



## 37 Romania Port of Constantza-South Development Project

Contributing to the economic development of Romania by meeting the demands of rapidly increasing container cargo traffic through port development

**Loan Amount / Disbursed Amount** 12.8 billion yen / 9.302 billion yen  
**Loan Agreement** February 1998  
**Terms & Conditions** 2.7% interest rate (consulting services: 2.3%), 30 year repayment period, (10 year grace period), General untied  
**Final Disbursement Date** January 2005  
**Executing Agency** National Company Maritime Ports Administration SA Constantza (MPAC) (<http://www.portofconstantza.com/apmnc/index.jsp>)

### Project Objectives

The objective of this project was to meet the demands of rapidly increasing container cargo traffic by developing the container terminal and its related facilities at Pier 2 of the South-Port in the port of Constantza (Romania's largest trading port), and thereby contribute to the economic development of the country.

### Effectiveness and Impact

Rating **a**

The volume of containers handled at the container terminal constructed through this project surpassed the originally planned handling capacity of approximately 330,000 TEU\* in 2005 and reached nearly 870,000 TEU the following year (2006). This was because the terminal operator purchased additional cranes and other cargo handling equipment and expanded the container yard at its own expense, following substantial growth in demand. The container handling efficiency per crane increased from about 10 containers per hour before project implementation, to 20 or more containers per hour in 2006. By providing user-friendly facilities for container mother ships, the project has made the port of Constantza into a container hub port for the Black Sea. As a result, the port of Constantza is developing into a physical distribution base linking Europe with the Commonwealth of Independent States (CIS) and Asia. Along with the development of the port of Constantza, the county of Constantza, where the port is located, has become home to a thriving shipping industry, carrying trade, oil refining industry, and manufacturing industry, among others. Container cargo exports are on the rise, and so it can be said that the project has

contributed to the economic development of Romania. Therefore, this project has largely achieved its objectives, and effectiveness is highly satisfactory.

\* TEU: Twenty-foot Equivalent Unit. Unit conversion of the volume of different sized containers into the number of 20 ft containers.

### Relevance

Rating **a**

This project has been highly relevant with Romania's national policies both at the time of the appraisal and at the time of the ex-post evaluation.

### Efficiency

Rating **b**

The project period was longer than planned (136% of planned period) although the project cost was lower than planned (64% of planned cost); therefore the evaluation for efficiency is moderate. The project delays were primarily caused by delays in the start of consulting services, and construction and procurement delays as a result of harsh weather in winter 2003.

### Sustainability

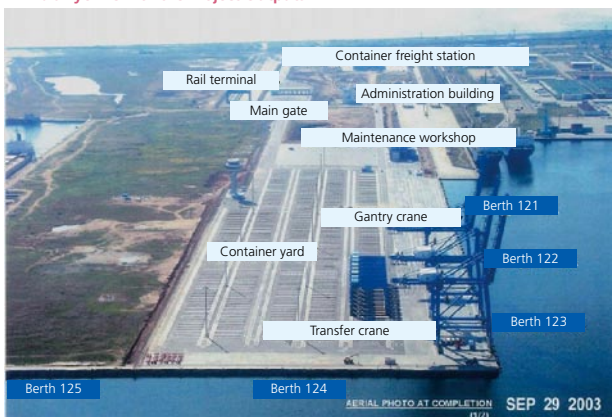
Rating **a**

No major problem has been observed for capacity of the executing agency nor the operation nor its maintenance system, therefore, sustainability of this project is high.

### Conclusion, Lessons Learned, Recommendation

In light of the above, this project is evaluated to be highly satisfactory. A lesson learned is that when constructing a container terminal for which demand can be expected to increase, the impact of the container terminal can be maximized by simultaneously developing a surface transport network linked to the terminal, with appropriate coordination provided by the Ministry of Transport or relevant agencies.

A Bird's Eye View of the Project Outputs



### Third-Party Opinion

Given the geographical location of Constantza, this was a very important and highly effective project. It is hoped that roads, railways and other infrastructure going through the port will be developed in order to maximize the effect of the project.

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