



# Maximising financial and economic value through Public Private Partnerships

7<sup>th</sup> Black Sea Ports & Shipping

Tuesday 22 May 2018

7<sup>TH</sup> BLACK SEA PORTS & SHIPPING  
2018





# Anthony van der Hoest

Director Commerce



# Agenda

## MTBS

Changing World

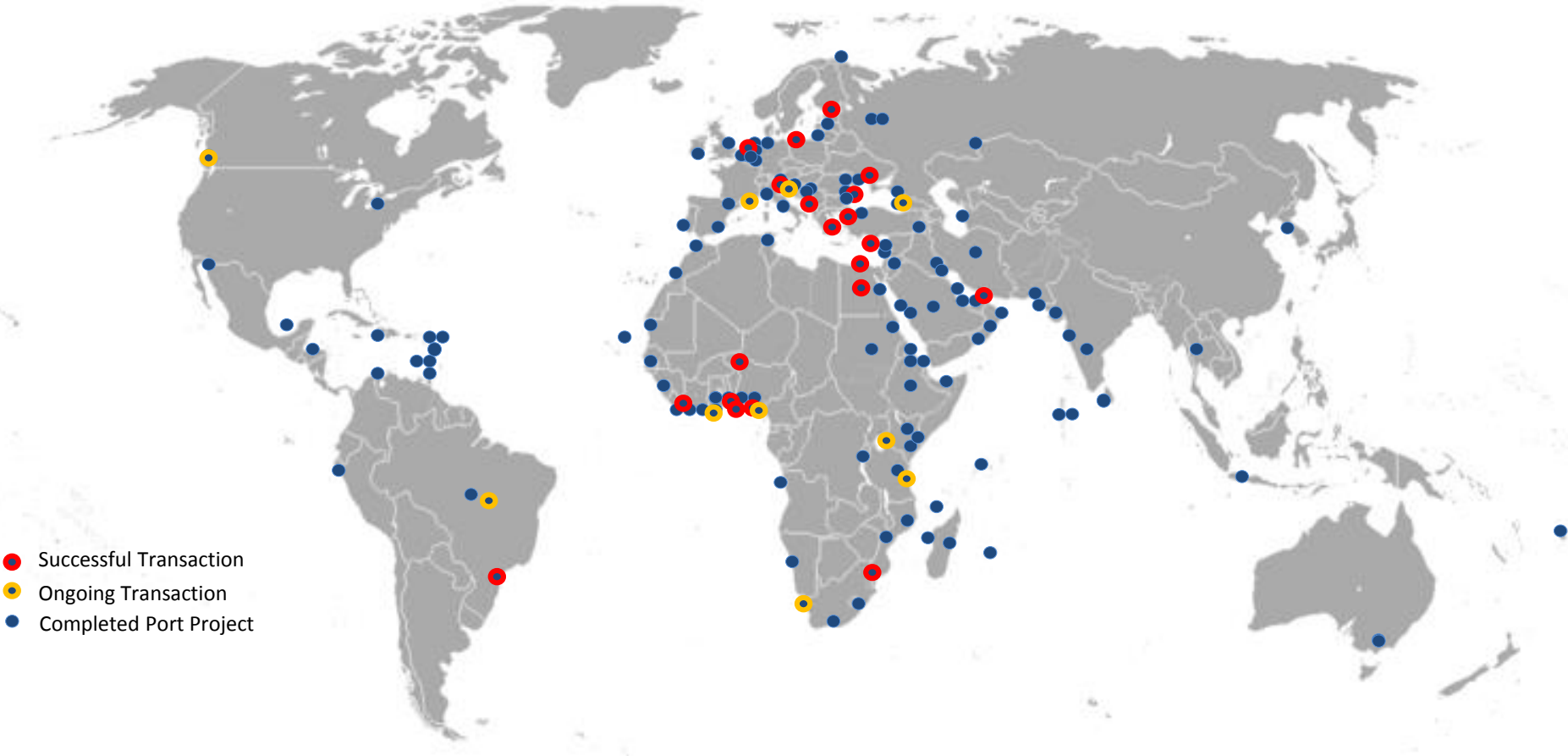
PPP opportunities & activities in the Black Sea and Balkan

Recommendations for New PPPs

Conclusion

# MTBS: Maritime & Transport Business Solutions

Specialised in Port PPP Projects. Global Portfolio, EMEA Market Leader.



