



West African Ports and Trade For Afrimari London Dec 6th 2012

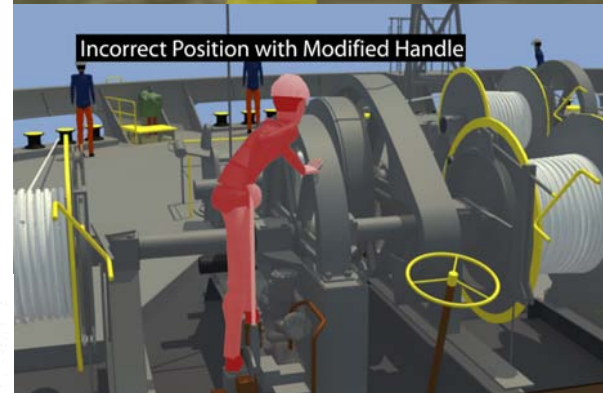
Steve Cameron rti Forensics

RTI

- Aviation, Maritime, Rail, Utilities, Buildings , Security
- Risk and Safety (SMS) – audits, training ISPS, ISM
- Anti piracy and security training
- Accident investigations, Materials failure testing
- Provision of experts for disputes and arbitrations
- 300 experts available globally

Africa

- 20 years + business development experience
- Research and forecasting – Ports & Transport
- Due diligence studies and business risk
- African Country briefings- embassy staff and expats
- Board Member: Business Council for Africa, and Africa Centre

