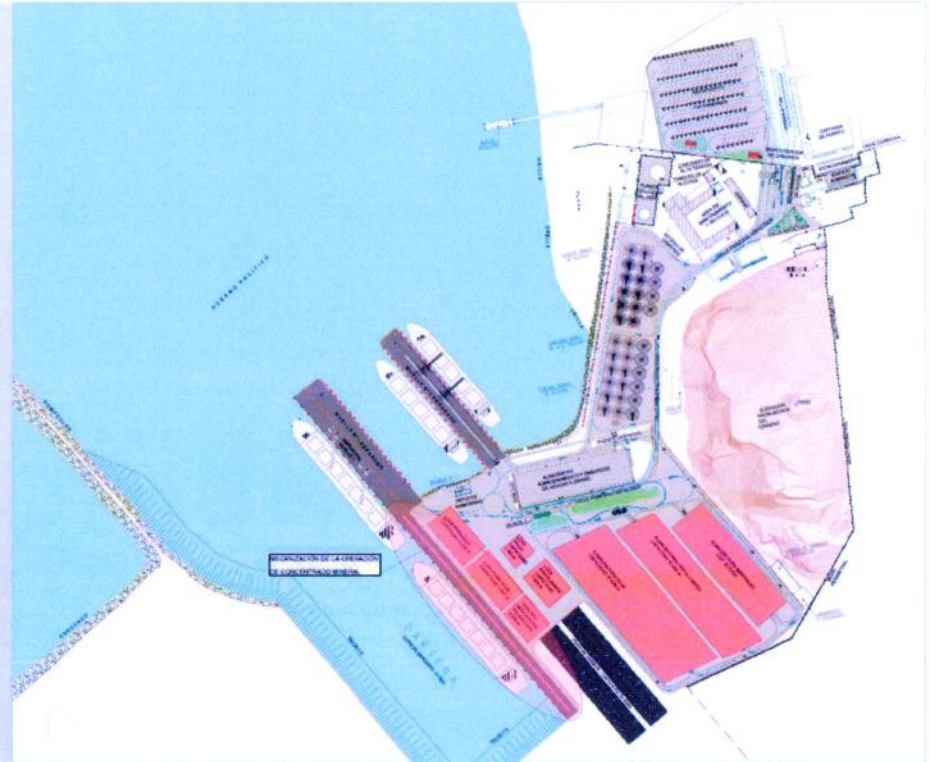


# Modernization and Development of the Salaverry Multipurpose Port Terminal



*Promotional Document of Interest published on August 4,  
2017*

# PROINVERSIÓN published the Declaration of Interest of the Private Initiative of the Consorcio Transporte Salaverry on August 4, 2017\*

## Main Characteristics of the License

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<b>Grantor</b>	<ul style="list-style-type: none"><li>• The State of the Republic of Peru, represented by the Ministry of Transport and Communications (MTC) and the National Port Authority (APN)</li></ul>
<b>Scope</b>	<ul style="list-style-type: none"><li>• <b>Design, financing, construction, conservation, operation and transfer of the Salaverry Port Terminal</b></li></ul>
<b>Term</b>	<ul style="list-style-type: none"><li>• <b>30 years</b> from the Subscription Date of the License Contract</li></ul>
<b>Services</b>	<ul style="list-style-type: none"><li>• Standard services to the ship: Use of the Terminal berths and Services for access to ships</li><li>• Standard freight services</li><li>• Standard passenger services</li><li>• Special services</li></ul>
<b>Contractual Arrangement</b>	<ul style="list-style-type: none"><li>• Public Private Partnership self-financed under the modality of License Contract</li></ul>

\* Formed by the companies TRAMARSA and NAVIERA TRAMARSA, both part of the Grupo Romero.

## The execution of the project offers a clear solution to the operability and the growth capacity of the traffic ...

### Fundamentals

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- 1 **Stable dredging solution** for maintenance of operating depth at -10.5 m, dredging included in rate, with the possibility of reaching -14.0 m.
- 2 **Increased operational capacity of the port** to assume the increase in traffic.
  - Repair and set-up of existing infrastructure to reduce port downtime.
  - Modernization of port Equipment
  - Provision of storage facilities to implement an efficient model of operation
  - Construction of new interior dock
  - Staged development of specialized operating systems for the main loads
- 3 **Labor proposal** to take over the entire payroll of **ENAPU**

... by means of a stable solution of dredging, improvement of the maritime work and progressive mechanization of the operation according to the experienced growth of the traffic

## The Salaverry Terminal is located in the department of La Libertad a few kilometers from Trujillo

### Location of the Salaverry TP



- La Libertad is the 4th department of the country by volume of PBI, and Trujillo is the 3rd city by population.
- At the agricultural level is the 2nd department for contribution to the national GDP (cane, asparagus, lentil, chickpea, avocado ...).
- Mining is the main export item in the region (Au, Ag, Cu, Pb, Mo).
- Agribusiness is one of the most developed (sugar, canned food, flour, meat, beverages ...)
- The tourist industry stands out for the existence of ancestral cultures and important spas.
- The port of Salaverry is the 3rd port of public use for traffic after Callao and Matarani.
- Salaverry is 550 km from Callao and 500 km from Paita.

