

DES RODA
OPERATIONAL CAPACITY & STRATEGIC PRIORITIES:
...TOWARDS PROGRAMMING PERIOD 2021 – 2027



MAY, 2021

Contents

Brief Presentation of RODA	3
Scope and Objectives of DES ODA	3
Resources – Assets – Financing of OPEX & CAPEX	4
Administration of DES RODA	5
Decision for the Routes / Fare / Operations Planning	6
Project Planning	7
Participation in EU Funded projects	7
DES RODA Investment Plan	9
Risk Factors affecting the Investment Plan of DES RODA	10
APPENDIX: List of DES RODA Assets	10

Brief Presentation of RODA

DES RODA was established by the Decision of the Board of the Municipality of Rhodes 154A / 2011 (3) - Government Gazette 992 B' of 26th of May 2011.

With the Decision of the Board of the Municipality of Rhodes, the merger of a number of Charitable Municipal Enterprises was achieved and the Municipal Transportation Company under the name "DES RODA" was established.

The Legal Form of the Municipal Transportation Company "DES RODA" is the one of Charitable Company, supporting the Public Transportation Services in the Island of Rhodes.

The duration of the Company has been agreed for fifty years from the publication of its establishment in 2011.

Based on the company's Articles of Association, the company may be dissolved before the end of its statutory life, after a decision of the Municipal Council (absolute majority of the Council members).

After the liquidation of the Company, its assets belong to the Municipality of Rhodes.

The share capital of the company amounts €3,555,601.88.

The company is headquartered in Rhodes.

Scope and Objectives of DES ODA

The scope and the particular aims of the Municipal Transportation Company DES RODA can be summarized as follows:

- The service - by employing the appropriate number of buses - of the urban and interurban lines of the Rhodes Island, as stated in the Municipal Decision of DES RODA establishment. The lines served, may be transformed, increased or modified based on the specific future transportation needs.
- Transportation of the students, members of associations, institutions, and various public bodies of the Municipality of Rhodes, children of kindergartens and nurseries of the Municipality of Rhodes, inside and outside the urban area of Rhodes Island and generally the provision of transportation services in the Municipality of Rhodes for social purposes and cases of emergency.
- The introduction of actions promoting cultural tourism.
- The operation of the tourist trains aiming at the supporting of the cultural tourism of the Rhodes island.

- The undertaking and execution of "social programs" such as "Help at Home", "Social Welfare", "Support actions for the Elderly", etc.

The broader objectives of the operation of the Municipal Transport Company DES RODA concern:

- The improvement of public transport on the island of Rhodes for the benefit of residents and visitors,
- The elimination of social, geographical and economic isolation of municipal districts,
- The promotion of accessibility for all social categories (i.e children, those in need, refugees, elderly, etc),
- The promotion of local economic development,
- The viability of transport networks,
- The environmental concern of the company,
- The gradual expansion towards meeting the current and future needs of the Municipality transport needs,
- The supporting of the Sustainable Urban Mobility Plan of the Municipality of Rhodes
- The implementation of the objectives, priorities and initiatives raised for the adaptation to the Municipal, Regional, National and European Union Environmental Directives and Policies

Resources – Assets – Financing of OPEX & CAPEX

According to the Decision of the Board of the Municipality of Rhodes 154A / 2011 (3) - Government Gazette 992 B' on the 26th of May 2011, the sources of funding of DES RODA can be:

- Financing from the Municipality of Rhodes for the activities and the services provided in the establishment Decisions
- Revenues from the provision of services and the operational activities (i.e ticket selling), the provision of services to local or Regional Authorities, other public or non-public bodies and third parties willing to contribute for actions related to the company's statutory purpose
- Participation in Grants, Subsidies and Co-financed Programs based on relevant Calls, either in Regional, National or EU level.
- Donations, sponsorships, financial aid from legal entities of the public or private sector and physical persons.

- Income from related business activities, such as advertising

Administration of DES RODA

According to Article 255 of Law 3463/2006, Municipal Transport Company is governed by a Board of Directors, consisting of seven (7) to eleven (11) members, who are appointed together with their deputies by the Municipal Council.

At least three (3) of the above, are elected representatives of the Municipality, one (1) is a representative of the employees of DES RODA nominated by their general assembly, and one (1) is a representative of a Social body existing in the Municipality. The remaining members are citizens or residents of the Municipality who have experience or knowledge related to the operational activity of DES RODA. In the case of elected members, at least one of them represents the opposition.

The term of the board of directors follows the term of the municipal council. In any case, the term expires no later than three (3) months after the installation of the new municipal council.

Members of the board of directors may be replaced during their term of office by a reasoned decision of the municipal or community council that appointed them, which is taken by an absolute majority of the total number of its members.

