



## **US\$ 443 MILLION INVESTMENT TO INCREASE JIP CAPACITY BY 45%**

### **TUSDEER SIGNS BOT AGREEMENT TO BUILD, OPERATE AND DEVELOP THIRD CONTAINER TERMINAL AT JEDDAH ISLAMIC PORT**

**Jeddah, December 25, 2006** – His Excellency Dr. Jubarah bin Eid Al Seraisari, Minister of Transport and Chairman of SEAPA, signed the license agreement with Saudi Trade & Export Development Company (TUSDEER), a subsidiary of Saudi Industrial Services Company (SISCO), to develop and operate a third container terminal at Jeddah Islamic Port (JIP) on a build-operate-transfer (BOT) basis. The signing ceremony was held at the Jeddah Hilton Hotel.

Mohammed A. Zainal Alireza Chairman of TUSDEER stated that the new terminal is to be built on reclaimed land along the re-export zone in JIP. It is expected to handle up to 2 million twenty-foot-equivalent units (TEUs) of containers annually, and will be equipped to accommodate the biggest and latest container vessels under design. The proposed terminal will include a handling and storage area covering about 400,000 square meters. The estimated SR 1,662 million (\$443 million) scheme will take about three years to become operational, with dredging work expected to start by mid 2007.

Mohammed Alireza thanked His Excellency Dr. Jebara bin Eid Al Seraisary for his commitment and full support for this project, which will expand JIP capacity by 45 percent, and help maintain Jeddah's lead as the hub port of the region. He pointed out that the objectives of this new project are in conformity with the vision of the Custodian of the Two Holy Mosques, King Abdullah Bin Abdul Aziz, to encourage the private sector to play an effective role in establishing and developing the infrastructure of Saudi Arabia.

The new container terminal is also expected to contribute to the planned 'Land Bridge' with the completion of the Saudi Railways project, creating a fast and efficient land-based link from the Red Sea to the Gulf. Additionally, the project will help to boost the business activity of consignment and re-export across the Kingdom, generating job opportunities for Saudis, as well as increasing the competitive capability of the marine transport and support system in Saudi Arabia.

TUSDEER has brought together a world-class team to develop the new terminal. They have joint-ventured with Seaport Terminal of Malaysia, which built and developed the Port of Tanjung Pelepas (PTP). The Malaysian firm, with a 20 percent stake in the project, was brought in for its expertise and success in operating the fastest growing port in Asia. UK's Drewry Shipping was commissioned to conduct a market study and demand projection analysis for container traffic at JIP.

Edaw/Aecom, international leader in engineering and master planning, was selected to develop a 30-year master plan for the terminal. TUSDEER went a step further by appointing Maunsell from Australia to conduct a detailed rail and road network analysis for solutions to ease traffic around the port area and effectively connect to the upcoming Saudi Land Bridge Project; a move that will benefit the whole JIP.

The project is now proceeding at full steam. All marine surveys and soil testing works have been completed, and four leading international consultants have submitted bids for the Design & Engineering contract. The successful bidder, to be decided by the beginning of next year, will conduct the terminal's design & detailed engineering as well as oversee the project execution.

Saleh Hefni, CEO of SISCO, elaborated that initial designs for the new terminal were created taking into consideration latest, next generation technologies in the marine transport field. The terminal will have Super-Post Panamax quay cranes, berth depths of over 18m, and an independent 16.5m deep navigation channel – making it ready to efficiently service the largest and most advanced class of next generation container ships that can carry

loads in excess of 13,000 TEUs. The terminal will be supported by advanced IT systems to facilitate free-flow of updated information and provide near paperless transactions between port personnel, shipping lines, marine services, and freight forwarders.

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**About Saudi Trade & Export Development Co. (Tusdeer)**

The Saudi Trade & Export Development Company (Tusdeer), a subsidiary of Saudi Industrial Services Company (SISCO), was established to develop and operate the first Re-Export Zone at Jeddah Islamic Sea Port (JIP) located in the Kingdom of Saudi Arabia. Tusdeer's vision is to be an engine of growth for the economy and businesses by providing world-class integrated logistics solutions and port development & operations in Saudi Arabia and World-wide.