

MAPUTO PORT: EXIT BRITONS, ENTER ARABS

Maputo, 11 Jan (AIM) - The British company Peel Ports has sold off its interest in Maputo port to Dubai Ports World and the South African Grindrod Group.

The management of Maputo Port was privatized under an agreement of September 2000 (which did not take effect until 2003). That agreement set up the Maputo Port Development company (MPDC). 51 per cent of the MPDC shares were held by Portus Indico, described as a joint venture investment vehicle, while the remaining 49 per cent remained in the hands of the publicly owned ports and rail company, CFM.

The investors in Portus Indico were the British Mersey Docks and Harbour Company (18.3 per cent), the Swedish company Skanska (16.33 per cent), Liscont of Portugal (14.84 per cent), and the local company Mocambique Gestores (1.53 per cent). Among the shareholders in Mocambique Gestores was the then head of the parliamentary group of the ruling Frelimo party, and now President of the Republic, Armando Guebuza.

Over the years shares have changed hands. This in April 2005, Grindrod purchased 12.24 per cent of Portus Indico from the European partners for an undisclosed sum. In November 2006, Grindrod also purchased all of Skanska's shares in MPDC.

Mota Engil, the Portuguese company that owns over 80 per cent of Liscont, sold the Liscont holding in MPDC in December 2007 for 10.4 million euros (about 15 million US dollars).

That left only the British out of the original foreign investors. But in 2005, Mersey Docks and Harbour was purchased by Peel Ports, the second largest ports group in Britain. Now Peel decided to pull out of Mozambique altogether. The manager of the Peel international arm, Portia Management Services, John Owens, cited by Lloyds List in London, said "It's no secret that at present Peel is not seeking international investment opportunities as a priority. Its focus is on the UK".

Peel declined to say how much Grindrod and Dubai Ports world had paid for its shares, though DPW said it had paid 32 million US dollars. The end result is that DPW and Grindrod each hold 48.5 per cent of Portus Indico, with the remaining three per cent owned by Mocambique Gestores.

Cited in a DPW press release, the company's Chief Executive Officer, Mohamed Sharaf, said "We are pleased to have the opportunity to invest in Maputo. The port is the backbone of the economy, and we look forward to helping develop the infrastructure there, and contribute to the growth of Maputo and Mozambique".

"Maputo is one of the main corridors for the southern African hinterland", Sharaf said. "We plan to invest further in container handling facilities there, but we also believe there is potential to grow commodity traffic as well, and with our expertise in general cargo, bulk and break bulk handling, we believe we can contribute significantly

to fast tracking the growth in this cargo sector through Maputo".

Sharaf believed that, working with Grindrod and Mocambique Gestores, DPW had "created a partnership that will support the investment required to build the port of Maputo into a notable force in the logistics chain in southern Africa".

DP World describes itself as "one of the largest marine terminal operators in the world with 42 terminals and 13 new developments across 27 countries". In 2006 Lloyd's List gave it the prestigious "Port Operator of the Year" Award.

Prior to purchasing the Peel shares, DPW already owned 60 per cent of Maputo International Ports Services (MIPS), which operates the Maputo container terminal (the other 40 per cent is held by CFM).

Grindrod is a Durban-based shipping and freight logistics company. It already operates the Matola coal terminal.
(AIM)