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Law Decree no. 34 of 19 May 2020: the main measures relating to the transport and infrastructure sectors

Law Decree no 34 of 19 May 2020 (the so-called "**Rilancio Decree**") introduces additional measures relating to the transport sector and related infrastructures:

<p><u>Art. 196</u> Measures to support the railways</p>	<ul style="list-style-type: none"> ▪ To support railway undertakings facing the damages deriving from the contraction of railway traffic due to the emergency, RFI, the company responsible for management and safety of the traffic on the whole national railway network, track, stations and installation is entitled to a compensation. This compensation is aimed at compensating the reduction in revenues deriving from tolls and fees, following the contraction of rail traffic and the train cancellations by the other railway undertakings which, consequently, do not pay the toll to RFI. ▪ For the same reason, a reduction of the access charges is established for the benefit of all railway undertakings involved in the carriage of passengers and goods operating on the national railway infrastructure.
<p><u>Art. 197</u> Ferrobonus and Marebonus</p>	<p>In consideration of the reduction in freight traffic, caused by the COVID-19 containment measures, and the need to stimulate the intermodal transport chain, through the decongestion of the road transport, an expenditure authorization of EUR 30 million in 2020, the so-called "Ferrobonus", and an additional expenditure of EUR 20 million in 2020, the so-called "Marebonus" are provided in 2020</p>
<p><u>Art. 198</u> Fund for compensation for damages to the aviation industry</p>	<ul style="list-style-type: none"> ▪ A fund has been established by the Ministry of Infrastructure and Transport to financially restore air operators based in Italy for the reduction of traffic caused by the COVID-19 prevention and containment measures. ▪ Taking into account the damages suffered by the entire aviation industry due to the COVID 19 pandemic, a fund, with an allowance of EUR 130 million in 2020, has been established by the Ministry of Infrastructure and Transport to compensate losses suffered by national operators. Access to such a fund is allowed only to operators who apply to their employees, having home base in Italy according to Regulation (EU) 5 October 2012 n. 965/2012, as well as to third-party's employees used by the operators for the performance of their business, remuneration in any case not lower than the minimum wage established by the relevant National Collective Bargaining Agreement.
<p><u>Art. 199</u> Provisions relating to port work and maritime transport</p>	<ul style="list-style-type: none"> ▪ Measures aimed at supporting port operators and companies operating in ports and, in general, in the maritime sector, have been introduced by the Relaunch Decree. They aim at supporting the operations of national ports, for example, by providing to port system authorities and to the Port Authority of Gioia Tauro, the faculty to order the reduction or cancellation of the amount of

the concession canons and fees relating to the concessions for the management of maritime stations and passenger support services due in 2020, in favour of concessionaires who demonstrate to have suffered a decrease in turnover equal to or greater than 20%.

- To safeguard the continuity of port operations and the supply of temporary work and to cope with the new economic conditions of the Italian ports of call following the COVID -19 emergency, the Port System Authorities may provide, according to the law and the resources available under the current legislation, even using their own administration surplus, the temporary harbor service providers referred to in article 17 of the Law no. 84/94, with a contribution up to a maximum 2 million euros available for 2020 and 2021 respectively, equal to 60 euros for any fewer working day compared to the corresponding month in 2019.
- The duration of the authorizations issued pursuant to article 16 of the Law no. 84/94, currently existing or expired after January 30, 2020, is extended for a further 12 months.
- The duration of (i) concessions in the port area issued in accordance with article 36 of the Italian Code of Navigation and with article 18 of the Law no. 84/94, as well as (ii) any concession for the management of maritime stations and for the provision of passengers support services, currently existing or expired after January 30, 2020, is extended for a further 12 months. The new provisions extend for a further year the duration of all port concessions relating to both the passenger and freight sectors (whose traffic flow has undergone a drastic reduction, especially in the cruise sector), to the shipbuilding sector (which is also suffering from the contraction of the market economy), as well as to the tourist recreational sector, in order to maintain and / or restore a balance with the economic and financial plans of the existing concessions.
- The concessions for towing services issued pursuant to article 101 of the Italian Code of Navigation are extended for a further 12 months. This provision applies to any existing concessions and to the ones expired after January 30, 2020. This is in consideration of the fact that, among the elements on the basis of which a tender is evaluated, the recent turnover and the number of services provided by the “outgoing” concessionaire are particularly relevant.
- Without prejudice to the provisions of article 1, par. 107, of the Law no. 208/2015, the advantage under paragraphs 98-106 of article 1, also applies to operators in the sectors of storage and support activities for transportation. This provision is necessary to clarify that in accordance with EU Regulation no. 651/2014, in the transport sector only the activities classified with ATECO Code 49, 50 and 51 (Section H - Transportation & Storage) are excluded from the tax credit.

The explanatory report clarifies that among the activities eligible for incentives to be carried out in the Special Economic Zone, aiming at increasing the competitiveness of the companies, attracting investments, increasing exports, creating work demand and in general a boost to economic growth and

