Public Privat Partnership (PPP) on Ports
UN – ESCWA – Experts Group Meeting
By Hakam KAMLEH 23-24 Nov. 2019
CMA CGM Group, a world leader in shipping and logistics

CMA CGM, founded by Jacques R. Saadé, is a leading worldwide shipping group.

Now headed by Rodolphe Saadé, CMA CGM enjoys a continuous growth and keeps innovating to offer its customers new maritime, terrestrial, and logistical solutions.
After he founded a company selling water coolers in Middle East, he joined the Group in 1994 in the U.S. He then worked in Hong Kong before coming back to Marseilles to head a shipping line linking Northern China to Japan.

From 1997 to 2000, Rodolphe Saadé successively headed different shipping lines.

In 2008, when a cruise yacht owned by Le Ponant, a CMA CGM subsidiary at that time, was hijacked, he was the one who led negotiations with the pirates, which ended with the release of the hostages.

In 2009, he took over the responsibility of the Group’s financial restructuring. In 2015 and 2016, he successfully led the voluntary general cash offer for Neptune Orient Lines (NOL), a Singapore based container shipping company.

In April 2016, he conducted the talks leading to the signature of the largest operational agreement of the sector with three Asian competitors: Ocean Alliance.

In February 2017, he was appointed Chief Executive Officer of the CMA CGM Group.

On November the 24th 2017, he is appointed Chairman of the board and CEO of the CMA CGM Group.
A new brand identity for a new ambition

Appointed Chief Executive Officer of the Group on 7 February 2017, Rodolphe Saadé established his priorities and set out a new strategic course.

This strategic course has a name: Shipping the future.

It expresses a new ambition: to continuously reinvent global freight transport for our customers. This new ambition must be reflected in our image. For this reason, we have decided to change our logo.

Our new visual identity conveys our drive and our ability to innovate. It also reflects the strength of our Group and reinforces our global image.

It embodies our values. It is turned towards the future and innovation, beyond any imaginable borders.

We must all convey this new ambition with pride and passion, aiming to be its best ambassadors, on land and on sea. Join us as we continue the remarkable adventure of CMA CGM.

Together, Shipping the Future.
Our main recent achievements

Full year 2018 financial results
The CMA CGM Group with a strategic move in logistics

“In 2018, in a difficult environment, the Group posted a sharp rise in volumes and a record revenue of nearly USD 23.5 billion. Despite an increase in oil prices, our recurring EBIT margin remains considerably above the industry average. We are pursuing our strategy of innovation and digital transformation in order to continue to offer excellent service to our customers and strengthen our performance.

In 2019, despite persisting geopolitical tensions, trade perspectives are positive. We will continue our development with the objective of improving profitability. That is why we are launching a new USD 1.2 billion cost reduction plan.

In addition, through the friendly public tender offer we are conducting on CEVA, our ambition is to become a world leader in both transport and logistics, thereby providing a complete and efficient service offer to our customers.”

CMA CGM successfully completes its public tender offer to acquire CEVA Logistics and confirms its position as a leading worldwide transport and logistics group

Merging CEVA’s operations into the CMA CGM Group will strengthen its position as a worldwide leader in maritime transport and logistics. Present in 160 countries, the Group will be 110,000 people strong with more than $30 billion in revenue.

The CMA CGM Group will now be able to meet the logistics needs of its customers around the world with a comprehensive range of solutions across the supply chain, including LCL, airfreight, purchase order management, contract logistics or customs clearance.

CMA CGM will not use the Northern Sea Route

Rodolphe Saadé announced during a meeting at the Elysée Palace with French President Emmanuel Macron that the CMA CGM fleet will not use the Northern Sea Route.

the Northern Sea Route, which runs the length of the Siberian Coast, connects Asia to Europe. It has been made navigable due to the effects of global warming. The use of the Northern Sea Route will represent a significant danger to the unique natural ecosystems of this part of the world, mainly due to the numerous threats posed by accidents, oil pollution or collisions with marine wildlife.

To avoid posing a greater threat to this fragile environment, Rodolphe Saadé has decided that none of the CMA CGM Group’s 500 vessels will use the Northern Sea Route along Siberia, which is now open due to climate change.

World Premiere: Launching of the World’s Largest LNG-Powered Containership and Future CMA CGM Group Flagship

In 2017, Rodolphe Saadé announced his decision to order a series of nine 23,000-TEU containerships that would be the world’s first ever to be powered by liquefied natural gas.

