil. The figures communicated by the REMPEC of Malta concerning oil and refined products are meaningful enough and the annual flux within the Mediterranean is around 360 MT of crude oil and refined products (see table 1).

The interregional co-operation on transportation issues between Turkey, Black Sea and Caspian States is in fact connected with the energy transportation from the Caspian Region to European and global energy markets has a particular importance in the Russia and the North-South Transport corridor. In this circumstance is becoming fundamental the future of intermodal and shipping systems in the region in comparison with the European Union policy. It assume a plan important for the region the intermodal transport sector with the development of extraordinary prospects for Black Sea and Caspian Ports that will have an immediate effect politically with a possibility of rapid integration of Black Sea and Caspian region into the Trans European Network (TENS).

Table 1 - Annual Flux of Oil and Refined Products Within the Mediterranean

Quantity	Flux
300 MT	entering the Mediterranean and going to Mediterranean countries
180 MT	of crude oil and condensates from Middle East (125 MT through the Suez Canal and Sumed pipeline)
50 MT	through the Bosphorus (MT from Turkey mainly to Italy)
100 MT	of crude oil and condensates from North Africa (60 MT from Libya, 40 MT from Algeria), mainly to France
20 MT	from Mediterranean countries to Mediterranean countries (8 MT of refined products from France to Algeria)
20 MT	leaving the Mediterranean
10 MT	through the Strait of Gibraltar (refined products, from France mainly)
10 MT	through the Suez Canal (refined products)
40 MT	crossing the Mediterranean
20 MT	of crude oil and condensates from the Black Sea through the Bosphorus and the Strait of Gibraltar
20 MT	from Egypt (Suez Canal and Sumed pipeline) and through the Strait of Gibraltar

Font: figures communicated by the REMPEC of Malta

Playing an important role for the Mediterranean Sea, this traffic is a reason of a great deal of problems. In fact, this flux amounts to around 20 % of oil maritime traffic in the world. Around 250 oil tankers are cruising in the Mediterranean daily.

This proves that Mediterranean Sea and Caspian and Black Sea are really the same need of policy. This is not only applied to the oil (maritime transport and pipeline) transports.

¹ See Figus A., *Le società postsovietiche: Moldova, Fidenza, Mattioli 1885, 2002*

Obvious to develop and implement this policy, the Mediterranean African Countries, the Eastern European countries (specially Russia and Ukraine) will need the assistance of the European Union.

For Europe the governance of the Mediterranean Sea and Black Sea is becoming a fundamental problem. It has been given a notable stimulus by the Euro-Mediterranean-Black Sea Partnership. In such context, exceptional attention should be given to particular aspects, first of all, to the governance between the European (East and West Europe) and North African States: the extension of zones under jurisdiction is a tool considered by some Mediterranean countries to answer the anxiety evoked in the two previous panels (fishing and illicit discharges by the ships). As a result, the adequacy of management instruments should be studied taking into consideration the problems faced by the European and North African countries, i.e. increase of the population (urban and of the coastline particularly), preservation of fragile ecosystems, access to essential services, tourism development.

Finally, the South European and North African States have to accept the challenge from Northern Europe. In the last years the Mediterranean Sea has succeeded in escaping quotas of maritime traffic to the North of Europe thanks to its geographical position of a fulcrum between the East of Europe and the United States from the logistic point of view. It explains the fact that the maritime traffic with the origin and destination in one of the Mediterranean countries equals 700 million tons, which constitutes around 15% of the world maritime traffic.

It should be noted that in the period in matter the sector of containers transportation is undergoing a phase of rapid restructuring, which means that this sector would be modified so as to correspond to the world level. With the radical change of itineraries and systems of distribution (broken by point to point, itineraries with going and return yet differentiated not more; it is not only transfer from mother ship to ship feeder, but also among mother ships) the choice of different Mediterranean and Black Sea harbours with points of intersection of principal itineraries and “hub of transshipment” for the distribution by feeder has become an element that allows the companies to widen the range of the employed resources, served areas and intercontinental connections. In this new organisation scheme of the itineraries, the Mediterranean (and from the Black Sea to the Mediterranean Sea and also to Caspian Sea) has become a distributive centre of transshipment (because through it, it is possible to reach South Europe, and it connects North America and the Middle East), both for the transshipment of intersection and intersection, because it is the point of exchange among the “latitudinal routs” Asia - Europe - America and the “longitudinal routs” North-South. In such

context it is the European Mediterranean countries are a role of vital importance – that of a protagonist of principal routs that interest the Mediterranean and also in Black Sea Region.

