

YIANNIS DIAMANTIDIS

Hard work ahead

Greece's new minister for maritime affairs is upbeat despite the nation's dire economic circumstances.

Gillian Whittaker Athens

When Greek prime minister George Papandreou reshuffled his cabinet in September he announced the appointment of a minister of maritime affairs, islands and fisheries.

However, Yiannis Diamantidis, who was given the post along with deputy minister Elpida Tsouri, was not sworn into office until nearly a month after the rest of the ministerial line-up.

That delay, caused by the fact that the actual ministry needed to be legally reinstated, is perhaps indicative of the turmoil that hit the shipping portfolio after Papandreou's Pasok party swept to power in October 2009.

Under the first Papandreou cabinet, shipping was absorbed into the ministry of economy, competitiveness and shipping, headed up by Louka Katseli.

The removal of a stand-alone ministry generated howls of protest from the shipping community and thinly veiled threats from owners that their vessels would not be favouring the domestic colours.

In fact, this appears not to have happened.

Marine Information Systems director Nikos Moros says that according to his records, on 14 December 2009 — just two months after the change of government — the Greek-flag fleet of ships over 1,000 gt stood at 865 aggregating

Yiannis Diamantidis:
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NO EASY TASK: Born and raised in Piraeus, Greece's minister of maritime affairs, islands and fisheries Yiannis Diamantidis is calling on seafarers and owners to pull together.

Photo: Gillian Whittaker

68.5 million dwt. As of 1 November the comparative figure, Moros says, is 860 ships totalling 71 million dwt. Nevertheless, August figures produced by the Institute of Shipping Economics and Logistics showed that just 31% of Greek-owned tonnage was under the home colours.

Diamantidis, a member of parliament (MP) with over 20 years' experience representing Piraeus and whose father served six decades as a Piraeus MP, is upbeat about what can hardly be an easy posting.

He confirms that the slippage in fleet numbers has been minimal and calls shipping "the heavy industry" of the Greek economy. Diamantidis says his aim now is to strengthen the Greek-flag fleet with new registrations.

"Ships flying the Greek flag are the best ambassadors for our country worldwide," Diamantidis said.

Shipowners have in the past complained not just about the cost of having their vessels under the Greek flag but also the shortage of well-trained Greek officers they require to hoist it.

Diamantidis admits that figures pertaining to seafarer unemployment coming from the ministry's own service, the Union of Greek Shipowners (UGS) and the Panhellenic Seamen's Federation (PNO) all conflict. But he feels it is the role of the ministry to be able to bridge the possible differences between employers and workforce.

The issues the minister has to deal with are neither few nor easily solved, especially in the prevailing economic climate in Greece.

The manning of the ministry

has traditionally relied heavily on coastguard officers. They are by general admission expert at keeping the wheels of the administration turning on a day-to-day basis but it is considered by some to be an unorthodox use of a branch of the military.

Diamantidis shifts the emphasis onto a well-worn argument about national security, adding a modern slant.

"Both the civilian and the military, the coastguard, are vital to the operation of the ministry," he said firmly, stressing that the nation's thousands of kilometres of coastline are extremely vulnerable to the influx of illegal immigrants coming mainly from Turkey.

But the Greek islands present another problem for the Ministry of Maritime Affairs, Islands and Fisheries and that is domestic passenger services.

All passengers companies scramble to get as big a share as possible of the services to large, well-populated islands. But as a matter of essential social support the country has always subsidised regular calls to small and relatively isolated islands with much smaller populations. Last year, a budget of some EUR 90m (\$125.2m) was earmarked for these subsidies but with calls from the Finance Ministry for cuts in everyone's spending, how will the pot for 2011 fare?

Diamantidis is able to do little more than promise to do the best he can.

"We don't intend to cut the subsidies. It can't work any other way. We'll look at the possibilities under the 2011 budget to ensure as much money as possible," he said.

However, an additional problem

rearing its head is the shrinkage of the number of passengers companies operating in Greece and the fact that they are loss-making. In the first half of the year, the five largest reportedly logged losses totalling EUR 120m, as compared with just EUR 55m in 2009.

"As a ministry we don't care whether there are three or four or 14 [companies]. What we care about is serving the islands. It isn't possible for Greeks living on the islands to be considered second-class citizens," Diamantidis said. He adds that he has initiated contacts with the companies and the passengers owner associations asking for their understanding.

"I'm waiting for their response," he said.

In the past, the question of whether to tax or not to tax Greek shipping operations has reared its head on a number of occasions. Almost without exception, it has been quickly shot down because of the fear that if taxes are imposed the ships will vanish, followed in short order by the shipping offices

that provide employment for a substantial chunk of the workforce.

Diamantidis is not inclined to go into any details on the subject.

He says his ministry is not going to change tax status or take any other actions that are the responsibility of the Finance Ministry.

"But what is for sure is that the discussions are taking place in a good climate, and I stress that particularly because it is necessary to have a climate of understanding of the problems on all sides," the minister said.

Diamantidis was born and raised in the Piraeus suburb of Nikea but says he had no connection with shipping at a professional level. He has relations and friendships with a lot of people in shipping, however, and feels that he knows the issues quite well.

"Shipping has been the pride of our country for decades, if not centuries," Diamantidis said, calling on both owners and seafarers to pull together to continue the tradition.



HEADQUARTERS: The building housing the new Ministry of Maritime Affairs, Islands and Fisheries still sports its previous title of Ministry for Mercantile Marine, Aegean and Island Policy.

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