A clean energy, LNG helps to reduce:
- emissions of sulphur oxides and fine particles by 99%
- nitrogen oxides emissions by up to 85%
- carbon dioxide emissions by around 20%

These new vessels will join the Group’s fleet in 2020 on the French Asia Line (Asia-Northern Europe) and will be registered in the French International Register (RIF), confirming the Group’s commitment to operating under the French flag.

Second quarter 2019: the Group delivers solid operating performance and above-market growth in volumes.

In the second quarter, volumes transported by CMA CGM increased by 6.3% compared to the second quarter of 2018 and by 6.8% compared to the first quarter of 2019. This positive trend, which is above market, is driven by the strong growth of intra-regional lines (short sea) and the United States lines, which remain particularly dynamic. Adjusted EBITDA came to USD 954 million for the period, of which USD 464 million from the impact of applying IFRS 16 and USD 147 million from the consolidation of CEVA. Excluding these two factors, adjusted EBITDA was up by a strong 60.1% year-on-year, at USD 343,6 million versus USD 214,6 million in second quarter 2018. This performance reflected both the sustained growth in revenue and the impact of the performance improvement and cost control plan under way since the beginning of the year.
ECOVADIS: « Gold recognition level »

› For the **fifth consecutive year**, CMA CGM received the "Gold Recognition Level"

› The best ratings of the Group concern:
  › Sea and coastal water transport: TOP 1% of the most successful companies
  › Sustainable procurement: TOP 1% of the most successful companies in the maritime transport
  › Labor practices: TOP 1% of the most successful companies in the maritime transport
  › Environmental compliance: TOP 3% of the most successful companies in the maritime transport
  › Ethics: TOP 3% of the most successful companies in the maritime transport

› Compared with last year, the CMA CGM Group particularly progressed in the field of fair business practices and sustainable procurement.

"We cannot envision our future development without an ambitious policy regarding social responsibility. This evaluation, which ranks us among the TOP 1% of the most dynamic companies regarding CSR, demonstrates our commitment towards a more respectful future and encourages us to double our efforts. This ambition is intrinsically connected to our group’s family dimension and its very strong human values."

_Tanya Saadé Zeenny,
Executive Officer of the CMA CGM Group_
1. CMA CGM Group Overview
2. CMA CGM Port Operator Activities
3. Historical Overview of PPP in Ports
4. CMA Terminals Experiences in PPP: Lattakia Terminal (LICT) & Um Qasr Terminal
5. Lessons from PPP on Ports
6. General Recommendations
1- CMA CGM Group Overview
## CMA CGM Group key figures

<table>
<thead>
<tr>
<th>Over 200</th>
<th>Over 110,000</th>
<th>2.71</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shipping lines</td>
<td>Employees Worldwide</td>
<td>Million TEU of fleet capacity*</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Over 420</th>
<th>20.71</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ports of Call in 160 countries</td>
<td>Million TEU transported in 2018</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>755</th>
<th>511</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offices worldwide</td>
<td>Vessels***</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>750</th>
<th>30</th>
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</thead>
<tbody>
<tr>
<td>Warehouses</td>
<td>Billion USD of revenue in 2018</td>
</tr>
</tbody>
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* 01/04/18
** 44 operational terminals in 26 countries & 2 terminals in development*
*** June 2019
CMA Terminals & Terminal Link within CMA CGM Group
2- CMA CGM Port Operator Activities
CMA Terminals & Terminal Link within CMA CGM Group

CMA Terminals

Terminal Link

CMA Terminals Holding

100% owned by CMA CGM

(51% owned by CMATH and 49% owned by China Merchants)

Recently acquired APL terminals portfolio
CMA CGM Group Terminals Network

45 operational terminals in 27 countries & 2 terminals in development*

- Thessalonik, Greece
- Odessa, Ukraine
- Rotterdam, Holland
- Moby Dick, Russia
- Yanino, Russia
- Singapour, Singapore
- Mundra, India
- Umm Qais, Iraq
- Laem Chabang, Thailand
- Tripoli, Lebanon
- Ho Chi Minh City, Vietnam
- Le Port, La Reunion
- Busan, South Korea
- Yokohama, Japan
- Qingdao, China
- Kaohsiung, Taiwan
- Bangkok, Thailand
- Salalah, Oman
- Algeciras, Spain
- Casablanca, Morocco
- Tangier, Morocco
- Abidjan, Ivory Coast