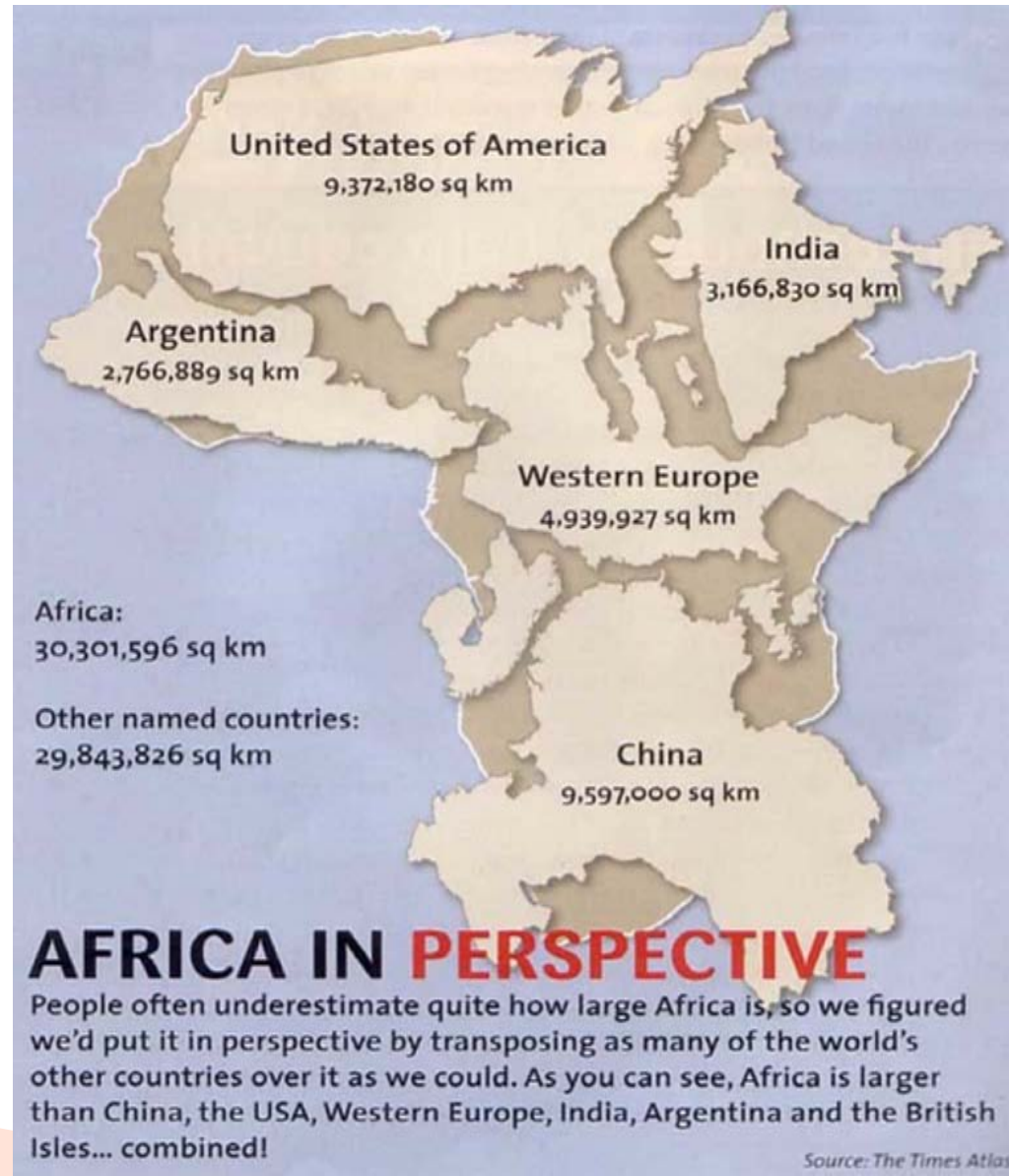


Africa in perspective

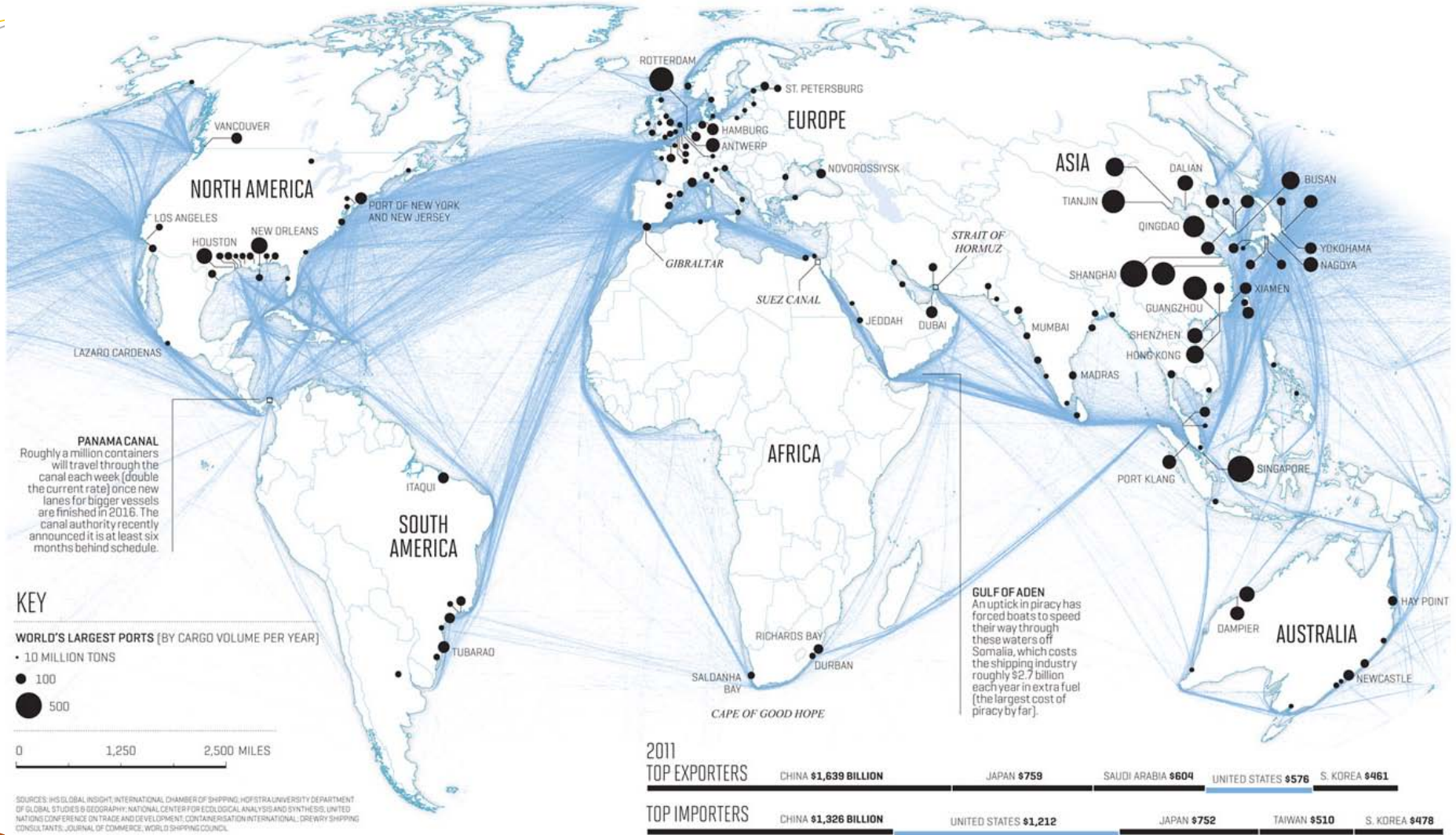
- 6 % of world wide water borne traffic
- 4 % of worldwide container traffic

