



**WorleyParsons**

resources & energy



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*29 January 2015*

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# SHIFTING INTERNATIONAL TRADE ROUTES





# Who is WorleyParsons?

People **39,800**  
Offices **160**

| <b>Latin America</b> |            |
|----------------------|------------|
| MEXICO               | COSTA RICA |
| COLOMBIA             | ECUADOR    |
| PERU                 | CHILE      |
| ARGENTINA            | BRAZIL     |

Countries **49**  
Ports and Terminals **All continents**  
Corporate Goal **ZERO HARM**





## **THE WORLD AT LARGE**

### **BIG SHIPS AND THE CANAL EXPANSION**

### **A NEW CANAL IN NICARAGUA?**



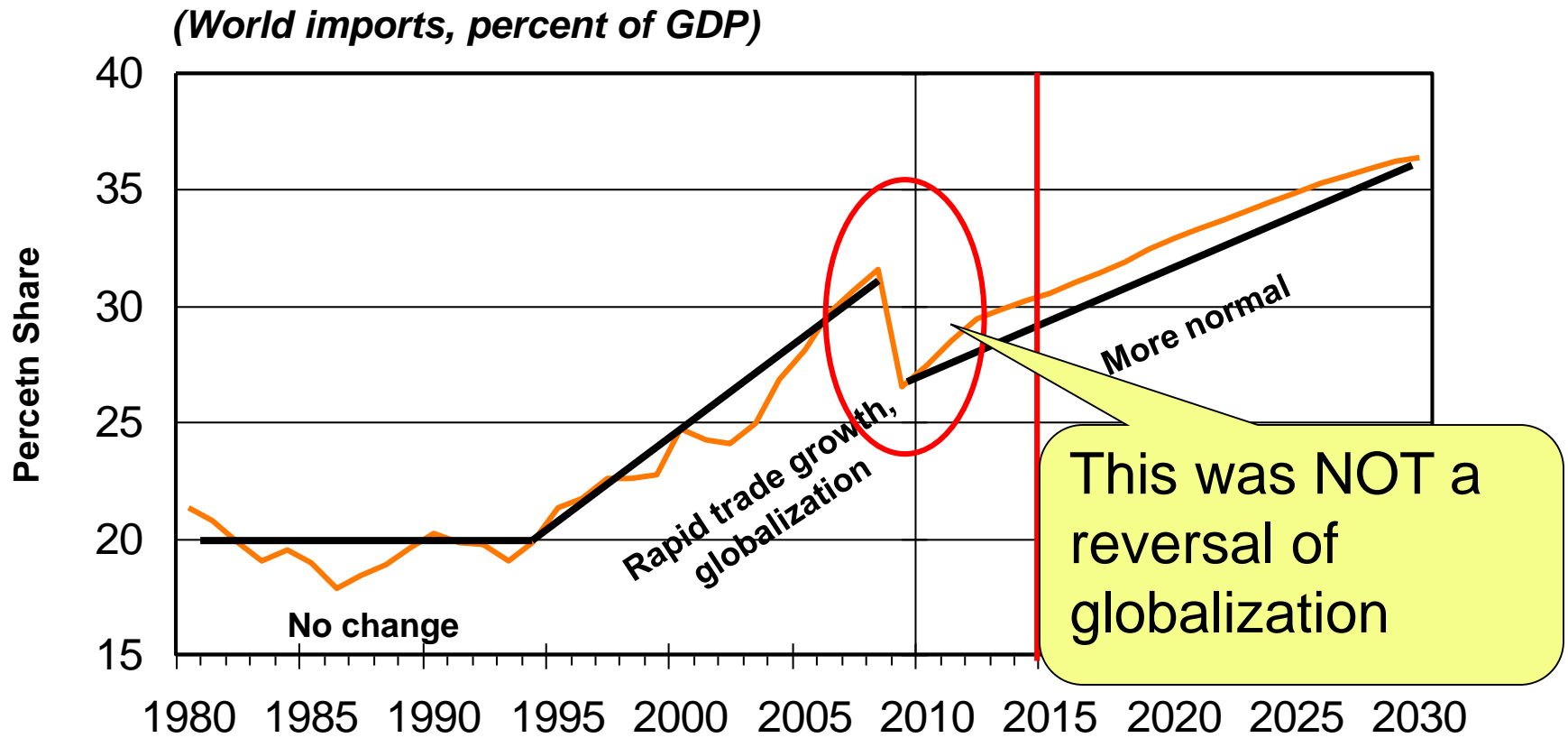
# In the short term, the economic outlooks are mixed.

|  | <u>2014</u> | <u>2015</u> |       |
|--|-------------|-------------|-------|
|   | Colombia    | 4.6%        | 4.8%  |
|  | Chile       | 4.6%        | 5.0%  |
|  | Costa Rica  | 3.7%        | 4.3%  |
|  | Mexico      | 2.9%        | 3.5%  |
|  | Panamá      | 7.0%        | 6.5%  |
|  | Perú        | 5.5%        | 4.9%  |
|  | USA         | 2.3%        | 3.3%  |
|  | Canada      | 2.3%        | 2.0%  |
| <hr/>  |             |             |       |
|  | Argentina   | -0.7%       | -1.0% |
|  | Brazil      | 1.3%        | 1.6%  |
|  | Venezuela   | -0.5%       | -1.0% |



