

From Port Authority to International Port Developer

Port of Rotterdam's International Experiences



Carlos O. Zepeda
Sr. Analyst | Project Leader

Agenda

Our roots

International Experience



Our roots

We are a publicly-owned business driven port developer

Institution(s) / Role(s)

Shareholders

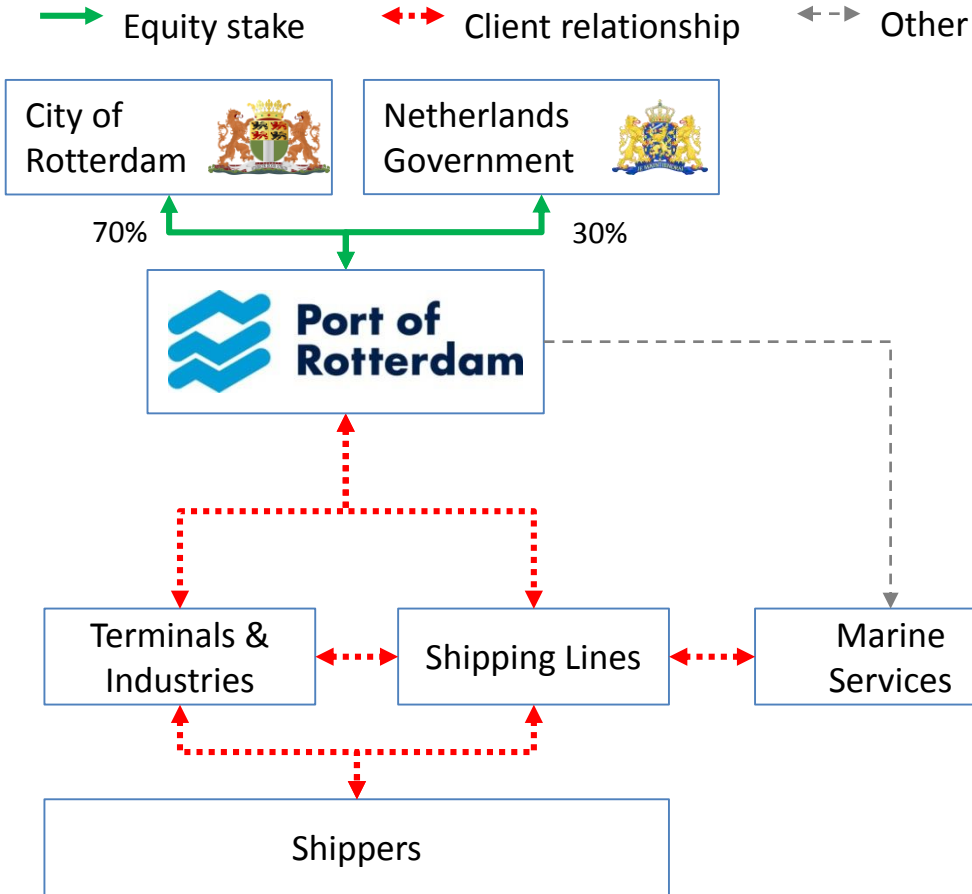
- Municipal and national governments approve master plan and receive dividends

Port Authority

- Leases land
- Collects port dues
- Responsible for HSE
- Develops and maintains infrastructure

Private companies

- Provide logistics and transport services
- Provide marine services
- Process raw and intermediary products into finished and semi-finished products



- Rotterdam is a corporatised landlord port with a division between management and operations



