

Sustainability Report 2017



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1 INSTITUTIONAL DIMENSION



INTRODUCTION TO THE PORT AUTHORITY AND ITS SUSTAINABILITY STRATEGY

INTRODUCTION

The Port Authority has closed the financial year of 2017 with some results and a magnitude of traffic that fit the model of sustained growth that has become a feature of the ports of Valencia, Sagunto and Gandia in recent years. These are references and data which have been presented month after month and which we always try to deal with it fairly; but the truth is that our Statistics Service's reports, elaborated every 30 days and at the closure of every financial year, can be summed up with the word "record".

The yearly results presented here are a clear example of the previous comment, since they have reached a new record high with 4,832,156 TEUs managed by this Port Authority; a figure which is 2.11% higher than the previous year and which allows us to glimpse, in a not too distant future, the 5 million container milestone. To achieve this, we will continue strengthening our relationship with the companies and economic sectors of our hinterland, and we will continue to invest and promote agreements with the administrations to improve our infrastructures. We will get even closer to the commercial areas with greatest strength in the world as well as strengthen the relationship with our port cities of Valencia, Sagunto and Gandia.

These are the strategic keys that we have put into practice throughout 2017 and which have allowed us to record important achievements for the citizenship and for the Port Community.

In 2017, we have seen how foreign trade in full containers has been established as our ports' main asset, with an increase of 6.17%. We have observed how exports have risen a 5.76%, with 903,920 TEU; while imports have done so by 6.74%, up to 659,883 TEU. On the other hand, the transit of full containers also maintained the positive trend with an increase of 4.83% and a total of 2,205,493 TEU; and the traffic of containers moved by railway has increased by 13.15%.

Regarding passengers, it can be observed that the Valenciaport enclosures were used for their sea voyages by a total of 1,062,580 people; a figure that represented an increase of 16.74% with respect to the records obtained in 2016.

The results of foreign trade and international connectivity of Valenciaport have also shown in 2017 the transoceanic nature of our ports. Thus, we observe how the countries which define the main economic areas of the world have continued to increase traffic with Valenciaport during 2017. Trade flows have been generated between Valencia, Sagunto or Gandia with other Spanish ports, of 8.66 million tonnes; which has meant an advance regarding the results of the previous year of 1.94%. With China, 6.97 million tonnes were managed (an increase of 2.95%); with the United States, 5.12 million tonnes (a growth of 16.56%); and with Italy, 4.93 million tonnes (0.69% more).

In 2017, the PAV collaborated in the preparation of the study which the Valencian Business Confederation (CEV) carried out on the potential demand for goods from the Cantabrian-Mediterranean Corridor linking Valencia with Zaragoza and Bilbao. A promising job for Valenciaport since it pointed out that this important section could generate traffic of up to 50 weekly trains to transport more than one million tonnes or - which is almost the same - 100,000 containers/year.

This study endorsed the PAV's decision to invest almost 100 million euros to improve the Valencia-Sagunto-Teruel-Zaragoza railway line, and to sign the corresponding agreements with ADIF, Ministry of Public Works and Puertos del Estado (State-owned Ports Body) which will make a just vindication, both corporate and social.

In Zaragoza, Teruel and Madrid... we have vindicated our desire for leadership as the first port of Spain, and this is what we have expressed in various forums organised in the main cities of our hinterland. But this leadership in the Spanish market must go hand in hand with the strengthening of our international connectivity.

In 2017, we received the visit of important delegations from Asia, America and other international enclaves of port interest. We also strengthened our commercial area and our presence at international fairs.

In June, we celebrated the excellent news of the agreement reached between Noatum and COSCO whereby the first Chinese shipping company acquired 51% of Noatum Ports. This operation brought the Port of Valencia closer to the operator and to the alliance, Ocean Alliance, which dominates 40% of the Asia-Northern Europe route. The port grew stronger, settling COSCO, MSC and APM-MAERSK on the same waters.

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Desiring to update the magnitude of the economic impact that the ports managed by the PAV have for the Spanish and Valencian economy, we commissioned a study to the Polytechnic University of Valencia; and the results showed in detail the importance of the ports of Valencia, Sagunto and Gandia. Valenciaport generates almost 38,000 jobs; which is like saying 2 out of every 100 jobs in the Valencian Region. And seen from the point of view of its impact on the Gross Domestic Product, the Gross Added Value (GAV) generated by the activity of the companies of the Port Community of Valencia exceeds 2.4 billion euros; or what is the same, almost 2.5% of the GDP of the Comunitat Valenciana.

These are figures and magnitudes which measure the importance of the port for Spain and, specifically, for the Valencian economy.

The port, it is always worth remembering, is at the service of companies and citizens. The port is not a company or economic instrument whose *raison d'être* begins and ends in itself. In fact, it does not have shareholders, persons or companies that invest while waiting for a distribution of dividends for the benefits obtained. Its public nature allows it to reinvest in a continuous manner the resources generated in projects which improve the quality and performance of the port services as well as their relationships with its surroundings: the future Natzalet park, the Gandia promenade or the opening to private citizens of the Puerto de Sagunto are a clear example of this. It is the reason why we keep on this growth path which characterises us and on which we will continue working.

Aurelio Martínez Estévez
Chairman of the Port Authority of Valencia

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STRATEGY

THE PORT'S MISSION, VISION AND VALUES.

The "Strategic Plan 2020" of the Port Authority of Valencia (hereinafter PAV) establishes the model of the future with horizon 2020.

This Plan is intended to enhance the development of the 3 ports it manages -Valencia, Sagunto and Gandia- for the benefit of the maritime trade of companies in its area of influence, as an instrument for improving the level and quality of life of all society.

The Strategic Plan 2020 was formulated in 2009-2010 after an in-depth analysis of the strategic scenario and with the participation of the Port Community, confirming a paradigm shift in the sector originated by the 2008 crisis. The key in this new cycle of strategic planning is the increase of the PAV's focus on the commercial and financial management, on the improvement of the competitiveness of infrastructures and services and on innovation, all this counting on the regulatory/coordinating role of the Port Authority.

Considering the changing scenario of both economy and the sector, the PAV revises and adapts its Plan periodically. The 2030 Horizon Plan is currently being reformulated, based on the following mission, values and strategic lines of action:

Mission

"To sustainably promote the external competitiveness of the business fabric in the PAV's area of influence through a competitive offer in quality and price of infrastructures and port, maritime, intermodal and logistic services".

- **Economically sustainable:** optimising income, costs and investments to ensure the PAV's self-funding ability in the short and long term.
- **Socially sustainable:** favouring territorial integration and coexistence with the different members of the society it serves.
- **Environmentally sustainable:** making efficient use of resources, minimising and balancing the negative impacts on the territory and the environment.
- **Aligned with European transport policies:** promoting intermodality, digitalisation, decarbonisation, innovation, security and employment.

Values

- Leadership
- Ethical commitment of transparency, honesty and integrity
- Reliability of services to customers
- Sustainability
- Innovation
- Commitment to the people's well-being

Strategic lines of action

- Improvement of the efficiency of the services provided.
- Contribution to environmental sustainability, fight against climate change and security in the port supply chain.
- Sustainable development of infrastructures.
- Promotion of intermodal integration.
- Assurance of economic sustainability.
- Improvement of internal management.

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FUNCTIONS AND LEGAL FORM.

General description of the port authority's legal status, detailing aspects such as its ownership, competences framework, public port land management system and financing mechanisms (in line with the recast text of the Spanish Law on State-owned Ports)

The Port Authority of Valencia (PAV), which trades under the name of Valenciaport, is the public body responsible for running and managing the three state-owned ports, Valencia, Sagunto and Gandia, in line with the recast text of the Spanish Law on State-owned Ports and the Merchant Navy, passed by Legislative Royal Decree 2/2011, of 5th September (henceforth, also known as TRLPEMM).

The nature, competences, and functions of port authorities come under the aforementioned TRLPEMM. In article 24.1, this legal text stipulates that "Port Authorities are public bodies among those envisaged in letter g] of section 1, article 2 of the Spanish General State Budget Law, with their own legal status and equity, and full capacity to act" which "are dependent on the Spanish Ministry of Development, through the State-owned Ports Body, and are governed by specific legislation, by the applicable provisions of the Spanish General State Budget Law, and additionally by Spanish Law 6/1997, of 14th April, on the Organisation and Functioning of Central Government."

The Port Authorities deserve a separate treatment, according to the legislator, in Law 40/2015, of October 1, on the Legal Regime of the Public Sector. Specifically, the Twelfth Additional Provision of the aforementioned law indicates the following on the legal regime of the Port Authorities and the Puertos del Estado:

"The Port Authorities and State Ports will be governed by their specific legislation, by the provisions of Law 47/2003, of November 26th, which are applicable to them and, additionally, by what is established under this Law "

The Port Authorities are public bodies linked or dependent on the General State Administration with their own personality and assets, which are responsible for managing their interests under the general principle of functional and management autonomy.

The TRLPEMM establishes:

- The regulatory framework, in terms of both public and private law, which governs the Port Authorities.
- Their organizational structure
- Functions.
- Its economic resources.

Regarding this last point, article 27 of the TRLPEMM regulates the financing mechanisms of the Port Authorities. In accordance with the said article, the economic resources of the Port Authorities are drawn from:

- a. The products and income of its equity, as well as the income from the sale of its assets.
- b. Port charges, without prejudice to the provisions of article 19.1.b) and 241 bis of the TRLPEMM.
- c. Income classed as private-law resources obtained from the performance of their functions.
- d. The contributions received from the Inter-Port Compensation Fund.
- e. Resources that may be assigned to them in the Spanish General State budget or those of other Public Administrations.
- f. The grants and subsidies, regardless of their origin.
- g. Funding from bank credits, loans and other financial operations they may arrange.
- h. The product of the application of the fine system.
- i. Donations, bequests and other contributions from individuals and private entities.
- j. Any other that may be attributed to them by the legal system.

The Port Authority of Valencia, for the proper development of its management activity of the public port domain, also has a series of planning instruments provided for in the TRLPEMM, namely:

Strategic Plan: through it the Port Authority of Valencia establishes its development model and its strategic position, that is, it sets its mission and the strategic objectives to be achieved in the coming years.

Infrastructure Master Plan: through it the Port Authority describes the potential development of the ports it manages over a long-term horizon (20 or more years), from the point of view of infrastructures and in line with its Strategic Plan.

Business Plan: the Port Authority of Valencia's Business Plan includes a diagnosis of the current situation, port traffic forecasts, economic and financial forecasts, management objectives, environmental sustainability management indicators and objectives, staff structure and job opportunities, changes in management ratios, financial planning, public investment planning, private investment forecasts, annual profitability objectives, and correction factors for the corresponding charges and charge rebates.

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GOVERNMENT AND QUALITY OF MANAGEMENT.

The functions and manner in which the governing bodies of the Port Authority are elected, such as the Presidency, the Management and the Board of Directors.

Article 29 of the TRLPEMM lists the bodies of the Port Authorities, stating that:

"The port authority bodies are the following:

- a) Governing Body: Board of Directors and Chairman.*
- b) Management Body: General Manager.*
- c) Advisory Body: Shipping and Port Council".*

The functions and manner in which the governing bodies of the Port Authorities are elected are regulated in the TRLPEMM. Specifically, Article 31 refers to the appointments and functions of the Chairman, Article 32 to the appointment and functions of the Deputy Chairman's and Article 33 of the General Manager. On the other hand, Article 30 includes the composition and functions of the Board of Directors.

Structure of the Board of Directors of the Port Authority, informing about groups and associations represented in it.

In 2017, the composition of the Board of Directors was as follows:

Mr. Aurelio Martínez Estévez PAV Chairman	<i>Ex officio member</i>	Mr. Salvador Antonio Navarro Pradas Chairman of the Valencian Business Confederation (CEV)	<i>In representation of the Valencian Regional Government</i>
Mr. Felipe Cano Navarro Harbourmaster of Valencia	<i>Ex officio member</i>	Mr. Josep Vicent Boira Maiques Regional Secretary of Housing, Public Works and Territory Vertebation	<i>In representation of the Valencian Regional Government</i>
Mrs. María Durá Rivas Chief Treasury Counsel	<i>Spanish Central Government representative</i>	Mr. Vicente Boluda Fos Chairman of the Valencian Association of Businessmen (AVE)	<i>In representation of the Valencian Regional Government</i>
Sr. D. Ignacio Arrondo Perals Director of Services and Competitiveness , State-owned Ports Body	<i>Spanish Central Government representative</i>	Mrs. Inmaculada Rodríguez-Piñero Fernandez MEP Group of Socialists and Democrats , European Parliament	<i>In representation of the Valencian Regional Government</i>
Mr. José Vicente Herrera Arrando¹ Spanish Central Government deputy representative in the Valencian Region	<i>Spanish Central Government representative</i>	HE. Mr. Joan Ribó i Canut Mayor of Valencia	<i>In representation of the city of Valencia</i>
		HE. Mr. Josep Francesc Fernández y Carrasco Mayor of Sagunto	<i>In representation of the town of Sagunto</i>
		Mr. Francisco José Corell Grau Chairman of the Valencian Transport and Logistics Company Federation (FVET)	<i>Valencia Official Chamber of Commerce, Industry and Shipping</i>
		Mr. José Vicente González Pérez Chairman of the Confederation of Business Organisations in the Valencian Region (CIERVAL)	<i>In representation of the business organisations</i>
		Mr. Pedro Suárez Benavente Chairman of the PAV Works Committee	<i>In representation of of the trade union organisations</i>
		Mr. Gustavo Ferrer Soriano² Director-Manager Noatum Container Terminal Valencia (NCTV)	<i>In representation of the most important economic sectors in the port industry</i>
		Mr. Francesc Josep Sánchez PAV General Manager	<i>PAV General Manager (non-board member)</i>
		Mrs. María del Carmen from Puig de Olano³ General Secretary of the PPV	<i>Board Secretary (non-board member)</i>

¹ Until the 31.07.2017 the position was occupied by Mr. Juan Carlos Moragues Ferrer. Mr. José Vicente Herrera Arrando was appointed to said position in 01.08.2017.

² Until 18.04.2017, this position was held by Mr. Antonio García Llusar, Mr. Gustavo Ferrer Soriano was appointed on the 04.14.2017.

³ Until 26.05.2017, Mrs. Pilar Theureau de la Peña held the position of Secretary of the Council, and María del Carmen de Puig de Olano was appointed to said position on 23.06.2017.

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During 2017, 8 sessions of the Board of Directors of the Port Authority of Valencia were held.

The following is a non-exhaustive list of the most relevant Board agreements adopted in 2017:

- Approval of the document "Bases for a specific agreement between the City Council of Valencia and the Port Authority of Valencia on the arrangement of the" Special Nazareth East Plan "area of the Southern Area of the service area of the Port of Valencia.
- Granting of a license to BALEARIA EUROLINEAS MARÍTIMAS, SA, for the provision of the port service for the handling of goods through the Ro-Ro operation, in the Port of Valencia.
- Granting of a license to AMARRADORES DEL PUERTO DE VALENCIA, SL, for the provision of port services for mooring and unmooring vessels in the Port of Valencia.
- Approval of the budgets corresponding to the Memorandum of Understanding signed with UNCTAD and State-owned Ports Body, for the year 2017.
- Approval of Basis for a possible agreement with the Valencia 2017 Consortium regarding the determination of the "Costs of replacement of services" derived from the celebration of the 32nd edition of the America's Cup in the Port of Valencia.
- Granting of license to AMARRADORES DEL PUERTO DE SAGUNTO, SL for the provision of the port service of mooring and unmooring vessels in the Port of Sagunto.
- Approval of the Bidding Conditions for the provision of the commercial service of railway manoeuvres and any other related to the train operations for the ports of Valencia, Sagunto and Gandia.
- Approval of the Agreement on the provision of the Ministry of Economy, Industry and Competitiveness, by the Port Authority of Valencia, of certain border control facilities for the control of goods necessary for the development of the inspection service of its competence.
- Approval of the full amortisation of a long-term loan with the European Investment Bank.
- Approval of the regulatory agreements for the financial contributions of the Port Authority of Valencia charged to the Financial Fund for Port Land Accessibility in relation to: (i) the rail access to the Port of Sagunto and (ii) Improvement actions on the Sagunto-Teruel-Zaragoza railway line, to be signed between the Railway Infrastructure Administrator, the Puertos del Estado Public Body and the Port Author

- Final approval of the Proposal Document for the land and water valuation in the Service Area of the Port of Valencia.
- Approval for the extension of the authorisation for the support service management for the Border Facility control tasks for Sanitary Control of Goods in the Port of Valencia, to the LOGITERS LOGÍSTICA SA company.
- Substantial modification of the concession owned by GALP ENERGÍA ESPAÑA, SAU in the Port of Valencia, for extension of the concession period.
- Granting of authorisation to ISMED SERVICIOS INTEGRALES, SL for the provision of the commercial service of collection and transport of waste not regulated by the MARPOL 73/78 agreement in the ports of Valencia, Sagunto and Gandia.
- Granting of administrative concession to TOYOTA LOGISTICS SERVICES ESPAÑA, SL, for the occupation of public port land in the Southern Quay Two (Enlargement) of the Port of Sagunto, with destination to Maritime Terminal dedicated to private use.
- Granting of an administrative concession to TOYOTA LOGISTICS SERVICES ESPAÑA, SL for the occupation of public port land in the Southern Quay Two (Expansion) of the Port of Sagunto, with destination to the Logistics Centre for own vehicles.
- Substantial modification of the concession ownership of the COFRADÍA DE PESCADORES DE GANDIA (The Fisherman's Guild of Gandia) in the Port of Gandia, by modification of the concession object.
- Approval of the Business Plan 2018 project of the Port Authority of Valencia. Forecast of closing 2017 financial year.
- Approval of the correction coefficients and rebates for the 2018 financial year.
- Granting of authorisation to ALJIBES BLASCO, SL for the provision of the commercial service of drinking water supply to ships in the Port of Sagunto.
- Granting of authorisation to TRANSPORTS AND EXCAVATIONS PÉREZ PLUMED, SL for the provision of the commercial service of collection and transport of waste not regulated by MARPOL 73/78 in the ports of Valencia and Sagunto.
- Granting of administrative concession to SERVIPORT MARÍTIMA, SL, for the occupation of public port land in the South Access Zone of the Port of Valencia, destined to the collection of transport orders and weighing of trucks.

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- Granting of a license to BERGÉ MARÍTIMA, SL for the provision the following port services: goods loading, unloading, stevedoring and transshipment in a multi-purpose terminal in the Port of Sagunto.
- Granting of a license to INTERSAGUNTO TERMINALES, SA for the provision of the following port services: goods loading, unloading, stevedoring and transshipment a multi-purpose terminal in the Port of Sagunto.
- Granting of authorisation to SEROIL VALENCIA SL for the provision of the commercial service of collection and transport of waste not regulated by the Marpol 73/78 Agreement in the ports of Valencia, Sagunto and Gandia.
- Granting of authorisation to SERVICIOS MEDIOAMBIENTALES DE VALENCIA, SL for the provision of commercial service of collection and transport of waste not regulated by the Marpol 73/78 Agreement in the ports of Valencia, Sagunto and Gandia.
- Granting of license to BALEARIA EUROLINEAS MARÍTIMAS, SA for the provision of the port service of embarkation and disembarkation of passengers, both regular and cruise ships, in the Ports of Valencia Sagunto and Gandia.
- Granting of a license to BALEARIA EUROLINEAS MARÍTIMAS, SA for the provision of the port service for loading and unloading baggage and vehicles under passenger regime, both for regular and cruise ships in the Ports of Valencia Sagunto and Gandia.
- Granting of a license to NAVARRO Y BORONAD, SL for the provision of the following port services: goods loading, unloading, stevedoring and transshipment in a multi-purpose terminal in the Port of Gandia.
- Granting of authorisation to COMSA RAIL TRANSPORT, SA for the provision of the commercial service of railway manoeuvres and any other related related to train's operation in the Ports of Valencia, Sagunto and Gandia.
- Approval of the Bidding Terms and Conditions of the public tender for the granting of a concession for the construction and operation of a final treatment facility for liquid waste generated by ships (Annex I of the MARPOL agreement) and other similar liquid waste authorised by the Port Authority of Valencia, in the Port of Valencia.
- Approval of the terms and conditions for the sale in public auction of the vessel Valenciaport.
- Granting of license to MORVEDRE MOORING, SLU for the provision of the port service for mooring and unmooring vessels in the Port of Sagunto.

- Approval of partial extension of the management charge to VPI LOGÍSTICA SA for the promotion and commercialisation of the ports and the areas of logistic activities dependent on the management of the PAV.

Description of management systems and support for decision making used by the Port Authority, such as quality management systems, balanced scorecards, market characterisation campaigns, etc.

Quality Management System based on ISO 9001: 2008

The PAV has a Quality Management System to certify, according to the European quality standard ISO 9001: 2008, the internal key processes, such as Maritime Traffic Management, which covers the Berth Management process in the ports of Valencia, Sagunto and Gandia.

This system was certified for the first time in 1999, according to the ISO 9002:1994 standard, during 2003 it was updated to the new ISO 9001:2000 standard and in 2009 it was updated to ISO 9001:2008. In September 2017, the PAV successfully passed the Quality Management System maintenance audit based on this standard. For 2018, the adaptation of the Quality Management System is scheduled to comply with the specifications of the new ISO 9001:2015 standard.

Environmental management system of international scope

The PAV, in its strategy of continuous improvement and to respond and fulfil the commitments acquired in its environmental policy, maintains the certification of its environmental management system in compliance with the requirements established by the UNE EN ISO 14001:2004 standard, as well as the highest existing recognition in terms of environmental management at European level, the registration in compliance with the EMAS III Regulation in the Community System for Environmental Management and Auditing.

In the same way, the PAV maintains in force since 2003 the PERS Certificate (Port Environmental Review System) which, supported by the European Association of Maritime Ports (ESPO), is the only environmental certification aimed exclusively at the port sector.

In addition, and in line with the strategic lines established by the PAV, the carbon footprint of the PAV-Port of Valencia, corresponding to 2014, has been calculated and verified in accordance with ISO 14064-1:2006. In addition, this carbon footprint has been registered

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in the Carbon Footprint Registry, Compensation and CO2 Absorption Projects, created by the Ministry of Agriculture, Fishing, Food and Environment, which obtained the "Calculation" seal.

Occupational health and safety Management System based on the OHSAS 18001 standard

Beyond mandatory legal compliance, the the PAV's Occupational Health and Safety Department chose the OHSAS 18001 as a management model within the process of continuous improvement in monitoring health and safety for PAV staff. In June 2007, the Port Authority of Valencia obtained the OHSAS 18001 certification, with registration number 0101/OHS/01/2007, at its offices in Valencia, Sagunto and Gandia, as it complies with the demands and requirements established in the standard, referred to the Port Facilities Management. In 2010 the renewal of the Certification was carried out, in 2011 and 2012 its maintenance, proceeding in 2013 to its second renewal and in 2014 and 2015 to its maintenance. In November 2016, the third renewal of the certification coincided with the tenth year of being certified in accordance with OHSAS 18001 and in 2017 the certification maintenance was carried out.

Security Management System for the Supply Chain based on ISO 28000

The Port Authority of Valencia, within its strategy of continuous improvement in all activities that make up its management model, introduced in 2011 a security system based on ISO 28000. This standard ensures that the organisation is committed to the protecting its staff, facilities, goods, and the information it exchanges.

This initiative reinforces the importance the PAV gives to the development of measures aimed at improving the safety and protection of goods and the staff who work in the ports it manages, by including best practice and existing tools in its day-to-day management so as to comply with the most demanding standards

International energy management system

Additionally, the PAV achieved in 2016 the implementation and certification of an Energy Management System based on ISO 50001: 2011. The objective of this certification is the continuous improvement of the PAV's energy performance by establishing a systematic action for the assesment, control and management of energy uses related to the PAV's activities or services. This standard allows organisations to improve efficiency, energy-related costs and reduce the emission of greenhouse gases.

In order to integrate both the environmental and energy policy, the Board of Directors of the PAV approved the text of the "PAV's Environmental and Energy Policy" which is currently in force.

Existence of a steering committee and its structure.

The Port Authority of Valencia has an Executive Committee and a Management Committee.

The Executive Committee consists of:

- Chairman
- General Manager
- General secretary
- Deputy General Manager
- Operations Manager
- Environment, Security and Facilities Manager
- Commercial and Business Development Manager
- Head of the Chairman's Office

In 2017 the Executive Committee met 42 times.

For its part, the Management Committee is composed of the following members:

- General Manager
- Attached to the General Manager's Office
- Operations Manager
- Head of Information Technology
- Economic-Financial Manager
- Deputy General Manager
- Head of the General Manager's Office
- General secretary
- Territory Management Manager
- Head of Human Resources and Organisation
- Head of Business Intelligence

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- Head of Planning and Control
- Environment, Security and Facilities Manager
- Head of Infrastructure Planning
- Head of Public Domain
- Commercial and Business Development Manager
- Head of the Chairman's Office

In 2017 the Management Committee met 30 times.

