

Accelerating Development through Public Private Partnership

شركة تطوير العقبة
AQABA Development Corporation



Development Corporation

JORDAN

PPP in Ports Development

Presentation to:

اللجنة الاقتصادية والاجتماعية لغربي آسيا



الأمم المتحدة

الاسكوا
ESCWA

Developing in Partnership.....



A Company owned by

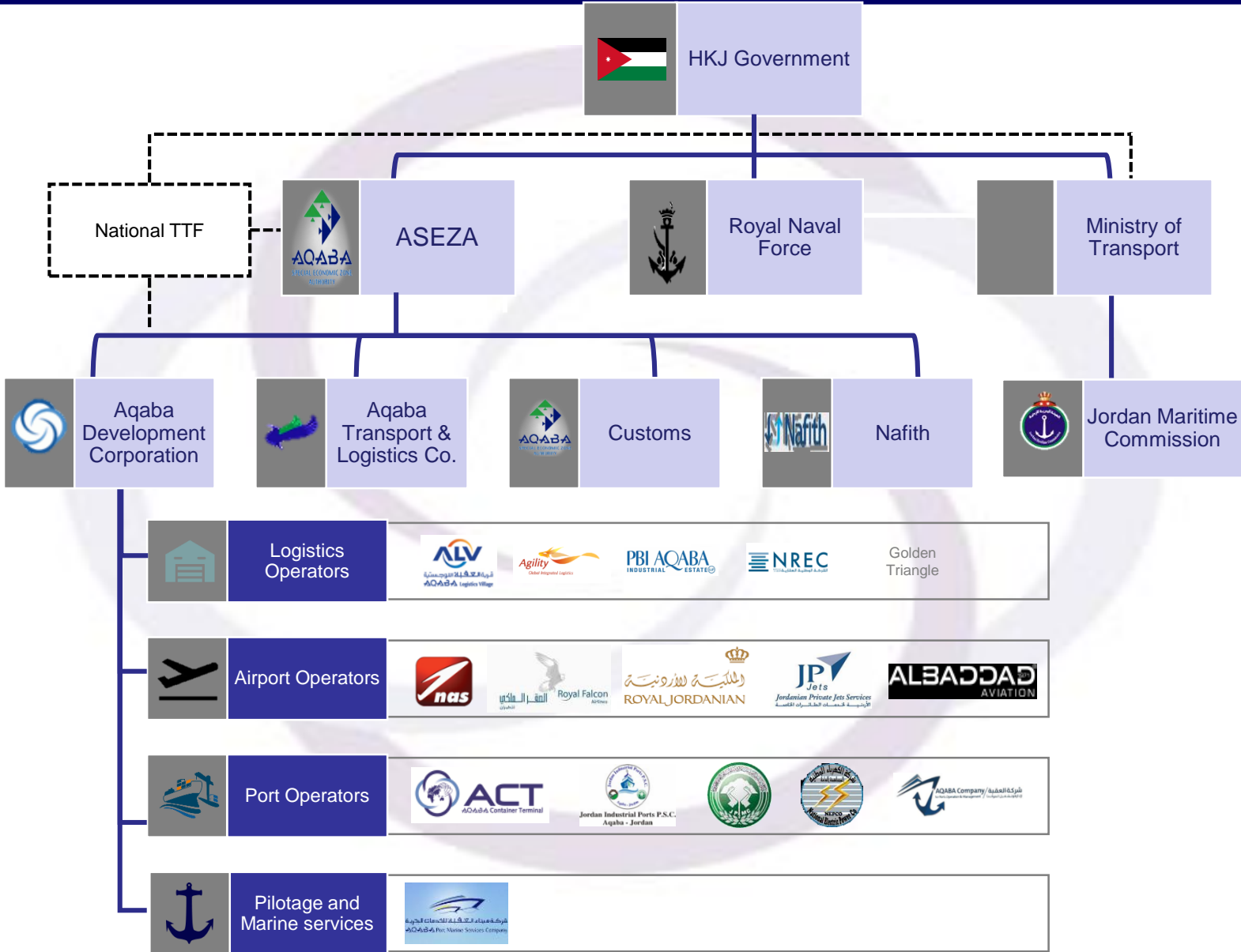
**Aqaba
special
Economic
Zone
Authority**



**Government
of Jordan**

Aqaba Ports & Logistics Community Structure

Key stakeholders in Aqaba



ASEZ Master Plan



NORTH

- Business District Zone
- Airport Zone



MIDDLE

- Aqaba City Area
- Aqaba Port Area



SOUTH

- Coastal Zone
- Heavy Industrial Zone


Legend


LAND USE CLASSIFICATION

- RESIDENTIAL
- URBAN TOURISM
- RESORT TOURISM
- RETAIL/COMMERCIAL
- MIXED USE
- GOVERNMENT/COMMUNITY SERVICES/ INSTITUTIONAL
- LIGHT INDUSTRIAL
- HEAVY INDUSTRIAL
- AIRPORT/SEA PORT/RAILWAY YARD
- UTILITIES
- SPECIAL USE
- RECREATIONAL/OPEN SPACE/BUFFER
- WILDERNESS RESERVE
- H HISTORIC/ARCHAEOLOGICAL
- DEVELOPMENT RESERVE
- AQABA GULF

