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**Greek Trade Facilitation Roadmap  
Implementation Project**

**Interagency information systems and international  
benchmark for Greek exports of fresh fruits and  
vegetables**

**Final report**

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## Management summary

In the context of the economic adjustment programme, the Greek government committed to fundamental reforms in the context of the National Greek Trade Facilitation Strategy and Roadmap, adopted on 1 November 2012 that contains 25 actions to reduce time and costs for exports from Greece and facilitate trade. The implementation of this Roadmap is supported by the European Commission through their Task Force for Greece (TFGR) and the United Nations Economic Commission for Europe (UNECE).

The Greek Ministry of Rural Development and Food (MRDF) implements three major actions of this Roadmap: implementation of an automated risk assessment system for agriculture exports, implementation of a facilitated and competitive supply chain for agriculture exports and simplification and automation of documents, licenses and permits for export.

- In supporting the MRDF in the implementation of the trade facilitation actions UNECE organized a series of workshops and field missions to:
  - Provide technical assistance in the specification of an interoperability pilot between the agriculture quality certificate management system (MENO) and the automated Customs data management system (ICISnet)
  - Benchmark the Greek export chain for fresh fruit and vegetables, identify specific areas of concern and benchmark them internationally

This report summarizes the findings and provides recommendations for implementation. Thanks to the excellent collaboration of the Ministry of Rural Development and Food and the Ministry of Finance and its Customs administration, an electronic interface between the quality certificate management system MENO and the Customs system ICISnet was successfully specified. The specification was endorsed by all stakeholders. As a next step, buy-in from decision makers must be obtained, funds allocated and the interface implemented.

For the second activity, in a first multi-stakeholder workshop challenges to the export of fresh fruit and vegetables were discussed in detail. It became apparent that Trade Facilitation provides a basis for Greek agriculture exports. Beside of trade facilitation, however, other components need to come into place to have a successful Greek agriculture exports.

Trade Facilitation is now the component in the export strategy that has progressed most.

Six areas of concern were identified for international benchmarking. These areas are:

- Export promotion boards
- Producer groups as models to get economies of scale
- Extension services
- Electronic supply chain
- Transport
- Automation and scheduling

In a second workshop, results of international benchmarking were presented, in particular from competing countries within and outside the European Union.

Participants noted – between other factors – the following challenges to increase exports:

**Agriculture export promotion agencies** are a key instrument of EU countries to gain substantive agriculture export industry. Export promotion requires strong engagement of the private sector and support of the Government. Greece has many strong value propositions (Sea Brass, Olives, Feta...) but could substantially improve its agriculture export promotion strategy by benchmarking it to other international markets.

**Producer associations** can bring important economies of scale for Greek exporters: Producer associations should be developed from a bottom up perspective (small, focussed on a product, for a geographic region) and on a trust basis.

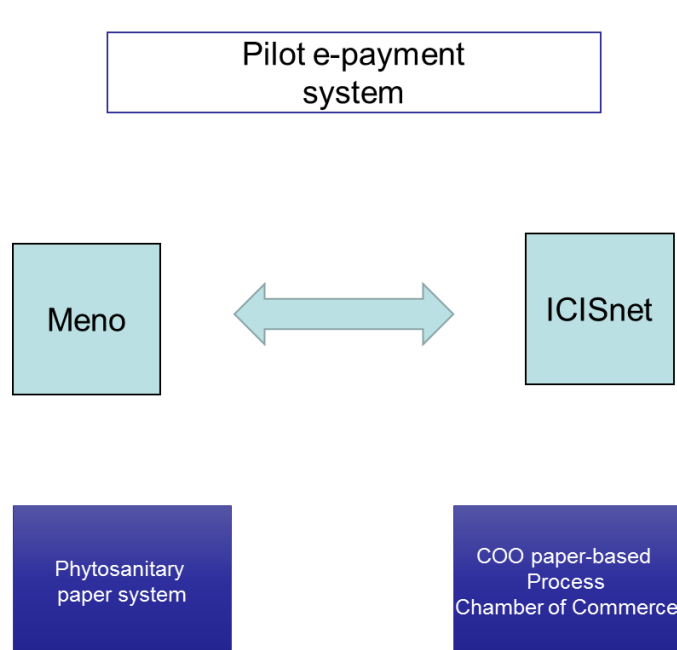
**Extension services** are important to increase professionalism of the producers and the market in general. The work of Greek Extension Services needs to be improved.

**Electronic exchange** is increasingly used by countries to gain competitive advantage in agricultural exports in particular for track & tracing and regulatory control. Greece has now gained enough experience to apply these technologies to create an **electronic food information system** for export opportunities of Greek agriculture.

Participants suggest organizing a workshop with the key stakeholders to discuss the opportunities and solutions for Greek agriculture exports and to work on an action plan. This suggestion was endorsed by the OSC.

## 1. Activity 1: Technical advice on the further development of the Greek risk analysis platform for agriculture and vegetable exports

### 1.1 System map



Currently the map of systems that the exporter interacts with is very simple.

The application for phytosanitary certificate and the Certificate of Origin (COO) are paper-based. The e-payment system is only in pilot stage. Exporters interact only with MENO for pre-notification for agriculture certificates (Conformity certificate (CC) and Exemption Certificate (EC)) and with ICISnet for Customs export declarations.

Therefore the projects concentrate on the automation of information exchange between the MENO and ICISnet systems.

### 1.2 Suggestions for further development

The risk assessment part of MENO was found to be in line with international good practice for such systems.

