

# The Greek International Business Association in the Black Sea Basin trade

George G. Georgiadis  
January 11, 2012



**SEVE**

EXPORTERS' ASSOCIATION OF NORTHERN GREECE

# Table of Contents

1. Brief Presentation of the Greek International Business Association (SEVE)
2. SEVE's participation and experience in funded projects (EU and Nationally funded)
3. The Black Sea countries' trade in numbers
4. Ease of Doing Business in the Black Sea Countries

# 1. Brief Presentation of SEVE

# Brief Presentation of SEVE

## SEVE's Identity

- Non - Profit Organisation
- Established 1975
- The largest association of exporting companies in Greece numbering more than 500 member - companies.
- Certified Quality Management System according to EN ISO 9001:2008
- Certified Managerial Capacity for co-financed projects

# Brief Presentation of SEVE Strategy

## Strategic Axes

### A. Participate in formulating governmental policy for extroversion and international trade issues

1. IEES (Institute for Export Studies)
2. Communication with Mass Media
3. Strategic Collaborations with national bodies

### B. Practical Tools for Supporting Extroversion

1. Interventions to Service – Support
2. Communication – Informing Members
3. Organising Trade Missions/ Trade Fairs
4. Participating in Work Groups – Committees – Institutional bodies & the State
5. Organising Events
6. Education/ Training

### C. Development – Recognition Abroad

1. Materialise Funded Programs & Projects
2. Strategic Collaborations
3. Internal Organisation – SEVE's operation (QMS)

## Vision

SEVE to be by **de facto** the **major exponent** of exports in Greece

## Mission

**Supporting extroversion** of Greek businesses and **protecting** their **interests** in both Greek and international markets, aiming at growing Greek exports

# Brief Presentation of SEVE

## Major Supportive Activities

- **Trade assistance** through the collection, interpretation and dissemination of **information** that help Greek companies develop their **international activities**.
- **Co-operation and Networking** at both international and national level that enhance collaboration between SEVE member companies and enterprises in numerous countries.
- **Training of personnel** on numerous important issues that prevail international trade.
- **Organizing various types of events** such as Trade Missions, Partenariats, Conferences etc. to promote Greek Exporting Companies and Products/ Services

# Brief Presentation of SEVE

## Major Services Provided

### Web Services

Customised Market Research to exporting companies (IEES)

Materialisation of co-financed projects to its members' benefit

Promotion & Support of Greek Products in foreign markets

Supporting International Competitiveness of Greek Companies

Syndicalism with validated propositions and solutions

## **2. SEVE's participation and experience in funded projects**



# SEVE's participation and experience in funded projects

Managing Nationally and Internationally Funded Programs

## Recent Internationally Funded Projects

Cross Border  
Cooperation  
Programs



- “Market Control”-Business Plan for the Integration of Standardisation and Certification in the cross border area and trade
- Support of cross border business cooperation in the field of international trade & Logistics
- Intellectual Property Rights for SEE
- 3 proposals under evaluation in the Greece-Albania program

EEA Financial  
Mechanism



Shop in Shop in Public Administration to the service of professionals

Leonardo Da  
Vinci Program



TRIM: Training in (Exports) Management

# Brief Presentation of SEVE

Managing Nationally and Internationally Funded Programs

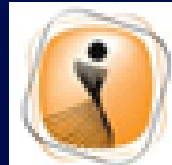
## Recent Nationally Funded Projects

Information Society  
Program



Development of Exporters' Portal

Operational Program  
"Digital Convergence"



Development of Digital Applications to promote Greek  
Extroversion

Agricultural Development  
& Restructuring of the  
Countryside



Promotion and Publicity of Certified Local Agricultural High  
Quality Products to the WEC