# Trade's share of the economy is still climbing.

Globalization trend is *long-term* and has not reversed or stopped

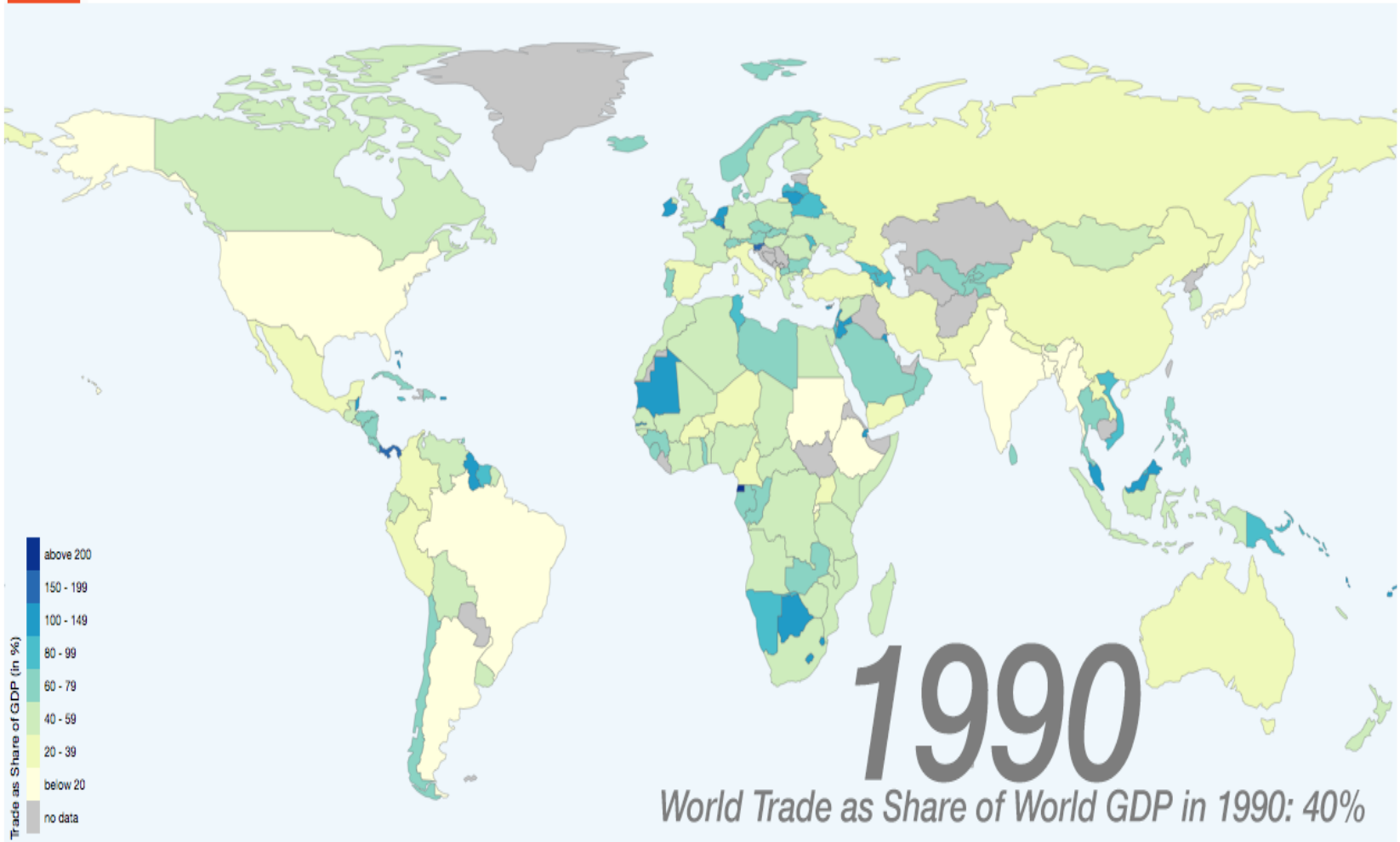




# World trade as a share of GDP

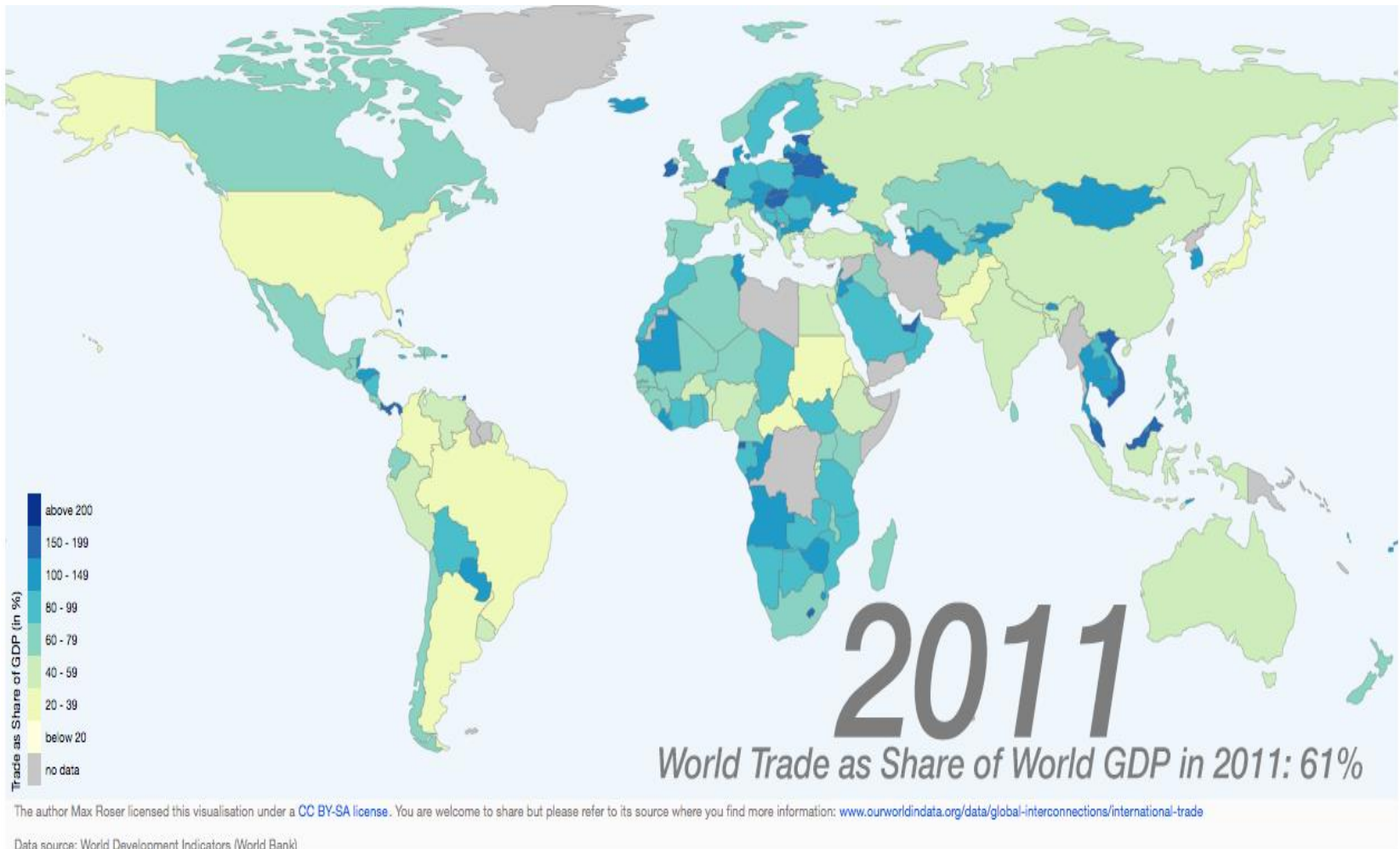
## Growth is considerable

Our World in Data Trade as Share of GDP in 1990 and 2011 – Max Roser





# World trade as a share of GDP. Growth is considerable.

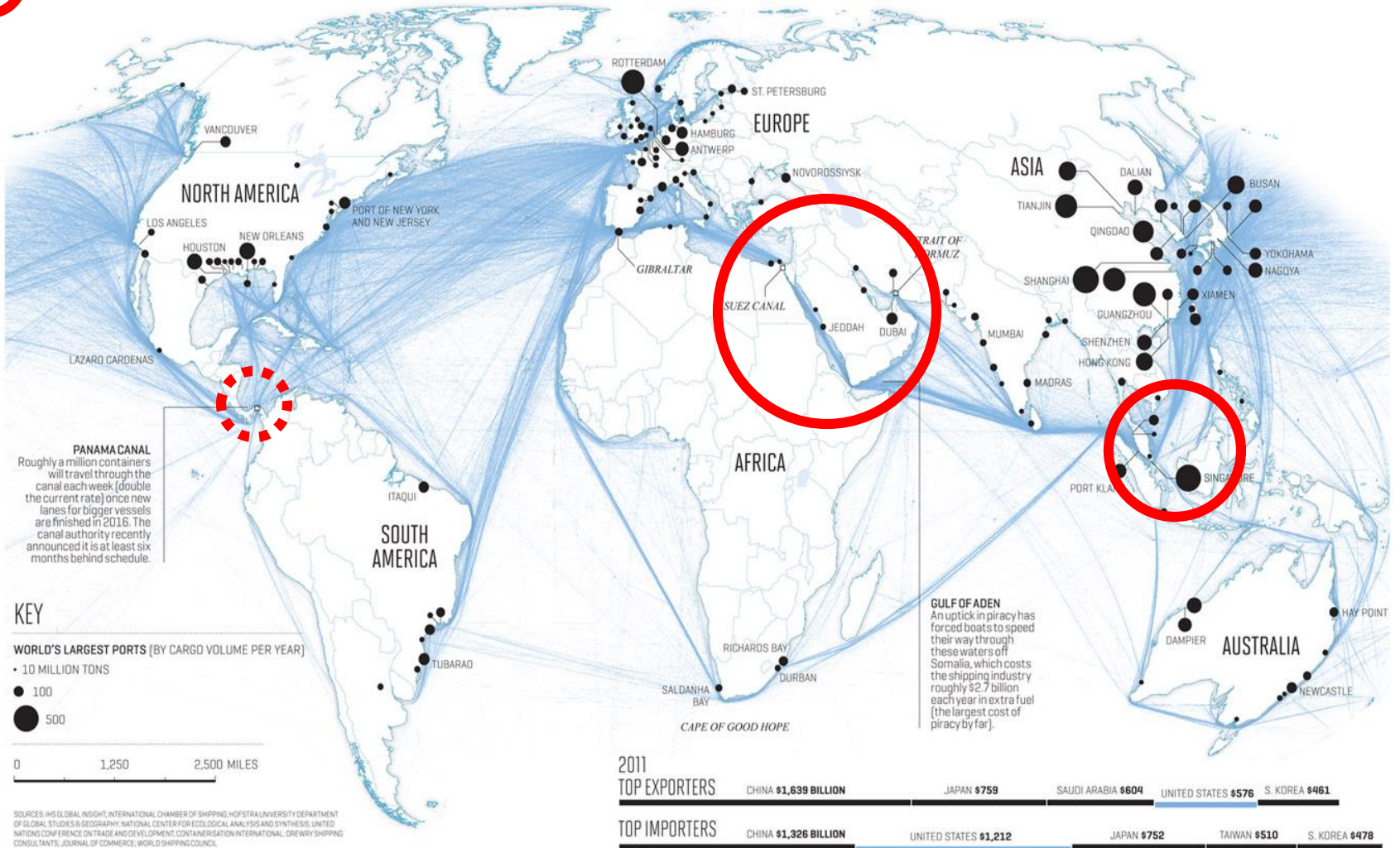






# World trade routes (TEUs)

**○ = Pinch Points**







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# China's New Economic Belt and Maritime Highway. A revision of the old silk road.