Our roots

We manage the Rotterdam industrial port cluster

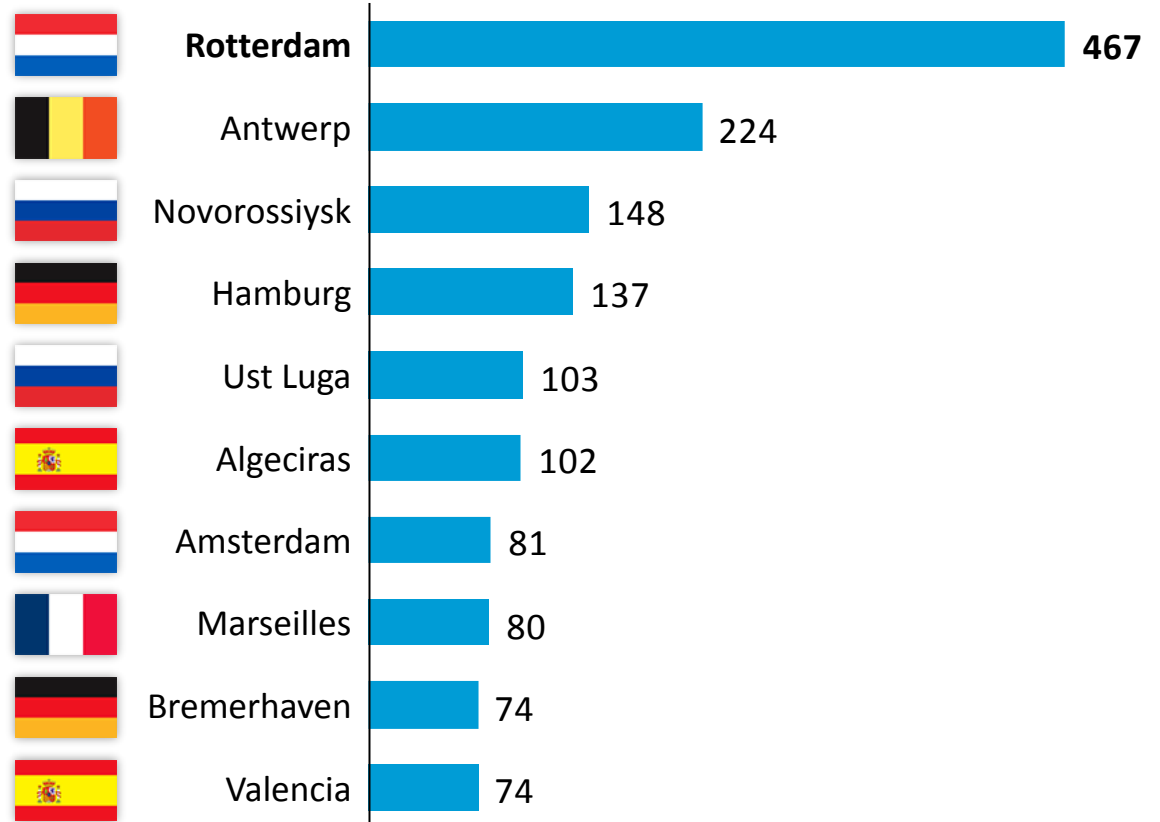
45 km long and covering 13,000 ha.

It is Europe's biggest port with > 460 million tons of cargo



10 Biggest European Ports by Volume

Unit: million metric ton, 2017



Our roots

We benefit from a large hinterland and industrial base...



Europe's biggest industrial cluster with nearly **3,500 hectares of industrial facilities**

- 5 crude oil refineries
- 45 chemical plants
- 5 vegetable oil refineries
- 6 power plants
- 4 industrial gas and water plants



Our roots ... and firmly believe in clustering



- Rotterdam plays a role across most of the oil value chain



Our roots

We are a reliable port developer



- **Maasvlakte 2 port development built on time and within budget**

Our roots

We are an important economic engine for the Netherlands



- € 712 million in revenues in 2017
- € 187 million in profit in 2017
- 180,000 employed directly and indirectly
- € 21 billion added value (3% of Netherlands GDP)
- ± € 200 million in annual investments by the port authority
- ± € 1.5 billion in private investments annually



Agenda

Our roots

International Experience



International experience

It all began in Sohar...

1 Sohar 2002



2 Sohar Today



International experience

Sohar has grown very rapidly on the back of industry

A solid diversified industrial base has...



