

PRESENTATION MR. XENOPHON VERGINIS - PRESIDENT OF AGRICULTURAL INSURANCE ORGANIZATION (OGA)

“Actual problems of storage, packaging and industrial processing of vegetables and grapes, organizing the logistics, transport and delivery of products to customers in fresh and processed form”.

Key Points speech

- The international experience, over time, confirming that the primary sector is a guarantee for the survival, the security, the economic development, the job creation, the social recognition and the protection of environment. It is certain, that State which can not provide the necessary food to feed its population, it is sure that it can not guarantee the national dignity of the social peace, the democracy, the individual freedom and the personal choices!

- Without the developed primary sector there is not the economic growth because the secondary sector (manufacturing, packaging and industrial production) requires the raw materials, which basically, only the primary sector is able to produce and offer. This process offers the greatest added value, while ensuring an adequate level employment of workforce.

- The development of the primary sector requires the perfect combination of classic production factors: territory, labor and capital, but also and the modern production rate for example entrepreneurship. The use of new technology in the primary sector through the expertise (embodied technology) and the possibility of supporting the whole course of the "food chain" to ensure the viability of the primary sector and the enterprises that compose this sector.

- Therefore, the development of rural economy and ensuring a adequate income to producers-farmers that is not achieved only by increasing the production, but also with the modernization and the development of other "phases" and "stations" of the “ food chain” which are the storage, the standardization, the trading, the handling, the distribution (internal or external market), of the agricultural products to the consumers.

- Therefore, to achieve the development needed to modernize and increase the capacity of interim actions are storage, standardization, processing, transport and distribution and product promotion to consumption. It is a series of operations (logistics), which increase or decrease the competitiveness of products in internal and external market that while producers-farmers to sell their products at reasonable prices and consumers can enjoy them at affordable prices.

- Logistics: There must be payed more attention and high priority in logistics, so as the best or the worst organization and implementation of them will finally lead to the achievement of the goals, which are development, ensuring a satisfactory level of income and safeguarding of jobs. In other words, the ensurement of the prosperity of the community.

The great importance of the role that logistics play is obvious by the fact that the cost of logistics, that is to say all of the actions that mediate from the production until the consumption, is 3 up to 6 times higher than the cost of production of the product! This cost has a great differentiation between developed countries (DC) and less developed countries (LDC) in weight of the second. Furthermore, there must be emphasized that in the DC while the added value during the production of the agricultural products may range from 2 up to 5%, that of the logistics can participate from 10-15%.

Great importance in logistics also play the quality improvement of the products and of the intermediate service.

- It is obvious that logistics or logistics management, that are the primary element of a contemporary business administration and concern all the operational steps (sections) of an enterprise (production, marketing, financial services etc) can change the image of economy and our society and create the “frame” and the “steam engine” of development and the exit from the global crisis we face today.

- Therefore, every country that seeks development and better conditions of life, must plan a map of production capabilities without ignoring logistics, as an important factor.

In this context, every country needs:

a.. Configuration of National Strategic Land Planning of production and implement of logistics.

b.. Creation of centers of supply chain

c.. Development of infrastructure, especially of transportation

d.. Important investments not only in production but mainly in logistics!

e.. Modern, united and simple legislative framework of market function and chain supply

* During the presentation there will be analysis of the key-points written above