The region has important agricultural, mining and tourism development

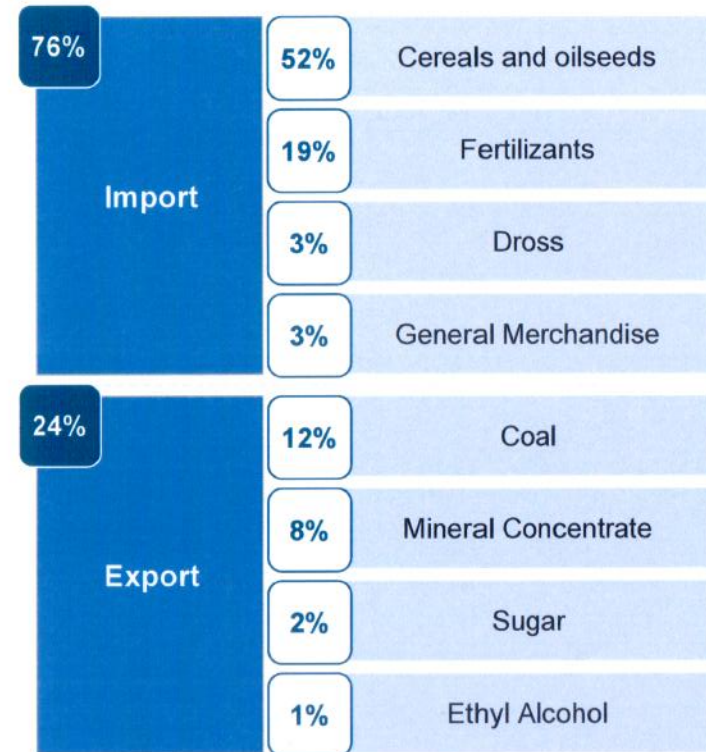
# The Salaverry Port Terminal handled 2.15 Mt in 2016, experiencing an increase of more than 7% CAGR in the last decade

## Evolution and main traffics of Salaverry TP

Traffic Evolution (Mt; 2015)



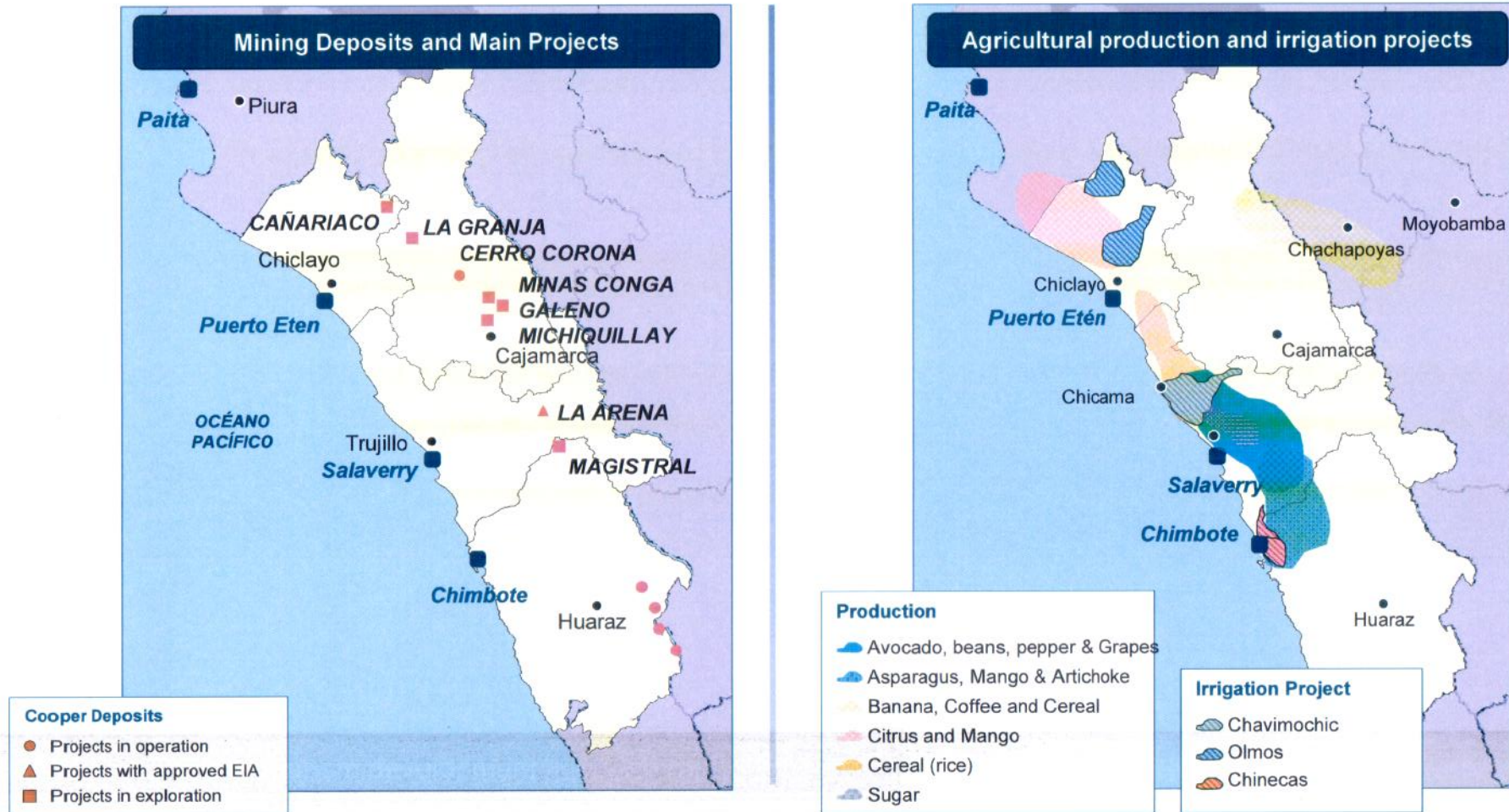
Load and product flow (%t; 2015)