OTHER PLAN SYMBOLS

- * SOUTH BEACH SERVICES AREA
- EXISTING MAJOR HIGHWAY OR URBAN STREET
- PROPOSED MAJOR HIGHWAY OR URBAN STREET
- EXISTING RAILROAD
- PROPOSED RAILROAD
- AQABA SPECIAL ECONOMIC ZONE BOUNDARY

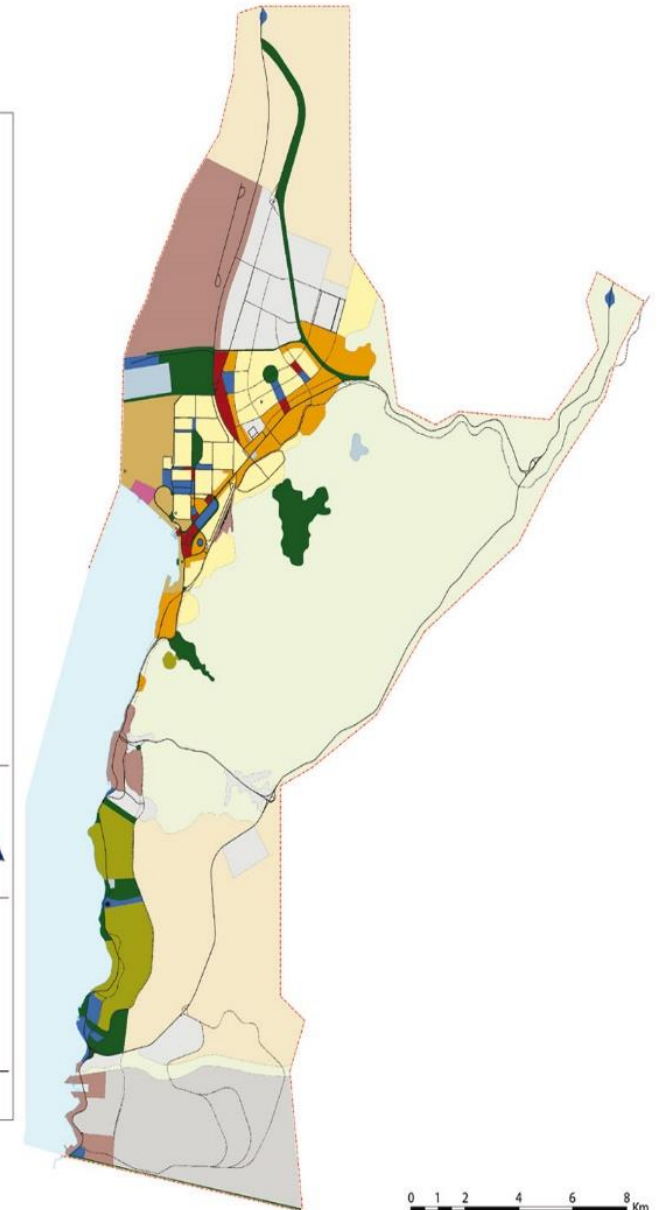




GENERAL LANDUSE PLAN

Revised on July 2005 - Second Edition
According to Decision No. (475) taken in Session no. (23/2005) Dated 23/7/2005

Produced by "ASEZA" GIS Unit
By Eng. Reem Mobideen



Partnerships: Our Building- Blocks

“This is Jordan’s goal: Re-launching growth and investment while deepening reform and inclusion. For this end, public-private partnerships are our building-blocks.”

His Majesty King Abdullah II

WEF, Dead Sea 2015



Advantages of privatization for JORDAN:

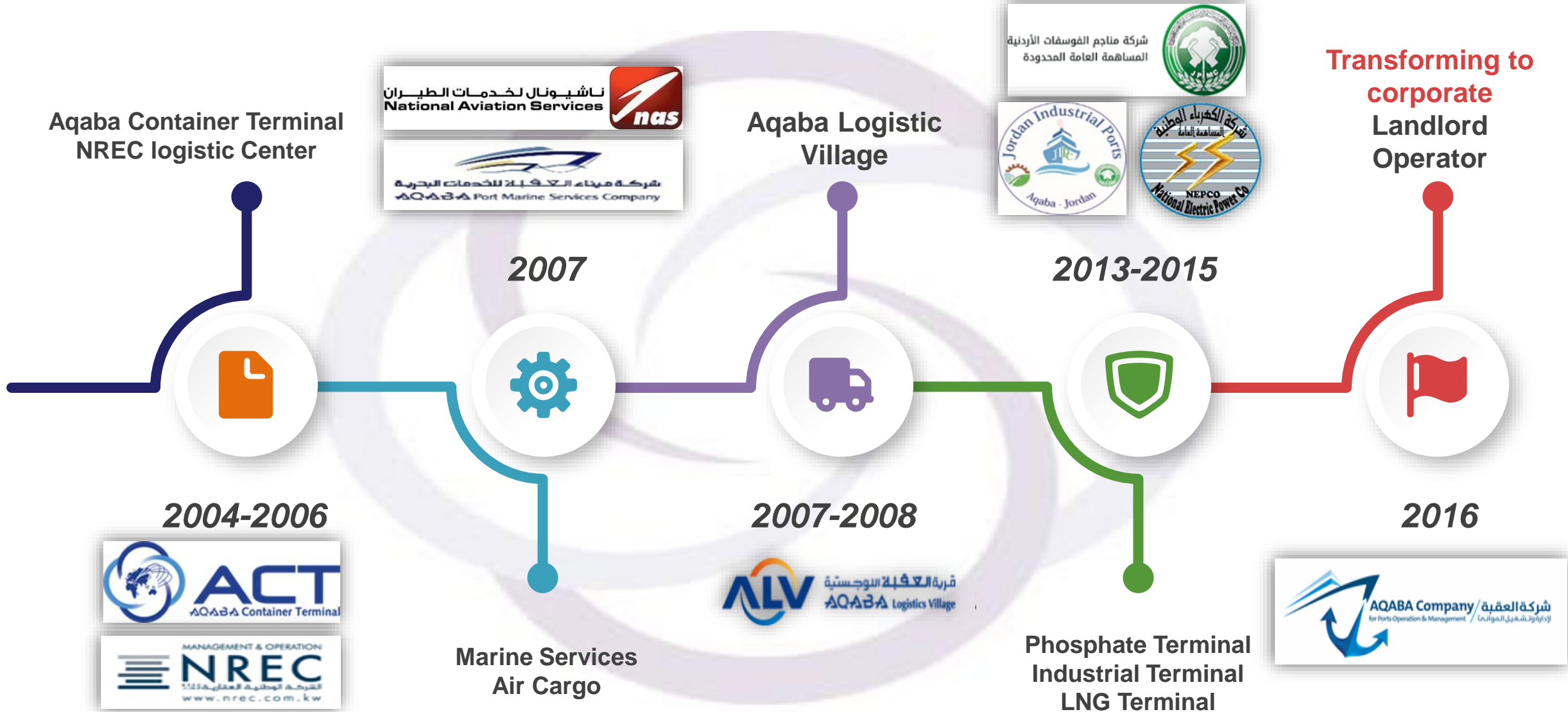
- Efficiently operated container terminal & supply chain.
- Expansion of terminal capacity to accommodate growth.
- More competitive economy.
- Relief from making fund in Capex.
- Cash flow over the contract stream, and Tax generation.
- All tariff controlled by the Gov.
- Container Terminal at end of term return to the Gov.



WHY PPP in port development ?



PPPs Timeline



12

TERMINALS



6

OPERATORS

28

OPERATING
BERTHS



8

BERTHS
UNDER CONSTRUCTION

9

LOGISTICS
YARDS



7

LOGISTICS
Centers

2

RAILWAY PROJECTS

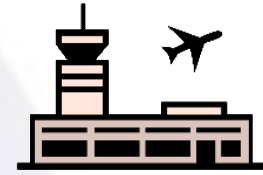


1

OPERATING RAILWAY

1

INTERNATIONAL
AIRPORT



10

AVIAITION PROJECTS

Aqaba Container Terminal

A successful Public Private Partnership





Situation prior to PPPs decision



Congestion



High Dwell time



Low Efficiency



Financing

In the period 1999 - 2003, trade volumes through the sole container terminal in Jordan's grows up by 73% followed by another 45% within half year.

High dwell time registered for vessels and cargo.

