



# African container ports are on a pathway to growth – will the 2020s see opportunities outweigh obstacles?

TOC Europe, 11<sup>th</sup> June 2024

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# Introduction

## OPPORTUNITIES

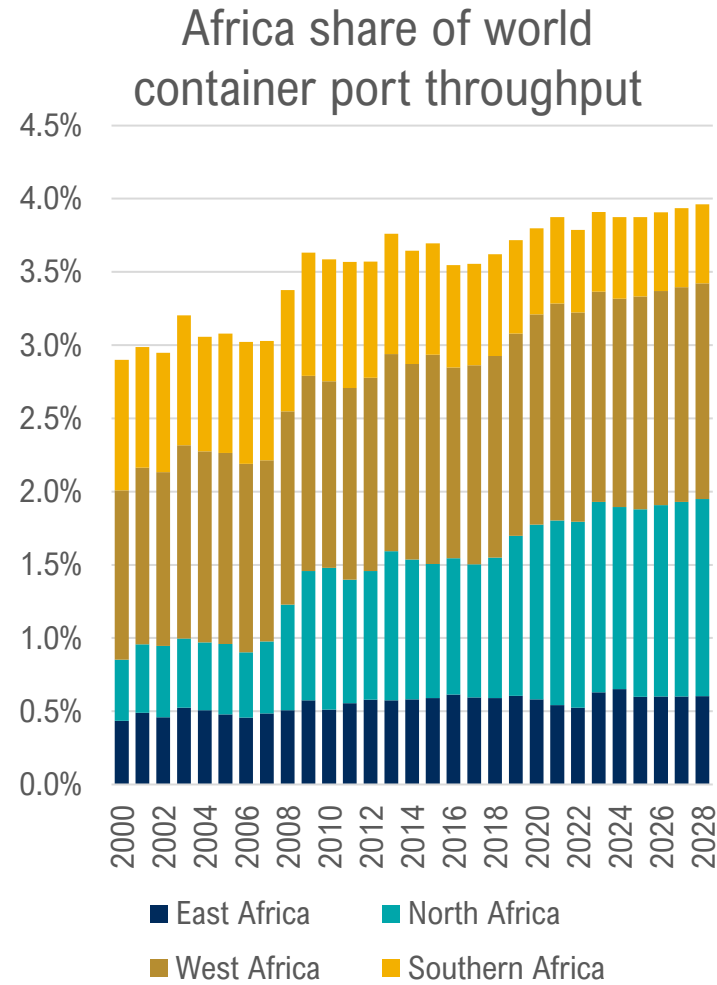
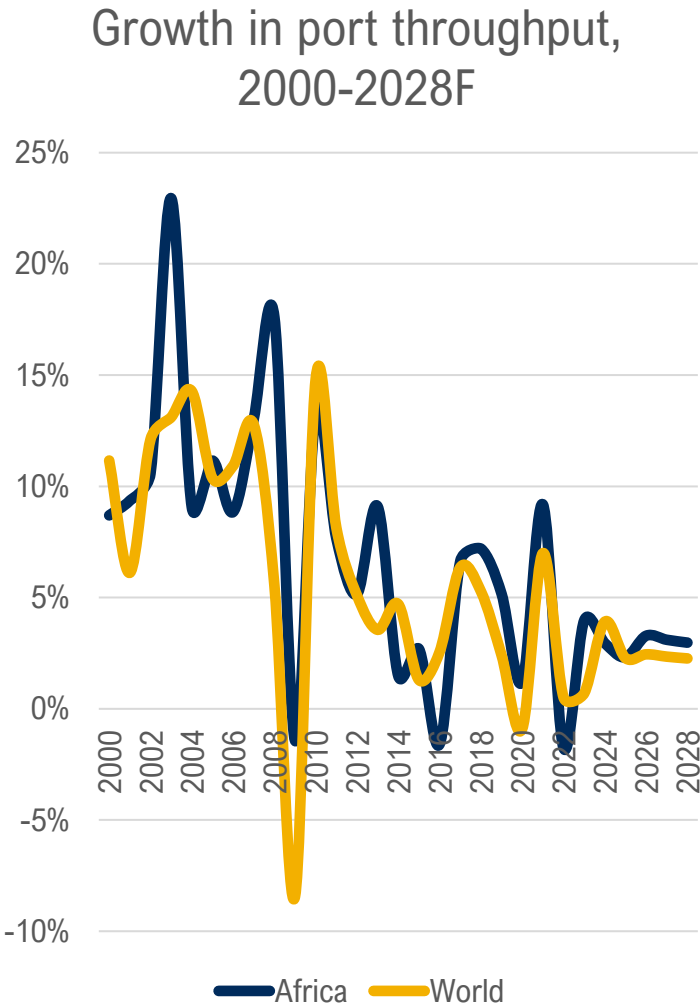
- Economic and demographic trends
- “Nearshoring” and “friendshoring” trends
- Investor appetite
- Building on recent success



## CHALLENGES

- Distances between ports and markets
- Infrastructure and technology gaps
- Asymmetrical trade relationships
- Port inefficiency
- Climate change
- Political instability