**Land**

**6000 KM**

**Marine**

**14,600 KM**



# The transport modes will be different

**600 - 2010**





# Nearby Region Energy Projects - Where to bunker LNG





## THE WORLD AT LARGE



## **BIG SHIPS AND THE CANAL EXPANSION**

## **A NEW CANAL IN NICARAGUA?**



# Larger Vessels

**B**

**Panamax (1980-)**

3,000 – 3,400 TEU



250x32x12.5

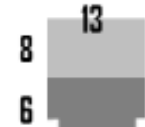


**Panamax Max (1985-)**

3,400 – 4,500 TEU



290x32x12.5



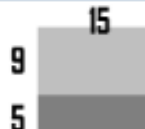
**C**

**Post Panamax (1988-)**

4,000 – 5,000 TEU



285x40x13



**Post Panamax Plus (2000-)**

6,000 – 8,000 TEU



300x43x14.5



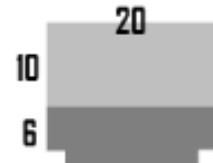
**D**

**New Panamax (2014-)**

12,500 TEU



366x49x15.2



**E**

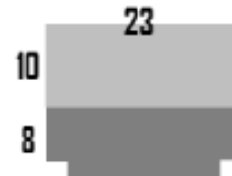
**Post New Panamax (2006-)**

15,000 TEU

397x56x15.5 ; 22-10-8 (not shown)