- Antwerp, Belgium
- GMF, Le Havre, France
- Dunkirk, France
- Montoir, France
- Med Europe Term, France
- Marseille, France
- Fos sur Mer, France
- Sevilla, Spain
- Tanger, Morocco
- Casablanca, Morocco
- Le Havre, France

- Kingston, Jamaica
- Fortaleza, Brazil
- Natal, Brazil
- Guadeloupe
- Martinique
- SOMARIG, French Guyana

- Los Angeles, USA
- Long Beach, USA
- Bayport, USA
- Miami, USA
- Unalaska, USA

UN – ESCWA – IsDB / PPP on PortS
24 novembre 2019
Port Assets

History
- CMAT, incorporated in 2012, 100% owned by CMA CGM
- Terminal Link, incorporated in 2001, owned by CMA CGM (51%) and CMPort (49%)
- APL terminal portfolio, acquired through NOL acquisition in June 2016

Core Business
- Develop, design, build and operate high value terminals
- Multi-user terminals aiming at providing to all shipping lines a high quality of services

Investments
- Interests in 45 port/terminal assets around the world:
  - 5 located in North America
  - 3 located in Caribbean
  - 3 located in South America
  - 12 located in North Europe and Black Sea
  - 6 located in Mediterranean
  - 8 located in Fast East
  - 3 located in Middle East
  - 6 located in Africa
  - 1 located in Indian Ocean

Throughput
- Total of TEU (twenty equivalent unit) handled in 2018 (Economic Interest): 12 Million TEU

Head office - Management Staff
- 24 persons worldwide for the two holdings (excl. shared support staff and terminals staff)
Our Experts

CMA Terminals & Terminal Link are formed by experts able to conduct container terminal development and to ensure asset management of portfolio.

- Finance expertise fields
- Marketing expertise fields
- Human Resources expertise fields
- Equipments and Operations expertise fields
- Construction – Civil works expertise fields
- Legal Expertise
Historical Overview of PPP in Ports
The need to **improve port Management and it performance** has led to increase the involvement from the private sector in port operation especially since the late 1970.

The development of ports during that period were centered on **engineering** and related **construction** aspects, financing, institution building, and manpower development.

A new phase in port development has started from the early 1980s, when shippers have started to **change practices**, by rapidly **progressing technology** advances like cargo **containerization**.
Historical Overview of PPP in Ports (2/2)

- The **progressive opening of the port** sector worldwide gave opportunities for **shipping lines** and **stevedoring companies** to **expand their market in multiple forms**.

- Despite the variations in private sector participation, the majority of port framework **management** are founded on the **cooperation** between a Public Port Authority and a Private Terminal Operator i.e. port PPPs.

- The decisions of PPPs on should be aligned with the country’s conditions. **Three-phrases process** which consists of:
  1. Setting pre-conditions,
  2. PPP development and implementation, and
  3. performance assessment.
CMA Terminals Experiences in Public Private Partnership (PPP) on Port
CMA Terminals Experiences in PPP on Port

I- Lattakia International Container Terminal (LICT)

&

II- Um Qasr Terminal Berth N° 5
CMA Terminals Experiences in PPP

I- Lattakia International Container Terminal (LICT)
Lattakia International Container Terminal (LICT)

Geographical Location
LICT in Lattakia the historic Syrian leader in container traffic

- Strategically located to serve the hinterland markets of northern Syria and Damascus thanks to rail and road connections
- Offering international best practices

Throughput in ‘000 teu

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>236</td>
<td>253</td>
<td>292</td>
<td>333</td>
<td></td>
</tr>
</tbody>
</table>

- Major clients: CMA, MSC, MSK, UAC, CHN, HSD, ARK
- Number of employees: 638

Quay Length
- 830 meters

Quay Cranes
- Quay Cranes
- Mobile Cranes

Yard Equipment
- Straddle Carriers
- Reach Stackers

Depth
- 11.8 to 13.3 meters

Terminal Area
- 67 Ha

Terminal Capacity
- 700,000 TEU
LICT Layout
### Chronology of the project Management Contract for LICT