Excellence in Central  
Macedonia

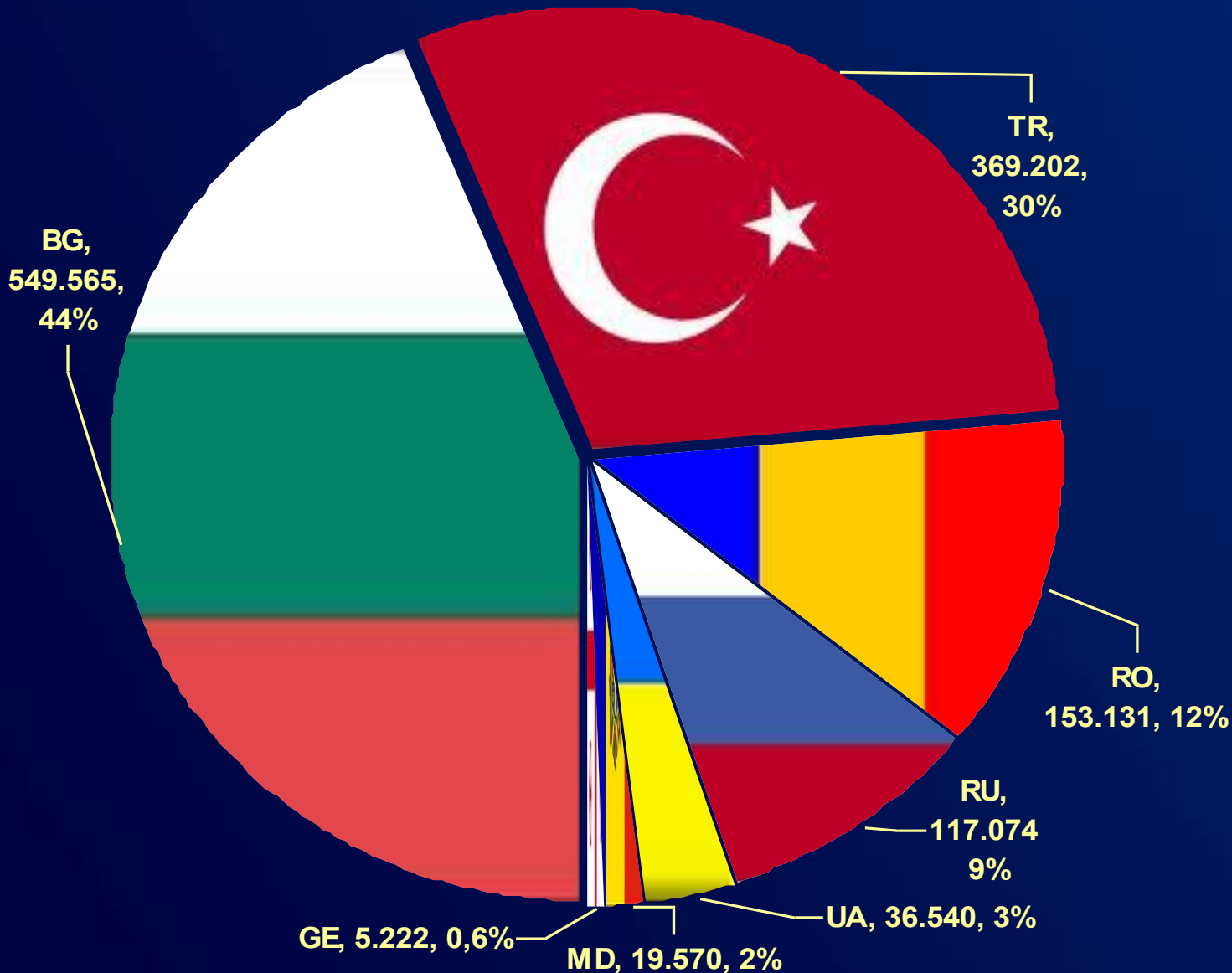


e - Partenariat

### **3. The Black Sea countries' trade in numbers**

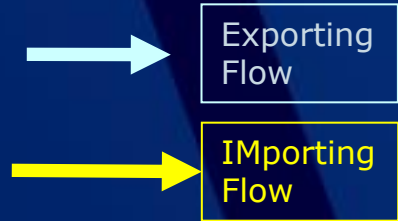
# The Black Sea countries' trade in numbers

