

DP World takes over two Algerian ports

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Dubai's port operator DP World said Monday it has signed an agreement with the Algerian government to take over operations in the ports of Algiers and Djen-Djen, and committed \$108 million to develop the two facilities.

The 50-50 shareholding joint venture with the authorities of the two ports will give DP World a 30-year concession at each facility, which will be run by the Dubai operator, it said in a statement.

HARBOUR VIEW: A 2005 photo of the main seaport of the city of Algiers.

"DP World has committed to an initial investment of 84 million euros (\$108 million) over three to four years," said the world's fourth-largest container port operator.

It will redevelop the main container terminal at Algiers to expand capacity to around 800,000 TEU (twenty foot equivalent container units), with investments including new cranes, equipment and training, it said.

Algiers port has a current capacity of around 500,000 TEU.

Expanding the new Djen-Djen port in eastern Algeria will take place "according to market demand," DP World said, pointing out the facility has the potential to handle mega-vessels and become a major trans-shipment hub for the region.

DP World operates 48 terminals, in addition to 13 new developments in the pipeline, across 31 countries. Its throughput of containers in the first half of 2008 increased 21 percent to 13.6 million TEU.

The Dubai government-controlled DP World became one of the world's top container port operators after its \$6.9-billion acquisition of Britain's Peninsular and Oriental Steam Navigation Co. (P&O) two years ago.

But the company had to relinquish the US part of that acquisition following fierce congressional opposition to the deal on security grounds despite the support of President George W. Bush.

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