# Africa has increased its share of global port handling



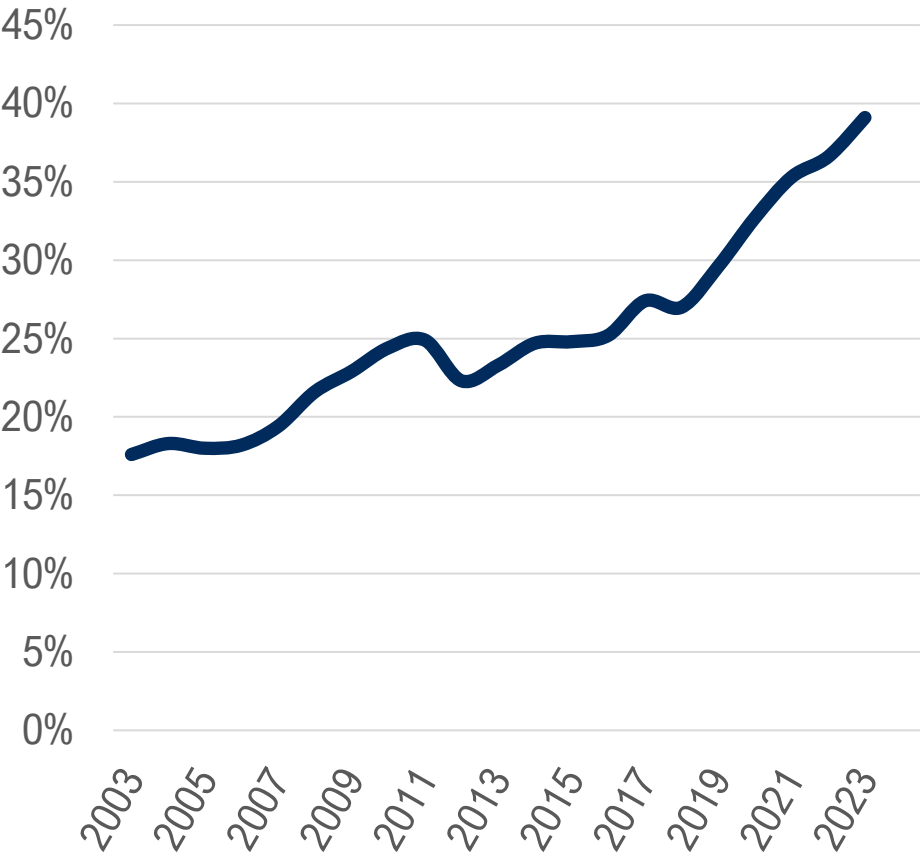
- Africa share of global port handling has increased from 2.9% in 2000 to 3.9% in 2023
- African growth set to be above global average between 2023 and 2028

# Upgrades enable more transshipment to be undertaken “in region”

Capability of ports to handle larger vessels has improved



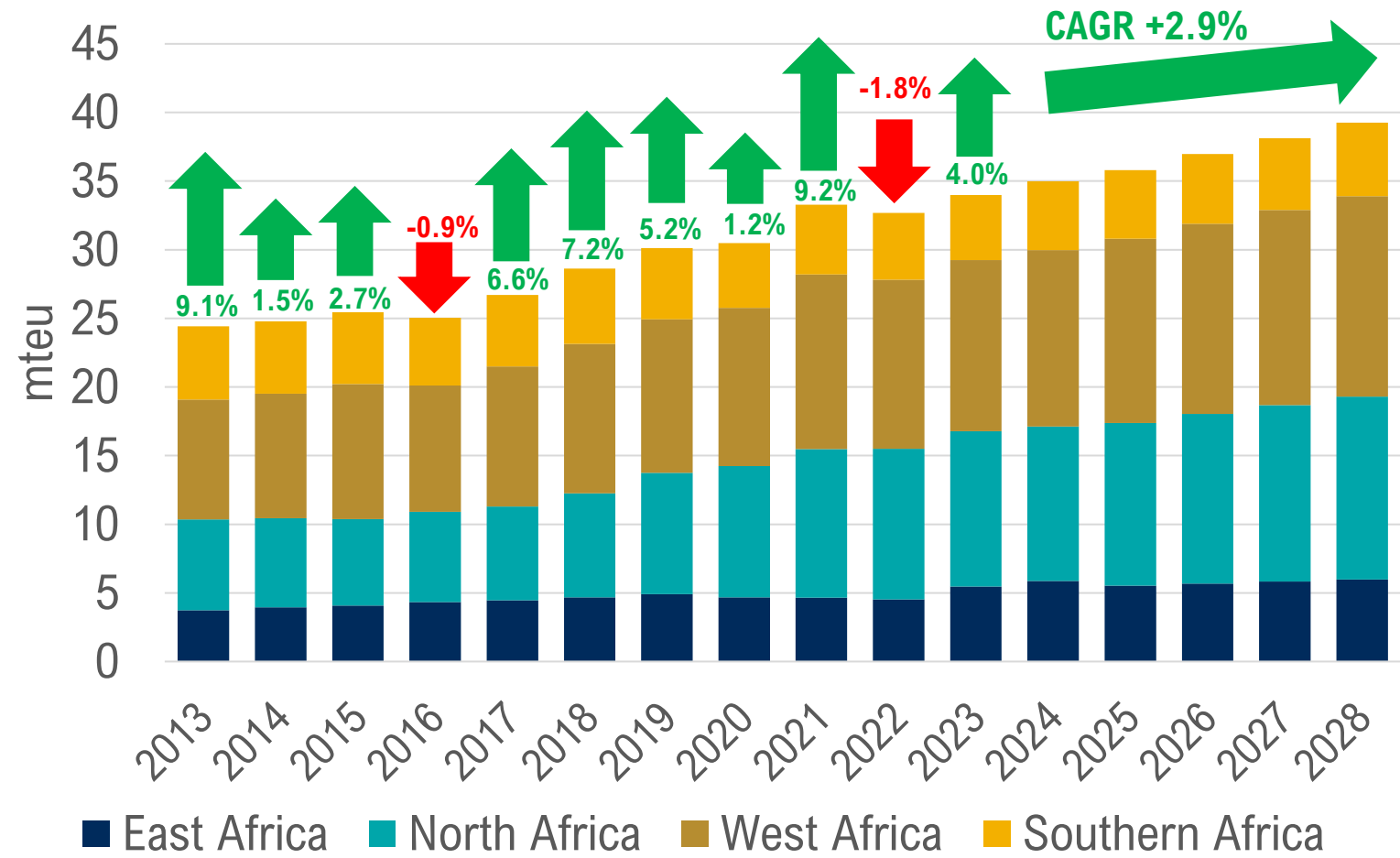
Africa region transshipment incidence has almost doubled since 2003