Description of sectoral technical committees to support the Board of Directors, in addition to the Navigation and Port Council, the Port Services Committee, the Security Advisory Committee.

In 2004, the Port Authority of Valencia's Board of Directors agreed to constitute two executive committees, one for Economic and Financial Affairs and another to monitor the Strategic Plan. The creation of these two committees aimed to strengthen and bring good corporate governance to the PAV, and introduce transparency in its proceedings, whilst involving the industries represented on the Board of Directors which are most closely related to the object of these committees.

As a result of the new structure of the Port Authority of Valencia's Board of Directors brought about by Spanish Law 33/2010, the composition of these two executive committees was modified at the Board Meeting held on 4th November. Since then, the committees have undergone several changes as a result of the appointment of new board members.

Executive Committee for Economic and Financial Affairs

The general aim of the Executive Committee for Economic and Financial Affairs is to advise the port authority's governing bodies on any issue that may be directly or indirectly related to economic or financial matters within the organisation.

The Committee deals with any issue related to the following:

- Matters relating to the port authority's operating and capital budgets and to longterm planning.
- The PAV's balance sheet, income statement, and financial statements.
- Issues relating to the PAV's investments and financial operations, including the incorporation of and participation in trading companies, and issues concerning credit to fund working capital.
- In general, any other matters which may be considered relevant and/or related to the PAV's economic or financial situation, and which are within the Committee's scope.

The members of this Committee as of December 31, 2017 are:

- Mr. Aurelio Martínez Estévez, Chairman PAV (ex officio member).
- Mr. José Vicente González Pérez, representing business organisations,
- Mr. Ignacio Arrondo Peral, representing the Spanish Central Government.
- Mrs Inmaculada Rodríguez-Piñero Fernández, representing the Valencian Regional Government.
- Mr. Salvador Navarro Pradas, representing the Valencian Regional Government.
- Mr. Francesc Josep Sánchez, PAV General Manager.
- Mrs. M^a del Carmen de Puig de Olano, Committee Secretary.
- Mr. Luis Felipe Martínez Martínez, Committee Deputy Secretary.

During 2017, this Committee met three times, one of them jointly with the Executive Committee for Monitoring the Strategic Plan and the Executive Committee for the Promotion of Territorial Integration.

Executive Committee for Monitoring the Strategic Plan

The Council's Delegate Committee for the Monitoring of the Strategic Plan has as its object, in general, to counsel the entity's governing bodies in all those matters that may have a direct or indirect relationship with the Port Authority's Strategic Plan.

The Committee will be able to take advantage of the methodology and management control instruments inherent to the implementation and monitoring of the Strategic Plan, such as the Integral Scorecard and the Business Plan of the Port Authority of Valencia.

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The functions of the aforementioned Committee are to analyse, deliberate, inform and propose to the Board of Directors and its Chairman whatever measures it deems appropriate, aimed at the better implementation and development of the Strategic Plan.

In particular, the matters that may be submitted to the consideration of this Committee will deal with the different strategic axes on which the Port Authority's Strategic Plan is structured and based, and, in particular, on the following matters:

- Efficiency and effectiveness of port services.
- Growth model of port infrastructures.
- Intermodality and logistics.
- Port-city integration policy.
- Marketing and Communication.
- And, in general, all those issues that due to their nature and connection with the Strategic Plan can be considered included in its scope of action.

The members of this Commission as of December 31, 2017 are:

- Mr. Aurelio Martínez Estévez, Chairman PAV (ex officio member).
- Mr. Francisco José Corell Grau, on behalf of the Chamber of Commerce.
- Mr. Josep Vicent Boira Maiques, on behalf of the Valencian Regional Government.
- Mr. Salvador Navarro Pradas, representing the Valencian Regional Government.
- Mr. Vicente Boluda Fos, on behalf of the Valencian Regional Government.
- Mr. Francesc Josep Sánchez Sánchez, PAV General Manager.
- Mrs. M^a del Carmen de Puig de Olano, Committee Secretary.
- Mr. Luis Felipe Martínez Martínez, Committee Deputy Secretary.

In 2017, this Committee met once, in a joint meeting, with the Executive Committee for Economic and Financial Affairs and the Executive Committee for the Promotion of Territorial Integration.

Executive Committee for the Promotion of Territorial Integration

At the meeting of the Board of Directors held on October 2, 2015, at the proposal of the at the proposal of the Chairman, to create a new Executive Committee for the Promotion of Territorial Integration. Its operating regulations were also approved at the Meeting.

The purpose of this Committee is to analyse, deliberate, inform, and propose to the Board of Directors and its Chairman, as many initiatives and measures as deemed appropriate, aimed at the sustainable and competitive development of ports managed by the Port Authority.

The members of this Commission as of December 31, 2017 are:

- Mr. Aurelio Martínez Estévez, Chairman of the PAV (ex-officio).
- Mr. Josep Vicent Boira Maiques, on behalf of the Valencian Regional Government.
- Mr. Joan Ribó Canut, representing the Valencia City Council.
- Mr. Josep Francesc Fernández i Carrasco, representing the Sagunto Town Council.
- Mr. Francesc Josep Sánchez Sánchez, PAV General Manager.
- Mrs. M^a del Carmen de Puig de Olano, Committee Secretary.
- Mr. Luis Felipe Martínez Martínez, Committee Deputy Secretary.

In 2017 this Committee met once, in a joint meeting, with the Executive Committee for Economic and Financial Affairs and the Executive Committee for Monitoring the Strategic Plan.

As envisaged in its operating regulation, an Advisory Committee for each of the ports managed by the Port Authority of Valencia has been set up within this Committee.

These Committees are constituted with the aim of streamlining the functioning of the Executive Committee for the Promotion of Territorial Integration, as well as to ensure greater accuracy and quality in the eventual diagnoses and initiatives or measures that result from the development of the work that has been given to this Executive Committee. In this sense, in 2016, the Advisory Committees of the Ports of Valencia, Sagunto and Gandia were created on a permanent basis to deal with issues related to the management of the maritime facade adjoining the services areas of the three ports managed by the PAV.

1. INSTITUTIONAL DIMENSION

Advisory Committee of the Port of Valencia

The members of the Advisory Committee of the Port of Valencia as of December 31st, 2017 are:

- HE. Mr. Joan Ribó Canut, President, Mayor of Valencia (ex-officio member) - Representing the Valencia City Council.
- Mr. Vicent Sarrià i Morell, Deputy Member, Town Planning Councillor - Representing the Valencia City Council.
- Mr. Alejandro Pons i Romaní, Member, Town Planning Advisor - Representing the Valencia City Council.
- Mrs Florentina Pedrero Gil, Deputy Member, General Manager of Urban Planning - Representing the Valencia City Council.
- Mr. Josep Vicent Boira i Maiques, Member, Regional Secretary of Housing, Public Works and Territory Vertebration - Representing the Valencian Regional Government.
- Mr. Lluís Ferrando Calatayud, Member, General Manager of Territorial Planning, Urban Planning and Landscape - Representing the Valencian Regional Government.
- Mr. Enrique Martí Selva, Deputy Member, Deputy Deputy General Manager of of Urban Planning - Representing the Valencian Regional Government.
- Mr. Francesc Josep Sánchez Sánchez, Member, General Manager (ex-officio member) - Representing the Port Authority of Valencia.
- Mr. Manuel Guerra Vázquez, Member, Director of Management and Infrastructure Planning - Representing the Port Authority of Valencia.
- Mrs. M^a del Carmen de Puig de Olano, Committee Secretary.
- Mr. Luis Felipe Martínez Martínez, Committee Deputy Secretary.

In 2017 the Advisory Committee of the Port of Valencia met once.

Advisory Committee of the Port of Sagunto

The members of the Advisory Committee of the Port of Sagunto as of December 31st, 2017 are:

- HE. Mr. Josep Francesc Fernández i Carrasco, President, Mayor of Sagunto - Representing the Sagunto Town Council.
- Mr. Pablo Enrique Abelleira Barreiro, Member, Councillor for Land and Sustainability - Representing the Sagunto Town Council.
- Mr. Guillermo Sampedro Ruiz, Deputy Member, Councillor of the Special Delegations for Youth, Cooperation and Communication Cabinet - Representing the Sagunto Town Council.
- Mr. Lluís Ferrando Calatayud, Member, General Manager of Territorial Planning, Urban Planning and Landscape - Representing the Valencian Regional Government.
- Mr. Enrique Martí Selva, Deputy Member, Deputy General Manager of Urban Planning - Representing the Valencian Regional Government.
- Mrs M^a Pilar Álvarez Montero, Member, Deputy General Manager of Ports, Airports and Coasts - Representing the Valencian Regional Government.
- Mr. Enrique Martí Selva, Deputy Member, Deputy General Manager of Urban Planning - Representing the Valencian Regional Government.
- Mr. Francesc Josep Sánchez Sánchez, Member, General Manager (ex-officio member) - Representing the Port Authority of Valencia.
- Mr. Manuel Guerra Vázquez, Member, Director of Management and Infrastructure Planning Representing the Port Authority of Valencia.
- Mrs. M^a del Carmen de Puig de Olano, Committee Secretary.
- Mr. Luis Felipe Martínez Martínez, Committee Deputy Secretary.

In 2017, the Advisory Committee of the Port of Sagunto met once.

1. INSTITUTIONAL DIMENSION

Advisory Committee of the Port of Gandia

The members of the Advisory Committee of the Port of Gandia on December 31, 2017 are:

- Mrs Diana Morant Ripoll, President, Mayor of Gandia - Representing the Gandia Town Council.
- D. Miguel Picornell Canut, Member, Councillor of the Area of Basic Services to Citizens and Urban Quality - Representing the Gandia Town Council.
- D. Vicente Mascarell Tarrazona, Substitute Member, General Coordinator of Town Planning and Housing - Representing the Gandia Town Council.
- Mr. Josep Vicent Boira i Maiques, Member, Regional Secretary of Housing, Public Works and Territory Vertebation - Representing the Valencian Regional Government.
- Mr. Lluís Ferrando Calatayud, Deputy Member, General Manager of Territorial Planning, Urban Planning and Landscape - Representing the Valencian Regional Government.
- Mrs M^a Pilar Álvarez Montero, Member, Deputy General Manager of Ports, Airports and Coasts - Representing the Valencian Regional Government.
- Mr. Enrique Martí Selva, Deputy Member, Deputy General Manager of Urban Planning - Representing the Valencian Regional Government.
- Mr. Francesc Josep Sánchez Sánchez, Member, General Manager (ex-officio member) - Representing the Port Authority of Valencia.
- Mr. Manuel Guerra Vázquez, Member, Director of Management and Planning of Infrastructures - Representing the Port Authority of Valencia.
- M^a del Carmen de Puig de Olano, Committee Secretary.
- Mr. Luis Felipe Martínez Martínez, Committee Deputy Secretary.

In 2017, the Advisory Committee of the Port of Gandia did not hold any meetings.

Shipping and Port Councils

Shipping and Port Councils are plural bodies, created under the terms set out in article 34 of the TRLPEMM. These Councils aim to advise and assist the Harbourmaster's Office and the Chairman of each port authority on any matter relating to port activity and shipping within their scope which may contribute to the correct functioning of ports and maritime trade.

The Shipping and Port Councils have an internal structure which includes a Standing Committee, a Port Services Committee and a Security Committee. The Standing Committee is general in nature and its membership and functions are established according to the councils' regulations, with no detriment to any working groups that may also be set up. The Port Services Committee and the Security Committee are more specific in nature and their powers are also set out in the TRLPEMM and the aforementioned regulations.

In 2017, a joint session of the Port Services Committees was held which each of the three Shipping and Port Councils has designated within its internal structure.

1. INSTITUTIONAL DIMENSION

INFRASTRUCTURES AND CAPACITY

Description of the role of the Port Authority as infrastructure provider and reference to the “land lord” type model. Listing of the port’s general technical characteristics, such as terrestrial surface, sheltered water surface area, concessible land area, wharfs and their functions, and road accesses.

The Port Authority of Valencia is responsible for the management of the ports of Valencia, Sagunto and Gandia by following the model implemented in the port system of Spanish state ownership, in which the Port Authority provides the spaces and part of the infrastructures which support all port activity, while the private initiative is responsible for the development of operations and the provision of services in the ports by using that same infrastructure. In this framework, and in accordance with the applicable regulations, the Port Authority also becomes the regulator of private activities carried out within its area of responsibility.

In the case of the PAV, this model has evolved towards what is known as an “advanced landlord” model, in which the port authority takes on the role as the port community leader over and above its legal functions, in order to strengthen and improve the services offered to the logistics chains that use the PAV-managed ports.

The main general technical characteristics of PAV-managed ports are given below:

	Port of Valencia	Port of Sagunto	Port of Gandia	Total
Land surface area	5,626,534 m²	2,397,800 m²	245,000 m²	8,269,334 m²
Surface area available for concessions	4,225,718 m²	2,060,440 m²	182,571 m²	6,468,729 m²
Sheltered water surface area	5,746,000 m²	2,206,000 m²	284,000 m²	8,236,000 m²

Infrastructures being built or projected and purposes to which they serve.

Main investments executed in 2017:

RAILWAY CONTROL CENTRE

It is a two-floor building above ground, of 240 m² of surface, whose purpose is to house personnel and the necessary equipment for the regulation and control of the rail traffic. It is located next to the railway’s Southern Access.

Budget: € 257,000.00

RENOVATION OF THE CRANE’S RAIL ON THE PRÍNCIPE FELIPE QUAY OF PORT OF VALENCIA

This work includes the replacement of 1,534 meters of A-100 container crane’s rail runway for A-120 rails, including borders, fastenings, staples, screws and other elements, as well as the corresponding civil works, both on the seaward and landward side.

Budget: € 793,503.99

PERIMETRE FENCE AND ACCESS CONTROL OF THE PORT-SHIP INTERFACE IN LINE WITH THE PORT OF VALENCIA’S SECURITY PLAN

It consists of the enclosure through lifted barriers, sliding or swinging metal gates and fencing with New Jersey barriers in the surroundings of the Turia, South and Xitá quays for their control, with the establishment of 19 accesses gates for vehicles. Includes three control centres and the adaptation of the Emergency Control Centre, equipped with communications and video surveillance systems, automatic gate and barrier opening systems, recognition by card and number plate, etc... It also includes the development of area, three new portable buildings and the networks for the new services.

Budget: € 904,463.74

DREDGING TO INCREASE THE DEPTH OF THE LEVANTE QUAY AT THE PORT OF VALENCIA.

This investment consists of the enabling of the last 600 m of the Levante Quay for the docking of container ships (18,000 TEUs). It includes the execution of a piled foundation block for the runway of the landward foot of the 100 feet cranes, the improvement of the quay’s foundation ground by means of Jet-Grouting, the substitution of a section of the

1. INSTITUTIONAL DIMENSION

concrete cope beam in mass by another one of reinforced concrete, the substitution of container crane's rail on the seaward side, the installation of new bollards and defences, and the replacement of all affected services.

Budget: € 4,867,100.00

DREDGING TO INCREASE THE DEPTH AT THE CENTRAL SECTION OF THE PRINCIPE FELIPE QUAY AT THE PORT OF VALENCIA

This investment consists of the enabling of 500 m of the central section of the Principe Felipe Quay for the docking of 16 metres deep container vessels. It includes the improvement of the quay's foundation ground by means of Jet-Grouting, the substitution of the container crane's rail, both on the seaward and landward side, the installation of new bollards and the placement of new defences.

Budget: € 3,159,288.77

PAVING AND INFRASTRUCTURES OF THE ESPLANADE OF THE NORTH QUAY (XITÁ) OF THE PORT OF VALENCIA

Levelling and paving work on an esplanade of 124,000 square metres with flexible surface on the North Quay at the Port of Valencia to be used for handling import or export vehicles. Includes its enclosure, lighting and drainage networks, infrastructure for a future communications and signalling network, etc.

Budget: € 2,918,604.00

CONDITIONING OF THE NORTH BREAKWATER AT THE PORT OF GANDIA

Once the protective rockfill has been improved, a pedestrian promenade has been built on it, open to the public, so that it is integrated with the promenade along the beach of Gandia. The work has aimed to promote and improve accessibility to the North Breakwater. Specifically, the work has been constructed of mixed concrete with passive steel reinforcements and structural synthetic fibres, fibres that ensure the durability of the structure and are not subject to the corrosion that can occur in marine environments. The walkway has a handrail on both sides, guaranteeing a view of the sea, enclosures in accesses and a ramp. The Gandia Town Council will be responsible for the surveillance, conservation and maintenance of the new walkway.

Budget: € 1,326,675.00

Main investments to be executed in 2018

CONSTRUCTION OF NEW ACCESSES TO CONSTRUCTION OF NEW ACCESSES TO THE PUBLIC CONTAINER TERMINAL AT THE PORT OF VALENCIA

Prior to the extension of the rail tracks of the Principe Felipe Quay, it is necessary to divert the traffic to new doors, so they do not interfere with it, so a new road track with two lanes in each direction is required, a roundabout to facilitate the change of direction, the prolongation of the terminal's enclosure, the drainage network and road lighting.

Budget: € 1,717,639.00

TRANSFER OF THE PORT TERMINAL DOORS IN NOATUM C.T.V. AT THE PORT OF VALENCIA

Transfer of the current access doors of the Public Container Terminal to a new location compatible with the extension of the rail tracks of the Principe Felipe Quay to 750 m. Includes civil work, mechanical installations, electricity, electricity controls and software compatible with the current systems.

Budget: € 1,991,607.59

DREDGING TO INCREASE THE DEPTH OF THE TRANSVERSAL COSTA QUAY AT THE PORT OF VALENCIA

This investment consists of the enabling of the Transversal Costa Quay for the docking of 16 metres deep container vessels over its entire length, plus about 100 m contiguous of the Costa Quay. It includes the improvement of the quay's foundation ground by means of Jet-Grouting, the relocation of the container crane's rail on the seaward side, and the installation of a new bollard.

Budget: € 3,016,525.32

DREDGING TO IMPROVE THE DEPTH OF THE LEVANTE AND THE SOUTH DOCKS AT THE PORT OF VALENCIA

It consists in the dredging of certain areas of the Port of Valencia to allow maritime access and the manoeuvre in to the Levante and the South Docks, completing the actions of the quay depth increase of the Levante, Principe Felipe and Transversal de Costa Quays, totalising 676,629,730 m³ of material to be dredged.

Budget: € 5,116,015.56

1. INSTITUTIONAL DIMENSION

RENOVATION OF THE DEPTH OF THE SERPIS DOCK, ENTRANCE CHANNEL AND ENTRANCE MOUTH AT THE PORT OF GANDIA

It consists of the dredging to replace the original quay depths in the Serpis dock, the entrance mouth and the entrance channel of the Port of Gandia.

Amount of bidding: € 1,753,792.47

UPDATE OF THE FIRE PROTECTION FACILITIES OF THE NO. 3 SHED AT THE PORT OF GANDIA

It consists of the installation of fire protection in the n°3 Shed of the Port of Gandia, according to the current regulations and the goods' storage needs.

Budget: € 276,334.52

Initiatives for the industrial or logistics promotion, such as participation in a Logistics Activities Zone (ZAL), dry port, etc. and their purposes.

In 2017 the Port Authority of Valencia continued working on the development of the project for the creation of the Port of Valencia and the Port of Sagunto's Logistics Activities Zones, through the Valencia Plataforma Intermodal y Logística SA (VPI Logística). The main business of this firm is to promote, manage and operate logistics areas that boost the development of logistics activities linked to cargo handled through the docks managed by the Port Authority of Valencia.

The Port of Valencia's ZAL has a surface area of over 300,000 m² devoted exclusively to logistics, and is strategically located next to the Port of Valencia and the main transport nodes.

VPI Logística owns seven (A1, B1, A3, A2, B2, F2 and G2) of the nine plots of land assigned for logistics use at the Port of Valencia's ZAL, i.e. a total of 239,000 m², which will be made available to shipping logistics firms that wish to move to the area.



The Port Authority of Valencia, through VPI Logística, directs the ZAL's Marketing Plan of the Port of Valencia, establishing various commercial actions for exporters, importers, freight forwarders and logistics operators, with the objective that interested companies can establish themselves in the ZAL.

During the first half of 2017, the VPI company finalised the drafting of the new Special Plan for the Development of the Logistics Activities Zone (ZAL) of the Port of Valencia, adapted to the logistics needs of a sector that has been changing and which includes a series of improvements in matters of landscape integration agreed upon with the technical services of the Generalitat Valenciana. In the second semester, the ZAL's Special Plan was submitted to the public information process and consultations were made to the affected organisations, after which the company analysed the received documents to be able to answer them and prepare the corresponding allegations report during the first semester of 2018 with the objective of advancing the urbanisation process and obtaining its approval during that same year.

The Port of Valencia's ZAL is designed as an area of high interest for companies engaged in logistics related to maritime traffic.

The ZAL will have an area of tertiary services: security services, supplies, gardening, green areas and cleaning, office rental services, bank, hotel, restaurants, public transport, service station, rest areas and other auxiliary services.

On the other hand, VPI Logística SA is the adjudicator of an urbanised plot of 279,380 m² in Parc Sagunt, the acquisition of which was completed in 2011, it is here where the Logistics Activities Zone of the Port of Sagunto will be established. The urbanisation's development was completed on July 7, 2017 and the works were received in August by the City Council of Sagunto.

1. INSTITUTIONAL DIMENSION

Likewise, during the 2017 fiscal year, and before numerous demands from companies interested in locating themselves in plot Z1 of Parc Empresarial Sagunt I, the company begins to consider the possibility of alienating the entire plot.

The Port of International and European organisations Sagunto's ZAL, as an intermodal logistics centre oriented to import and export maritime traffic, aims to adapt to the needs of freight forwarders, logistics operators, importers and exporters.



MARKETS SERVED

Evolution, during at least the last three years, of traffic, represented as total of tonnes moved, total of tonnes by generic groups of goods and as percentage of each of said groups on the total.

During 2017, a total of 73,559,877 tonnes were handled (including fishing and provisioning), which represents an increase of 2.92% compared to 2016. Regarding the number of TEU, 4,832,156 were moved, representing an increase of 2.11%. Passenger traffic increased by 16.74% to 1,062,580 passengers, with regular passenger growth of 28.27% and tourist cruise growth of 2.25%. The traffic of vehicles in goods regime increased significantly, reaching the figure of 794.954 units, which represents a growth of 2.43%, due mainly to exports.

Regarding the presentation of goods, liquid bulk traffic reached the figure of 3,203,487 tonnes, which represents a setback of 15.77%, the solid bulk with a movement of 2,278,857 tonnes, fell by 9.98%, non-container general cargo increased by 9.27%, with a total movement of 11,788,513 tonnes, and, finally, traffic in container with 55,978,616 tonnes increased by 3.91%.

We can see in the attached table the separate evolution of the three ports which make up the PAV:

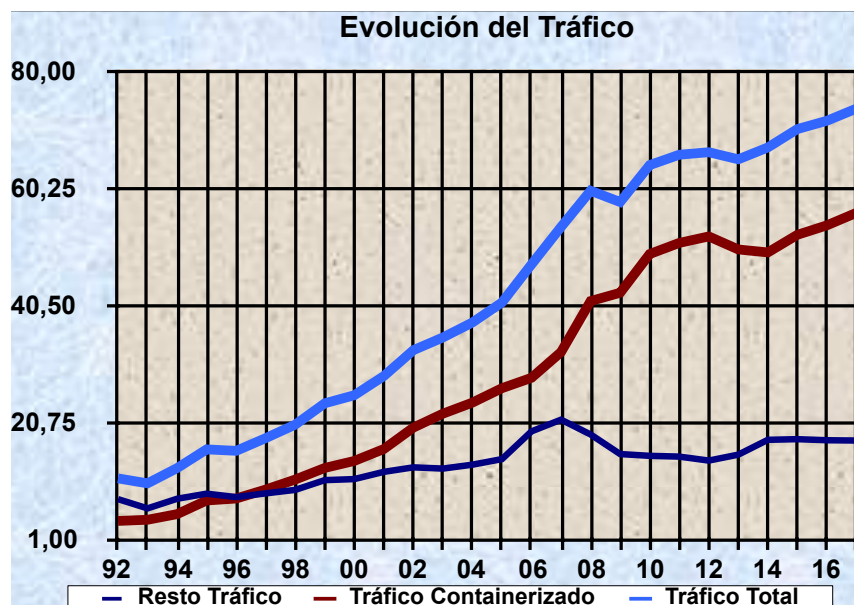
THOUSANDS OF TONS

(including fish catches and supplies)	2015	2016	2017	Difference 17/16	%
Port of Valencia	63,330	64.524	67,489	2,965	4.60%
Port of Gandia	385	353	354	1	0.40%
Port of Sagunto	6,369	6.593	5,716	-877	-13.30%
TOTAL PAV	70,084	71,470	73,560	2,090	2.92%

1. INSTITUTIONAL DIMENSION

The following table shows the distribution of the goods by its form of presentation, also including fishing and provisioning.

