

PORTS PARTNERSHIP UNLOCKS GROWTH POTENTIAL FOR AFRICA'S ECONOMY

Africa has a sixth of the world's population. But it accounts for just 4% of global containerised shipping volumes. The reason? Insufficient port capacity. The new partnership that we helped forge between ports giant DP World and British International Investment (the UK's development finance institution) will help address this, investing in ports and logistics around the continent.

In doing so, it will unlock Africa's trade potential, creating **138,000 jobs** and giving **35m people** better access to vital goods and food supplies.



MORE IMAGINATION MORE IMPACT



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THE CHALLENGE

The global ports operator DP World wanted to accelerate its investments in ports and other infrastructure in Africa by partnering with British International Investment (BII). But it also wanted the freedom to bring in other investors to the same assets without being tied to the same terms.

All the documentation for the transaction needed to work both for the initial seed assets and any future assets. And it also needed to be compliant across multiple jurisdictions, including locations in the Middle East and Europe where the holding companies were incorporated.



Addleshaw Goddard's extensive ports and logistics expertise helped us put together a deal that will deliver transformational opportunities for tens of millions of people over the next decade.

Anil Mohta, Senior Vice President,
Group Corporate Finance & Business
Development, DP World

THE IMAGINATION

We drew on our significant multi-disciplined ports and logistics expertise to advise DP World on all elements of this US\$1.7bn transaction. This saw our client contribute its existing stakes in the ports of Dakar (Senegal), Sokhna (Egypt) and Berbera (Somaliland) while BII committed an initial US\$320m. The unusual and bespoke structure we created for the joint venture agreements was key to the deal's success. Essentially, we made it possible for parallel investment platforms to be set up in the future. This gives DP World the freedom to partner with other investors, negotiating fresh terms in each instance and so protecting our client's commercial position.



THE IMPACT

The new partnership will have a dramatic impact on Africa's trading potential. Ninety per cent of all goods traded internationally are handled by ports. So, by investing in new ports and other infrastructure like inland container depots, DP World and BII will accelerate economic growth, giving businesses access to global trade and helping 35m consumers benefit from improved supply reliability and reduced costs.

The initial investment in the ports of Dakar, Sokhna and Berbera will create 138,000 jobs. By 2035, it's estimated these ports will support 5m livelihoods and add US\$51 bn to total world trade.



This deal will drive new economic growth in Africa, unlocking the continent's trade potential, and improving consumer access to vital goods and food supplies.

Ian Le Pelley, Partner,
Addleshaw Goddard

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