

Hodeidah 7th Berth Project



Container crane at No. 7 berth

Outline of Loan Agreement

Loan Amount / Disbursed Amount	8,200 million yen / 5,114 million yen
Loan Agreement	November 1982
Terms & Conditions	Interest rate 1.5%p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	November 1990

Project Outline

The aim of the project was to increase the handling capacity for containerized cargo at Hodeidah Port, a key commercial port in Yemen, via the construction of a 7th berth, a dedicated container berth, to complement the existing 6 berths, and the establishment of related facilities and equipment, including cranes, etc.

Results and Evaluation

The cargo handling capacity of Hodeidah Port has increased significantly since completion of this project (1990). The total volume of dry cargo climbed from 2.537 million tons in 1980 (of which containerized cargo: 198 thousand tons) to 3.172 million tons in 1996 (containerized cargo: 566 thousand tons). The total volume has stayed fairly constant since then, however, containerized cargo has continued to trend upwards, and in 2000 reached 713 thousand tons (an increase of around 26% against 1996).

Moreover, in addition to a considerable reduction in the offshore waiting time for container vessels, this project has also contributed to increased revenues at the port, with annual revenue from handling fees for containerized cargo at Berth 7 marking US\$9-10 million.

Berth 7 was partially damaged by a typhoon in 1998, however, it has been appropriately rehabilitated, and no particular problems have been identified in its operation and maintenance, including in terms of the technical capability of the executing agency, Hodeidah Port Authority. The Government of Yemen is planning to divide the Port Authority, with the aim of promoting greater managerial efficiency.