# CONSTANTA PORT – ECONOMIC BENCHMARKS OF LONG PERSPECTIVE SINCE ROMANIA'S PRE-ACCESSION PERIOD UNTIL 2020 YEAR

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### Abstract

The efficient functioning and implementation of the economic dynamism and flexibility, in the modern state of its infrastructure, it is a method which ensures economic efficiency. There are two methodological approaches for to define the essence and content infrastructure industry (defined as a set of economic sectors, providing general conditions of reproduction) and functional (defined as a specific set of organization, production and social functions), which in our case, lends itself pretty well.

Constanta seaport, is a public-private port, owned by the Romanian state, which ensure the regulation and functioning of the assigned tasks and performed by C.N. Maritime Ports Administration S.A. Constanta (EPA) and the Romanian Naval Authority (ANR), both institutions are subordinated to the Ministry of Transportation and Infrastructure.

Key words: Constanta Port, facilities, terminal, trafic

#### JEL Classification: M31

# 1. Introduction

Known since antiquity and located at the crossroads of trade routes, linking the developed countries of Western Europe and in developing markets, of the Central Europe, of suppliers of raw materials in the Commonwealth of Independent States (CIS - the ex-Soviet), Central Asia and Transcaucasus, Port of Constanta it is the main romanian port and the largest of Black sea's basin.

#### 2. Performances

When signing the Treaty of Accession of Romania to the European Union, on 25 April 2005, it have a total area of 3.926 ha, with a length of 29.8 kilometers of piers and a total of 145 berths, of which 119 operational.

Through him, menus more than 1/4 of maritime traffic of export-import goods. Located on an open shore, exposed to northern and northeastern predominantly winds, the port includes, by constructive point of view, two main sectors: the old port, where deep pools, not exceeding 10 m and the new port, with depths of 14 m, entrance and 11.5-13.5, along fronts mooring (Caraiani and Serescu 2005, p. 44).

It is a modern port, well-equipped, in terms of technical, with wharf portal cranes, floating cranes, tractors, trailers, adequate infrastructure etc. Mechanized index of the handling operations, exceeds 96%. The port has also facilities, for ship bunkering, supply crews for ship repair, if necessary. Pilotage is compulsory in port (Alexa 2005, p. 107).

Potential operating capacity of the port, is 105 million tonnes / year. According to different analysts, Constanta port enjoys a strategic geographical location, being situated on the route of two transport corridors pan-European, namely road transport Corridor and rail IV and river transportation Corridor VII, which links the North Sea with the Black Sea, by waterway Rhine-Main-Danube.

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# 3. Opportunities in 2006 (pre-accession stage)

Constanta port offers a number of advantages, including: (Caraiani and Serescu 2005, p. 40)

- is a multipurpose port with modern facilities, with water depths in the port basin, for berthing of the largest vessels passing through the Suez Canal and the Turkish Straits;
- has specialized terminals for operating any type of cargo;
- has direct access to Pan-European Corridor VII Danube, by the Danube-Black Sea Canal, becoming and river port, thus offering an transportation alternative to Central Europe, shorter and less expensive than routes that use ports of the northern Europe;
- has good connections to all means of transport by rail, road, inland waterway, air and pipeline, which is achieved through a developed infrastructure; new container terminal on Pier II S, which increases the operating capacity of 375,000 TEU containers; Ro-Ro Ferry Terminal and Boat suitable for the development of coastal navigation
- he serves Serving the countries around of the Black Sea and the Danube;
- the new status of "port customs facilities", allows setting of the framework necessary to facilitate foreign trade and transit of goods to / from Central and Eastern Europe, correlated with simplification of customs procedures;
- the status of "safe harbor" obtained by the rehabilitation of dams Housing and adoption of supervision and safety of maritime traffic VTMIS;
- future developments planned by a Master Plan.

The upward trend of the national economy and the strategy of National Company -Maritime Ports Administration SA (NCMPA), the attracting of the goods flow, is reflected in port traffic that is compatible with international traffic (Branch, 1992, p. 202). Thus, such as the statistics show, for example, in early 2004, it increased by 7%, over the previous year, reaching a volume of 43.245 tons, due to increased shipping traffic which reached at approximately 34,000 tons.

But the most significant development, registred in recent years, in Constanta port, is the increase of the container traffic, last year, by over 50%, compared with the preceding. This is the largest increase, ever recorded, in container traffic, in the Port of Constanta.

# 4. Prospects until 2010 (immediately post-accession phase)

The second phase of development has been designed to increase operating capacity by 1 million. TEU\*, until 2010.

Other completed projects were:

- Port of Constanta, port with customs facilities (necessary arrangements, amounting to EUR million, were realized from own CNAPM SA;
- switching to 110 KV, IV and expanding the Port Station 110 kV Eforie Nord (investment worth EUR 4,900,688, financed by a loan from the EIB, the European Investment Bank).

In the investment program of the NCMPA SA Constanta, there were implemented the following projects:

- CNAPM SA projects for the improvement of Harbor transport system, as well as they were recommended by JICA;
- barge terminal which will be financed by EBRD-European Bank for Reconstruction and Development, through a loan without the state guarantee, worth 16 mil. EUR and 8.6 mil. EUR from its own sources of NCMPA SA Constanta.

