

A [study](#) recently published in the Journal of Transport and Supply Chain Management evaluates the costs and benefits for Ethiopia to use transit corridors alternative to the Djibouti corridor.

In the last decade, Ethiopia has pursued a strong port diversification strategy, through the acquisition of stakes in other ports along the East African coast. On 1th March 2018, an [investment agreement](#)

was signed with DP World and the Somaliland Port Authority to buy a 19% stake of the Berbera Port, in Somaliland, where the government of Ethiopia declared its will to invest in the development of the Berbera Corridor as a trade gateway alternative to the Djibouti corridor, the road that links the Djibouti port to Addis Ababa through the Galafi border post, that currently handles about 95% of Ethiopian trade. Recently, a 5.6 million Euro

[sub-delegation agreement](#) was signed by the EU and COMESA to launch the conversion of the Galafi border post in a One Stop Border Post (OSBP) and improve coordinated border management practices between the border agencies of Ethiopia and Djibouti.

During an official visit to Kenya on 7th May, 2018, the Prime Minister of the Federal Democratic Republic of Ethiopia also reached an agreement with the President of the Republic of Kenya for the acquisition of a portion of land in Lamu for the settlement of a [logistics facility](#), while after the signature, in July 2018, of the Asmara Declaration to end the state-of-war with Eritrea, Ethiopia agreed to strengthen diplomatic and economic ties with Eritrea in the transport, trade and telecommunication fields. In a communiqué of the Ethiopian government spokesman of 11 July 2018, the re-opening of the roads connecting Ethiopia to the two Eritrea's Red Sea ports was announced as a priority in the two nations' reconciliation program and a task force was established, made up of officials from the Ministry of Transport, the Ethiopian Maritime Affairs Authority and the Ethiopian Shipping and Logistics Services Enterprises (ESLSE) for restoring the roads linking the ports of Assab and Massawa in Eritrea to the Ethiopian territory. On September 5th, 2018, for the first time after 20 years, an

[Ethiopian ship](#) docked the Massawa port to load 11.000 tonnes of zinc extracted in Eritrea and destined to China. ESLSE also started recently using Djibouti's Port of

[Tadjourah](#), with a first shipment of coal received on July 17, 2020.

The study on the optimal transit corridors for Ethiopia notes that Ethiopia's dependence on a single corridor may endanger its national security. Accordingly, diversifying import and export cargo through different transit corridors and seaports is essential to preserve the country's

national interest and increase its bargaining power in bilateral and multilateral negotiations. The conclusion is that Ethiopia should continue to utilise the Port of Djibouti for containerised cargo imports and exports (as Djibouti is optimal for container shipping as a result of its greater maritime connectivity, geographical proximity and infrastructural development), while alternative transit corridors via Mombasa Port, Port Sudan and other Djiboutian ports (e.g. Tadjoura) should be used for imports and exports of break-bulk cargo like fertiliser (the major dry bulk commodity imported in Ethiopia), liquid bulk cargo and petroleum products.

The reason is that considering the large geographical size of Ethiopia, the use of such alternative transit corridors and seaports can better serve other regions of the country not efficiently served by the Djibouti corridor because of their remoteness from this trade route. The study mentions for example Port Sudan to serve the northern Ethiopia (particularly for imports of soil fertiliser), and Lamu Port (Kenya) to serve the main industrial park in the country, Hawassa, and the southern Ethiopia in general. On the other hand, importing containerized cargo through these seaports can be more expensive, as freight rates at the Port of Djibouti are lower than Port Sudan and Lamu. In this regard, the 2021 [global container port performance index](#) developed by the World Bank and IHS Markit rated Djibouti as the top-ranked African port. Moreover, geographical proximity and railway connections to the Modjo dry port, that accommodates the majority of imports to the country, still make the Djibouti port the best option for Ethiopia.

A further recommendation is for Ethiopia to continue its efforts to ensure sustainable access to the seaports of other neighbouring countries, in particular those seaports within a short geographical distance from the country's economic centre, like Berbera in Somaliland and Assab and Massawa in Eritrea.