The main suggestions for further improvement of MENO are (in order of priority):

1. **Establish fully electronic workflow by eliminating the need for physical certificates.** A specification has been prepared by the MENO team.
2. **Establish information exchange between MENO and ICISnet.** A specification has been elaborated as part of this assignment and is now awaiting political buy-in and funding.
3. **Establish electronic payments.** Integrate MENO with the ePayment system under development to remove the need for physical payments.
4. **Mobile inspection solution.** Provision of a mobile solution for inspectors to improve efficiency and enable centralised scheduling. The solution should be modular, with modules for quality inspection, phytosanitary inspection, scheduling and other.

**5. Build electronic workflow for phyto-sanitary certificates.** Based on the building blocks above, a fully electronic workflow for phyto-sanitary certificates can be established. For some importing nations, however, a physical certificate will be necessary and therefore this needs to include secure certificate issuance in accordance with those importing nations.

### 1.3 Analysis of documents and information flows between MRDF and Customs

For the interface MENO-ICISnet, we analysed in particular the Single Administrative Document (also called export declaration) and the Conformity Certificate. The following fields were identified as common and crucial in the pre-validation step of the SAD and in a documentary check:

Field	Data type	CC Box number	SAD Box Number
Pre-notification number	String		44
Trader/Exporter VAT ID	String	1	2
Country of destination	2 letter ISO code	5	17
Package type	Code	8	31
Number of packages	Number	8	31
Type of product	CN code	9	33
Weight gross	Float	11	35
Weight net	Float	11	38
Customs office	Code	12	
Relevant time	Datetime		

On the basis of the BPA on kiwi and a site visit, the following description of the export process can be made.

#### Description of the export process

It should be noted that all kiwifruits are in storage when the marketing process begins. Production or transport from producers is therefore not on the critical path of the export process. Once an order has been confirmed by the client, packing is scheduled and transport is arranged.

**Key finding #1:** Arrangement of land transport takes about 1-2 days, whereas arrangement of ship transport takes about 2-3 days. Then packing is scheduled. For urgent orders, the company is usually able to start packing on the next day.

When the transportation means arrives and the packing is either well under way or finished, a pre-notification is filed through the MENO system. The total weight and number of boxes for export can at this stage be an estimation. Upon inspection, however, such quantities need to be fixed, since they are part of the phytosanitary certificate. This creates some

problems for the exporter, because in some cases the quantity cannot be fixed before the lorry loading process is finished. In some cases, for example, the lorry may exceed weight for routes through some countries.

The company analysed is an approved trader for kiwi from the main packing house and therefore exempt of quality certification. Becoming an approved trader is – according to the company – not a difficult process, but it does take some time. The company believes that the status provides it with marketing opportunities and in general a competitive edge.

In the case, where MRDF schedules an inspection for an approved trader – in 2% of the cases – the DAOK officials will be informed. However, the company requires phytosanitary certificates for all exports to 3<sup>rd</sup> countries. Such certificate is issued only after physical inspection. For exports to the US and China, a fruit sensor document is also required.

The company Inspections take about 30 minutes. In the experience of the company, DAOK inspectors will be able to make the inspection on the same day (if notified earlier in the morning); most of the time, however, the inspection will take place on the next day. In urgent cases, the company will ask for inspection after office closing time (15:00 hs) which is usually possible. There are times that inspectors don not receive their own overtime payments. In those times, inspectors might be unwilling to make afterhours visits. Given the additional costs of such visits, the company attempts to use them as little as possible. However, on weekends in peak time, they make constant use of this arrangement.

The company usually does not pack more than two containers/lorries in parallel and has a need for about 2-6 certificates per day. It is therefore not reasonable to suggest that a DAOK official (or DAOK certified operator) works on the company's premise to make the process more predictable and reliable.

**Key finding #2:** One might consider planning the inspections in advance, however. This could be a fixed window or an order dependent arrangement. DAOK officials could e.g. schedule a visit every day at a suitable time and inspect whatever is ready to be inspected. Or, the company could pre-notify the likely time when they will be ready for inspection (2-3 days ahead) and then DAOK officials could plan their schedule to be there at that pre-arranged time.

Once the inspectors have undertaken the inspection, they leave the premise without leaving an inspection protocol. Once the packing list and sales invoice are done (after finishing the loading of the truck), the sales invoice and a copy of the pre-notification form is sent by email to the local DAOK office.

The customs broker – an employee of the company managing the practical export steps – then calls the DAOK and requests the phytosanitary certificate number (SPS) from them. This is an abbreviated procedure and a

favour of the DAOK officials. In principle, the customs broker would have to go in person to the DAOK office and obtain the certificate. The customs broker needs this certificate number as importers usually want to see the SPS number on the customs exit declaration.

Note: The phytosanitary certificate is not required by Greek Customs. The exporter requests the SPS and its registration on the customs declaration to meet requirements of the importer.

Once the phytosanitary certificate number has been obtained, an export declaration is filed. For this purpose, the company uses three software applications:

- (local) an application to register a declaration data and generate an XML file compatible with ICISnet,
- (local) an application to validate the declaration and upload the declaration to the ICISnet database (lodgement),
- (remote) the ICISnet web application to visualise the declarations of the exporter.

If the customs broker makes errors in application 1, these will be detected in application 2. He then needs to re-open application 1 and make the necessary changes.