# MTBS's Clients in the Port & Infrastructure Sector

Comprehensive Project approach thanks to a diverse Client Base

Authorities	GTOs	Industrials	Governments	IFIs	Banks

# MTBS Closed Transactions - recent

mtbs Commercial Advisor 

**China Merchants Port Holdings**  
Buyer's Due Diligence




for the acquisition of 90% of



CMPort's first investment in Latin America



*Deal size USD 925 million*

2017

mtbs Transaction Advisor 

**Berbera Port Authority**  
Somaliland

Privatisation of Marine Services Berbera Port

**THE WORLD BANK**

Corporatisation and Concession  
Implementation Advisory Services

*deal size USD 10 million*

2017

mtbs Commercial Advisor 

**Port of Vado Ligure, Italy**

Commercial advisory to




**COSCO Group & Qingdao Port International**

For the acquisition of 49.9% shares in Vado  
Holding

*deal size EUR 66.1 million*

2016

mtbs Financial Advisor 

**King Abdullah Port**  
Kingdom of Saudi Arabia

Lenders' Due Diligence for




**anb SABB**

for the provision of an Islamic Bank Loan for



**ميناء الملك عبدالله**  
King Abdullah Port

*Loan size USD 720 million*

2015-2016

mtbs Transaction Advisor 

**Container Terminal**  
Port of Limassol, Cyprus

Bid preparation for



**EUROGATE**



**INTERORIENT** East Med Holdings S.A.

*Winning bid*

*Deal size confidential*

2015 - 2016

mtbs Commercial Advisor 

**Port of Piraeus, Greece**

Commercial advisory to




**COSCO Group**

For the acquisition of 67% shares in  
Piraeus Port Authority


*deal size EUR 368.5 million*

2016

mtbs Commercial Advisor 

**Kumport, Turkey**

Commercial advisory to




**COSCO Pacific**

For the acquisition of shares in the terminal



*Deal size confidential*

2014-2015

mtbs Transaction Advisor 

**Dry Port, Niger**

Transaction Advisory Services to

**International Finance Corporation**  
REPUBLICQUE DU NIGER

for the concession of

**La Concession globale du Port Sec  
de Dosso  
et de son antenne à Niamey**

*Deal size confidential*

2014



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## ▶ **Changing World**

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# Changing World: New Producing Methods








