There are no translations available.

A new report from the consultancy firm GBS Africa gives an update on the current dynamics in port competition in East Africa. With more than 90 percent of Africa's total trade passing through seaports, ports are crucial for trade of most African countries due to the continent's high dependency on exports of raw materials and imports of food, manufactured goods and fuel.

As noted in the publication " Transport Corridors in Africa ", the reason why competition among African ports is so pronounced is that such facilities constitute in most cases originating points of key trade corridors running from the coast to the interior that have little or any relationship of complementarity with each other. This situation leads therefore to a strong ports and corridor competition. Conversely, corridors connecting transversally African countries are practically absent (an exception is the Abidjan-Lagos corridor, which links multiple cities and ports along the littoral in four West African States).

In East Africa, the main hub - in terms of both port capacity and volume of trade that it handles - is the Mombasa port, whose dominance however, has been recently challenged by other regional facilities that are rapidly expanding because they managed to attract more investment. Among them, the Port of Berbera in Somaliland offers the most promising prospects in the region, also because of the trade corridor that now connects this port to Ethiopia, whose construction works are almost completed. Apart from Berbera, new developments in Lamu (Kenya) and Bagamoyo (Tanzania) will challenge Mombasa's dominance on the Indian Ocean, unless a new investor and operation partner will pump fresh capital into the port expansion and restructuring works.

Surprisingly, a port that is not part of the analysis made in the GBS Africa report is the Djibouti port, that the World Bank recently ranked among the most efficient ports in the world.

The report concludes that if Mombasa port will not attract fresh investment soon, it be overshadowed by Lamu port and other regional facilities, such as the Dar es Salaam port in Tanzania, which is already registering a steady increase of traffic especially for cargo originating and destined to the Democratic Republic of Congo, Malawi, Uganda, Zambia, Rwanda, and Zimbabwe, as all these countries are increasingly switching to this port due to the Mombasa port congestion problems. Tanzania, notes the report, has an active strategy to compete with Kenya for market share in the Indian Ocean ports sector. The Port of Dar es Salaam currently offers faster and more cost-effective trade and transport solutions than Mombasa since Dar es Salaam is benefitting from ongoing expansion and investments. Moreover, as plans for a new deep-water facility to be built by Chinese contractors at Bagamoyo port are being revitalised, Tanzania will soon enter with another seaport in the competition arena. On the other hand, a condition for the Lamu port to became a concrete alternative to Mombasa, is the completion of the LAPSSET corridor, whose construction works have stalled due to regional insecurity concerns on the border with Somalia, political instability in Kenya, and a lack of other investments.

Apart from congestion, other problems affecting the Mombasa port – the report reveals – are the high ship turnaround time, the low cargo handling productivity (especially at berths designated for bulk cargo), and the inadequate water depth to berth high tonnage vessels.