400x59x15.5



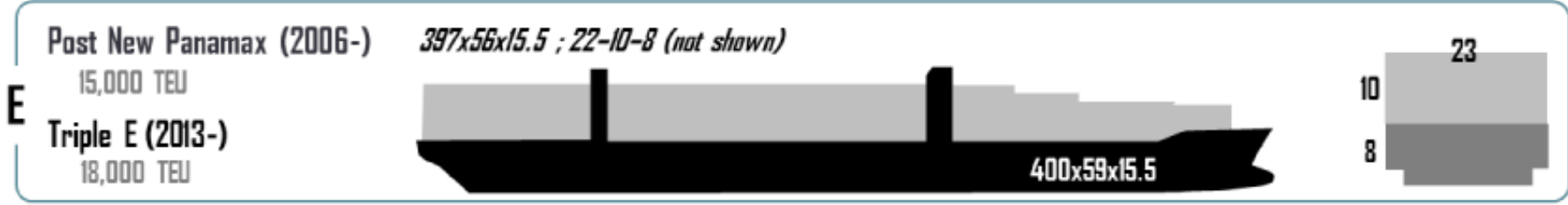
**Triple E (2013-)**

18,000 TEU





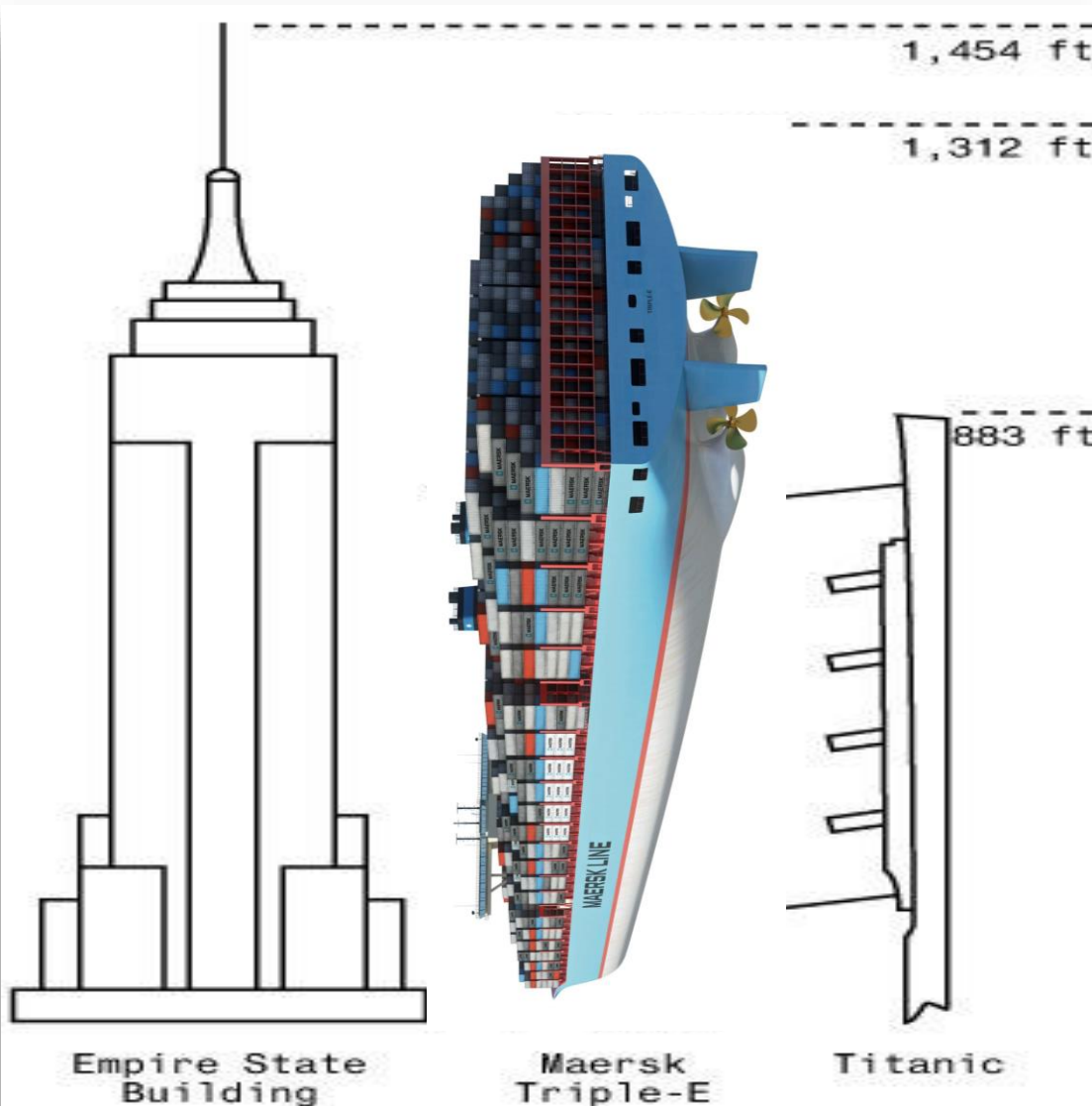
# Larger Vessels: Maersk Triple E



Already too big for the expanded Canal, which is not even ready yet.



