

 Early Warning System

IFC-45868

Damietta Port II



Quick Facts

Countries	Egypt
Specific Location	Damietta
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2024-08-07
Borrower	DAMIETTA ALLIANCE CONTAINER TERMINAL S.A.E.
Sectors	Industry and Trade, Infrastructure, Transport
Investment Type(s)	Loan
Investment Amount (USD)	\$ 135.00 million
Loan Amount (USD)	\$ 125.00 million
Grant Amount (USD)	\$ 10.00 million
Project Cost (USD)	\$ 665.00 million



Project Description

As stated by the IFC, the Project is a container terminal with capacity of 3.3 million Twenty-foot equivalent unit located in Damietta Port on the Mediterranean Sea in Egypt. The Project will be carried under a 30-year Concession Agreement granted by the Damietta Port Authority under the Ministry of Transport. Construction is expected to begin in end of 2023 with initial operations expected to commence in January 2025.

The Damietta port is located on the East-Mediterranean Sea, at around 70km from the Suez Canal and 200km from the Greater Cairo Area. The port began operations in 1987 and currently operates seven terminals.

IFC is considering a financing of up to US\$ 125 million A-loan and interest rate swaps of a loan equivalent exposure of up to US\$10 million, for the brownfield expansion of a second U-shaped 3.3 Million Twenty-foot Equivalent Units container terminal. This new terminal would occupy an area of 91 hectares (~12%) of the Damietta port. The project will be designed to accommodate the loading and unloading of large container ships (at a length of 400m) and will include 8 berths (with a total of 1670m); 12 shore-to-ship cranes; 40 rubber-tired gantries; 16 spreaders; 12 lashing cages, space for temporary loading and unloading, and support facilities (e.g., office buildings, workshops, etc.). Once completed, CT-II will act as a transshipment hub in the East-Mediterranean basin for approximately 80% of the containers received, with the remainder serving the main consumption areas via the national road network. The project construction is expected to take up to 24 months starting construction in December 2023.

The early development of the infrastructure for CT-II, including land excavation and foundation works; construction and maintenance of the quay walls; and dredging of the access channel and basin, will be led by the DPA and is outside the scope of the proposed IFC investment but are considered associated facilities as per IFC Performance Standards.



Investment Description

- International Finance Corporation (IFC)



Private Actors Description

As stated by the IFC, the Project will be developed by Damietta Alliance Container Terminal S.A.E., a special purpose vehicle incorporated in Egypt, owned (39%) by Hapag-Lloyd AG (“HLAG”), (29.5%) by Eurogate International GmbH (“Eurogate”), and (29.5%) by Contship Italia S.p.A. (“Contship”), and 1% by Middle East Logistics & Consultant Group S.A.E and Ship & C.R.E.W. S.A.E each.

HLAG is one of the largest ship liners and operates the fifth-largest fleet of container ships worldwide. By the end of 2022, HLAG had c. 14,200 employees in more than 400 offices in 135 countries, and its vessels carried 11.8 MTEU, on par with 2021. HLAG is also a founding member of THEA, one of the biggest shipping alliances worldwide, which includes HLAG, Yang Ming, Ocean Network Express, and Hyundai Merchant Marine.

Eurogate is a top 15 independent operator of container terminals in Europe with twelve terminals located in Germany, Russia, Italy, Portugal, Cyprus, and Morocco and a total capacity of 16.9 MTEU and 69 container gantries, including Germany’s only deep-water container terminal. Eurogate has a longstanding relationship with HLAG through its operations in the German ports of Hamburg, Bremerhaven, and Wilhelmshaven, the three largest ports in Germany, and it also operates HLAG’s West-Med transshipment volumes at the TangerMED port in Morocco.

Contship is a subsidiary of Eurokai, one of the shareholders of Eurogate, and is currently controlled by Eurokai (66.6%) and Eurogate (33.4%). Contship operates (directly and indirectly) four port terminals with 23 STS cranes and 12 mobile cranes, one rail hub, and transport companies. On a standalone basis in the Italian market, the group handled a total of 1.5 MTEU containers with a market share of 16% in 2021.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Contship Italia SpA	Parent Company	Industry and Trade	owns	DAMIETTA ALLIANCE CONTAINER TERMINAL S.A.E.	Client	Infrastructure
EUROGATE GmbH & Co KGaA KG	Parent Company	Industry and Trade	owns	DAMIETTA ALLIANCE CONTAINER TERMINAL S.A.E.	Client	Infrastructure
EUROGATE GmbH & Co KGaA KG	Parent Company	Industry and Trade	contracts with	Hapag-Lloyd Group	Parent Company	Industry and Trade
Eurokai GmbH & Co KGaA	Parent Company	Industry and Trade	owns	Contship Italia SpA	Parent Company	Industry and Trade
Eurokai GmbH & Co KGaA	Parent Company	Industry and Trade	invests in	EUROGATE GmbH & Co KGaA KG	Parent Company	Industry and Trade
Hapag-Lloyd Group	Parent Company	Industry and Trade	contracts with	Contship Italia SpA	Parent Company	Industry and Trade
Hapag-Lloyd Group	Parent Company	Industry and Trade	owns	DAMIETTA ALLIANCE CONTAINER TERMINAL S.A.E.	Client	Infrastructure



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ACCESS TO INFORMATION

You can submit a request for information disclosure at: <https://disclosures.ifc.org/#/inquiries>

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org>



Bank Documents

- [02.03.02.01.01 Update EIA Damietta](#)
- [02.03.02.14 FINAL EIA DUMYAT PROJECT_2006 Nov 12](#)
- [Environmental and Social Review Summary](#)



Other Related Projects

- EBRD-53313 Damietta Container Terminal II Loan
- AIIB-000600 Egypt: Damietta Port - Container Terminal II