



# West Africa's economic prospects - Positioning the Ports as key enablers

**18<sup>th</sup> Intermodal Africa Conference, Abidjan, 22 – 23  
November 2017**

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## Outline of Presentation:

### WEST AFRICA (ECOWAS Region):

1. Basic facts: demography, trade, GDP, resource wealth
2. Key drivers of economic growth
3. Maritime trade / port capacity investments
4. Conclusion



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## The ECOWAS Region: Basic Facts:

- 15 States (12 Coastal, 3 landlocked) - 21% of the land mass of Sub Saharan Africa
- Regional Economic block (Economic Community of West African States – ECOWAS)
- 362 million combined population (37% of SSA);
- Population estimated to reach 800 million by 2050 (UN)
- GDP growth rates: 4.5% (2014), 3.5% (2015), 4% +(2016/17)
- 12 Port Authorities; 18 commercial Ports  
total annual import/export traffic of over 180 million
- Rich deposits of extractive minerals: exports include gold, diamonds, bauxite, manganese, iron ore.
- Heavy deposits of hydrocarbons (crude and gas).  
Nigeria, Ghana, Cote d'Ivoire, +(Liberia & Sierra Leone soon)
- Huge agricultural potential; crops, livestock, rich fish stock



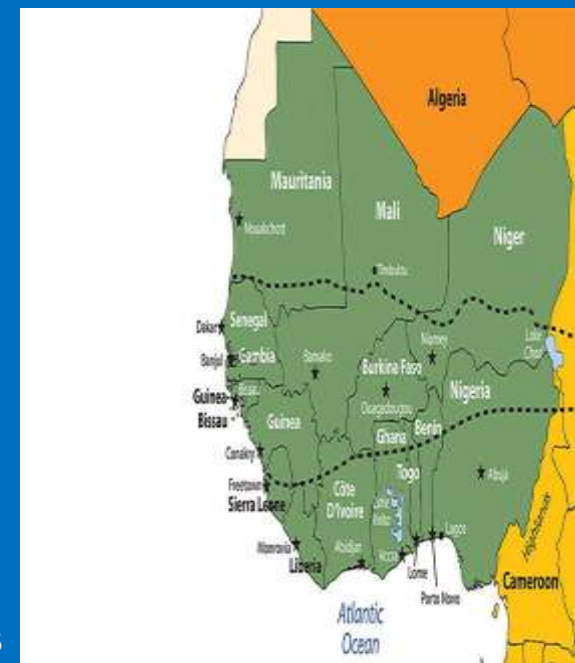


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## The ECOWAS Region: Key growth drivers:

- Shift across sectors from extractive to consumer-facing industries.
- Rich land and agricultural products, solid mineral, oil, water resources, and animal-stock
- Growing and youthful population
- Agriculture:
  - approximately 35% of the region's GDP, 60% active labour force.
  - Exports generate around USD 6 billion/annum or 16.3% of all products and services exported from the region
- Emergence of real estate, hospitality and construction as an increasingly attractive area
- Business services, automotive, cleantechology, ICT, etc
- Increasing investment into manufacturing
- Increasing private and government consumption in domestic markets
- Sound macroeconomic policy management now entrenched in many countries





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## The ECOWAS Region: Key growth drivers (cont):

- More open policies, invested in infrastructure and continued to pursue regional integration
- Fast-expanding regional markets, which now account for about 16% of total trade in Africa
- Many African governments are embracing industrialisation
- 10 of the Fifteen largest remittances recipient countries in Africa (ranked by % of GDP), 2016 are in West Africa: Remittances funds,
  - represent a lifeline for household consumption,
  - increase foreign exchange reserves
  - allow for investments in small businesses and education
- ECOWAS adopted a common external tariff which became effective in January 2015 resources, a
- Continental Free Trade Area (CFTA) will strengthen Africa's appeal as a global trading partner.