# Larger Vessels: Maersk Triple E



New shoes for:

- Guatemala
- El Salvador
- Honduras
- Nicaragua
- Costa Rica
- Panama
- Colombia
- ½ Venezuela

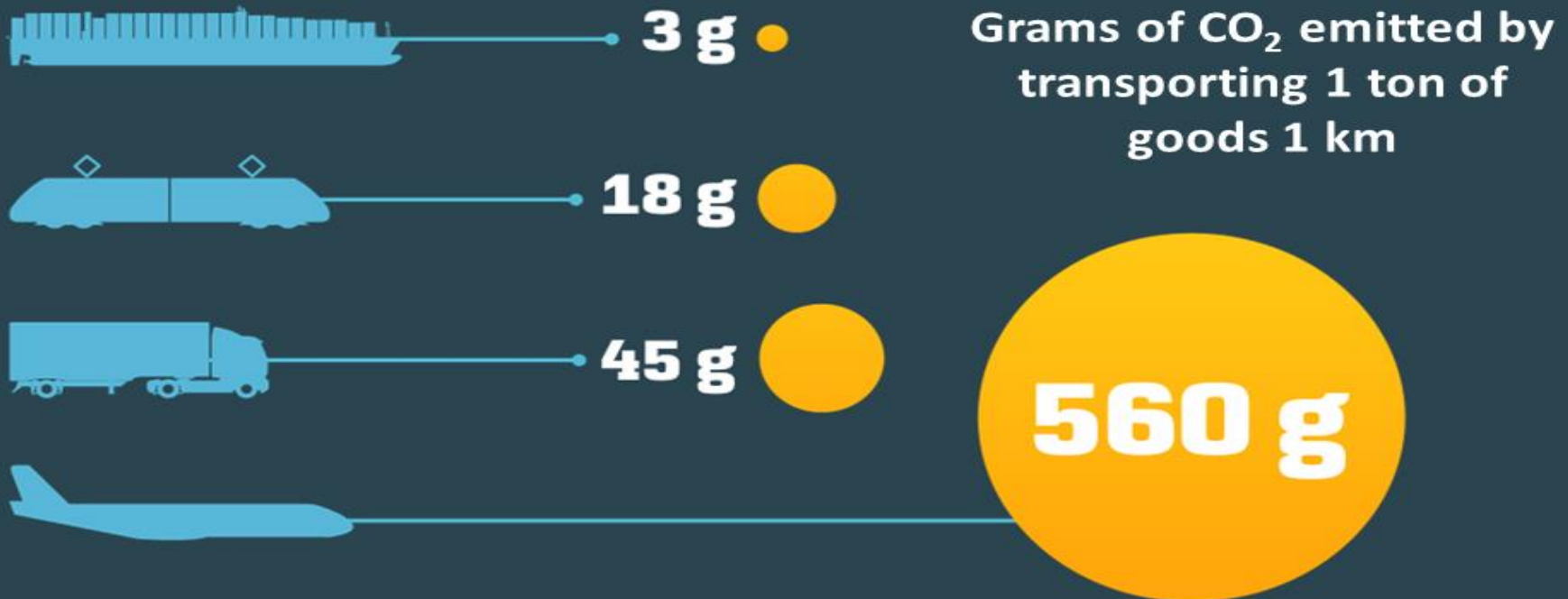
Even Bigger: MSC Oscar  
Mitsui order: 20,000 TEU ships



# Comparatively, the EEE ships are in good shape

Consume 35% less fuel than the 13,100 TEU “new Panamax” ships.

Emit less grams of CO<sub>2</sub> per TEU-km than other forms of transport.





# The new, big containerships are for -





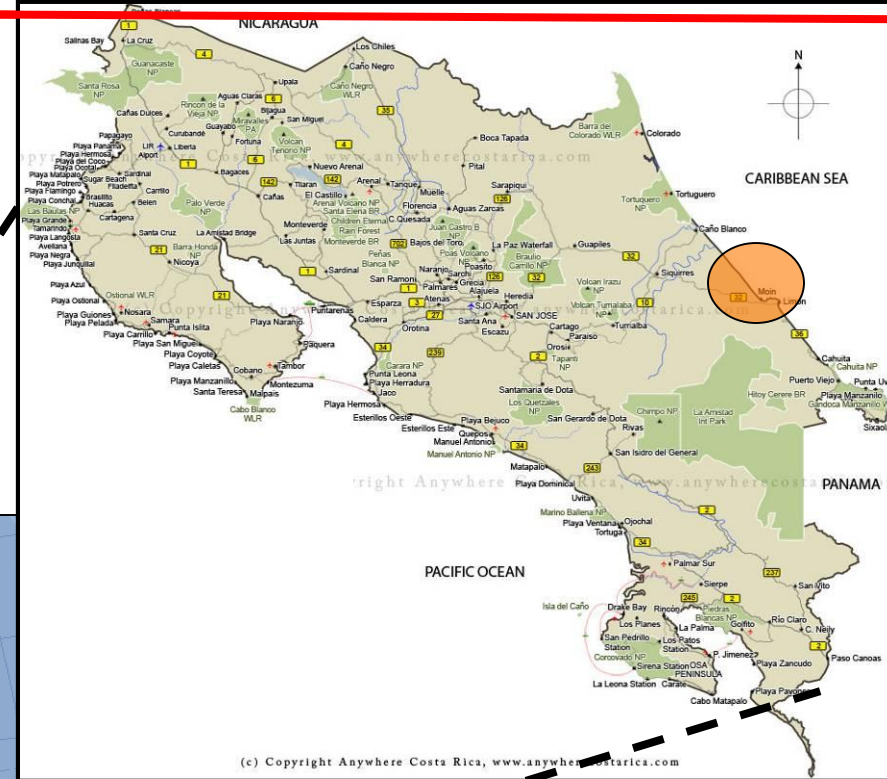




# Moín – Limón, Costa Rica

## A new modern reefer port

- ▶ \$992 million by APM Terminals
- ▶ Designed for 100% domestic cargo only – but transshipment is possible
- ▶ Concession signed in August, 2011
- ▶ 1.2M TEU in Year 1 (2016-17)
- ▶ It's all about productivity



**A sub-hub  
transshipment point?**



# WorleyParsons **Another triangle is forming - Pacific**

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# Shipping lines all seem to be thinking the same thing!

