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# INVESTMENT OPPORTUNITIES IN PORT INFRASTRUCTURE AND AUXILIARY PROJECTS

BY

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AT

**2<sup>ND</sup> GERMAN - NIGERIAN BUSINESS FORUM**

***NICON LUXURY HOTEL, ABUJA***

**9<sup>TH</sup> – 10<sup>TH</sup> NOVEMBER, 2009**

**HEADQUARTERS: 26/28 MARINA, LAGOS, NIGERIA**  
**Website: [www.nigerianports.org](http://www.nigerianports.org). E-Mail: [info@nigerianports.org](mailto:info@nigerianports.org)**



## OUTLINE

- About Nigeria
- Comparative import in to Germany
- Port as a trade facilitator
  - Cargo throughput
- Concession terminals & proceeds
  - BOT projects – Grimaldi Terminal
- Investment opportunities in the port sector
- Future development



# ABOUT THE COUNTRY NIGERIA

## A. LOCATION

Between Latitudes  $04^{\circ} 15' N$  and  $13^{\circ} 30' N$  and Longitudes  $014^{\circ} 30' E$  and  $020^{\circ} 20' E$

Area  $923,768.64\text{km}^2$

Coastline of approx. 840km

Bordering; Benin, Niger (Landlocked), Chad (Landlocked) and Cameroon.

## B. POPULATION

140,003,542 people (Census 2006)

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## ABOUT THE COUNTRY NIGERIA – Contd.

### C. MINERAL RESOURCES

Solid Minerals: Gold, Tantalum, Niobium, Lead, Zinc, Coal, Bitumen, etc, in commercial quantities

Crude oil: 2006 estimated reserve -36 Billion barrels. Daily production at 2.5 million bpd with a target of 4.5million bpd by year 2010.

Gas: 2006 estimated reserve -187 Trillion cubic feet

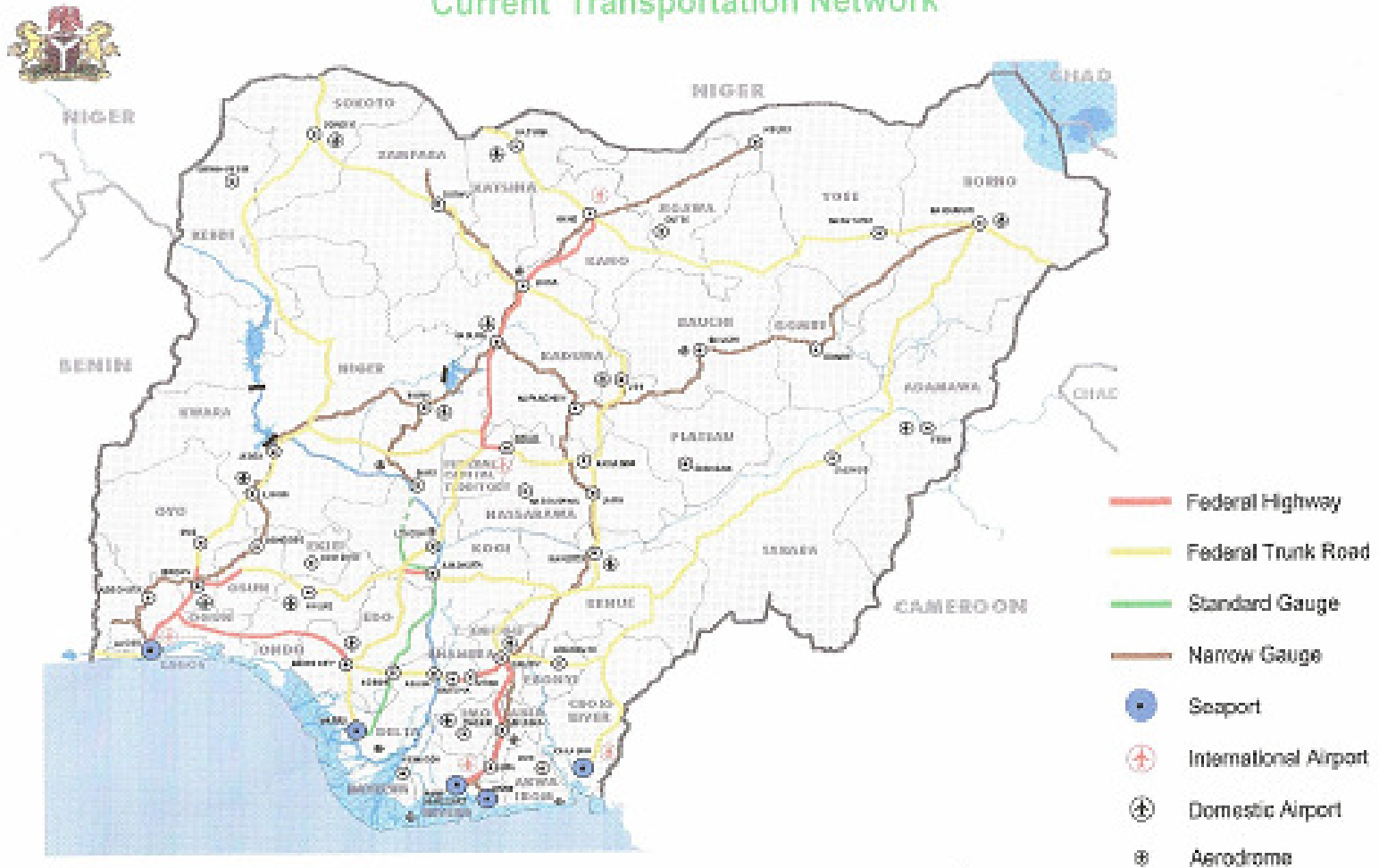
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# ABOUT THE COUNTRY NIGERIA – Contd.