# African market outlook is for modest growth

Africa container port throughput, 2020-2028F



Transshipment underpins recent growth

- CAGR 2013-23: 8.9%
- CAGR 2018-23: 11.4%

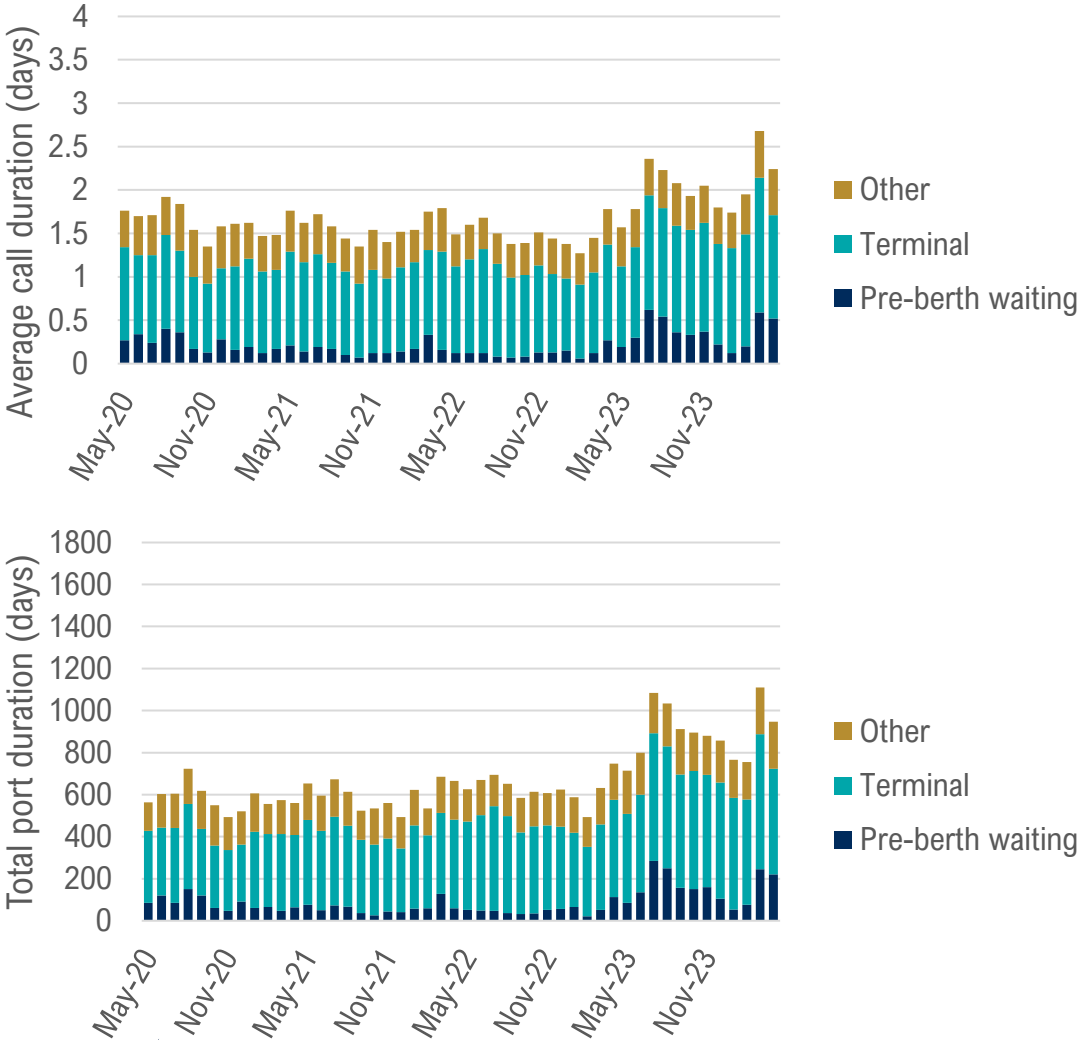