Northern Greece's Exports to BS Countries *(in .000 euros)*

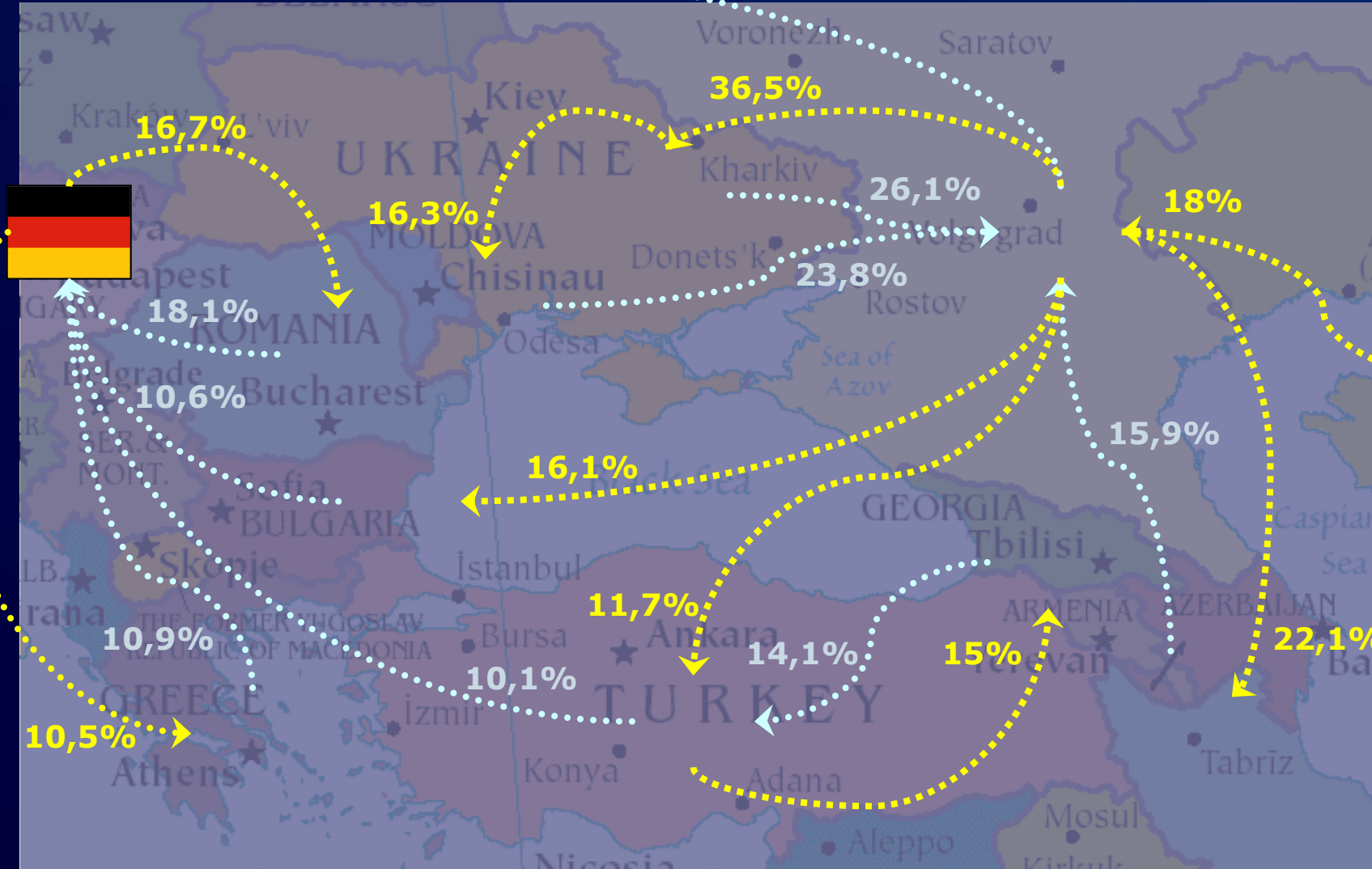


# The Black Sea countries' trade in numbers

BS Countries' main Exporting and Importing Partner



14,3%



- AM
- BG
- GE
- UA
- RO
- MD
- RU
- TR
- CN

## **4. Ease of Doing Business in the Black Sea Countries**

# Doing Business in the Black Sea countries

How easy is it?