# Changing World: New Logistics Methods



# Changing World: Bigger ships?

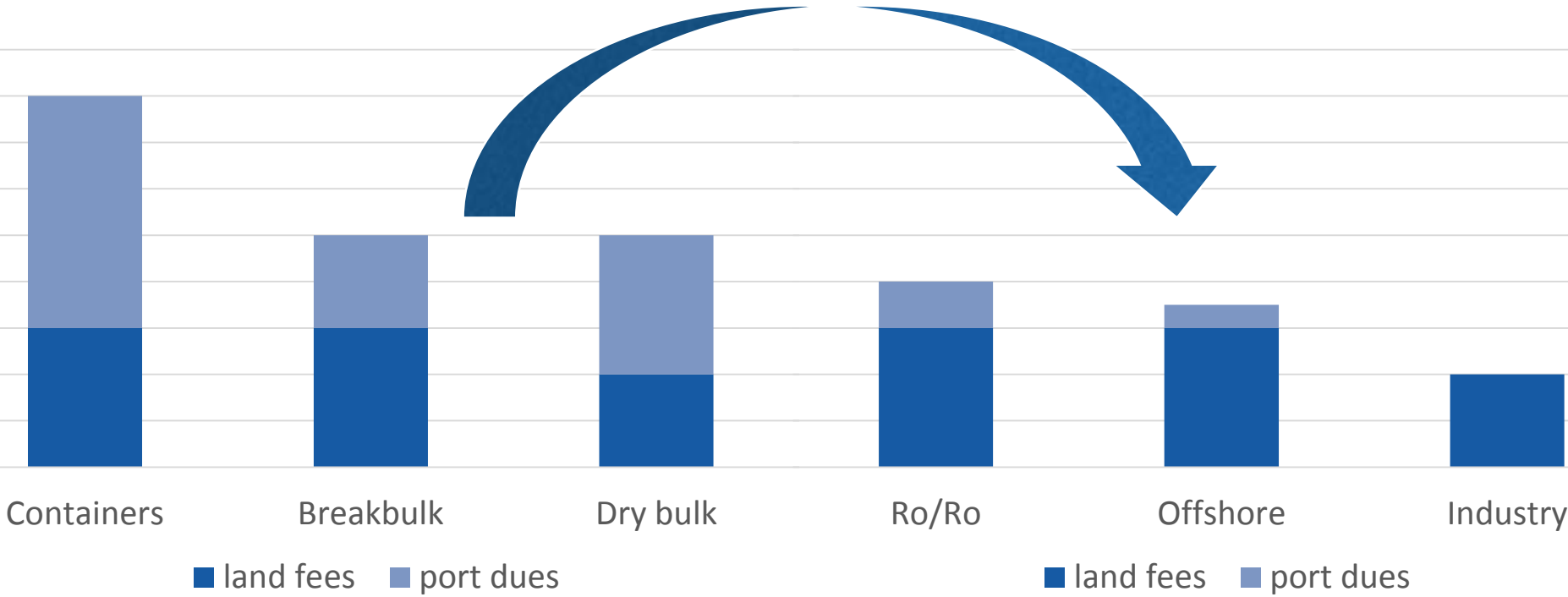
The 50,000-TEU ship?  
But probably no bigger

		Nominal TEU tdw	LOA m	Breath m	Depth m	Draft m
OOCL HONG KONG 6 units in series from May 2017		21,413 teu 191,317 tdw	399.9	58.8	32.5	16.0
					Operated by OOCL Built by Samsung H.I.	
MADRID MAERSK 11 units in series from Apr 2017		20,568 teu 210,019 tdw	399.0	58.6	33.2	16.5
					Operated by Maersk Built by Daewoo (DSME)	
MOL TRIUMPH 6 units in series from Mar 2017		20,170 teu 192,672 tdw	400.0	58.8	32.8	16.0
					Operated by MOL Built by Samsung H.I.	

# Changing World: No more coal?



# Changing World: Different earning models for PAs





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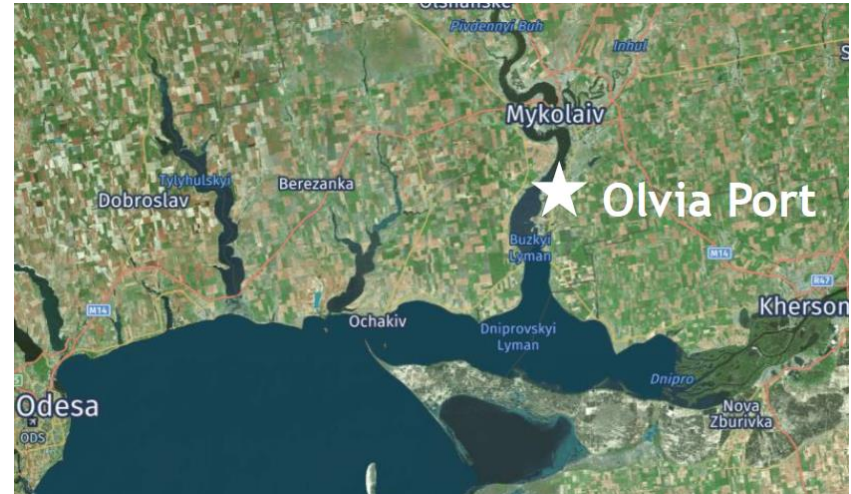
# SC Olvia, Ukraine