Africa high transport costs:

- Ports contribute 10-20 % to total transport cost
- Container handling fees higher than Europe
- Turnaround times longer than Europe



Global Shipping Lanes



Francophone & Anglophone Africa

Anglophone Africa

- 22 Countries

Examples:-

- Nigeria, South Africa, Ghana
- Kenya, Tanzania

Francophone Africa

- 29 Countries
- 394 million people

Examples:-

- Senegal, Cote D'Ivoire
- Cameroon DR Congo



Francophone & Anglophone Differences

Anglophone Africa

- Given political and economic independence
- No political interference
- Limited economic support
- Deterioration of infrastructure
- Soft currency, less stability for business investors

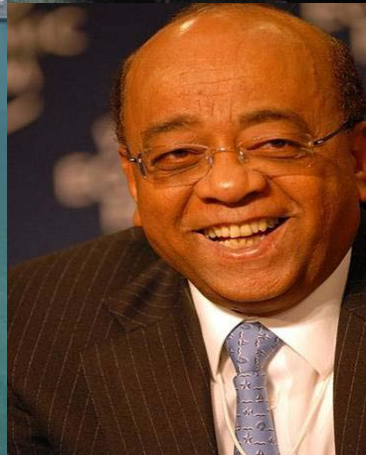
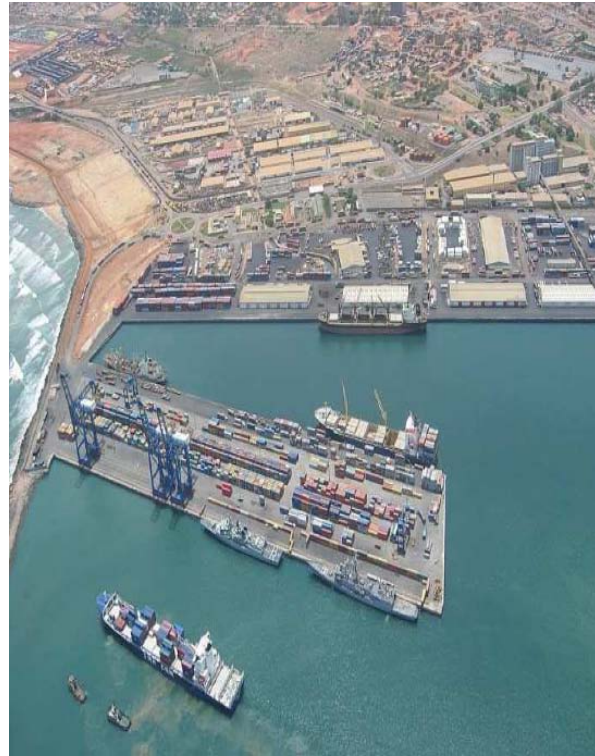
Francophone Africa

- Given only political independence
- CFA Franc linked to and supported by French Franc.
(Now linked to Euro at fixed CFA 656 = 1 Euro)
- Good business infrastructure; insurance & banking
- Francophone CFA Zone makes trading easier
- **Historical ties with French Companies**