Thousands of Tonnes (including tare weight)	2015	2016	2017	Difference 17/16	%
General Cargo	63,102	64,661	67,767	3,106	4.80%
Containerised cargo	52,267	53,872	55,979	2,106	3.91%
Conventional cargo	10,835	10,788	11,789	1000.076	9.27%
Liquid Bulk	3,814	3,803	3,203	-599.581	-15.77%
Solid Bulk	2,685	2,532	2,279	-252.72	-9.98%
TOTAL	69,601	70,996	73,249	2,254	3.17%
Fish catches and Supplies	483	474	310	-164	-34.55%
TOTAL TRAFFIC	70,084	71,470	73,560	2,090	2.92%
TEU (Units)	4,615	4,732	4,832	100	2.11%



Goods

The Port Authority of Valencia manages the ports of Valencia, Sagunto and Gandia. However, for the purposes of this study, the PAV will be taken as a single operating unit. Thus, traffic figures will be accumulated for the three ports, although the port the goods belong to may be indicated where relevant.

Liquid Bulk

During 2017, a total of 3,203,487 tonnes were handled, which represents a decrease of -15.77% compared to the previous year. Liquid bulk represents 4.35% of total port traffic, including fishing and refreshment.

The main goods are:

(toneladas)	2015	2016	2017	Difference 17/16	%
Natural gas	2,240,318	2,303,508	1,388,750	-914,758	-39.71%
Diesel	477,422	480,855	853,359	372,504	77.47%
Chemical products	347,631	336,481	343,117	6,636	1.97%
Fuel oil	326,309	280,624	193,079	-87,545	-31.20%
Wine, beverages, alcohol and by-products	233,608	186,226	182,105	-4,121	-2.21%
Other liquid bulk	189,087	215,374	243,077	27,703	12.86%
TOTAL	3,814,375	3,803,068	3,203,487	-599,581	-15.77%

1. INSTITUTIONAL DIMENSION

Solid Bulk

The solid bulk, which represents 3.1% of the total port traffic, decreased in 2017 -with a total of 2,278,857 tonnes- a -9.98%, the main goods being the following:

(tonnes)	2015	2016	2017	Difference 17/16	%
Grin and flour	992,993	925,935	1,081,588	155,653	16.81%
Natural and chemical fertilisers	510,976	492,438	563,321	70,883	14.39%
Cement and clinker	721,923	486,844	235,345	-251,499	-51.66%
Other non-metallic minerals	137,695	166,078	126,235	-39,843	-23.99%
Chemical products	126,053	103,121	135,957	32,836	31.84%
Miscellaneous	195,224	357,161	136,411	-220,750	-61.81%
TOTAL	2,684,864	2,531,577	2,278,857	-252,720	-9.98%

General conventional cargo

The general conventional cargo, which represents 16.03% of the total port traffic, increased by 9.27% in 2017, with a total of 11,788,513 tonnes.

The main types of cargo handled in this category were:

(tonnes)	2015	2016	2017	Difference 17/16	%
Iron and steel products	1,940,551	1,862,151	2,296,328	434,177	23.32%
Vehicles and parts	1,515,904	1,690,529	1,801,895	111,366	6.59%
Machinery, tools and spare parts	859,983	691,435	638,208	-53,227	-7.70%
Other food products	717,643	621,228	711,641	90,413	14.55%
Miscellaneous	508,890	558,500	684,519	126,019	22.56%
Oils and fats	429,797	465,955	486,973	21,018	4.51%
Paper and pulp	352,739	358,753	316,634	-42,119	-11.74%

(tonnes)

	2015	2016	2017	Difference 17/16	%
Finished construction materials	401,000	299,459	306,558	7,099	2.37%
Chemical products	334,727	309,057	345,506	36,449	11.79%
Wine, beverages, alcohol and by-products	335,378	202,695	317,622	114,927	56.70%
Wood and cork	190,830	176,080	185,618	9,538	5.42%
Cement and clinker	125,091	140,438	128,507	-11,931	-8.50%
Other goods in this group (including tares)	3,122,320	3,412,157	3,568,504	156,347	4.58%
TOTAL	10,834,853	10,788,437	11,788,513	1,000,076	9.27%

Containerised general cargo

In 2017, the throughput of containerised general cargo, which represented 76.1% of total port traffic, increased by 3.91% to 55,978,616 tonnes.

The main goods handled were:

(tonnes)	2015	2016	2017	Difference 17/16	%
Finished construction materials	9,255,191	9,212,950	9,558,029	345,079	3.75%
Chemical products	6,841,766	7,163,417	7,658,570	495,153	6.91%
Miscellaneous	6,522,406	7,097,417	7,291,057	193,640	2.73%
Other food products	4,553,475	5,257,379	4,530,356	-727,023	-13.83%
Machinery, tools and spare parts	2,929,700	3,193,669	3,379,433	185,764	5.82%
Paper and pulp	3,093,108	2,938,066	3,284,944	346,878	11.81%
Empty container Tares	2,308,261	2,338,630	2,208,127	-130,503	-5.58%
Iron and steel products	2,040,931	2,088,487	2,103,008	14,521	0.70%
Wine, beverages, alcohol and by-products	1,832,202	1,833,008	1,971,890	138,882	7.58%

1. INSTITUTIONAL DIMENSION

(tonnes)	2015	2016	2017	Difference 17/16	%
Fruits, vegetables and pulses	1,839,770	1,717,867	1,879,897	162,030	9.43%
Vehicles and parts	1,235,645	1,241,184	1,364,173	122,989	9.91%
Tobacco, cocoa, coffee and spices	1,148,114	1,132,299	1,225,776	93,477	8.26%
Grin and flour	1,115,873	1,028,641	1,028,319	-322	-0.03%
Canned food	1,028,599	1,046,560	1,065,308	18,748	1.79%
Other traffic (including full container tares)	6,522,203	6,582,885	7,429,729	846,844	12.86%
TOTAL	52,267,244	53,872,459	55,978,616	2,106,157	3.91%

Containers (TEUs)

The number of TEUs, with a total of 4,832,156 TEUs, increased in 2017 by 2.11% compared to the previous year. 1,127,231 TEUs were loaded goods, 1,073,177 TEUs were discharged, and 2,631,748 TEUs were transit traffic.

CONTAINER TRAFFIC STRUCTURE (TEU)

(TEUs)	2015	2016	2017	Difference 17/16	%
Domestic trade	160,386	204,362	201,209	-3,153	-1.54%
Full	88,550	115,123	110,347	-4,776	-4.15%
Empty	71,836	89,239	90,862	1,623	1.82%
Foreign	1,945,876	2,013,522	1,999,199	-14,323	-0.71%
Loaded	973,553	1,012,960	1,036,048	23,088	2.28%
Full	751,825	769,840	824,571	54,731	7.11%
Empty	221,728	243,120	211,477	-31,643	-13.02%
Unloaded	972,323	1,000,562	963,151	-37,411	-3.74%
Full	544,475	587,928	628,885	40,957	6.97%
Empty	427,848	412,634	334,266	-78,368	-18.99%
Transit	2,508,934	2,514,252	2,631,748	117,496	4.67%
TOTAL	4,615,196	4,732,136	4,832,156	100,020	2.11%

Historic Container Traffic Series (TEUs)

Thousand TEUs	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
DOMESTIC TRADE	153	202	177	178	153	136	151	144	144	162	160	204	201
FOREIGN	1,554	1,602	1,831	1,842	1,676	1,916	1,950	2,045	2,025	1,823	1,946	2,014	1,999
TRANSIT	703	808	1,034	1,582	1,824	2,156	2,226	2,281	2,158	2,457	2,509	2,514	2,632
TOTAL	2,410	2,612	3,043	3,602	3,654	4,207	4,327	4,470	4,328	4,442	4,615	4,732	4,832

Transit Traffic

In 2017, transit traffic (including equipment tares) at the Port of Valencia grew by 4.85% compared to the previous year, with 34,157,135 tonnes. The number of TEUs in transit was 2,631,748 TEUs, which represents an increase of 4.67%.

Passenger ferries and cruise ships

Passenger transport

During 2017 from the Port of Valencia regular line services were offered to the Balearic Islands with the companies Trasmediterránea (Ibiza, Mahón, Palma de Mallorca, San Antonio and Cala Sabina), and Eurolímarítimas (Palma de Mallorca, Ibiza, San Antonio, Alcudia and Ciudadela). During 2017, passenger services to Algeria continued with the company Euroline Marítimas (Mostaganem).

These ferry services carried 650,252 passengers, representing an increase of 28.27% over the previous year.

Passengers	2015	2016	2017	Difference 17/16	%
Balearics	373,544	430,730	498,941	68,211	15.84%
Algeria		76,059	150,636	74,577	98.05%
Other	5	147	675	528	359.18%
TOTAL	373,549	506,936	650,252	143,316	28.27%

1. INSTITUTIONAL DIMENSION

Cruise ships

The number of cruise passengers, with a total of 412,328, rose by 2.25% compared to 2016. The Port of Valencia was the home port for 69,509 of these passengers, whilst 342,819 were transit passengers.

Passengers	2015	2016	2017	Difference 17/16	%
Home port	64,207	59,999	69,509	9,510	15.85%
Transit	310,359	343,265	342,819	-446	-0.13%
TOTAL	374,566	403,264	412,328	9,064	2.25%

Passenger vehicles

The number of passenger vehicles rose to 157,927 in 2017, which represented an increase of 34.05%.

Vessel traffics

A total of 7,715 vessels called at the PAV's ports in 2017, which represented an increase of 13 ships compared to the previous year, i.e. 0.17% more. Gross tonnage (G.T.) rose to 256.2 million tonnes, i.e. 0.11% up on the previous year.

Vessels (number)	2015	2016	2017	Difference 17/16	%
Vessels	7,728	7,702	7,715	13	0.17%
GT (thousands)	240,530	255,888	256,175	287	0.11%

The following table lists the most important type of vessels:

Type of vessels (number)	2016	2017	Difference 17/16	%
Container ships	3,264	3,153	-111	-3.40%
Ropax and cruise ships	1,605	1,815	210	13.08%
General cargo	1,192	1,116	-76	-6.38%
Ro-ro	1,180	1,196	16	1.36%
Tanks	241	258	17	7.05%
Bulk carriers	152	114	-38	-25.00%
Others	68	63	-5	-7.35%
TOTAL	7,702	7,715	13	0.17%

Vessel traffic at the different ports is shown in the following table:

	2015	2016	2017	Difference 17/16	%
Valencia. - Number:	6,267	6,232	6,180	-52	-0.83%
GT (thousand):	219,136	230,808	231,287	479	0.21%
Gandia. - Number:	159	150	247	97	64.67%
GT (thousand):	938	876	1,277	401	45.78%
Sagunto. - Number:	1,302	1,320	1,288	-32	-2.42%
GT (thousand):	20,456	24,205	23,611	-594	-2.45%

Of the 7,715 vessels which called at the ports managed by the Port Authority of Valencia during 2017, 1,428 did so under the flag of Italy, 1,041 under the Cyprus flag and 772 under the Maltese flag. Also 295 ships flew Spanish flag.

1. INSTITUTIONAL DIMENSION

Hinterland and foreland. Main origins and destinations of goods understood as those which account for 70% of port traffic.

Foreign trade

Foreign trade goods traffic only includes the export and import of goods. The following tables do not include the tare of the equipment that transports these goods, transit, domestic traffic or bulks.

Exports

In 2017, export traffic increased by 8.2%. The main goods exported were as follows:

(tonnes)	2015	2016	2017	Difference 17/16	%
Finished construction materials	4,994,591	4,973,360	5,192,542	219,182	4.41%
Chemical products	1,313,945	1,292,702	1,399,675	106,973	8.28%
Vehicles and parts	987,950	1,129,596	1,228,831	99,235	8.78%
Wine, beverages, alcohol and by-products	936,474	861,212	1,020,561	159,349	18.50%
Machinery, tools and spare parts	882,041	815,802	875,915	60,113	7.37%
Paper and pulp	718,991	734,649	772,736	38,087	5.18%
Iron and steel products	677,825	704,289	775,968	71,679	10.18%
Other goods	609,825	625,625	737,462	111,837	17.88%
Other food products	413,047	487,930	469,521	-18,409	-3.77%
Miscellaneous goods*	2,116,844	2,199,657	2,484,578	284,921	12.95%
TOTAL	13,651,533	13,824,822	14,957,789	1,132,967	8.20%

*Other food products, Fruit, vegetables and pulses, Oils and fats, Wood and Cork, Canned food, Green and dry fodder

The main export destinations, by country, were:

(tonnes)	2015	2016	2017	Difference 17/16	%
Italy	1,643,183	1,582,082	1,914,372	332,290	21.00%
China	1,333,890	1,434,665	1,349,579	-85,086	-5.93%
USA	875,215	962,507	1,144,848	182,341	18.94%
Saudi Arabia	1,112,961	915,952	784,949	-131,003	-14.30%
Morocco	724,414	744,812	757,793	12,981	1.74%
Algeria	750,623	653,186	494,304	-158,882	-24.32%
Arab Emirates	547,803	520,303	524,915	4,612	0.89%
Mexico	342,381	397,352	443,710	46,358	11.67%
UK	353,540	348,359	326,217	-22,142	-6.36%
Malaysia	202,761	305,632	237,590	-68,042	-22.26%
Turkey	245,390	266,207	266,480	273	0.10%
Belgium	170,713	264,776	217,074	-47,702	-18.02%
Israel	191,353	244,097	224,168	-19,929	-8.16%
Colombia	207,317	216,908	241,697	24,789	11.43%
India	205,260	212,397	254,190	41,793	19.68%
Rest of countries	4,744,729	4,755,587	5,775,903	1,020,316	21.46%
TOTAL	13,651,533	13,824,822	14,957,789	1,132,967	8.20%

1. INSTITUTIONAL DIMENSION

Imports

Imports grew by 9.6%, moving a total of 8,446,425 tonnes, with the main import goods being the following:

(tonnes)	2015	2016	2017	Difference 17/16	%
Other goods	1,499,393	1,525,923	1,586,454	60,531	3.97%
Iron and steel products	1,473,264	1,468,123	1,854,820	386,697	26.34%
Chemical products	570,496	712,513	727,820	15,307	2.15%
Iron and steel products	652,147	690,879	760,158	69,279	10.03%
Machinery, tools and spare parts	646,707	626,026	658,893	32,867	5.25%
Paper and pulp	528,573	535,888	534,852	-1,036	-0.19%
Finished construction materials	273,008	330,385	377,535	47,150	14.27%
Fruits, vegetables and legumes	258,744	256,277	253,072	-3,205	-1.25%
Wood and cork	213,105	222,657	211,000	-11,657	-5.24%
Miscellaneous	1,260,353	1,338,074	1,481,821	143,747	10.74%
TOTAL	7,375,790	7,706,745	8,446,425	739,680	9.60%

*Other food products, Fruit, vegetables and pulses, Oils and fats, Wood and Cork, Canned food, Green and dry fodder

The most important countries of origin were:

(tonnes)	2015	2016	2017	Difference 17/16	%
China	1,661,684	1,649,750	1,886,698	236,948	14.36%
Italy	1,280,244	1,213,737	1,219,738	6,001	0.49%
France	614,375	627,552	708,386	80,834	12.88%
USA	453,784	490,930	529,455	38,525	7.85%
India	317,797	412,045	465,486	53,441	12.97%
Turkey	331,660	377,042	502,293	125,251	33.22%
South Korea	171,466	218,423	187,341	-31,082	-14.23%
Brazil	185,147	150,985	155,674	4,689	3.11%

(tonnes)	2015	2016	2017	Difference 17/16	%
Holland	103,936	127,844	259,681	131,837	103.12%
Mexico	137,265	121,913	138,892	16,979	13.93%
Finland	82,767	106,999	93,595	-13,404	-12.53%
Canada	90,515	106,903	112,258	5,355	5.01%
Taiwan	59,040	93,791	87,457	-6,334	-6.75%
Israel	73,053	91,370	63,727	-27,643	-30.25%
Egypt	57,357	82,597	140,689	58,092	70.33%
Rest of countries	1,755,700	1,834,864	1,895,055	60,191	3.28%
TOTAL	7,375,790	7,706,745	8,446,425	739,680	9.60%

Solid bulk cargo has decreased by -41.36%, especially in "Natural and chemical fertilisers" and "Cement and clinker", while discharges have increased by 16.9%, notably in "Grain and flour" and "Natural and Chemical Fertilisers".

Liquid bulk cargo operations have decreased by 4.49%, especially in "Wine, beverage, alcohols and by-products", "Biofuels" and "Diesel", while Liquid bulk cargo discharge operations have decreased by 34.42%, notably in "Natural Gas", "Diesel", "Chemical Products" and "Fuel-Oil".

Domestic traffic

Domestic traffic (excluding transit traffic and including bulk) rose by 1.18% during 2017. A total of 3,419,163 tonnes (excluding equipment tares) were loaded and discharged. Traffic to and from the Balearic Islands stood at 63.73%, whilst 20.06% was shipped to and from the Canary Islands.

Description of the main local economic sectors or activities which rely on the port for their business development.

The ports managed by the PAV cater for the needs of different industries, offering shipping services for bulk, and conventional and containerised general cargo.

1. INSTITUTIONAL DIMENSION

Some of the industries served at each port include:

Port of Valencia:

- Construction material sector, including ceramic products, marble, and carved stone.
- Furniture, footwear, toy, and textile industries.
- Consumer goods industries (food, household, and hygiene).
- Chemical industry including frits, pigments, and waste and scrap plastic.
- Wine and fruit juice industries.
- Paper and pulp.
- Automotive industry and automotive parts.
- Food industry, including oil, grain and flour (corn and wheat).
- Tourism industry, cruise traffic.

Port of Sagunto:

- Energy industry. Natural gas.
- Iron and steel industry for the construction, automotive, and electrical appliance industries.
- Cement industry.
- Fertiliser industry
- Automotive industry.
- Food industry.

Port of Gandia:

- Paper and pulp.
- Chemical industry.
- Wood boards.
- Food industry (fruit and vegetables)

INTEGRATION IN THE TRANSPORTATION SYSTEM. SUSTAINABLE MOBILITY

SERVICES

Describe the private sector's role in service provision and port operations, including types of services, and describe the port authority's role and that of the private sector. Describe the port authority's regulatory and monitoring role, with reference to the tools it has at its disposal.

In terms of services, recent legal reforms have boosted the private sector's role within a framework of free, fair competition. It is the port authority's responsibility to establish the conditions under which services must be provided and to define the necessary requirements so that a company can apply to provide these services in its ports.

In the case of port services, the Port Authority, based on a binding report from State-owned Ports Body, regulates the provision of these services through the approval of Specific Requirements. Compliance with these requirements, which include the minimum numbers of staff and equipment the service provider must offer, leads to the granting of a licence to provide the service in question. In terms of commercial services, the same philosophy is applied, with the only difference that instead of the Specific Requirements, the Port Authority sets out the specific conditions for these services. These conditions include all the requirements the provider must comply with.

The service provider can start operations as soon as the corresponding licence or authorisation has been granted, and must aim to offer a comprehensive service, tailoring its resources to cater for demand.

The Port Authority is responsible for monitoring compliance with the specifications for each service. Port services are monitored primarily through the Annual Plan and through the information the service provider is obliged to give the port authority on a regular basis. In the case of commercial services, monitoring is also done through the information the service provider is obliged to give the port authority on a regular basis.

On the other hand, from the perspective of activities associated with occupancy licences, the charges for new licences are calculated in accordance with legally established criteria and limits. Compliance with these limits and with the minimum traffic requirements promised in the concession and authorisation licences is monitored and supervised.

1. INSTITUTIONAL DIMENSION

Number of companies that operate in the port under concession, authorisation or license.

The numbers of companies that operated in the ports managed by the PAV in 2017 under concession, authorisation or licence are shown in the tables below:

Service providers offering port services in 2017	
Type of service	Number of companies
Water supply service for vessels	3
Fuel supply service for vessels	13
Technical assistance service for vessels	10
Boat shuttle service	3
Collection of non-regulated MARPOL waste	18
Collection of other regulated MARPOL waste	1
Sale and maintenance of fire extinguishers	1
Loading and unloading vehicles off trains rail	2
Ship supplies	12
Ship passenger transfer	1
Fumigation	1
Railway manoeuvres	7
Cruise passengers vehicles collection service	1
Container repair	1
Sale in commercial premises	3
PIF support	1

Companies that operated in the port under concession or authorisation during 2017

	Port of Valencia	Port of Sagunto	Port of Gan	Total by regime
No. authorised companies	60	21	24	105
No. concession companies	37	20	7	64
Total by ports	97	41	31	169

Percentage of real land surface areas, defined as land for commercial use under concession

Surface area available for concessions (m ²)	6,468,729.00
Surface area under concession (m ²)	4,615,070.14
RATIO (%)	71.34%

Total number of tonnes handled in the port, which correspond to concession or authorised cargo terminals, as a percentage of total goods traffic

In 2017, 99.29% of goods traffic throughput was handled at concession or authorised cargo terminals.

1. INSTITUTIONAL DIMENSION

QUALITY SERVICE

Information channels made available by the port authority to ensure that operators who wish to provide services in the port or apply for a concession are clearly aware of the conditions required to operate in the port, and of the administrative procedures that regulate this process, such as availability of the services' regulatory conditions on the internet, sectorial information sessions, etc.

Anyone interested in providing any service in the ports managed by the Port Authority of Valencia should contact the PAV's Operations and Public Domain Department, either in person at its offices, or by telephone or e-mail. Interested parties will be given a copy of the specific requirements and/or specific conditions needed to provide the service in question and will be informed of the procedures that have to be followed in order to obtain the licence or authorisation.

The specific requirements and specific conditions for any of the services can be downloaded directly from the port authority's Promotional Portal, which sets out the requirements that must be met by potential applicants, the documentation that must be submitted and the application procedure. Legislative references and applicable regulations can also be consulted there.

Likewise, it is possible to consult through the Port Authority of Valencia's website (www.valenciaport.com), the database of registered service providers offering port services at the PAV and the database of registered service providers offering commercial services at the PAV.

An e-mail address is also available, should any interested parties have any queries or require any information about port or commercial services: sportuarios@valenciaport.com.

Initiatives promoted by the Port Authority aimed at improving the efficiency, service quality and performance of the services provided to the goods.

Among the initiatives launched by the PAV to increase the competitiveness of the companies of the Port Community through tools which allow for the improvement of efficiency, service quality and performance of the services provided to the goods and to the ship, the following are worth mentioning:

Quality Mark: External Quality

External quality encompasses quality management in the Port Community, where the different groups (Port Authority, Freight Forwarders, Shipping agents, Stevedores, Hauliers, Customs, Official Services, etc.) are part of a single process, which provides a certain service to the final customer, i.e., to the shipowner, importer or exporter.

As a result, the customer receives a global impression of service quality which gives an indication of the efficiency of the port as a whole.

In order to convey this global impression of service quality and meet customer requirements, the Port Authority of Valencia created a Quality Mark (QM), the objective of which is to group together all the companies in the port community that are prepared to provide quality services by complying with standards which deliver a predetermined level of quality for each of the service processes provided.

To date, the Quality Mark has been implemented in the ports of Valencia and Sagunto. Both ports have Quality Committees whose members represent the port community in each port.

These Quality Committees are responsible for identifying the key services requested by customers, establishing the standards that must be guaranteed to the customer, and the commitments that must be undertaken by the members of the port community participating in the Quality Mark. These make up the service guarantees included in the Procedures Manual which, together with the User Rules (a document that defines the basic rules of the system), constitute the Quality Mark documentation.

The set of Mark Guarantees, at the Ports of Valencia and Sagunto, is as follows:

- Supplies delivered to vessel without delay (Valencia and Sagunto).
- Provisioning of the ship without delays (Valencia and Sagunto).
- Fast processing of bills of lading (Valencia and Sagunto).
- Safe arrival of goods at customer facilities (Valencia).
- Delivery of the containers at the agreed time (Valencia).
- Containers shipped on the agreed vessel (Valencia).
- Goods inspection at the Goods Health Inspection Border Post (Valencia)
- Result of the Offloading/outturn Report two days after operations have been completed (Sagunto).

1. INSTITUTIONAL DIMENSION

Moreover, the organisations belonging to the Quality Mark must also commit to other general guarantees defined by the Quality Committees and included in the Procedures Manual.

Should any guarantee not be complied with, the Quality Mark shall, by means of complaints submitted by customers, analyse the causes and issue a written notification within a week detailing the reasons and the corrective action to remedy the non-compliance.

In order to improve port services, the Quality Committees set up specific working groups to carry out studies into possible opportunities for improvement. Each working group is made up of the different stakeholders playing a part in the process under study.