The main traffic is import of cereal, soy and fertilizers; together with the export of coal and copper

# The modernization will allow to operate new loads that the region will develop in the next years, mainly mining and agricultural

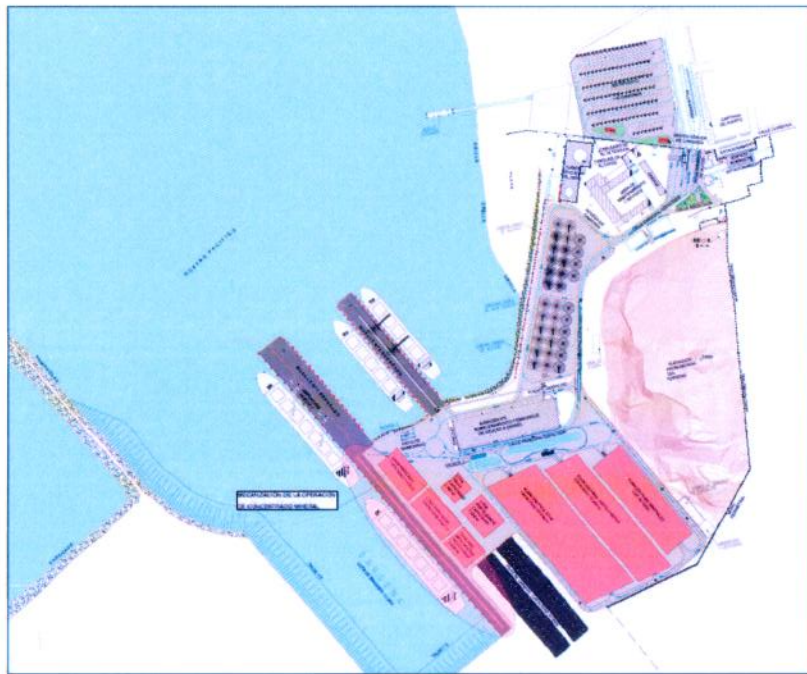
## Opportunities for the development of traffic in the Influence Zone of the Salaverry TP



**The project has a reference investment of 215.8 MUSD, of which 96.3 MUSD corresponds to mandatory stages that do not depend on demand**

**Established investment stages**

**Plant Distribution**



**Investment Stages Description**

Phase	Stage	Investment without IGV (US\$ constant)
Mandatory Phase that does not depend on demand	Stage 1	US\$ 32,947,275
	Stage 2	US\$ 63,314,990
Mandatory phase depending on demand	Stage 3	US\$ 18,035,000
	Stage 4	US\$ 16,473,485
	Stage 5	US\$ 27,561,000
	New Dock	US\$ 57,433,500

In addition, the Licensee will undertake the maintenance of port dredging

## Different stages of development of the Terminal have been defined in function of the demand, that are executed under the fulfillment of circumstances

### Circumstances for execution of investments subject to demand

Stage Description		Circumstances
<b>Stage 3</b>	Mechanization of clean bulk discharge	<ul style="list-style-type: none"> <li>Clean Bulk: 1,200,000 t</li> </ul>
<b>Stage 4 Concentrate</b>	Development of increased storage capacity for concentrate	<ul style="list-style-type: none"> <li>Concentrate : 800,000 t</li> </ul>
<b>Stage 4 Soy and fertilizant</b>	Development of increased storage capacity for soy and fertilizer	<ul style="list-style-type: none"> <li>Soy and fertilizer: 1,800,000 t</li> </ul>
<b>Stage 5</b>	Mechanization of mineral concentrate loading	<ul style="list-style-type: none"> <li>Concentrate: 1,200,000 t</li> </ul>
<b>Any stage: New dock</b>	Opening of the new dock (In any of the stages after the delivery of the mandatory works)	<ul style="list-style-type: none"> <li>Average quay occupancy factor: 65% o</li> <li>Concentrate: 1,800,000 t o</li> <li>Soy and fertilizer: 1,800,000 t</li> </ul>

