

PROJECT ALPFRAIL – INTERREG IIIB – ALPINE SPACE

**ANALISI DEL SISTEMA PRODUTTIVO VENETO –
LE IMPLICAZIONI PER IL TRASPORTO MERCI**

DOCUMENTO DI SINTESI

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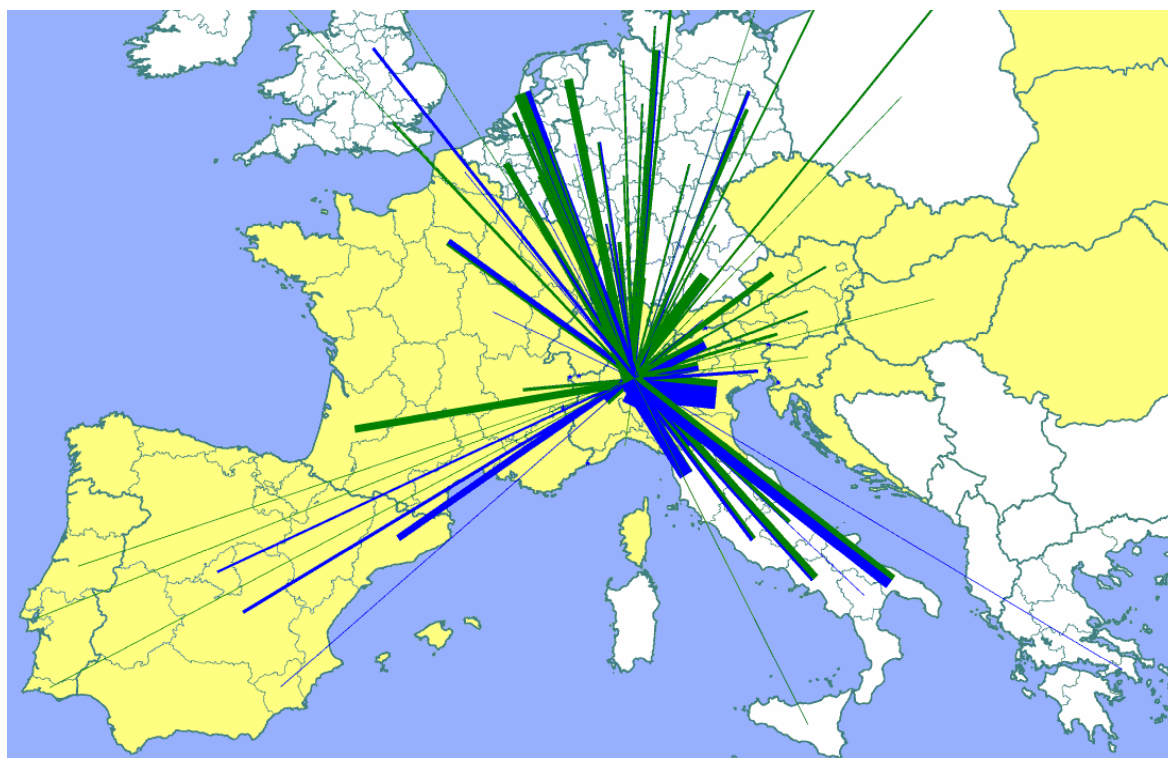
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1 BACKGROUND

The main objective of the study carried out by Unioncamere Veneto within the project AlpFRail is the analysis of the most important socioeconomic indicators (i.e. GDP, added value, foreign trade flows, foreign direct investments, spatial structure of economic activities, and so forth) of Veneto Region to develop useful thinking about future scenarios of the transportation sector.

As it is well known, economic and transportation sectors are strongly interrelated: the first can be regarded as the generator of the transport demand, while transport infrastructures and services can cause a set of opportunity costs. In turn, these costs impact, on one hand, on people's settlement decision and, on the other side, on firms' location decision and on their own competitiveness. Therefore, understanding past economic dynamics and future developments is quite essential for tackling in an effective and efficient way the planning of the transportation system.

Figure 1. Desire lines of heavy goods vehicles running more than 400km crossing North Italy Alpine borders (year 2003).



Source: Project AlpenCorS, Regione Veneto (2005)

Taking this perspective, it is worthwhile noting as the regional economy of Veneto has been undergoing a deep structural transformation since the last decade as a result of the challenges put forward by the globalisation and internationalisation of production system and markets (i.e. slow down of the economic growth, de-materialisation of production, delocalisation, modification of the spatial structure of foreign trade flows, etc.). These phenomena, together with the typical spatial dispersion of small and medium enterprises, are likely to affect volumes, spatial and modal structure of freight transport flows going through the Veneto region in the next future. In particular way, significant

consequences on the type, direction and mode composition of freight flows crossing the Alps can be reasonably expected.

Concluding, the achievement of strategic objective pursued within AlpFRail (i.e. strengthening intermodal transport crossing the Alpine Arc for ensuring its sustainable development) can't leave apart the analysis and understanding of the trends regarding the above mentioned factors. That appears even more important if we keep in mind that about the 60% of long distance (greater than 400km) freight traffic of heavy good vehicles crossing north-south the Alps at the borders with Austria and Switzerland starts or ends up within the north Italy regions, as it was revealed by the freight traffic survey carried out in 2003 within the project "AlpenCorS" (Interreg III B – Alpine Space).