In 2017, the working groups implemented specific measures to respond to the different challenges that arose during the year. These included:

- Presentation and diffusion of the Billing Guides elaborated for the ports of Valencia and Sagunto.
- Mandatory filling of the seal number in the Delivery Orders of full containers for its pick-up at the Terminals. (import).
- An update of the 2017 working calendar for the various groups in the port community, including holidays and the dates on which the working day is different from a standard day.
- Communication by SMS informing on the availability of authorisation to leave the port area of the inspected containers in the at the Goods Health Inspection Border Post (GHIBP)
- Coordination for the use of the esplanade of the Fuente de San Luis area when there are strikes in the stevedore sector to facilitate the organisation of land transport by road when accessing the port.
- Update of the Annexes of the Port of Valencia and the Port of Sagunto Billing Guides.
- Collaboration with ValenciaportPCS in the implementation of the process for the online transmission of information between all agents which intervene in railway operations through the Rail Transport Service.
- Extension of the usual hours in the GHIBP for the goods inspection by the Inspection Services, in the days with work stoppages programmed in the stevedoring operation.

The companies integrated within the Quality Mark are audited by an independent certifying body, this allows the PAV to prove that the System complies with specific standards and concerted service quality guarantees.

The Quality Mark currently has 149 member companies; 123 of these at the Port of Valencia, and the other 26 at the Port of Sagunto.

Quality Reference

In addition, in order to adapt to existing international market conditions and their evolution, the Port Authority of Valencia has drawn up and approved the following specific service quality directives to further increase the quality of the services provided:

- Container traffic
- Vehicle traffic in the Port of Valencia
- Vehicles traffic in the Port of Sagunto
- Cruise traffic
- Multipurpose goods handling

And at the same time, it has recognised as its own, the following generic quality of service referents:

- Shipping companies
- Port pilot service
- Tug boat service
- Mooring and unmooring service
- Vessel-generated waste collection service
- Solid and liquid bulk traffic
- Conventional general cargo traffic
- Ro-Ro traffic

These are complemented with the demands placed on port service providers to commit to the levels of quality and performance stipulated in the specific requirements, or the standards they offer, if these are more stringent, and which must include ISO 9001 certification, at the very least.

1. INSTITUTIONAL DIMENSION

ValenciaportPCS

The Port Authority of Valencia, within its policy to improve the information exchange processes in the shipping industry, has its own Port Community System -ValenciaportPCS- a technological platform that enables electronic data exchange and e-commerce services with its customers.

This internet-oriented platform was built to comply with high availability requirements and offer business users SOA services to interconnect them more easily.

ValenciaportPCS handles procedures with the port authority, single-window access services, services to speed up customs, and services between port community members.

The use of ValenciaportPCS provides innumerable benefits to the port community including:

- Easy access to integrated logistics and customs information: maritime, port and land, thus allowing operations and records to be tracked and traced, and authorising access to other agents involved in the process
- Increasingly sophisticated management, thus speeding up document generation and processing
- More efficient transactions, which optimise handling and improve response times, generating cost savings of up to 50%.
- Access to and communication with shipping companies is unified, thus standardising information and communication with them through the INTTRA and GT Nexus platforms, and operating as a single window.
- Reduction of errors by eliminating the errors inherent to manual systems as data does not have to be entered several times into different media (telephone, fax, etc.).
- User-friendly system, allowing the integration of company systems, as well as direct use via the ValenciaportPCS customer application.

Therefore, ValenciaportPCS has become a fundamental tool in the modernisation of the logistics management for port community companies.

Through ValenciaportPCS a user can carry out information, commercial and operational transactions associated with goods transport, which allows the user to obtain easy access to integrated logistics information, speeding up the contracting of logistics services and increasing operational management efficiency.

Currently more than 700 companies of the Port Community use ValenciaportPCS on a daily basis.

The Port Authority of Valencia also publishes on its website (www.valenciaport.com) in the Business/Port Charges section, the required charges together with the correction coefficients that it applies.

Number of authorised companies, concessionaires and port service providers that have applied for rebates to promote improvements in service quality. Traffic throughput these companies generate.

In 2017, a total of seven companies applies for rebates to promote improvements in service quality. These companies accounted for 81.86% of total PAV throughput.

Description of the initiatives promoted by deal with complaints or suggestions from the port's end customers, and to assess customer's degree of satisfaction with the services provided by the port.

The Port Authority created Quality Mark (QM) to cater for the needs of its customers. The Quality Mark aims to bring together all the companies in the port community that are prepared to provide quality-assured services by complying with standards which deliver a predefined level of quality for each of the processes involved in the services provided.

1. INSTITUTIONAL DIMENSION

Should any service guarantee included in the Procedures and User Rules not be complied with, the Quality Mark shall, via the complaints submitted by customers, analyse the causes and issue a written notification within a week detailing the reason and the corrective action to remedy the non-compliance. The contact details to submit complaints as a result of non-compliance with service guarantee included in the Procedures and User Rules are as follows:

Guarantee Mark
Contact: José Luis Aznar
Phone: (34) 96 393 95 42
E-Mail: marcadegarantia@valenciaport.com

During 2017, 4 complaints were received, about the berthing of vessels, Transparent Invoicing, the Safety Cargo Commitment and Goods inspection in the GHBP.

Complaints also came for services unrelated to the Quality Mark. In this case, the Quality Mark Department takes charge of all the complaints received, collecting the information required to solve any issues, agreeing on improvements with the different stakeholders that ensure that non-compliance of the service provided does not happen again, and informing the end customer of the measures taken.

Running the Quality Mark System involves holding meetings with port service providers to analyse and coordinate processes in which the different groups participate, as well as assessing the quality of the service provided and reaching agreements to solve problems and deal with complaints made by private stakeholders and public bodies that have responsibilities in the port environment.

Agreeing to comply with commitments means that port operators joining the Quality Mark system must maintain a record of incidents for every guarantee. These records revealed that there were a total of 1,035 seal control incidents at container terminals in 2017.

In addition, a total of 28 incidents related to containers entering or leaving port terminals were reported to the Quality Mark by shipping agents and hauliers.

Likewise, ValenciaportPCS has a Customer Service Centre to resolve any technical problems that may arise in the use of this platform, Suggestions made to improve the services offered through ValenciaportPCS are also taken into account.

The contact details for the CSC, which appear on the ValenciaportPCS web site, are as follows:

CSC (Customer Support Centre)
E-mail: cau@valenciaportpcs.net
Phone: 902 88 44 24 or 10001 if you call from the Corporate Network

In this sense, in the Contact CSC section of www.valenciaportpcs.com, there is a form for technical queries and other enquiries about how to use the ValenciaportPCS platform. In addition, the CAU provides customer service for the port and logistics community responding to specific claims over possible incidents occurring during the release and acceptance of containers at the terminals (overland closing time system).

There is also a suggestions box on the valenciaportpcs.com web site for users to put forward ideas and give comments.

On the other hand, the APV carries out every 2 years a "Port Community Satisfaction Survey on the services provided in the ports managed by the Port Authority of Valencia and Public Perception", being the last carried out in 2016.

The target groups of this survey, differentiated by the 3 ports managed by the APV -Valencia, Sagunto and Gandia- are the following:

1. Port Community: shipping agents companies, Freight Forwarders/Customs, Hauliers, Concessionaires/stevedoring companies, carriers and Port Industry Associations.
2. Vessel Captains.
3. Citizenship.

Regarding the aspects analysed, these differ depending on the target group considered:

- In the case of the Port Community, aspects related to the port operation were analysed (management of the Port Authority of Valencia, port services, infrastructures, land traffic organisation and the way other administrations work).
- The satisfaction of the vessel captains regarding the technical-nautical services was studied.
- Regarding citizenship, the degree of interest towards the port and its overall assessment, its environmental management and issues such as innovation and security were examined.

1. INSTITUTIONAL DIMENSION

The sample size of the survey is indicated below, with the number of actual responses obtained in each of the target groups:

• **Port Community:**

- Total sample: 357 interviews
 - Shipping agents/Shipping Companies: 42 interviews
 - Freight Forwarders/Customs: 131 interviews
 - Hauliers: 113 interviews
 - Concessionaires/ Stevedoring companies: 8 interviews
 - Shippers/Importers-exporters: 60 interviews
 - Port industry associations: 3 interviews

If broken down by Port, the sample would be divided as follows:

- Port of Valencia: 352 interviews
- Port of Sagunto: 12 interviews
- Port of Gandia: 3 interviews

• **Vessel captains**

- Total sample: A total of 208 interviews divided as follows:
 - Port of Valencia: 154 interviews
 - Port of Sagunto: 49 interviews
 - Port of Gandia: 5 interviews

• **Citizenship**

- Total sample: 1,107 interviews divided into:
 - Primary area (closest to the port): 653 interviews
 - Secondary area (furthest from the port): 454 interviews

If broken down by Port, the sample would be divided as follows:

• **Port of Valencia:**

- Primary area: 303 surveys
- Secondary area: 200 surveys

• **Port of Sagunto:**

- Primary area: 200 surveys
- Secondary area: 150 surveys

• **Port of Gandia:**

- Primary area: 150 surveys
- Secondary area: 104 surveys

The assessments obtained as a result of the survey, differentiating the different target groups is provided below:

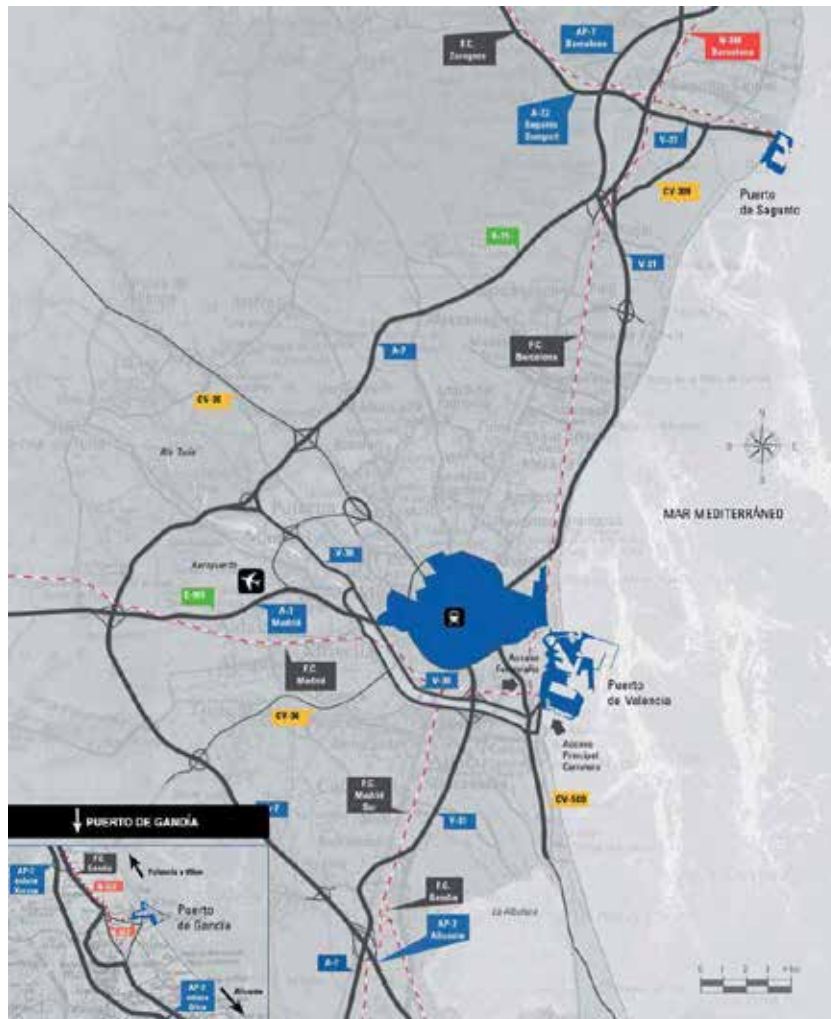
- Port Community's Assessment: 2016 Satisfaction Index (scale from 1 to 10)
 - Port of Valencia: 7.1
 - Port of Sagunto: 6.8
 - Port of Gandia: 5.3
- Citizen's Assessment: 2016 Satisfaction Index (scale from 1 to 5)
 - Port of Valencia: 3.49
 - Port of Sagunto: 3.48
 - Port of Gandia: 3.53

The improvement measures adopted as a result of the survey are included in the PAV's Action Plans and, specifically, in the 2017 and 2018 Objectives Plan.

1. INSTITUTIONAL DIMENSION

INTEGRATION IN THE TRANSPORT SYSTEM. SUSTAINABLE MOBILITY

Current road and rail access, and initiatives envisaged to improve this, as well as a description of the strategies adopted by the port authority to promote port-rail intermodality in terms of infrastructure, operational coordination, and sales management.



PORT OF VALENCIA

The Port of Valencia is connected to the A-7 and A-3 motorways and the rest of the national road network via the V-30 (Valencia bypass), providing road access to the entire Iberian Peninsula and Europe:

Access to local hinterland:

To the North, towards Sagunto, via the V-21 and the A-7 motorways.

To the south, towards Silla, via the V-31 motorway and the CV-500 road.

Access to the main corridors:

North-South: including the A-7/AP-7/E15 motorway from Barcelona-Algeciras, which provides access to:

- The regions of Aragon, Castile-Leon and the north of Spain via the A-23 motorway at Sagunto.
- The south of Castile la Mancha, via the A-35 toll-free motorway at Jativa
- The Southern Mediterranean Coast via the AP-7 toll motorway.

East-West: mainly via the A-3 toll-free motorway (Valencia-Madrid) which leads onto the A-43 toll-free motorway to Lisbon, on the stretch near Atalaya.

PORT OF SAGUNTO

The Port of Sagunto is linked to the national road network via the V-23 toll-free motorway and the CV-309 road, providing access to:

- The northeast of the peninsula: from the A-23 toll-free motorway via the V-23 toll-free motorway.
- North-South corridor: the A-7 toll-free motorway from Barcelona-Algeciras which links up to the A-23 toll-free motorway.
- Valencian coast: via the V-21 toll-free motorway, from the CV-309 and the V-23 toll-free motorway.

1. INSTITUTIONAL DIMENSION

PORT OF GANDIA

The Port of Gandia is connected to the national road network via the N-337 leading onto the N-332 trunk road which then links up to:

- The AP-7/E-15 toll motorway via the Xeraco exit to the north and the Oliva exit to the south.
- The west of the Iberian Peninsula via the CV-60 road, which links up to the A-35 toll-free motorway.

Regarding the strategies adopted by the Port Authority to promote port-rail intermodality to promote port-rail intermodality infrastructure, operational coordination, and sales management, Article 36 of Spanish Law 39/2003, of 17th November, on the Rail Industry stipulates the regime applicable to existing rail infrastructure in public ports and attributes certain rail infrastructure administration functions to the port authorities that manage them. The same article states that this infrastructure must be connected to the national rail network, and also be governed by an agreement signed by ADIF and the port authority of each public port, with prior authorisation from the Spanish Minister of Development. On 24th October 2011, this agreement was signed for the Port of Valencia. The aforementioned agreement includes a monitoring committee which meets twice a year.

1. Improving of the railway infrastructure inside the port area

The Port Authority of Valencia is carrying out a project, entitled CONNECT VALENCIAPORT, which is partially subsidised by the European Union through the Connecting Europe Facility funding instrument. The Port of Valencia is one of the most important intermodal nodes in the European TEN-T network and aims to improve its connectivity and rail accessibility through this project.

The CONNECT VALENCIAPORT project is aligned with the objectives of both the Mediterranean Corridor and the Port Authority of Valencia, which seek to integrate the Port of Valencia into a national and European infrastructure network to improve the competitiveness of the cluster located in its hinterland.

The project tackles the major problems affecting the infrastructure at the Port of Valencia, centring especially on the need for the interoperability of rail infrastructure, boosting the port's connectivity with its hinterland via the standard-gauge width rail link to the Mediterranean Corridor and increasing the capacity of the infrastructures to cater for long train convoys (750 m). In addition, this improves safety by removing five level crossings and achieves greater control over rail operations within the port facility.

Its main objectives are:

- To improve rail connectivity with the Port of Valencia's hinterland.
- To connect the Port of Valencia and its terminals with standard-gauge width to the Mediterranean Corridor network.
- To improve the Port of Valencia's rail infrastructure so that it can carry trains up to 750 metres long at all the container terminals.
- To improve the Port of Valencia's internal rail network.
- To increase the capacity to run trains at the Port of Valencia.
- To improve the efficiency of rail operations at the Port of Valencia.
- To improve the safety and control over the trains arriving and departing at the Port of Valencia.

The project will be completed in December 2019. It aims to increase the share of rail traffic at the Port of Valencia, make companies in the Port of Valencia's hinterland more competitive, reduce costs and increase the efficiency of rail operations within the port.

2. Creation of its own rail management model

Since February 2010, the Port Authority of Valencia has been exercising the competences of "capacity allocation" and "traffic management" of its internal rail network. This has improved the use of this facility and has contributed to making rail freight operators more competitive.

1. INSTITUTIONAL DIMENSION

3. Institutional backing/institutional policy focused on linking the ports of Valencia and Sagunto to standard-gauge European transport networks and on developing international rail freight corridors

The PAV shares and participates in the policies advocated by the European Union for rail freight to take on a more important role in international goods transport, as mentioned above.

It should be noted that the Port Authority is to invest 53.6 million euros to improve the Sagunto-Teruel-Zaragoza line, which is essential for connections to its hinterland.

This investment will be funded by the Port Land Accessibility Financial Fund.

The PAV also plans to invest 20 million euros in the New Rail Access to the Port of Sagunto, to which the ADIF will provide 11 million euros from the European Regional Development Fund (FEDER).

In addition, support continued for the development of the Mediterranean Corridor, given that when goods arrive at Mediterranean ports their distribution is limited as a result of the different rail gauges in Spain and the rest of Europe.

In line with the above, according to the agreement reached by the European Parliament and the Council, the Mediterranean and Atlantic corridors will be included on the list of nine priority projects for the core network (also known as the basic network) which must be finished in 2030 and will be co-funded by the EU (in both cases, funding will be 40%).

The PAV has permanent representation in the Mediterranean Corridor Forum and the Rail Freight Corridor 6 - Mediterranean Corridor Terminal Advisory Group.



1. INSTITUTIONAL DIMENSION

4. Improving rail transport / sales policy aimed at enhancing the PAV's rail freight services

The development of railway connections is essential for the Port Authority of Valencia to increase its share of traffic in specific areas of the Peninsula.

The PAV has already made efforts along these lines:

- 40% rebate on the goods charge for containers, platforms and new vehicles which enter or leave the port area by rail.
- It is a member of the Board of Directors of the Coslada Dry Port and of Noatum Rail Terminal Zaragoza, in order to boost rail connections to the Port of Valencia.
- Work on projects in the Port of Valencia's Quality Mark Rail Service Technical Committee.
- Approval of investments for the construction of the Railway Access to the Port of Sagunto.
- Approval of investments for the improvement of 7 sidings of the Sagunto-Teruel-Zaragoza railway line.

Description of the strategies adopted by the Port Authority to promote Ro-ro traffic.

In 2017, Ro-ro traffic reached 9,452,523 tonnes, increasing by 5.74% over 2016, with a total of 344,907 ITUs, of which 344,896 ITUs were shipped via Motorways of the Sea.

Main facts and figures:

- In 2017, a total of 794,954 vehicles were handled, representing an increase of 2.43% compared to 2016. 65% of these vehicles were channelled through the Port of Valencia and 35% through the Port of Sagunto.

- Participation in the Ro-ro Transport-TMCD Promotion Day.
- Establishment of special commercial rebates for the development of Ro-ro traffic.
- Meetings and definition of work programs with logistics operators (GEFCO, XPO, SINTAX) to promote the development of intermodal connections oriented to the transport of new vehicles.
- Working meetings with the VTE terminal for searching and conditioning new spaces available for vehicle storage in the ports of Valencia and Sagunto.
- Renewal of vocal position in the association Short Sea Promotion Centre (SPC Spain).

Evolution of rail freight in and out of the port over the three last years, as a percentage of total land traffic; in addition to the Ro-ro traffic coming in and going out of the port as a percentage of total general import-export cargo over the last three years.

The Port of Valencia's rail connection ensures access to any production area on the Iberian Peninsula and Europe. There is a two-track railway inside the port premises which branches off to the different quays.

Regarding port-rail traffic, it should be noted that in 2017, 2,695,799 tonnes were transported by rail, of which 1,337,873 tonnes were loaded onto vessels and 1,357,926 tonnes unloaded from the ship. If we take into account that the total land traffic rose to 37,520,657 tonnes (excluding shipping transit and goods transported by pipeline), the land rail traffic accounted for 7.18% of total traffic. In terms of the number of TEU, a total of 171,250 TEU were transported, which represents 7.78% of the total container traffic transported by land, which in 2017 stood to 2,200,408 TEU.

In 2017, 9,339,228 tonnes of Ro-ro traffic were loaded or discharged (excluding transit). This represented 27.36% of the total amount of general cargo that was loaded and discharged.

1. INSTITUTIONAL DIMENSION

Traffic type	2015	2016	2017	Difference 17/16	%
Rail (t)	2,520,405	2,520,539	2,695,799	175,260	6.95%
Road (t)	32,979,081	33,424,674	34,824,859	1,400,185	4.19%
Total land traffic (t)	35,499,486	35,945,213	37,520,657	1,575,444	4.38%
Rail traffic as a percentage of total land traffic	7.10	7.01	7.18		
Rail (TEU)	146,688	151,346	171,250	19,904	13.15%
Road (TEU)	1,959,574	2,066,538	2,029,158	-37,380	-1.81%
Total land traffic (TEU)	2,106,262	2,217,884	2,200,408	-17,476	-0.79%
Rail traffic as a percentage of total land traffic	6.96	6.82	7.78		
Ro-ro (t) (excluding transit)	8,419,473	8,780,392	9,339,228	558,836	6.36%
General Cargo Loaded/ Unloaded (t)	31,022,775	32,082,672	34,140,053	2,057,381	6.41%
Ro-ro traffic as a percentage of general cargo traffic loaded/unloaded	27.14	27.37	27.36		

INSTITUTIONAL COMMUNICATION

List of stakeholders identified by the Port Authority.

The three priority stakeholder groups identified by the PAV are:

Internal group: the PAV's competitiveness depends on its staff, as they are the people that carry out and implement the actions envisaged in the Business Plan. Our workforce is one of our main assets, and we thus consider the professional development and training of our staff to be key elements.

The domestic and foreign port and logistics community: customers represented by shippers, shipping agents, freight forwarders, customs agents, business and port industry associations and hauliers together with companies providing port services (including

technical and nautical services: tug boats, mooring and pilotage services; vessel-generated waste collection service; passenger services, and goods handling services: loading/ discharging, towing/unstowing, transit), other authorities related to the port sector (Customs, Foreign Health Department, Plant Health Service, among others), and in general, all of the stakeholders that are involved in the shipping chain.

Citizenship: society as a whole, represented by public bodies, media, teaching institutions, as well as other civil society organisations and neighbourhood groups, especially, those from adjoining districts and the immediate surroundings of the three ports.

Communication with stakeholders and their participation model.

The communication framework for stakeholder groups and the tools used to encourage dialogue and interaction with them, thus promoting their participation, is shown below:

Internal group:

- Works Committee
- Standing Equality Committee
- Local Competency-based Management Committee
- Occupational Health and Safety Committee
- Pension Plan Monitoring Committee
- Loans and Advances Committee
- Quadrant Committee
- Work Wear Committee
- Social Purposes Committee
- Sports Committee
- Cultural Committee
- Executive Committee
- Steering Committee
- Business Plan Committee
- Strategic Monitoring Committee (BSC)
- Budget Committee
- Information Systems Strategic Committee

1. INSTITUTIONAL DIMENSION

- Commercial Committee
- Quality Committee
- Vertical committees (by Area / Department)
- Resource Allocation Committee
- Employee Portal
- Notice boards
- Formal and informal meetings in and between departments
- Teamwork in shared projects

Port Community

- Quality Committees at the ports of Valencia and Sagunto
- Shipping and Port Council of the Ports of Valencia, Sagunto and Gandia
- Participation in professional associations and meetings
- APOTEM-Solidarity Port projects
- Professional meetings
- Commercial missions
- Training and information conferences
- Workshops
- Own publications
- Valenciaport website (www.valenciaport.com)
- ValenciaportPCS
- European and international projects

Citizenship

- Regular working meetings with their main representatives
- Participation in citizen, economic and academic forums
- Informative sessions and press releases in the media
- Regular press conferences after board meetings
- Guided tours around the port's facilities
- Valenciaport website (www.valenciaport.com)

The stakeholder's main worries and concerns.

The main concerns of the internal group continue to focus on aspects related to job stability and working conditions, as well as the development of their careers.

The port community's concerns have shifted to improving land-based connectivity, and the intermodality of the three PAV ports to enable better, more efficient penetration throughout the territory as well as speeding up inspection services in order to increase customer loyalty and improve services and efficiency to make the three ports more competitive and attract new traffic.

Citizens' concerns focus on issues related to the impact of port activity on their local surroundings, as well as on the model and evolution of port-city relations, especially urban development issues in the areas next to the port such as: road management, future actions in the Southern Area, as well as the scope of the agreements reached between the PAV and government authorities that have jurisdiction over spatial planning. This group also shows interest in matters related to cruise traffic due to its direct impact upon the city.

