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## Global Maritime Trade & Transport

### Iran war costing Hapag-Lloyd \$40-50 million per week: CEO

Bunker, insurance, other costs soar during conflict



The U.S.-led war in Iran is costing Hapag-Lloyd \$40 million to \$50 million per week, its chief executive said, as fuel, insurance and other costs skyrocket during the conflict.

The world's fifth-largest container line also has six ships trapped in the Persian Gulf as Iran chooses which vessels can safely transit the Strait of Hormuz.

"Costs are increasing sharply. If we look at the impact that this has on us, then we talk easily about \$40 million or \$50 million per week that we are facing at this point in time," said Hapag-Lloyd CEO Rolf Habben Jansen, on an earnings call, "mainly related to bunker [fuel], but also insurance costs are up significantly and so are costs related to storage and in some cases also inland transportation."

He said the carrier has introduced contingency and emergency charges to recover those expenses, but said any return is typically delayed.

The German company on Thursday said operating profit fell to \$3.5 billion from \$4.9 billion in 2025 on higher costs and excess capacity. The company is monitoring the war's effect on fuel supplies.

"We are definitely looking into that, because we also see that there is potentially a risk of shortage," said Habben Jansen. "Asia is not one of our biggest bunkering locations, but it is certainly something to keep an eye on."

The carrier has been forced to suspend services not only through Hormuz, but through the Red Sea-Suez Canal route, where Houthi militia in Yemen have threatened to resume attacks on shipping in support of Iran.

Habben Jansen said the company has six ships stuck in the Persian Gulf with total capacity of 25,000 twenty foot equivalent units, or feeder-sized vessels that typically shuttle between ports. The liner has been unable to call ports inside the Gulf but still calls Salalah in Oman and Jeddah in Saudi Arabia. He said around 50% of Hapag-Lloyd's contract freight to the region is exposed to disruptions.(Source: FreightWaves.com)

## Impact of the Middle East conflict on shipping

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## Drone strike damages STS crane at Port of Salalah



## Asian Maritime Industry

**Jeddah port handles 100,000 trucks, 90,000 containers of Gulf cargo**



**JEDDAH** — Jeddah Islamic Port has handled increased traffic of ships, trucks and containers rerouted from Gulf ports amid ongoing regional developments. The port received 17 ships over the past 10 days, according to Al Arabiya.

It also handled around 100,000 trucks and more than 90,000 containers over nearly a month. Reports said the shipments were diverted from some Gulf ports and are being redistributed to other destinations across the region through Jeddah. (Source: Saudi Gazette)

**Hambantota port to invest US\$ 108m in crane's capacity to 2mn TEUs**



The Hambantota International Port Group (HIPG) will invest US\$ 108 million in new container handling equipment, in a move aimed at doubling terminal capacity and positioning the southern port as a stronger alternative logistics hub along the East-West shipping route.

The agreement, signed with China's Shanghai Zhenhua Heavy Industries Co. (ZPMC), covers six quay cranes, 16 rubber-tyred gantry cranes and 40 trailers under the first phase of the port's Phase II expansion, which will raise annual container handling capacity to around 2 million twenty-foot equivalent units (TEUs).

The investment comes as global shipping patterns shift amid geopolitical tensions, particularly in the Middle East, prompting carriers to seek alternative, stable ports with minimal deviation. Hambantota's proximity -just 10 nautical miles from the main shipping lane, has increasingly strengthened its appeal as a transshipment and logistics node.

Ports and Shipping Minister Anura Karunathilaka said Sri Lanka is seeking to move beyond transshipment into a broader marine services offering, including bunkering, repairs and logistics support, positioning Hambantota as part of an integrated industrial and maritime ecosystem. He added that the expansion aligns with efforts to attract supply chain diversification and value-added investments into the country.

The new quay cranes, designed with a 72-metre outreach and 65-ton lifting capacity, will enable the port to handle the world's largest container vessels, while electrified yard equipment is expected to improve efficiency and reduce emissions in line with national sustainability targets.

Once operational, the equipment will activate Hambantota's 1,300-metre container berth and extend total quay length for container operations to nearly 2 kilometres, allowing the port to service multiple large vessels simultaneously.

The expansion builds on rapid throughput growth at the port. In 2025, Hambantota handled 8.24 million tonnes of cargo, up sharply from 3.0 million tonnes a year earlier, while container volumes surged to 428,036 TEUs from just over 53,000 TEUs in 2024. Vehicle transshipments also rose to more than 726,000 units.

Chinese Ambassador Qi Zhenhong described the project as a continuation of bilateral cooperation under the Belt and Road Initiative, noting that Hambantota is evolving beyond a standalone port into a broader development platform linked to industrial activity in the southern region.