The customs brokers told the team that while the export declaration could be filed, there was no feedback from the system whether the declaration has been approved or selected for physical inspection or document control. (Note: Customs informed us later that the broker can very well get this information from his application.) Therefore the customs broker obtains this information from the customs office by presenting himself there and asking which consignments need to be checked and what check (documentary/physical check) needs to be made. **NOTE:** we learned on day 3 that currently MRDF requires Customs to make 100% documentary check of fresh fruit and vegetable exports.

Before the broker goes to the customs office, he will visit the DAOK office and obtain the phytosanitary certificate.

In total, the customs broker delivers the following documents to the customs office:

1. Packing list
2. Phytosanitary certificate
3. Sales invoice
4. CMR (road transport only)
5. Greek transport authorization (road transport only)
6. EUR1 (Country of Origin certificate, obtained by Chamber of Commerce)
7. Export declaration



According to the customs broker, it is currently not possible to upload scanned documents to ICISnet. In six months or so, it would be possible. The company was looking forward to this possibility. **NOTE:** The team received information on day 3, that upload of scanned documents is already possible.

The customs broker also said that ICISnet was still experiencing stability issues and that rather often customs officials would use paper based fall-back procedures instead.

Documents are stamped and signed at the customs office.

The total process of filing the export declaration, picking up the phytosanitary certificate and undergoing the documentary check at the customs office took about 90-110 minutes. The customs broker told the team that he tries to make a single trip per day, but more often he makes two trips. In some cases, he might make four trips a day (which are then likely to be shorter than 90-110 minutes.)

The customs office in Thessaloniki opens from 08:00-15:00 hs. An application can be filed ahead of time (ideally a day) requesting a late clearance procedure. A customs official will then be available after office closing time.

In comparison, the customs offices 5/6 in Piraeus opens (on a pilot basis) until 21:00. The corresponding office at the airport operates 24h a day.

On application, customs officials can also decide to make inspections on the premises.

Originals of the documents are given to the driver for the exit procedure, for road controls and for the customs procedures at destination. Customs in targeted countries (Russia, China, etc) are currently not pre-notified electronically by Greek customs of the arrival of goods.

The customs supervisor performs the documentary check, stamps the documents and then prints the final export declaration (if the procedure is successful). This is then provided to the customs broker who in turn delivers it to the driver for the exit procedure.

The import procedure is done by the company's clients. In Russia, import clearance takes about 1-2 days. (Lately, import procedures have become stricter in Russia.) In China, the process is faster. Basically, only the cold treatment is checked.

According to the export manager, Germany sends advance notices to Russian customs, but not Greece. This is surely due to a bilateral agreement between Germany and Russia.

**NOTE:** The team discovered on day 3 that some of the processes differ substantially from the above description. The reasons for the difference are

unclear, but lack of training/awareness must be considered an important part of it.

### Cost of export

#### Inspection costs

- 30€ per phytosanitary certificate
- Distance based overtime cost (about 25€ for the company considered)

#### Customs

- 11€ per export afterhours charge. NOTE: there is, however, no cashier present after office closing hours.

#### Transport costs

- Russia: about 4,500 EUR per lorry
- United Kingdom: 3,800 EUR per lorry
- Germany: 2,000 EUR per lorry
- China: 2,000 USD per container

#### Cost of waiting for inspection

- Energy for refrigeration
- Reduction in useful shelf life
- Financial cost (delay of income, credit costs, etc)

### Competitive advantages and weaknesses

#### Russia

- Positive attitude towards Greek products
- In January-April shorter transport ways than fruit exporting countries and therefore lower transport costs

#### Central Europe

- Greece has not recovered from a period of low quality exports, so Greek fruits do not have a strong brand image and are treated as inferior.
- For selected countries like Germany, the company is competitive because of low transport costs.
- For cherries, Spain has earlier harvesting period. Turkey is the main competitor, but Greece has shorter transport ways.
- For oranges, competition from Spain is too strong. Therefore, the company exports them to Romania.

#### China

- Very demanding customers
- China has large own production, but also a heavy pollution problem.

### Financial aspects of the export

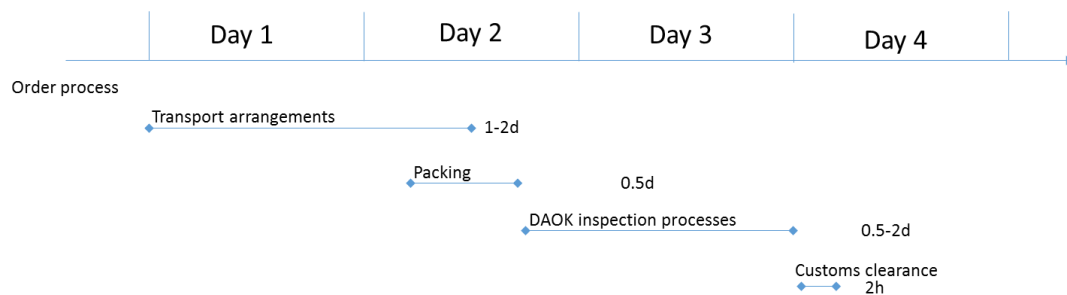
The company works with a global credit insurance company. European customers are typically covered by the insurer, but for 3<sup>rd</sup> countries (in particular Russia) obtaining credit information is very difficult. This is significant, because about 50% of the turnover of the company comes from exports to Russia.

The company is usually paid 30 days after reception of the goods. Lately, they have switched to cash advance systems. For Chinese customers, 60% are charged in advance and 40% are charged 45 days after reception.