Coordination and cooperation projects with other authorities.

The following are the agreements, protocols and accords which the Port Authority of Valencia has signed with other authorities, agencies or institutions that were in force during the year 2017:

AGREEMENTS IN FORCE IN 2017	CO-SIGNING AUTHORITIES	YEAR SIGNED
Cooperation Framework Agreement between the University of Valencia (General Study) and the Port Authority of Valencia	University of Valencia General Study Port Authority of Valencia	1991
Collaboration Agreement to develop an Educational Cooperation Program	University of Valencia General Study Port Authority of Valencia	1991
Cooperation agreement 1/94 between the Valencian Regional Ministry of Public Administration's Home Office Directorate General and the PAV to act in emergencies and catastrophes at the ports of Valencia, Gandia and Sagunto	Valencian Regional Ministry of Public Administration's Home Office Directorate General	1994

1. INSTITUTIONAL DIMENSION

AGREEMENTS IN FORCE IN 2017	CO-SIGNING AUTHORITIES	YEAR SIGNED
Cooperation Framework Agreement between the University of Valencia (General Study), PAV and the University-Business Foundation of Valencia, to organise internships for university students	Valencia University-Business Foundation University of Valencia General Study Port Authority of Valencia	1997
Cooperation Framework Agreement between the PAV and the Universities of Valencia (General Study), Alicante, Jaime I and Miguel Hernández	University of Valencia General Study University of Alicante University Jaime I University Miguel Hernández Port Authority of Valencia	1997
Collaboration Agreement between the PAV and the the Spanish Maritime Safety Agency to coordinate and manage shipping and port traffic at the Ports of Valencia, Sagunto and Gandia	Spanish Maritime Safety Agency Port Authority of Valencia	1997
Cooperation agreement between the Spanish Ministry of Development, the Valencian Regional Government, Valencia City Council, and the PAV to modernise the Port of Valencia's infrastructures	Spanish Ministry of Development Valencia City Council Valencian Regional Government Port Authority of Valencia	1997
Ford Convention - EUF-Enterprise Concert for the Realisation of Training Internships in Work Centres	Ford España, SA Port Authority of Valencia	1997
Agreement on the Implementation of the DGPS Area Network-Northern Mediterranean Network	Port Authority of Castellón Port Authority of Tarragona Port Authority of Barcelona Port Authority of Balears Port Authority of Valencia	1999
Cooperation Framework Agreement between the PAV and the Cardenal Herrera University-CEU	Cardenal Herrera University-CEU Port Authority of Valencia	2001

AGREEMENTS IN FORCE IN 2017	CO-SIGNING AUTHORITIES	YEAR SIGNED
Cooperation Framework Agreement between the Madrid Pontificia Comillas University and the PAV (Master's degree)	Madrid Pontificia Comillas University Port Authority of Valencia	2002
Cooperation Framework Agreement between Valencia Tourism and Convention Bureau, Ciudad de las Artes y de las Ciencias, S.A., the PAV and the Valencia Province Hotel and Catering Business Federation	Ciudad de las Artes y de las Ciencias, S.A Valencia Province Hotel and Catering Business Federation Valencia Tourism and Convention Bureau Foundation Port Authority of Valencia	2002
Cooperation agreement between the Spanish Maritime Safety Agency and the PAV	Spanish Maritime Safety Agency (SASEMAR) Port Authority of Valencia	2003
Cooperation Framework Agreement between the Valencia Polytechnic University and the PAV to establish joint participation in education and employment issues through an educational cooperation programme.	Valencia Polytechnic University Port Authority of Valencia	2004
Cooperation agreement between the Fundación Comunidad Valenciana-Región Europea and the PAV	Valencia Regional Foundation Región-Europea Port Authority of Valencia	2004
Cooperation Framework Agreement with the Universidad Politécnica de Valencia	Valencia Polytechnic University Port Authority of Valencia	2005
Agreement between the PAV, the Central Government Office in the Valencian Region and the Valencia 2007 Consortium for the transfer of the Phytosanitary Inspection Service	Valencia 2007 Consortium Central Government Office in the Valencian Region Port Authority of Valencia	2005

1. INSTITUTIONAL DIMENSION

AGREEMENTS IN FORCE IN 2017	CO-SIGNING AUTHORITIES	YEAR SIGNED
Membership of an agreement to group businesses together for training purposes	The Valencian Region Foundation for Research, Promotion and Port Studies (Valenciaport Foundation) Infoport, SA Transcoma Travima Port Authority of Valencia	2007
Cooperation agreement between Sagunto Town Council and the Port Authority of Valencia	Sagunto Town Council Port Authority of Valencia	2009
Agreement between the Spanish Tax Agency and the Port Authority of Valencia for the collection via enforced recovery of the public resources of this port authority	Spanish Tax Agency Port Authority of Valencia	2009
Agreement between the Spanish Railway Infrastructure Management Body (ADIF) and the PAV to manage railway operations within the Port of Valencia (Delegation of Management)	Spanish Railway Infrastructure Management Body (ADIF) Port Authority of Valencia	2009
General Cooperation protocol between the Valencian Regional Ministry of the Environment, Water, Town Planning and Housing and the PAV for the extension of the Port of Sagunto	Valencian Regional Ministry of the Environment, Water, Town Planning and Housing Port Authority of Valencia	2010
Appendix to the Cooperation Agreement of 26th April 2002 between the Port Authority of Valencia and the Pontifica Comillas University for the "Development of the Expert in Customs Management course"	Madrid Pontificia Comillas University Port Authority of Valencia	2010

AGREEMENTS IN FORCE IN 2017	CO-SIGNING AUTHORITIES	YEAR SIGNED
Connection agreement between the Spanish Railway Infrastructure Management Body (ADIF), the State-owned Ports Body and the PAV to connect the public Port of Valencia's rail infrastructure to the Spanish national network in application of Spanish Law 39/2003, of 17th November, on the Railway Industry	State-owned Ports Body Spanish Railway Infrastructure Management body (ADIF) Port Authority of Valencia	2011
Educational Cooperation Agreement between the Port Authority of Valencia and the Madrid Pontificia Comillas University.	Madrid Pontificia Comillas University Port Authority of Valencia	2012
Cooperation Agreement between the Gandia Town Council and the Port Authority of Valencia	Gandia Town Council Port Authority of Valencia	2012
Agreement for the free transfer of specific port authority assets to the Valencia City Council	Valencia City Council Port Authority of Valencia	2013
Inter-administrative Agreement for the provision to the Valencia 2007 Consortium of certain assets of the Juan Carlos I Marina	Consorcio Valencia 2007 Port Authority of Valencia	2013
Legal Assistance Agreement between the Spanish Central Government (Ministry of Justice, State Attorney General-Directorate of the State Legal Service) and the Port Authority of Valencia	Ministry of Justice - Directorate of the State Legal Service - State Attorney General Port Authority of Valencia	2016
Memorandum of Understanding between the State-owned Ports Body, the Port Authority of Valencia and the United Nations Conference on Trade and Development (UNCTAD)	State-owned Ports Body Port Authority of Valencia UNCTAD	2016
Collaboration Agreement between the Valencia City Council and the Port Authority of Valencia in matters of prevention and extinction of fires in the port area.	Valencia City Council Port Authority of Valencia	2016

1. INSTITUTIONAL DIMENSION

AGREEMENTS IN FORCE IN 2017	CO-SIGNING AUTHORITIES	YEAR SIGNED
VII Additional Protocol signed with the Port Authority of Valencia to manage operations on the Internal Railway Network at the Port of Valencia	ADIF Port Authority of Valencia	2016
Agreement between the Port Authority of Valencia and the Valencian Region Foundation for Research, Promotion and Port Studies (Valenciaport Foundation) to grant a subsidy to carry out the activities in 2017	Valenciaport Foundation Port Authority of Valencia	2017
Action Protocol between the Port Authorities of Bilbao and Valencia to cooperate in their Intermodal and Logistic Development, Occupational Health and Safety and Employees Health Improvement (Healthy Company)	Port Authority of Bilbao Port Authority of Valencia	2017
Agreement regulating the financial contribution of the Port Authority of Valencia under the Port Land Accessibility Financial Fund in relation to its contribution to the improvement actions in the Sagunto-Teruel-Zaragoza Line	Ministry of Public Works Spanish State-owned Ports Body ADIF Port Authority of Valencia	2017
Agreement regulating the financial contribution of the Port Authority of Valencia under the Port Land Accessibility Financial Fund in relation to the Rail Access to the Port of Sagunto	Ministry of Public Works Puertos del Estado ADIF Port Authority of Valencia	2017
Memorandum of Understanding between the Port Services Office of the Tianjin Municipal Government of the People's Republic of China and the Port Authority of Valencia of the Kingdom of Spain on the Establishment of Exchange Relationships and Port Cooperation	Port Services of the Tianjin Municipal Government (People's Republic of China) Port Authority of Valencia	2017

AGREEMENTS IN FORCE IN 2017	CO-SIGNING AUTHORITIES	YEAR SIGNED
VIII Additional Protocol signed with the Port Authority of Valencia to manage operations on the Internal Railway Network at the Port of Valencia	ADIF Port Authority of Valencia	2017
Agreement on making available to the Ministry of Economy, Industry and Competitiveness, by the Port Authority of Valencia, of certain Goods Border Control Facilities of Goods necessary for the Development of the Inspection Service of its competence	Ministry of Economy, Industry and Competitiveness Port Authority of Valencia	2017
Collaboration Agreement between the Municipality of Gandia and the Port Authority of Valencia for the Celebration of the Habanera Contest "Port De Gandia"	City Council of Gandia Port Authority of Valencia	2017

Technical and business associations the port authority belongs to or in which it takes an active role.

One of the ways used to channel the Port Authority of Valencia's commitment to its environment is its participation in:

International and European organisations

- International Association of Ports and Harbours (IAPH).
- European Sea Ports Organisation (ESPO)
- Association of Mediterranean Cruise Ports (MEDCRUISE).
- Association for the Promotion of the Mediterranean's Rail Freight Great Axis-FERRMED.
- International Association of Cities and Ports (AIVP).
- EUROPHAR European Group (Promoting environmental protection and safety in ports).
- The World Association for Waterborne Transport Infrastructure (PIANC).
- Association for the Collaboration between Ports and Cities (RETE).

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- SMDG Foundation (User Group For Shipping Lines and Container Terminals).
- International Harbour Masters' Association (IHMA).
- International Port Law Association.
- International Port Community Systems Association (IPCSA).
- Cruise Lines International Association (CLIA).
- Association of European Vehicle Logistics (ECG).
- The European Petrochemical Association (EPCA).

National, regional or local entities:

- Association for Management Progress (APD).
- Valencian Business Confederation (CEV).
- Valencian Businessowners Association (AVE).
- Camp de Morvedre Businessowners Association (ASECAM).
- Valencia Propeller Club.
- Spanish Association of Accounting and Business Administration (AECA).
- Institute of Computer Technology (ITI)
- Association of Communication Managers (DIRCOM).
- Spanish Institute of Internal Auditors
- APORTEM-Port of Valencia Solidarity
- Spanish Association for the Promotion of Short Sea Shipping.

SALES PROMOTION

Description of the initiatives carried out by the port authority for the port's commercial promotion. Refer to the target sectors and to possible field work carried out for market prospection.

In 2017, the Port Authority of Valencia took part in different sectorial events to boost the organisation's visibility, better its competitive trade position and strengthen the image of the Valenciaport brand. The Port Authority of Valencia participated in differents fairs: CEVISAMA, SEATRADE CRUISE FORT LAUDERDALE, INTERMODAL SOUTH AMERICA, BREAK BULK, TRANSPORT LOGISTICS SHANGHAI, ECOFIRA and SEATRADE MED.

In 2016, the PAV continued to place advertisements in the press, and maintained a high profile in international publications specialising in deep-sea container traffic, such as Containerisation International, Lloyds List, Container Shipping and Trade, International Transport Journal or Port Strategy. The PAV also increased one-off advertisements placed in specialised cruise industry media, such as Cruise Industry News or Cruises & Ferries. National advertising centred on logistics and port media as well as specific adverts to promote the Quality Mark. In line with previous years, paper and the internet were the chosen media, both in terms of newsletters and web sites.

Sale promotion expenses, expressed as a total amount and as a percentage of total operating expenses.

Sales Promotion Exxpenses	
Expenses	1,335,563.99
Operating expenses	101,106,849.74
Sales promotion expenses as a percentage of total operating expenses	1.32 %

1. INSTITUTIONAL DIMENSION

Description of communication and service provision projects using the internet or other electronic media aimed at optimising port management, providing information to stakeholders, and facilitating customer and supplier management.

In order to improve the customer service given to clients and the public in general, and to comply with Law 11/2007, on universal electronic access to public services, the Port Authority launched its e-Office, which, in the near future, will have 25 services available for industry professionals and the general public. The following services are currently operational:

- New user registration.
- User access (with credentials and digital certificate).
- User Management:
 - Profile
 - My records
 - My registrations
- Notice board
- Electronic register.
- Suggestions and Complaints
- Secure verification code (CSV)
- Third party representations and authorisations
- Notifications
- Communications
- Resolutions
- Verifications
- List of port service providers

In addition, the PAV carries out its electronic data exchange and e-commerce services through its Port Community System -ValenciaportPCS-.

This platform groups together processing of port authority transactions, single-window access services, services to speed up customs, and services between port community members to improve the efficiency of the port and shipping business.

ValenciaportPCS provides the following services:

- **Call request:** Allows single-window access with the PAV, the Merchant Navy and other authorities. This service is used to make call requests, manage vessel technical data sheets, receive summary declarations and manifest numbers, receive vessel clearance, and receive berthing and anchoring permits.
- **Dangerous Goods (DGs):** Allows single-window access to the PAV, the Merchant Navy, and connectivity to the Spanish Dangerous Goods Centre to process the notifications of dangerous goods entering the facility, as well as the reception of the corresponding authorisation. Dangerous goods declarations for vessels can also be managed.
- **Summary Declarations:** Allows single-window access to the PAV and Customs. Summary declarations for temporary storage and cargo manifests can be sent, and responses from Customs and the PAV can be handled.
- **Loading and discharge lists:** The service provides operators with vessel loading and discharge orders and can receive terminal confirmations for container and vehicle traffic through ValenciaportPCS.
- **Paperless export clearance:** The shipping agents inform Customs of the goods that are to be loaded onto vessels. In ValenciaportPCS the Customs Authority checks if the goods are authorised or not.
- **Automated Paperless Import Clearance:** This service manages the goods exist with automated customs controls through smart gates. The APG gates system connects with ValenciaportPCS, which manages the good's operational and customs data, and to Customs so that automated exits can be given in real time. This service is available for all types of cargo.
- **Land transport:** 99% of land transport of containers in Valenciaport is managed through ValenciaportPCS. This means around 2.5 million individual electronic documents per year. The issuing of electronic orders has enabled several of Valencia port's container terminals to implement gate automation processes.
- **Rail transport:** ValenciaportPCS can also manage container rail freight, with the implementation of train loading and discharge, as well as the exchange of information between the shipping company and the port terminal.

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- **Customs Traceability:** Managed, and sent to customers through the track and trace system, and is then interlinked with other services.
- **Track and trace:** Through ValenciaportPCS, the users can check the overall status of their goods or container. This includes checking operational data, customs traceability, port procedures, etc.
- **Call queries:** The expected, authorised, in-process, and completed calls can be looked up free of charge on the web site.
- **VGM Service (Verified Gross Weight):** With the ValenciaportPCS VGM Service, the Exporters, Freight Forwarders, Shipping Agents, Shipping Companies and Terminals have the fastest and most efficient way to notify, receive and consult the Verified Gross Weight (mandatory requirement from July 1, 2016).

Some numbers which reflect the activity on the platform in 2017:

- 4,787,636 containers (TEUs) loaded or discharged through ValenciaportPCS, 99.1% of the total traffic.
- 2,069,849 containers collected or delivered at the terminals of Valencia and Sagunto transport for which was managed through ValenciaportPCS.
- 179,826 dangerous goods shipments handled through ValenciaportPCS using dangerous goods notifications.
- 10,512 electronic berthing authorisations in ValenciaportPCS.
- 57,993,860 messages exchanged through ValenciaportPCS.

As a result of integration with the INTTRA and GT Nexus technological platforms, which bring together the world's main shipping lines, ValenciaportPCS provides its company users with a single window for sending and receiving shipping documents to and from the world's major shipping companies.

As part of the ongoing improvement process at the heart of the PAV's management model, a total of 41 improvement packages were implemented in 2017, enhancing the services currently offered.

In order to achieve an adequate level of protection in terms of information security and also to satisfy compliance with the existing regulatory framework for this purpose, several initiatives have been developed by the PAV, among which the following should be highlighted:

- Elaboration of the Security Improvement Plan, which includes the actions aimed at adapting the PAV controls to the security measures derived from the application of the current normative framework regarding information security: National Security Scheme, National Interoperability Scheme, Regulation of Critical Infrastructure Protection and General Regulation of Personal Data Protection.
- Implementation of an Information Security Management and Operation System (Security Operations Centre, SOC) to provide the PAV with capabilities to detect cybersecurity incidents, the management mechanisms and response to such incidents, as well as the tools and procedures required for the exchange of information necessary to comply with the requirements demanded by the regulations which apply to the PAV in matters of cybersecurity.
- The development of a plan for the ongoing improvement on security which includes the definition of PAV security's maturity level indicators, its regular measurement and the adoption of measures to achieve a gradually higher degree of security.

On the other hand, to guarantee the quality in the provision of the Information and Communication Technology Services, the Port Authority makes use of a particular adaptation based on the PRINCE2 methodology when managing the ICT Projects and, therefore, applies the set of good practices of ITIL v3 regarding the strategy, design, operation and continuous improvement of its ICT services.

1. INSTITUTIONAL DIMENSION

R&D&I projects, including their objectives and achievements, promoted by the port authority or in which it takes an active role, and the institutions it cooperates with in these projects. Total economic resources assigned: expenses and investments, expressed as a total in euros and as a percentage of the port authority's total expenses and investments.

The Port Authority of Valencia participates directly or indirectly in the following R&D&I projects:



CONNECT VALENCIAPORT - IMPROVEMENT OF THE HINTERLAND RAIL CONNECTION AND THE MARITIME ACCESSIBILITY TO THE PORT OF VALENCIA

(CEF Programme, January 2014 - December 2019)

The main objective of this project is to improve the Port of Valencia's connectivity and rail accessibility. The project includes a set of actions for the renewal of the Port of Valencia's railway infrastructure through the construction of UIC gauge tracks connected to the Mediterranean Corridor as well as the increase of the capacity to operate trains of up to 750 m in length in the Container terminals. In addition to the work on infrastructure, the project includes the improvement of the information systems used in the management of railway operations (improvement of the ValenciaportPCS rail transport service and the TOS rail module of the Public Container Terminal - Noatum Container Terminal Valencia).



STM VALIDATION PROJECT

(CEF Programme, January 2015 - December 2018)

This project aims to validate the concept of Maritime Traffic Management, defined in the Monalisa 2.0 project (TEN-T Program). This validation will be carried out through a series of tests in the Baltic Sea and the Mediterranean Sea, where the management of the trip, the flow of traffic and arrivals to port will be tested and validated by large-scale pilots. This project will refine and develop existing analyses of charter parties, the legal aspects of commercial responsibility, as well as provide a cost-benefit analysis with convincing commercial arguments for the affected parties.



GAINN4SHIP INNOVATION - LNG TECHNOLOGIES AND INNOVATION FOR MARITIME TRANSPORT FOR THE PROMOTION OF SUSTAINABILITY, MULTIMODALITY AND THE EFFICIENCY OF THE NETWORK

(CEF Programme, January 2015 - December 2018)

The main objective of the GAINN4SHIP INNOVATION project is to carry out the first worldwide adaptation of a high-speed Ropax vessel, the Bencomo Express, so that it can operate with natural gas (LNG) starting in 2018.

The technical solution to be applied to this vessel will demonstrate the feasibility of using LNG to comply with the regulations established by the International Maritime Organisation on the limit of sulphur content in marine fuels starting in 2020.

1. INSTITUTIONAL DIMENSION



GAINN4MOS - SUSTANABLE LNG OPERATIONS FOR PORTS AND SHIPPING - INNOVATIVE PILOT ACTIONS

(CEF programme, January 2015 - September 2019)

The GAINN4MOS project is an initiative integrated within the GAINN Global Project. The GAINN Global Project is aimed at providing support to policy makers in EU Member States, ports and shipowners operating in the Atlantic zone of the EU and Mediterranean countries to comply with the MARPOL Annex VI Directive and 2012/33/EU in the most efficient way, promoting the use of Liquefied Natural Gas (LNG) as fuel in the maritime and logistic-port industry.



CORE LNGas HIVE - CORE NETWORK CORRIDORS AND LIQUEFIED NATURAL GAS

The objective of the project is the development of an integrated, safe and efficient logistics chain for the supply of liquified natural gas, LNG (small scale and bunkering) as fuel in the transport sector, especially maritime, throughout the Iberian Peninsula.

CORE LNGas HIVE contributes to the decarbonisation of European corridors in the Mediterranean and the Atlantic and is step further in the race to reduce emissions, promote clean energies for transport and the care of the environment promoted by the European Union.



PICASSO - PREVENTING INCIDENT AND ACCIDENT BY SAFER SHIPS ON THE OCEANS

(CEF programme, May 2016 - November 2018)

PICASSO contributes to the global framework of European maritime transport policy, among other things: by improving the safety of equipment and work practices to make operations safer, creating new tools for more efficient evacuation procedures as well as improving the responses to these smart and efficient procedures, especially regarding accidents or incidents of large vessels; training the human element and promoting in this way a shared culture of maritime safety.



PROTEUS - PROMOTING SECURITY AND SAFETY BY CREATING A MED CLUSTER ON MARITIME SURVEILLANCE

(Interreg MED Programme of the European Commission, 2017-2019)

The project's main objective is to improve the management of existing information on Maritime Surveillance in the MED field. In particular, thanks to PROTEUS, all knowledge on maritime surveillance will be increased and areas with greater innovative potential will be identified through transnational cooperation. Likewise, the transnational cooperation of the entities interested in maritime surveillance will be strengthened and the transfer of results from the cluster operations to innovative action plans at the political level will be improved.

1. INSTITUTIONAL DIMENSION



CO-EVOLVE "PROMOTING THE CO-EVOLUTION OF HUMAN ACTIVITIES AND NATURAL SYSTEMS FOR THE DEVELOPMENT OF SUSTAINABLE COASTAL AND MARITIME TOURISM"

(MED Programme, November 2016 - October 2019)

The objective is to analyse and promote the co-evolution of human activities and natural systems in tourist coastal zones, based on the study of a series of threats and facilitating factors identified at the MED scale, and within the framework of the coastal areas integrated management principles and maritime space planning.



SIROCCO "SUSTAINABLE INTERREGIONAL COASTAL @ CRUISE MARITIME TOURISM COOPERATION AND JOINT PLANNING"

(MED Programme, November 2016 - April 2018)

The objective is to contribute to the territorial challenge which cruise tourism is facing by highlighting its potential to produce balanced and sustainable benefits (economic, social, cultural and environmental).



SUMPORT - SUSTAINABLE URBAN IN MED PORT CITIES

(Interreg MED Programme of the European Commission, (February 2017 - July 2019)

SUMPORT's main objective is the improvement of sustainable mobility in the Mediterranean port cities, encouraging the adoption of Sustainable Urban Mobility Plans in the MED area, focusing specifically on the integration of urban and port traffic flows in planning of sustainable public transport.



TOURISMED - FISHING TOURISM IN THE MEDITERRANEAN REGION FOR SUSTAINABLE DEVELOPMENT

(Interreg MED Programme of the European Commission, June 2017 -July 2019)

TOURISMED's main objective is to deepen in the possible business models of the fishing tourism activity which will guarantee a practice of sustainable coastal tourism in the Mediterranean and which will allow a diversification of the traditional fishing activity.

1. INSTITUTIONAL DIMENSION

The following table shows the expenses in projects and activities related to Innovation in 2017:

R&D&I expenses	
Innovation expenses in thousands of €	1,706
Operating expenses in thousands of €	101,107
% of Expenditures in Innovation	1.69%

Foundations, cultural initiatives, courses, seminars, training programmes or other social programmes promoted or supported by the Port Authority and total financial resources assigned: expenses and investments, expressed as a total in euros and as a percentage of the port authority's total expenses and investments.

The list of Foundations in which the PAV cooperated or took part in 2017 is as follows:

- The Valencian Foundation for Advanced Studies.
- The "Rey Jaime I" Foundation Awards.
- The Valencian Region Port Institute for Study and Cooperation (FEPORTS)
- The Valencian Region Foundation for Research, Promotion and Port Studies (Valenciaport Foundation).