The opening of the new dock could occur in any of the operational stages after the mandatory works

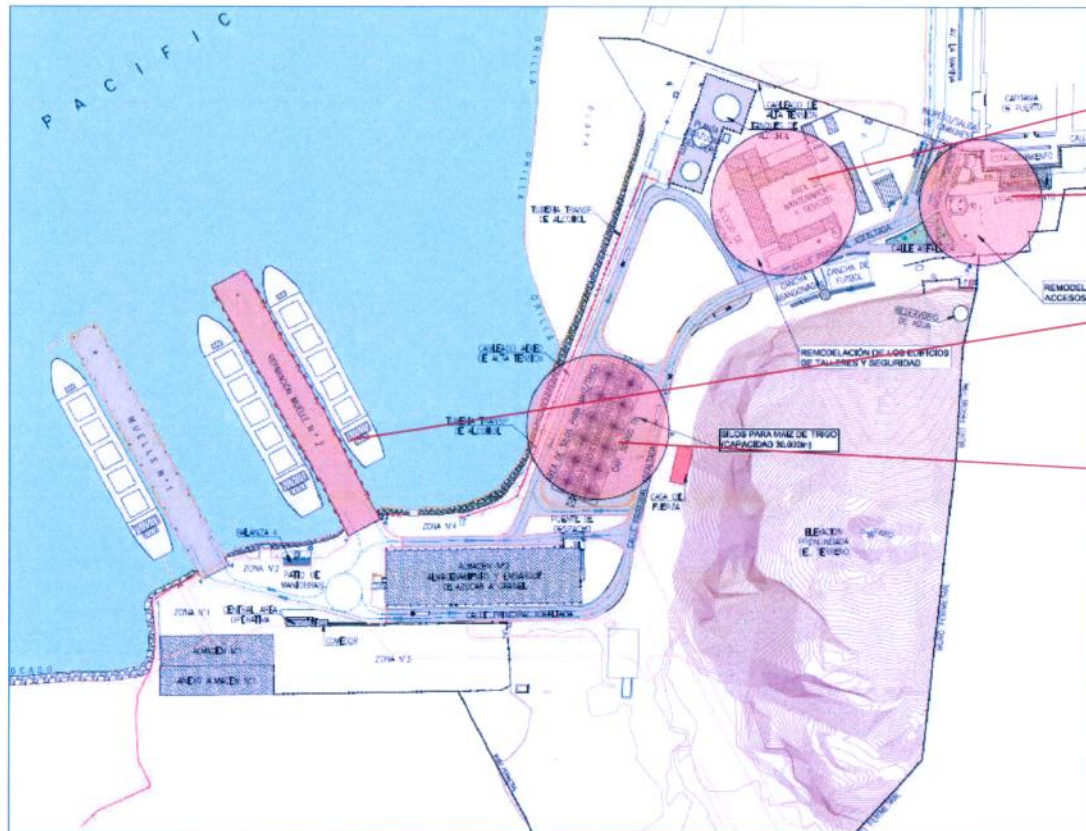


# In Stage 1, grain silos will be built and the Quay 2 will be repaired (piling, plataform, defenses, posts...)



Stage 1

## Stage 1: Layout and Main actions



### Stage 1 – Modernization and set-up

Remodeling of workshop and security buildings

Remodeling of Terminal Access

Repair of the Quay 2

Silos for corn and wheat

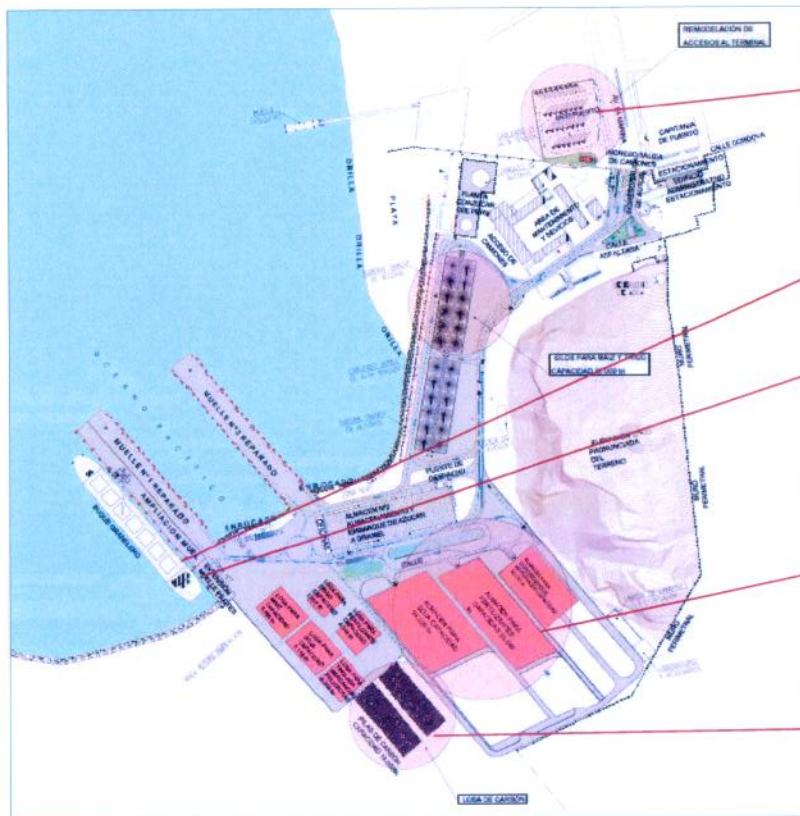
Stage 1 is a mandatory non-demand development, including the first maintenance dredging