**“Put the biggest ships possible through the expanded Canal”**



**In the end, it's<sup>21</sup> all about the cost!!**



**THE WORLD AT LARGE**

**BIG SHIPS AND THE CANAL EXPANSION**



**A NEW CANAL IN NICARAGUA?**





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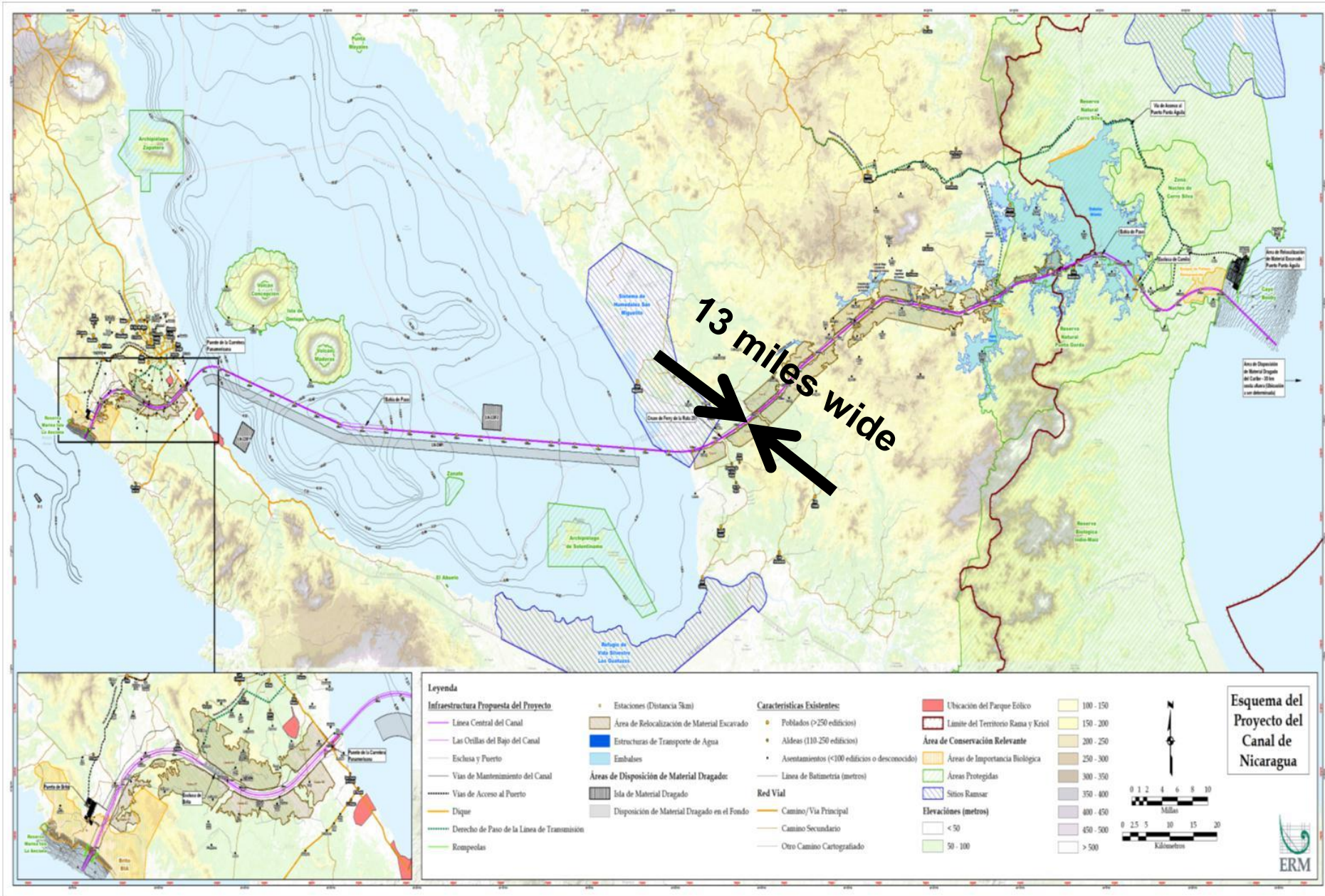
# The concession cuts across Nicaragua and gives HKND rights for 50 + 50 years

The rights go far beyond a canal.





# A huge corridor under the control of the developers

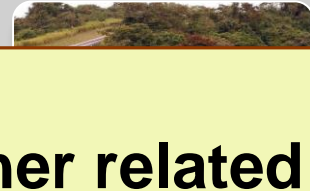
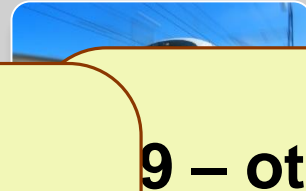




# “No-bid giveaway?”







1. Un Canal para buques uniendo el Mar Caribe y el Océano Pacífico

10 – a global project to ensure the integration & management of all the projects

9 – other related infrastructure: highways, living quarters



4 – on the Caribbean Coast (what about Venezuela)

5 – Pacific Coast

6. Una Zona de Libre Comercio en la Costa Caribe

7. Una Zona de Libre Comercio en la Costa del Pacífico

8. (what about Venezuela)

7 – a Trade Zone on the Pacific Coast

9. para los otros Subproyectos

10. Coordinación entre Subproyectos



# HKND has been planning

- ▶ 4,000 people involved, mainly in China
- ▶ \$900 million budgeted for studies and engineering
- ▶ The workforce will be 50,000
  - Nicaragua 25,000
  - China 12,500
  - Other 12,500





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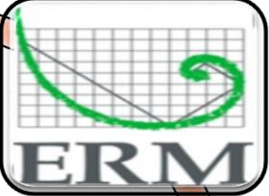
# Companies contracted by HKND



Consultora económica más prestigiosa del mundo



5ta Consultora ambiental y social, según el ranking del EHS Journal.



5ta firma de abogados más prestigiosa de los Estados Unidos

MEC Mining. Australia. Minería a cielo abierto e ingeniería civil



Relaciones públicas con base en Washington DC



Comunicaciones con los medios mundiales (Bloomberg, Financial Times, entre otros)



- Grupo de Maquinaria de Construcción Xuzhou (**XCMG**)
- N ° 7 del sector de maquinaria de construcción de China



- Naviera China Ocean Shipping (Group) Company (**COSCO**);
- Líder mundial en transporte marítimo



- Marina Internacional de Contenedores de China (**CIMC**);
- El mayor fabricante mundial de contenedores marítimos



- Corporación Nacional de Materiales de Construcción de China (**CNBM**)
- Mayor grupo de la industria de materiales de construcción en China