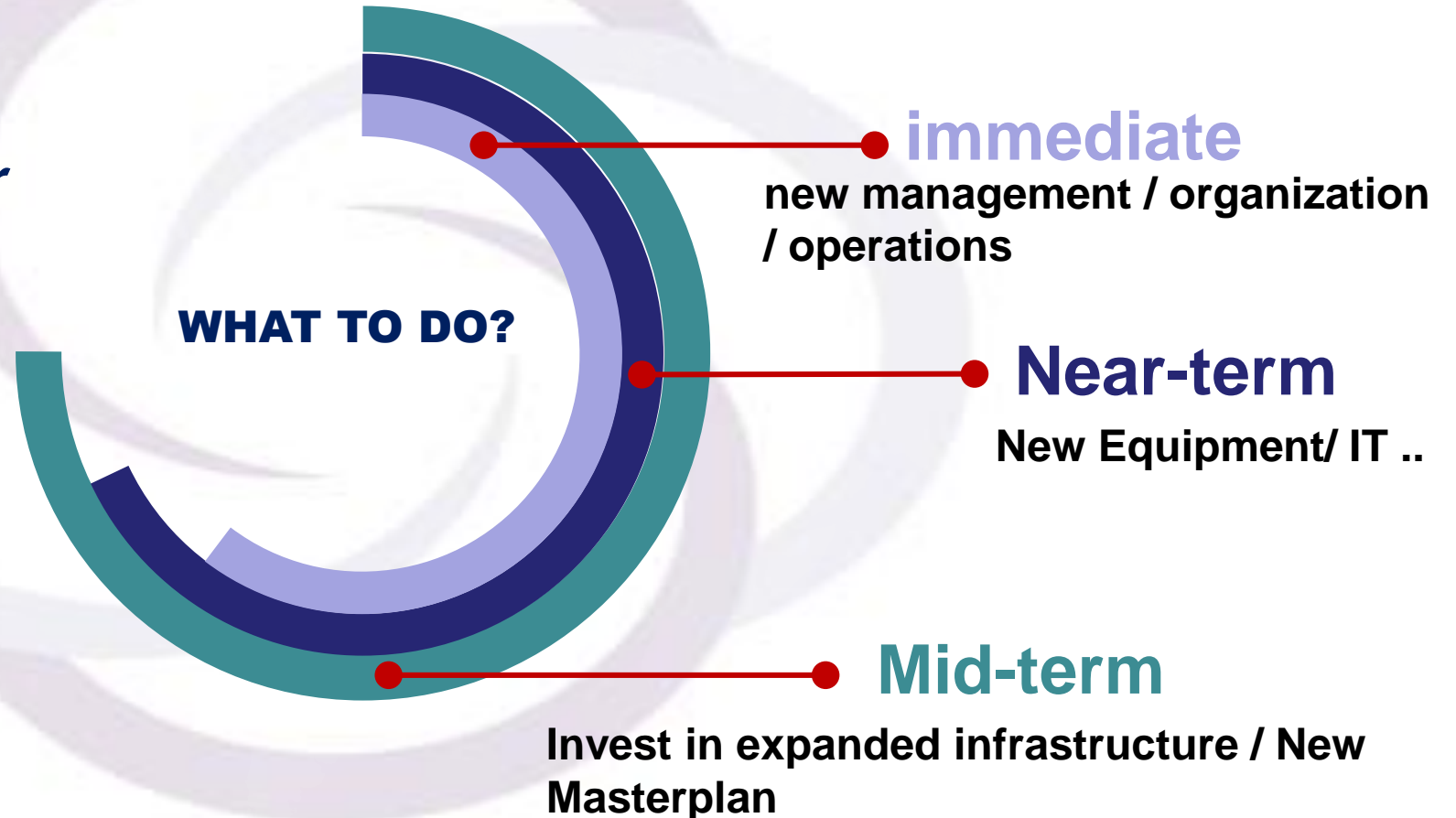
Low crane productivity

High value of investment needed for quay and Equipment

The situation harming the economy of the Kingdom.

3D strategic plan

(ADC) was designated by the Government at the beginning of 2004 as owner and developer of seaport assets, devised a strategy to address all three stages.



Due to the urgency of the situation, ADC adopted a two-step approach:

1. An immediate two-year management contract with the possibility,
2. Being later converted into a 25-year BOT Joint Venture.

Concession awarded through competitive bidding

from invitation to bid until contract signature, was completed in a period of less than three months, believed to be the fastest container terminal “privatization” transaction on record.