<table>
<thead>
<tr>
<th>Date</th>
<th>Evente</th>
</tr>
</thead>
<tbody>
<tr>
<td>18/03/2008</td>
<td>Annonce of the Tender (5K$ price of document) – 4 bidders have been qualified:</td>
</tr>
<tr>
<td></td>
<td>▪ Operating of 2 Terminals in 2 different countries,</td>
</tr>
<tr>
<td></td>
<td>▪ More than 500k Container / year in Terminal for 3 years,</td>
</tr>
<tr>
<td>17/08/2008</td>
<td>Recieve &amp; Evaluate of Technical offers</td>
</tr>
<tr>
<td>20/08/2008</td>
<td>Annonce of qualified Bidders by technical offers (3 form 4 Bidders)</td>
</tr>
<tr>
<td>26/08/2008</td>
<td>Receive &amp; evaluate of financial offers</td>
</tr>
<tr>
<td>29/08/2008</td>
<td>Announcement the winner and signature of MoU in order to discuss the draft of contract:</td>
</tr>
<tr>
<td></td>
<td>▪ CMA CGM (85) ; DP World (80) ; KGL (80)</td>
</tr>
<tr>
<td>07/02/2009</td>
<td>Signature of Management Contract</td>
</tr>
<tr>
<td>01/10/2009</td>
<td>Opening LICT and starting of Operations</td>
</tr>
</tbody>
</table>
The characteristics of contract with Terminal Operator (LICT)

- Period of contract: 10 years with possibility of extension for 5 years.
- Management Contract with **Revenue Sharing** between Port & Operator.
- The operator committed to:
  - Operate and rehabilitate the Terminal.
  - Purchase of 9 Straddle Carrier, other equipment and systems.
  - Receive and maintain Equipment form Port for operating the terminal.
  - Minimum level of volume.
  - Temporary employment (transfered) from Port salaries.
Legal background of the contract

The Contract of LICT has been prepared by the Experts team of United Nations Development Program (UNDP) who insured the success of this PPP on Port.

There was no special law on Participatory (PPP), but:

- Decree No. (67) of 2001 on the investment system in the ports of Latakia and Tartous.
- Investment Law No. 8 of 2007 (Financial and Tax Facilities).
- Provisions of the Civil Code (not the Public Procurement Contracts Act).
Advantage of LICT Management Contract (1/2)

- The PPP contract of LICT has allowed to introduce the notion of the “international arbitration” between Public Authority and Private Operator according to Syrian Law through a neutral country.
- Increasing Port revenues per container.
- Ensuring the continuity of Terminal Operations and accosting of global shipping lines.
- Deployment of Terminal Operations Systems (CATOS) allowing a new structure for handling and delivering containers according to international standards, and resolving the Congestion on Terminal.
- Deployment of Terminal financial systems related to invoicing,…. 
Advantage of LICT Management Contract (2/2)

• The Management contract of LICT has allowed to avoid a lot of other difficulties which disrupted the fluency of operations on Terminal and the quality of customer services, by:
  • Allocating a dedicated areas for: inspection, stuffing / unstuffing, storage,
  • Improving the measures of Safety Security and Environment (SSE).
  • Improving the performance of planning and operations for Vessels also through Quay and Yard, allowing to:
    • Increasing the productivity of Gantry Cane from 13m/h to 22m/h.
    • Decrease the Dwell-time for import full.
CMA Terminals Experiences in PPP

II- Um Qasr Terminal Berth N° 5
CMA CGM Iraq / CMA Terminal Um Qasr

CMA CGM PRESENCE IN IRAQ:

- BAGHDAD HEAD OFFICE
  Covers the center of Iraq.

- UMM QASR OFFICE
  Covers the South of Iraq.

- ERBIL OFFICE
  Covers the North of Iraq.

- ZAKHO OFFICE
  Border with Turkey.

- BAGHDAD DRY PORT
  Strategic inland point.

- UMM QASR TERMINAL
  Sea Port.

