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It is indeed a great pleasure to see you all in Greece and I would like to congratulate the organizers for taking this initiative. I am sure this conference will become a regular event and will be one of the major fora for discussing cruise matters. Greece, with its rich and long history and its beautiful islands, is certainly the ideal place to host it.

We are all aware of the fantastic advantages that the Eastern Mediterranean offers for cruising. We are at the same time though fully aware of the challenges that we face in this area, be it geopolitical, infrastructure, legal framework, mentality etc. What we must do is try to minimize the impact of these negative factors and turn the East Med into the major cruise area worldwide, as it once used to be.

I notice with great satisfaction that all countries in the area have recognized the importance of cruising and are trying to take steps to develop it. It is certainly not easy to organize a fully fledged cruise product and facilities, as it takes big investments and infrastructure. But we believe it is a must for the economies of our countries.

Cruising is the fastest growing tourism sector worldwide. Greece is ideal for cruising. The potential is tremendous. Why therefore has it not really been developed as it could? What are the obstacles?

Having ourselves invested and operated in Greece for 56 years now and having contributed over € 1 BILLION to the Greek economy, it truly saddens me to note that operating here is still a complex business. In order to attract investment Greece must create a stable and consistent environment. Today the status quo is not simply confusing and unclear but, I am afraid, negative.

In 2005 there were basically no ships home-porting in Greece and no Greek flagged cruise ships. In order to attract them, the Greek authorities passed legislation in this respect, by which they were subsidizing the social contributions of both ship owners and crew. This reduced a little bit the big difference between the salaries of Greek and non Greek seafarers. Despite the fact that the result was that Greek crew costs, in comparison to other European and non European Union flags, remained much higher, our company Louis Cruises, responded positively and registered 7 cruise ships with Greek flag.

Well, what we have gone through since then is indeed a very unfortunate story. NAT, the relevant Government Social Securities Department, refused to accept the law and dragged us to court. After 6 years of uncertainty and a lot of difficulties, a few months ago the Ministry of Shipping applied to the State Highest Legal Council for legal opinion, concerning the position of NAT. The Council reaffirmed the legislation and said that NAT was wrong. Unfortunately the Ministry did not accept the ruling and passed a new legislation through Parliament which refers the matter to the final decision of the Courts! At the same time it reduced the incentives that the 2005 law offered. We are actually to-day operating out of Piraeus with 2 Greek flagged vessels and still do not know exactly what the legislation is.

The well advertised “abolition of cabotage” is another example of uncoordinated and unclear action, which does not actually allow cruise companies to develop the possibilities of Greek cruising.

Furthermore, late last year, we were all shocked to hear of steep rises as of the 1st of April of this year, of port charges at Piraeus, and this without any real improvement in the services it offers. This means that the cruise companies will have to pay this money out of their own pockets, since the tickets were sold well before the announcement. To be precise, for transit passengers it increased from € 0,87(3) in 2010 to € 3 in 2011 (an increase of 244%) and to € 3,80 in 2012, a total of 336% in two years. For embarking passengers, from € 4,74 in 2010 to € 8,40 in 2011 (an increase of 77%) and to € 11,65 in 2012, an additional 39%, and a total of 146% in

two years. The same increases apply for the disembarking passengers. Such actions, especially during a time when ports are competing to attract ships, do not develop cruising and certainly do not send the right signals to the World Cruise Industry about Greece.

The lack of proper infrastructure and organization in some highly popular ports, like for example Mykonos and Santorini, are also seriously hampering the growth and smooth operation of cruising in Greece. Advance Berth Reservation and capacity control do not exist here and this makes life difficult for everybody.

If Greece really wants to promote cruising, which can actually become a major source of income for the country, then a change in mentality must take place. First there has to be a dialogue with all stakeholders, that is cruise companies, trade unions, ports, land operators, tour operators etc etc. Then the Government must set its targets and clear long-term strategy, which will not be changing according to the political party in power or the relevant minister. There has to be a clear legal framework and the rules of the game must be fair and equal for everybody.

Greek cruising means cruising around Greek waters, visiting Greek ports, sightseeing, shopping, eating out, enjoying Greek life. Greek cruising also means giving work to as many Greeks as possible, be it seafarers or on land, promoting Greek tourism and contributing substantially to the Greek economy. It is such a big industry, such a big income, that it is a pity to be treated the way it is to-day. We can only hope that the new Minister of Shipping together with the Minister of Tourism will understand and appreciate the realities of cruising, tackle its problems, set out the rules and organize it as it should be. Greek cruising could again become No. 1 in the Mediterranean! It is up to them.