African Privatisation Successes

- **Oil Industries**
- **Mining Industries**
- **Telecoms***
- **Electricity**
- **Ports & Terminals**
- **Brewing**

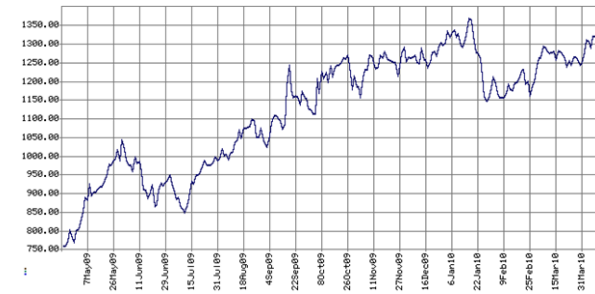


Note Telecoms*

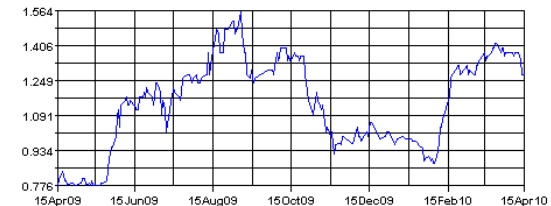
Mo Ibrahim – British Telcom – MSI – Celtel
Now worth \$2.5 billion – Mo Ibrahim African President good
governance award \$5.0 million + \$200k/annum

African Successes

- **Tullow Oil** – Oil Found Ghana & Uganda
- **Telecoms** – Bharti pays USD 10.7 Billion for Zain Telecoms
- **Brewing** – “We have doubled our business in the last 3 years and will do so again in the next 3-5 years Nick Blazquez” MD Diageo Africa