Gateway traffic growth has been lower

- CAGR 2013-23: 1.0%
- CAGR 2018-23: -0.2%

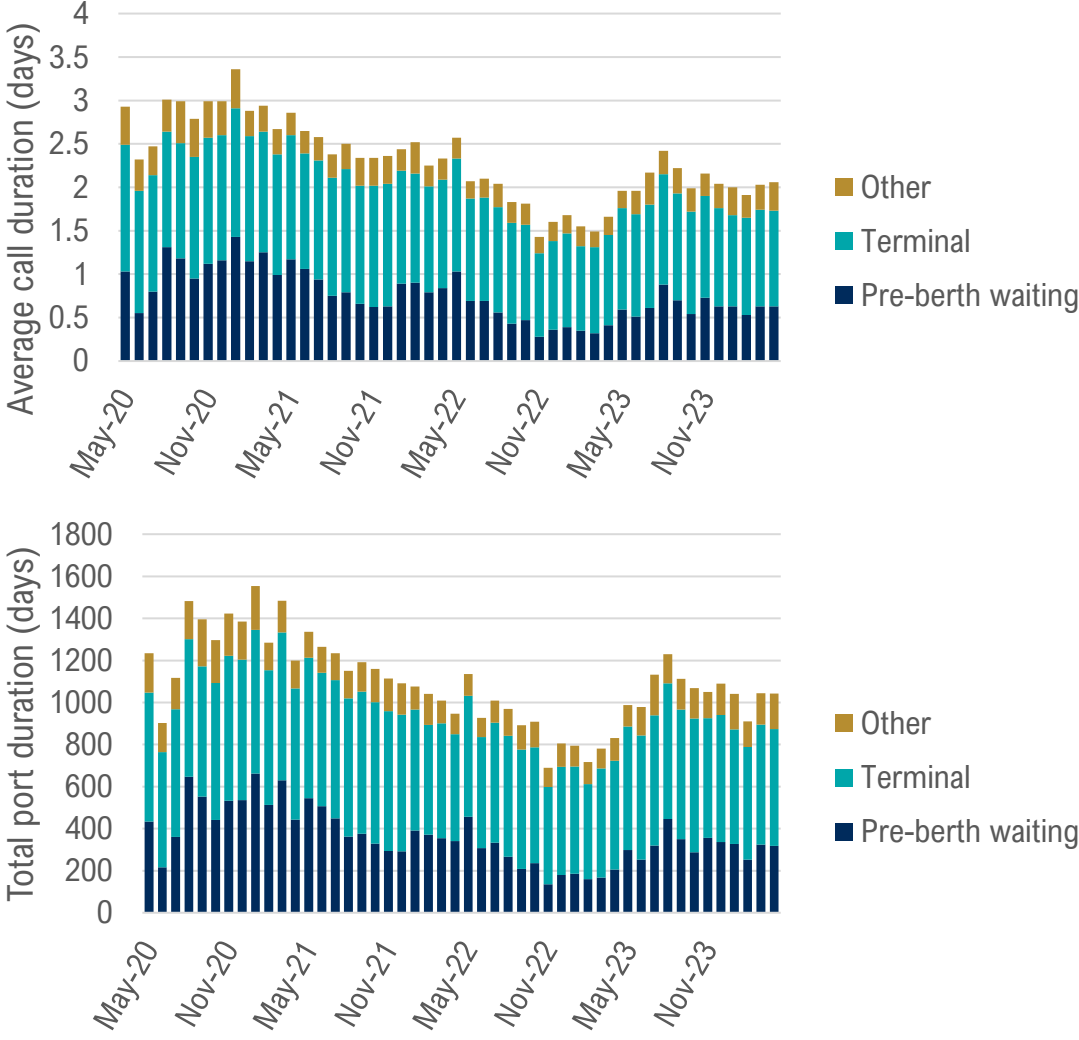
Port throughput forecast to grow by average 2.9% 2023-28

