

New member interview - Hellenic Ports Association: Promoting the Greek maritime sector

Greek Port Authorities and 13 of the most prominent port funds. The Hellenic Ports Association aims to address the main challenges faced by the international port industry in Greece, namely digital transformation, green transition with the use of environmentally friendly practices and the use of renewable energy sources and major port infrastructure construction, expansion, and improvement.

Interview with Demetrios Iatrides, General Manager.

Hellenic Ports Association became a member of the AIVP in 2023.

“In a few words”

AIVP – The Hellenic Ports Association is a unique network organization and very relevant in Greece. Can you please introduce yourself and your mission to the AIVP?

It is a great honor and pleasure for our Association, the Hellenic Ports Association to join AIVP, the International Association of Cities and Ports, an outstanding network of ports and cities dedicated to the development and strengthening of ties between its distinguished members at a global level. Our Association, the Hellenic Ports Association, comprises of all 13 Greek Port Authorities, both those under state control and the ones under private investor majority, and 13 prominent Port Funds. The Port Authorities of Piraeus, Thessaloniki, Herakleio, Igoumenitsa, Corfu, Patra, Volos, Elefsina, Lavrio, Rafina, Kavala, Evoia and Alexandroupoli are present in our organization. Among our Port Fund members we find Mykonos, Santorini, Rhodes, Kos, Katakolo, Ios, Lesvos, Tinos, Syros, Milos, Chania, Rethymno Crete and Skiathos. We represent the strategically important and actively booming Greek Port industry at all levels and fora, including the European Sea Ports Organization where we are long-time committed members, but also the International Association of Ports and Harbours (IAPH) and the Association of Mediterranean Ports (MedPorts), 2 organizations we also acceded in the past few months, clearly boosting our international presence and underlining our extraversion. It is a fact that we regularly contribute and participate in the formulation of policy proposals and legislative initiatives in the Greek Parliament. But very importantly, our Association promotes and supports Hellenic port positions at the European and international level, always targeting to enhance economic growth and job creation with a special focus to local communities, regions and societal needs. In the current, difficult international juncture, our Association is actively contributing in international port policy development, with proposals and interventions, and negotiating with all stakeholders.

A dynamic transition for Greek ports

AIVP – What are the main goals the Greek port and maritime sector have set for 2023 in terms of port development?

The year 2023 is significant for the port industry in Greece, with important ramifications for the future. A number of Greek ports namely Igoumenitsa, Kavala, Herakleio and Volos are, currently, at different stages of the privatization process. In fact, a preferred investor has been nominated for the Igoumenitsa Port Authority majority stake, a leading passenger and commercial port in western Greece. A preferred investor has also been named for the sub-concession of Philip II, the commercial pier of the Kavala Port Authority in the north of the country. Very recently, 2 binding offers were placed for the Herakleion port majority shares, the top passenger and commercial port in Crete. On top, 8 consortia and companies have expressed initial interest in March 2023, and have commenced the due diligence process, for the Volos port majority stake, a large commercial port in continental Greece looking to the Aegean. It is evident that multiple investors and consortia are vying for Greek ports, which constitute strategically important assets attracting great interest. Furthermore, Greek ports have underway, either at the stage of planning or construction, large investment plans aiming to remake, upgrade, modernize and expand existing facilities or build new state-of-the-art ones, always in collaboration with city authorities, since all our ports are historically located within urban networks. In this framework, investments materialize, replanning and land zone remodeling goes ahead and new networks and international collaborations are envisaged and promoted. All these projects secure extra access and movement for passengers and products in Greece, in the Mediterranean, in Europe and globally since Greece is located at the crossroads with Asia and Africa.

At the same time, Greek Ports are in a phase of dynamic transition, performing all necessary moves to address the important challenges they face. The ones that refer to our country and Europe as a whole, namely the war in our European neighborhood, Ukraine, the consequences of the health crisis, the pandemic, and the energy crisis and its financial implications for citizens. These challenges are further magnified by the recent banking turmoil, the general financial uncertainty and the World Trade Organization forecasts for slower growth in international trade for 2023. And, of course, the challenges specific to our industry needs, namely the green transition and the digital transition. In this perspective, we actively negotiate internationally, promoting the use of renewable and other forms of clean energy by all players in the port ecosystem, and the provision of onshore power supply, as well as the adoption of the 'smart port' model with positive ramifications for the environment, energy consumption and port operation optimization, including safety and security procedures, scenario planning, crisis management and pollution prevention.

Energy transition as a priority

AIVP- In terms of sustainable development, what would you say is the main priority and challenge for Greek ports and the national maritime sector?

It is crystal clear that large investments are required for Onshore Power Supply provision within the framework of the Alternative Fuels Infrastructure EU Regulation, currently in the process of finalization. This need for investment is

further magnified by the fact that our ports are located within cities, so grid capacity should be enhanced in order for this high level of power supply to be efficiently and concurrently provided. Furthermore, large investment is required for LNG, hydrogen, ammonia, methanol and other sustainable fuel infrastructures, falling within the scope of the Fuel EU Maritime Regulation to address different types of ships and scenarios, since no single, prevalent fuel has emerged either at industry, business or regulatory level. All our port members are in different stages of planning and preparation for these challenges.

In the framework of decarbonization, it is important to note that the extension of the EU Emissions Trading System in shipping should be adhering to 'the polluter pays' principle and proportionality legal considerations, so that EU competitiveness in shipping is preserved, a vital priority also for the Greek economy, since almost 60% of the EU shipping fleet, and 21% of the global fleet is controlled by Greeks shipowners.

In view of all the above, it is necessary to secure adequate financing to proceed in this dynamic transformation of the port industry, representing the largest positive disruption in the 21st century.

In conclusion, we feel privileged to join AIVP and are open to closely work together, to communicate and exchange views, ideas and proposals, and design initiatives and projects, to the benefit of our citizens, in Greece, in Europe and all over the Globe.