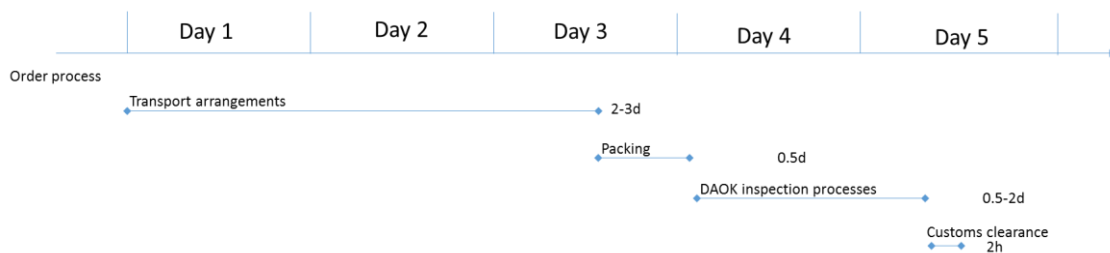
Customers sometimes use quality claims as a means to not receive goods (if demand has changed for example). This happens particularly often with Russian customers. Chinese customers usually have more reliable claims, although some of these claims come from 3<sup>rd</sup> parties (customers of customers of the company) and are then less easily verifiable. However, the company usually gets good claim data from both Chinese and European customers.

### Overall timeline

#### Transport by lorry



#### Transport by ship



Regarding timelines, the critical processes are in order of importance:

1. Transport arrangements
2. Opening hours of DAOK in particular on weekends
3. Opening hours of Customs office
4. The need for physical inspection for the phytosanitary certificate. (Use of risk-based methodologies should be investigated).
5. The need for checking the transportation means for the phytosanitary certificate. If 3PLs were certified for “clean” transport containers or had other means of showing the aptitude of their lorry/container, the physical inspection could be done when packing and before the actual transportation means has arrived on the premise.
6. Need for 100% documentary checks in Customs for fresh fruit and vegetable exports which requires physical visit to the customs office in any case.

To a lesser extent, time critical are the need to visit DAOK to pick up the phytosanitary certificate and the need for some TIR-related documents during the documentary check.

#### **1.4 Proposal for an integration MENO-ICISnet for simplification and automation of export control of fresh fruits and vegetables**

For the purpose of speeding up fresh fruit and vegetable export processes in order to facilitate trade, integration of e-certification and export systems is generally desirable. In Greece, the integration of the quality certificate management system (MENO) and the export system (ICISnet) renders multiple benefits and constitute an important step towards a national Single Window.

In several sessions with representatives of Customs, MRDF and the Directorate of Information Technologies of the Ministry of Finance we were able to agree on a specification for the Single Window Pilot, the integration of the MENO system for Quality Certificates with ICISnet, the system for Customs.

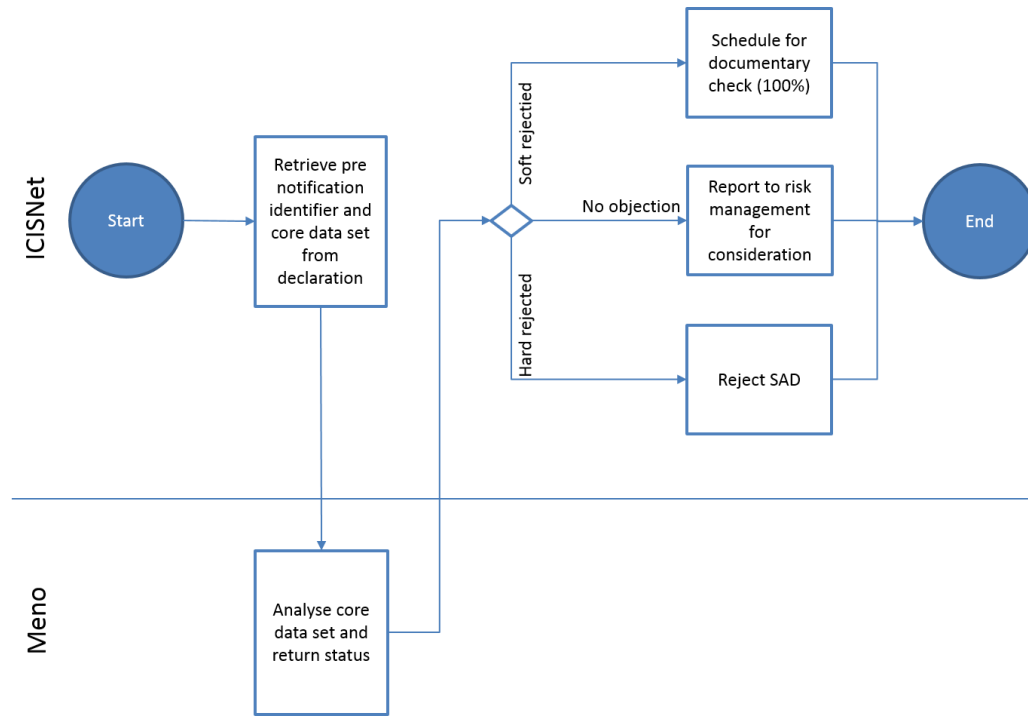
The specification was endorsed by all parties on 11 June 2014. It maps the below specified three processes.

The specification is based on international standards, in particular XML, for their ease of implementation in particular of interfaces. The implementation makes use of the WCO standard model of the Single Administrative Document and the EU model of the Quality Certificate.

Availability issues have been discussed and fall-back procedures have been designed, as well as testing environments discussed.

### 1.4.1 Process 1: pre-validation checks

This process is executed automatically for each line item in the export declaration submission process as part of the pre-validation of an export declaration.