## PPP Opportunity

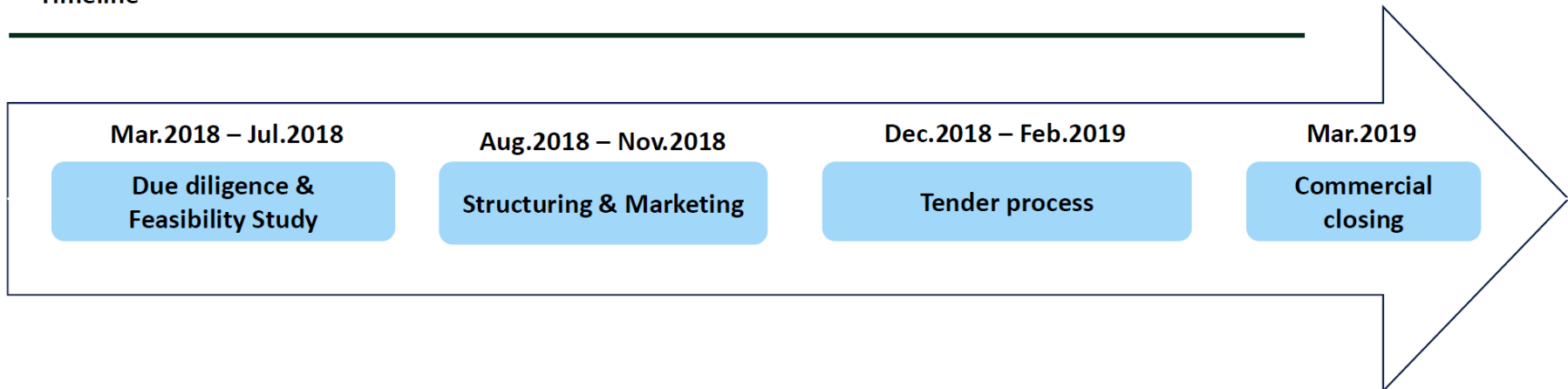
### Details:

- Project Area 179 ha
- Quay length: 1,530 meters
- Depth alongside: -10.3 meters
- Market Share: 2%
- Revenues: 14.3 M USD
- Volumes: 2.5 M tons