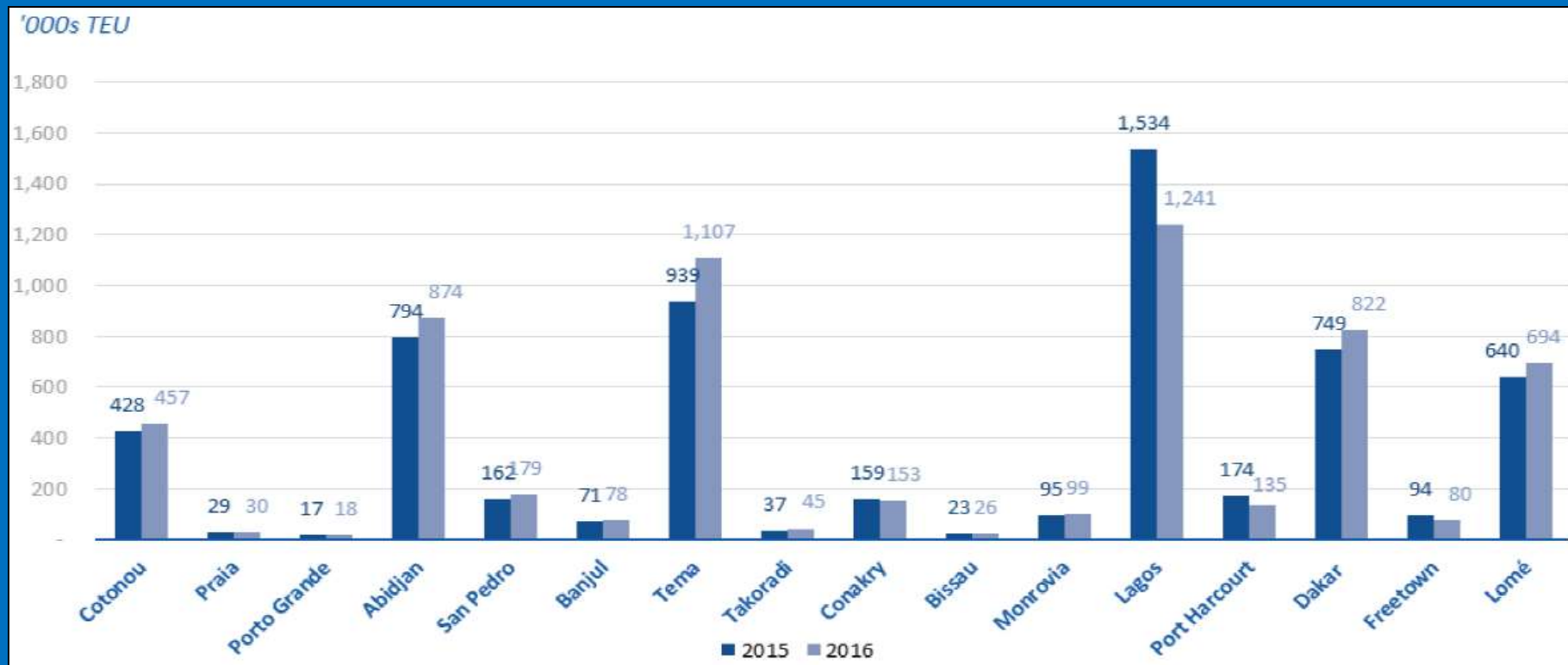


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## The ECOWAS Region: Maritime trade/ Port traffic

- 12 Port Authorities; 18 commercial Ports – Combined annual traffic over 180 million tonnes
- Total Regional Container Traffic – 5.9 million (2015); 6 million (2016)



Source: MTBS – ECOWAS Port Masterplan diagnostic study – interim report- 2017



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## The ECOWAS Region: Port Capacity:

