

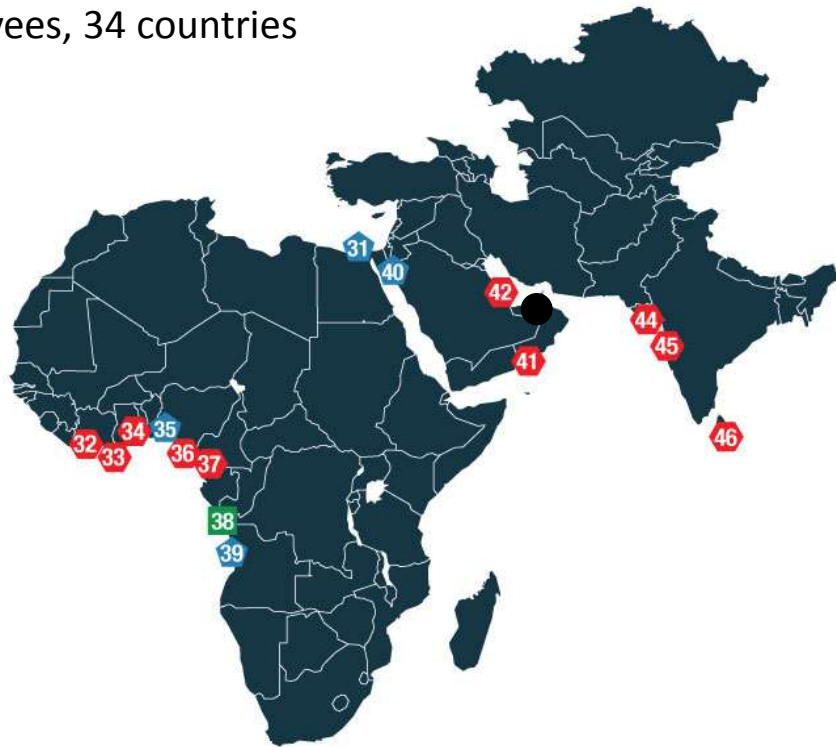
Public Private Partnership: Harnessing Private-Sector Competence to Deliver Public-Sector Goals



Thomas Hougaard, APM Terminals Africa Middle East and India

APM Terminals, part of the AP Moller-Maersk Group

- Global headquarters in The Hague, Netherlands
- 50 ports handling 31 million TEUs (weighted by terminal equity share)
- 2009 Revenue: USD \$3.02 billion
- 19,000 employees, 34 countries



Key colors

- **Head Offices**
- **Operational terminals**
- **Terminals with expansion projects**
- **New terminal projects**

Africa, Middle East and Indian Subcontinent

- 32 Abidjan, Ivory Coast
- 33 Tema, Ghana
- 34 Cotonou, Benin
- 35 Apapa, Nigeria
- 36 Onne, Nigeria
- 37 Douala, Cameroon
- 38 Pointe Noire, Congo
- 39 Luanda, Angola
- 40 Aqaba, Jordan
- 41 Salalah, Oman
- 42 Bahrain, Bahrain
- 43 Africa, Middle East and Indian Subcontinent Regional Office, Dubai, UAE
- 44 Pipavav, India
- 45 Mumbai, India
- 46 Colombo, Sri Lanka

PPP: The Benefits Endowed by Private Sector Operators

- Capabilities
 - Knowing the market and customer
 - Operational excellence
 - Resources to invest
 - Experience

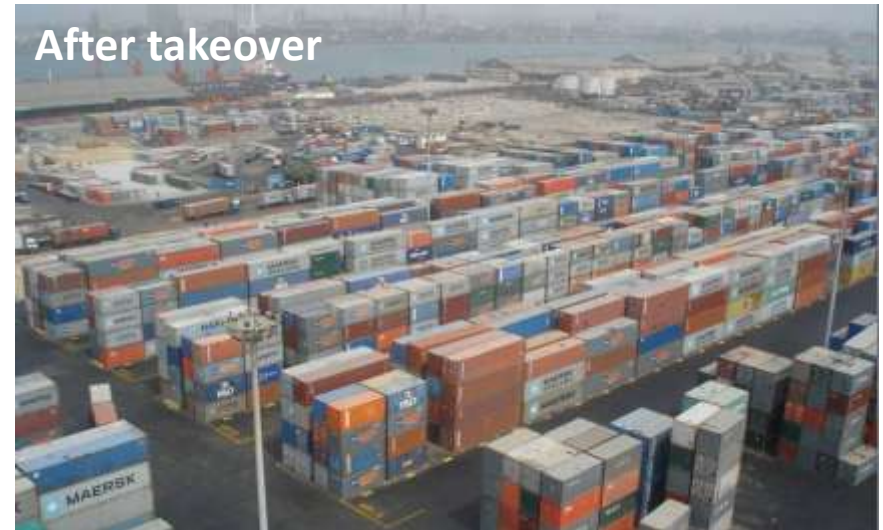
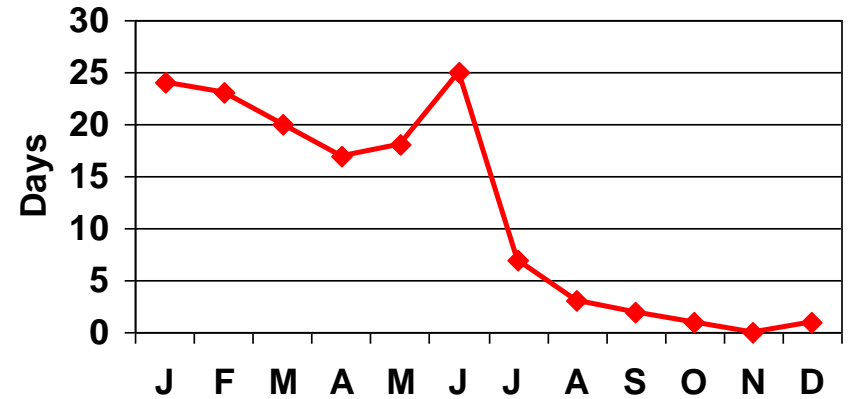
- Positive Externalities
 - Global Standards
 - World-class Training
 - Network Advantages
 - Scale Advantages
 - Customer Relationships



