



Project News

## **AD Ports and Vale sign MoU for Joint Development of Mega Hubs for Steel Industry**

Edited by on 1. Jun. 2023

*(Abu Dhabi), United Arab Emirates & Rio de Janeiro (RJ), Brazil –*

AD Ports Group (ADX: ADPORTS) have announced the signing of a Memorandum of Understanding (MoU) with Vale S.A. (Vale), to develop a Mega Hub in Abu Dhabi for industrial complexes that produce low-carbon products for the steelmaking industry for both the local and seaborne markets, with a significant reduction of CO<sub>2</sub> emissions.

The agreement will see an allocation of land and related services from KEZAD for the Mega Hub, in addition to the development and management of a state-of-the-art handling facility at Khalifa Port, capable of accommodating Valemax vessels with a handling capacity of up to 50 million tonnes of cargo per annum.

Furthermore, AD Ports Group will develop and manage conveyor infrastructure to transport iron ore and finished products to and from Khalifa Port and KEZAD, and will be exploring commercial collaboration with Vale on the marketing and sale of various bi-products of the manufacturing process in the UAE and the wider region.

The agreement also includes a maritime collaboration to explore opportunities related to management and operation of very large ore carriers (VLOCs) as well as other possible avenues of partnership.



Eduardo Bartolomeo, the CEO of Vale and Captain Mohamed Juma Al Shamisi, Managing Director and CEO of AD Ports Group. (Picture: ©AD Ports Group)

Speaking about the agreement, Captain Mohamed Juma Al Shamisi, Managing Director and CEO, AD Ports Group said: “The UAE is committed to not only finding ways to reduce carbon emissions, but also to supporting all efforts aimed at positively affecting the global environment. This signing with Vale represents our commitment to the sustainably objectives as set out by the visionary leadership of the UAE.

“Growth and sustainability must go hand in hand, our collaboration with Vale signifies a key step in our contribution towards meeting the UAE Net Zero 2050 strategic initiative.”

Eduardo Bartolomeo, the CEO of Vale said: “We are encouraged by this opportunity to build a Mega Hub in the UAE, a country which is strategically positioned to positively influence our drive to significantly reduce CO<sub>2</sub> emissions around the globe. Our ability to leverage this new concept of using low-carbon technology in the production of hot briquetted iron (HBI) signals the success of our products globally.”

The Mega Hub initiative contributes to Vale’s commitment to reduce 15% of net Scope 3 emissions by 2035. Additionally, Vale seeks to reduce its absolute Scope 1 and 2 emissions by 33% by 2030 and achieve net zero by 2050, in line with the Paris Agreement, leading the evolution process towards sustainable mining.

By leveraging their collective strengths, AD Ports Group and Vale are seeking to enhance the overall efficiency of the global supply chain.