# In Stage 2, the Quay 1 will be repaired, and the hold will be extended and developed for fertilizer, soy and concentrate



Stage 2

## Stage 2: Layout and main actions



### Stage 2 – Modernization and set-up

- Harbor
- Repair and widening of quay 1  
Acquisition of port crane
- Extension of site 1A
- Mineral concentrate storage  
Fertilizer storage  
Soybean storage
- Storage Area

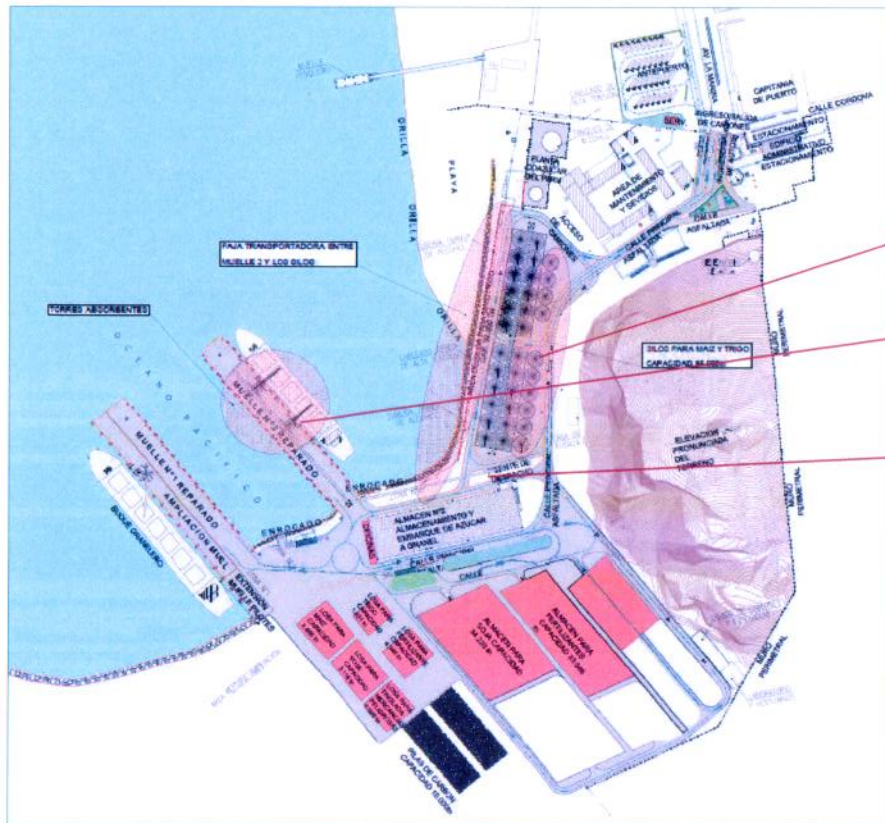
Stage 2 is mandatory development not subject to demand