MAP KEYS:

- OFFICE
- TERMINAL
Layout of Berths – Um Qasr South & North Ports
Drawing – Um Qasr South Port
### Chronology of Tender of Terminal Um Qasr Berth N° 5 (1/2)

<table>
<thead>
<tr>
<th>Date</th>
<th>Evente</th>
</tr>
</thead>
<tbody>
<tr>
<td>04/02/2016</td>
<td>Launching of Tender for « rehabilitation, modernization, finance, management, and operation”.</td>
</tr>
<tr>
<td>17/02/2016</td>
<td>Clarification meeting for Bidders</td>
</tr>
<tr>
<td>24/02/2016</td>
<td>Receiving of Technical and financial offers and then open them at mid-day in presence of Bidders</td>
</tr>
<tr>
<td>25/04/2016</td>
<td>Classification of Bidders / CMA in 1st class (64%) before Khairat Alsabatein (55%), Ghazal (45%), Manart Um Qasar (42%).</td>
</tr>
<tr>
<td>22/09/2016</td>
<td>Notice for attribution of Terminal Um Qasr Berth n°5 to CMA</td>
</tr>
<tr>
<td>23/03/2017</td>
<td>Signature of Management Contract</td>
</tr>
<tr>
<td>03/07/2017</td>
<td>Delivery of Berth no.5 – and starting of quay and yard operations</td>
</tr>
</tbody>
</table>
## Chronology of Tender of Terminal Um Qasr Berth N° 5 (2/2)

<table>
<thead>
<tr>
<th>Date</th>
<th>Evente</th>
</tr>
</thead>
<tbody>
<tr>
<td>Six months period as from 03/07/2017</td>
<td>Preparing and then submitting of project designs &amp; plans which have been launched according to the signed Management contract</td>
</tr>
<tr>
<td>20/11/2017</td>
<td>Start execution of Civil Works Project</td>
</tr>
</tbody>
</table>
| 23/04/2018                  | Signature of an addendum for Management contract:  
- extending the Initial period (15 years) by an additional 7 years; and  
- additional Yard of 7 hectare (delivered on 10/05/2018) to the initial Perimeter 24 hectare.                                           |
| 18/04/2019                  | Port authority has granted an additional period of 16 months to the initial execution period (20 months). Accordingly, management contract period of 22 years shall start as from 20/11/2020.                                   |
| From 23/08/2019 to 3/09/2019 | Dredging works have been achieved.                                                                                                                                                                      |
| 3/09/2019                   | Port report has declaring that the performance rate of works execution has reached 62% as at end of August 2019.                                                                                          |
Characteristics of Terminal Um QasrBerth n° 5

- Managed by CMA Terminals
- Ideally located as a gateway for Iraqi domestic cargo with connections to KhorFakkan, Djebal Ali.
- CATOS, Terminal Operating System (TOS) for yard, gate, berth will be implemented during 2020.
- Maintenance & repair workshop for container handling equipment, containers & site facilities.
- Number of employees: 160
- Availability of Customs inspection on site.
- Possibility for railway network connection.

### Quay Length
- 230 meters

### Quay Cranes
- 2 STS Cranes

### Yard Equipment
- Reach Stackers

### Terminal Area
- 31 Ha

### Terminal Capacity
- 224,000 TEU current phase / 420,000 TEU Ultimate phase

### Throughput in ‘000 teu

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
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<tbody>
<tr>
<td></td>
<td>139</td>
<td>134</td>
<td>214</td>
<td>181</td>
</tr>
</tbody>
</table>

- Major current client: CMA CGM
Layout – CMA Terminal Um Qasr South Port – Berth N° 5
Nature of Management Contract

- A "Partnership Contract for the rehabilitation, modernization, finance, management, and operation" has been signed between General Company for Ports of Iraq (GCPI) and CMA Terminal Iraq (CMAT).

- Period of Contract: 22 years after the end of civil works (36 months).

CMAT committed to:

- **Rehabilitate** of Quay and construct yard and new buildings and warehouse for maintenance according to required specifications.
- **Equip** Terminal by Gantry Cranes, Reach stackers, Empty Handlers, Forklifts and tractors.
- **Employ** not less than 50% as from Iraqi workers.
- **Operate** the Terminal according to a complete Terminal Operating System (TOS) that should be applied on all the details of operations.
Legal Background of Management Contract

- The contract is submitted to the Iraqi law and to the orders issued by Iraqi port authorities.


- There is not any dedicated law for public private partnership.
Advantages of Management Contract of CMAT Um Qasr Berth N° 5 (1/2)

- It is expected to **increase port revenue** thanks to the new investment through Equipment, civil works, systems that will double the capacity of Berth N° 5.

- **Connecting Port Um Qasr** to five continents thanks to CMA CGM shipping Lines.

- Ensuring **training for local employees** through the worldwide CMA Terminals network.

- The deployment of **New TOS** during 2020 will reduce the dwell time of containers also the waiting time for shipping Lines, thank to the improvement of planning and communication with shipping lines and customers.