# Reduction in berthing delays at West African ports

North Africa

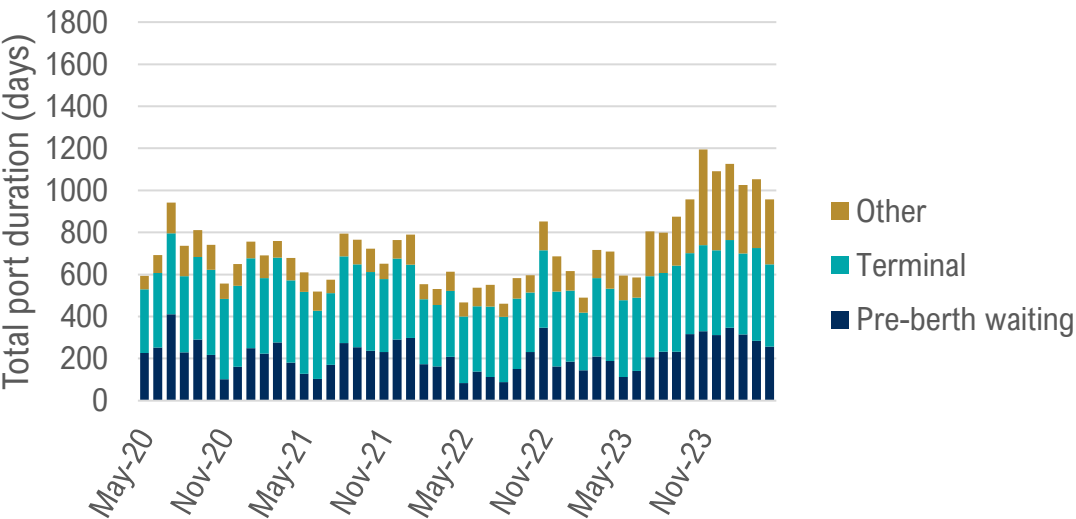
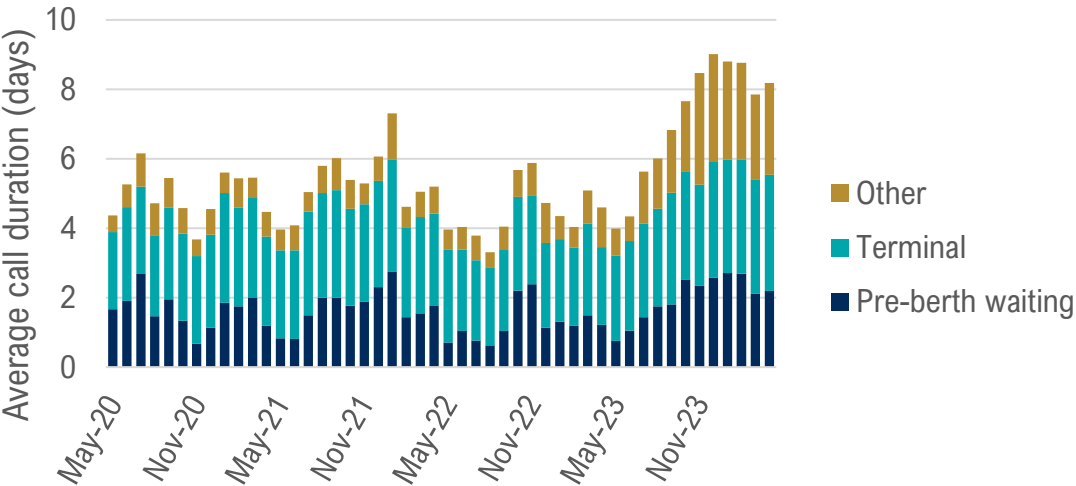


West Africa

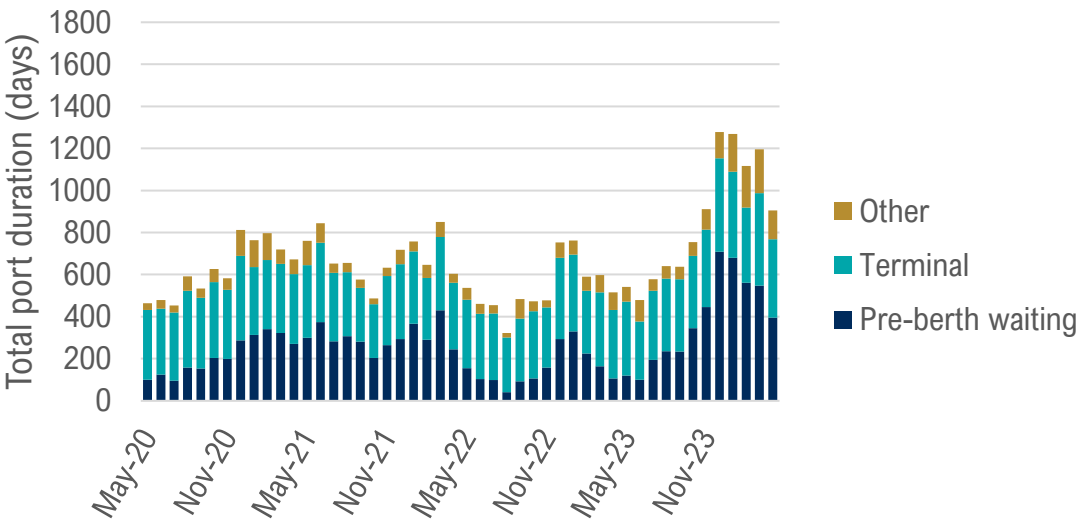
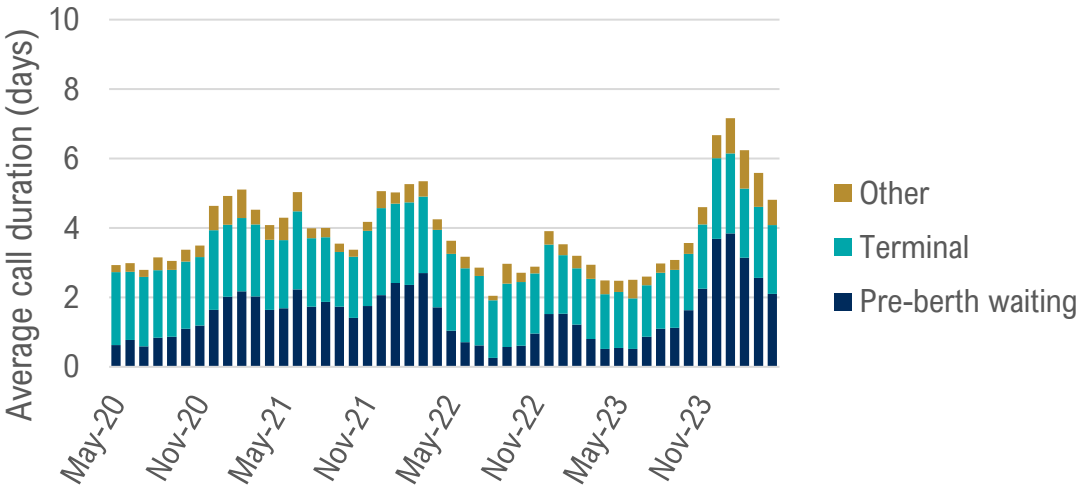


