

Ethiopia introduced in 2017 a legal framework to regulate multimodal transport (i.e. the usage of multiple modes of transportation under a single contract concluded with a carrier assuming the responsibility for the transportation of cargo for the entire journey), with the [Multimodal Transport of Goods Proclamation No. 548/2007](#)

, which was largely modelled on the

[UNCTAD/ICC Rules on Multimodal Transport documents](#)

. The Multimodal Transport System (MTS), however, was implemented in the country only in 2012, following the adoption, by the Ethiopian Ministry of Transport, of the Multimodal Transport Implementation Directive, effective since January 1, 2012.

This Directive, whose text is not publicly available (a description of its content is available [here](#)), basically establishes that both private and government-owned cargo transported under the MTS has to be delivered to dry ports and bonded warehouses approved by Customs. To date, the only licensed Multimodal Transport Operator (MTO) in the country is the Ethiopian Shipping and Logistics Enterprise (ESLSE), a public company that the Ethiopian government [recently announced](#)

will be partly privatised. The decision of reserving the MTS in Ethiopia to the ESLSE was based on the assumption that the combination of different transport modes requires more logistics coordination (this is essential for reducing the cost of multimodal transport), and that differently from ESLSE, the private sector in Ethiopia was still lacking organisation and management tools required to manage effectively the multimodal system. The situation has not significantly changed since then.

In October 2020, the National Logistics Transformation Council approved a draft Multimodal Transport Operator Directive (whose text is available only in [Amharic](#)), that is currently pending approval by the Council of Ministers.

The draft directive on MTO, if approved without any modification, will open the multimodal transport service to any entity granted with a license issued by the Ethiopian Maritime Affairs Authority (EMAA). In order to obtain such a license, applicants have however to fulfil a series of very stringent financial, capacity and organizational requirements (e.g. the multimodal operator is required to have a minimum capital of at least 350 million Birr, to hold a competency certification to manage multimodal transport operations and have gained at least 5 years of experience as a carrier, shipping agent, shipping company, multimodal transport operator, etc.,

among others). The draft Directive also allows foreign companies to obtain a MTO license for operating in Ethiopia, but exclusively in joint venture with an Ethiopian partner, insofar they fulfil the requirements stated by the Directive.

To this end, on September 2020, the Ethiopian Council of Ministers enacted the [Regulation n. 474/2020](#), that allows foreign companies to invest, among others, in transport services reserved for joint investment with the government or domestic investors (art 4.14(e)), which include freight forwarding and shipping agency services (art. 5.1(a)), but exclusively within the limit of a 49 percent share.