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**COVID-19 Emergency
ALERT
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Executive Summary

Alert No. 182: The “Rilancio” Law Decree, provisions on port work and maritime transport.

Introduction.

In order to contain the epidemiological emergency caused by COVID-19, together with the impact that this scenario is having on the real economy of the National System, the last of the measures adopted by the Italian Government is the Law Decree No. 34 of 19th May 2020 (the so-called “[Decreto Rilancio](#)”) regarding “**Urgent measures on health, support to work and the economy, as well as social policies related to the epidemiological emergency caused by COVID-19**”, published in the [Italian Official Gazette](#), General Series No. 128, 19th May 2020 (ordinary supplement No. 21).

The text, containing a **55 Billion euros maxi maneuver**, consists of 260 pages and 266 articles.

As far as the **shipping industry** is concerned, the following articles in particular should be noted: **(i) Art. 197** on “*Ferrobonus and Marebonus measures*”; **(ii) Art. 199** regarding “*Port work and maritime transport measures*”; **(iii) Art. 200** on “*Local Public Transport measures*”; **(iv) Art. 205** on “*Urgent measures for a public service maritime link with the major and minor Islands*”; **(v) Art. 211** on “*Measures for the functionality of the Italian Harbour Master Corps Office and for the support of productive synergies in military areas*”, **Art. 215** on “*Measures for commuter rail transport and Local Public Transport*” and **Art. 161**, referred to in Title VI° of the Decree, on the “*Extension of the payment of customs duties*”.

Article 197 of the Decree.

The so-called “Decreto Rilancio”¹ approves a total expenditure for 2020 of **50 Million euros, of which 30 Million euros** are earmarked for the implementation of *Marebonus* projects, while the additional expenditure of **20 Million euros** is authorized for *Ferrobonus* projects. These additional expenditure items will therefore supplement those resources already allocated by the former budget law for 2021.

¹ See art. 197 of the Decree regarding “*Ferrobonus and Marebonus measures*”.

Article 199 of the Decree.

Among the main **provisions for port work and sea transport**, with particular reference to the aforementioned Article 199 of the Decree², the following measures are highlighted:

Possible reduction up to zero on concession fees.

It is previewed for the Port System Authorities (“PSAs”), in order to support the Port system and the maritime transport for the year 2020, the faculty to reduce up to zero the amount of the concessionary fees, pursuant to budget compatibility and availability. within the available resources and surplus of the administration (until 31st July or until 31st December 2020) on a decrease of the turnover equal to, or superior to, 20% from the concessionaire³.

Authorisations pursuant to art. 17 of Law No. 84/94 extended by 2 years.

In relation to the exclusively local importance of the supply of temporary port work and in order to safeguard the continuity of port operations at the ports of call of the Italian Port System, without prejudice to the provisions of Article 9-ter of Law Decree No. 109 of 28th September 2018, converted with amendments by Law No. 130 of 16 November 2018, the authorisations currently in progress, issued pursuant to Article 17 of Law No. 84 of 28th January 1994 (“Port Law”), are extended by two years.

Authorisations pursuant to Article 16 and concessions pursuant to Article 18 of Law No. 84/94 extended by 12 months.

In order to reduce economic effects deriving from the spread of COVID-19 and the consequent prevention and containment measures adopted, the Decree provides that: **(i)** the duration of the authorizations issued pursuant to Article 16 of the Port Law, currently in progress or expired on a date subsequent to 30th January 2020, is extended by 12 months; **(ii)** the duration of the concessions issued in ports pursuant to Article 36 of the Italian Navigation Code and Article 18 of the Port Law, currently in progress or expired on a date subsequent to 30th January 2020, is extended by 12 months. The extension shall not apply in the presence of public evidence procedures relating to the granting of the authorizations or concessions provided for in the aforementioned Articles 16 and 18 or in Article 36 of the Italian Navigation Code, defined by the 23rd February 2020 award.

Tug concessions service.

