

Project Management Report from Milan



*By Luca Cavone
International Correspondent
Milan, Italy*

INTRODUCTION

After the summer break we are back this month with a report full of interesting news.

Top contributions are mainly coming from the industrial sector: oil & gas, aerospace and transportation.

We open with one of the news that has been around the world in recent weeks. The discovery by Eni of the **largest oil field ever found in the Mediterranean Sea**.

Later we report about a couple of news stories from the aerospace industry, Alenia Aermacchi won an order of 7.8 billion in Kuwait and the **contract signature of the new Ariane and Vega 6 C launchers**.

The **new Frecciarossa 1000**, the futuristic train of Trenitalia entered in service in June, aimed to bridge the distance between Milan and Rome in 2 hours and 20 minutes. The entire order will be completed in 2017, with a total investment cost of 1.6 billion euro.

Finally, we will provide a **mid-term report of Expo 2015**. Enjoy the reading!

Eni discovers the largest ever found gas field in the Mediterranean Sea

Milan, 30 August 2015 – Eni has made a world class supergiant gas discovery in the deep waters of Egypt. The new gas field is located in the economic waters of Egypt's Offshore Mediterranean, in 4,757 feet of water depth (1,450 metres), signed in January 2014 with the Egyptian Ministry of Petroleum and the Egyptian Natural Gas Holding Company (EGAS) following a competitive international Bid Round.

This is **the largest gas discovery ever made in Egypt and in the Mediterranean Sea** and could become one of the world's largest natural-gas finds, filling the natural gas demand for decades: according to the information available, the discovery could hold a potential of 30 trillion cubic feet of gas (5.5 billion barrels of oil equivalent in place) covering an area of about 100 square kilometres. .

Shortly Eni will start the appraisal of the field. The best existing offshore and onshore infrastructures will be utilized with the aim to accelerate the development of the discovery.

According to Claudio Descalzi, CEO of ENI: "It's a very important day for Eni and its people. This outstanding result confirms our expertise and our **technological innovation capacity** with immediate operational application, and above all shows the strength of the cooperation spirit amongst all the company's units which are at the foundation of our



great successes. Our exploration strategy allows us to persist in the mature areas of countries which we have known for decades and has proved to be winning, reconfirming that Egypt has still great potential. This historic discovery will be able to transform the energy scenario of Egypt in which we have been welcomed for over 60 years. The exploration activities are central to our growth strategy: in the last 7 years we have discovered 10 billion barrels of resources and 300 million in the first half of the year, confirming Eni's leading position in the industry. This exploration success acquires an even greater value as it was made in Egypt which is strategic for Eni, and where important synergies with the existing infrastructures can be exploited allowing us a fast production startup"

This is not the first discovery made by ENI in Egypt. The company has a long tradition in the area, always been a frontrunner in exploring and exploiting gas resources since the discovery of the Abu Maadi Field in 1967.

Eni is currently the main hydrocarbon producer in Egypt, with a daily equity production of 200,000 barrels of oil equivalent.

Finmeccanica has been awarded a project of 7-8 billion euro in Kuwait



September 2015 - Alenia Aermacchi, the parent company of the aviation activities of Finmeccanica has been awarded a **new contract in Kuwait for a value of around 7-8 billion Euros**.

The agreement has been reached in September after long negotiations that have taken place over the last three years. **Eurofighter consortium**, which has among the main shareholders Germany, UK and Spain, will also benefit from the new project.

During the critical phases, the negotiations have been followed directly by the Italian Presidency of the Council of Ministers together with the CEO of Finmeccanica.

For Alenia Aermacchi this is a strategic project that allows the company to raise the projects portfolio after a first half of 2015 where the results were lower than expected.

In addition, the new agreement will strengthen the company's relationships within the Eurofighter consortium.

Ariane 6-Vega C development contracts signed

August 2015 - Ariane 6 and Vega C, the new family of European launchers has made an historic step forward to space

The signing ceremony for the development contracts was held on mid of August at the European Space Agency (ESA) headquarters in Paris. The event was attended by the leaders of the most important institutions in the sector and in particular the new ESA Director General Jan Woerner, along with the heads of the space agencies participating in the launcher program.



ELV, the prime contractor for developing Vega, (owned by ASI and Avio) was represented by the CEO Pierluigi Pirrelli.

