



PRESS RELEASE

STATE-OF-THE-ART TIBAR BAY PORT BRINGS LARGEST EVER PRIVATE INVESTMENT TO TIMOR-LESTE

Ministry of Finance, Government of Timor-Leste

Dili, Timor-Leste. 3 June, 2016 - Timor-Leste has secured its largest ever private investment in the context of a public private partnership for the construction and operation of a new international container port at Tibar Bay, 10 kilometres outside the capital Dili. The partnership between the Bolloré consortium and the Government of Timor-Leste will involve an initial investment worth USD278.3 million, of which USD148.85m will be provided by the private partner, with the remaining USD129.45m contributed by the Government.

This is a major step in the upgrading and modernization of Timor-Leste's infrastructure in accordance with the country's Strategic Development Plan, which aims to bring Timor-Leste to upper-middle income status by 2030. The signing of this agreement culminates five years of careful planning and preparation led by the Ministry of Finance, through its PPP & Loans Unit, in close collaboration with the Ministry of Public Works, Transport and Communications and the Ministry of Planning and Strategic Investment. The National Procurement Commission played a central role by conducting the procurement process in accordance with the highest standards of professionalism and integrity. The agreement will mobilize the Bolloré consortium's international experience, know-how and investment, and provide the country with a state-of-the-art port facility that will act as a catalyst for Timor-Leste's exports.

"Tibar Bay Port will contribute to Timor-Leste's rapid economic growth, playing a key role in facilitating external trade," says Minister of Public Works, Transport and Communications, Gastao de Sousa.

"Increasing delays at the current harbor facilities in Dili are causing higher costs, becoming a bottleneck on our economy," says de Sousa. "Most of our imports come through the port so these costs fall directly on Timorese citizens through higher prices. Tibar Bay port will remove the congestion, enhancing trade with our neighbors and ASEAN countries, and freeing up Dili Port for tourism redevelopment and passenger traffic."

The Government enlisted the International Finance Corporation – IFC – the private sector arm of the World Bank Group, as lead advisor in structuring the partnership. "IFC's role in ensuring a transparent bidding process and building investor confidence was vital in structuring this landmark investment," points out Minister of Finance, Santana Cardoso. "This strategic national project shows the world that Timor-Leste is an investor-friendly destination that can support major investments such as Tibar Bay Port. We welcome this new investment by the Bolloré consortium, and look forward to building a long-term partnership" added the Minister.

Following a competitive international bidding process, Bolloré's successful bid will see it design, finance, construct and operate a new world-class port facility under a 30 year Concession. The Bolloré Group had global revenue of USD12.2 billion in 2015, with transport and logistics activities accounting for more than half of its turnover. It operates 17 container terminals across Africa, Europe and Asia and a range of other logistics activities such as freight forwarding, rail and road transportation and warehousing. It is also a major player in the distribution of refined oil products in Europe. Through its subsidiary SDV, Bolloré has been present in Timor-Leste since 1999.

Timor-Leste's new modern international cargo terminal will include a 630-metre two-berth facility and container terminal that will be expected to handle annually over 870,000 containers by the end of the 30-year Concession; as well as cargo, customs and administration buildings to support operation of the facility. Tibar Bay Port will be designed to allow for future expansion, meaning Timor-Leste can further increase port operations if required in the future.

Structuring a transaction to provide sustainable benefits was a high priority for Government, which is now focused on ensuring the development is undertaken in line with international standards, with social and environmental impacts minimized. "This process will involve additional extensive consultations with the community at Tibar Bay, civil society organizations as well as other stakeholders," noted Minister de Sousa.

Construction is expected to commence in 2017, and is due for completion in three years. Bolloré Group expects the development will create over 1000 jobs - 500 during construction, 350 during the first four years of operations and an additional 150 thereafter, with priority given to Timorese citizens.

About Bolloré Group

Founded in 1822, the Bolloré Group is one of the 500 largest companies in the world. Listed on the Paris Stock Exchange, the majority interest of the Group's stock is controlled by the Bolloré family. It holds businesses in three main business lines: Transportation and Logistics, Communication, and Electricity Storage and Solutions. In addition to these activities, the Group manages a number of financial assets including plantations and financial investments. In 2015 Bolloré had 58,312 employees world-wide and a turnover of 10,824 million Euros. Its net income was 727 million Euros and shareholders' equity amounted to 11,285 million Euros.