

# **Protocol for the Financing of Seaports in the Territory of the Hellenic Republic**

*between*

The Hellenic Republic  
by the Ministry of Mercantile Marine

*and the*

European Investment Bank

Luxembourg, 12 July 2005

THE UNDERSIGNED

the Hellenic Republic, through its Ministry of Mercantile Marine, represented by Mr Manolis KEFALOGIANNIS, Minister of Mercantile Marine,

and

the European Investment Bank, with seat at 100 boulevard Konrad Adenauer, Luxemburg-Kirchberg (Grand Duchy of Luxembourg), represented by Mr Gerlando GENUARDI, Vice-President,

## WHEREAS:

1. The Hellenic Republic, through its Ministry of Mercantile Marine, considers that investing in the improvement and upgrading of seaports situated in the territory of the Hellenic Republic is of vital importance for the economy of the country and of the European Union. In the context of its National Port Policy, the Ministry of Mercantile Marine, has foreseen a high priority investment programme for the upgrading of the Greek Port System's Organisation, operation and quality covering the period 2005-2015 and for an amount currently estimated at EUR 6,000,000,000 (six billion euros).
2. The European Investment Bank is playing an important role in the implementation of the EU Growth Initiative and in the development of transport infrastructure that meets the EU policy objectives. It is thus in a position to provide expert advice and support to the development of the Greek ports.
3. In addition, the European Investment Bank shall be a substantial provider of the financing necessary to fund such port development programme, and a partner whose contribution would complement the available budgetary resources and further facilitate the necessary and desired involvement of investors from the private sector. The Ministry of Mercantile Marine wishes to accelerate and enhance the implementation of this programme by increasing significantly the participation and contribution of the private sector not only in the in the execution, but also in the financing of the programme.
4. The European Investment Bank considers that, in principle, the financing of the projects that would be proposed in the context of the investment programme mentioned in Recital 1 falls within the remit of its mission and, hence, has decided to accept the request of the Ministry of Mercantile Marine to commit itself to consider the possibility of part-financing the execution of projects envisaged in the abovementioned investment programme.

To that effect, and considering the aforementioned Preamble, the parties

AGREE

### **FIRST**

The Ministry of Mercantile Marine seeks the involvement of the European Investment Bank in the financing of individual projects to be developed within the framework of its National Port Policy mentioned in Recital 1 for an amount of EUR 3,000,000,000 (three billion euros), and the European Investment Bank, for its part, states its willingness to consider appraising, approving for financing and contributing to the financing, up to the above mentioned maximum amount, of projects forming part of the port development policy of the Ministry of Mercantile Marine, provided that each individual project submitted to its consideration falls within the mission and the investment strategy and policy of the European Investment Bank at any given moment.

The credit that the European Investment Bank may provide under this Protocol shall be used exclusively for the partial financing of certain investment projects promoted by the Ministry of Mercantile Marine in the performance of its activities during the period 2005-2015, in the terms of individual finance contracts to be entered into with the European Investment Bank. Such investment projects to be financed under individual finance contracts may consist of single projects or of multiple sub-projects in respect of one or more than one port(s) or port section(s).

### **SECOND**

The Ministry of Mercantile Marine has provided the European Investment Bank with the outline of its National Port Policy in respect of seaports, attached hereto as Schedule. Such National Port Policy includes projects in various phases of maturity, both in terms of level of completion of Port Master Plans (from a technical and economic point of view) and in terms of final regulatory approvals obtained.

The Ministry of Mercantile Marine undertakes to provide the European Investment Bank with detailed information relating to its National Port Policy, and to submit projects that comply with the Bank's rules and standards for the execution of projects, up to an aggregate maximum amount as mentioned in the first clause of the present Protocol.

### **THIRD**

The Ministry of Mercantile Marine shall be responsible for the execution of this Protocol, and, where appropriate, for the management and maintenance of the projects to be financed under this Protocol. In addition, where the legal form of the seaport in question so allows, the legal entity of such seaport shall be responsible for the execution, management and maintenance of the project, under the supervision and monitoring of the Ministry of the Mercantile Marine. Finally, certain projects may be the object of a public private partnership, under the auspices of the Ministry of Mercantile Marine.