## D. TRANSPORT MAP

Current Transportation Network



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# ABOUT THE COUNTRY NIGERIA – Contd.

## E. ECONOMIC POTENTIALS

Large market with highly trained manpower

Vast and fertile agricultural land

Central location

Largest Economy in West and Central Africa

Emerging Market



## COMPARATIVE IMPORT INTO GERMANY

S/N	COUNTRY OF ORIGIN	YEAR 2008 (BN) EUR	SHARE (%)
1	Netherlands	72.1	8.80
2	France	66.7	8.14
3	China	59.4	7.25
4	USA	46.1	5.63
5	Italy	46.0	5.61
6	United Kingdom	44.3	5.41
7	Belgium	39.8	4.86
8	Russia	36.0	4.39
9	Austria	33.1	4.04
10	Switzerland	31.1	3.80
<b>11</b>	<b>Nigeria</b>	<b>(N39.5BN) 0.179</b>	<b>0.02</b>

SOURCE: destatis

EXCHANGE AS AT 2ND NOV. 2009

220.4027 PER EUR - CBN

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## PORT AS A TRADE FACILITATOR

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# CARGO THROUGHPUT

EXCLUDES CRUDE AND LIQUEFIED

YEAR	IMPORT (MT)	EXPORT (MT)	THROUGHPUT (MT)
1999	15,751,331	6,481,605	22,232,936
2000	19,230,496	9,702,384	28,932,880
2001	24,668,791	11,271,901	35,940,692
2002	25,206,380	11,780,861	36,987,241
2003	27,839,293	11,926,652	39,765,945
2004	26,907,075	13,909,872	40,816,947
2005	29,254,761	15,697,312	44,952,073
2006	31,937,804	17,235,520	49,173,324
2007	33,722,488	20,918,560	54,641,048
2008	41,385,973	23,806,946	65,192,919
2009(Jan-Jun)	23,602,376	8,492,028	32,094,404

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# CARGO THROUGHPUT

## CRUDE AND LIQUEFIED

YEAR	CRUDE OIL			LIQUEFIED NATURAL GAS		
	NO. OF TANKERS	GRT OF CRUDE TANKERS	CRUDE LIFTED (MT)	NO. OF TANKERS	GRT OF LNG TANKERS	LNG LIFTED (MT)
1999	656	62,691,842	92,463,264	46	650,269	1,503,398
2000	757	80,627,950	102,930,079	130	2,887,141	5,953,567
2001	731	60,550,031	100,732,875	149	10,458,086	7,154,965
2002	634	64,302,640	86,284,036	133	9,745,230	8,084,749
2003	657	73,216,175	85,797,681	173	14,690,798	9,292,832
2004	924	100,564,659	117,055,427	220	17,569,209	11,529,827
2005	902	94,984,566	112,872,821	215	17,072,976	11,264,515
2006	840	70,093,870	106,403,640	243	20,628,015	13,284,612
2007	817	90,222,365	105,986,381	344	29,562,631	19,076,748
2008	792	76,626,068	99,807,889	319	27,068,764	17,839,677
2009(Jan-Jun)	433	42,855,162	49,864,605	111	10,294,654	6,521,523

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## CONCESSION TERMINALS

Ports delineated into terminals and concessioned to large independent Terminal Operators for 10 – 25 years.

