



African Development Bank

Private Sector Operations

LEKKI TOLARAM PORT

Project Brief

BOARD APPRAISAL: September 2014

COUNTRY	Nigeria
PROJECT NAME	Lekki Tolaram Port
SECTOR	Transport
TOTAL PROJECT COST	USD 1.675 BILLION
AfDB CONTRIBUTION	USD 150 MILLION
SPONSOR AND BORROWER	<p>The main sponsor is the Tolaram Group. Established in 1950, this Singaporean diversified conglomerate has major investments in Africa; the group derives 80% of its USD 800 million revenues from the Nigerian market. Tolaram along with other equity investors will retain between 51% and 73% of the shareholding. The NPA and the Lagos State Government (LASG) will also have shares in the project.</p>
PROJECT DESCRIPTION	<p>Construction and 45 year operation of a greenfield port 60 km east of Lagos (in the Lagos Free Trade Zone). The 45 year concession was granted to Lekki Port LFTZ Enterprise (“LPLE”), the Special Purpose Vehicle, by The Nigerian Ports Authority (“NPA”) under a build, own, operate and transfer scheme. The project will include construction of all port infrastructures such as breakwaters, quays, approach channels, dredging of the basin as well as all captive utilities such as water and power. When completed, the 3 container berths, the 3 liquid berths and the dry bulk berth will be able to handle respectively 2.5 million TEUs, 16.7 MT of liquid cargo and 4.5 MT of dry bulk. Construction is expected to start in January 2015 with the container terminal operations expected to start in December 2018.</p>
PROJECT BENEFITS	<p>Lekki Tolaram Port will have significant positive impact estimated at USD 361 billion over the term of concession. It is expected to contribute more than USD 200 billion to the government exchequer and create close to 170,000 new jobs. Furthermore, it will spur the economic development around the Lekki sub-region and the wider Lagos State through rapid industrialization. The Free Trade Zone itself will include industrial, employment, urban development, recreational and residential areas. An estimated 700,000 jobs are forecasted with an estimated 450,000 new residents.</p>