The new family of launchers includes Ariane 6 and Vega C; both launchers will use the same solid engine P120C, developed for Vega in the boosted version for Vega-C. According to ASI President Roberto Battiston: "This is an historic step for the

European and in particular the Italian space industry, represented here by ELV, because this signature lays the foundations for the development of the European family of launchers that will bring both institutional and commercial payloads in orbit from 2020 onwards, launched from Kourou space centre".

Frecciarossa 1000, the new high-speed train in service from June

Milan, June 2015 - Just before the summer break, it took place the official presentation of the new train **Frecciarossa 1000**. The evolution of the previous model "500" will be able to reach a **speed of 400 kilometers per hour**, covering the distance between **Milan and Rome in about 2 hours and 20 minutes**.



The new "jewel" of Italian technology is produced by Ansaldo Breda and Bombardier. Despite the high target performances, at first the train could not express its optimal characteristics. The maximum speed will be set at 300 kilometers per hour, because of the limits imposed by the Agency for Railway Safety and the Ministry of Transport, waiting for the infrastructure and security systems to be certified to the new speed. Once the certification process will be finalized, Rome and Milan will be closer; if today the minimum time between the two cities is 2 hours and 55 minutes, from 2016 will be 35 minutes less. **This further reduction in travel time is expected to definitely win the game with the already declining air service between Rome and Milan.**

At the entry into commercial service, six convoys will carry eight non-stop daily connections between Rome and Milan: some of these will include start and final stop in Turin or Naples. **By 2017 the total number connections is expected to increase progressively up to 50.**

Currently six new Frecciarossa 1000 have been already delivered by the manufacturing companies to Trenitalia. By December 2015 additional 18-20 new trains will be included. The entire order will be completed within January 2017, with a **total investment cost of 1.6 billion euro**.

Expo, a mid term report since the opening: so far more than 9 million tickets sold



Milan, August 2015 – After three months since the opening of the universal exhibition, it is time to make a first report on the obtained results.

According to the organization the **tickets sold were 9.3 million**, compared with **7.4 million entries** and a spike in **visits in June about 3.4 million**.

The general trend during summer was a bit lower than expected, although there is general optimism for the fall, thanks to a growing impact on the international visibility and related to tourism.

A strong boost will come thanks to the visit of **40 international presidents** in less than three months, in addition to **60 ministers** from all the world, who went to the exhibition site.

Very good effects have been recorded on the commercial activities, indirectly related to the Expo, with hotels Milan occupied for 78% (the percentage rises to 82% in the area of Malpensa airport, close to the site) and an average of **720,000 arrivals per month in Milan**.

October 2015, Florence - First National Forum for Young Project Managers



IPMA Young Crew Italy is approaching its **1st National Forum for Young Project Managers**. The event will deal with career professional development, comparing experiences in big and small to medium enterprises. **It will be hosted at the GE Learning Center in Florence on October 9th, 2015.**

The main objective is understanding the similarities and differences between the world's largest company, multinational company and that of the small / medium enterprise with regard to management of international projects. In addition to deepen the organizational and business models with the aim of grasp the diversity, the strengths and areas for improvement. Among the key issues to be shared:

- Agility of the organizational structure
- Flexibility adapting products and services to market needs
- Presence In the local context and knowledge of cultural differences
- Knowledge of local regulations, management of contractual and legal aspects

The focus will be the point of view of young Project Manager based on necessary skills to adapt to the needs of foreign markets and the role of education.

Target recipients are young project manager, but not only: business roles within project management, HR and skills development, youth at the beginning of their working path or who are completing the academic.

About the Author



Luca Cavone

Milan, Italy



Luca Cavone is a Consultant at JMAC Europe, the Consulting firm of the Japan Management Association. He is mainly focused to support companies in the governance of innovation projects and product development. He has a strong background and expertise in project management methodologies and business practices. Before joining JMAC he had several years of experience in international projects within the aerospace industry. Together with the consulting activities he's involved as a lecturer for masters and university courses on project management and innovation management. Since 2014 he's Adjunct Professor in "Language and Communication Skills for Project Management" at Master in International Business & Economics, University of Pavia.

Since 2009 he has been member of the IPMA (International Project Management Association), for which he has held board positions both a national and international level. He's regularly invited at international conferences to deliver speeches and workshops

Luca joined the PMWJ in 2013 as an international correspondent in Italy; he can be contacted at luca.cavone@tiscali.it.