Operators selected through transparent internationally competitive tenders

S/NO	Port	No. of Concessions
1.	Lagos Ports Complex	6 + 1 ICD
2.	Tin Can Island & Lilypond	4 + 1 BOT
3.	Port Harcourt Port	2
4.	Calabar Port	3
5.	Delta Port	5
6.	Onne Port	3
	TOTAL	24+1 BOT

\* One transaction yet to be concluded



## CONCESSION TERMINALS – Contd.

### Projected proceeds

- Estimated Direct Investment: - Over US\$1.0 Billion
- Estimated Income from 24 concessions over a period of between 10- 25years:
  - Commencement fees - US\$44,200,000
  - Equipment sales - US\$53,145,100
  - Lease fees - US\$4,852,033,342
  - Sub Total** - **US\$4,949,378,442**
  
  - Projected Throughput fees – US\$1,586,490,196.91
  - Total Estimated Income = US\$6,535,868,638.91**



# BUILD, OPERATE AND TRANSFER (BOT)

## Grimaldi project description

- Port and Terminal Multiservices Ltd (PTML) sponsored by Grimaldi Group, Italy.
- Development of RORO Berths 11/12 and multi-purpose terminal with facilities at Tin Can Island
- Scope of works:
  - Construction of a quay length of - 460m
  - Type Deck-on-pile
  - No of Berths - 2 Berths
  - Designed depth - 13.5mcd
- Total terminal area - 2 hectares
- 25yrs BOT arrangement.
- Container and RORO vessels



# BUILD, OPERATE AND TRANSFER (BOT) – Contd.

## Grimaldi Terminal under construction



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# BUILD, OPERATE AND TRANSFER (BOT) – Contd.

## Grimaldi Terminal Commissioned



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## BUILD, OPERATE AND TRANSFER (BOT) – Contd.

### Financial Commitment

- 1st Phase:
  - US\$62,400,000.00 – Main Project
- 2nd Phase:
  - US\$25,000,000.00 – Additional work (Berth 12, dredging and land reclamation)
- Total investments: US\$87,400,000.00





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# INVESTMENT OPPORTUNITIES IN THE PORT SECTOR

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## OIL AND GAS FREE TRADE ZONE, ONNE

An area of about 1,650 hectares

- New development for import and export
- Oil and gas logistic base
- Petrochemical industries
- Residential/ancillary facilities for the oil and gas clientele
- Tourism development facilities
- Local manufacturing of pipes to support the oil industry.
- Shipbuilding and repairs
- Local construction of FPSO's

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## TARKWA BAY AND OGOGORO ISLANDS, LAGOS

401 hectares, suitable for:

- Port development for import and export
- Residential/ancillary facilities for the clientele
- Tourism development facilities
- Shipyard



## SNAKE ISLAND, LAGOS

- Opposite Tin Can Island Port Complex, approximately 527.44 hectares
- Port development for import and export
- Shipyard development
- Residential/ancillary facilities
- Tourism development facilities

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## INDEPENDENT POWER SUPPLY PROJECTS (IPP)

- Opportunities abound in independent power generation, transmission and distribution
- 36 Mega watts required for LPC – Tender completed
- 36 Megawatts for TCIP – Tender completed
- Onne – Tender completed
- Port Harcourt – Tender process completed
- Warri and Calabar design yet to commence.



## OTHER PUBLIC/PRIVATE INITIATIVES

- Lekki Free Trade Zone
  - 1,000 hectares of land between Magbon and Itoke villages of Ibeju –Lekki LGA, Lagos.
  - New port infrastructure for import and export
  - Petrochemical and other related industries.



## OTHER PUBLIC/PRIVATE INITIATIVES - Contd.

### Lagos Free Trade Zone

- Covering an area of 215 hectares hoping to acquire additional 1,250 hectares.
- New port infrastructure for import and export
- Shipyard development for the construction of all categories of vessels



## OTHER PUBLIC/PRIVATE INITIATIVES - Contd.

- NEPZA/Olokola LNG (OKLNG) Export Free Zone
  - Covering an approximate area of 10,000 Hectares.
  - Deep sea port for processing of gas and exportation of condensate.
  - Brass LNG





## FUTURE DEVELOPMENT

- 25 YEAR Port development Master plan

A detailed and all encompassing port development Master Plan is being conceived to enable comprehensive approach to port development.



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# THANK YOU

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