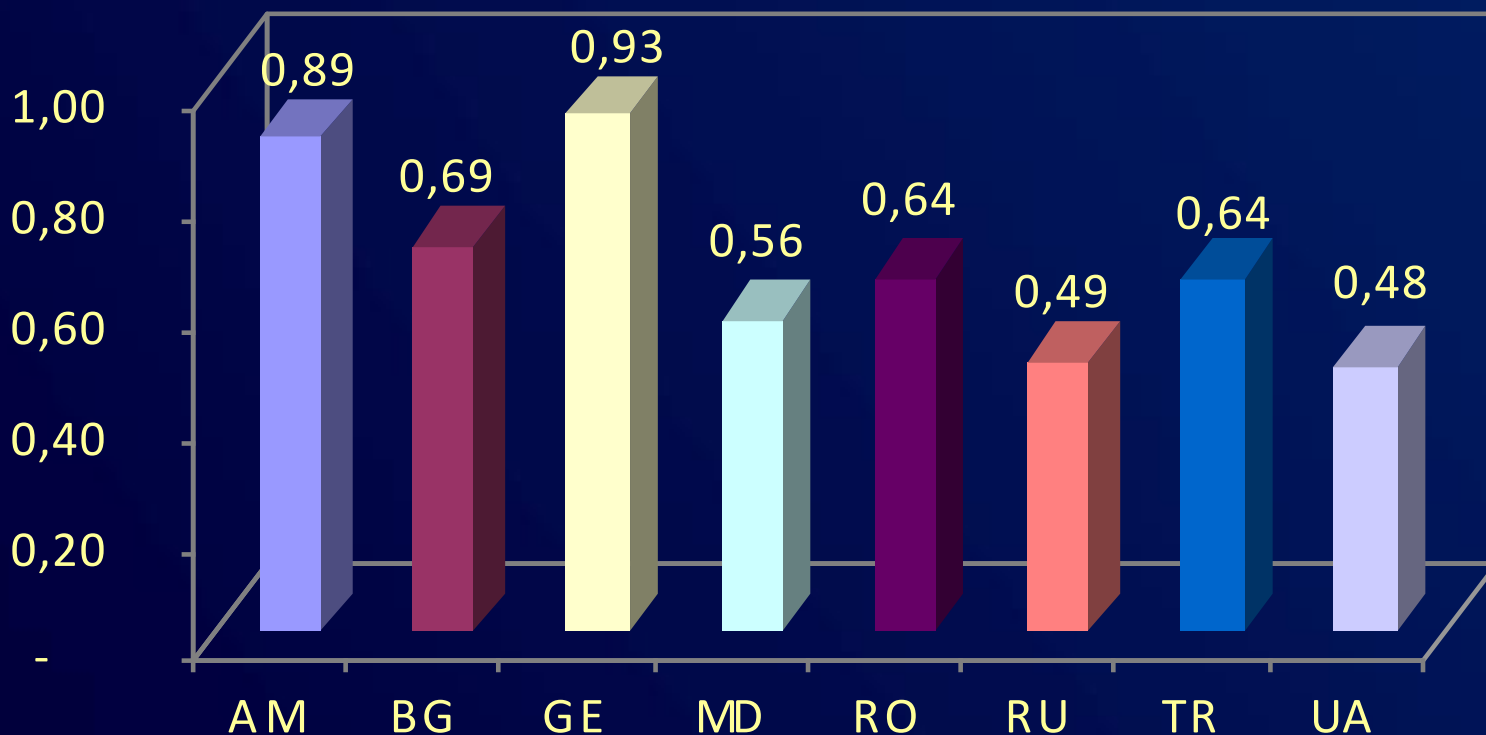


# Doing Business in the Black Sea countries

## 1. Ease of Starting a Business

*The bureaucratic and legal hurdles an entrepreneur must overcome to incorporate and register a new firm. Includes **procedures, time** and **cost** involved in **launching a new firm**.*

Starting a Business





# Doing Business in the Black Sea countries

## 1. Main Problems in Starting a Business

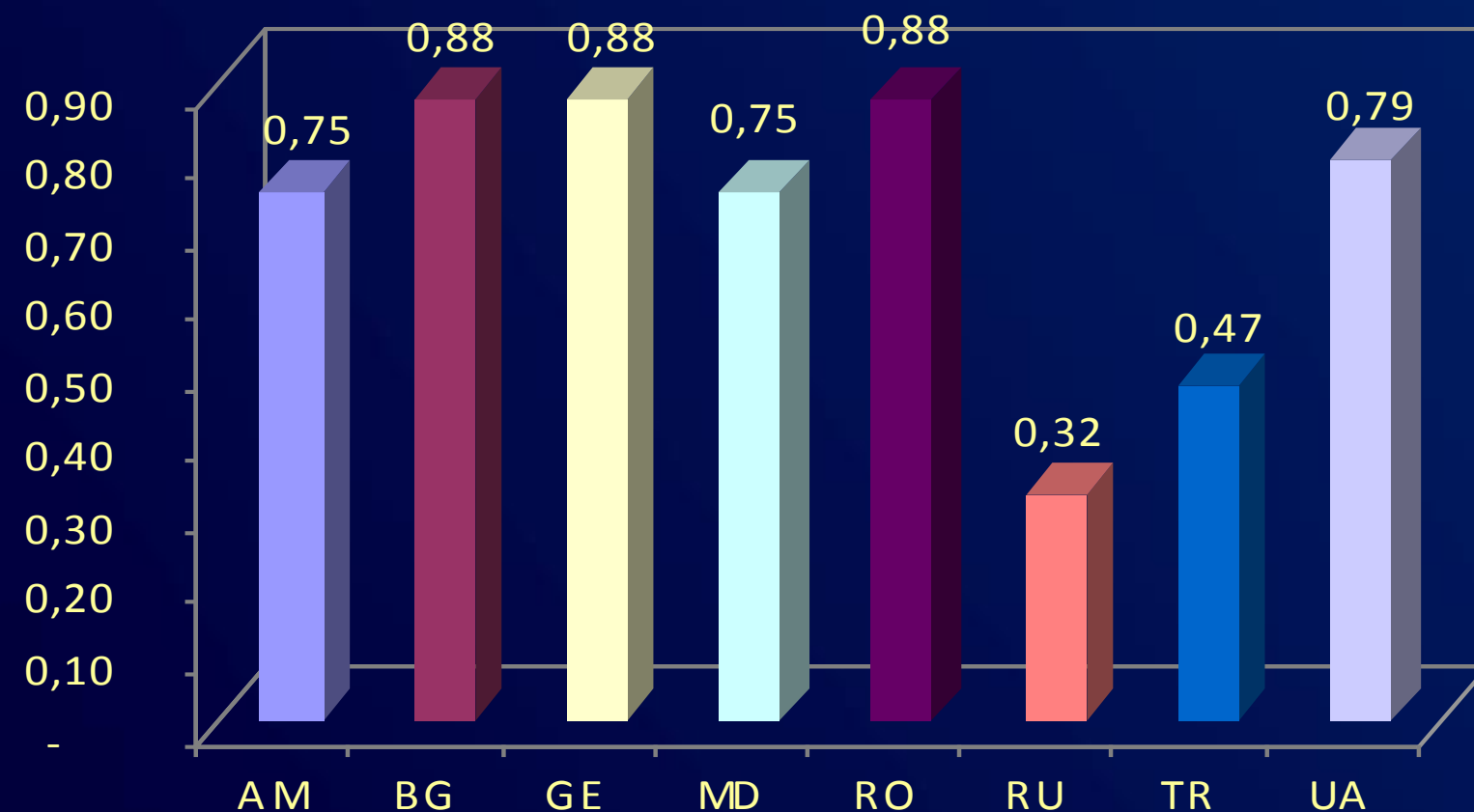
- Ukraine has a total of 9 **procedures** established before a new business starts, while Armenia has 3.
- In Russia a new businessman needs a minimum of 30 **days to start-up** a new firm, while in Georgia 2.
- In Turkey the **Costs related to starting** a business represent 11,2% of per capita income, while in Bulgaria 1,5%.
- In Moldova the **Minimum Capital required to start up** represents the 9,9% of per capita income, while in Bulgaria the 0,02%.