Mix-Method PPP

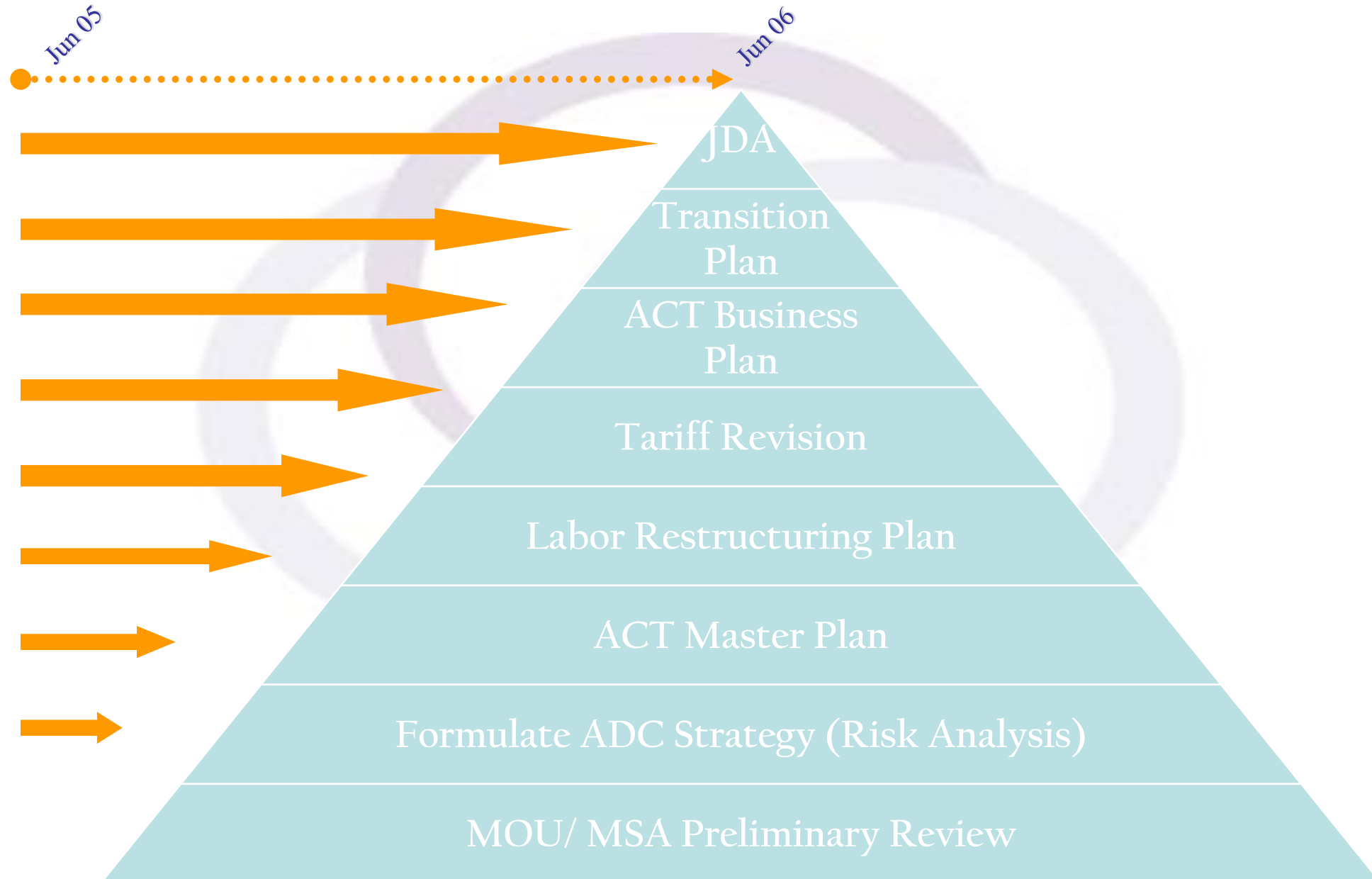
Management Agreement

Shareholding agreement (joint venture)

Joint Development Agreement (**Concession**)