# Stage 3 will mechanize the discharge of clean bulk with absorbing towers



Stage 3

## Stage 3: Layout and main actions



### Stage 3 – Mecanization of grains

Silos widening

Absorbing Towers

Conveyor belt between quay and silos

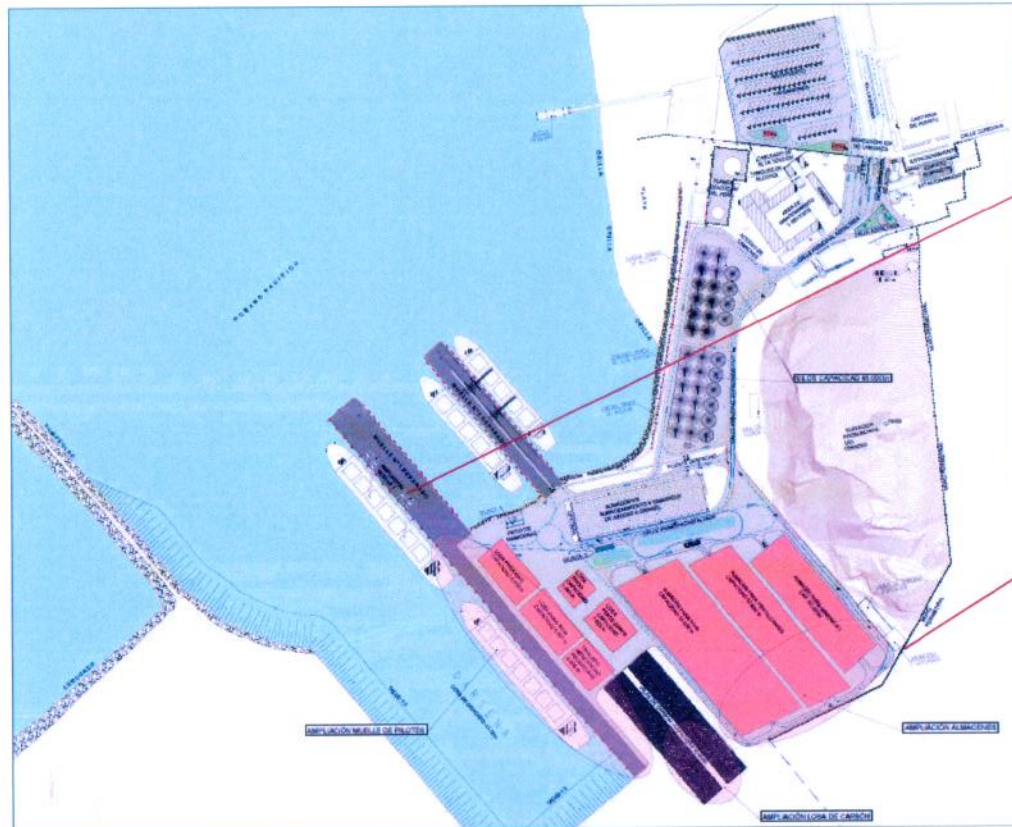
Stage 3 is subject to compliance with a demand circumstance of 1.2 Mt of clean bulk (wheat and corn)

# Stage 4 will increase the storage capacity...



Stage 4

## Stage 4 and development of the new dock: Layout and main actions



### Stage 4 – Storage

New port crane for the site 1A

Soy Warehouse Expansion

Expansion of the fertilizer store

Expansion of the mineral concentrate store

Expansion of storage areas

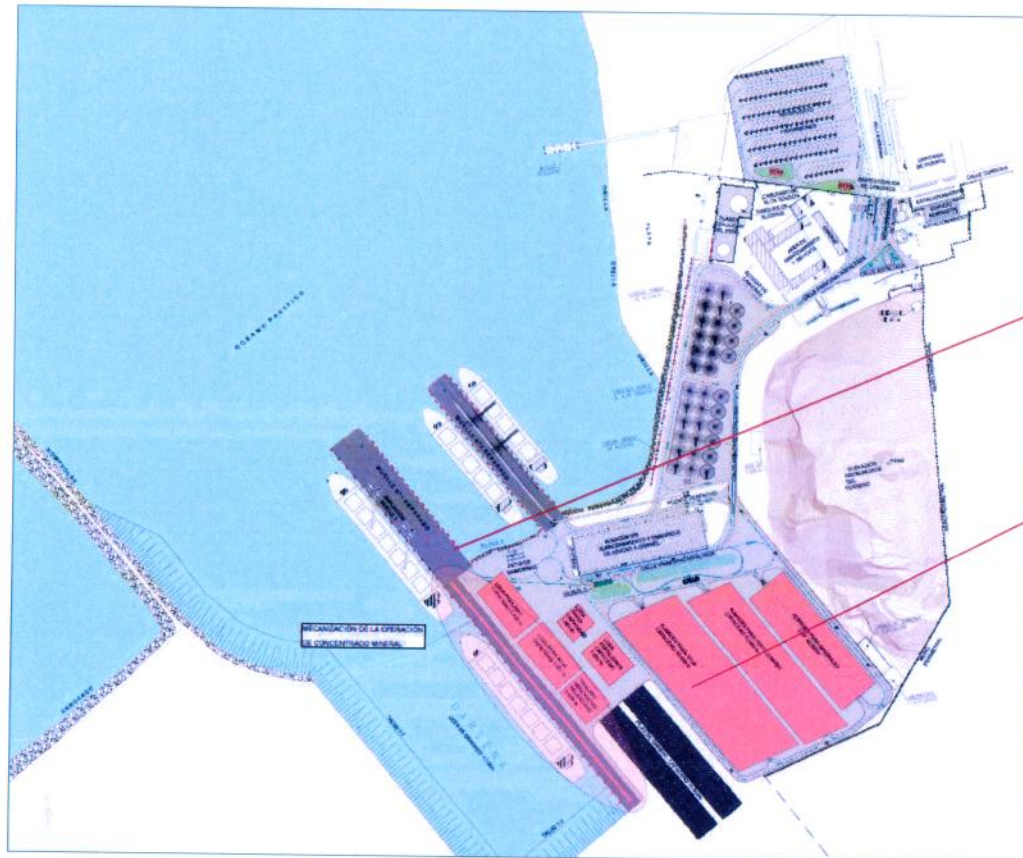
... with different circumstances for fertilizer and soybean (1.8 Mt) or for concentrate (0.8 Mt)