**Y..OTROS INVERISONISTAS A FUTURO AL DISPONER DE LOS ESTUDIOS DE FACTIBILIDAD**

Source: HKND



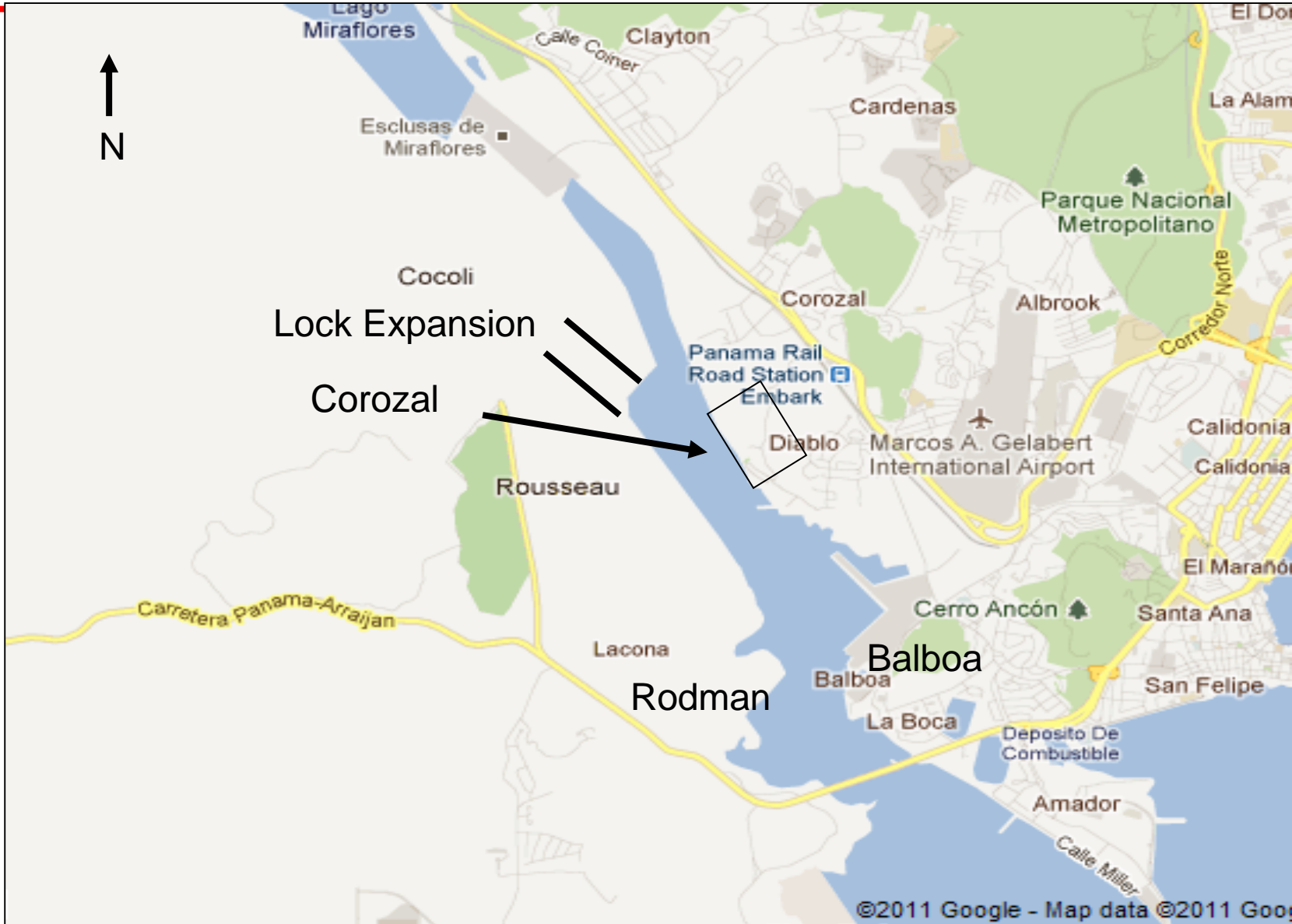


# What could happen if the Nicaragua Canal becomes a reality in 2020?

- ▶ **“How can the Chinese get a return on their investment?”**
  - **Wrong question!**
  