# Southern and East African port performance has worsened

Southern Africa



East Africa



# Port success stories increasingly easy to find

## Tanger Med



2023: 8.6 mteu  
CAGR 18-23: 20%  
Average pre-berth waiting: 0.0 days

## Tema



2023: 1.3 mteu  
CAGR 18-23: 5%  
Average pre-berth waiting: 0.9 days

## Pointe Noire



2023: 1.0 mteu  
CAGR 18-23: 6%  
Average pre-berth waiting: 3.4 days

## Lomé



2023: 2.0 mteu  
CAGR 18-23: 7%  
Average pre-berth waiting: 0.6 days

## Abidjan



2023: 1.2 mteu  
CAGR 18-23: 13%  
Average pre-berth waiting: 0.6 days



*Global – local partnerships are proving successful*

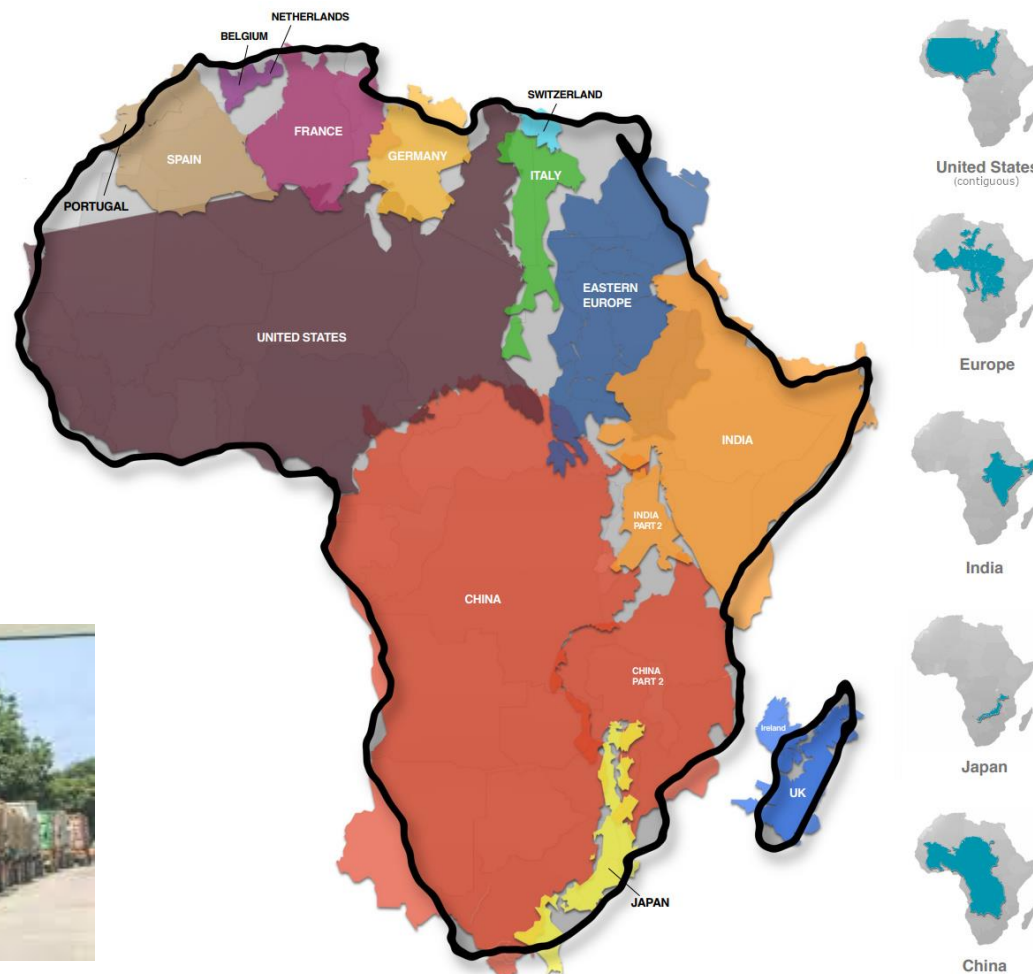


## Geography presents a key challenge

The Mercator projection means that many people underestimate the size of Africa

Transport distance to landlocked markets:

