Due to the COVID supply chain disruptions occurred in the latest 2 years, African traders have experienced a true tragedy in their sourcing and distribution activities, with historic port bottlenecks aggravated by a surge in container freight rates (a phenomenon that has invested the entire world), making shipping operations extremely difficult and costly. In a period of strong congestion of African ports, West African countries are showing an interest in decongesting seaports through the development of dry ports located in strategic location inside their territories.

After Togo launched the operations on January 16, 2022 of the <u>Adetikopé industrial platform</u> (PIA), a new dry port built on an area of 20 hectares with capacity to accommodate 12,500 containers, also the Nigerian Infrastructure Concession Regulatory Commission (ICRC) has now <u>announced</u>

the revitalization of at least 6 abandoned dry port projects whose contracts were signed in 2006.

Similarly to ports, dry ports (also known as Inland Container Depots/ICDs or as Container Freight Stations/CFSs), are multimodal facilities where goods can be loaded or unloaded from trucks and/or trains, and shipped to other destinations via other means of transport. Their main aim is to decongest seaports by shifting customs, logistics services and cargo handling activities (e.g. clearing, storage, consolidation, stripping and stuffing of containers) to inland terminals that can be located both into the territory of the same State where the seaport is established (that normally serve the hinterland and its landlocked neighbours) or in a adjacent country. Once cargo is discharged at the seaports, it is shipped to the dry port under a customs bond in suspension of customs duties and other taxes, that are collected directly at the dry port once the cargo arrives. Dry ports must be substantially equipped to handle cargo and transfer freight to warehouses or open storage facilities.

In Nigeria there are 7 approved locations commissioned to private sector operators for construction, by the ICD Implementation Committee of the Federal Ministry of Transport: in Aba, Ibadan, Jos, Kano, Funtua, Maiduguri and Kaduna. In addition, other proposals from the private sector have emerged in the latest years for establishing additional dry ports at Dagbolu (Osun State), Lolo (Kebbi State), Onitsha (Anambra State) and Ogwashi-Uku (Delta State). At the moment, however, only the <u>Kaduna Dry Port</u> is fully operational, while the six others have been facing lack of capital problems that hindered their completion.

ICRC also revealed that the Funtua (Katsina State) and the Kano dry ports are in an advanced

state of construction and are expected to commence operations before July 2022.

Nigeria is also finalising the construction of the multipurpose <u>port of Lekki</u>, a \$1.2 billion infrastructure project currently underway in the Ibeju-Lekki axis of Lagos State, that is expected to become one of the most modern ports in the region and one with the deepest waters in all sub-Saharan Africa. Construction works also in this case are expected to be completed by the end of 2022.