The duration of the towage service concessions issued pursuant to Article 101 of the Italian Navigation Code, currently in progress or expired after 30th January 2020, is extended by 12 months.

Warehousing and transport support.

Without prejudice to the provisions of Article 1, paragraph 107, of Law No. 208 of 28th December 2015, the facility referred to in paragraphs 98 to 106 of the same Article 1 also applies to entities operating in the warehousing and transport support sectors.

² See Article 199 of the Decree regarding “Port work and maritime transport measures”.

³ This is the case both with regard to the concession fees for state property and with regard to the concession fees for port work, and with regard to the management of the fees for maritime stations and passenger support services.

Mooring.

For the service of mooring in the Italian ports, a total limit of 24 Million euros for the year 2020 is recognized for relevant societies, an indemnity for the reduced services of mooring rendered by said societies from 1st February 2020 to 31st December 2020 regarding the corresponding months of the year 2019.

Fund Establishment.

A fund has been set up at the Italian Ministry of Infrastructures and Transport (“MIT”), with a total endowment of 30 Million euros as resources for the year 2020, to be disbursed as follows: **(i)** to the extent of 6 Million euros to finance recognized benefits provided for in paragraph 1 of Article 199 by the PSAs, should such lack a reserve of resources that can be used for such purposes; **(ii)** compensation to the extent of 24 Million euros to be disbursed by the MIT.

By decree to be issued by the MIT, adopted within thirty days of the entry into force of the decree, the resources shall be allocated.

Temporary allocation of port areas and docks.

In order to cope with the fluctuations in port cargo and passenger traffic due to the epidemiological emergency caused by COVID-19, until the end of the six months following the cessation of the state of emergency, the PSAs may, with a motivated measure, temporarily allocate areas and quays of competence to port functions other than those provided for in the port regulatory plans in force.

Article 200 of the Decree.

Such provision⁴ provides for the establishment of a **500 Million euros Ministry’s fund** for the year 2020, aimed at supporting the local and regional public transport sector of passengers subject to a public service obligation – which is also considered to be included the short sea shipping - due to the epidemiological emergency of COVID-19, intended to offset the reduction in passenger tariff revenues recorded from 23rd February 2020 to 31st December 2020 compared to the average recorded in the same period from the two previous years.

The fund is also intended, within the limits of available resources, to cover, with reference to local and regional public transport services, the costs arising from the implementation of the measures provided for in Article 215 of the Decree referred to *below*.

Art. 205 of the Decree.

The Decree⁵ provides that **the effectiveness of the public agreement entered into force** for the provision of public service maritime connections with the Italian major and minor Islands **is extended** until the conclusion of the procedures referred to in Article 4 of Regulation 355/92/EEC and, in any case, no later than **18th July 2021**.

⁴ See Article 200 of the Decree regarding “Local Public Transport measures”.

⁵ See Article 205 of the Decree regarding “Urgent measures for a public service maritime link with the major and minor Islands”.

Further measures of relevance for the industry.

Finally, we point out: **(i) article 211**⁶ of the Decree which provides for the adoption of measures aimed, *inter alia*, at strengthening the functionality of the Italian Harbour Masters Corps Office; **(ii) article 215**⁷ of the Decree, containing protective measures for rail transport and local public transport, is aimed at identifying refreshment means for economic disbursements incurred for the purchase of tickets (including season tickets) for local public transport services with any mode of transport that, due to the COVID-19 emergency, are unable to use the related services; **(iii) article 161**⁸ of the Decree establishes the extension of payments of customs duties due between 1st May 2020 and 31st July 2020 without the application of penalties and interest.

For any further information, please refer to the [text of the “Decreto Rilancio”](#) as well as the attached [technical report](#).

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⁶ See Article 211 of the Decree regarding “Measures for the functionality of the Italian Harbour Master Corps Office and for the support of productive synergies in military areas”.

⁷ See Article 215 of the Decree regarding “Measures for commuter rail transport and Local Public Transport”.

⁸ See Article 161 of the Decree regarding “Extension of the payment of customs duties”.

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