



TRANSit

Mediterranean Intermodal Transit



International Intermodal Freight Transport Open conference

Implementation Obstacles of Combined Transport in Greece

Ioannis Siamas

President

Hellenic Association of Forwarding Activities

Ministry of Infrastructure, Transport and Networks

University of Aegean-TRANSit

Current state of freight transport

- ▶ Weakness in implementing strategies
- ▶ Differentiation between Greek and international legislation
- ▶ Delay in practical implementation of EU derivatives
- ▶ Slow territorial arrangement
- ▶ Weakness in developing transportation systems

Focus in 3PL loads

Ways to depict the strategy

- ▶ Shared responsibilities between Ministries
- ▶ The way that Greek State developed
- ▶ Strategic direction of the Supply Chain
- ▶ National planning of the supply chain without the specialists' technocratic view.

Strategy

International

- Attract international flows
- Customers from the Balkan region, the former USSR, Black Sea
- Benefit, the immediacy of the Aegean
- Disadvantage, lack of implementation schedule

National

- Creation of organized infrastructure of national range
 - For combined transport of unitized loads
 - Related value added

The International network is the goal. The national is a need

The internal movement of goods should have followed the earlier development of the Greek economy and pulled to modernization by the market, which the Europeans took advantage of, setting a solid foundation that worked as a shield in current times of economic crisis.

Market share-capacity

Relations between transport means

- ▶ Absorption ?
- ▶ Balancing ?
- ▶ Competitive ?
 - General ratio road/rail 98:2 = 2%
 - Special ratio road/rail 67:2 = 3%
 - So it cannot be competitive
- ▶ Combinatorial ?

Road

- ▶ Dominant position, shapes the market
- ▶ Oligopolistic market with the largest share on road.

Rail

- ▶ Low share a small influence on the transport system
- ▶ Ensure customers, inclusion in transportation system

Ways to attract customers in the rail transport system

- ▶ Part of a transport system
 - ▶ Part of a larger supply chain
 - ▶ Exploit the flexibility and capacity of road
- Apply via Freight Forwarding (organizers of transport)
Specialized combined transport infrastructure (FV, LC)
- ▶ FTL
 - ▶ Reinforcement of consolidation.
- Organization of FV in networks (Coordination body)
- ▶ System's capacity utilization
 - ▶ Adjustment of supply with demand
- The lack of infrastructure is a fact

Ways to develop combined transport

Development or combination of means?

Example, passenger transit

- ▶ Same routes, buses above ground and underground by subway
- ▶ Route Chania Thessaloniki, a bus traveling together in the boat with passengers?

Difficult to apply in passenger transport although

- ▶ Agile
- ▶ Versatile

Even more difficult for goods

Weakness

- ▶ Weakness in composing
- ▶ Weakness in implementation
- ▶ Lack of political will

Weaknesses (1/2)

Institutional organization

- ▶ Lack of institutional organization
 - Disincentive in the creation of business operation
- ▶ Maintain legislation in the level of means and not in the level of system
- ▶ Stagnation of freight transport
 - Without planning
 - Without organizational help
- ▶ According to European standards
- ▶ Protection of public transport and public interest

Weaknesses (2/2)

Organization of the private sector

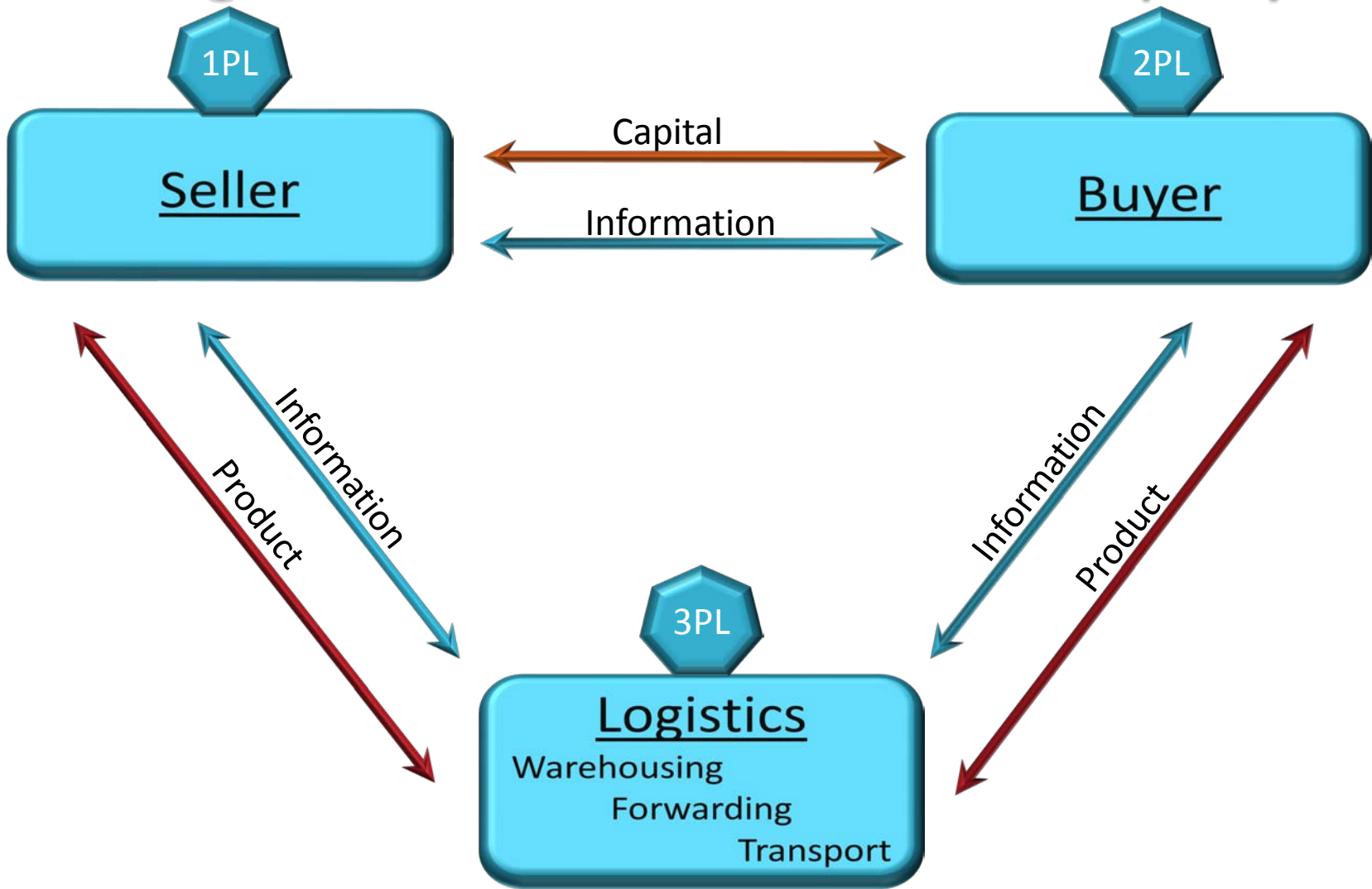
- Without extroversion and expansion plans.
- ▶ Autonomy of transportation means
- ▶ Lack of combined