- completion of the northern breakwater, which will be financed from the state budget, estimated value is 80 mil. EUR, scheduling of 10 years.

With regard to projects for environmental protection, we can talk about the project on the environment and infrastructure in Constanta Port - which was funded 49% by the EIB, the European Investment Bank and 51% own sources CNAPM SA, consisting in a loan worth 8.6 mil. EUR BRD Group Société Générale, which will conclude a contract.

The project components are:

- Incinerator,
- Build green
- Wastewater treatment plant,
- Waste collection ship.

Particular attention is given to projects of tourist interest and improving the business environment. Thus, CN APMC SA investment program has included the following projects:

- passenger terminal which is financed partly from the state budget and partly from its own sources NCMPA SA Constanta. The estimated value of this project is EUR 4.284 million, of which the effort NC MPA SA is estimated at about 2.5 mln. EUR.
- pedestrian walkway and port agreement project Mamaia Casino area, the estimated value of the project is 6 mil. Euro, supported entirely from own sources CNAPM SA Also consider projects such as:
- creation of a mole on North Pier, achieving a grain terminal, a terminal processing and soy crops, a terminal for liquefied petroleum gas (LPG);
- an oil terminal;
- modernization of road transport within the port and building wind farms in Constanta.

Other projects whith tourism character, has target complete arrangement of Tomis turistic Port (Marina), such as and building of an International Business Hub, in the Port of Constanta.

Another important issue on the agenda of CNAPM SA it was the rentability a some activities within the company.

Thus, in accordance with Government Decision no. 1293 of 4 November 2003, aimed at implementing the government program and provide realization of the privatization strategy for companies / national companies and companies which operated under the Ministry of Transport, Construction and Tourism, CNAPM SA Constanta considered necessary decentralization following activities within company:

- 1) the guard enclosure port;
- 2) construction activity in the Port Services Branch;
- 3) service dendrofloricol material production, development, maintenance and modernization of green areas within the harbor;
- 4) Service repair ships from the Branch Technical Ships;
- 5) prevention services and firefighting ships and floating ports of Constanta, Midia, Mangalia, and Tomis;
- 6) pollutant dam installation services for vessels from ports of Constanta, Midia and Mangalia;
- 7) waste collection services in the ports of Constanta, Midia and Mangalia.

Currently, longer envisages further development of other feasibility studies on opportunities for efficiency enhancement activities undertaken by the Port of Constanta Branch Energy, Communications Branch Branch port and port services (Moldoveanu 2005, p. 10)

În linii mari, acestea au fost principalele direcții ale Strategiei de dezvoltare a Portului Constanța. Realizarea susținută a acestora are ca punct de plecare aderarea României la structurile Uniunii Europene, confirmând rolul Portului Constanța de "poartă durabilă către lume".

Broadly, these were the main directions of development Strategy of Constanta Port. Their sustained achieving, has starting point, Romania's accession to EU structures, confirming the role of Constanta Port of "gateway to the world sustainable".

# 5 Perspectives until 2020 yare

In order to align, further, of Constanta Port, to the requirements and Imposed standards, by the European Union, since 2001, it was finalized by the Japanese Government - through its agency, officially responsible for implementing technical cooperation programs - JICA (Japanese International cooperation Agency), at the request, of the Romanian Government, a "feasibility Study, related to on the Constanta Port Development Project". The two objectives of the study are:

- formulating a master plan for the Port of Constanta including port development strategy until 2020 and;
- Drawing up a development plan in the short term, until 2010.

This study led to the development strategy of Constanta Port. "Master Plan Constanta Port", according to the JICA, identify projects of particular importance regarding: meet demand for goods in the future (the container terminal and terminal grain), improve the operation of the port (strengthening terminals through which the export of steel products, strengthening terminals through which the export of timber, general cargo terminals reorganization) and improvement of port transport (improving river barge, road improvements inside the port, improving the port railways)

Following the suggested lines, by the Master Plan of Japanese International Cooperation Agency, Constanta Port has structured and organized the investment projects Plan, to meet the new requirements imposed by Romania's accession to European structures. A first achievement in implementing the Master Plan, is the completion of the first stage of development of the container terminal on Pier II S, located in the south of Constanta Port, which încaderază, according to JICA category in projects meet the demand for goods in the future. The terminal became operational in November 2003.

# 6 Conclusion

At such investments and perspectives, increased interest in trade through the port of Constanta, which turned the system of quays, terminals and facilities for logistics, export policy objectives around which revolve companies with a large number of staff and employees, estimated that the population of a small town. Usually every day, they enter through the gates of the port, hundreds of trucks loading and unloading cargo from and to storage operators in port and which, in turn, are sorted and loaded on ships calling annually in the largest Romanian port.

In this situation, the administrative overheads aims traffic port and provides essential services. As a result of the vast investment, are employed which protect economic activity by interfering with technical vessels, if fire or if contamination with toxic substances.

Constanta port has much larger potential, but it also needs a powerful management.

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- 5. TEU Twenty-foot Equivalent Unit [standard container with a length of 20 feet 6m]