

*Recent Developments in the
Port Industry of Greece*

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Distinguished guests, Ladies and Gentlemen, Good morning.

I am very pleased to be here with all of you today at the 4th Maritime Forum 2010 in Marseille.

Plus ca change plus c'est la meme chose: What does this old French expression mean in the context of this Maritime Forum : The Mediterranean Sea has not changed since Homer first referred to it as the "wine dark sea" --- It is still a major trading route that cuts through many languages, cultures and nations while creating a link, through viable commercial activity, that is still the backbone for many of us who live on, and subsist from its shores.

Today, 30% of the world's trade volume and one quarter of the global shipment of petroleum to 450 ports and specialized terminals takes place in the Mediterranean Sea.

The Mediterranean coastlines are home to over 150 million inhabitants and millions of tourists annually. The Mediterranean accounts for over half of the fishing activity of the European Union.

Having said this we must address our concerns about the environmental damage that has come about as a result of the continued increase of commercial activities. Despite the economic crisis, shipping volume in the Mediterranean is expected to increase as a consequence of augmented passenger traffic, tourism, goods and energy.

We know for fact that the cruise business particularly in the Mediterranean has greatly developed--- and along with it --- cruise ship services and new local markets. Greece is a such case and has recently created legislation to address the specialized needs that arise from further development.

Let me explain: under this new law companies based in third countries will be able to operate in Greek ports if the purpose of the trip is cruise or touring. This is done by agreement with the Greek government. Our challenge is to combine this with job creation , sustainable development and of course, environmental protection.

The significant tools that can help us achieve our goal of creating a modern role for the Mediterranean are first, European policy implementation and second, dialogue with our counterparts and stakeholders who can participate in an exchange of information and share their experiences. In view of this the European Union has conducted research in the Mediterranean basin and studies for funding assistance through FP7.

An example typical of this is the MOS programme which focuses on the creation of sea lanes in the Mediterranean. The Mediterranean basin is considered to have the greatest potential for future development.

Allow me to emphasize the fact that Greece has played an active role in this. It has submitted many sea lane proposals for the east Mediterranean. These proposals have been launched in the form of investment projects in ports which will function as hubs for Greece, and will subsequently drive the development of sea lanes.

I would like to share some thoughts on port operation in the EU:

Many factors have affected the rapid development of the port industry over the last years. *I refer to a few:*

- Increased international trade and therefore higher demand for marine services
- Advantages of sea transport as compared to road in terms of economic efficiency, safety and environmental sustainability. Also the upward trend in favour of combined sea and road transport with the sea taking the significant share
- Rapid changes in technology in shipping and production, for example new vessels with larger dimensions (length, width and draft) that require adequate port infrastructure, industrialisation and automated production and extensive use of computer and information systems
- The emergence of global managers or global operators –port service providers which can control and direct commercial flow---promoting or marginalizing the role of some ports
- The gradual replacement of the traditional gateway port to the port as a logistics centre which provides additional transport services, logistic support services and coordinates multi-modal transport
- The development of sea and cruise tourism thereby opening the market for related services
- The increasingly urgent need to ensure sustainable development by taking into account the environmental factors in the design and development of port industry, while adapting to new conditions stemming from climate change

Allow me to give you a brief overview of the port industry from the perspective of our long term strategic plans:

Greece is made up of 84 fully developed ports of which 35 are publicly owned and 37 are private. Our objectives for further development of these ports include:

- To create the favourable conditions to attract cargo and passengers, especially for commercial shipping where the focus is on upgrading the ports to multi-modal logistics centres or hubs which will result in a significant increase in container handling –*in order to increase our competitiveness* --we plan to modernize our port infrastructure, improve the level of our service and promote our advantages
- We are strengthening the cruise sector--- which has already begun with the introduction of the new legislation that I referred to earlier
- Attracting private capital investment for ports, promoting private public partnerships (PPTs) and granting access permits (with transparent procedures) the major ports for port services and provisions

We believe that in order to achieve our objectives we must:

- Develop sea motorways in the Mediterranean under the Trans-European Networks of the Mediterranean Union and the Organization of Black Sea Economic Cooperation, because the Greek ports have a key role in the transport chain
- Promote cooperation in joint projects for port development, transfer of know-how with other member states and third countries, it should be noted that Greece has already taken important initiatives which are already underway
- Develop short sea shipping to better connect the major port terminals to land transport networks in their respective ports in the east Mediterranean, Adriatic and Black Seas. This will help to organize better the transport networks to promote combined transport and the infrastructure related to combined and multi-modal transport
- Attract large transportation companies (operators) as strategic partners by developing bilateral relations and cooperating with ports in third countries

I cite you some concrete examples of the steps the Greek government has made in examining potential private public partnerships (PPTs) in the following ports:

- Port of Pireaus--COSCO is a world leader in container shipping and port management and holds many cargo transfer agreements worldwide: the Greek Government is looking at a joint concession for the Port of Pireaus

- Port of Astakos—a port in northwest Greece developed entirely with private funding that serves as a gateway to western Greece and as an entrance to southeast Europe. Astakos and the surrounding area is considered to be a modern transit centre that provides integrated logistic solutions for international trade and has attracted a lot of interest from foreign investors

- Port of Elefsina—in the process of attracting foreign investors –the agreement includes joint operation of a dock in exchange for infrastructure development. It should be noted that the framework for port promotion and development for maritime transport in the maritime region is determined by the major European developments in this area. *More specifically I refer to:*
 1. the Integrated Maritime Policy for the European Union and the goal of creating a Common European Maritime Space
 2. the White Paper on the Future of the Transport Plan to be determined by the European Commission in late 2010
 3. the European Integrated Maritime Policy for the Mediterranean which is in process
 4. the goal to improve safety and security conditions in ports
 5. the operations of ports to comply with environmental guidelines and all further planning of port development to be carried out in the context of environmental sustainability.

Distinguished Guests, Ladies and Gentlemen:

I feel I have shared a lot of our government's plans and strategic goals with regard to the ports industry in Greece. I have described our implementation plans, completed objectives and how we will continue to meet our stated goals and objectives.

Our overall goal is to secure a sustainable future for our ports in the Greek seas and in so doing to create a strong foundation for our future generations who will continue to live on and subsist from the shores of the Mediterranean, as they have since Homer's time.

Thank you for your attention.