

For the first time in 20 years, a general cargo ship sailing under the flag of Ethiopia and transporting a cargo of over 11,000 tons of sugar and rice docked at the Port of Berbera, in Somaliland. Representatives from the Ethiopian Shipping and Logistics Services Enterprise (ESLSE), a public company that the Ethiopian government has recently [announced](#) to partly privatize and who owns 9 ships in total, including the one concerned, attended the [ceremony](#) of arrival of the vessel, announcing the commencement of regular scheduled liner service to this port, with another Ethiopian ship expected to arrive at Berbera next week.

A [new container terminal](#) at the Berbera Port was recently inaugurated and officially opened to commercial traffic (on 25 June 2021), following completion of the first phase of the port's expansion works by DP World, that signed in May 2016 a 30-year concession agreement for the operation of the port, with the option for extension.

Port of Berbera is expected to become a major regional trade hub to serve the Horn of Africa. The new terminal expanded the port's container capacity to 500,000 Twenty-foot Equivalent Units (TEUs) annually from the previous 150,000 TEUs. Moreover, the installation of three ship to shore (STS) gantry cranes has solved one of the main problems that hampered the use of this port in the past, i.e. the lack of adequate equipment for loading and discharging cargo from vessels, which limited its use only to RO-RO ships or vessels having their own gear (e.g. deck cranes) for handling of cargo and containers. The new terminal also features a container yard with eight mobile rubber-tyred gantry cranes (RTGs) for stacking of containers.

Recently there is great buzz in the Horn of Africa regarding port expansion. On 20 May the [Port of Lamu](#) in Kenya became operational, with the inauguration of the first of the total 32 berths planned for construction, in an attempt to divert part of cargo that Ethiopia routes via the Djibouti port, which currently handles almost 95% of the total traffic of the landlocked country. Now Berbera port also entered into the competition arena.

This is coherent with the [port diversification strategy](#) pursued by Ethiopia to reduce the concentration of cargo through the Djibouti port.