*MTBS involved as transaction advisors*



### Timeline



# SC Olvia, Ukraine

PPP Opportunity



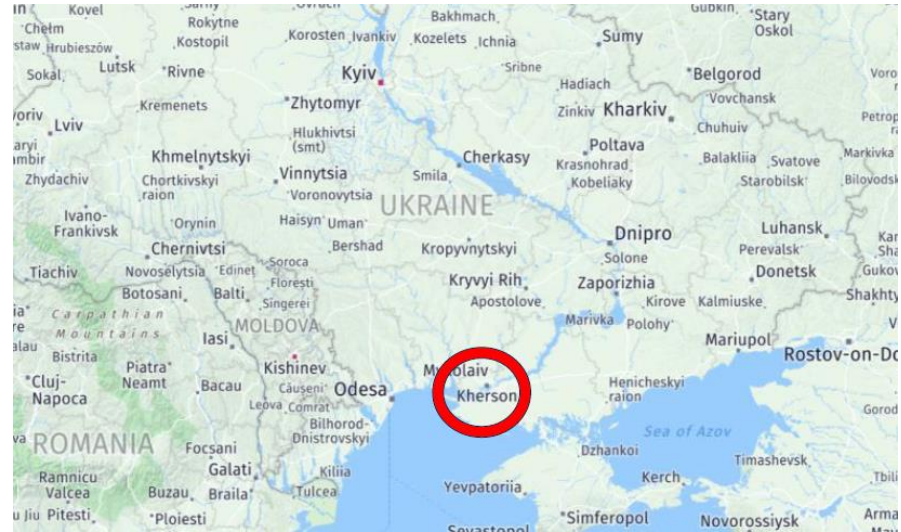
# Kherson Port, Ukraine

## PPP Opportunity

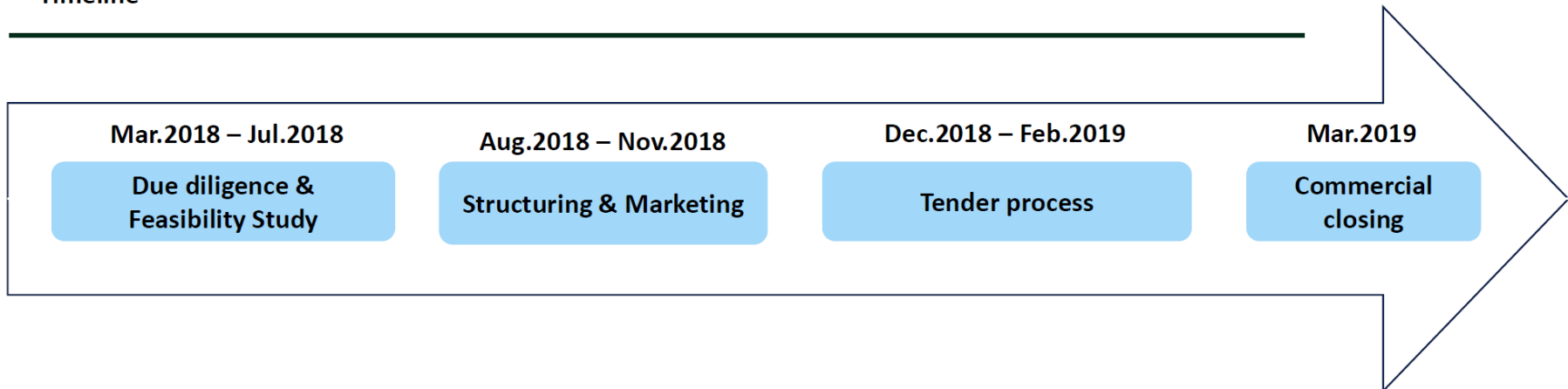
### Details:

- Project Area 45 ha
- Quay length: 601 meters
- Depth alongside: -7.6 meters
- Market Share: 1%
- Revenues: 9.7 M USD
- Volumes: 1.22 M tons

