On Thursday 20 May the new Port of Lamu in Kenya will officially become operational. On that date, two ships are scheduled to dock at the port (MV CAP Carmel and MV SEAGO BREMERHAVEN) in a ceremony that will be will be attended by high government authorities from Kenya.

Lamu port is part of the Lamu Port-Southern Sudan-Ethiopia (LAPSSET) transport corridor, one of Africa's largest infrastructure projects, with a total cost of \$24 billion, that was launched by the Government of Kenya in 2012 under the "Vision 2030" strategy, a plan adopted in 2008 that aims at transforming the country

"into a newly industrializing, middle-income country providing a high quality of life to all its citizens by 2030"

. In March 2013, the government of Kenya, with a Presidential Order published in the Kenya Gazette Supplement No. 51 (

Legal Notice No. 58 of 22 March, 2013

) established the

LAPSSET Corridor Development Authority (LCDA)

to plan, coordinate and manage the implementation of the LAPSSET project.

Lamu port and the Lamu corridor (a road connecting Lamu to Isiolo, a city located in the heart of Kenya), will serve as gateway for trade of the country with the East African Community countries. The Lamu corridor intersects in Isiolo with the Nairobi-Addis Ababa road through the border post of Moyale, where a One Stop Border Post (OSBP) facility has been recently constructed that however, at the moment, is still operating under the traditional double-stop arrangement, where two sets of controls are performed separately on each side of the border post, both in the country of exit and in that of entry. From Isiolo, another road will connect Kenya to Nakodok, at the border with South Sudan. To reduce cargo transit time and avoid risk of diversion of transit cargo destined to Ethiopia and South Sudan, the <a href="RECTS">RECTS (Regional Electronic Cargo Tracking System</a>

) already operational on the Northern Corridor (a multimodal trade route linking the landlocked countries of the Great Lakes Region with the Kenyan maritime sea port of Mombasa), will be also soon implemented along these routes.

The LAPSSET project, which also comprises rail lines, highways, an oil pipeline, resort cities and airports, will offer access to the sea to landlocked Ethiopia and South Sudan, with the Lamu port expected to become a strong competitor of the Port of Djibouti, currently representing the main conduct for Ethiopian trade, with over 93% of Ethiopia's imports and exports currently passing through this gateway, accounting for about 70% of the total activity of this port.

During an official visit to Kenya on 7<sup>th</sup> May, 2018, the Prime Minister of the Federal Democratic Republic of Ethiopia Abiy Ahmed reached an agreement with the President of the Republic of Kenya for the acquisition of a portion of land in Lamu for the creation of a logistics facility

.

To attract traffic at the new port, Kenya has planned to lower the cost of vessel docking fees. Moreover, other <u>reductions of fees and charges</u> for using the port will be introduced for a transitory period of at least one year, to promote usage of the port by the business and logistics sectors.

Compared to the port of Mombasa, whose draught is 15 metres, Lamu port has deeper water. With its 17.5 metres (57.41 feet), Lamu can accomodate post-Panamax vessels (a post-Panamax vessel is a ship that is too large to fit through the existing locks on the Panama Canal, hence larger than 965 ft x 33.5 ft x 42 ft.), and is therefore well-positioned to become in future the largest port in sub-Saharan Africa.

Once completed, the Lamu port will have a total of 32 berths, the first 3 fully financed by the Government of Kenya and the remaining 29 berths to be financed by private Investors under a Public-Private Partnership (PPP) scheme. At the moment, only the construction of the 1st berth is complete while the Berth 2 and 3 are expected to be completed by October 2021.