In relation to courses, seminars and teaching programmes, the PAV continued to be involved in the training and teacher work experience agreements signed with the Polytechnic University of Valencia, the University of Valencia and other universities in the Valencian Region. In addition, the PAV, together with the Comillas Pontifical University, taught the 25th edition of the Master's degree in Port Management and Intermodal Transport.

On the other hand, the PAV also continued to take part in the United Nations Conference on Trade and Development's (UNCTAD) TrainForTrade port training programme.

In this context, it should be noted the important work developed by the PAV in the learning process of current and future professionals, through the granting of scholarships and the development of work practices. In 2017 a total of 27 people benefited from them.

In addition, different actions have been carried out with other public administrations and

other types of professional entities and institutions to develop R&D&I projects in matters of safety, environment, energy efficiency, sustainability, port training or new technologies, among other issues, to expand the port's functions.

In line with the dissemination of the port's activity, the PAV maintains a programme of guided visits to the port facilities with different content depending on the visitor profile. The most numerous are those aimed at schools and specialised training centres, in addition to visits from citizen groups. In 2017, visits were made on Saturdays so that the general public could visit the port and learn about its role in the economy.

In 2017, there were 218 visits to the Port of Valencia facilities, which were attended by a total of 9,307 people:

PROFILE	No. VISITS	No. VISITORS
Schools (Schools + High Schools)	64	4,232
Trade schools	79	2,594
Institutional	51	864
CSR	16	1,379
Visits on Saturdays (Citizenship)	8	238
Total	218	9,307

This year, Maritime Day was once again celebrated with the traditional guided tour by sea to the Port of Valencia's facilities with workers and their families. The PAV invited the APOTEM Asociation entities to join these visits to generate a space for rapprochement to enjoy the meeting between the PAV staff and the Port Community staff and their families.

Among the activities the PAV is carrying out to bring the Port closer to the citizens, the "Plànols, Maquetes i Mestres d'Aixà of the Port of Valencia" exhibition on Plans, Models and Shipwrights of the Port of Valencia is worth mentioning, which was inaugurated in the Clock Tower in December. Around 5,000 people approached the emblematic building of the Port of Valencia to learn about the historical evolution of the Valencian port area through images and models.

It should be noted also the tradicional proposals aimed at staff and family members, related to photography, sports or to celebrate holidays such as Christmas, or the Virgen del Carmen, among others.

On the other hand, from a institutional relationship perspective, and in line with the

1. INSTITUTIONAL DIMENSION

Corporate Social Responsibility strategy, the PAV cooperates with various associations and social initiatives in its area of influence. In 2017, it took part in and/or sponsored the following initiatives:

With Business Associations related to ports and economy:

- 16th ASCER Ceramic Awards
- 16th Camp de Morvedre Business Meeting - ASECAM
- Rey Jaime I Awards - Economy category
- 10th FETEIA Congress

Sporting and cultural events in the port environment:

- 32nd Port of Sagunto Half Marathon
- 30th "Pas Ras" race at the Port of Valencia
- 5th "A different gaze" Charity race in Sagunto
- 15 K Open to the Sea race
- 28th Shipping Industry's International Paella Competition
- Maritime Fallas Association
- Christ of the Grao district religious brotherhood association - Festival of the Cross
- Nazaret Music and Dance Centre
- Maritime Holy Week
- 19th Sagunto Classical Culture Workshops
- Festivity of Our Lady of Mount Carmel
- Festivity of San Cristóbal
- 26th Citizens week
- Camp de Morvedre Micro-Story Competition
- Port of Gandia Habaneras Competition

In line with this, various social and solidarity initiatives were organised aimed at staff and other members of the Port Community, in order to strength the involvement of the port community with its local environment and encourages social awareness and the active, personal and voluntary participation of its staff in this kind of initiatives.

Description of programmes or projects aimed at improving the port-city interface, and total economic resources allocated to this concept: expenses and investments, expressed as total in euros and as a percentage of the port authority's total expenses and investments.

The experience of the Port Authority of Valencia (PAV) in port-city matters, initiated in 2016 with the creation of the Advisory Committees of the ports of Valencia, Sagunto and Gandia, under the Executive Committee for the Promotion of Territorial Integration, began to be erected throughout 2017 as an international reference about what the ports can do with their cities, and vice versa.

Thus, the Valencian example was a central issue in the framework of the 28th General Council of the Association for the Collaboration between Ports and Cities, RETE, held in Venice. In this meeting, Valenciaport's activity was analysed in detailed along with other European cities: Matosinhos in Portugal; Naples and Venice in Italy; and Bilbao, Palma de Mallorca and Seville in Spain.

In May 2017 the Valencian Regional Government presented in Brussels, in the Regeneration of Cities and Port Areas workshop, organised by the Regions Committee and the EU Presidency 2017, the examples of the Port-City Integration Committees of the PAV as a mechanism of resolution of conflicts in the urban boundary and contact between the port and the neighbourhoods of the city.

The Generalitat urged the Committee of the Regions to include in its opinion the examples of the Valenciaport Port-City Integration Committees, which among other issues had made it possible to move forward in Valencia, in the breaking the deadlock of issues such as the Natzalet park or the ZAL (entrenched urbanistic actions by different reasons during several decades); in Sagunto, with the renewal of the agreement between the PAV and the Town Council as well as the opening of the North Dock for citizen use; and in Gandia, with the adaptation of the sheds for citizen use.

The Opinion of the Regions Committee finally incorporated the Valencian recommendation to create commissions between local, regional and port authorities urging the competent authorities to guarantee a good coordination between ports of the same administrative region and a greater cooperation between ports of the same maritime-port façade, regardless of the region they belong to.

Previously, the Valencian Regional Government was able to incorporate into the Committee of the Regions' Opinion 'Regeneration of cities and port areas' (COTER-VI / 1018), approved at the 121st plenary session on February 8 and 9, 2017, three recommendations that affect port-city relations and the definition of urban nodes in relation to the Mediterranean Corridor.

1. INSTITUTIONAL DIMENSION

These incorporations have made it possible to give the PAV ports Committees an international projection, at a time when Valencia is demanding before Europe that the Valencian Region be considered as a strategic enclave of the first order for the planning of logistical and railway investments.

Port of Valencia

The agreements reached in the Advisory Committee of the Port of Valencia in 2017 can be considered historical.

In short, what was agreed was:

1. The creation of the Turia river mouth park. With an extension of no less than 86,000 m², with the vocation to seek a formal and functional solution equivalent to the Cabecera Park for the encounter between the Turia Garden and the sea.
2. The Creation of a Tertiary Area with an approximate extension of 19,500 m² and a building area of 25,000 m² in front of the Natzalet neighbourhood, thus making it an important factor for social and economic dynamization.
3. The Creation of a Sport Dotacional Area with an approximate extension of 87,900 m² and qualified as Sports Free Space.
4. Opening of a green cyclist and pedestrian corridor that links the Mouth Park with the current corridor, running through the Logistics Activities Zone (ZAL) to connect the maritime East of Cabanyal and Malva-rosa with Punta and Pinedo.
5. Drafting of the East Natzalet Special Plan by the Port Authority of Valencia within three months after the resolution by the competent body of the Administration.

Until the completion of these agreements, partial actions will be promoted, including the setback and replacement of the wall of the Moyresa factory by the historic fence of forged iron recently withdrawn from the Inner Dock.

Port of Gandia

In Gandia, the most important issues dealt with in the Advisory Committee were:

1. The pedestrian promenade of the north breakwater, which completes the work of the seafront and the Borja Quay.
2. The Gandia-Ibiza Trasmediterranean Line.
3. The Yatch Club remodelling project.

4. The Fish Market restaurant.

5. The possibility of citizen and cultural uses for the Fruit covered Sheds. A study began for the search of a location for the new headquarters for the Oceanographic Studies Institute, a project of the Polytechnic University of Valencia.

Port of Sagunto

The Advisory Committee of the Port of Sagunto focused its activity throughout 2017 on advancing projects of great cultural and urban importance:

1. To collaborate in the drafting of the urban, archaeological and environmental recovery project of the Grau Vell.
2. New wording of the Cooperation Agreement signed in 2009 between the Sagunto Town Council and the Port Authority of Valencia which will allow the current North Quay to be used for port/city integration purposes. The possibility was studied to carry out this integration in two phases, coinciding with the end of the concessions which are currently in force.
3. Start studies on the feasibility of the total or partial recovery of the jetty.

Total financial resources: expenses and investments assigned to security and safety, expressed as a total in euros and as a percentage of the port authority's total expenses and investments. Describe the items or initiatives included.

The following table shows the expenses and investments in Safety and Security in 2017:

Expenses and Investments in security and protection	
Safety and security expenses in thousands of €	4,839
Operating expenses in thousands of €	101,107
% of safety and security expenses as a percentage of total operating expenses	4.79%
Safety and security investment in thousands of €	68
Total investments in thousands of €	16,514
% of safety and security investment as a percentage of total investment	0.41 %

1. INSTITUTIONAL DIMENSION

Total financial resources: expenses and investments assigned to environmental issues, expressed as a total in euros and as a percentage of the port authority's total expenses and investments. Describe the items or initiatives included.

The following table shows the expenditures and investments in environmental issues in 2017:

Environmental expenses and investments	
Environmental expenses in thousands of €	4,347
Operating expenses in thousands of €	101,107
% of environmental expenses as a percentage of total operating expenses	4.30%
Investments in Environment in thousands of €	328
Total investments in thousands of €	16,514
% of environmental investment as a percentage of total investment	1.99 %

2 ECONOMIC DIMENSION



2. ECONOMIC DIMENSION

DESCRIPTION OF THE PORT AUTHORITY'S ECONOMIC POLICY

Economic sustainability is essential for the Port Authority of Valencia to comply with its mission. Thus, one of its main aims is to optimise revenue, costs, and investments to ensure its self-funding ability in the short and long term.

To ensure economic sustainability, the PAV has set itself the challenge of improving profitability and raising revenue (over and above inflation and traffic growth), fine-tuning investments and costs to ensure economic self-sufficiency, and providing infrastructures and services that enable income to grow. It has included these objectives in its Strategic Plan.

FINANCIAL AND ECONOMIC SITUATION.

Yearly return, expressed as a percentage of yearly profit (loss) divided by the average of non-current assets, as defined in the 22nd final provision of Spanish Law 2/2012 of 29th June on the General State Budget.

	2017
Adjusted profit (loss) for the year (thousand €):	39,280
Average net non-current assets (thousand €)	1,153,885
Adjusted profit (loss) for the year/Average net non-current assets)*100	3.40%

Changes in EBITDA in euros, in total throughput, in the EBITDA throughput ratio and in the EBITDA percentage difference compared to the previous year (ending on 31st December) for at least the last three years

	2015	2016	2017
EBIDTA (thousand €)	64,433	83,997	85,549
EBITDA % difference	-14.16%	30.36%	1.85%
Throughput in tonnes	70,083,977	71,469,813	73,559,877
RATIO (EBIDTA / tonne)	0.92	1.18	1.16

Debt servicing, expressed as 100 x (Debt amortisation + Interest) / Cash Flow

	2017
Depreciation and amortisation (thousand €)	36,086
Interest (thousand €)	7,488
Total	43,574
Cash flow before interest (thousand €)	85,109
RATIO (%)	51.20%

Inactive assets, defined as land and natural properties that have not been used during the year to which an economic, social or environmental value can be assigned, expressed as a percentage of their net carrying value divided by the net average of non-current assets for the year.

	2017
Land without activity (thousand €)	62,360
Average net non-current assets (thousand €)	1,153,885
RATIO (%)	5.40%

2. ECONOMIC DIMENSION

Changes in operating expense and operating revenue ratios over at least the last three years.

	2015	2016	2017
Operating expenses (thousand €)	99,187	99,4607	101,107
Operating revenue (thousand €)	130,193	141,044	144,015
RATIO (%)	76.18%	70.52%	70.21%

LEVEL AND STRUCTURE OF INVESTMENTS

Changes in public investment made by the Port Authority and cash flow ratios over at least the last three years.

	2015	2016	2017
Total public investment (thousand €)	13,863	10,345	16,514
Cash-Flow (thousand €)	53,491	72,253	77,621
RATIO (%)	25.92%	14.32%	21.28%

Changes in the ratios between private investment and public investment made by the Port Authority over at least the last three years.

	2015	2016	2017
Private investment (thousand €)	46,489	134,876	52,865
Public investment (thousand €)	13,863	10,345	16,514
RATIO (%)	335.35%	1303.78%	320.12%

Asset renewal, expressed as the ratio between annual investment volume and the average of net non-current assets for the year (as per Spanish Law 2/2012 of 29th June on the General State Budget).

	2017
Public investment (thousand €)	16,514
Average net non-current assets (thousand €)	1,153,885
RATIO (%)	1.43%

BUSINESS AND SERVICES

Changes in revenue from occupancy and activity charges and the ratios between occupancy and activity charges and net revenue over at least the last three years.

	2015	2016	2017
Net Revenues (thousand €)	127,277	135,131	139,298
Occupancy charge (thousand €)	24,092	26,974	26,859
100x (occupancy charge/ Net revenue)	18.93%	19.96%	19.28%
Activity charge (thousand €)	12,934	12,954	14,302
100x (Activity charge / Net revenue)	10.16%	9.59%	10.27%

ADDED VALUE AND PRODUCTIVITY

Changes in net revenue per employee (average annual workforce) over at least the last three years.

	2015	2016	2017
Net revenue (thousand €)	127,277	135,131	139,298
Annual average workforce	409	428	438
Net Revenue/number of employees (thousand € per employee)	311	316	318

2. ECONOMIC DIMENSION

Changes in EBITDA per employee (average annual workforce) over at least the last three years

	2015	2016	2017
EBIDTA (thousand €)	64,433	83,997	85,549
Average annual workforce	409	428	438
EBIDTA / number of employees (thousand € per employee)	158	196	195

ECONOMIC AND SOCIAL IMPACT

Estimate of the number of direct, indirect, and related jobs created by the port community. Refer to the study and method used to reach this figure.

The following figures provide an estimate of the number of direct, indirect, and related jobs created by the port community based on the data which appears in the study entitled "Economic Impact of the PAV ports in 2016", carried out by the Department of Economy and Social Sciences , through the Research Group of International Economy and Development of the Polytechnic University of Valencia, The study uses the "Input-output" method which shows the impact of infrastructures on the local manufacturing community. The figures are as follows:

	Direct	Indirect	Induced	TOTAL
Jobs	16,368	3,815	11,380	31,563

Estimate of the port community's gross added value. Refer to the study and method used to reach this figure.

In terms of the economic impact of port activity, the gross added value of the port community, according to the data compiled in the aforementioned study "Economic Impact of the PAV ports in 2016", is estimated as follows:

	Direct	Indirect	Induced	Total
Gross Wages	452,310	99,379	289,740	841,430
Gross Benefits	410,798	94,930	277,339	783,068
Fiscal Revenue	98,601	24,579	69,618	192,798
GVA mp	961,709	218,889	636,698	1,817,296

3 SOCIAL DIMENSION



THE PORT AUTHORITY’S HUMAN RESOURCES

DESCRIPTION OF THE PORT AUTHORITY’S HUMAN RESOURCES POLICY

The people that make up the staff of the Port Authority of Valencia are the main asset of the organisation. The Department of Human Resources and Organisation manages talent from different human resources policies, carrying out training plans, setting objectives, improving internal management, communication and transparency.

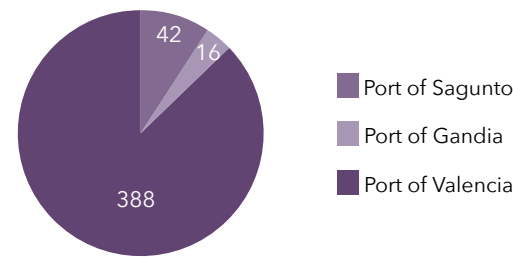
Another of the fundamental pillars are the processes of selection and promotion both externally and internally within the Port Authority.

EMPLOYMENT AT THE PORT AUTHORITY

Total number of Port Authority employees.

Evolution of the total number of Port Authority employees ¹			
	2015	2016	2017
Annual average workforce	409	428	438

As already explained, the Port Authority of Valencia manages the ports of Valencia, Sagunto and Gandia, the following chart shows the PAV’s staff distribution by ports²:



Number of temporary staff as a percentage of the total number of permanent staff. In order to calculate this indicator, temporary contracts to cover excess production have been excluded from the total number of temporary employees³.

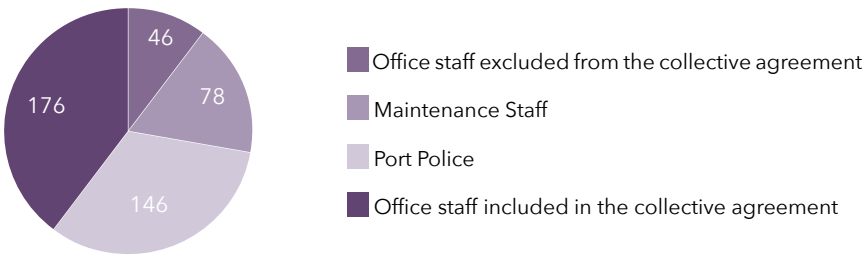
Changes in the percentage of temporary port authority staff			
	2015	2016	2017 ³
Percentage of temporary staff	20%	22,53%	23,54%

Although, in general terms, the PAV has a stable working environment, bearing in mind that 81% of staff members had permanent contracts whilst the remaining 19% were employees on temporary contracts. In recent years the percentage of temporary staff has risen more than desirable.

In addition, and as required by law, 2% of the PAV labour force is made up of staff with some kind of disability.

Breakdown of staff by area, i.e. port police, maintenance staff, office staff included in the collective agreement and those excluded from it.

The breakdown of PAV staff by area is shown in the chart below:



1 The calculation criteria have been changed and the data for the previous years completed, this new criterion is calculated with the average staff figure set in the Business Plan

2 In this chart and in the following, the December 31, 2017 template is taken as reference. This data may differ from the average annual workforce

3 The data shown in this table correspond to the percentage of temporary workers with respect to permanent workers, hence the data differ from the percentage of temporary workers with respect to the total workforce listed in the paragraph that appears after the table.

3. SOCIAL DIMENSION

Consequently, the breakdown of staff by area would be as follows:

Breakdown of staff by area in 2017	
Area	Percentage of average annual workforce
Office staff excluded from the collective agreement	10%
Office staff included in the collective agreement	39%
Maintenance staff	17%
Port Police	33%

Percentage of staff included in the collective agreement.

The number of PAV staff included in the collective agreement or excluded from it is as follows:



Thus, 89% of PAV staff were included in the collective agreement, whilst 11% were excluded from it.

INTERNAL COMMUNICATION AND PARTICIPATION

Worker representation mechanisms and communication with management.

As set out in Article 30 of the Spanish Legislative Royal Decree 2/2011 of 5th September under which the recast text of the Spanish Law on State-owned Ports and the Merchant Navy was passed, the PAV staff are represented on the PAV's Board of Directors by a trade union representative. This representative belongs to the Comisiones Obreras trade union.

Mechanism for staff to participate in improving the port authority's operational processes (suggestions system, regular meetings to coordinate activities, quality groups, etc.).

Human resources managers meet on a regular basis with the Works Council, as set out in the II Collective Agreement on Ports and Port Authorities in its Article 8, to report on the latest human resource developments, work organisation as well as to resolve queries and issues that may arise on a day-to-day basis.

In 2008, and according to Spanish Organic Law 3/2007, an Equality Standing Committee was set up to create a space for dialogue and fluent communication. The committee is made up of equal numbers of members of employees and PAV management representatives, and its main goal is to design and draw up an Equality Plan, monitor and assess it, and publicise it amongst staff so that they are aware of its existence.

3. SOCIAL DIMENSION

The PAV has various other committees which work on improving the running of the company. The members of these committees are also drawn from company management and employees' representatives:

- **Local Competence-Based Management Committee** ensures compliance with the 2nd Collective Agreement.
- **The Occupational Health and Safety Committee:** ensures that occupational health and safety regulations are adhered to.
- **The Pension Plan Control Committee,** whose objective is to ensure pension plan regulations are adhered to.
- **Loan and Advances Commission,** which is responsible for the coordination and processing of loans and advances to employees.
- **Work wear Committee,** responsible for defining the work uniforms criterias (clothing and equipment needs) for the different workers of the PAV according to their performance and the collective agreement.

At the PAV, there are also several Works Council sub-committees whose members are all company employees:

- **The Social Affairs Committee,** manages funds made available by the company for the social purposes set out in the 2nd Collective Agreement.
- **The Sports Committee,** which aims to organise sport activities and events for staff members and their families.
- **The Culture Committee,** whose objective is to promote and organise cultural activities for staff members, mainly during the Our Lady of Mount Carmel festivity.

In addition, PAV employees have a suggestion box in the Employee Portal as a communication tool. All the suggestions made by PAV employees are analysed and answered. Likewise, there is a Customer Service Office that channels all incidents detected by PAV employees in relation to the use of information technologies for the proper performance of their functions.

On the other hand, a series of coordination mechanisms have been designed in a way to aid in:

- Favouring the relationships and communication among departments and between them and the senior management.
- Avoiding duplicity and/or vacuum functions between departments.
- Operate with an internal customer-supplier philosophy.

These are shown below:

1. Committees, its coordination is based on work meetings or common actions for decision making. The following have been defined:

- **Executive Committee:** Defines the PAV's strategies and the processes required to implement them, and transmits them to the Board of Directors for their approval.
- **Management Committee:** Established the organisation's most operational guidelines, as well as the coordination of the first level organisational units with the General Management and the chair.
- **Business Plan Committee:** Establishes the Business Plan guidelines and checks its contents.
- **Strategic Monitoring Committee (CMI):** Monitors of the strategy and the Business Plan using BSC indicators.
- **Budget Committee:** Approves and monitors the global expenditure and investment budget as a whole and per PAV responsibility centre, as well as any modifications it may require.
- **Infrastructure Committee:** Coordinates infrastructure and draws up, monitors and updates the Investment Plan.
- **Quality Committee:** Approves and monitors the Quality Management Systems.
- **Area/departmental committees** coordinate and inform the various departments and areas of the latest developments

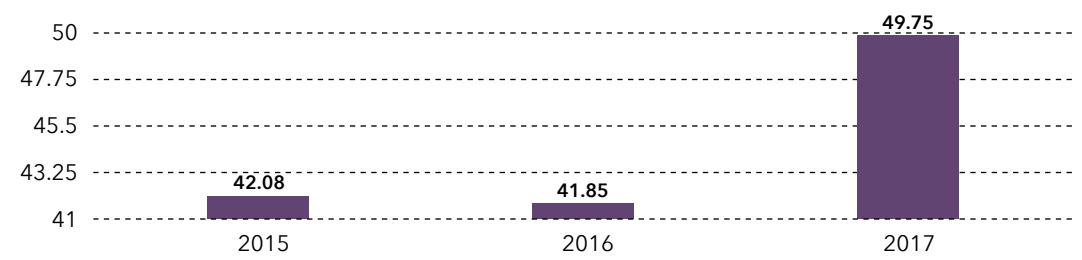
2. Working Groups: Understood as such those that are constituted for a specific work or project, with limited duration in time and uni or multidisciplinary team.

3. SOCIAL DIMENSION

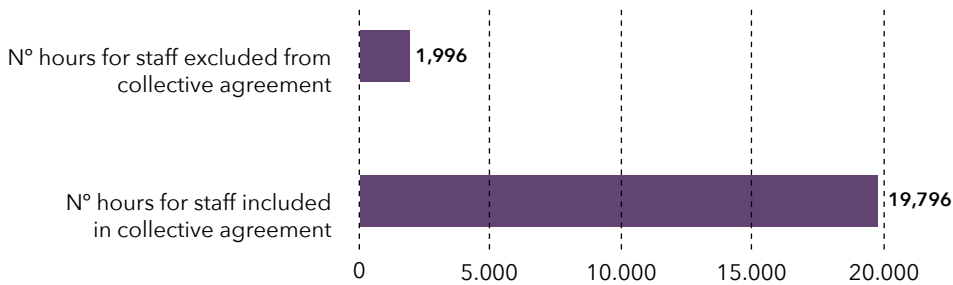
TRAINING.

Percentage of employees who follow training programmes. Differentiate between staff included in the collective agreement and those excluded from it.

The average training hours per employee in 2017 was 49.75 hours, with a total investment in training of € 163,084.31, which represents an average investment in training of € 372.34 per person. The following graph shows the changes in the average number of training hours per employees over the last 3 years.



This graph shows the number of hours spent on training courses by staff included in the collective agreement and those excluded from it. The total training hours in 2017 was 21.79 hours broken down according to the following graph:



Changes in the average number of training hours per employee. Differentiate between staff included in the collective agreement and those excluded from it.

In 2017, the average number of training hours for staff included in the collective agreement and those excluded from it was as follows:

	Total hours	No. Employees	Average
Staff included in the collective agreement	19,796	388	51.02
Staff excluded from the collective agreement	1,996	50	39.92

Number of training courses related to the competence-based management system (as set out in the current collective agreement).