The future forecasts confirm such a role in the years to come, but there still remains the problem of competitiveness of the country. Exist in Europe a strong competition. Important for European Union is to elaborate a strategy to develop the traffic to the South of the Mediterranean, particularly with the Middle East and with the Black Sea countries and principally with Ukraine and Russia. The economic success reached by the Mediterranean ports is also due to the recovery of strong competitiveness. Thus, to attract new quotas of traffic, it is necessary to improve the ports constantly with the new infrastructure and services offered. The key points of this process are the privatisation of port activities and emergence of some figures of the terminal operator, the services that have been restructured in an entrepreneurial key required by the ship and by the commodity.

A new way of organisational order of the transport system developed generally and particularly for the harbours, the problem of relational dynamics between the harbour system and the reference of spatial hinterland, especially in Europe, have determined global transformations of the economy, increase of traffic and exchange in the global sense, the central role being given to the logistics and distribution in competition among the territorial productive systems, structural and technological modifications intervened in the maritime sector and harbour sector.

Thus, the awareness of the necessity to govern the dynamics of this process was born on the European level. This has determined the approval of specific laws in subject² by the European Parliament and by the Parliaments of European countries.

The objective is to develop systematically the relational capital of the harbour area, promoting the potential of co-operation of the local society with the approach to the most representative economic and institutional subjects, primarily via territorial initiatives and strengthening of the identity and the sense of affiliation to the local community.

Strengthening of the territorial institutional network would help more effectively codify the logical action of the economic-social factors, individualise possible intersections among the different strategies and at the same time rationalise the conflicts.

This new “governance” would be profitable to the local communities interested in the revitalisation of historical waterfronts and ex-harbour spaces as well as industrial areas that are not more used to the advantage of the territorial economic system of the seaport.

² For example in Italy has been approved the reform law of harbours number 84/94.

On the other hand, it is very important to return to the cities, as to ask to the territories of the cities on the other side.

Due to the development of inter modality and affirmation of specialised cycles of transport, the choice of a container system has sensitively modified traditional variables of the competitive game among the harbour systems. It has always determined the raise of the threshold of investments in the harbour infrastructure and ground installation and increasing requirement in spaces, which are not always available in the traditional terminals.

Structural and organisational modifications have also determined certain indifference of the local authorities to the systems of inter modal junction and to the activities previously related to the harbour city. These modifications imply that specialised and generic operations connected to the handling of the commodities are moved to distant areas from the historical seaports.

On the base of the new rules of competition, numerous harbours, also of elevated rank, face difficulties due to the lack of harbour spaces and the back of port, and with the risks of a potential owed decline. In some cases it can be explained by the physical and spatial impossibility of reconversion and expansion of the infrastructure.

In the present situation of inter and combined modality and more intense competition among harbour systems - especially in terms of times (of output, efficiency and quality of the service) the harbours don't anymore constitute a place for the physical interchange of commodities, but they have become a functional element in the logistic chain.

The problem of availability of space has become particularly acute due to the greater liberty of traffic in the choice of the harbour, indifference to the local and harbour activities, specialisation of ships and the equipment of dock..

The available space for the harbour operations, as well as its efficient organisation is considered to be the fundamental strategic element, in degree to finalise the harbour development to the advantage of the community and economy.

Inside this model of operation the strategic planning of operations and harbour spaces assumes a particular centrality. It is especially true assuming that the availability of endowment of the infrastructure is able to attract investments and especially because there are more complex levels of efficiency in the offer of the services traffic and potentially activity to different delimitation.

And it is really due to the increase of the strategy of offer that the European harbours of the Mediterranean intend to gamble their own chances. Particularly, to engrave an acceleration to the realisation of a surplus of ability of the infrastructure of the

Mediterranean and Black Sea harbour system will further proceed to the aggregation of the critical mass of logistics proposal able to motivate the offer of logistic or productive installation from the society inter – harbour and inter – modal. Naturally will be very important to elaborate strategy interesting both Mediterranean and Black Sea countries, specially for Russia and Ukraine. In reality in Russia the problem is that traditionally the North harbours (in the Baltic Sea) are still developed than the Black Sea harbours (today the only Russian harbour competitive is Novorissirsk).