Examples- Reducing Congestion: Apapa, Nigeria

- Reduced vessel waiting time
- Improved Safety and Security
- Increased capacity and throughput
- Total CAPEX ~200m USD

Average Vessel waiting time 2006



Examples- Building for the Future: Bahrain

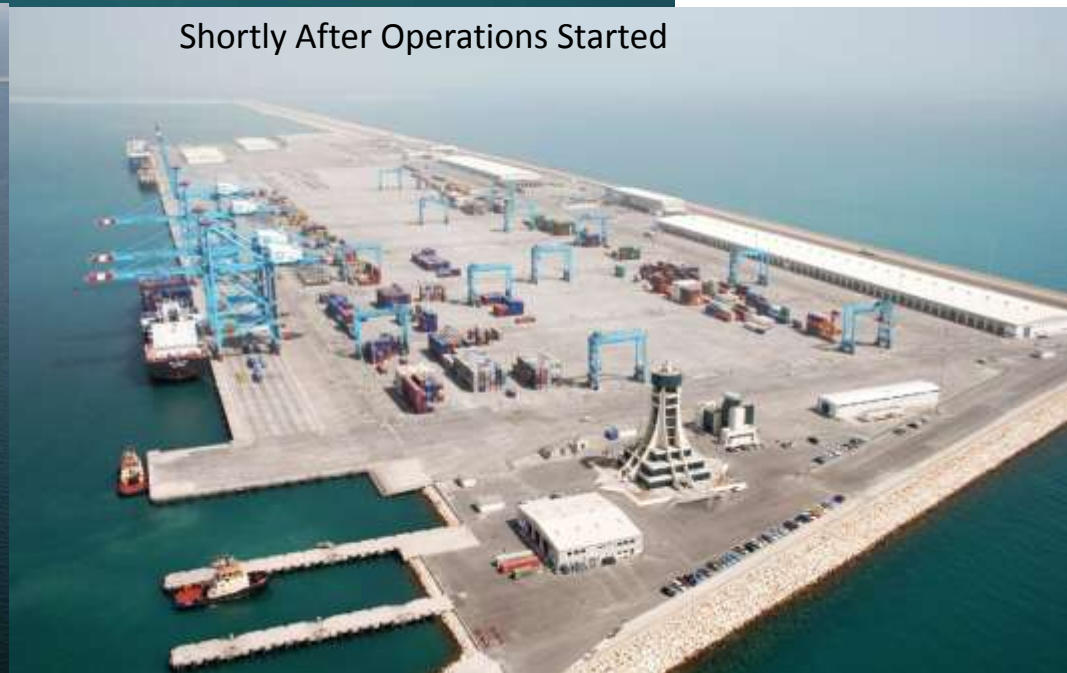
KPSP After civil works completion



New STS Cranes Being Delivered



Shortly After Operations Started



Examples- Operational Excellence: SCCT, Egypt



Phase I

Phase I+II

No. of Cranes	12 Super Post Panamax Cranes	24 Super Post Panamax Cranes
Quay Length	1,200 m	2,400 m
Draft	14.5 m	15.5 m
Terminal Capacity	2.7 million TEU	5.4 million TEU
Terminal Area	600,000 sqm	1,200,000 sqm
Reefers Plugs	1,655 plugs	2,500 plugs
Total Investment	240 mill USD	Approx. 1 billion USD
No. of Employees	1,350	2,350



Delivering a better port



Port Operator of the Year

1. Security
2. Safety
3. Productivity enhancements
4. Rehabilitation of infrastructure
5. Investment in capacity



Optimising the Partnership



Port Operator of the Year

- Assist in meeting the Shared Goal of Increasing Volumes
- Recognise Expertise and Allow Freedom in Delivery
- Play a Supportive Yet Regulatory Function



Evaluating the Best Fit Partner

- Capabilities
- Delivery Versus Promises
- Corporate Social Responsibility





Optimising the Role of the Lender

- Streamline Process
 - Standardise Procedure
 - Avoid work overlap (vis-à-vis due diligence)
 - Shorten Timeframe
- Reduce up-front costs



Conclusion

- **PPPs provide mechanism to drive port success**
 - Heightened efficiency and productivity
 - Facilitate investments
 - Attract volumes
- **Public Sector has supportive role to play**
 - Flexibility necessary
 - Recognise Shared Goals and allow operator freedom
- **Care in determining best partnership required**
 - Capabilities and past performance
 - Corporate social responsibility and sustainability of business
- **Lenders' assistance needed to streamline financing process**

Thank You



Port Operator of the Year



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