Country	Port	Quay length / depth	Surface area	Handling equipment	
				STS	MHC
Benin	Cotonou	412 m / -12.0 m C.D.	33 ha	4	7
Cape Verde	Porto Grande	467 m / -12.5 to -13.5 m C.D.	2 ha	0	0
Cape Verde	Praia	300 m / -12.5 m C.D.	2 ha	0	0
Cote d'Ivoire	Abidjan	300 m / -12.0 m C.D.	27 ha	4	3
Cote d'Ivoire	San Pedro	450 m / -10.5 m C.D.	5 ha	0	3
Gambia	Banjul	600 m / -10.5 to -13.5 m C.D.	5 ha	0	0
Ghana	Takoradi	260 m / -9.0 to -12.0 m C.D.	3 ha	0	1
Ghana	Tema	600 m / -12.0 m C.D.	10 ha	4	3
Guinea	Conakry	190 m / -8.5 m C.D.	22 ha	2	2
Guinea-Bissau	Bissau	260 m / -7.9 to -12.8m C.D.	1.5 ha	0	0
Liberia	Monrovia	500 m / -9.0 m C.D.	10 ha	0	0
Nigeria	Lagos	2,515 m / -11.5 to -12.5 m C.D.	65 ha	2	10
Nigeria	Port Harcourt / Onne	1,320 m / -12.0 m C.D.	19 ha	0	2
Senegal	Dakar	700 m / -12.0 to -13.0 m C.D.	24 ha	4	4
Sierra Leone	Freetown	380 m / -11.2 m C.D.	1 ha	0	3
Togo	Lomé	790 m / -12.0 to -15.0 m C.D.	20 ha	9	0



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### Most Ports transferred commercial port operations to Private Operators - the Landlord Port Model

Country	Port	Port Authority	Port Authority Role		
			Landlord	Port Regulator	Port Operator
Benin	Cotonou	Port Autonome de Cotonou	✓	✓	✗
Cape Verde	Porto Grande	Empresa Nacional de Administração Dos Portos E.P (ENAPOR)	✗	✓	✓
	Praia		✗	✓	✓
Cote d'Ivoire	Abidjan	Port Autonome d'Abidjan	✓	✓	✗
	San Pedro	Port Autonome de San Pedro	✓	✓	✗
The Gambia	Banjul	Gambia Ports Authority	✗	✓	✓
Ghana	Takoradi	Ghana Ports and Harbours Authority	✓	✓	✗
	Tema		✓	✓	✗
Guinea	Conakry	Port Autonome de Conakry	✓	✓	✗
Guinea-Bissau	Bissau	Administração dos Portos de Guinea Bissau	✗	✓	✓
Liberia	Monrovia	National Port Authority	✓	✓	✗
Nigeria	Lagos	Nigerian Ports Authority	✓	✓	✗
	Port Harcourt / Onne		✓	✓	✗
Senegal	Dakar	Port Autonome de Dakar	✓	✓	✗
Sierra Leone	Freetown	Sierra Leone Port Authority	✓	✓	✗
Togo	Lomé	Port Autonome de Lomé	✓	✓	✗
			✓	✓	✗

Source: PMAWCA reports ; MTBS - ECOWAS Diagnostics Report – Port Master Plan Study





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## The ECOWAS Region: PPP - Dominant Terminal Operators:

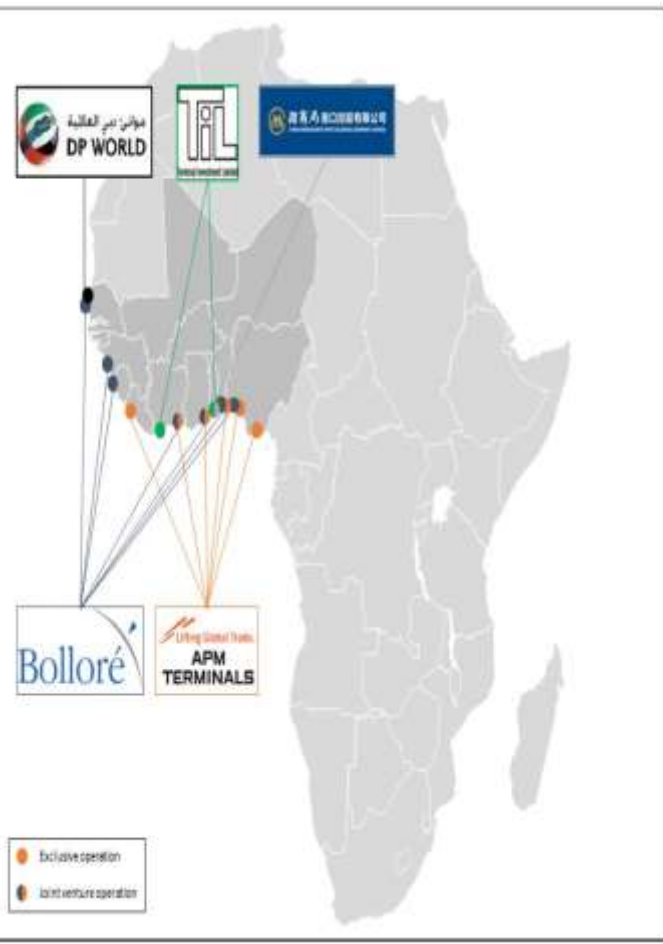


Table 2.1 - Terminal Capacity per Operator

Operator	Country	Port	Capacity (TEU)	Market Share (%)
APM Terminals	Liberia	Monrovia	125,000	
	Côte d'Ivoire	Abidjan (40% stake)	440,000	
	Ghana	Tema (35% stake)	297,500	
	Benin	Cotonou	350,000	
	Nigeria	Apapa (Lagos)	1,000,000	
	Nigeria	Onne (Port Harcourt)	314,000	
	<b>Total</b>			<b>2,526,500</b>
Bolloré	Senegal	Dakar (45.9% stake)	34,425	
	Guinea	Conakry	300,000	
	Guinea-Bissau	Bissau	50,000	
	Côte d'Ivoire	Abidjan (60% stake)	660,000	
	Ghana	Tema (35% stake)	297,500	
	Benin	Cotonou (91.5% stake)	320,250	
	Nigeria	Tin Can (Lagos)	650,000	
<b>Total</b>			<b>2,312,175</b>	<b>34.1%</b>
DP World	Senegal	Dakar (90% stake)	558,000	
	<b>Total</b>		<b>558,000</b>	<b>8.2%</b>
TIL	Côte d'Ivoire	San Pedro	330,000	
	Togo	Lomé (50% stake)	527,000	
	<b>Total</b>		<b>857,000</b>	<b>12.6%</b>
China Merchant Port Holdings	Togo	Lomé (50% stake)	527,000	
	<b>Total</b>		<b>527,000</b>	<b>7.8%</b>