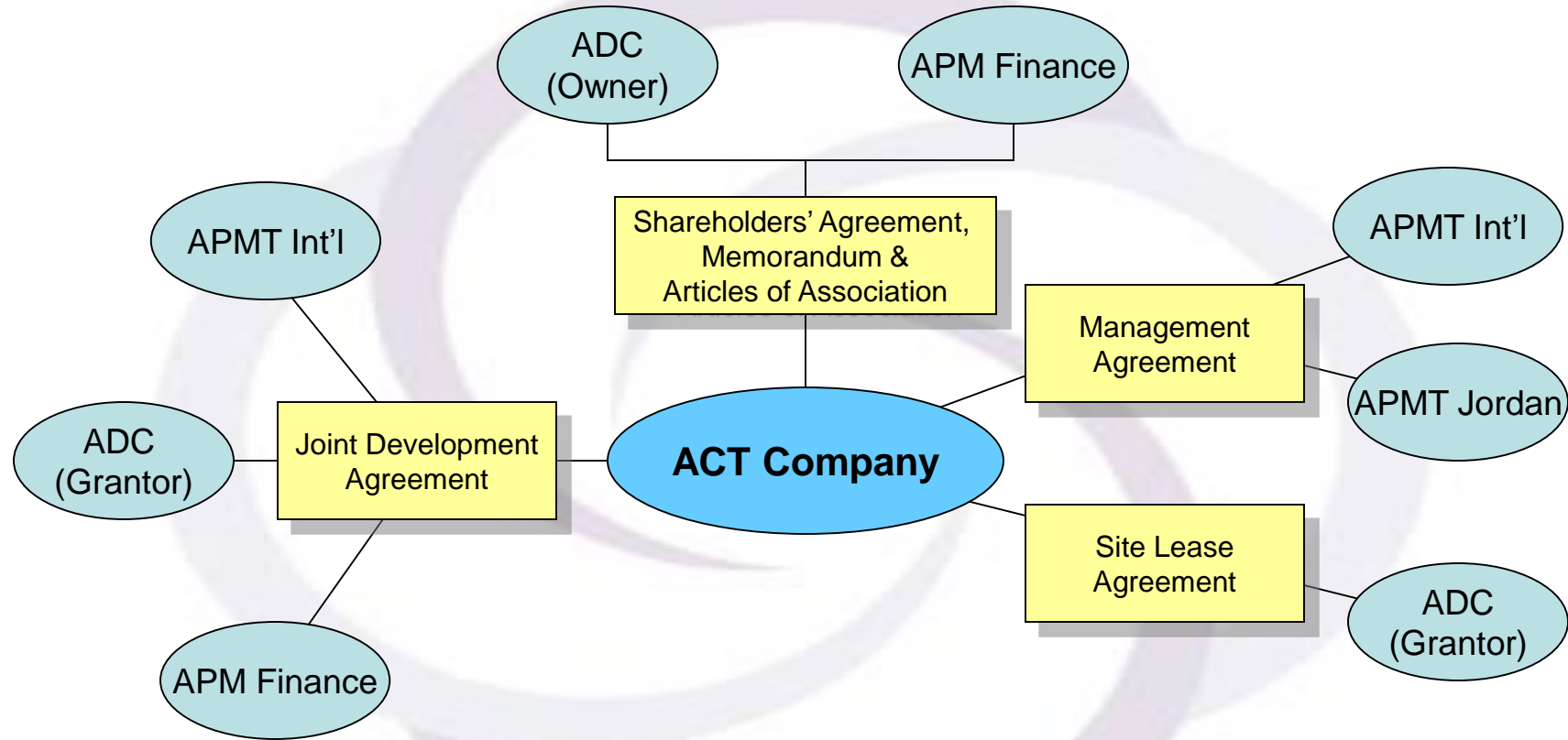


Progress of Negotiations prior to JDA



Aqaba Container Terminal Company

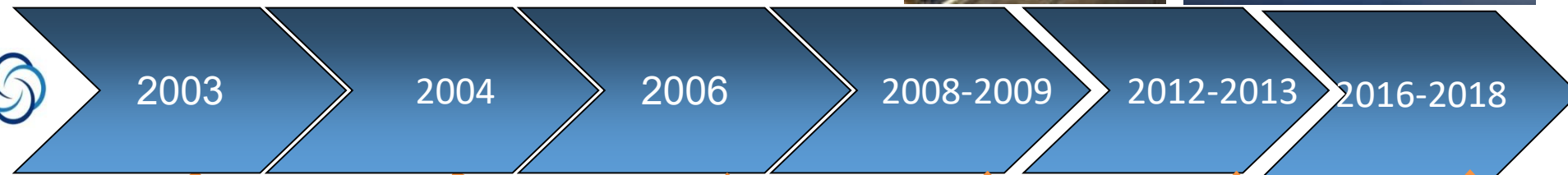
Initial Contractual Arrangements




Turning challenges into Success



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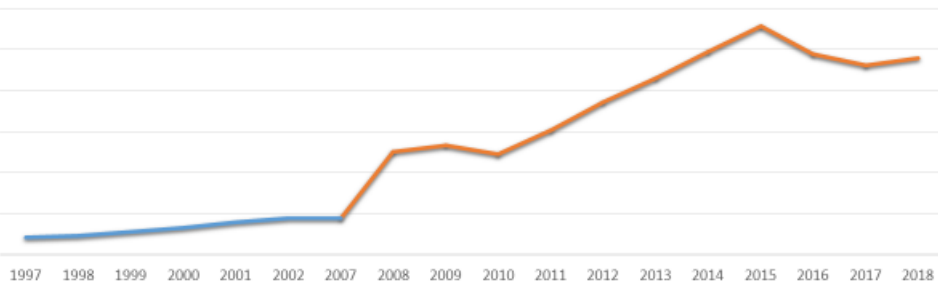
<ul style="list-style-type: none"> • The worst congestion in its history • 150 Hrs vessels waiting time • 48 days dwell time • Limited resources 	<p>2-year management</p> 	<p>25-years PPP concession agreement</p> 	<p>42% growth in 2008 15% 2009</p>	<p>Doubling berth to reach 1000m New equipment RTG STS TT</p>	<ul style="list-style-type: none"> • 7 days dwell time • Driving digital processes. • Improvement across the whole logistics chain
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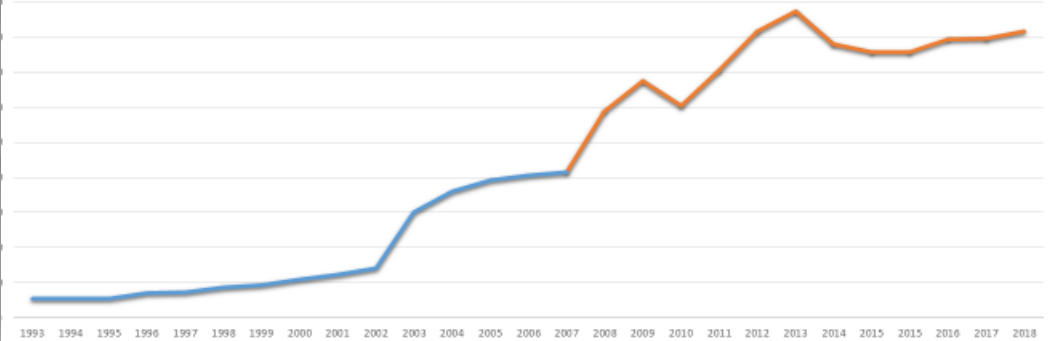
Indicators for success