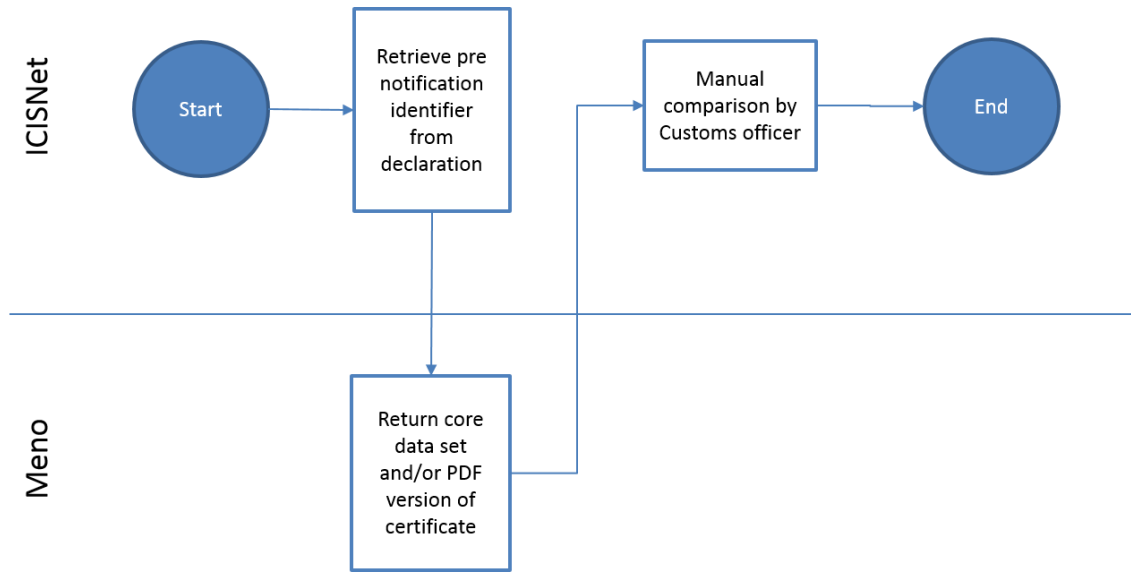
ICISnet will send the pre-notification identifier and the core data set to MENO. MENO will check the consistency of the full data set (for weights: 10% deviation are acceptable) and return:

- No objection to pre-validation
- Soft rejected
- Hard rejected
- Additionally, a reason (free text) will be returned

The precise nature of the consistency checks at MENO will remain responsibility of MRDF, but it is expected that the full core data set is checked.

- If the result is “Hard rejected” the submission of the export declaration (SAD) is rejected
- If the result is “Soft rejected”, a documentary check is scheduled in 100% of the cases
- If the result is “No objection”, Customs will continue with their risk management system.

### 1.4.2 Process 2: Documentary check

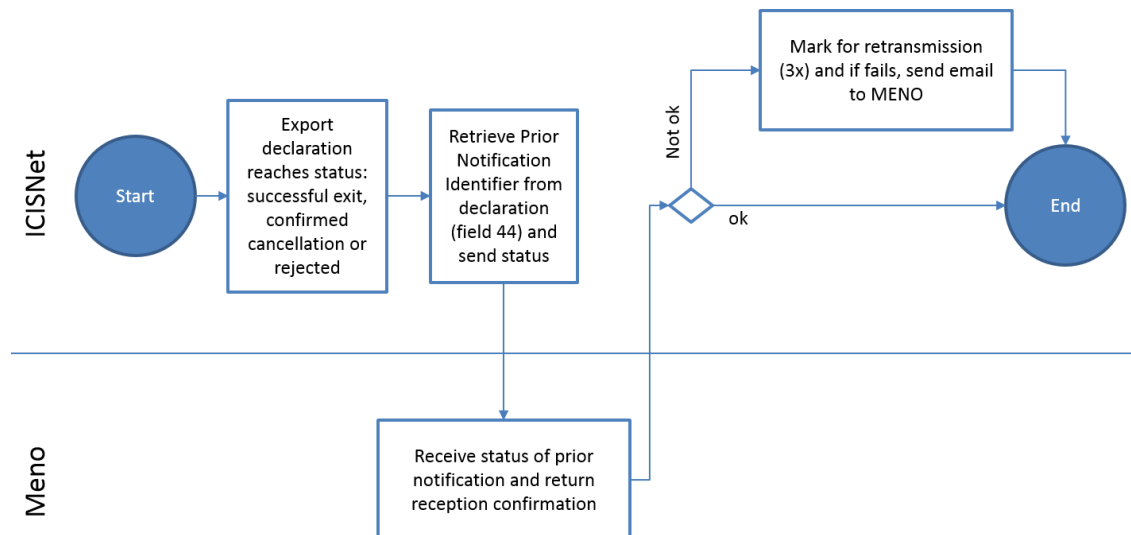


This process is executed as part of the documentary check.

**NOTE:** the comparison of certificate data with the export declaration is done by a customs officer.

If available, MENO will return a URL to a PDF version of the certificate of conformity or exemption. (Not available in the case of an approved trader.)