# Doing Business in the Black Sea countries

## 2. Ease of Getting Credit

*Credit information registries and the effectiveness of collateral and bankruptcy laws in facilitating lending.*

Ease of Getting Credit



# Doing Business in the Black Sea countries

## 2. Main Problems identified in Getting Credit

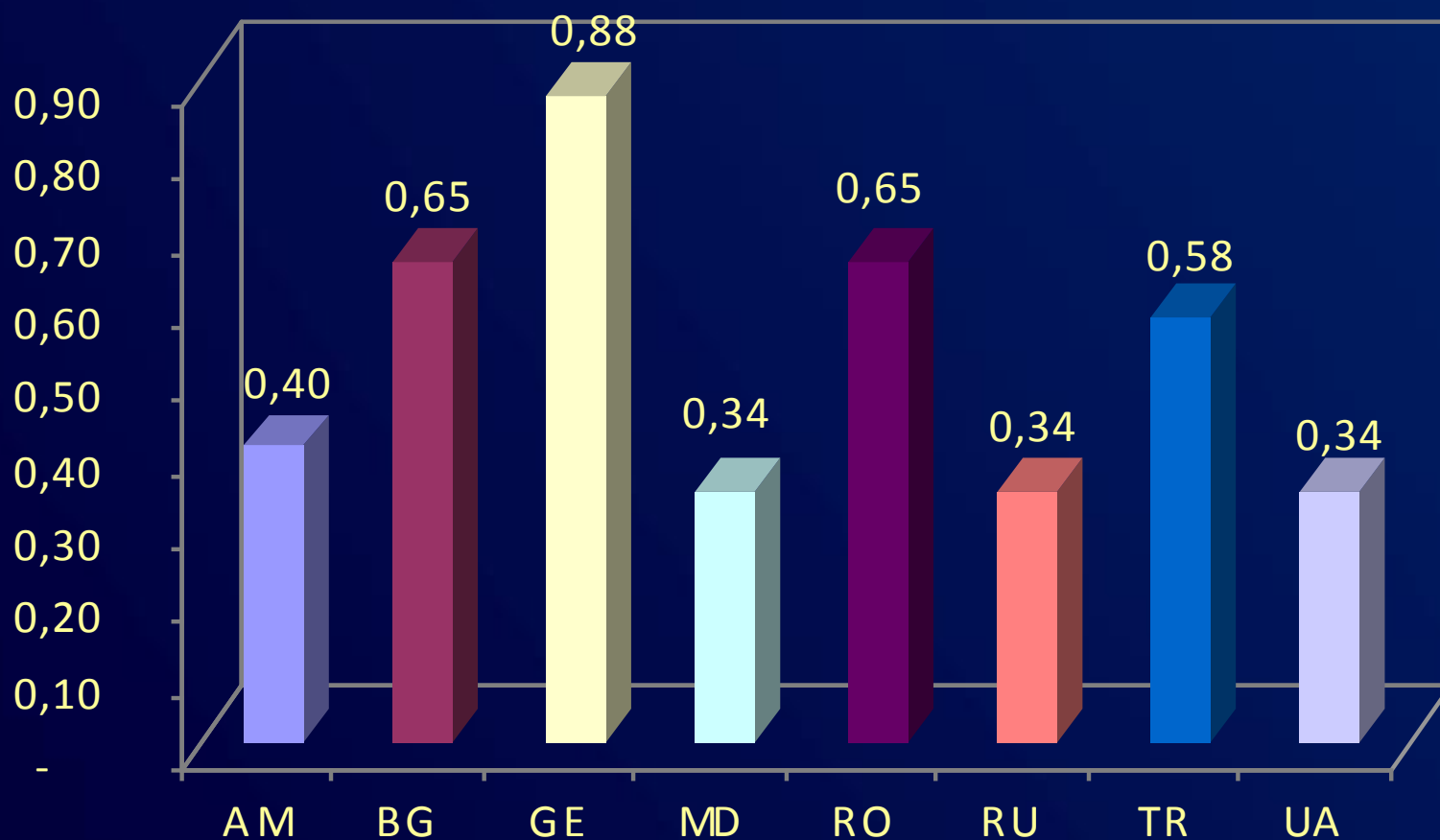
- Moldova and Ukraine do not have sufficient **depth of credit information**, due to a lot of rules and practices affecting the available credit information.
- In Russia **legal rights** of borrowers and lenders seem not to be protected enough through collateral and bankruptcy laws, thus lending is not facilitated.