However, it is necessary to put a good strategy to the need of logistics so that to prepare the united economic proposal originating from the sectors of European enterprises, which are ready to integrate their resources with public resources because the operational borders of the harbour operations do not remunerate the investments realised in the harbours.

The implementation of an integrated logistic base in the areas of the harbour hinterland would complete public investments even if necessary resources would be given additional financing, and new strategies would be possible not only through financing by the European Union, but also through the model of project financing.

The objective is to constitute logistic districts in the Mediterranean harbors and a practical connection with the Black Sea . They will connect online, physically, functionally and virtually the points and knots existing inter - modals offering logistic services through an orchestrated strategy without wastes and duplications and with an elevated value added in terms of occupation and income.

Besides representing a conclusive wedge in the construction of the vast area of Europe "Mediterranean", the search of a more rational spatial articulation of the activities and raising of the levels of organizational complexity would allow the Mediterranean maritime harbor system to be titular of directional functions of the activities, thus confirming that the Mediterranean Sea is the sea of more elevated rank in the production and offer of services.

In the contrary case, the risk is that it would move to a progressive decline, to the loss of some functions of leadership, to a fall of the assistant value in terms of job and income, with consequent impoverishment of the local economic system.

For this reason sea, air and land transport has a very crucial importance for European Union, East Europe and North African countries. Therefore, we should help our partners to understand the European Union's policy in the field of transport. This is a highly regulated sector at the European and international levels, with a large amount of legislation and considerable scope for innovation. In particular, Mediterranean Partners need assistance in modernising the institutional, legal and regulatory framework in their own transport sectors.

Only then they will be ready to strive for the so-called "best practices" at the international level.

The best aim for the European Union is to exchange the best practices in the European and international context, as well as to create a framework for co-operation and dialogue with the Mediterranean and Black Sea partners. In reality the area has the potential to form an encompassing single zone, which would have to be developed and the feasibility of which remains to be proven. This potential can already be seen in both conflicting and common interests, especially on the issue of the transportation of the energy resources to the world markets. At this point, however, neither of the constituent sub-regions of this broader area can function as a single and meaningful functioning economic region within the global economic system involved Mediterranean Sea, Black Sea and also Caspian Sea, with their harbours. The European Union would like to put into place of this Western Euro-Mediterranean-Eastern Euro free trade area will inevitably result in deregulation, against a background of very open co-operation. The co-operation is not the last objective, of course, but a starting point to develop a new strategy in the Mediterranean Sea. It will be very important not only as an alternative to the North Europe traffic but for the geopolitical position, strategic geopolitical zones. Here the European Union will have a possibility to play an important role, and not only from the economic point of view, In fact they are rapidly evolving into a single geopolitical zone in the context of the global counter-terrorism campaign..

Bibliography

- Battesti, M., *la révolution maritime du XIXe siècle*, Lavauzelle, Paris, 1987.
- Daniel, J.M., Association villes et territoires méditerranéens, *Quels acteurs pour quelle gestion ?* in :Auriac, F., Ville et territoire, workshop 16th and 17th November 1994 in Marseille, Association villes et territoires méditerranéens, Marseille, Collection villes et territoires méditerranéens, 1997.
- EURISPES, *L'impatto sociale ed economico del sistema portuale livornese sul territorio*, Eurispes, Roma, 2003.
- Federazione del mare, *Rapporto sull'economia del mare*, Milano, Franco Angeli, 1998.
- Libro Bianco dei Trasporti, *Book of Transport, Communication*, XXX European Commission, European Union, 2001.
- Figus A., *Le società postsovietiche : Moldova*, Fidenza, Mattioli 1885, 2002.
- Miraglia B., Association villes et territoires méditerranéens rôles et missions des collectivités locales pour promouvoir le développement durable au travers du tourisme en méditerranée, in Jager JC. ; Coudert E., *Ville et tourisme en méditerranée, vers un développement durable*, Workshop 8th October 1996, Nice, Association villes et territoires méditerranéens, Marseille, collection villes et territoires méditerranéens, 1997.
- Musso, E. and Benacchio, M., in *economia e diritto del terziario*, n.1, 2000.