Petrochemicals

- A petrochemical cluster developed around a 116,000 bbl/d ORPIC refinery
- Produces plastics and chemicals



Metals

- Includes iron ore processing plant and production facilities for iron, steel, and aluminum



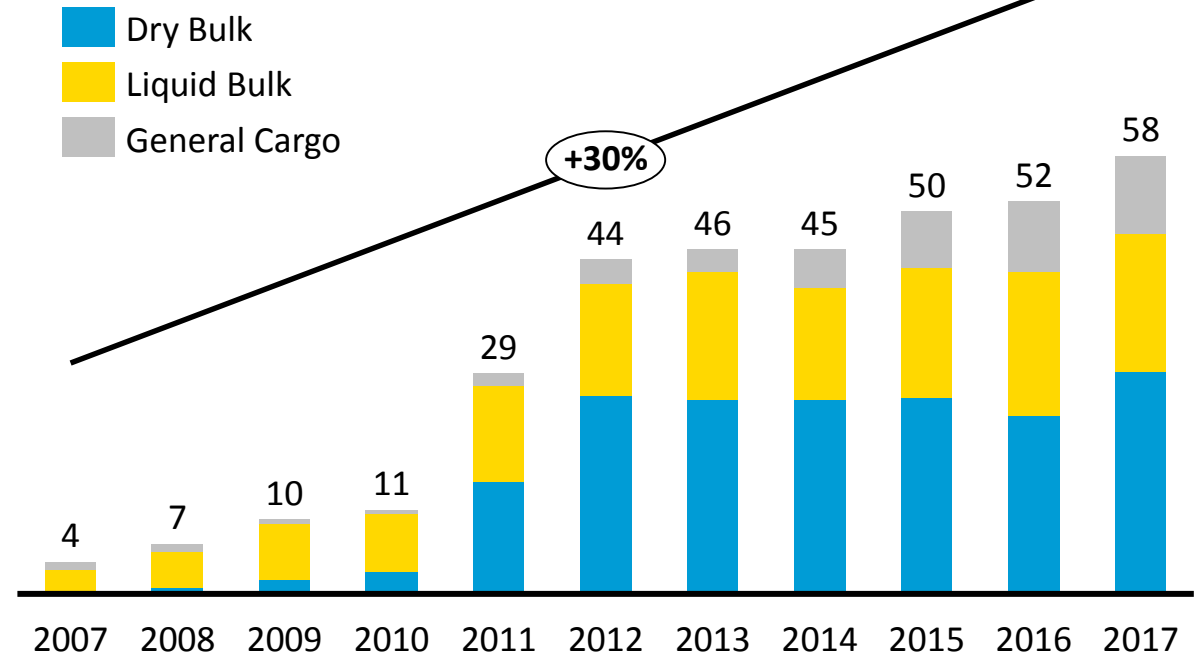
Energy & Utilities

- 3 power plants with a total capacity of ± 1,500 MW for the port and the national grid
- Desalination plant