### 1.4.3 Process 3: Reporting export status



## 2. Activity 2: Best practice benchmarking of Greek business processes for export of fresh fruit and feta cheese

In 2013, Greece conducted an analysis of Business Processes for the export of feta cheese and kiwis using the UNECE/UNESCAP Business Process Analysis methodology. In 2014, Greece is preparing to conduct further BPA studies to simplify and automate its export procedures. In the course of this study, a review of the kiwi and feta BPAs was conducted to ensure that all findings and recommendations of the studies are followed up and to further develop the scope of the upcoming studies

### 2.1 Issues identified in the Greek feta and kiwi BPA

In general, the BPAs were quite satisfactory within their scope. No factual errors were detected. Use cases and sequence diagrams were correctly developed. The main factual discrepancy detected was on transport costs. This is now under consideration.

#	Category	Issue
1	Scope of the BPAs	Exporters not dealing in EX WORKS are exposed to the full process until the goods arrive at the importer. Mapping only the Greek part of the export process has therefore limited use as a tool to reduce time to export. For a full assessment of cost and time all relevant processes need to be included or at least the selection justified by a less detailed analysis of the major blocks of the process. At the least, it would need to be confirmed that the BPAs include all steps included in the World Bank “Time to export” studies for comparability.
2	Scope of the BPAs	The BPAs only cover the ship phase. (It is recognised that these were the first BPAs and had to be produced with extreme speed.) They also fail to make an attempt to generalise for different transportation methods. While the actual study clearly is specific to an export destination and a transport means, the process should be formulated in a way as to facilitate inclusion of other destinations and/or transport means.
3	Scope of the BPAs	Information what documentation is exchanged between exporter and importer would also be useful. This process can also be automated and/or certified, thereby potentially facilitating trade.
4	Scope of the BPAs	Some information on the existence or not of Government to Government communication, e.g. Advanced Shipment Notices sent to the importing countries would be important. The absence should be noted.
5	Level of detail	The level of detail on some processes is too detailed. This makes the process confusing for the reader and does not help in the detection of areas for improvement. In particular the inner workings

#	Category	Issue
		of the customs system do not seem relevant for the purpose of the BPA, i.e. to find areas of possible improvements of time or cost of export.
6	Accessibility of cost calculation	The total cost of export of 4,500€ could not immediately be verified. An excel table with some cases would have helped to understand what was included and what not. Also it would seem that China is a too general destination for the validation of the container shipment cost. A port should have been mentioned. Some costs seem to be shipment specific, some annual or even once off costs. For better calculation, a number of shipments should have been analysed and the cost averaged.
7	Accessibility of timeline calculation	The information on the timeline shown was difficult to understand for the consultant. Some of the processes shown in the timeline overlap (i.e. parallel activities are possible). Again, taking a reasonable sample and averaging the time to export would have provided a better understanding. The basis of the timeline was not clearly identified (e.g. as the fruit timeline). Using the methodology of the World Bank would probably be a good idea. A graphical representation should be chosen so as to show the overlap of processes where they can overlap. Some elements were provided without any reason. The long time for arranging transport for example seems to be due to shortage of transport means in land transport (only 2,000 licensed export trucks in Greece). This is very valuable information, but was not collected in the BPAs.
8	Choice of BPA	After studying the economic information provided in the BPAs (particularly for kiwi), the choice of the particular export destination was not obvious. Some (economic) motivations for choosing the particular case study would be useful. In part this is already done in the first chapters, but the analysis provided did not seem consistent. The somewhat enthusiastic tone of the introduction regarding exports of kiwi to China is not supported by the data shown in table A.2. Exports to China do not (in the table) show an increase in export value (only in mass) and the absolute value against e.g. Russia is almost negligible. This is not to say that kiwi to China by sea is not worthy as a case study, but the tone must be adjusted to the data or the discrepancy discussed (e.g. by saying that 2013 data paints a different picture if that was the case)
9	Technical information included	Information was missing on the identification of documents involved in the process. Unique identification is important for facilitation of interoperability, so capturing this information is very useful.



#	Category	Issue
10	Units and values	In particular for kiwi, some economic information tables use incorrect units, wrong concepts (yield vs volume) or seemingly inconsistent data. This is confusing for the reader. Graphs depicting two data series on different units should use two y-axes. Statistical significance of data elements should be discussed when making conclusions.
11	Discussion of economic information	In particular the difference between economic value and production was not discussed properly. Making this difference very easy to understand helps highlighting the need for improvement and is therefore useful in convincing decision makers to take action.

Further comments have been provided in detail in the corresponding BPAs.

## 2.2 International benchmark of the Greek fresh fruit and vegetable export chain

To this end, two multi-stakeholder workshops were organised on 6 May and 12 June 2014. The first workshop was attended by 27 persons in total from:

- Exporters (3 fresh fruit, 1 association of canned tomato exporters)
- DAOK inspectors and other MRDF personnel (7)
- Logistics companies and associations (2)
- Pan-Hellenic export association (1)
- State chemical laboratory (1)
- Customs representatives (5)
- TFGR (2)
- UN ECE and other (5)

The exporters dealt with:

- Fresh grapes to UK and Central Europe (family company)
- Fruits in general to diverse destinations both EU and third countries.

The purpose of this workshop was to analyse the export processes and identify hotspots. After careful analysis of all topics discussed in the workshop, the following hotspots were decided to benchmark internationally:

- EXPORT PROMOTION BOARDS
- PRODUCER GROUPS as models to get economies of scale
- EXTENSION SERVICES
- ELECTRONIC SUPPLY CHAIN
- TRANSPORT
- AUTOMATION AND SCHEDULING OF INSPECTIONS

This information was presented on the second workshop on 12 June 2014 in Athens.

The hotspot areas were then subsequently benchmarked. The following is a summary of the identified problems and the international comparison.