*MTBS involved as transaction advisors*



### Timeline





# Kherson Port, Ukraine

PPP Opportunity



# Zagreb Deep Sea Container Terminal, Croatia

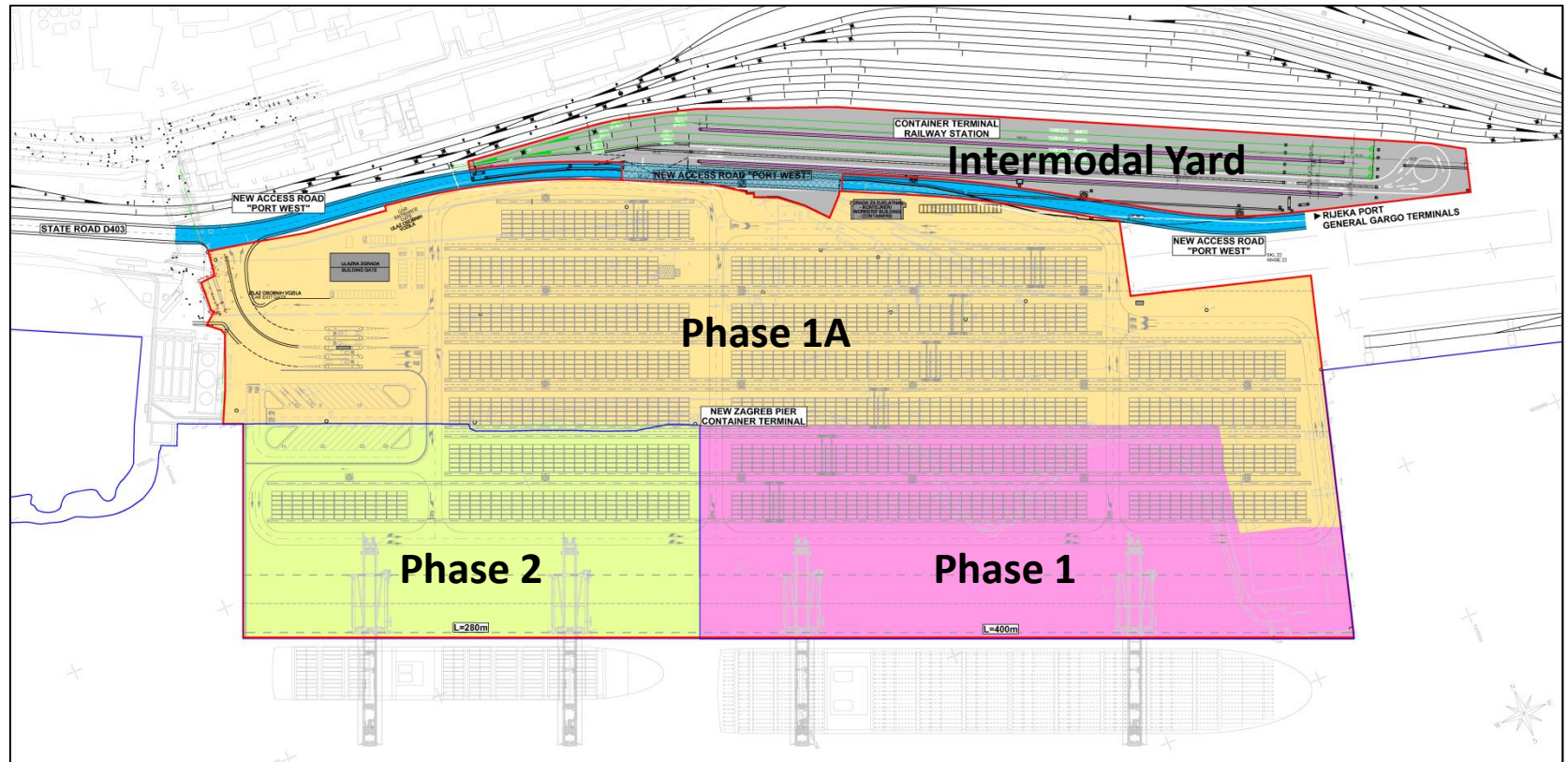
Terminal specifications allow for handling 400,000 TEU in phase 1, and at least 600,000 – 800,000 TEU in phase 2, depending on TO technology

## Phase 1+1A:

- Opening: 2023
- Quay length: 400 meters
- Depth alongside: CD -20.0 meters
- Area: 13.6 hectares
- Ground slots: 1,968 TEU GS
- Capacity: 400,000 TEU
- Intermodal Yard (IY) 2.5 hectares

## Phase 2:

- Opening: Investor responsibility
- Quay length: additional 280 meters
- Depth alongside: CD -20.0 meters
- Area: additional 3.7 hectares
- Ground slots: additional 504 TEU GS
- Capacity: at least 200,000 – 400,000 TEU, depending on TO technology





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▶ **Recommendations for New PPPs**

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# Recommendations for New PPPs

Three critical issues to ensure Value Optimisation of the Project

**Three critical issues need to be addressed, in order to ensure Value Optimization of the project:**

**1. No one-size-fits-all:**

- Each PPP Contract is a unique arrangement, tailored to the risk management capabilities of the Grantor and the Concessionaire

**2. Risk-adjusted returns:**

- Focus on returns, without adjustment for risks, leads to sub-optimal PPP contract design

**3. Assess market interest in an early stage:**

- Requirements of potential co-investors should be assessed prior to the start of a transaction



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# Maximizing profits

It is not the strongest of the species that survives, nor the most intelligent that survives. It is the one that is most adaptable to change.



# Thank you



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