2 ACTIVITIES CARRIED OUT

Activities carried out have involved:

- The collection of existing data concerning regional accounts, foreign trade, FDI, number of firms and employees;
- The construction of databases referring to national and regional statistics of economic systems;
- The construction of geo-referenced databases (i.e. at a municipality scale) referring to the number of firms and employees by economic sector for Veneto region;
- The analysis of collected data through specific elaborations;
- The implementation of Exploratory Spatial Data Analysis (ESDA) to identify spatial clusters of economic activities within Veneto region;
- The preparation of a final report in Italian language.

3 OUTPUT AND RESULTS

The final report produced deals with the aggregated analysis of main economic trends that have characterised the Veneto region in the last year (chapter two). Afterwards, in the third chapter, the analysis of the regional economic system and foreign trade flows is developed at a more disaggregated level both in term of sector and territorial structure. Finally, the fourth chapter focuses on the transportation sector. Typology and dimension of transport operators is analysed together the identification of territorial clusters and the graphic representation of accessibility of the main transport nodes located in the Veneto region in comparison to the spatial structure of economic activities.

The principal achievements of the study, reported in final document, highlight several interesting issues. Historically characterised by a high degree of openness towards foreign markets and by the presence of small firms connected through networks, for a long time the Veneto regions has been able to exploit the capacity of a territory to generate innovation processes linking together economy, local social environment and scientific know-how. Industrial districts have been the main outcome of this process.

In the last decade, however, the increasing competition pressure at a global scale has

induced profound changes in the production culture within the Veneto region. Leaving apart the slow down of the economic growth that has taken place in the last year, the most visible of these changes has to be recognised in the delocalisation of production systems: important segments of the low added value industrial production have been moved to developing countries to exploit the advantages of a far lower labour cost.

Indeed, the de-localisation has regarded above all economic sectors that are typically made in Italy (such as manufacture of textiles, shoes and leather), which are characterised by the technical division of the production cycle and allow SME to access, with low transition costs, international distribution/provision channels (Corò and Micelli, 2004).

This internationalisation process, which has been developed mainly toward the East Europe by Venetian entrepreneurs, has brought about both a re-composition of the traditional “made in Italy” and the creation of new market opportunities. If recent trends are confirmed in the next future, Germany and Central Europe will continue to be the most relevant reference markets for Venetian firms, but the weight of the commercial relations along the north-south directions is going to be reduced at the advantage of those directed east-west.

Another significant element of this transformation process refers to the dematerialisation of the regional economy. Even if it is slower than in the rest of Italy, nevertheless it appears unavoidable (i.e. in 2001 the share of employees in the manufacturing sector is just over 40%, with a decrease of 5 percentage points compared to 1991) and differentiated at a territorial level: provinces such as Venice, Verona and Padua move along this way more quickly than the other provincial contexts.

Impacts on the logistic organisation of the regional production system could also be expected by the trend of increasing average size of Venetian firms. This is particularly true for medium size (i.e. a number of employees between 50 and 249) and, above all, large size firms (i.e. with a number of employees greater than 249), while small firm (i.e. with a number of employees less than 50) are lowering their average size. With regard to the manufacturing sector, these dynamics bring about an increase in the average number of employees per firm, underlining an opposite tendency compared to the rest of Italy. On the other hand, having in mind the whole economy, the Venetian firms show a decreasing rate of average size less than that is observed at national level.

In the decade between the last two industry census (i.e. 1991 and 2001), the transportation sector registered a counter tendency: while small firms increased their average size, medium-large companies observed a decrease of the average number of employees. That highlights and strengthens a Venetian peculiarity: the weight, in terms of employees, of small size firms is over the 66%, which is far beyond that observed for the north Italy (i.e. 45%) and almost the double than the Italian average (i.e. 37%).

Despite this situation, a positive note can be seen in the sector re-composition that is characterising the development of transportation related activities. In particular, there appears a shift from firms providing land transport services to firms offering auxiliary transport services. Indeed, that has to be considered a clear sign of the a tendency to contracting out the management of transport activities. In addition, data reveals an increase in the average size of this type of operators, especially in the province of Verona and Venice.

The mentioned structural dynamics develops along with a spatial structure of economic activities that is highly sparse, but that in any case favour the district organisation. In fact, the exploratory spatial data analysis carried out highlights statistically

significant phenomena of local spatial correlation, which regard, more or less, all the sub sector of the manufacturing sector. These territorial agglomerations of similar activities have

- a more widespread character in the province of Treviso, Venice and Vicenza (i.e. respectively, the 78%, the 66% and the 56% of the municipalities are involved);
- a more localised framework in the provinces of Verona (the 49% of the municipalities) and Padua (i.e. the 42% of the municipalities) and, above all in the provinces of Rovigo and Belluno (respectively, just the 12% and the 9%).

The transportation sector fits well within this structure underlying the catalytic role of the big infrastructures nodes (Venice, Verona and, at a minor extent, Padua). Given the framework just synthesised, the attempt to foster the development of intermodal transport (especially in the context of freight flows crossing the Alps) should be based on an innovative management of logistic systems, which could contribute to tackling problems related to freight transport in a more effective way than what could do solutions based only upon the increase either of the infrastructures provision or the supply of transportation strictly related services without taking into account the developments and needs of the demand.

The crucial issue is then the re-organisation of the entire transport chain (i.e. from the initial origin to the final destination) according to the logic of the modern *district logistics*. That is to say, it is necessary to organise logistic systems that rationalise the operation of storage, quasi-manufacturing, load and unload of goods at the level of local production systems in such a way to overcome the burden of single small volume exploiting the advantages offered by the territorial agglomeration of activities.