In each project under implementation, the Ministry of Mercantile Marine may act through its Committee for the Planning and Development of Ports (ΕΣΑΛ), or any other special committee or entity established to this effect and involved by law in the Port Development Strategy of Greece.

#### **FOURTH**

The appraisal of projects to determine their eligibility for financing by the European Investment Bank shall be carried out in accordance with the Bank's rules, conditions and procedures in force from time to time.

Consequently, the granting of loans under this Protocol shall in all cases be subject to a positive outcome, at the Bank's discretion, of the technical, environmental, economic and financial appraisal of each individual borrower (in the case the borrower is not the Ministry of Mercantile Marine) and of each individual project for which financing is requested, and to the specific approval by the management and governing bodies of the European Investment Bank of the financing requested on an individual project by project basis, on the basis of the European Investment Bank's internal rules and procedures in force at the time of appraisal and approval. In accordance with Article 21 of the European Investment Bank's Statutes, such rules require the favourable opinions of the Hellenic Republic (issued by the Ministry of Economy and Finance) and of the Commission of the European Union.

#### **FIFTH**

The loans to be granted by the European Investment Bank under this Protocol, shall be subject to agreement between the parties as regards terms and conditions of the respective finance contracts. Such finance contracts shall be brought into line with the conditions established by the Bank on the basis of the technical, economic and financial characteristics of each project; the interest rate and, any security arrangements to the extent applicable shall be determined by the Bank on the basis of its internal rules and procedures.

#### **SIXTH**

Pursuant to article 18.3 of the Statute of the European Investment Bank, projects financed by the Bank must meet the criteria applied normally by the Bank to its operations with own resources, conditioning the granting of loans, on the provision of sufficient guarantee to the extent applicable in compliance with the Bank's credit risk policy.

#### **SEVENTH**

This Protocol does not vest any rights upon the Ministry of Mercantile Marine or any other potential borrower or final beneficiary. The parties hereto expressly acknowledge that the granting of loans under this Protocol is subject to and conditional upon the terms hereof as well as to the agreement between the proposed parties to a finance contract as regards the terms and conditions, valid execution and coming into force of the relevant specific finance contract.

#### **EIGHTH**

This Protocol shall be governed by the laws of the Hellenic Republic.

**NINTH**

This Protocol shall come into force as of the date hereof.

As witness whereof, the parties have executed this protocol in four specimens drafted in the English language. Each page of each of the specimens has been initialled by Mr Manolis KEFALOGIANNIS, for the Ministry of Mercantile Marine, and by Mrs Tatiana DERMATI, for the European Investment Bank.

Luxembourg, 12 July 2005

THE HELLENIC REPUBLIC

EUROPEAN INVESTMENT BANK

The Minister of Mercantile Marine

The Vice-President

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Manolis KEFALOGIANNIS

Gerlando GENUARDI

**Schedule**  
**Outline of National Port Policies Development Plan**

**i Implementation timetable:**

2005-2015

**ii Total Cost Estimate:**

6 billion euros

**iii Nature of Investments:**

- Infrastructure or superstructure including pre-investment expenditures and port access infrastructure
- Safety and security measures
- Management facilities including information systems
- Interconnections between islands and islands and the mainland
- Infrastructure of yacht harbours located within seaports.

**iv Categories of Seaports:**

Any one or group of Seaports among those included in the definitions of Decision 1346/2001/EC of the European Parliament and of the Council of 22 May 2001 and also of the joint decision of the Ministers of National Economy, Internal affairs, Environment, Planning and Public Works, and Mercantile Marine, number 3514.96/00/92 of 18 June 2002 (OG issue B/440/7.7.1992) may be considered for projects to be funded in the framework of the present Protocol:

- International Seaports, and Seaports of National Significance
- Community Seaports and Seaports of Major Significance
- Regional Ports.

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