The decisions of the Board of Directors of the company are approved by the Municipal Council, if they concern:

- a) The voting of the budget, the balance sheet and the annual report of activities
- b) The purchase or sale of real estate or any mortgage
- c) The distribution of net profit or the development of an investment plan
- d) The increase of the company's share capital
- e) The merger or dissolution of the company.
- f) The decision for loans

A majority of all members of the respective council is required for the legal adoption or approval of the above decisions.

The Board of Directors is responsible to draft Regulations that are deemed necessary for the company's operations.

DES RODA has already approved the following Regulations:

- Company Staff Regulations (approved by Decision No. 50/2013)
- Financial Management Regulation (approved by Decision No. 51/2013)
- Regulation of the Board of Directors ((approved by Decision No. 52/2013)
- Manual of Management Adequacy Procedures Type B and C (approved by Decision No. 105/2020 and certified by the ELOT standard 1429/2008 (valid until 23.12.2023). These procedures prove the managerial capacity of the Company in case of its participation in EU co-funded projects and Calls.

Decision for the Routes / Fare / Operations Planning

The minimum number of mandatory routes is determined following a Decision of the Board of Directors of DES RODA, approval of the Municipal Council of the Municipality of Rhodes and ratification of the Decision by the Decentralized Administration or the South Aegean Region (par. 1 of Article 8 of Law 2996 "Government Gazette 268 / t .A' / 23-11-2001 »),

The itineraries and routes are announced every year by DES RODA for each transport line.

The announcements are posted on the website of DES RODA, on the relevant website of the Municipality of Rhodes, in prominent places in the Municipality of Rhodes and on all stops (digital or physical) located along the routes and include at least the following information in Greek and English:

- The logo of DES RODA with reference to the offered services,
- The time of departure and arrival of the itineraries,
- The price of the ticket,
- The modes of selling / supplying the tickets,
- The duration of the announcement

The starting point, the end, the stops and the parking spaces for the buses of DES RODA are determined following a Decision of the Board of DES RODA.

The fare for Public Transport is determined and adjusted by a decision of the Board of Directors of DES RODA.

With a Decision of the Board of Directors of DES RODA, the system and the equipment for the collection of fare and the assurance of the incomes on the basis of a cost-benefit analysis are determined, ensuring the long-term viability of the company.

Project Planning

DES RODA has established solid process for the timely and rational planning of the necessary projects, bearing in mind the maximization of the offered services and the utilization of the existing resources.

According to the approved Organization Chart of DES RODA, the following Departments are involved in the project planning of DES RODA:

- Department of Project Planning
- Department of Project Implementation
- Financial Department – Accounting (including Procurement services)
- Department of Administration

Project Planning involves the following steps:

- Needs Identification
- Project Identification
- Financial Sources Identification
- Project Implementation (including procurement procedures)
- Project Delivery

DES RODA follows the Greek Public Procurement legislative framework, which ensures also the appropriate handling for the co-financed projects.

Participation in EU Funded projects

During the last three years, DES RODA participated in co-funded Projects, either as final Beneficiary or as a “Project Implementation” Body.

1. Interreg Greece – Cyprus 2014 – 2020 (Project Acronym: EYKINSH) (2017-2020):

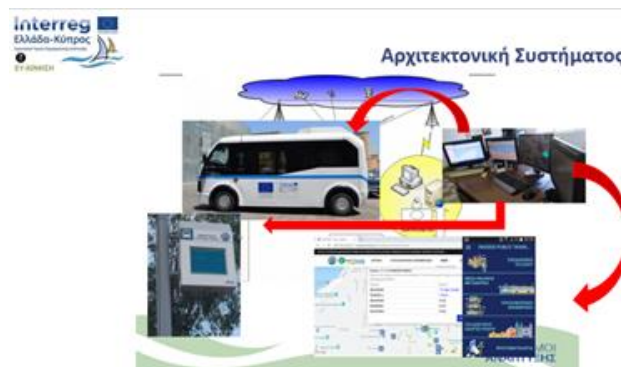
The Project aims at promoting smart, sustainable and alternative mobility in the cross-border area. The project helped the participating regions to develop an operational framework for the strengthening and environmental upgrading of Urban Transport, which includes:

- Integrated telematic systems for urban transport, including dynamic public information systems

- Acquisition of modern environmentally friendly Public Transport vehicles of low or zero emissions.
- Development of Integrated Sustainable Urban Mobility Plans
- Joint actions to raise public awareness, create incentives and organize events to promote the use of Public Transport Means
- Joint actions for publicity and promotion of the Project results as a good practice.