Tullow Oil



Zain

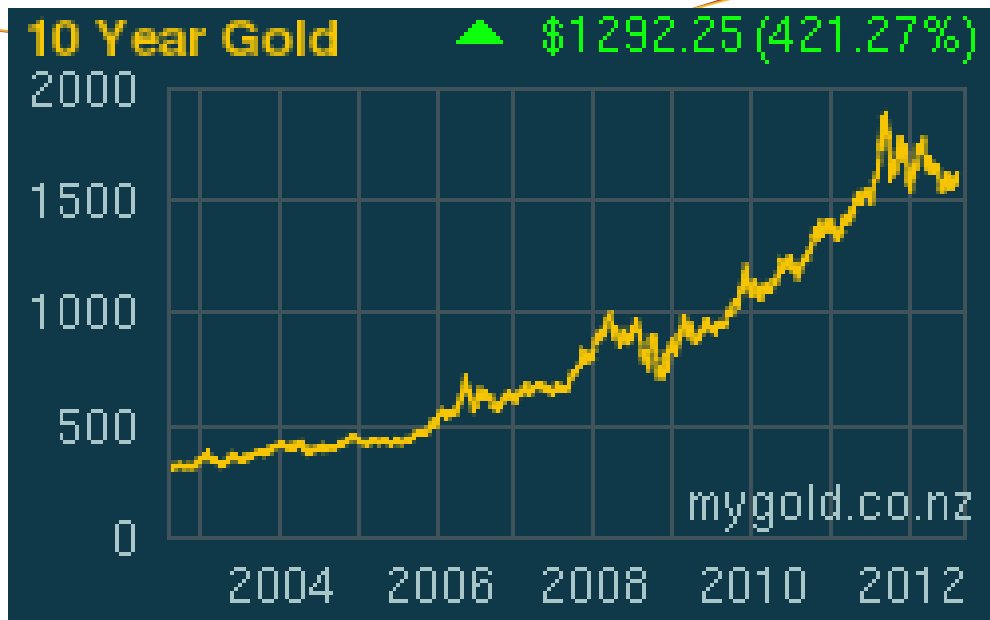


Top 5 markets
UK & Eira
Nigeria
USA
Cameroon

Gold

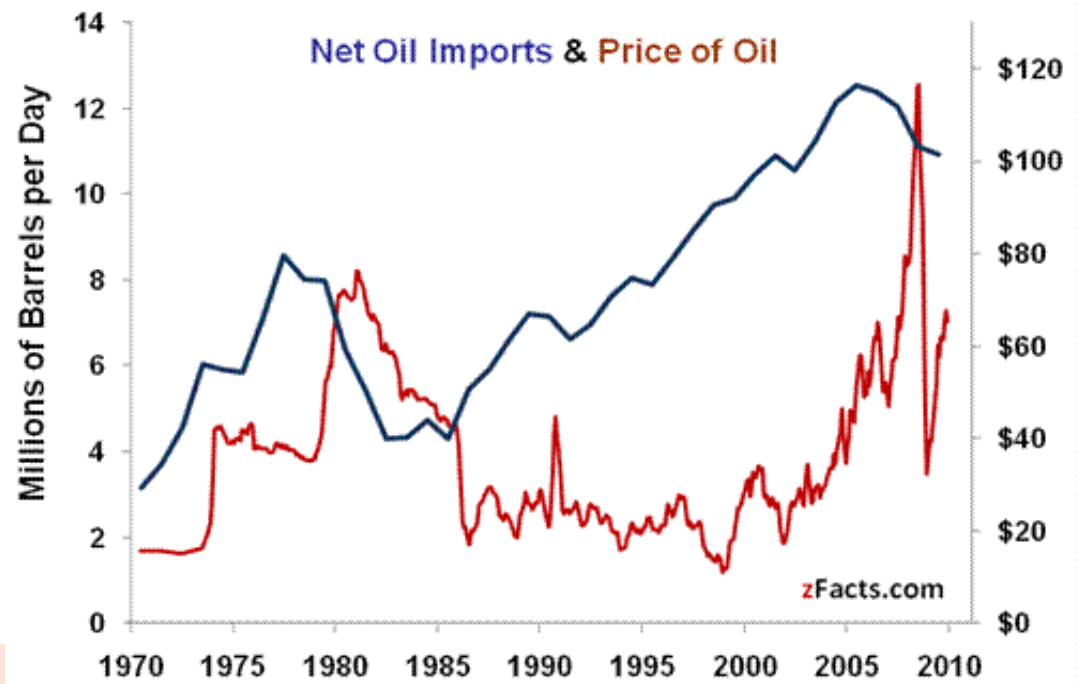
Year Average Prices US\$ per ounce

2012	1590
2009	972
2007	695
2005	445
2003	363
2000	279



Oil

Oil prices are monthly average import prices at the refinery.



Cocoa

- Largest cocoa producing countries; Ivory Coast, Ghana, Indonesia, Nigeria, Brazil, and Cameroon.
- Cocoa has significant effects on the economy and population in these countries.
- Ghana, cocoa 40% of export revenues employs two million farmers.
- Ivory Coast world's largest cocoa producer, 43% of the world's cocoa.



- Is Fair trade fair ?



Nigerian Successes

Eco Atlantic City

- ▶ Homes for 250,000 people
- ▶ Office space 150,000 workers
- ▶ Water and Road Public Transport network



Lekki Free Trade Zone

- ▶ Oil & Chemicals processing and hub
- ▶ New port (Container Concession ICTSI)
- ▶ New Airport and road links