Source: MTBS

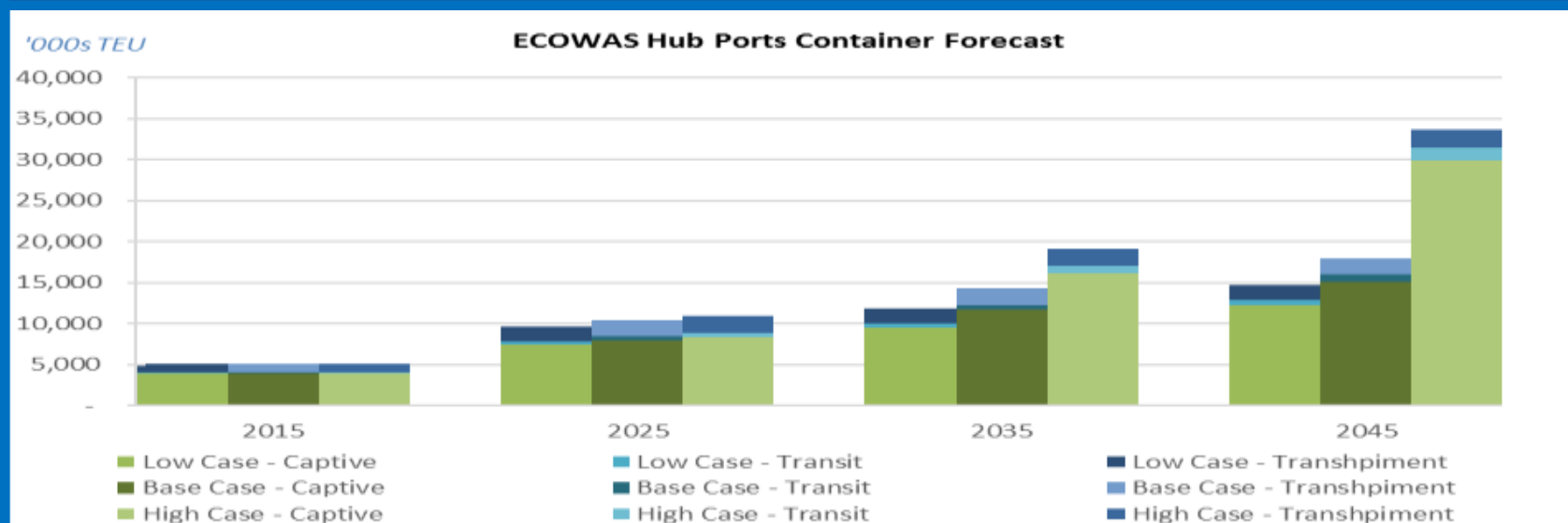


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## The ECOWAS Region: Demand forecast – Hub Ports:

Port	2015	2025	CAGR	2035	CAGR	2045	CAGR
Dakar	749	1,663	8%	2,273	3%	2,854	2%
Abidjan	794	1,805	9%	2,478	3%	3,120	2%
Tema	939	2,079	8%	2,881	3%	3,643	2%
Lomé	640	1,340	8%	1,801	3%	2,240	2%
Cotonou	428	903	8%	1,163	2%	1,411	2%
Lagos	1,534	2,629	6%	3,694	3%	4,707	2%
<b>Total</b>	<b>5,085</b>	<b>10,419</b>	<b>7%</b>	<b>14,290</b>	<b>3%</b>	<b>17,975</b>	<b>2%</b>





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## The ECOWAS Region: Demand forecast – Gateway Ports

Port	2015	2025	CAGR	2035	CAGR	2045	CAGR
Praia	29	53	6%	77	4%	100	3%
Porto Grande	17	31	6%	45	4%	59	3%
San Pedro	162	381	9%	556	4%	723	3%
Banjul	71	152	8%	222	4%	289	3%
Takoradi	36	84	9%	123	4%	250	7%
Conakry	159	297	6%	434	4%	564	3%
Bissau	23	45	7%	63	3%	80	2%
Monrovia	95	202	8%	295	4%	370	2%
Port Harcourt	174	294	5%	429	4%	558	3%
Freetown	94	187	6%	272	4%	354	3%
<b>Total</b>	<b>862</b>	<b>1,726</b>	<b>7%</b>	<b>2,516</b>	<b>4%</b>	<b>3,347</b>	<b>3%</b>



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## Conclusion

- Majority of the continent's non-commodity exporting countries continued to grow
- Despite an economic slowdown in 2016, Africa's growth outlook is positive
- Africa remains the second fastest-growing region after developing Asia
- Generally, the future looks bright for Africa (ECOWAS Region)
- Forecast demand for shipping in West Africa shows an increasing trend
- The Ports and Shipping Sector – developing in tandem to cater for the growing trade
- Container shipping in West Africa has grown steadily over the years
- Governments are responding – Port Management Reforms – PPP for port capacity development and management
- The costs of each new mega-port project are in the region of \$1 billion or more
- *Government policy reforms agenda in ECOWAS and Africa point to:*
  - *Prioritisation of private sector partnership, economic and social infrastructure development, value-added industrialisation, agro-processing and manufacturing, ICT and the services.*

*And the ports and shipping sector are poised to capably handle the resultant growing trade volumes!*



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***THANKS FOR YOUR KIND ATTENTION***