# Doing Business in the Black Sea countries

## 3. Strength of Protecting Investors

*Strength of minority shareholder protections against misuse of corporate assets.*

**Strength of Protecting Investors**



# Doing Business in the Black Sea countries

## 3. Main Problems identified in Strength of Protecting Investors

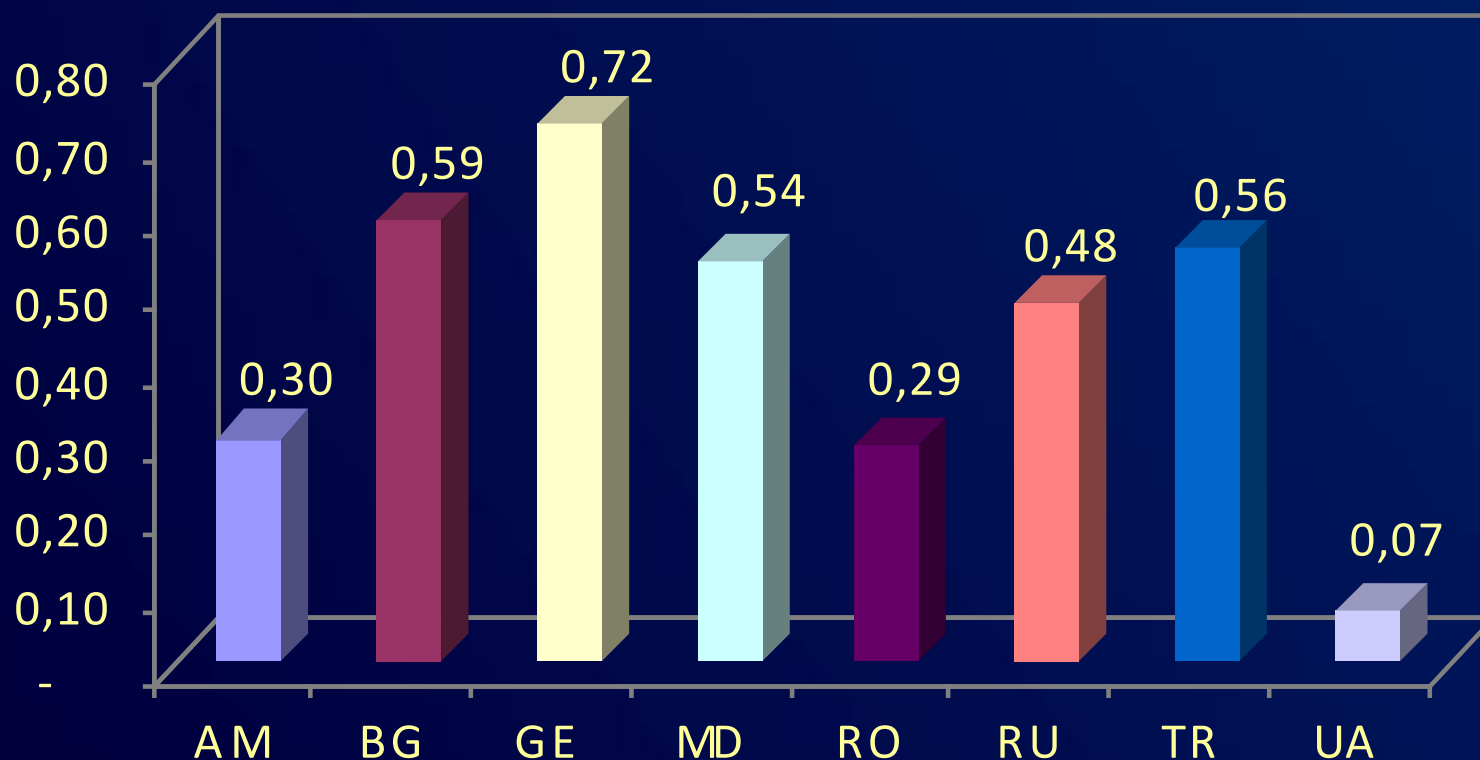
- Armenia and Ukraine have the least **transparency in related-party transactions**, while Bulgaria the most.
- In Romania and Turkey shareholders do not have much ability to **sue officers and directors for misconducts** while Armenia seems to provide its shareholders with more legal ways.

# Doing Business in the Black Sea countries

## 4. Ease of Paying Taxes

*Mandatory contributions that a medium-size company must pay or withhold in a given year.*