- ▶ **The money is not in the canal**
  - **It's in the associated businesses**
  
- ▶ **How will the Panama Canal react?**
  - **Already reacting!!**

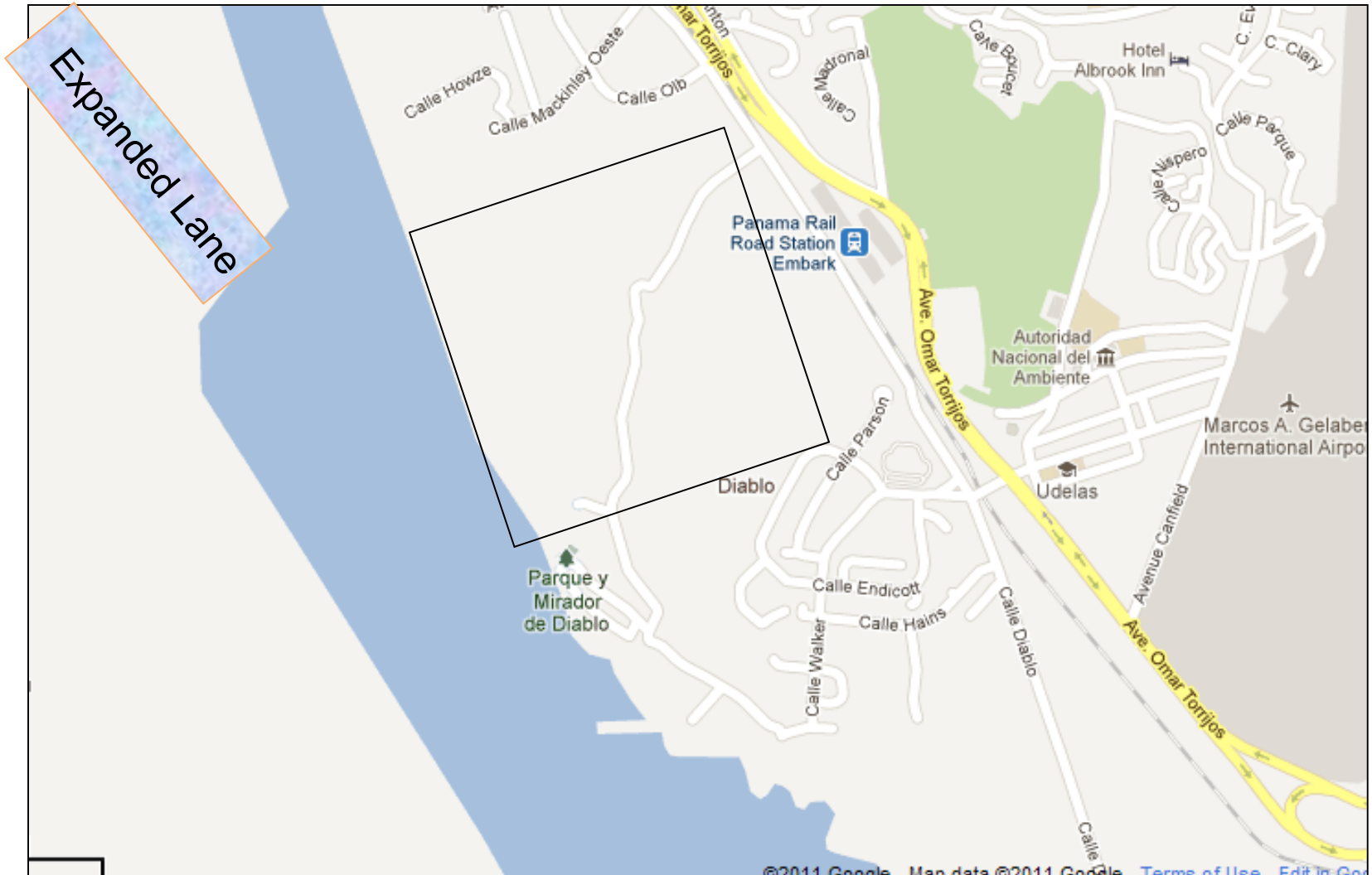


# A new transshipment option in Panama?



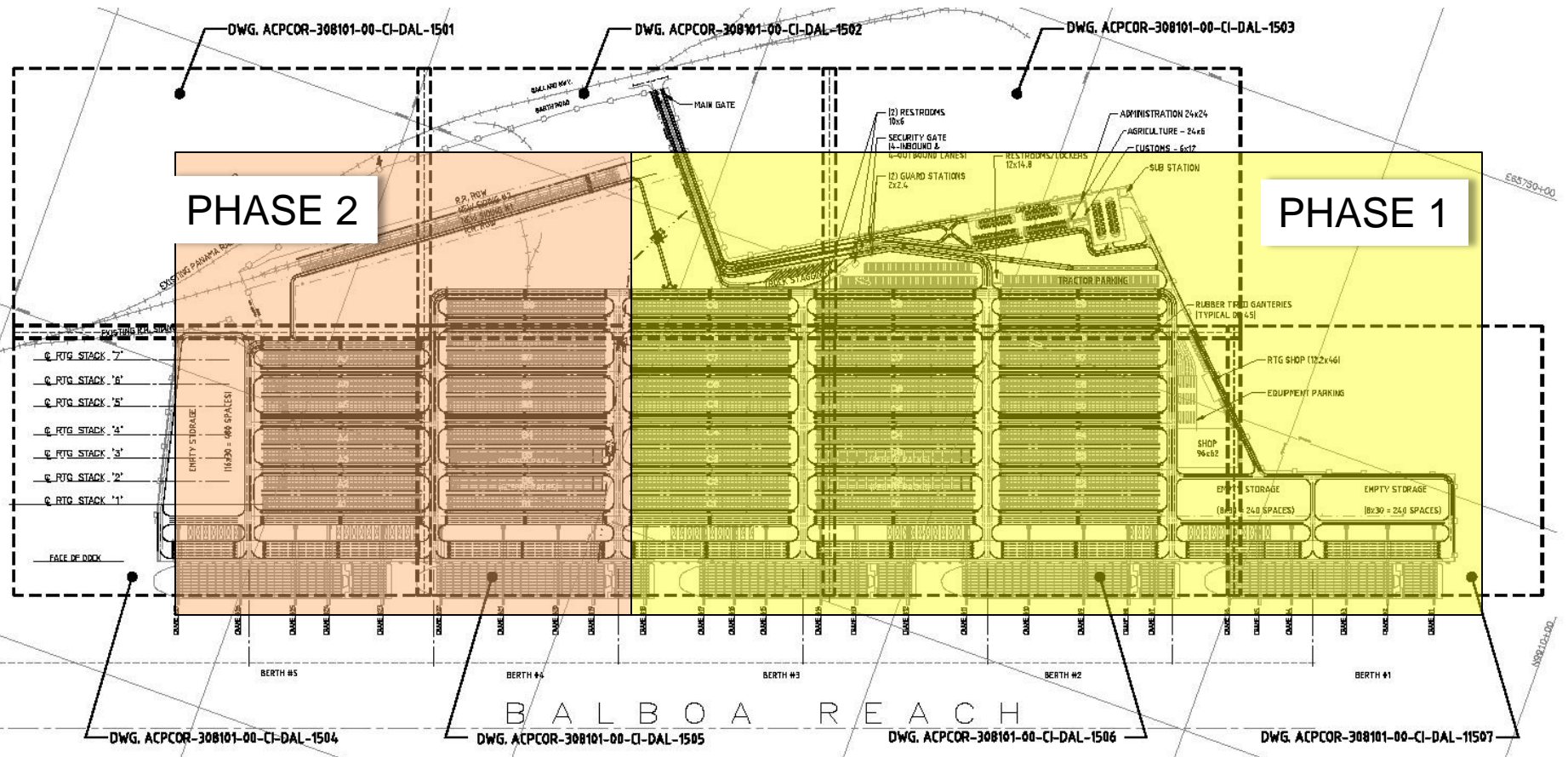


# Corozal, next to the railway





# New Transshipment Terminal inside the Panama Canal



Phase 1: 2.4M TEU

Phase 2: +1.5M TEU

Final: Quay 2,081 m; 27 STS; 3.9M TEU; 99 ha of CY

Layout: *WorleyParsons*



- **Growth in Caribbean transshipment is inevitable – Pacific, too**
- **Nica Canal – watch out!**
- **It's all about cost!**
- **Go for it**





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***Success!!***



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