...driven Sohar's impressive growth

Sohar Throughput

Unit: mn. metric ton

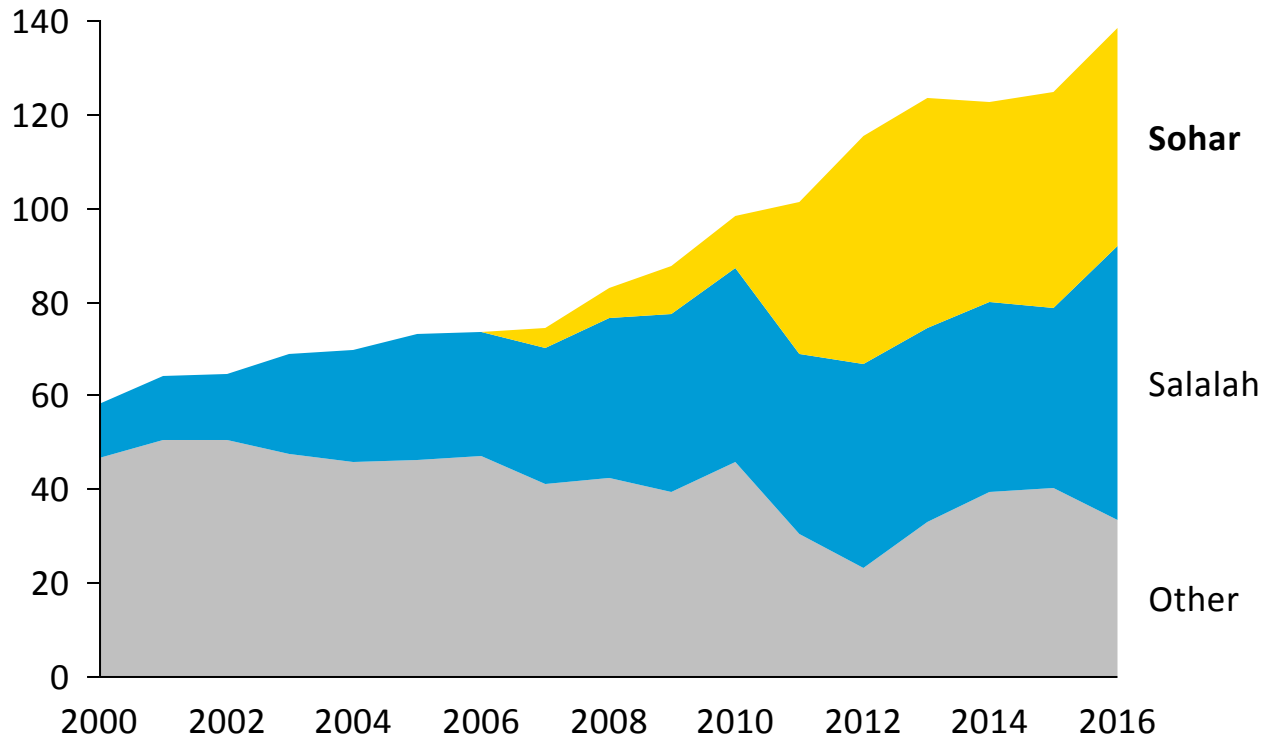


International experience ... and contributed to Oman's economic growth

Sohar has nearly doubled Oman's trade and...

Omani Throughput by Port

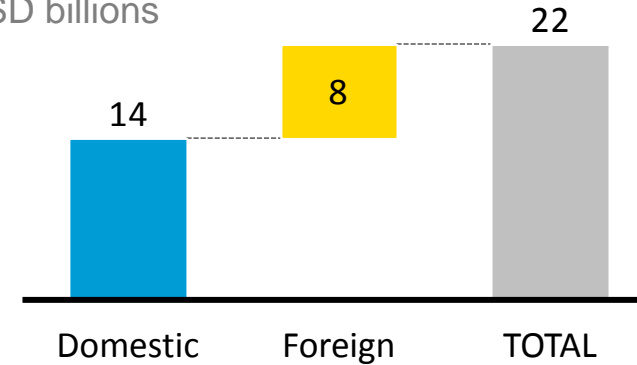
Unit: mn metric ton



... generated strong socio-economic benefits

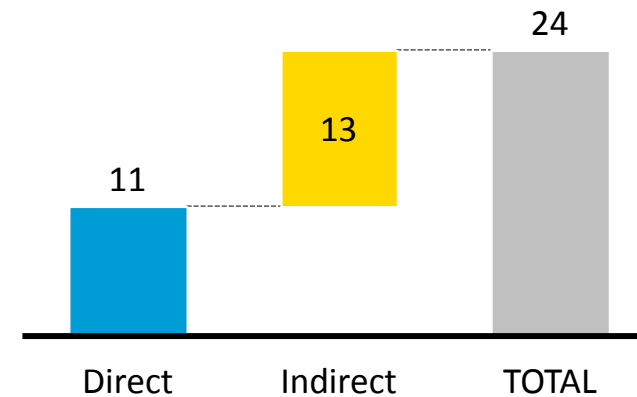
Private investments

USD billions



Employment

'000 people



- Port of Rotterdam invested in the construction of the Vale Jetty to enable the port to grow