# Stage 5 will allow specialization of multipurpose docking for mineral loading



Stage 5

## Stage 5: Layout and Main actions



### Stage 5 – Mineral Mechanization

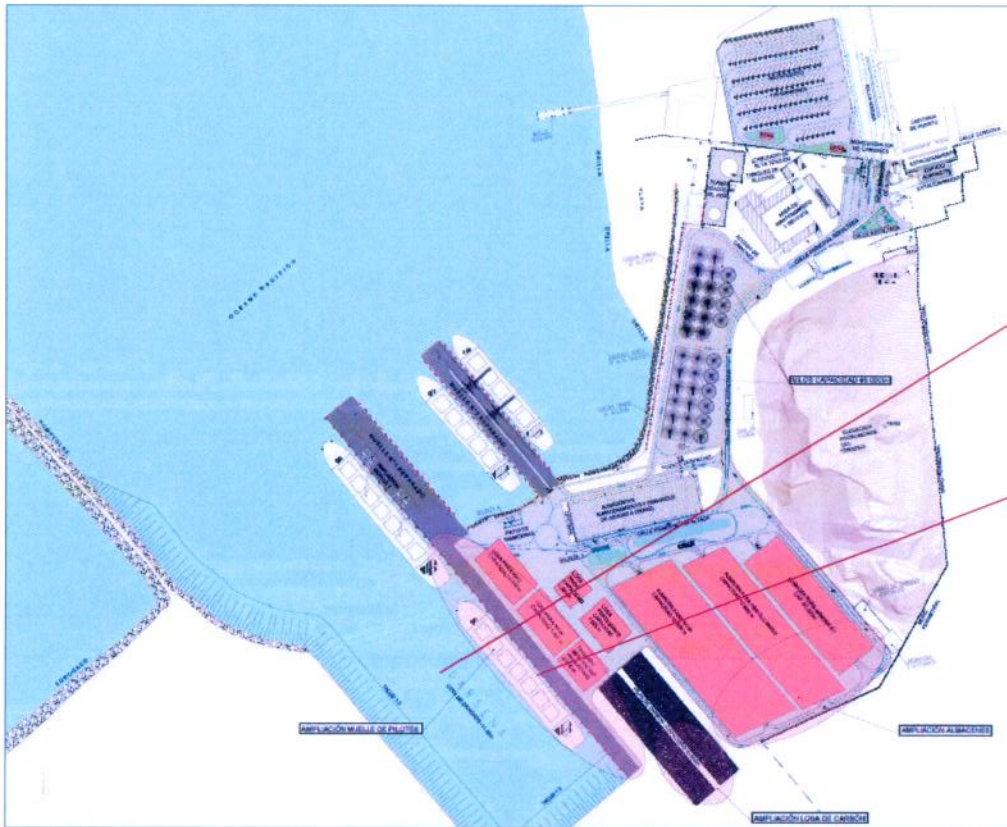
Mechanization of the mineral concentrate loading system  
*Shiploader System*

Mechanization of the mineral concentrates warehouse  
Tubular belt conveyor to quay-warehouses

Stage 5 is subject to compliance with a demand circumstance of 1.2 Mt of mineral concentrate

The dock will run if the average dock occupancy reaches 65% ...

### Development of the new dock: Layout and Main actions



#### New dock opening

Quay  
New dock dredging

Multipurpose docking for Panamax vessels

... or if fertilizer and soybean or concentrate traffic levels exceed certain levels (soybean and fertilizer: 1.8 Mt, or concentrate: 1.8 Mt)

# In addition to the basic tariff structure, a new fee associated to the Ship Access Service has been incorporated to pay for dredging

## Tariff Scheme

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### Loading Services

- It includes cargo unloading and/or loading services, as well as the use of the terminal infrastructure and equipment required by the Terminal.
- The tariff is applied per ton, with the exception of the containerized cargo that is applied per unit.

### Passenger Services

- It includes the passenger embarkation / disembarkation service guaranteeing at all times a safe access from the ship to the exit of the Terminal and vice versa, as well as the facilities and human resources necessary to carry out the control service of passport and control service of luggage

### Berth Use

- This tariff includes the service of berth and untying.
- The tariff is applied by: (i) meter of ship length; and, (ii) hour or half and hour fraction

### Ship Access Services

- **A new Access to Ships tariff** has been incorporated based on the Gross Tonnage Units (UAB) of the ship
- It includes dredging maintenance, towing towers, beaconing and navigational aids that are not within the competence of DICAPI
- There will be an exemption during the first year, until the first dredging
- The objective is to **cover the costs of the operator in the maintenance of dredging**, which until now assumed the Peruvian State; allowing **the redistribution of costs** to different port and sea agents

# Maximum integrated tariffs have been defined, including 10 days of free storage for payment

## Maximum defined tariffs

Standard Service	Maximum Tariffs
<b>Ship Service</b>	
Use of berth (per meter / length / hour)	1.25 US\$/m·h
Service to Access ships (by UAB)	1.75 US\$/UAB
<b>Loading Services (International loading / unloading)</b>	
Cereal loading in bulk	10.11 US\$/t
Mineral loading in bulk	15.00 US\$/t
Other dry bulk loading	10.11 US\$/t
Split load	15.00 US\$/t
Bulk liquid	2.00 US\$/t
Wheeled cargo	21.00 US\$/t
Containerized load - 20' full	120.0 US\$/container
Containerized load – 20' empty	120.0 US\$/container
Containerized load – 40' full	150.0 US\$/container
Containerized load – 40' empty	150.0 US\$/container
Shipping or coastal trade	0.7 x International loading or unloading tariff
<b>Passenger Services</b>	
Passenger	6.00 US\$/pax
<b>Storage</b>	<b>10 days without payment</b>