The effect of Terminal Concessioning

Deals done

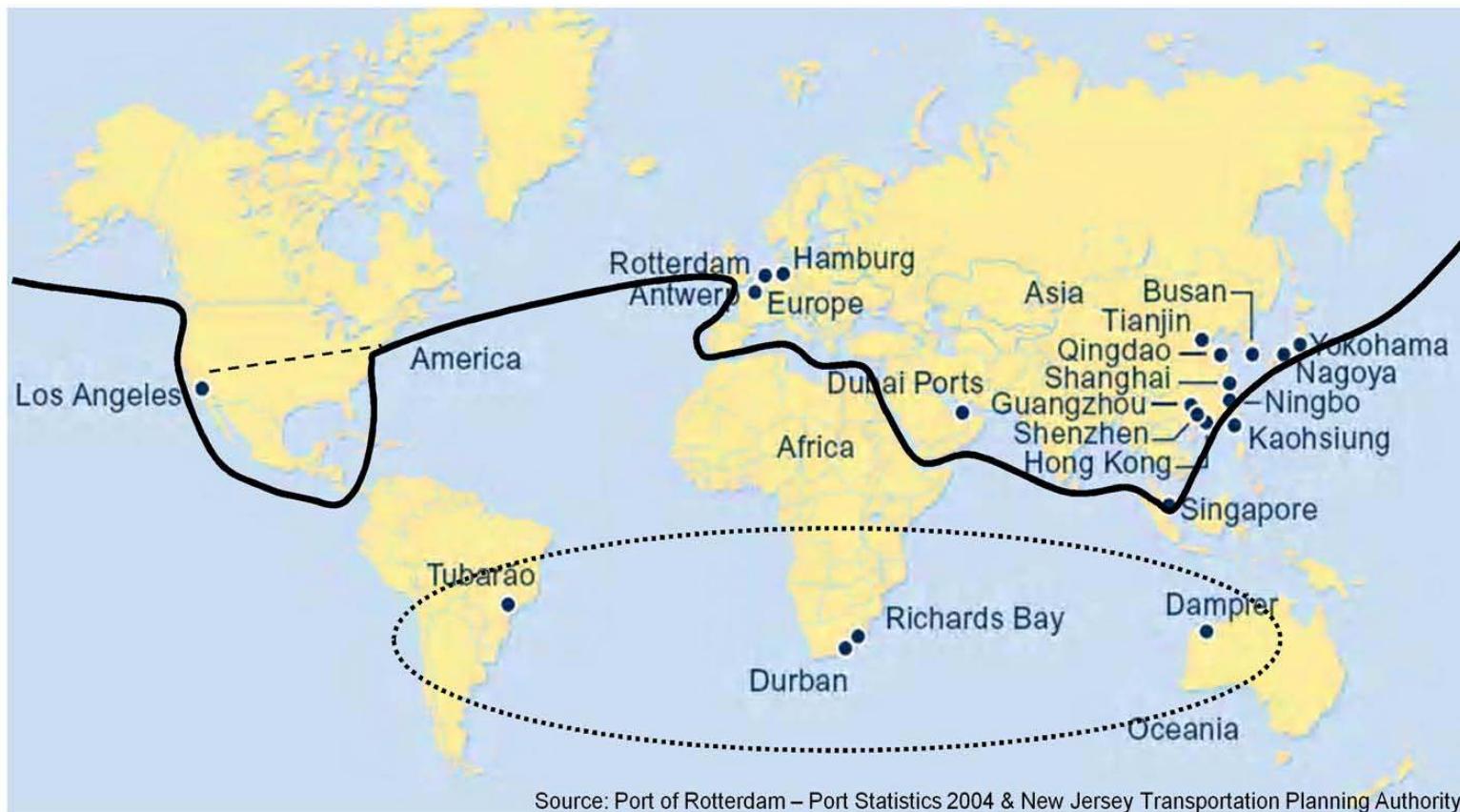
- Dakar - Dubai Ports World (DPW)
- Abidjan Vridi Container Terminal (Bollore/APMT)
- Tema Container Terminal Bollore/APMT
- Lome – Bollore Group and MSC hub
- Nigerian Concessions (Apapa terminal APMT)
- Douala International Terminal (APMT)
- Luanda Container Terminal (APMT)

From Dakar – Luanda, most major ports Bollore/APMT

- Benefits ?
- Two much into the hands of too few ?



World trade is increasing at roughly twice growth in GDP and is dominated by large hub-ports



public enterprises

Department:
Public Enterprises
REPUBLIC OF SOUTH AFRICA

Source: Port of Rotterdam – Port Statistics 2004 & New Jersey Transportation Planning Authority



Strictly confidential

Emma Maersk - How Big ?



- 397 metres LOA
- 170,000 tonnes
- 15,000 teus
- Cost USD 145,000,000
- 90 km of containers end to end
- Main Engine 100,000 hp
- Each cylinder 1820 litres
- Normal crew 13 (Capacity 30)

Race for Hub Ports Africa



Tanger Med by 2015;-

- 8 million containers
- 7 million passengers
- 700,000 trucks, 2 million vehicles
- 10 million MT of oil products.