Ease of Paying Taxes



# Doing Business in the Black Sea countries

## 4. Main Problems identified in Paying Taxes

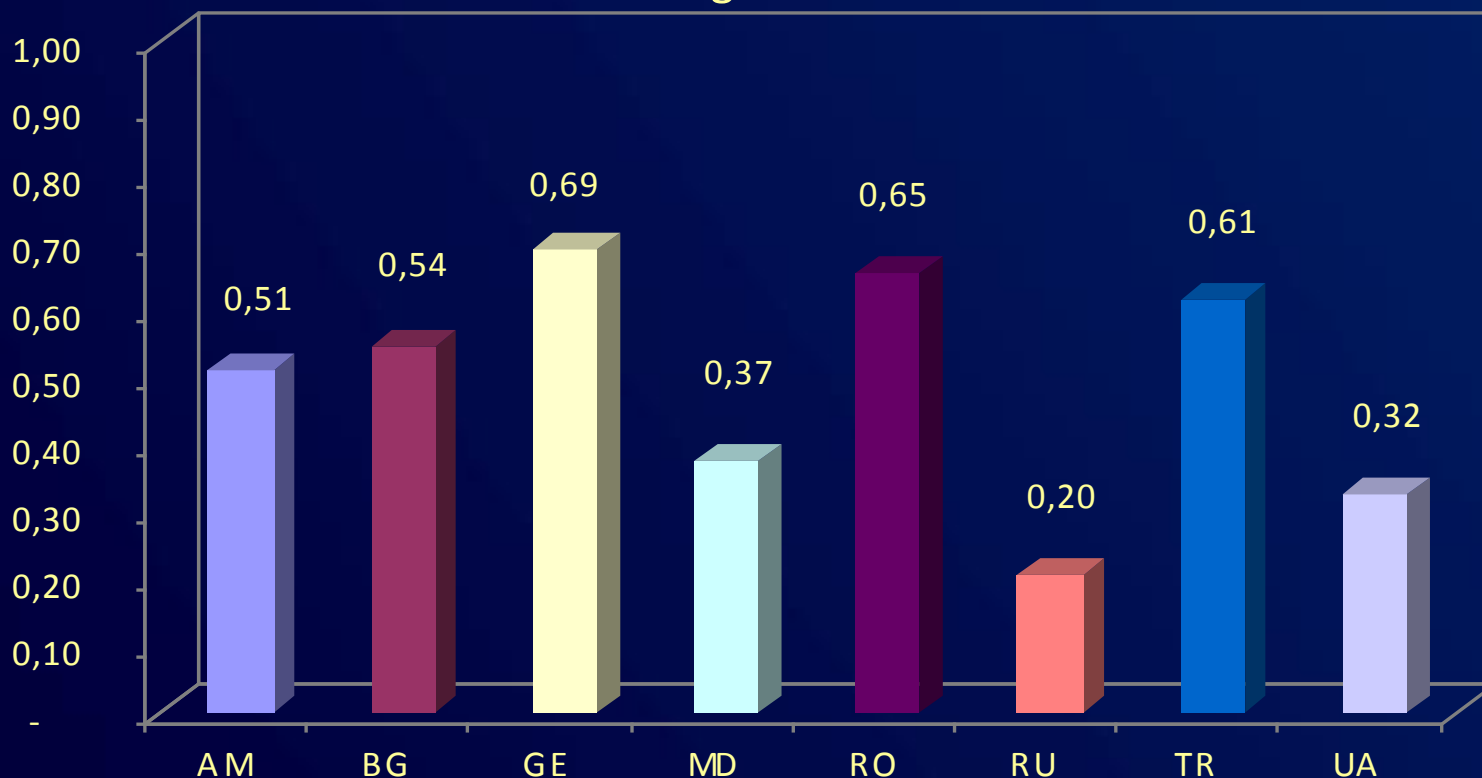
- In Ukraine and Romania there is a total of 135 and 113 **payments** respectively, **related to taxes and contributions**. The respective numbers for Georgia and Russia are 9 and 4.
- In Ukraine a business needs about 657 **hours**, on average, to prepare, file and **pay the taxes** (income tax, value added or sales tax, and labor taxes), while in Romania needs 222 hours, on average, for paying the same taxes.
- In Ukraine a business pays, on average, 57,1% of its profit to taxes and mandatory contributions, while in Georgia 16,5%.

# Doing Business in the Black Sea countries

## 5. Ease of Trading Across Borders

The **procedural requirements** for exporting and importing a standardized cargo of goods.