### 2.2.1 EXPORT PROMOTION BOARDS

#### PROBLEM

- Since Greece has many smaller food businesses, market intelligence is not generally available in particular when it comes to market needs and preferences, e.g. on social responsibility, carbon footprint, organic food.
- There is no common export promotion that provides a marketing platform for Greek agri-food products in the exterior world.

#### INTERNATIONAL COMPARISON

- The World Bank has seen a clear connection between export promotion agencies and export volumes (88 countries)
  - Key to success: private participation, specific markets, “small is beautiful”.
- Quite a number of countries offer generic or specific labels (Norway, Flanders, Malaysia etc) as a common marketing platform
  - Key to success: specificity, quality control.

### 2.2.2 PRODUCER GROUPS as models to get economies of scale

#### PROBLEM

- Greece has many small food businesses
- Fragmentation leads to
  - Higher cost of production
  - Lower rate of innovation
  - Lack of understanding of latest changes in local requirements
  - Lack of understanding of market requirements abroad

#### INTERNATIONAL COMPARISON

- Producer groups have been successful in a number of countries (Belgium, Spain, South Africa), especially in conjunction with specific marketing instruments, such as the Dutch auction.
- Models have been implemented with differentiation between technical producer groups (sharing resources) and marketing producer groups (sharing market facing activities).

### 2.2.3 EXTENSION SERVICES

#### PROBLEM

- There is very little practical research that smaller producers and exporters can benefit from.
- Applied research in general lacking; most research activities at universities are of an academic nature.

#### INTERNATIONAL COMPARISON

- Some countries operate public research institutes (Norway, Spain) as a source for innovation.
- Some countries operate extension services (Spain, Australia) as knowledge distributors.
- Some countries have implemented innovation promotion programmes or agencies in agriculture (UK, Australia).
- Funding is either public or mixed levy/tax based.

### 2.2.4 ELECTRONIC SUPPLY CHAIN

#### PROBLEM

- The electronic supply chain has shown in several places its use in assuring compliance, providing marketing information and supporting claims such as organic, sustainable, etc.
- Linked with public systems, the electronic supply chain also increases the efficiency of e.g. the export process.
- The backbone of such an electronic supply chain is the **food information management system**.

#### INTERNATIONAL COMPARISON

- Norway is implementing a fully electronic traceability system, as the basis of a food information management system; other countries are doing the same.
- Different models have been tried, but a combination of public oversight with private initiative seems to be the most interesting model.

### 2.2.5 TRANSPORT

#### PROBLEM

- Availability of transport – in particular overland transport – is an issue.
- For smaller producers it is very difficult to obtain transport in peak season, given that there are only about 2,000 export trucks in Greece. The estimated need during the peak season is about 10,000 trucks.

- This also drives the transport cost high. In addition there are unusually high toll road costs for inner Greek transport.

#### INTERNATIONAL COMPARISON

- Logistics costs in Greece seem on higher end in international comparison.
- Logistic platforms, distribution centres and logistics cooperatives have shown to be successful in Germany and Belgium.
- Flexibility and adaptation to customer requirements are key for successful logistics.

### 2.2.6 AUTOMATION AND SCHEDULING OF INSPECTIONS

#### PROBLEM

- After finding suitable logistic arrangements, physical inspections are the next most important factor in the export timeline.
- International agreements, especially on phytosanitary certificates, make it seem unlikely that physical inspections can be subjected to risk managed samples.
- Inspections and inspection reporting could be made much more efficient.
- Weekend and after office hour inspections are at time difficult to arrange.

#### INTERNATIONAL COMPARISON

- Independent scheduling by experienced dispatchers has proven to reduce waiting time in the Netherlands.
- Mobile tools for inspectors haven shown to improve productivity in the Netherlands.
- Some countries seem more resource efficient with respect to inspectors (Spain, The Netherlands, South Africa)

From the issues and the international benchmark, recommendations were then extracted by the consultant and discussed with the stakeholders; please see section 0 for more details.

### 2.3 Specific key performance indicators for the Greek export supply chain

In collaboration with the members of the OSC and the private sector, a decision was made that the key performance indicators are:

1. Reduction of time to export
2. Reduction of export costs
3. Predictability (reduction of variance in cost and time)

It was found that there is a lack of consistent data for export costs. It is suggested that a standard methodology should be developed by the OSC and partners and collected on a larger scale.

It would also be advisable to attempt to measure the key performance indicators and not rely on surveys and sample checks.

## **2.4 Specific recommendations for improvements**

As part of the second workshop, potential solutions to the benchmarked hotspots were discussed.

The second workshop was attended by 14 persons in total from:

- Exporters (1)
- DAOK (1)
- MRDF (2)
- Customs (3)
- State laboratory (1)
- TFGR (1)
- OSC (2)
- UNECE (3)

The material prepared was well received by the participants. It should be noted that there was a lack of private sector representation that somehow affected the discussion of potential solutions.