Race for Hub Ports Africa



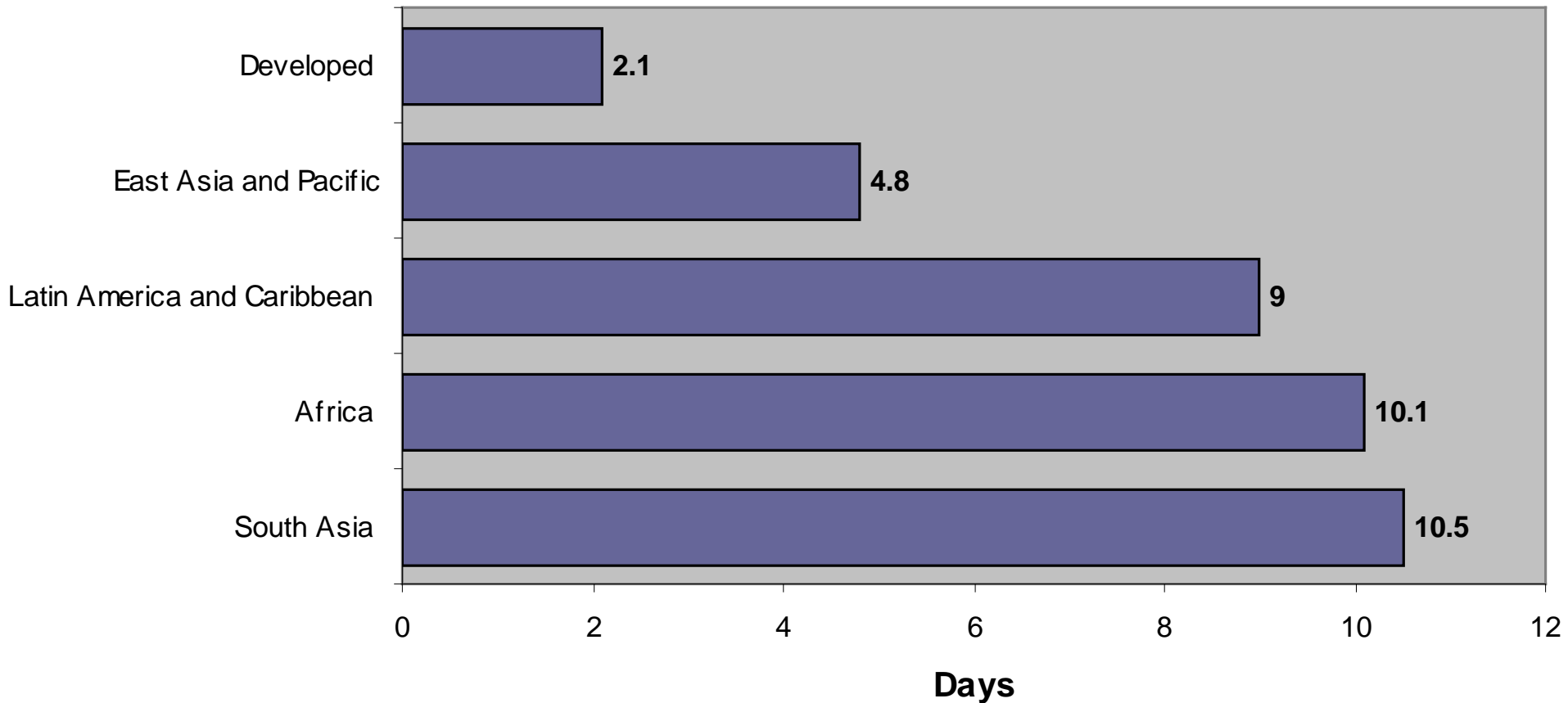
Africa – Piracy

- Piracy attacks Tanzania's waters started 2010
- Seafarer now subject to cruel treatment
- Concern by Oil & Gas developers
- Armed Guards have now reduced attacks
- Increased attacks West Africa
- Liaison with ECOWAS countries complex