International experience

We now have 4 international business units

1 Participations

- Investments in green / brownfield ports overseas with local partners

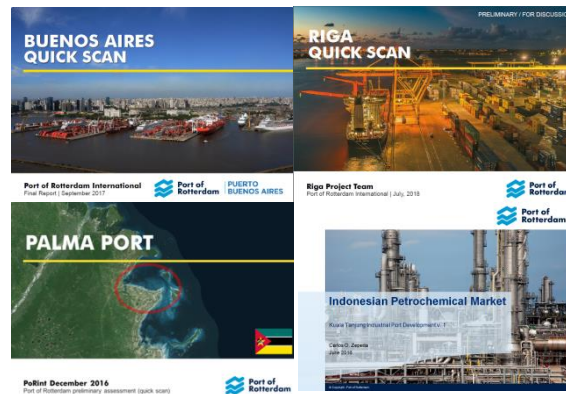


PORTO CENTRAL



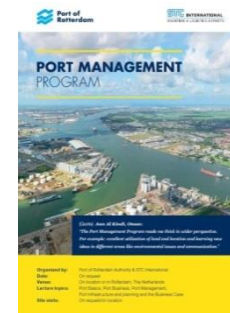
2 Consultancy

- Advisory services in port development and management to port authorities, governments, and private companies



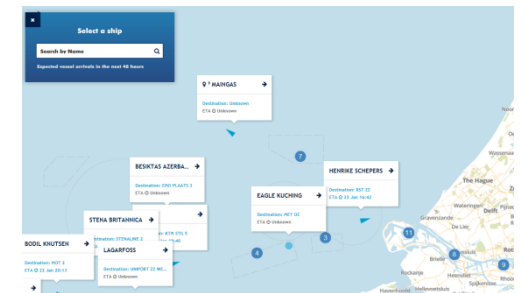
3 Education & Training

- Tailored-made educational programmes for port authorities and relevant stakeholders



4 Digital Business Services

- Development, marketing and sales of digital business solutions and services to port authorities and operators



International experience

We have 3 participations outside our home port

SOHAR
PORT/FREEZONE



Port Description

- Existing industrial gateway port
- 6,000 ha. port and free zone
- 58 million tons in 2017
- 838,712 TEUs in 2017
- 3 industrial clusters: metals, petrochemicals, utilities

Rotterdam Role

- 50:50 JV with the government of Oman since 2004
- Rotterdam also provides advisory and capacity building services



PORTO CENTRAL



- 1,800 ha. greenfield port development
- Environmental licenses being procured
- Ongoing discussions with prospective partners

- 30% stake in the project with private Brazilian partners

CEARÁPORTOS
COMPANHIA DE INTEGRAÇÃO PORTUÁRIA DO CEARÁ



- Existing industrial gateway port
- Operational since 2004
- Deep water jetty port with 10,000 ha. industrial zone
- 16 million tons in 2017
- 209,204 TEUs in 2017

- PoR will invest EUR 75 million for a 30% stake in the port
- PoR's partner will be the State of Ceará
- Closure expected end 2018