Terminal Revenue Before/After

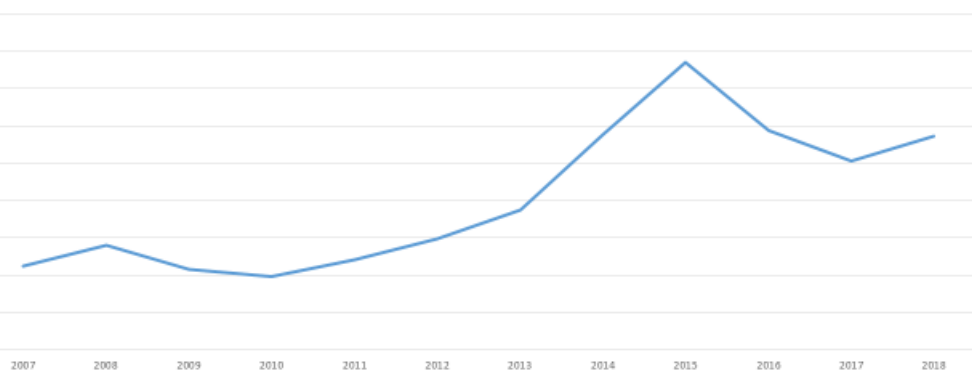
Revenue



Terminal Throughput Before/After

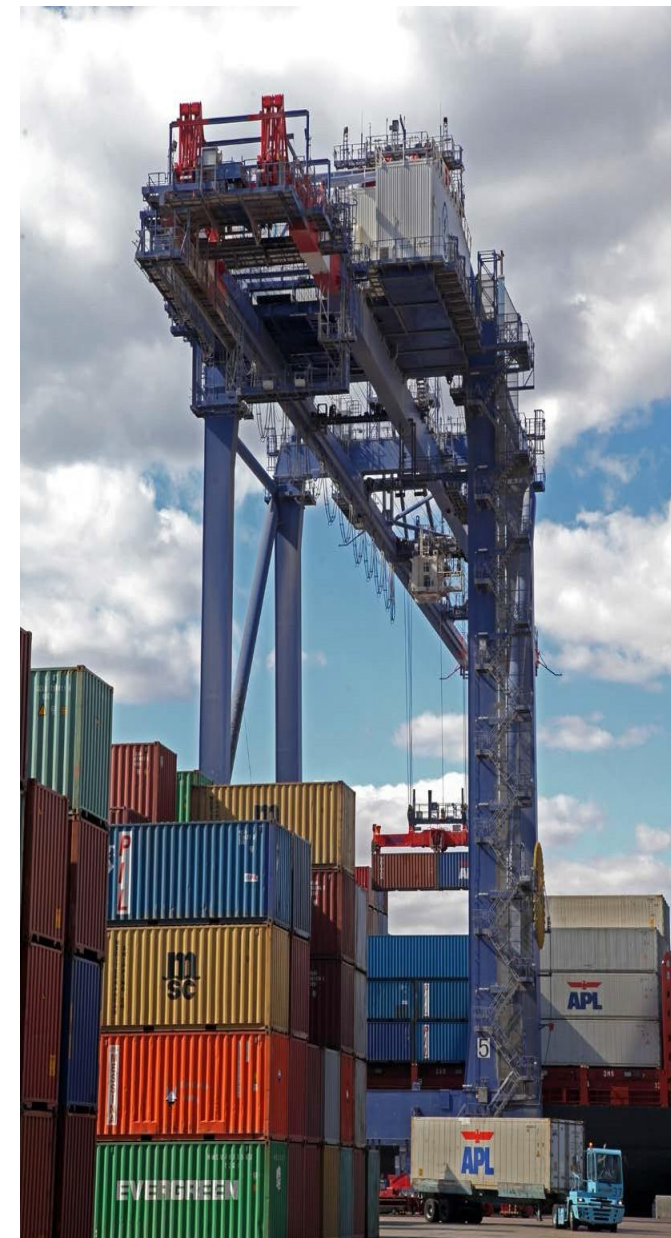


ROYALTY



Terminal Capacity Fact Sheet

Capability facts	Before JV	Today
Capacity (TEU)	600,000	1,300,000
Quay length (m)	540 m	1,000 m
Draft (m)	14 -20	14-20
Berths	2	4
STS gantry Cranes	5	7 (2 old +5 new)
RTGs	None Straddle Carrier	22
Dwell Time	25 day	8.8 Day
Berth Capacity (No. of ships)	2 vessels	4 vessels
Berth Capacity (No. of TEUs)	5000/TEUs (Panamax)	14500 TEUs (Post Panamax)