The goal of becoming an international hub of transit remains unrealistic.

Slow territorial arrangement

- ▶ companies work under outdated frameworks
- ▶ large spatial dispersion without planning and organization
- ▶ Reduced competitiveness of Greek companies in international markets

Logistics Providers COM 2006(336)



Transportation System

European derivatives

White paper (COM (2001) 370)

- ▶ Advantages of every mean
- ▶ savings
- ▶ environmental sustainability

Transportation systems (COM (2006) 336)

- ▶ sustainable development
- ▶ sustainable mobility

aiming to improve:

- Performance
- Interoperability
- Connectivity
- ▶ Nodes
- ▶ Transport means

for door to door service (COM (2007) 606).

Physical internet

Joining supply chain links with common features:

- ▶ Common way of communication
- ▶ Joint action
- ▶ Competitive Environment
- ▶ The synergy of high standards

Network development of transportation system
in poles of nodal development

Stages of Development of networks

- ▶ Interconnection of national networks
- ▶ Develop regional and national level
- ▶ Inclusion in the international physical internet

Bureaucracy problems

Delay of supply chain

- ▶ Vulnerable links -> total delay of the supply chain
- ▶ Harmonization of national law with international
- ▶ Customs clearance
- ▶ New documentation for each mean
- ▶ Financial, customs ensurance for import, export or transit cargo

Increase speed with

- ▶ Internet pricing
- ▶ single window (paperless trade)
- ▶ Web preparing customs clearance

Financial benefit

Connecting to Compete 2007 & 2010

Global Bank

Strategic role of Logistics as a competitive advantage according:

- ▶ Supply chain cost 15 – 35% of total cost
- ▶ consequential increase in cross-border trade
- ▶ continuous reduction of product life
- ▶ Increase of global competitiveness.

A country's access in the physical internet depends on:

- ▶ Quality of the infrastructure
- ▶ effectiveness of institutional policies and institutions
- ▶ with unbearable costs of marginalization

Criteria

Studies consider the:

- ▶ customs procedures
- ▶ Logistics costs
- ▶ Quality of infrastructure
- ▶ ability to detect and monitor goods
- ▶ time required for arrival of goods at destination
- ▶ the competitiveness of the logistics sector in every country
- ▶ connect LPI and FDI

(Logistics Performance Index) and (Foreign Direct Investment)

The conclusion:

- ▶ High quality Logistics systems
 - Attracting FDI → competitiveness of the economy.

2007 we were in **29th** place worldwide and **first** in the Balkans and eastern Mediterranean

2010, tumbled to **54th** place, behind the Czech Republic, Israel, Lebanon, Slovakia, Turkey, Cyprus and Hungary.

Competitiveness-Development

Interconnection & competitiveness

- ▶ dialogue between governments, private and public sector
- ▶ measures for Logistics Bottlenecks
- ▶ facilitate modal transport system

Development of a systemic policy

- ▶ development of the country, taking advantage of new trends
- ▶ Conversion from Global to Regional Development.



TRANSit
Mediterranean Intermodal Transit



International Intermodal Freight Transport Open conference

Ioannis Siamas

President

Hellenic Association of Forwarding Activities

Logistics Engineer, MEng

siamasgr@hotmail.com

Ministry of Infrastructure, Transport and Networks

University of Aegean-TRANSit