

 Early Warning System

IFC-48312

Safaga port



Quick Facts

Countries	Egypt
Specific Location	Safaga, Red Sea Governorate
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	A
Voting Date	2025-11-04
Borrower	Safaga Terminal Operating Company SAE (STOC)
Sectors	Energy, Industry and Trade, Infrastructure, Transport
Investment Type(s)	Loan
Investment Amount (USD)	\$ 50.00 million
Loan Amount (USD)	\$ 50.00 million
Project Cost (USD)	\$ 208.90 million



Project Description

According to the IFC, the proposed project comprises the design, construction and operation of a new 776,000m² multipurpose terminal with quay wall length of 1,100m in Safaga, Egypt. The Project will serve the national market and offering a diversified set of services, including dry bulk, container cargo (not currently offered at Safaga's existing port) and Roll-on Roll-off (RoRo).

Safaga bay is located in the Red Sea Governorate on the western coast of the Red Sea, 60km south of Hurghada and 435km south of the Suez port. The project will be implemented by a special purpose vehicle named Safaga Terminal Operating Company S.A.E. (STOC). The company is under incorporation and owned by Abu Dhabi Ports Group (ADPG or the Sponsor). A 30-year concession agreement was signed in March 2023 with the General Authority for Red Sea Ports (RSPA) under the Ministry of Transport MoT.

Phase 1 of the project has been completed by RSPA who was responsible for the marine works consisting of land reclamation, quay construction (1000m length and -17.5m depth), dredging works immediately in front of the quay wall, dredging of an offshore approach channel at a depth of -19m and associated dredge dump area, installation of utilities including fresh water, waste water/sewage, wired telecommunications and electricity (11KV) transformer, waste water treatment plant (250m³/day), desalination plant (500m³/day).

All of the works completed by RSPA mentioned above are considered associated facilities in accordance with IFC Performance Standards (PSs).

The sponsor is responsible for Phase 2 of the project which involves the construction of the superstructure including the Container terminal (283,000m³) comprising container stacks and reefers (500,000 TEUs), container freight station, inspection areas, buildings, roads, gate complexes, substations and all other associated infrastructure required to support the container terminal with hybrid diesel, RTGs, reach stackers; Roll-on/ Roll-off units (44,000m² for 51,500 units); Dry bulk, break bulk storage and general cargo (196,000m² for 1.6mil metric tons); Warehouse; Future Liquid cargo (67,000m² for 1mil metric tons of storage capacity); Container repair area; Road network connected with existing roads; Concrete apron (48,000m²); Other utilities inter alia – firefighting; and ISPS fencing.

Other components of the greater development of the area that are not considered associated facilities, as they do not meet all IFC PS1 criteria include the re-location of existing Logistics Hub (a staging area with amenities); re-location of external roadworks; quarry (approx. 1.5km SW of the new terminal); future railway connection; and the re-location of the Safaga Fishing Port.



Early Warning System Project Analysis

According to the IFC, there is significant concern that a future Marine Protected Area may be impacted by the dredging of the navigation channel and the use of the dredge disposal area at the bay; this as the Egyptian Ministry of Environment has announced that it will be initiating protective status to the entire Great Fringing Reef in the Red Sea Hotspot.

Initial discussions with Hurghada Environmental Protection and Conservation Association (HEPCA) indicated that the Port of Safaga would be in an “exclusion zone”; however, more recent discussions on this matter with HEPCA seems to suggest that the exclusion zone will no longer be applicable. Either way, the dredge disposal area may have an impact on a fringe reef.



Investment Description

- International Finance Corporation (IFC)

As stated by the IFC, the project costs c.US\$208.9mm including US\$ 175.8mm for the port's superstructure (cranes, IT equipment and civil works), US\$ 15mm for the advanced payment for the concession fees, US\$ 9.7mm for contingencies and other cost and US\$ 8.4mm for the financing expenses. The sources of financing will be from a combination of equity in the form of share capital and shareholder loans (45%) and senior debt (55%), including up to US\$ 50mm Senior A loan from IFC, up to US\$ 11mm from the MCPP fund and with the remaining balance to be mobilized through Parallel Loans.



Private Actors Description

According to the IFC, the Company is an Egyptian FTZ special purpose vehicle, 100%-owned by ADP (98% direct, 1% each by two nominee shareholders owned by ADP (Golden Anchor Chips Operator Limited and Silver Anchor Facilities Management Limited)).

ADP is a Fitch AA- rated port and logistics operator with US\$ 15 billion of total assets that owns 7.8 million Twenty-foot Equivalent Units (TEUs) of container terminal capacity in the UAE.

ADP, listed on Abu Dhabi Securities Exchange (ADX) market since February 2022, is 75.42%-owned by Abu Dhabi Developmental Holding Company PJSC (ADQ). ADP ownership was transferred by Government of Abu Dhabi to ADQ in 2019. ADQ is a significant global investor, 100%-owned by Government of Abu Dhabi, as an Abu Dhabi sovereign wealth fund.

As stated by Bloomberg, AD Ports Group provides transport support services. The Company offers terminal operations, container and cargo handling, warehousing, cruise maritime training, integrated logistics support, and marine services. AD Ports Group serves clients in the United Arab Emirates.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Hassan Allam Holding Inc.	Contractor	Infrastructure	contracts with	Abu Dhabi Ports Group (AD Ports Group)	Client	Transport



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Website: <https://www.adportsgroup.com/en>

Local Access for Project Documentation:

Address: Gate 1, next to Zayed Port, Al Mina Street. Nearest Landmark: Zayed Port

Website: <https://www.noatumports.com/en/safaga.html> / <https://www.adportsgroup.com/en>

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Bank Documents

- [Dredging Study of Safaga Port](#)
- [EIA - Desalination and sewage treatment plant at Safaga Port](#)
- [Environmental and Social Review Summary \(ESRS\)](#)