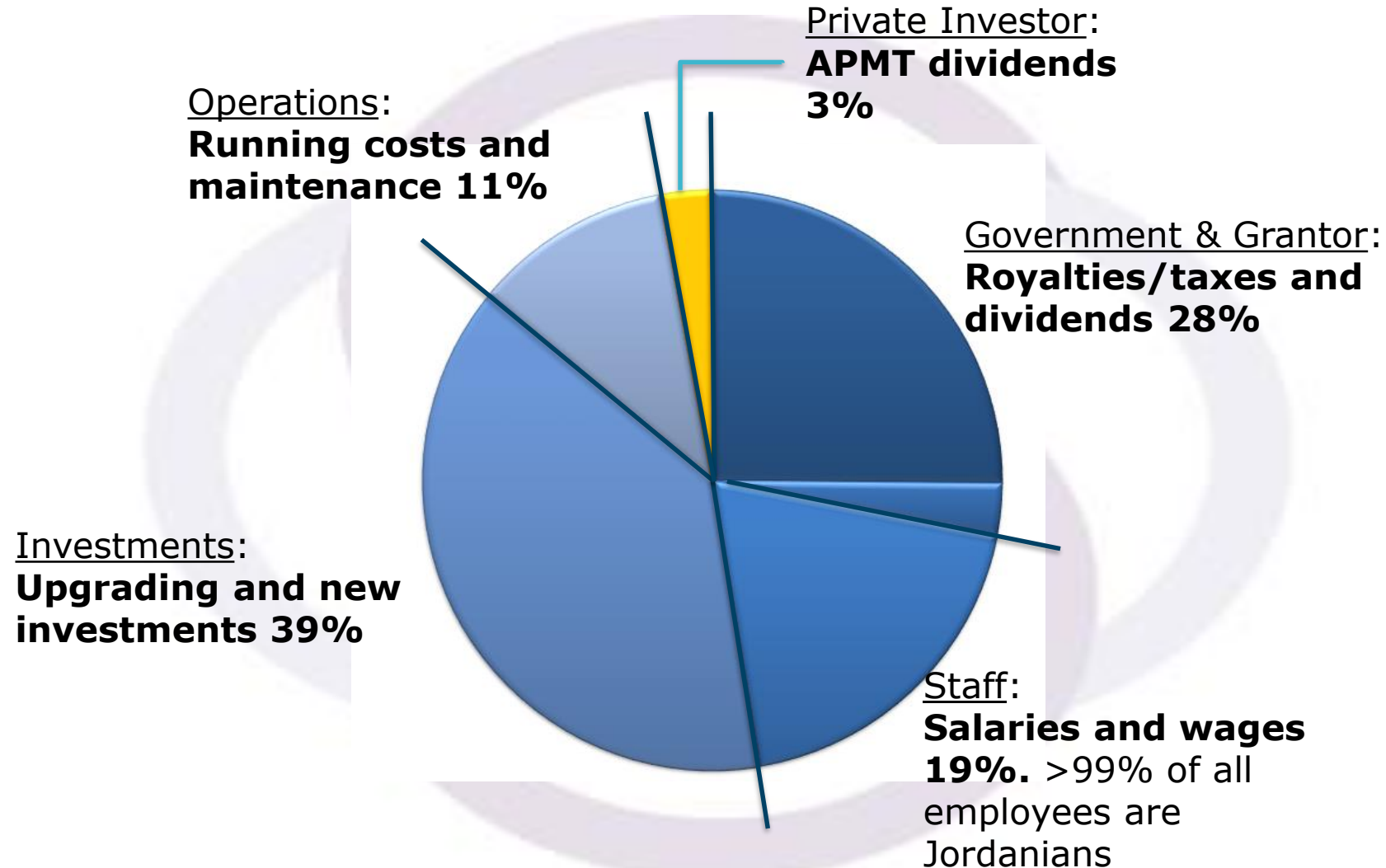


Operational Efficiency

Operational Efficiency

	Before PPP 2003	2014	2015	2016	2017	2018	5-Year Trend
Gross Crane Productivity	14	26.92	30.32	33.8	34.67	34.14	27%
Truck Turnaround Time (Hours)	4 hrs	0.89	0.86	0.63	0.56	0.59	-34%

97% of all cash generated in ACT since 2006 stays in Jordan





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Does it always works?

Future Opportunities for PPP

Transport & Logistics

Railway

Maan Inland Port.

**Truck Marshalling
Terminal**

Seaports

**Liquid Miscellaneous
Terminal**

Oil & LPG Terminal

Cruise ship Terminal



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Developing in Partnership

*Commitment for
Excellence*

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