The following is a short summary of the discussed solutions:

### **2.4.1 EXPORT PROMOTION BOARDS**

Potential solution:

- Establishment of a privately operated Export Promotion Agency
- Operation in specific existing markets, such as Russia, and specific target markets, such as China
  - Gathering of market information
  - Appointment of “ambassadors” in the country
  - Lobbying for specific import agreements
- Operation of a specific Greek premium brand
  - Linked to low production, but high quality
  - Potential attributes: organic, smallholder, sustainable/traditional production

- Elaboration of specific criteria, achievable for producers, yet robust enough to build image of excellence

Specific actions to be taken:

- Establishment of Roundtable for Fruit and Vegetable Exports
- Roundtable shall invite stakeholders for discussion
  - Exporters
  - Producers
  - Logistics providers
  - Ministry for Development, Competitiveness and Shipping
  - Ministry for Rural Development and Food
  - Ministry of Finance/Customs
- Roundtable has the function to discuss the establishment of an export promotion agency with private character/strong private participation
- OSC could be the convener of the Roundtable

#### **2.4.2 PRODUCER GROUPS as models to get economies of scale**

Potential solution and actions:

- Ministry of Rural Development and Food to produce trainings on producer groups
  - Needs assessment: marketing groups, resource groups or both?
  - Training on establishment of producer groups, specific functions, governance
- MRDF to promote registration of producer groups as approved traders
  - Already four producer groups registered
- Specific smallholder section in the export promotion agency to provide assistance to marketing groups

#### **2.4.3 EXTENSION SERVICES**

Potential solution:

- Privately run Service Centres are an interesting option (see South Africa), especially when operating smallholder development programmes
- Such Service Centres should in the longer term be accredited by MRDF
- In order to facilitate creation of such Service Centres, establishment of a training programme should be studied
- Objectives of the Service Centres

- Technical assistance to farmers, in particular smallholders
- Distribution of knowledge from research
- Dissemination of knowledge with respect to latest legal requirements
- Assistance with 3<sup>rd</sup> party certification schemes and their implementation
- Link to agricultural universities and research centres to promote applied research

Specific actions to be taken:

- MRDF to invite large exporters to promote the idea of Service Centres
  - Funds could come from levies raised by Export Promotion Agency

#### 2.4.4 ELECTRONIC SUPPLY CHAIN

Potential solution:

- Establishment of a food information system

Specific actions to be taken:

- **Kickstart action 1:** Implement electronic agrifood license, permit, certificate and audit system;
- **Kickstart action 2:** Establish international cooperation on Single Window for agrifood Trade and inter-agency information systems;
- **Kickstart action 3:** Implementation of an automated risk-based inspection system using cross border electronic information exchange of agrifood permits and certificates. Roundtable on Export Promotion would be a logical forum to discuss this matter.

#### 2.4.5 TRANSPORT

Potential solution:

- The establishment of logistics platforms operating from key distribution centres seem to be an interesting offer
- Logistic platform would have the following objectives
  - Concentration of goods
  - Cold chain handling of goods
  - Provision of transport services (by auction?)
  - Export services
- Work with local inspectors fully employed on site
  - Local transport to DC

- Inspection at DC
- Containerisation
- Transport to ship/train or international road
- One stop centre for logistic and export services

Specific actions to be taken:

- Successful implementation of logistic platforms will require
  - Large and small logistics companies willing to participate
  - Suitable land
  - Access to private and perhaps public finance
- The public hand (Ministry for Development, Competitiveness and Shipping/Ministry of Rural Development and Food) should convene suitable stakeholders and facilitate the discussion
  - Local municipalities could contribute land as investment opportunity
- As a pilot platform, Thessaloniki appears to be a logical location

#### **2.4.6 AUTOMATION AND SCHEDULING OF INSPECTIONS**

Potential solution:

- Companies should be allowed to submit inspection requests well ahead of time
- Mid and larger companies should experiment with fixed inspection times (1 slot per day for example)
- Centralised expert dispatching seems a good solution
  - Requires a mobile scheduling tool for inspectors
  - Mobile solution should be SMS based for low-tech phones first and then extended to smartphones on a Bring Your Own Device basis (BYOD)
  - Automation of (over)time recording using mobile phones and geolocalisation
- ePayment should be enabled, with accounts and monthly bills
  - Could existing commercial offers be used?
- Information exchange between relevant Ministries should be enabled
  - Provision of information to importing countries should be studied



Specific actions to be taken:

- MRDF and Customs have embarked already on the path towards the integration of Conformity Certificates/Exemption Certificates with the Single Administrative Document (export declaration)
- The establishment of a National Single Window
- Next steps should include a fully electronic export workflow
  - Integration of ePayment
  - Electronic issuance of Certificate of Origin
  - Electronic versions of phytosanitary Certificates (after physical inspection)
  - Exchange of information with importing countries

## 2.5 Closing workshop

Trade facilitation provides a basis for Greek agriculture exports. Besides trade facilitation, other components need to come into place to have a successful Greek agriculture exports.

Trade facilitation is now the component in the export strategy that has progressed the most.

Participants note the lack of other enabling factors:

- **Agriculture export promotion agencies** are a key instrument of EU countries to gain substantive agriculture export industry. Export promotion requires strong engagement of the private sector and support of the Government. Greece has many strong value propositions (Sea Brass, Olives, Feta...) but could substantially improve its agriculture export promotion strategy by benchmarking it to other international markets..
- **Producer associations** can bring important economies of scale for Greek exporters: Producer associations should be developed from a bottom up perspective (small, focussed on a product, for a geographic region) and on a trust basis.
- **Extension services** are important to increase professionalism of the producers and the market in general. The work of Greek Extension Services needs to be improved.
- **Electronic exchange** is increasingly used by countries to gain competitive advantage in agricultural exports in particular for track & tracing and regulatory control. Greece has now gained enough experience to apply these technologies to create an **electronic food information system** for export opportunities of Greek agriculture.

Participants suggest organizing a workshop with the key stakeholders to discuss the opportunities and solutions for Greek Agriculture exports and to work on an action plan. The OSC agreed to this suggestion.

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