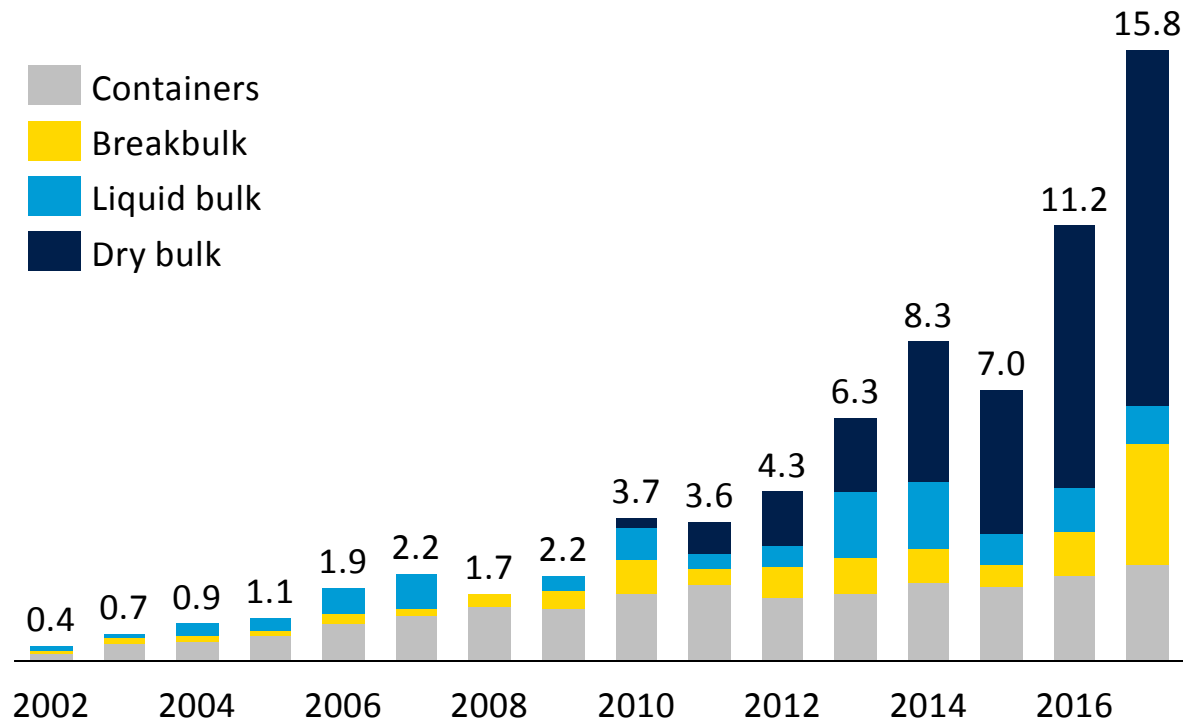


International experience

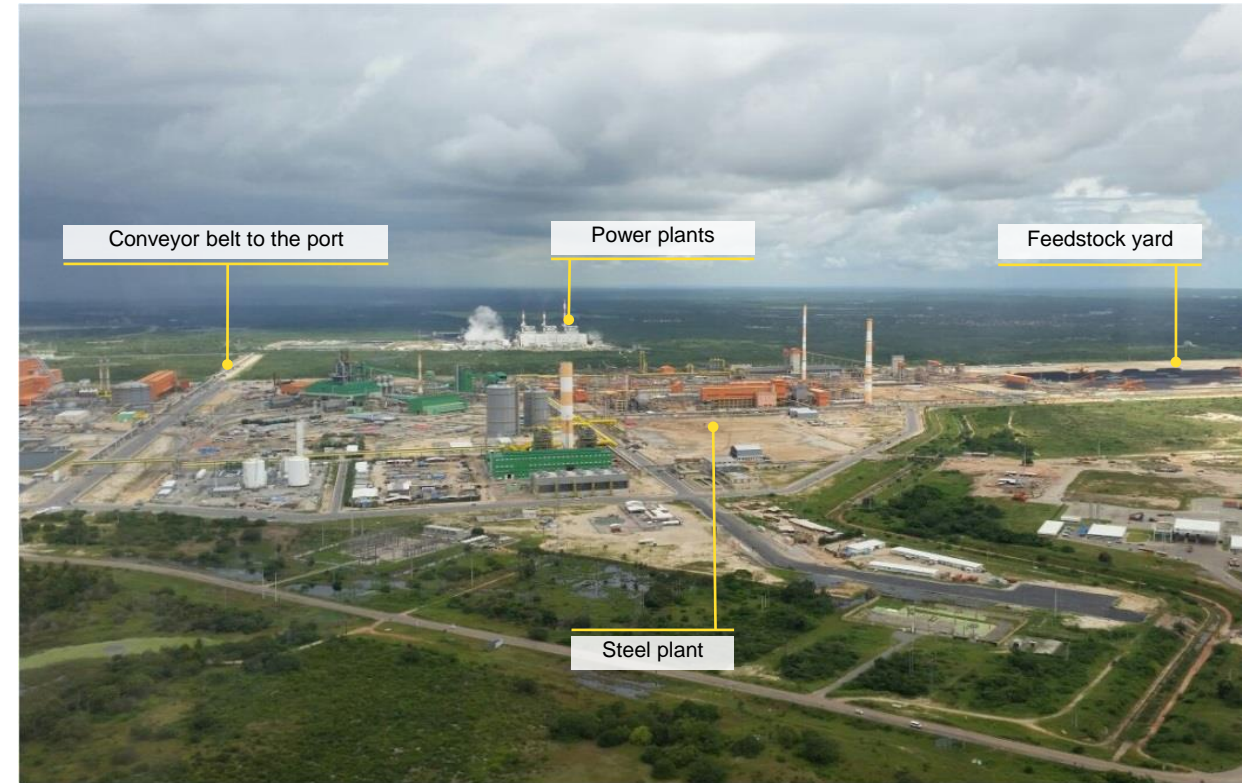
Pecém will become our latest participation