- **Mombasa – Kampala**  
1133 km, 8 days
- **Dakar – Bamako**  
1301 km, 7 days
- **Durban – Harare**  
1679 km, 5+ days



*“Carrying goods from one African country to another is often a lengthy and expensive process, due in part to the insufficiency of the road and rail networks”*

World Bank, 2022

# Ports are only one part of the supply chain

High cost of inland transport reduces competitiveness of African exports in global markets



A study by the Infrastructure Consortium of Africa shows that poor infrastructure—roads, railways, harbors, etc.—adds 30-40% to the costs of goods traded among African countries.

High  
Transport  
Costs



Infrastructure  
gap



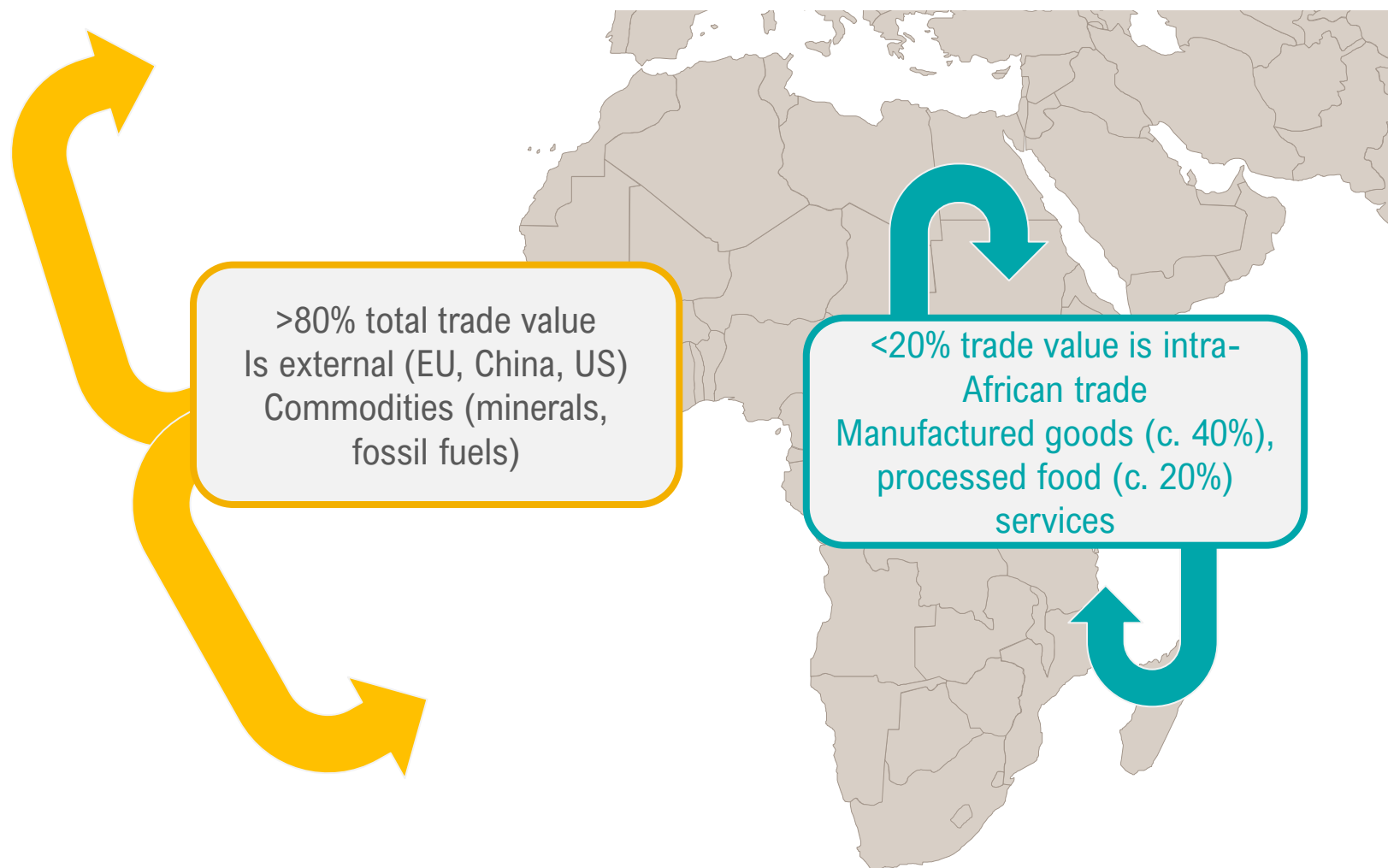
Technology  
gap



Regional  
coordination and  
cooperation

## Africa trade in context

### What does Africa trade? And with who?

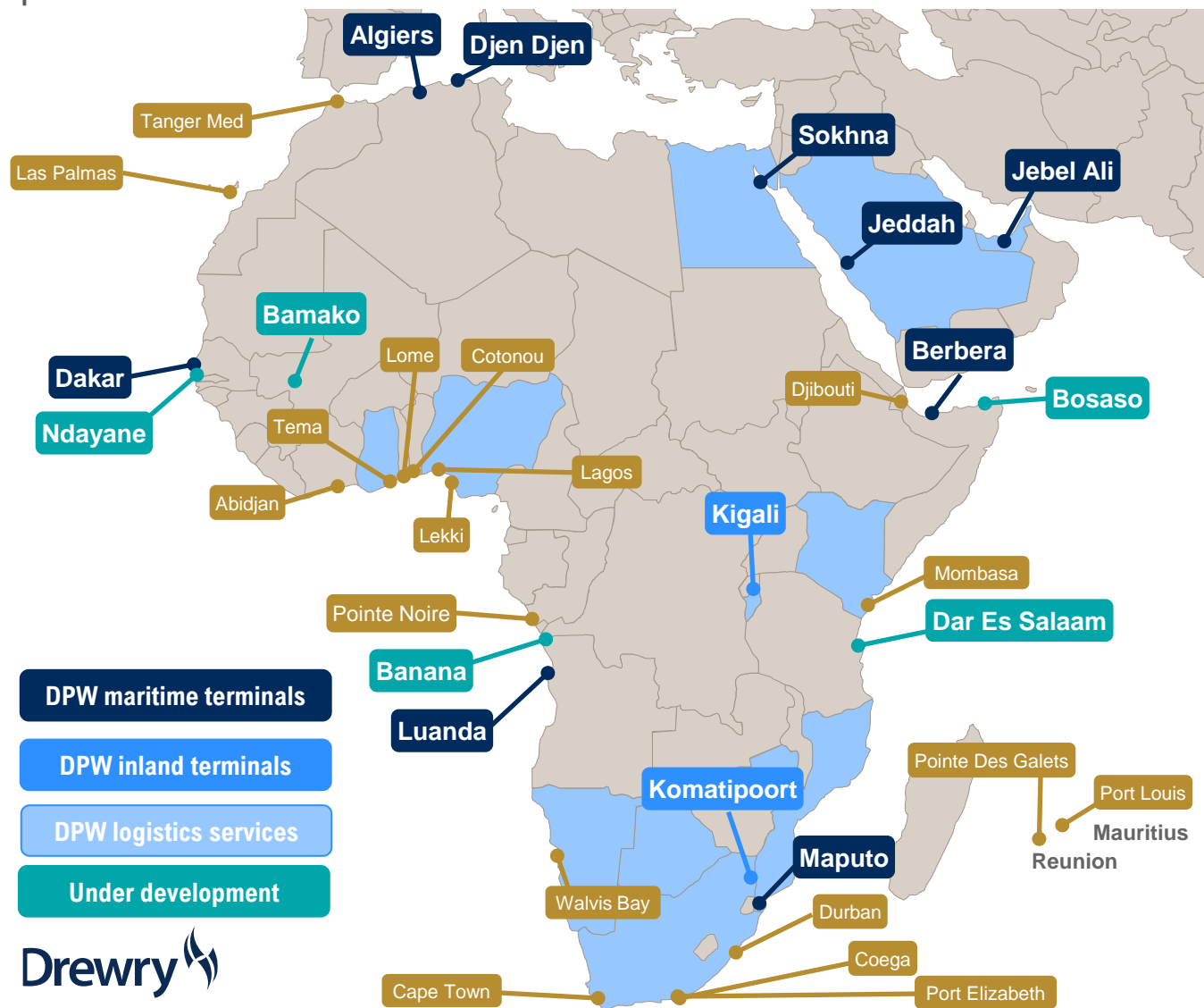


*“It's important to link jobs to trade, especially in the African case.... the demographics suggest that currently, Africa has around 252 million youth ... that need to be absorbed in productive activities.”*

*Professor David Luke, LSE*

# Looking beyond the terminal gate

DP World is investing in port terminals, inland ports, logistics parks and service providers across Africa



*Aim to “build best-in-class logistics hubs in key locations with an ecosystems that allows trade to thrive”*



# Summary

## OPPORTUNITIES

- Population and GDP trends point to growth potential – **but economic diversification a must**
- Port and wider logistics sector investments remain attractive to international investors – **overseas governments and IFIs likely to play an ongoing role**
- Port upgrades have unlocked growth and enabled increased connectivity with global markets – **economic growth needed to sustain momentum**



## CHALLENGES

- Geography remains a challenge – **but creates opportunities for corridor approaches**
- Transport infrastructure and technology gap remains large – **but closing the gap will help unlock growth**
- Investment in SEZ/logistics parks **can support economic diversification**
- Inefficiency (e.g. port delays, productivity issues) remains a major problem in many ports – but **major improvements seen in 2020s**



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