	<p>innovation, there are also the activities relating to the logistic sector, in particular those classified with the ATECO code 52. "STORAGE AND SUPPORT ACTIVITIES FOR TRANSPORTATION".</p> <p>In this regard, it should be noted that EU Regulation No. 651/2014 clarifies that the term "transport sector" means: "transport of passengers by air, sea, road, rail and inland waterways or third parties transport of goods".</p> <p>More specifically, according to NACE Rev. 2 the "transport sector" includes the following activities:</p> <ul style="list-style-type: none"> ✓ NACE 49: Land transport and transport via pipeline (NACE 49.32 - Taxi operation, 49.42 - Removal services and 49.5 - Transport via pipeline are excluded); ✓ NACE 50: Sea & Water transport; ✓ NACE 51: Air transport, excluding NACE 51.22 Space transport. <p>This classification has been adopted in the Italian system by ISTAT through ATECO 2007.</p> <p>The amendment aims to clarify that activities classified with ATECO code "52. STORAGE AND SUPPORT ACTIVITIES FOR TRANSPORTATION" shall also enjoy the application of the advantage referred to in paragraphs 98 - 106 of article 1 of the aforementioned Law no. 208/2015.</p> <ul style="list-style-type: none"> ▪ To ensure the continuity of mooring services in Italian ports, the companies referred to in article 14, paragraph 1-quinquies, of the Law no. 84/94, are entitled to a compensation for the lower mooring services provided in the period 1 February 2020 - 31 December 2020 compared to the corresponding months of 2019 within the overall limit of EUR 24 million in 2020 and up to the exhaustion of the resources allocated. ▪ In light of the exclusively local nature of the temporary provision of port services and to safeguard the continuity of operations in Italian ports, the existing authorizations, issued pursuant to article 17 of Law no. 84/94, are extended for a further two years. ▪ To cope with fluctuations in freight and passenger port traffic due to the COVID-19 emergency, within the expiry of the 6 month period following the end of the state of emergency, the Port System Authorities and the Port Authority of Gioia Tauro may, for motivated reasons provisionally change the destination of areas and docks to port functions different from those provided for in the current port regulatory plans.
<p><u>Art. 200</u> Measures relating to local public transport</p>	<p>To support the local and regional public transport sector subject to public-service obligation in view of the negative effects deriving from the epidemiological emergency from COVID-19, a fund has been established by the Ministry of Infrastructure and Transport to compensate the reduction in tariff revenues from passengers in the period from 23 February 2020 to 31 December 2020 compared to the average tariff revenues from passengers recorded in the same period during the previous biennial.</p>

<p><u>Art. 202</u> Air transport</p>	<p>As far as cargo/passenger air transport is concerned, the establishment of a new airline (new Alitalia) fully controlled by the Ministry of Economy and Finance or controlled, even indirectly, by a publicly owned corporation has been authorized. The effectiveness of this provision is subject to the authorization of the European Commission.</p>
<p><u>Art. 203</u> Minimum economic standards for the personnel in the aviation industry</p>	<p>Air carriers and undertakings which (i) operate and employ personnel in Italy and (ii) are subject to concessions, authorizations or certifications provided for by EASA or by the Italian administrative authority as well as to the control of the National Civil Aviation Authority (ENAC) are required to apply the minimum economic standards set forth in the National Collective Bargaining Agreement of the Air Industry Sector. Within ninety days from the entry into force of the provision, the air carriers shall notify the Italian Aviation Authority (i.e. ENAC) to comply with the obligations mentioned above. Failing to do so, the air carrier shall be under penalty of revocation of the concessions, authorizations and certifications issued to them by the Italian administrative authority.</p>
<p><u>Art. 205</u> Urgent measures concerning marine connection services under a public service obligation between major and minor islands</p>	<p>To prevent the negative effects on the conditions maritime services' supply and demand deriving from the COVID-19 emergency from affecting the results of the procedures undertaken according to Article 4 of Regulation (EEC) no. 3577/92/EEC for the organization of marine connection services under a public service obligation between major and minor islands (carried out by Tirrenia), the effectiveness of the agreement stipulated for the performance of these services will be extended until the conclusion of the procedures referred to in article 4 of the aforementioned regulation no. 3577/92/EEC and, in any case, for a period not exceeding twelve months from the end of the state of emergency.</p>
<p><u>Art. 208</u> Measures to stimulate the relaunch of the rail sector</p>	<p>To increase safety standards in the rail transport sector, a fund, with an allowance of EUR 2 million for 2017, 2018, 2019 and 2020 respectively has been established by the Ministry of Infrastructure and Transport. Its purpose is the training of personnel involved in the rail transport, with particular reference to train drivers involved in the carriage of goods.</p> <p>To ensure an adequate assistance to road haulage companies, an increase of EUR 20 million in 2020 to the fund to cover the compensated reduction of motorway tolls has been established.</p>
<p><u>Art. 215</u> Measures to protect commuters</p>	<p>The right to a refund of expenses incurred for the purchase of travel passes for rail and public transport services by commuter travelers has been introduced. Holders of a valid rail or local public transport pass who have not been able to use same during the period covered by the government measures can file the request for the - full or partial - refund of the travel ticket. The refund can be made by issuing a voucher or extending the duration of the travel pass.</p>
<p><u>Art. 229</u> Measure to promote sustainable mobility</p>	<p>To encourage alternative forms of sustainable mobility to the local public transport which guarantee the right to mobility of people in urban areas in view of the limitations on local public transportation made by local authorities to face the epidemiological emergency from COVID-19, the "Experimental mobility bonus program" (in Italian "Programma Sperimentale Buono Mobilità") promotes forms of</p>

sustainable mobility alternative to the local public transport. More in detail, adults (>18 years) benefit from a "mobility bonus", of 60% of the expenses incurred (in any case not exceeding EUR 500) in the period from 4 May 2020 and until 31 December 2020 in relation to (i) the purchase of bicycles (including pedal-assisted e-bikes) as well as electrically propelled vehicles for personal mobility, such as segways, hoverboards, scooters and monowheels or (ii) to the use of shared mobility services for individual use excluding those using cars. With respect to 2021 and following years, the Program shall support local and regional public transport and supplementary forms of sustainable mobility through the scrapping of highly polluting motor vehicles and motorcycles.

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