It should be underlined at this point that the 2nd State-owned Ports and Port Authority Collective Agreement places special emphasis on the importance of training, especially in the 30 specific competences considered essential and common to all ports of the Spanish port system. In this context, the Port Authorities, with the support of the State-owned Ports Body and in collaboration with AGON TEC, have set up a teletraining platform enables PAV staff to participate in distance learning as well as classroom-based courses The PAV Human Resources Department has set up a training room with computers featuring the latest technology and internet connections in order to facilitate access to the courses available through this platform. Since 2008, the Competence-based Management Examining Board has been ensuring the transparency of all the examinations taken through the teletraining.

Figures for online training carried out in 2017 are shown below and differentiate between general online training and competence-based management online training:

3. SOCIAL DIMENSION

Competence-based online training 2017								
Training Courses	Women	Men	Hours		Staff		Hours	
			Women	Men	Staff included in the collective agreement	Staff excluded from the collective agreement	Staff included in the collective agreement	Staff excluded from the collective agreement
Quality Level 1	5	35	80	560	40		640	-
Quality Level 2	2	9	50	225	11		275	-
Sales and Marketing Level 1	1	9	10	90	10	-	100	-
Sales and Marketing Level 2	-	6	-	120	6	-	120	-
Accounting and Auditing Level 1	2	3	30	45	5	-	75	-
Accounting and Auditing Level 2	2	-	100	-	2	-	100	-
Fishing activity management Level 1	11	23	220	460	34	-	680	-
Fishing activity management Level 2	1	16	40	640	17	-	680	-
Goods Management Level 1	5	8	75	120	13	-	195	-
Goods Management Level 2	-	8	-	400	8	-	400	-
Financial, economic, and budget management Level 1	-	1	-	10	1	-	10	-
Financial, economic, and budget management Level 2	-	2	-	40	2	-	40	-
Logistics and Intermodality Level 1	1	4	15	60	5	-	75	-
Logistics and Intermodality Level 2	2	7	100	350	9	-	450	-
Environment Level 1	4	8	60	120	12	-	180	-
Environment Level 2	1	3	50	150	4	-	200	-
Navigation Level 1	3	6	30	60	9	-	90	-
Port Regulations Level 1	4	13	60	195	17	-	255	-
Port Regulations Level 2	1	42	50	2100	43	-	2150	-
Port Services and Operations Level 1	9	17	135	255	26	-	390	-
Port Services and Operations Level 2	6	9	300	450	15	-	750	-

Competence-based online training 2017								
Training Courses	Women	Men	Hours		Staff		Hours	
			Women	Men	Staff included in the collective agreement	Staff excluded from the collective agreement	Staff included in the collective agreement	Staff excluded from the collective agreement
Occupational Health and Safety Level 1	1	3	15	45	4	-	60	-
Occupational Health and Safety Level 2	2	5	100	250	7	-	350	-
Labour Relations Level 1	2	5	40	100	7	-	140	-
Labour Relations Level 2		4		160	4	-	160	-
Port sector and strategy Level 1	4	9	60	135	13	-	195	-
Port sector and strategy Level 2	-	3	-	120	3	-	120	-
Industrial Safety Level 1	3	8	45	120	11	-	165	-
Industrial Safety Level 2	4	10	200	500	14	-	700	-
Navigational aid systems Level 1	2	12	30	180	14	-	210	-
Navigational aid systems Level 2	2	10	90	450	12	-	540	-
Passenger Traffic Level 1	3	11	45	165	14	-	210	-
Passenger Traffic Level 2	-	7	-	350	7	-	350	-
Database Level 2	1	-	30	-	1	-	30	-
Spreadsheets Level 1	2	-	30	-	2	-	30	-
Spreadsheets Level 2	-	2	-	50	2	-	50	-
Internet Level 1	-	3	-	30	3	-	30	-
Internet Level 2	-	2	-	40	2	-	40	-
Word processing Level 1	2	1	20	10	3	-	30	-
Word processing Level 2	1	3	25	75	4	-	100	-
Operating Systems Level 2	1	-	20	-	1	-	20	-
Total	90	327	2,155	9,230	417	-	11,385	-

3. SOCIAL DIMENSION

Competence-based online training 2017								
Training Courses	Women	Men	Hours		Staff		Hours	
			Women	Men	Staff included in the collective agreement	Staff excluded from the collective agreement	Staff included in the collective agreement	Staff excluded from the collective agreement
ABCs People Management	-	1	-	72	-	1	-	72
The Internal Audit Report	1	-	8	-	-	1	-	8
Latest developments in contribution	2	-	8	-	2	-	8	-
Project Management Principles	-	1	-	35	1	-	35	-
Successful Communication Professionals	1	-	25	-	-	1	-	25
Business Digital Immersion	-	1	-	20	-	1	-	20
Labour Management and Social Security	3	-	360	-	3	-	360	-
Law 39/2015 Staff excluded from the collective agreement Training	10	39	125	487	-	49	-	612
Training Management Technician	-	1	-	100	1	-	100	-
Competence-based Management	3	2	15	10	1	4	5	20
ISO 9001 Intensive Course	-	1	-	21	-	1	-	21
Master's degree in Port Management and Intermodal Transport	-	3	-	671	2	1	306	365
Operative Police Document Study Level 1	17	152	85	760	169	-	845	-
Operative Police Document Study Level 2	15	153	75	765	168	-	840	-
Navigational aid systems	-	2	-	190	2	-	190	-
Internal audit	2	-	48	-	2	-	48	-

General Training 2017								
Training Courses	Women	Men	Hours		Staff		Hours	
			Women	Men	Staff included in the collective agreement	Staff excluded from the collective agreement	Staff included in the collective agreement	Staff excluded from the collective agreement
Network advanced management	-	1	-	60	1	-	60	-
Internal audit interview techniques	2	-	16	-	2	-	16	-
Electrical Transformers Relays	-	24	-	144	24	-	144	-
Internal audit interview techniques	1	-	60	-	1	-	60	-
NAV 2016 Limited Users	1	8	3	24	8	1	24	3
NAV 2016 Full Users	1	13	3	39	11	3	33	9
NAV 2016 Advanced IT	-	2	-	8	2	-	8	-
NAV 2016 Specialised Demo	-	4	-	12	2	2	6	6
NAV 2016 Warehouse Purchase Management System	1	6	4	24	6	1	24	4
English A1	-	3	-	198	3	-	198	-
English A2	2	15	148	754	15	2	812	90
English B1	15	10	394	832	6	19	986	240
English C1	3	5	123	159	-	8	-	282
English Seaspeak	3	7	84	198	10	-	282	-
English Managers	-	8	-	213	-	8	-	213
French A1	1	18	27	486	19	-	513	-
French A2	3	9	81	243	12	-	324	-
Total	87	489	1,692	6,525	473	103	6,227	1,990

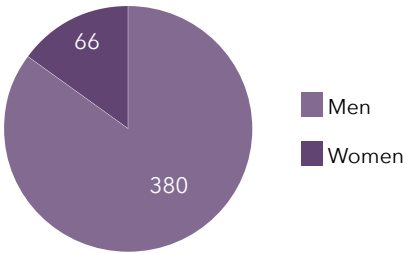
3. SOCIAL DIMENSION

Occupational Health and Safety Training 2017								
Training Courses	Women	Men	Hours		Staff		Hours	
			Women	Men	Staff included in the collective agreement	Staff excluded from the collective agreement	Staff included in the collective agreement	Staff excluded from the collective agreement
Noise exposure risks	-	22	-	66	22	-	66	-
Electromagnetic fields	3	4	9	12	6	1	18	3
Self-protection plan (3h)	7	80	21	240	87	-	261	-
Self-protection plan (2h)	2	43	4	86	45	-	90	-
Basic CPR and automatic external defibrillator	2	23	8	92	25	-	100	-
Basic CPR and semiautomatic external defibrillator Non-medical personnel	10	121	70	847	131	-	917	-
Electric risk	-	36	-	108	36	-	108	-
Confined spaces risk	-	36	-	108	36	-	108	-
Office and VDU risks	3	7	9	21	9	1	27	3
Road Safety Risks	9	118	27	354	127	-	381	-
Welding risks	-	36	-	108	36	-	108	-
Total	36	526	148	2,042	560	2	2,184	6

STAFF STRUCTURE AND EQUITY.

Number of women as a percentage of the total number of employees.

The number of men and women working at the PAV is shown below:



Thus, in 2017, the number of women as a percentage of the total number of employees was 15%.

Percentage of women excluded from the collective agreement as a percentage of the total number of employees and as a percentage of the total number of employees excluded from the collective agreement.

The number of staff by gender included in the collective agreement or excluded from it is as follows:

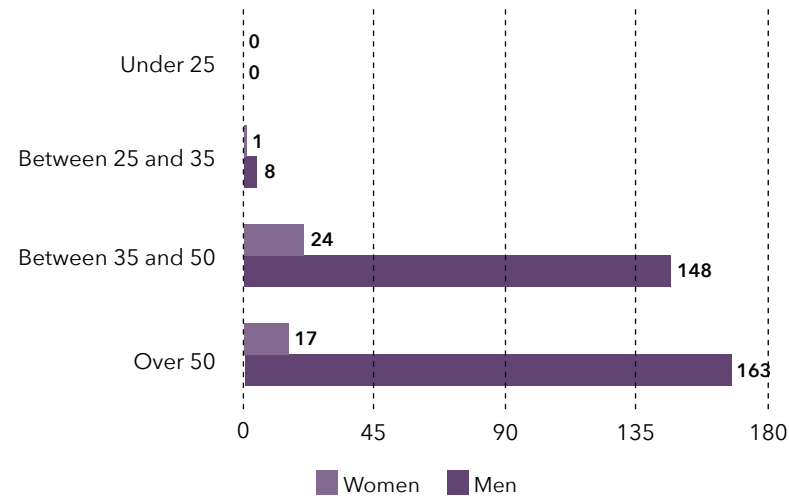


Female staff excluded from the collective agreement	20%
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3. SOCIAL DIMENSION

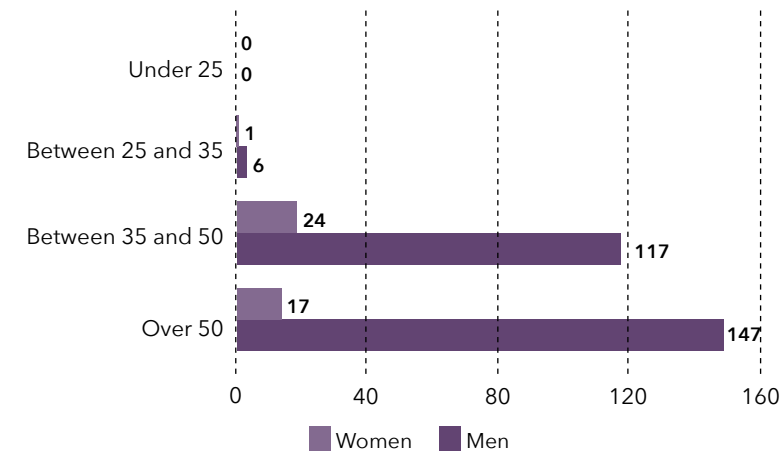
Percentage of permanent staff over 50 years of age.

The following graph shows a breakdown of permanent staff at the PAV by age range and gender:

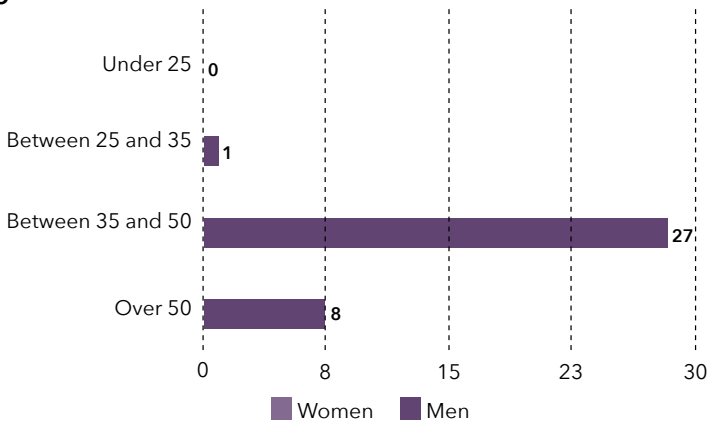


The following graphs provide the same information by ports: Valencia, Sagunto and Gandia:

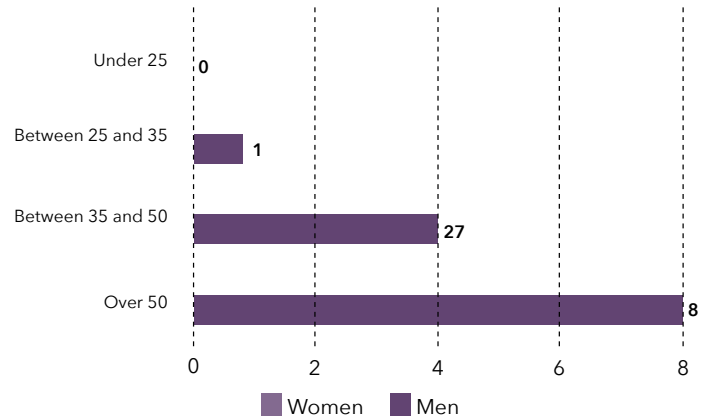
Port of Valencia



Port of Sagunto



Port of Gandia



Thus, in 2017, the percentage of permanent staff over 50 years of age was as follows:

Permanent staff > 50 years of age	99%
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Percentage of permanent staff under 30 years of age.

The percentage of permanent staff under 30 years of age was as follows:

Permanent staff < 30 years of age	1%
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3. SOCIAL DIMENSION

OCCUPATIONAL HEALTH AND SAFETY



The Port Authority of Valencia has an occupational health and safety policy. In 2017, the Occupational Health and Safety Department was assessed by a number of statutory and voluntary inspections and audits, as part of the activities carried out to constantly improve our management system. In addition to legal requirements, the PAV's Occupational Health and Safety Department has chosen the OHSAS 18001 as its management model in order to achieve continuous improvement in monitoring health and safety for its employees. This is further evidence of the PAV's commitment to occupational health and safety management and its policy of corporate social responsibility. In June 2007, the Port Authority of Valencia achieved OHSAS 18001 certification, with registration number 0101/OHS/01/2007, for the ports of Valencia, Sagunto and Gandia, all of which comply with the requirements laid down in the standard for port facility management. In 2008 and 2009, the OHSAS 18001 certification close-out visits were successfully passed. The certification was renewed in 2010 and the subsequent close-out visits were successfully passed in 2011 and 2012. The second renewal was passed in 2013 and the close-out visits were passed in 2014 and 2015. In November 2016, the third renewal of the certification was passed and in November of 2017 the subsequent close out visit was successfully passed marking ten years of being certified in accordance with OHSAS 18001.

Changes in the annual accident frequency index (FI), expressed as the ratio between the number of accidents involving sick leave in a year and the total number of hours worked in the same year, calculated as:

Changes in the annual accident frequency index (FI)			
	2015	2016	2017
Nº. accidents involving sick leave per million hours worked	9.05	7.82	15.56

The art. 115 of the Spanish Social Security General Law defines an accident at work as: "Any personal injury suffered by the worker on occasion or as a result of work he/she does as a salaried employee". This definition includes both injuries sustained in the workplace and also those which occur when workers are on their normal route to or from work.

Procedure in the event of an accident at work

• Accident during working hours:

The procedure to be followed in the event of an accident occurring during working hours:

1. The incident is reported to the ECC so that it can send an ambulance to the scene of the accident.
2. The ECC reports the accident to the Medical Service and moves the victim to the Medical Service's facilities using the PAV's own resources or an emergency ambulance if required.
3. Once the injured person has arrived at the PAV's Medical Service, he/she is given first aid and his/her injuries are assessed. Any necessary extra diagnostic tests are carried out at our facilities.
4. If necessary, the patient will be sent to the 9 de Octubre Hospital for further diagnosis and consultation with other specialists.

Suitable treatment will begin after the diagnosis has been made. The progress of injuries will be monitored and checked by the PAV's Medical Service.

Official medical certificates for sick leave and a subsequent return to work will be given by the PAV's Medical Service and sent to the Human Resources Department for processing.

3. SOCIAL DIMENSION

• Accident outside the working hours of the PAV Medical Service:

In the event of an accident occurring outside the hours of service of the PAV's Medical Service, the procedure is as follows:

- 1. The incident is reported to the ECC so that it can send an ambulance to the scene of the accident.
- 2. The injured person is taken to the 9 de Octubre Hospital, where he/she is attended to immediately and a decision is made about whether he/she should be admitted or sent home.
- 3. The accident response is coordinated and supervised by the PAV's medical team.
- 4. The PAV's Medical Service monitors the patient's progress.

Changes in the annual accident severity index (SI), expressed as the ratio between the number of working days lost through accidents in a year and the total number of hours worked in the same year, calculated as:

Changes in the annual accident severity index (SI)			
	2015	2016	2017
Number of working days lost per thousand hours worked	0.01	0.11	4.06

Changes in the annual absenteeism index, expressed as the ratio of the number of calendar days lost through sick leave and the number of employees, the number of workers, calculated as:

Changes in the annual absenteeism index (AI)			
	2015	2016	2017
Percentage of days lost due to sick leave.	1.70%	1.61%	1.51%

Control of accident rates

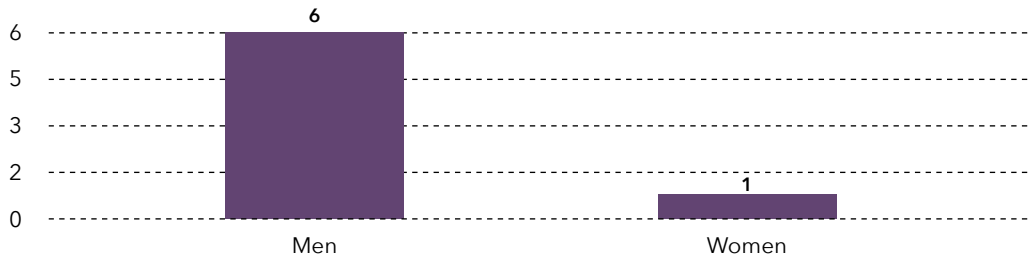
In addition to the corresponding investigation of each accident, quarterly and annual statistical analyses are carried out in order to track changes in accident rates over the years. The Spanish Occupational Health and Safety Institute's Technical Health and Safety Note No. 236 sets out the methods for calculating accident frequency and severity indexes.

Article 12.7 of Royal Decree 1993/1995 states that the PAV, as its own Mutual Society, Centralised Accident Service, is obliged to provide such data and statistics as may be requested by the Social Security health service and is also subject to the inspection and control of this health service.

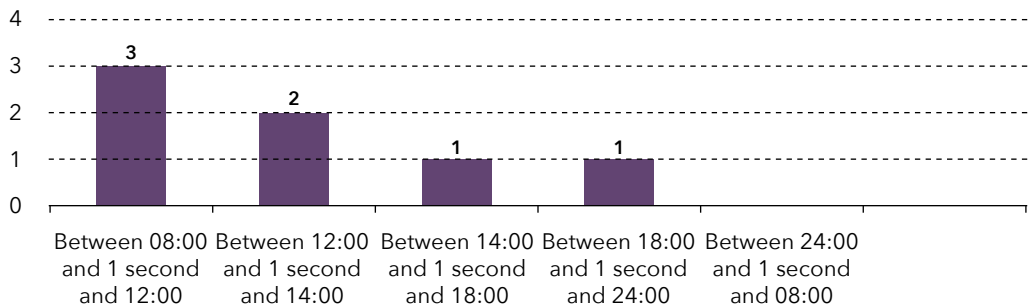
In 2017, there were 13 work accidents at the PAV, of which, all 7 resulted in sick leave.

Statistical Study of Accidents:

Accidents at work with sick leave (according by gender):

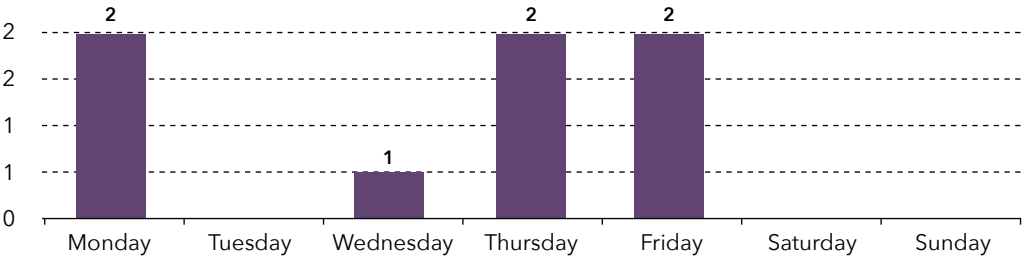


Accidents at work with sick leave (by times of day)

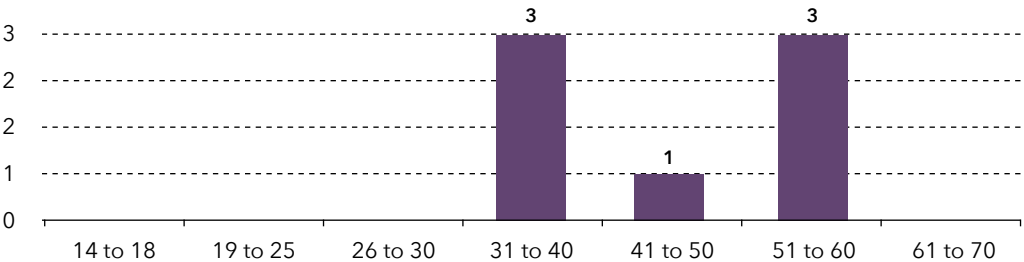


3. SOCIAL DIMENSION

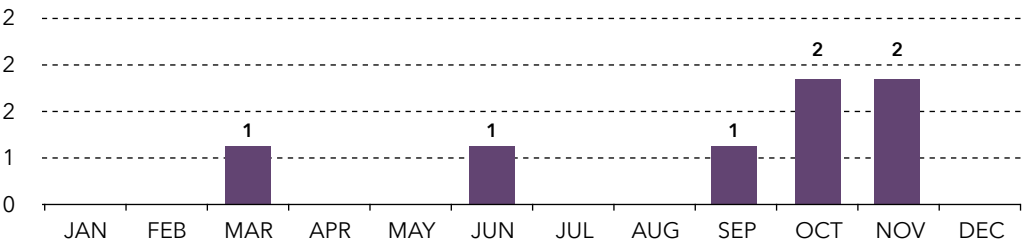
Accidents at work with sick leave (by day of the week)



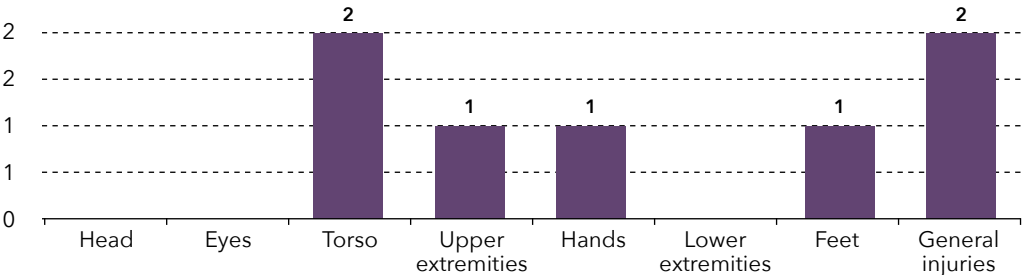
Accidents at work with sick leave (by age)



Accidents at work with sick leave (by month)



Accidents at work with leave (by part of the body)



Work-related illnesses

Art. 116 of the LGSS establishes the necessary conditions to consider a disease of Article 116 of the Spanish Social Security Law defines a work-related illness as one which is a result of performing, as a salaried employee, any of the activities set out in the table in the Appendix to Spanish Royal Decree 1299/2006, dated 10th November, and which is caused by the elements and substances indicated in this table for each illness.

No work-related illnesses were found among PAV staff in 2017.

Occupational health and safety training, expressed as the total number of training hours divided by the number of employees.

Occupational health and safety training in 2017		
Total number of training hours	Total number of employees (average annual workforce)	Average number of hours per employee
2,190	438	5

Training is essential in generating a positive occupational health and safety culture.

The course content, scheduled by the Occupational Health and Safety Department, focuses on operational techniques in health and safety management, and is designed to help students work on the material and human aspects of the topic. It includes both general and specific themes from across the health and safety spectrum: health and safety at work, ergonomics and Psychosociology, industrial hygiene and occupational medicine.

In 2017, the following training courses were given:

- Electric risk. 36 employees.
- Risk associated with Confined Spaces. 36 employees.
- Risks associated with welding. 36 employees.
- Self-protection plan. 132 employees.
- Road safety risks. 127 employees.
- Electromagnetic field technical prevention training course. 7 employees.
- Exposure to noise. 22 employees.
- Risks associated with working in offices and with VDUs. 10 employees.
- Manual Handling of Loads. 6 employees.
- Basic CPR course and AED management 156 employees.