Pecém has experienced strong growth

Pecém Throughput
 Unit: mn. metric ton



... due partially to industry and has plenty of room for growth



International experience

We have track record advising governments...

Synopsis

1 National Ports Logistics Plan



- Advised the Brazilian government on development of 30 public ports in Brazil providing forecasts and policy recommendations

Client(s)

- Brazilian Secretariat of Ports (Ministry of Transport)

2 Jieyang Port Development



- Identified development options for a greenfield industrial port complex in Jieyang, Guangdong Province, China
- Provided recommendations on spatial requirements, clustering, and governance

- Jieyang Municipality

3 Ambon Market Positioning



- Identified market opportunities for the development of a new greenfield port in Ambon
- Drafted forecasts along with spatial and infrastructure requirements

- Maluku Province
- Netherlands Embassy in Indonesia



International experience

... and port authorities around the world

Synopsis

1 Kuala Tanjung

- Conducted market assessments to identify most promising segments
- Drafted scenario forecasts and made recommendations on layout and infrastructure needs

Client(s)

- Pelindo I

2 Buenos Aires

- Reviewed Buenos Aires' development plans providing a 2nd opinion on those plans
- Drafted a forecast model with scenarios for the port

- Agencia General de Puertos

3 Riga

- Drafted scenarios with corresponding cargo and financial forecasts as input for the 2019-2028 Port Development Programme
- Identified focus segments and provided recommendations

- Freeport Riga Authority



International experience

We also provide capacity building programmes

1 Indonesia Medan

Main Topics

- Port vision and planning
- Port governance
- Business development
- Sustainability

Objective (s)

- Provide international perspective on port development
- Apply POR's expertise to Kuala Tanjung development
- Capacity building (staff training)

Duration

- 8 days

Target group

- Port professionals

2 Brazil Pecém

- Market positioning
- Spatial planning
- Stakeholder management
- Port vision

- Develop a draft long-term vision statement for Pecém Port and industrial complex
- Capacity building (staff training)
- Stakeholder alignment

- 5 days

- Port professionals

3 México Villahermosa

- Port vision and planning
- Offshore supply base development
- Greenfield port development

- Share lessons learned from POR's development experiences
- Apply lessons to Frontera port development

- 3 days

- Government officials/ port professionals



International experience

We have also developed IT solutions for ports

Accelerated by



1. Port Support Solutions



2. Global Logistic Solutions



International experience

We believe digitisation will be crucial to the success of ports

30%

of shipments
are delayed



28

parties involved
per transaction

44%

of executives describe
supply chain
visibility as top priority



25%

of trucks on the
road are empty

