

Concluding Session of the Piraeus Conference

Hinterland Connections of Seaports

Port Operations and management: a key factor in the supply chain management

General Summary of the Third Session by Moderator (Mr. Emre Dincer)

Ports were recognized as the springboards for economic development of the hinterland. On this basis the related research and development activity focused on the ability of ports to carry out their functions of accommodating ships and service other modes of transport effectively and efficiently. Contemporary developments in transportation however dictate that the emphasis should be on the ability of ports to fulfil a new role in the logistics era as parts of integrated global supply chain systems.

Ports nowadays play an important role as key nodes in the supply chain. In this role, the port is considered as a part of a cluster of organizations in which different logistics and transport operators are involved in bringing value to the final consumers. In order to be successful, such channels need to achieve a higher degree of coordination and cooperation. The determination of the parameters that encompass the extent of integration of ports/terminals in global supply chains has, therefore, become of great importance for ports.

To achieve a competitive advantage, port operators must implement strategies that involve technology, value added services, relationship with clients and liner operators, facilitation of inter-modal transport and channel integration practices. This implies that they must look beyond the narrow limits of the port location in order to achieve competitiveness. By benchmarking their own port's performance on the above-mentioned factors, port operators are also able to determine the degree of integration of their port/terminal in the supply chain and decide on strategies to enhance such performance.

An evaluation of the port/terminal integration in the supply chain can also be useful to shipping lines, logistics service providers and inland transport operators. It has been established that the interest of these stakeholders, being part of the supply chain, is strong as the integration of ports and terminals in supply chains has an impact on their operations and the satisfaction of their customers.

The new role of ports in the global supply chain needs to be assessed carefully. Major gateway ports need to be integrated effectively into the supply chain networks. Key factors for success include port performance in addition to fast, reliable flexible and cost-friendly intermodal connections with inland corridors.