Ease of Trading Across Borders





# Doing Business in the Black Sea countries

## 5. Main Problems Identified in Trading Across Borders

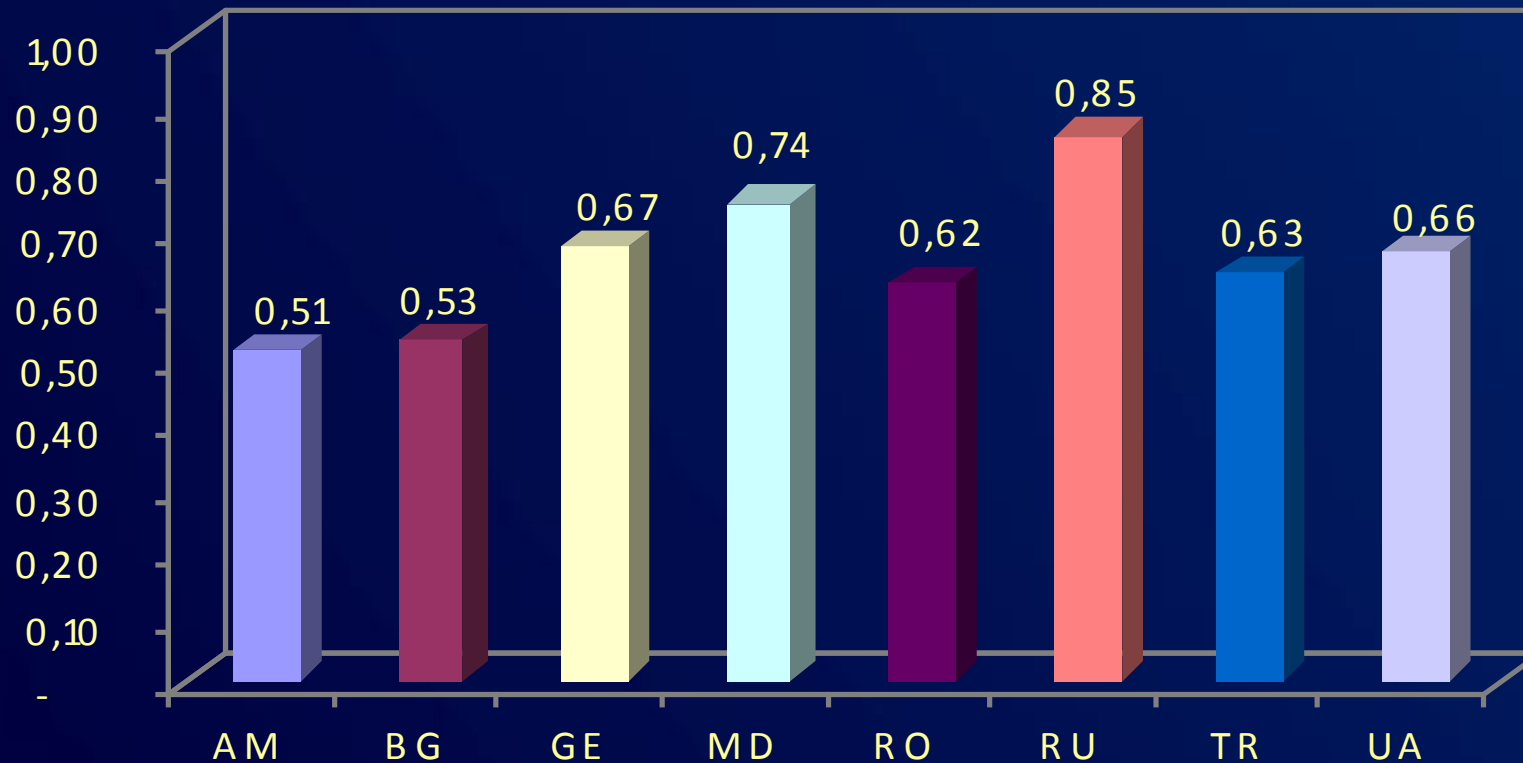
- Russians need a total of 8 **documents per shipment** to export and 10 to import (included: bank, customs clearance, handling and transport documents), while Georgians need half of them (4).
- Russians also have to wait 36 **days to complete** an export or an import, while Georgians need 10 days. (Fast-track procedures in export processing zones are excluded).
- It **costs** Ukrainian companies (avg.) 1.865 \$ US **per container** to complete an export and Armenian companies 2.195 \$ US to complete an import, while in Turkey the respective costs are 990 \$ US and 1.063 \$ US per container.

# Doing Business in the Black Sea countries

## 6. Ease of Enforcing Contracts

*The **efficiency of contract enforcement** by following the evolution of a sale of goods dispute and tracking the time, cost and number of procedures involved from the moment the plaintiff files the lawsuit until actual payment.*

Ease of Enforcing Contracts



# Doing Business in the Black Sea countries

## 6. Main Problems Identified in Enforcing Contracts

- In Armenia a commercial dispute has to follow a total of 49 **procedures in the relevant court** (either required by law or commonly used in practice) before it is resolved, while in Moldova and Ukraine 30.
- In Bulgaria a plaintiff needs, on average, 564 **days** from the moment the lawsuit is filed until he **gets paid**, while in Georgia the relevant time is almost the half (285 days).
- Ukraine (41,5%) and Georgia (29,9%) are the most expensive countries regarding the **cost of resolving a dispute** (court costs, enforcement costs and average attorney fees) as a percentage of the claim, while Russia (13,4%) and Armenia (19%) are the cheaper ones.

# Sources of Information

- Eurostat
- HellaStat
- WTO - World Trade Organization
- World Bank
- IMF - World Economic Outlook Database
- The CIA World Factbook
- [www.doingbusiness.org](http://www.doingbusiness.org)
- [www.emporikitrade.com](http://www.emporikitrade.com)

# Thank you

## George Georgiadis

1 Morichovou sq., 54621, Thessaloniki, Greece

Tel: +30 231 053 5333

Mob: +30 694 418 6732

Email: [gg@seve.gr](mailto:gg@seve.gr)

URL: [www.seve.gr](http://www.seve.gr)