



For Immediate Release

July 1, 2016

Kingston Container Terminal Successfully Divested

Financial closure was attained on Thursday, June 30, 2016 with respect to the Concession Agreement between the Port Authority of Jamaica and Kingston Freeport Terminal Ltd (KFTL). This was revealed by Prime Minister Andrew Holness this morning (Friday, July 1) during a press conference held at Jamaica House. "The upfront and other fees required under the terms of the Concession Agreement were paid over to the PAJ on June 30, 2016, thus allowing for the transfer of the Kingston Container Terminal to the Concessionaire. Kingston Freeport Terminal Limited therefore assumes operations of the Kingston Container Terminal effective today, July 1st, 2016," said the Prime Minister.

Kingston Freeport Terminal Limited is a local company established by the Terminal Link/ CMA CGM Consortium for the sole purpose of acting as the Signatory to the KCT Concession. The KCT Concession is an agreement between PAJ and KFTL for the financing, development and expansion of Jamaica's main transshipment port, the Kingston Container Terminal. The agreement gives KFTL a 30-year term concession with the right to finance, expand, operate, maintain and transfer the Kingston Container Terminal at the end of the concession period.

According to the Prime Minister, "This development is timely, coming on the heels of the opening of the expanded Panama Canal."

Kingston Freeport Terminal Ltd has secured the funding required for the Phase 1 Capital Works. The Concessionaire and lenders have signed the loan agreements and are working to complete all conditions precedent to disbursement.

All 834 employees of the Kingston Container Terminal were made redundant and redundancy payments made, also on June 30, 2016. The Concessionaire has since offered employment to most KCT employees as well as to additional technical staff who were previously employed to the Shipping Association of Jamaica.

In saluting the former employees, the Prime Minister thanked them for their contribution to the development of the terminal. "I encourage them to take advantage of the new opportunities to become world leaders and in the process creating new prosperity for themselves, their families and for our country," he said.

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