## There will be discounts at the maximum tariffs until the Licensee executes the obligatory investments necessary to offer the Standard Service

### Discounted tariffs and application period

Upon taking possession of the Terminal, the Licensee will apply discounts of more than 50% on the maximum rates established in the contract, for a term of not less than 2 years.

Type of loading	Load with discount	Maximum tariffs	Minimum discount on Maximum Tariffs	Tariffs with discount	Minimum Term for Discounts
Mineral Concentrate	Mineral Concentrate	US\$ 15.00 TM	56.67%	6.5 US\$ / TM	30 months
Other solid bulk	Bulk cereal // Other dry bulk loadings	US\$ 10.11 TM	50.54%	5.0 US\$ / TM	24 months

The terms of validity of the discounts indicated in the above table, will only culminate if in addition to the verification of the term, the Licensee has executed the obligatory works that allow him to provide the service of standard in the conditions foreseen in the contract

## **The contract will include clauses of environmental protection, as well as an anticorruption clause**

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- The contract will incorporate socio-environmental clauses with defined obligations for the Licensee and the Grantor.
- Pursuant to the provisions of Supreme Decree No. 410-2015-EF, the License Contract will include the Anti-Corruption Clause, according to which, in case of acts of corruption, the expiration of the License will be declared.

# Qualification requirements have been established for interested third parties in the Project or an alternative one

## Qualification Requirements

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Within 90 calendar days as of August 5, 2017, interested third parties must express interest in the project, complying with the declaration of interest published on August 4, 2017. A summary of the technical and financial requirements:

### Technical Requirements

The Bidder must accredit experience in the operation of at least 1'000,000 tons in each of the last three (3) calendar years counted from the publication of the Declaration of Interest.

The above accreditation may be made in any of the following situations:

- i. As Port Administrator.
- ii. As a Port Operator.
- iii. As Logistics Operator.
- iv. As a Stowage Operator.

### Financial Requirements

The Bidder must credit a minimum net worth of US \$ 60'650.00.00. In addition, you must deliver a bank guarantee letter to guarantee the seriousness of your participation for US \$ 1'500,000.00.

## **In order to guarantee the obligations established in the Contract, the Licensee shall deliver to the Grantor a guarantee of faithful compliance**

### **Guarantee of Faithful Compliance**

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- In order to guarantee each and every one of the obligations established in the License Contract, including the design, financing, construction, conservation, operation and transfer of works, payment of penalties, and execution of complementary investments, if any, Licensee shall deliver to the Grantor a Guarantee of Faithful Compliance with the license contract, in accordance with the following:
- From the closing date, until twelve (12) months after the expiration of the license: ten percent (10%) of the amount of reference investment of the Mandatory Works in constant values.
- In addition, prior to the commencement of each stage of the investments, the Licensee shall increase the amount of the Guarantee of Faithful Compliance specified in the preceding paragraph, ten percent (10%) of the estimated budget of works established in the technical file approved by the APN corresponding to each stage and to maintain it in force until six (6) months after the issuance of the act of reception of the works of the respective stage.

**Declaration of Interest of the Private Self-financed Initiative called "*Modernization and Development of the Salaverry Multipurpose Port Terminal*", presented by the Consorcio Transportadora Salaverry**

The Private Investment Promotion Agency of Peru, PROINVERSIÓN, dated on 04.08.2017, published the Declaration of Interest of the Private Self-financed Initiative "Modernization and Development of the Salaverry Multipurpose Port Terminal", presented by Consorcio Transportadora Salaverry, Companies TRAMARSA and Naviera TRAMARSA. In this respect, in accordance with the legal framework, interested third parties may submit to ProlInversión their expressions of interest in relation to the execution of the same project, or another alternative, within a 90-calendar-day period, counted from August 5, 2017. In this perspective, interested parties are invited to consult the declaration of interest in the following link :

[http://www.proyectosapp.pe/RepositorioAPS/0/2/JER/IP\\_006\\_2012/DI\\_EI\\_Peruano.pdf](http://www.proyectosapp.pe/RepositorioAPS/0/2/JER/IP_006_2012/DI_EI_Peruano.pdf)

For further inquiries, please contact Mr. Luis del Carpio, Project Director, and send your communications to the following emails : [ldelcarpioc@proinversion.gob.pe](mailto:ldelcarpioc@proinversion.gob.pe); [contact@proinversion.gob.pe](mailto:contact@proinversion.gob.pe).

Note: This presentation has been prepared for informational and promotional purposes. The document containing the description of the project, the substantial aspects of the concession contract and the requirements of participation are indicated in the abovementioned link.