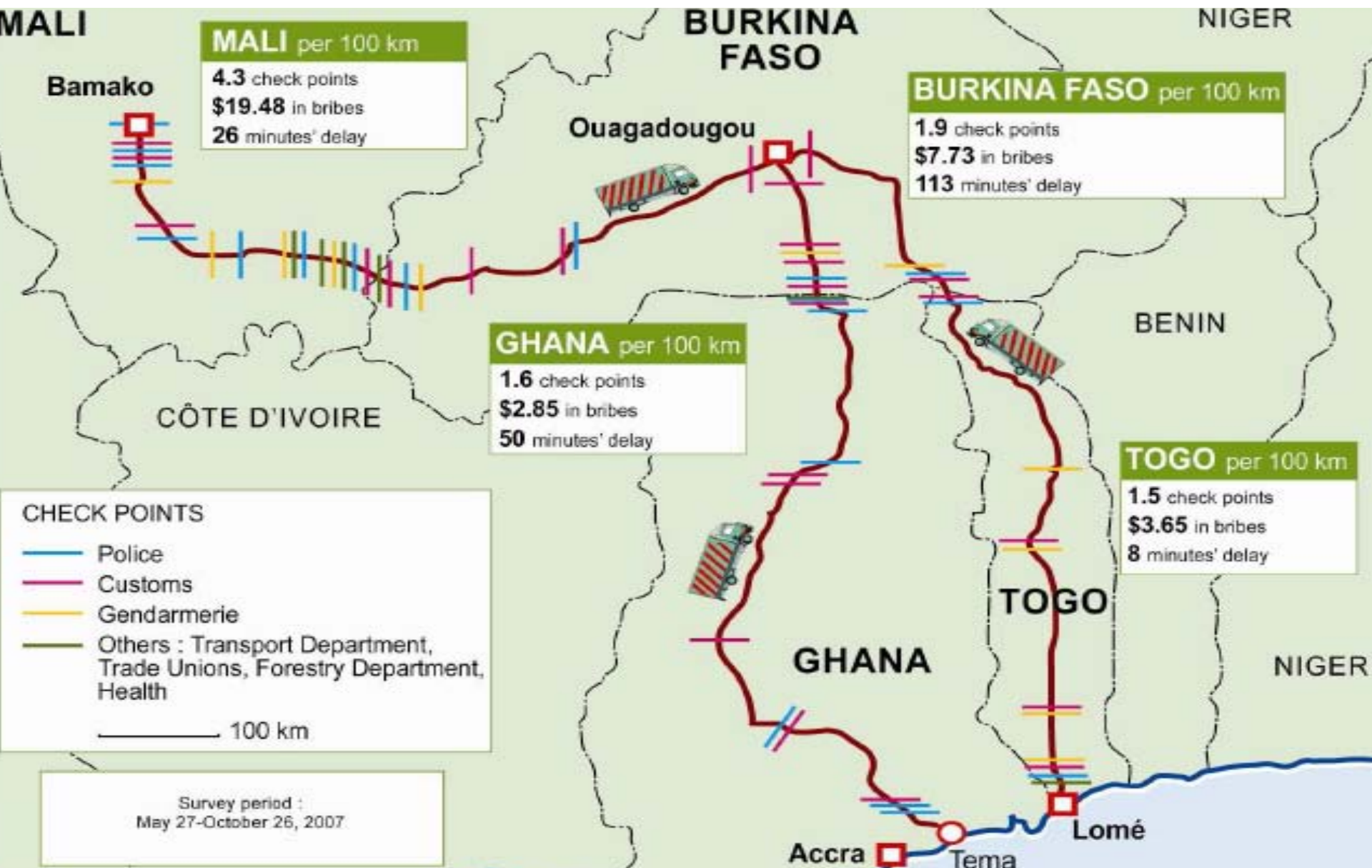


Impediments to growth

Average number of days to clear customs for sea cargo



Impediments to growth



Issues for Africa

- ▶ Larger vessels deeper water, bigger cranes, longer berths, 50% more terminal capacity needed.
- ▶ African Hub/Spoke systems develop
- ▶ City growth not supported by infrastructure
Lagos 3rd largest city, 30 million pop by 2050
- ▶ Ports ring fenced by congested cities
significant rail and road building required
- ▶ Businesses in Africa need to think about how compete in the global market, not with other Africa Countries





Thank you

steve.cameron@rtiforensics.com

www.rtiforensics.com

www.bcafrica.com