- Deploying a Maintenance management system.

- Improving reefer plugging, stuffing and unstuffing through a **dedicated yard**.
5- Lessons from PPP on Ports
Lessons from PPP on Ports

1. Preparations before Tender (before signing of PPP contract)

2. Operating and Management of Terminal (after signing of PPP contract)
Lessons from PPP on Ports (1/4)

1. Preparations before Tender (before signing of PPP contract)

It is very helpful that Public Authority in charge of PPP process has a strategic vision and proactive commitment:

- National port development strategies, through conducting Reforms in:
  - the Regulatory,
  - Legislative, and
  - Managerial environment required for the operating of Commercial Ports.

- These reforms represent an important Institutional Determinants of the success of PPP in ports and could contribute to port development and economic growth through:
  - Regulatory quality,
  - Market openness,
  - Facility to start a business,
  - Enforcing contracts.

- The opening to early discussions (consultancies) with potentials candidates would improve the expected contract (project value) by reducing the expected Transaction Costs.
2. Operating and Managing of Terminal (after signing of PPP contract)

<table>
<thead>
<tr>
<th>Items</th>
<th>LIC T</th>
<th>Um Qasr Berth N°5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of Contract</td>
<td>Management Contract</td>
<td>Management Contract</td>
</tr>
<tr>
<td>Period of Contract</td>
<td>10 years</td>
<td>22 Years</td>
</tr>
<tr>
<td>Initial Investment in Infrastructure and Equipment</td>
<td>Port</td>
<td>Operator</td>
</tr>
<tr>
<td>Type of Investment conducted by Operator</td>
<td>Rehabilitation, and addiitional equipment</td>
<td>Construction Civil Works + Equipment are required to ensure operation on Terminal</td>
</tr>
<tr>
<td>Volume commitment</td>
<td>Yes</td>
<td>Non</td>
</tr>
<tr>
<td>Fees paid to port</td>
<td>Percentage of Terminal Revenues</td>
<td>Charges &amp; duties related to the volume operated by Call</td>
</tr>
</tbody>
</table>
Lessons from PPP on Ports (3/4)

2. Operating and Managing of Terminal (after signing of PPP contract)

1. **Correlation** between Period of Contract and the type of Investment.

2. The fact that CMA Terminals has Shipping Lines as a sister company in “CMA CGM Group” reinforces its capacity to grant clients for Terminal (shipping lines and importers) / increasing the trust.

3. The Terminal represents an important node in the supply-chain that CMA CGM Group is able to ensure via Dry Ports (ex. DPHS, …) also via Land Transport and Logistics especially after the acquisition of **CEVA Logistics** (on April 2019) a Global Leader in Transport and Logistics (*Present in 160 countries with 70 000 employees*), which can increase the quality of customer services.
4. Operating the terminal as “Common Users Terminal” opened to all shipping lines without discrimination.

5. Managing the Terminal as fully integrated terminal, managing directly all ancillary activities related to the container activities.

6. Opening the Terminal 365 days per year working by shifts.

7. The Terminal creates local Jobs via direct and indirect employment.
6- General Recommendations
General Recommendations (1/2)

1. Integration of the **environment protection measures** in ports development and management and reduce the emission of CO2.

2. **United Nations** (through development programs) could **cover** and **supervise** the preparation of PPP contract, ensuring the framework for a **natural contract** that could protect the **rights** of each parts.

3. It is preferable that the **country laws** be applied on the PPP project, but demands that **arbitration** be held in a third country (Switzerland, …..) in case of dispute.

4. It is useful for 2 parts to include the **Force Majeures Termes** in the Management Contract.

5. The **period of contract** should be enough long in order to allow to operator to cover its investment, for example **25 years** are required to recover the investment in STS Gantry Crane.
General Recommendations (2/2)

6. Terminal Operator need that **Port Facilitates all access to Terminal**:
   - Ensuring the regularity of **dredging** between the entrance of the channel and the quay walls of Terminal.
   - Ensuring **navigation** between the entrance of the channel and the accosting on the berth. Ensuring
   - Developing of **road infrastructure** for connection between Terminal and highway.
   - Connect the Terminal to the national **rail road network**.

7. Ensuring that **import of equipment** by Operator be **free from any import or customs taxes**.

8. Port should Ensure the **Security** on the perimeter of port.