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Maersk Will Invest Over \$500M as Part of 33-Year Port NY/NJ Lease Extension



APM Terminals will make significant investments as part of its long-term lease extension (Port of NY/NJ)

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The Port Authority of New York and New Jersey and Maersk's APM Terminals have agreed to a 33-year lease extension for the port's second-largest container terminal. The company plans to make significant investments in the terminal located in Elizabeth, New Jersey in support of the port's long-term growth plan.

According to the port, the lease extension which will be voted on by the Port Authority's board on March 27, takes a unique, nontraditional approach of incorporating performance, infrastructure, and sustainability requirements into the contract. The port says this will ensure steps are taken to enable the terminal to handle growing cargo volumes while prioritizing customer service and sustainability. The port has also recently reached similar long-term extensions with other terminal operators.

"This lease extension secures transformative infrastructure and capacity enhancements at the second-largest container terminal in the East Coast's busiest port," said Port Authority Executive Director Rick Cotton. "These commitments will enable the Port of New York and New Jersey to move more goods, create more jobs, and further cement its role as an essential driver of our region's economy and our nation's supply chain."

Maersk's current lease was due to expire in December 2029. The extension extends the term through December 2062. APM Terminals highlights that the terminal currently handles over 25 percent of the

annual container throughput in the port. The company has already been investing in the complex including four new gantry cranes which arrived in November 2024.

As part of the agreement, APM Terminals will invest over \$500 million over the coming years to enhance cargo-handling capacity at its 350-acre terminal. APM Terminals has also committed to the replacement and maintenance of all wharf and berth structures. Additionally, the Port Authority and APM Terminals will expand the lease to include portions of an adjacent parcel of land to APM Terminals for enhanced productivity. APM Terminals has also committed to future capacity enhancements driven by demand.

Under the new agreement, APM Terminals will also invest in zero-emission cargo-handling equipment over the coming years. As a Port Authority lessee, the terminal operator is also subject to the Port Authority's marine terminal tariff, which incentivizes the adoption of cleaner equipment as new technology becomes commercially available. It is in keeping with the Port Authority's goal of reaching net zero agency-wide by 2050.

According to the Port Authority, the investments covered under the new agreement are in keeping with its Port Master Plan 2050. The strategy anticipates cargo volumes doubling or tripling by mid-century.