

Press Release 12 June 2015

Major port investment in Ghana shows APM Terminals' strong commitment to Africa

Meridian Port Services, a joint venture between APM Terminals, Bolloré Africa Logistics, and the Ghana Ports and Harbour Authority, will invest USD 1.5 billion in new deep-water 3.5 million TEU port and logistics hub in Tema

Tema, Ghana - APM Terminals – in partnership with Bolloré Africa Logistics and the Ghana Ports and Harbour Authority – will invest USD 1.5 billion in a massive upgrade of Tema, Ghana's most important port. The new project consists of both a new greenfield port outside the present facility and a needed upgrade of the adjacent road network.

The Tema project - set into motion Friday with a formal signing ceremony held by His Excellency John Dramani Mahama, the President of the Republic of Ghana, and attended by APM Terminals CEO Kim Fejfer - will result in four deep-water berths, a new breakwater and an access channel able to accommodate the world's largest container ships, providing a world-class port infrastructure to support the country's economic growth. This will add 3.5 million TEUs in annual throughput capacity. More than 5000 jobs will be created as a result of this project.

"We are excited about how this port will contribute to Ghana's future economy and emphasize APM Terminals' strong commitment to Africa's growth and development. Increased access to global markets is a key component of Africa's ongoing economic growth, and the new, world-class port development which begins here today will help to put Ghana, and all of West Africa at the forefront of African global trade," stated APM Terminals CEO Kim Fejfer, also highlighting Meridian Port Services (MPS) as an outstanding example of a successful public-private venture between two European partners and the government of Ghana.

In a separate project, APM Terminals and Bolloré Africa Logistics will upgrade the current highway between Accra and Tema to a six-lane modern highway along with improved connecting roads and access point to enhance the movement of cargoes into and out of the port of Tema and the hinterland.

In November 2014, an initial Memorandum of Understanding was signed by MPS and the GPHA for the expansion plans. During the past five months, MPS and the Ghanaian government representatives completed contractual details, and finalized preparations for the project's required design and engineering studies. The joint venture share is comprised of APM Terminals 35%; Bolloré 35%; and Ghana Ports & Harbours Authority 30%.

"This massive investment highlights the confidence of investors into the country. It is a sign that Ghana is moving in the right direction and the journey will not end there. Expanding the port using superior infrastructure and modern, advanced technology will allow Ghanaian companies to compete for business in the most cost effective way," said Kim Fejfer.

The International Monetary Fund has projected an annual economic growth rate of 4.5% for Sub-Saharan Africa in 2015, and 5.1% in 2016, following a 5% GDP expansion in 2014. The IMF has projected Ghana's economy to expand by 3.5% in 2015 and by 6.4% in 2016. Container ship industry analysts have estimated overall African containerized cargo handling to have increased by 7.2% in 2014, as compared with an overall global growth rate of 5.4%. African port container volumes are forecast to continue to increase well above the global market.

Container throughput at MPS was 651,000 TEUs in 2014, and the existing container facility – operated by APM Terminals in partnership with Bollore since 2004 – is close to maximum utilization.

Ghana – with a population of 21 million – has a market-based economy with few policy barriers to trade and investment. Agriculture accounts for nearly one-quarter of GDP and employs more than half of the workforce, mainly small landholders. The country is seen as politically stable and attractive for business. Growth has been high, and future growth is expected to be around 5-7% per year.

Like several other African countries, Ghana has recently experienced some challenges to its economy. The situation is being managed by the government with the support of the IMF. Part of the economic programme to secure sustainability is to encourage private investment in infrastructure such as power production, roads and ports.

“Despite recent challenges, Ghana is a success story as a country. Well-educated, skilled people, stable and business-oriented government – and therefore an obvious choice for APM Terminals to create a new, stronger gateway,” says Kim Fejfer, CEO of APM Terminals.

Media contact

Erik Eisenberg, Vice President, Communications & Branding
APM Terminals, The Hague, Netherlands
Erik.Eisenberg@apmterminals.com
+31 70 304 3180