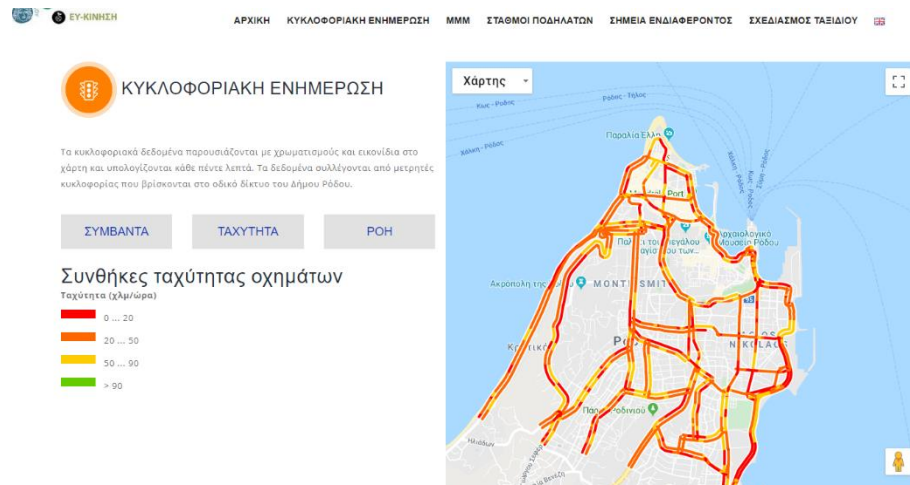
Deliverables of EYKINHSH Project

(buses, information systems, web and mobile app):



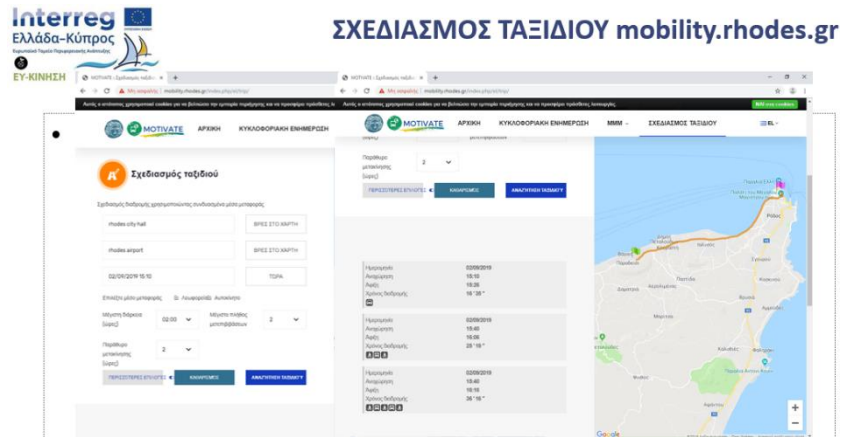
The Network of DES RODA

(image derived from the IS, showing the average speed in the reported area):



Voyage Planning

(image derived from the IS, showing the public transport options in the reference area):



2. Project under the Greek Ministry of Internal Affairs (2021):

DES RODA prepared and submitted a Project for the acquisition of 3 electrical buses, supporting the Greek National Policy for the electrification of public transport services.

DES RODA Investment Plan

DES RODA maintains the following fleet (see Appendix):

- 38 buses,
- 2 trains (mainly for touristic purposes)
- 5 cars

The investment priorities for DES RODA are the following:

Short Term Objectives (2021 – 2024):

- Development of an extensive network of electrical chargers within the limits of the covered area by DES RODA service
- Renewal of the vast majority of the 38 buses operating under DES RODA
- Development of Photovoltaic based charging stations for the electrical buses
- Identification of the possibility of DES RODA to develop “Energy Community”, based on the existing institutional framework that supports the idea.

Long Term Objectives (2021 – 2027):

- Introduction of Personal Light Electric Vehicles as supportive transportation means for the public (mainly visitors).
- Development of alternative means of public transportation based on electrified bicycles, small cars, etc.
- Introduction of the “pay as you go” system in the Municipality of Rhodes, especially during the summer time, regarding bicycles, or alternative electrical transportation means (i.e. PLEV)
- DES RODA to become a “zero emission” public transport company, able to referred as a “best practice” on EU level.

Risk Factors affecting the Investment Plan of DES RODA

- The proposed actions are “CAPEX sensitive” since the operational capacity of DES RODA can support the new generation of electrical buses.
- “State Aids” and the restricted framework of supporting Municipal companies: As DES RODA is a public company, it has always to defend the legal restrictions regarding “state aids”. Actually, DES RODA offers a public service, contributes to accessibility and mobility of the disabled or elderly people (apart from the citizens and visitors) and is organized in such a manner that can be competitive against the competition from the private sector, that mainly comes from taxis, cabs, small buses, etc.
- The practice of the Municipality acting as “beneficiary” who allocates the operation of the assets to DES RODA (current status) definitely lies on “state aids” regime and must be understood.

DES RODA will be at the disposal of anybody wants to contribute to its targets, initiatives and vision....

***For DES RODA,
Dimitris Tsikkis, President
Rhodes, May 2021***

APPENDIX: List of DES RODA Assets