



Multimodal Transport System Challenges & Prospects In Ethiopia

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1. Introduction

- It is internationally recognized that the Ethiopian economy is among the fastest growing economy of the globe.
- Transport sector is therefore one of the sub service Contributor of this Economic growth.
- sub versions of transport modes:
 - ❖ road transport,
 - ❖ water transport,
 - ❖ rail transport,
 - ❖ air transport

2.Cargo Hub Development & Multimodal Transport system Challenges & prospects

2.1. Challenges of Multimodal Transport system

- Lack of physical facilities(IT infrastructure especially in the private sector)
- Poor coordination among the sectoral agencies
- Reliance on paper documents, fax, and emails in the exchange of official information between government agencies and the private sector
- Lack fully fledged cargo tracking along the logistics supply chain;

Challenges.....Cot'd

- less capable of operators
 - There are close to 7,000 trucks operating on the corridor to Djibouti. Ownership of the trucking fleet is in the hands of
 - (a) operators of individual trucks,
 - (b) road transport companies, and
 - (c) associations of individual truck owners.

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2.2. Potential prospects to enhance the logistics Industry

2.2.1. government Policy

- By the government of Ethiopia It is well perceived that, the logistics industry is a critical element for the Ethiopian economy.
- Accordingly, the major strategic directions of the government is mainly building the capacity of the dry ports and enhancing Multimodal Transport system there by improving the logistics service

government Policy.....Con'd

- The Growth and Transformation Plan (GTPII) (2015/16-2019/20)

➤ Air Transport

- Envisaged to enhance the investment and institutional capacity of the sector to advanced level.
- **12 Major Targets in airport ,aviation EL investments and Implementation**

➤ Integrated logistics

- Planed to increase the national general cargo coverage through multi modal transport from 35 percent to 90 percent,
- increase export containerized cargo from the current 7 percent to 100 percent,

2.2.2. Modjo logistics Hub (MLH) Project

The investments in infrastructure at Modjo Dry port support the facility to achieve three key objectives (as it is indicated in the WB document):

- (a) To improve the efficiency of processing of current traffic flows;
- (b) To increase the capacity of Modjo to process the projected increasing volumes of trade, including the interconnectivity between rail and road transportation; and
- (c) To facilitate the transformation of Modjo to become a logistics hub offering a wide range of logistics services to exports as well as imports and to support diversification into a wider range of higher value-added exported products.

2.2.3.The Customs Management System

- Ethiopian Revenue and Customs Authority is now engaged its self to migrate from Assycuda++ system to the new and the state of the art Customs Atomization that can Manage
 - Air Cargo E- freight including Advance Passengers Information(API)
 - Electronic submission of documents
 - E-payment and other paperless operations
 - This Customs Atomization is emplacing based on the Kyoto Convention General Annex Guide lines(Chapter 7 Application Information and Communication Technology)

2.2.4. Electronic Single window

- In order to interface all stakeholders in single platform an ESW project is undertaking
- Accordingly, a business process analysis and re-engineering to streamline stakeholders' processes and integrate into a common electronic Single Window platform is all ready Accomplished.

2.2.5. other Initiatives

- The other projects that enhance the logistics bottlenecks in general and the multimodal includes ,among other things
 - Cargo tracking System
 - Cargo scanning Machine at every entry points
 - OSBP with neighboring countries to avoid a duplication of efforts at borders and to harmonize and simplifying the customs practices