3. SOCIAL DIMENSION

In addition, the members of the Occupational Health and Safety Department are encouraged to update and build on their skills and knowledge.

In 2017 staff from the PAV's Occupational Health and Safety Department took part in:

- Course on "Brief Health Advice on Lifestyle Methodology", on-line modality, duration 30 teaching hours (November 2th, 2016 - January 2th, 2017). Ministry of Health, Social Services and Equality. Strategy for Occupational Health and Safety Promotion in the Spanish Healthcare System. 3 members of staff attended.
- Healthy Companies European Network Meeting. Madrid May 10th. 4 members of staff attended.
- Local Health Course, on-line modality, duration 50 hours (March 13th-June 16th, 2017). Ministry of Health, Social Services and Equality. Strategy for Occupational Health and Safety Promotion in the SNS (National Healthcare System). 3 members of staff attended.
- "Approach towards treating depression in companies" (March 30, 2017). SVMST (Valencian Society of Medicine and Safety at Work). 1 member of staff attended.
- "Update on smoking cessation" (May 5, 2017). (Lab. Pfizer). SVMST (Valencian Society of Medicine and Safety at Work). 1 member of staff attended.
- Course on Electromagnetic Fields. University of Applied Physics. 9 members of staff attended.
- Active Ageing Day, INVASSATT (Valencian Health and Safety Institute). 11/28/17. 1 member of staff attended.

Cooperation with CIERVAL's Occupational Health and Safety Monitoring Project:

The Port Authority of Valencia, through its Occupational Health and Safety Service, takes part in the Valencian Region's Occupational Health and Safety Monitoring Project.

The Monitoring Project is a tool aimed at offering a continuous diagnosis of the results of the Valencian Region's occupational health and safety model.

On one hand, a descriptive and comparative analysis is made on the main evolutionary indicators of the official public statistics on accident rates in the Valencian Community.

On the other hand, a diagnosis is obtained on the changes in accident rates and the current issues from the company's point of view, based on a wide company panel surveys

The main objectives are:

- To analyse and evaluate the changes in accident rates in the Valencian Region.
- To validate the goodness of the policies and actions put in place to control and reduce the accident rates in the Valencian Region companies.
- To detect the needs of companies in Occupational Health and Safety.
- To create an instrument which can transfer the vision of the entrepreneurship in terms of Occupational Health and Safety.

Its purpose is to achieve greater institutional coordination and integrate and specify future actions and strategies.

Number of safety emergency drills and number of security emergency drills.

Occupational Health and Safety is the set of techniques and procedures that aim to identify and eliminate or minimise the risks that may lead to work accidents or health problems.

The Occupational Health and Safety Department uses, in accordance with current legislation and our internal policy, a series of techniques to eliminate or reduce the risks inherent to the workplace. These techniques are classified as:

Proactive techniques: these aim to prevent accidents or incidents from happening. They identify the hazards inherent to certain jobs and seek to eliminate them. If this is not possible, the hazards are evaluated and efforts are made to control them by means of technical and organisational modifications.

Types:

• Risk assessment

Article 16 of the Spanish Law 31/1995 on Occupational Health and Safety stipulates that the planning of preventive actions in a company must be based on an initial assessment of risks to the health and safety of its staff. This assessment should be generalised and should take into account the type of business activity and special hazards to which certain workers may be exposed.

3. SOCIAL DIMENSION

The Risk Assessment forms the basis of occupational health and safety.

In 2017, the Occupational Health and Safety Department reviewed the Risk Assessments for all PAV jobs.

• Safety Inspections

Safety inspections involve the direct and structured observation of facilities and productive processes to detect potential accident hazards. They are carried out by using checklists that are specific to each job and help to keep the workplace safe by identifying and remedying potential hazards.

The frequency of inspections depends on how dangerous the job is, and can be monthly, quarterly or yearly.

Observations made during the inspection, any hazards identified and the applicable corrective measures are all documented, and regular checks are made to monitor the effectiveness of the measures implemented.

During 2017, four different safety inspections of workplace conditions were carried out and the relevant measures were implemented.

Reactive techniques: these come into play once an accident has taken place, and are designed to determine its causes and put forward and implement preventive measures to stop it from occurring again.

At the PAV, the Occupational Health and Safety Department's safety experts investigate accidents in compliance with prevailing legislation. They examine the causes of each accident or incident so that suitable corrective measures can be implemented to ensure that it does not happen again, and also check the effectiveness of the preventive measures that have been implemented.

In 2017, 13 accident investigations were carried out and appropriate, specific measures were implemented in each case.

As a continuation of the Port Emergency Plan from previous years, six emergency drills were carried out at the following buildings at the ports of Valencia, Sagunto, and Gandia, with the aim of maximising health and safety for PAV employees:

- Port Emergency Plan activation drill at the management building at the Port of Sagunto with evacuation after fire in an electrical panel in the Semi-Basement Building not extinguished after the action of the Head of Alarms.
- Port Emergency Plan activation drill for fire outbreak in the UPS equipment (Ground Floor) at the Port of Gandia.
- Port Emergency Plan activation drills at the Management Complex (Phase I, Phase II, Phase III and Phase IV). Fire exercise in Floor 1 (Documentary Archive) not extinguished after the performance of the Head of Alarms Building III at the Port of Valencia.
- Port Emergency Plan activation drill, at the Occupational Health and Safety building, fire outbreak at warehouse (P1) not extinguished after the performance of the person responsible for it.
- Port Emergency Plan activation drill, fire at the Mechanical-Electrical workshop at the Workshop buildings.
- Port Emergency Plan activation drill, fire in the Clock Building with evacuation.

These exercises have served to correct the minimum deficiencies found, for which subsequent meetings were held to study and analyse the results of said drills and establish the appropriate improvements.

In addition, another series of safety drills were carried out in 2017 in conjunction with port community companies. These included:

- Fire in the engine room of a docked tugboat.
- The Exercise simulated health care for a crew member afflicted with an infectious disease. The current procedures and the mechanisms of coordination with External Health and with the corresponding organisms of the Valencian Region and 112-CV were put to the test.

3. SOCIAL DIMENSION

Security drills carried out in 2017 included:

Practices:

- Collaboration with the Spanish Army MARSEC-17

Exercises:

- 3 Transfers to the Backup Emergency Control Centre and an operational check was performed (Port of Valencia)
- Checking OPIP data (Port of Valencia)
- Red alert activation drill (Port of Valencia)
- 3 Alarm activation at the management building (Port of Sagunto)
- Red alert activation drill (Port of Sagunto)
- Practices with personal defence spray (Puerto de Sagunto)

The following table shows the summary of safety and security emergency drills:

Number of security emergency drills	11
Number of safety emergency drills	8

Ergonomics and Psychosociology applied to the workplace

Ergonomics is the science of well-being and comfort and is based on adapting the job to the person who does it.

Applied Psychosociology deals with organisational factors which may affect the physical, psychological or social wellbeing and health of workers, and the performance of their jobs.

The Occupational Health and Safety Department advises and suggest global changes in aspects which can enhance working conditions and reduce psychosocial risk factors.

During 2017, the following ergonomic evaluations were carried out:

- A study of the lighting levels and thermo-hygrometric conditions at the Cullera lighthouse.
- A study of the lighting levels and thermo-hygrometric conditions at the Valencia lighthouse.
- A study of the lighting levels and thermo-hygrometric conditions at the Canet lighthouse.
- A study of the lighting levels and thermo-hygrometric conditions at Puerto de Sagunto Stations.
- Ergonomic study at the management complex building for relocations as a result of the new organisation chart.
- Ergonomic study at the Port of Sagunto workstations.

Ergonomic studies are not confined to implementing corrective measures. Once they have been implemented, the PAV's Occupational Health and Safety Department then checks the effectiveness of the measures adopted to correct and eliminate hazards.

In the field of Psychosociology applied to the workplace, seven psychiatric/psychological reports were drawn up by a specialist in order to adapt workplaces.

Industrial hygiene

Industrial hygiene can be defined as a set of actions geared towards identifying, evaluating and controlling chemical, physical, and biological agents in the working environment which may cause illness, have a detrimental effect on health and wellbeing, or create significant discomfort among workers. In 2017, the Occupational Health and Safety Department carried out numerous industrial hygiene actions:

Port of Valencia:

- Quarterly microbiological and air quality checks in medical service facilities, changing rooms, and other facilities in PAV buildings (Valencia, and Valencia and Cullera lighthouses). In addition to the quarterly checks, extra checks were carried out during July and August at the Sports Centre because the swimming pool was open.
- Regular checks for Legionnaires' disease to detect and, if appropriate, apply corrective measures (Valencia, and Valencia and Cullera lighthouses) in the months of June and December.

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- The control and prevention of Legionnaires' disease, cleaning and disinfection of the cold and hot water system in May, in compliance with Spanish Royal Decree 865/2003.
- The control and prevention of Legionnaires' disease, tests in PAV-owned buildings, and treatment where necessary
- Regular checks of booths 1 and 2.
- Evaluation of noise levels in the pump rooms.
- Evaluation of noise levels in the HVAC room.
- Evaluation of noise levels in the mechanical facilities workshop.
- Evaluation of dust levels in booths A1, A2.
- Evaluation of gas levels in booths A1, A2.
- Evaluation of noise levels in booths A1, A2.
- Evaluation of noise levels at the Cullera lighthouse.
- Evaluation of noise levels at the Valencia lighthouse.
- The measurement of electromagnetic fields.

Port of Sagunto:

- Evaluation of noise levels in the pump room.
- Evaluation of noise levels at the Canet Lighthouse.
- Evaluation of noise levels at the Port Police Cabin.
- Evaluation of gas levels at the Port Police Cabin.
- Evaluation of dust levels at the Port Police Cabin.
- Regular controls of the working conditions of the booth.

Port of Gandia:

- Evaluation of noise levels in the pump room.

Health monitoring

Health monitoring is one of the instruments used by Occupational medicine to control and supervise the impact that working conditions have on employee's health. Health monitoring is integrated into the company's overall Occupational Health and Safety Plan.

Health examinations

Medical check-ups show the impact of job hazards on workers' health. Their goal is to detect problems as early as possible in order to analyse and evaluate working conditions.

Under no circumstances may health problems be used to discriminate against workers. The types of health examinations which are carried out by the Occupational Health and Safety Department throughout the year are set out in legislation, supported by Article 22 of the Spanish Law on Occupational Health and Safety and article 37 of the Occupational Health and Safety Service Regulation. They are as follows:

Initial check-up: for all staff starting work at the PAV, whether on permanent or temporary contracts.

- Specific regular medical check-up.
- Check-up after lengthy absence.
- Check-up due to change in job or task.

In addition, the PAV's Medical Service also offers a range of health examinations, even though these are not required by law, in order to safeguard the health of all workers:

- Check-up at the request of the worker.
- Check-up suggested by the Medical Service.
- Orthopaedic check-up.

The following medical check-ups were performed in 2017:

- Regular annual check-ups: 406 (92.69% of the total PAV workforce).
- Initial check-ups: 85
- Check-up after lengthy absence: 27
- Check-up due to change in job: 17
- Proposed by the Medical Service: 0

A total of 535 medical check-ups were carried out in 2017, each specifically tailored to the risks inherent to each employee's particular job.

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Health campaigns

The objective is to promote workers' health by promoting improvements in their different lifestyles.

Membership of the Health Promotion Business Programme

In 2005, the Valencian Regional Health Ministry started up a programme run by the General Directorate for Public Health, designed to promote the health and safety of company employees through health and safety services.

The PAV's Occupational Health and Safety Department met the entry requirements and joined the Health Promotion Business Programme. This means it now receives expert advice and support material for health promotion within the company, as well as training on related issues and regular information about specific health promotion campaigns.

The goals were to:

- Make workers more health-conscious by optimising health promotion activities run by the Medical Service.
- Lay down guidelines for vaccinations for work-related hazards and also for the public at large or specific groups of adults.
- Develop action protocols for specific issues or pathologies that could affect certain PAV employees, and inform workers about them.
- Establish formal means of cooperation between the PAV's Occupational Health and Safety Department staff and members of the public health care system in both primary and specialised care.

Membership of the programme is completely voluntary, and this underlines the commitment of the PAV's Occupational Health and Safety Department to seeking out continuous improvement in the working conditions of all company employees.

Campaigns:

The Occupational Health and Safety Department regularly runs health information campaigns, consisting of training and informative talks about preventive health and hygiene measures. The Department provides medical control, advice, and preventive treatment for each campaign.

The following health campaigns were run during the year:

- Help with cutting down on or stopping smoking.
- Early Detection of Melanoma for management and administrative staff.
- Preventing insect bites.
- Preventing mycosis in lower limbs.
- Study and Prevention of Osteoporosis.
- Preventing sun exposure.
- Campaign for the Prevention of Colorectal Cancer.
- Preventing asymptomatic lung cancer.
- Prevention of flu and seasonal flu vaccination campaign.
- Skin protection campaign.
- Diphtheria-tetanus, hepatitis A and B, and pneumococcal vaccination campaigns.
- Eye test campaign.
- Health campaigns.
- Prevention of seasonal asthenia campaign.
- 2017 blood donation campaign.
- Helicobacter Pylori Campaign.
- Cardio-protected area campaign.

Epidemiological studies:

In 2017, the first phase of the epidemiological study of the Helicobacter Pylori preventive campaign was completed with the PAV staff. The results will be available in 2018.

Cardio-protected area:

The PAV has been certified by the Spanish Occupational Medicine, Health and Safety Association, as being a cardio-protected area, complying with current safety legislation in autonomous regions and in accordance with official recommendations.

The Port Authority of Valencia's Occupational Health and Safety Department passed the audit, and has held cardio-protected area certification since 2012. This is renewed on an annual basis. The PAV is a pioneer in this area, which represents another step forward in its policy to strengthen occupational health and safety in the company.

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EMPLOYMENT AND SAFETY AT WORK IN THE PORT COMMUNITY

Brief description of the type of safety and training conditions or requirements included in the conditions for the specific requirements of port services, in the award conditions and in the concession and authorisation licences.

The Port Authority requires those applying for licences or authorisations to provide services to submit the following documentation:

- Statement declaring that they are familiar with the applicable legislation on occupational health and safety, for the coordination of activities stipulated in article 24 of Spanish Law 31/1995, of 8th November, on Occupational Health and Safety, and Royal Decree 171/2004 on the coordination of business activities developing it.
- Statement declaring that the applicants are familiar with the Port Authority of Valencia's Occupational Safety Regulations, and their commitment to inform both their staff, and any companies and third parties they may contract, of these regulations.

In the case of port service licences, specific requirements include the following conditions for training staff assigned to the service:

- They must be suitably technically qualified.
- They must have the training and experience required to carry out their functions.
- They must have the qualifications and certificates required by current regulations
- They must know what equipment the company has, know where it is located, and how to operate it.

With regard to the general safety conditions and requirements established in the award conditions or in the concession or authorisation licences, irrespective of the application of additional requirements in the specific terms and conditions according to the type of activity to be carried out on public port land, the general terms and conditions stipulate the following:

5a. Concurrence of other titles:

"Likewise, the concessionaire must comply with current provisions affecting the public land awarded under concession, and the work and activities carried out on this land, especially those corresponding to planning licences and conditions, as well as those related to areas or facilities which are in the interest of national defence, ensuring that work carried out does not hinder the competences corresponding to the authorities in terms of safety and security, surveillance, combating pollution or any others."

24a.- Health and safety measures

"The concessionaire must comply with the occupational health and safety obligations set out in Spanish Law 31/1995, of 8th November, on Occupational Health and Safety and the corresponding development regulations, and especially with what is set out in terms of the coordination of business activities, as the titleholder of the workplace, in Spanish Royal Decree 171/2004, of 30th January, which is developed in Article 24 of the aforementioned Law relating to the coordination of business activities.

According to what is set out in current safety and emergency control legislation, the concessionaire shall provide the port authority with a safety report which shall be taken into account by the aforementioned authority when drawing up the port's internal emergency plan. The concessionaire shall also comply with all its other relevant obligations in this area."

38a.- Personal data protection

"For these purposes, the delivery of any interested party to the PAV of any documentation containing personal data should guarantee the implementation of the necessary security measures in line with Title VIII of Royal Decree 1720/2007, of 21st December, which adopted the regulation to develop the Spanish Data Protection Law (LOPD), and in particular, the measures aimed at preventing the theft of, loss of or wrongful access to the information during its transfer."

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Description of the business activity coordination mechanisms available in the port community on occupational health and safety within the port.

The PAV has its own Occupational Health and Safety Service. Thus, it has a business activity coordination office.

Before the companies contracted by the PAV start work, and after the required documentation has been received, in line with Article 24 of the Spanish Occupational Health and Safety Law and its Royal Decree 171/2004, the Occupational Health and Safety Service analyses this documentation and gives its conformity or non-conformity according to the Occupational Health and Safety Management Procedure (PGP 08 "Procurement procedure") which is briefly described below:

- Companies are given the Occupational Safety Regulations for carrying out work at the PAV.
- Companies are given the Occupational Health and Safety Requirements for external contractors and adaptation to the Organic Data Protection Law.
- External companies are asked to provide their occupational health and safety plans.
- The Occupational Health and Safety documents provided by the contracted companies are requested and monitored.
- Reports are sent to the various departments about contractor compliance with the aforementioned requirements.
- Meetings are held with managers from different companies to explain the PAV's Safety Regulations. The Occupational Health and Safety Department is on hand to answer company queries.
- The safety measures adopted in the work carried out by contracted companies are monitored.

RELATION WITH ITS ENVIRONMENT

DESCRIPTION OF THE PORT AUTHORITY'S POLICY IN TERMS OF ITS RELATIONS WITH ITS SOCIAL ENVIRONMENT

The PAV considers that its practices in Business or Corporate Social Responsibility (hereinafter BSR or CSR), constitute an appropriate strategy to strengthen its contribution to sustainable development from the triple bottom line: social, economic and environmental, while reinforcing the cohesion of the Community Port through actions which benefit its environment.

In this sense, the PAV shares a common space for the promotion of CSR, in the form of an association since December 2016, - APOSTEM - Valencia Solidarity Port-, which has become a benchmark for the interaction with its stakeholders: local professional associations, terminals, and other institutions and companies of different profile and dimension which represent the agents involved in port dynamization and operations.

In this framework, the PAV consolidates a line of work focused on actions undertaken voluntarily which have a very positive impact on the immediate environment in different areas. Thus, APOSTEM (www.aportem.com) has provided direct and in kind support to the different non-profit organisations which attend daily people with special difficulties in the nearby neighbourhoods. By the same token, APOSTEM has promoted actions aimed at its member organisations staff, which is, in turn, the protagonist and target of various actions.

During 2017, more than thirty internal meetings and regular meetings APOSTEM Board of Directors members were held in order to articulate and monitor the more than twenty proposals supported thanks to donations from entities and individuals, donations which are destined in full to the most vulnerable people living in the port environment, with basic needs and related to livelihood, education, social integration and employment.

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During 2017, APOTEM has worked steadily with the following social organisations:

- 5 Singular Educational Action Centres (CAES) that assists children from more than 20 countries and Romanian ethnicity, living in socially deprived circumstances who are at risk of dropping out of basic schooling. With the support of the volunteers, the school's teaching staff organizes activities to help and encourage this group to create healthy habits.
- Santa Ana Children's Day Care Centre. This centre is run by the Santa Ana Charity Sisters Congregation in the Nazaret district. They cater for infants and toddlers and their families through a psychological and educational prevention and early intervention programme for children who are at risk of social exclusion.
- Nazaret Arca de Noé Association: <http://elarcanaazaret.org>. This NGO is very well known in the Nazaret district, given its inclusive social and educational work for children and young people in situations of inequality and helping them in their personal and social development.
- Two shelters for fifteen Sub-Saharan immigrants, run with the support of the Nazaret social network and the Nazaret Neighbourhood Association to facilitate support for their integration and legalization.
- Alanna Association and Foundation: <http://www.alanna.org.es>. Non-profit organisations that complement each other in the development of social and educational programmes aimed at social and labour inclusion for female war refugees, victims of gender violence, and those living in slums, mainly women in situations of extreme hardship in the areas around the port and in the rest of the city.
- Amigos de la Calle Association (<http://www.amigosdelacalle.es>), which assists people living on the street.
- Music and Dance Centre of Nazareth, which is one of the most valuable resources as a cultural service of the Nazareth district.
- The Athletics Club dels Poblaters Marítims, sports-promoting reference entity in the Maritime District.

In addition, specific collaborations with entities such as the Casa de la Caridad, Cáritas, the Ciudad de la Esperanza or the Novaterra Foundation, among others, have been added and new channels have been opened with entities that work with similar profiles to the previous ones and allow the positive impact of APOTEM.

The most common actions that have supported more than 800 people in need during 2017 have focused on the following:

Basic food: with the aim of ensuring adequate and healthy nutrition, encouraging good habits and strengthening the nutrition of people in desperate need, basic and healthy foodstuffs are bought and sent for breakfast and/or snacks, food in general to minors (through Singular Educational Action Centres, support and day-care associations), immigrants (shelters), women and their families (support foundation) in the port's environment.

Hygiene: in the same line of ensuring personal habits and an environment that guarantees an adequate health for people at risk of social exclusion, personal hygiene products and underwear are bought and delivered to shower programs minors in schools for their daily hygiene. In addition, cleaning products are provided to adults living under vulnerable conditions for the daily maintenance of their home.

Education and culture: to strengthen education in minors and promote creative habits, ensuring resources for training and the regular reading, music, etc. practice, school materials, books, musical instruments and group games are bought for schools and support associations in the neighbourhoods.

Clothing: In order to provide adequate and uniform clothing to low-income children, that can facilitate their integration without standing out in relation to other students, sport tracksuits and footwear have been bought for all students belonging to the Singular Educational Action Centres who may have requested it.

Sport: It is considered that its practice is fundamental to maintaining a healthy lifestyle as well as to develop desirable values and good habits; Group sport is also a means of social relation and integration; for all these reasons, they are invited to participate in sport activities and it is therefore why the sport equipment required for its practice is purchased for the Singular Educational Action Centres and freetime and associated entities staff.

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Health: The health monitoring of the most vulnerable groups is complemented with the purchase of products for oral hygiene, sun protection, etc. As well as lenses in the case of the ophthalmologic check-up for minors from Singular Educational Action Centres assisted (240 chek-ups) thanks to the collaboration of the NGO Visió Sense Fronteres.

Solidarity campaigns: The Port Community's participation is promoted through financial contributions, clothing, food, toys, basic needs and equipment in general for the aforementioned groups, as a way to channel the involvement and social commitment of the port community staff towards people who need such support and live close to the port.

Donations of equipment: Collaboration opportunities between companies and non-profit social organisations, managing specific in kind donations from companies to organisations in the environment that can use materials such as: computers, furniture, equipment office, perishable foods, products in disuse, amortized or withdrawn, etc.

Blood donation: To raise awareness and promote solidarity within the port community, all companies are encouraged to join the blood donation campaigns at APOSTEM companies.

Social involvement: In order to promote the knowledge and participation in solidarity actions within the port environment, substantial work is carried out to include a solidarity contributions option in such events as: races such as the PAS RAS al PORT, celebrations such as the Propeller Valencia's Charity Dinner or the Shipping Industry's International Paella Competition organised by Falla JJ Dómine and Diario del Puerto. The contributions received through these events are entirely allocated to some of the organisations with which APOSTEM collaborates.

In all cases, the social projects that have the support of APOSTEM are constantly monitored through meetings, visits, telephone contact and by mail, with the results reflected on the APOSTEM Association website (www.apostem.com).

Finally the Port Authority of Valencia continued to be a member of the United Nations Global Impact in order to promote and publicise its values. This international voluntary

initiative aims to strengthen the commitment of its singatories towards the respect and promotion of the following decalogue of universally accepted principles:

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights, within their sphere of influence.

Principle 2: Businesses should make sure they are not complicit in human right abuses.

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: Businesses should support the elimination of all forms of forced or compulsory labour.

Principle 5: Businesses should support the effective abolition of child labour.

Principle 6: Businesses should support the elimination of discrimination in respect of employment and occupation.

Principle 7: Businesses should support a precautionary approach to environmental challenges.

Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.

Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

Principle 10: Businesses should encourage work against corruption in all its forms, including extortion and bribery.

In short, long-term objectives such as the search for sustainable growth and improving the environment, make up the foundations on which our lines of action are based, complementing each other and defining our plans and proposals.

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Port authority initiatives to provide disabled access (including passenger service licence conditions, passenger terminal concession and authorisation conditions, and specific initiatives in public areas).

The initiatives carried out by the PAV to provide disabled access in public areas (roads and buildings) include:

- Dropped kerbs on pavements on public roads and pedestrianised areas.
- Disabled parking spaces in car parks.
- In buildings:
 - Alternative disabled access to buildings via legally-compliant ramps.
 - Specially adapted toilets for people with reduced mobility

Concessionaires and authorisation holders are responsible for complying with current legislation on eliminating architectural barriers in their facilities.

In this case, the Infrastructure Management Department ensures that the projects presented for authorisation comply with current legislation on this issue.