With Colombo already operating as the country's primary transshipment hub, Hambantota's expansion signals a dual-port strategy, aimed at capturing shifting maritime flows while building resilience across Sri Lanka's logistics sector. (Source: Daily Mirror. LK)



## **Port of Nansha Leads South China Growth as Shippers Prioritize Lower-Risk Gateways**

## Da Nang aims to become attractive destination on global maritime map

**Once fully operational, the Lien Chieu port complex is expected to expand cargo handling capacity in central Vietnam, support export growth and reinforce the country's ambition to become a key logistics node in regional maritime networks.**

**Da Nang (VNA)** – The central city of Da Nang has completed key shared infrastructure for Lien Chieu Port and launched a project to construct its major container terminal, which is expected to help position the city as a regional logistics hub and become an attractive destination on the global maritime map.

The city on March 28 announced the completion of core infrastructure, including breakwaters, navigation channels and transport links, marking a significant milestone for the port complex, which is expected to ease pressure on existing facilities and support long-term trade growth in central Vietnam.

The shared infrastructure component, valued at about 3.4 trillion VND (nearly 130 million USD), includes a 1,170-metre breakwater system, a 7.3-kilometre shipping channel and a six-lane access road connecting the port to the national transport network. Construction began in late 2022 and was completed after nearly three years despite challenging coastal conditions.

Authorities have also finished a coastal road linking the port directly with major transport corridors, aimed at improving cargo flows while reducing congestion in urban areas.

The next phase involves the comprehensive development of Lien Chieu Container Terminal, a project with estimated investment of more than 45 trillion VND (over 1.7 billion USD). It will include eight container berths and modern technical infrastructure designed to meet international transshipment and green port standards under Vietnam's national seaport development strategy through 2030.

A consortium comprising Vietnam's Hateco Group, Hateco Seaport Company Limited and Netherlands-based APM Terminals B.V. has been selected as the investor following a competitive bidding process. The project is expected to operate for 50 years, with construction scheduled to take nearly a decade.

Cargo throughput is projected to reach about 4 million tonnes annually within three years after the first operational phase begins, according to city authorities.

Officials said negotiations to finalise investment contracts are underway, with agreements expected to be signed in April, allowing construction of the initial berths to start soon.

Da Nang leaders view the port as a cornerstone project to transform the city into a logistics and services centre serving Vietnam's central region and the broader Southeast Asian market. Located at the eastern gateway of the East–West Economic Corridor linking Vietnam with Laos, Thailand and Myanmar, the port is expected to strengthen regional supply chains and attract investment into industrial parks, high-tech zones and a planned free trade area.

Chairman of the Da Nang People's Committee Pham Duc An said the project would create new growth momentum for the city while enhancing Vietnam's maritime connectivity.

Authorities have urged the investors to accelerate implementation and apply advanced technologies to develop Lien Chieu as a "green and smart port," aligning with global sustainability trends in shipping and logistics.

Once fully operational, the Lien Chieu port complex is expected to expand cargo handling capacity in central Vietnam, support export growth and reinforce the country's ambition to become a key logistics node in regional maritime networks. (Vietnam Investor)

## Pakistan eases export rules for Iran, opens transit route to C. Asia



**Shipping containers are stacked at the Karachi port area in Karachi, Pakistan, July 31, 2025. (Reuters/File)**

- Government says it has allowed food, tents and medicine exports to war-torn Iran via land route
- Exporters exempted from standard payment, banking requirements to ease regional trade flows

KARACHI: Pakistan has relaxed export rules to allow shipments of food, pharmaceuticals and tents to Iran and onward to Central Asia via Iranian territory, the commerce ministry said on Saturday, as Islamabad seeks to boost declining exports and reroute trade disrupted by regional tensions.

The temporary concession, effective from March 24 to June 21, waives requirements for bank guarantees and letters of credit (LCs) for selected exports to Iran by land, while also enabling Pakistani goods, particularly rice, to reach Central Asian Republics (CARs) and Azerbaijan through Iranian transit routes.

"Federal Minister for Commerce has been pleased to provide exemption from Para 3 of Export Policy Order 2022 which requires all exports from Pakistan to be made in compliance

of foreign exchange rules, regulations and procedures,” reads a March 24 notification the commerce ministry shared with Arab News.

The provision refers to requirements governing how export payments are processed, documented and repatriated through formal banking channels.

The exemption covers exports of milled rice, seafood, potato, meat, onions, maize, citrus, banana, tomato, frozen chicken, pharmaceuticals and tents, with exporters required to submit an undertaking that proceeds will be repatriated within the prescribed period.

The commerce ministry described the move as a “historic initiative” in a separate statement on Saturday, saying it aimed at boosting exports and easing constraints faced by exporters operating in regional markets.

“Trade through Iran will significantly reduce exporters’ costs and time,” the ministry said, citing Commerce Minister Jam Kamal Khan. “By increasing exports, we will steer the country toward economic stability,” he added.

Pakistan’s exports declined seven percent in July-February FY26 to \$20.5 billion from \$22.1 billion a year earlier, according to Pakistan Bureau of Statistics data.

Last fiscal year, the country posted a trade deficit of more than \$26 billion, with exports rising five percent to \$32.1 billion against imports of \$58.4 billion.

## **TRANSIT ROUTE**

The decision also positions Iran as an alternative trade corridor for Pakistani exports to Central Asia, at a time when traditional overland routes through Afghanistan have faced repeated disruptions.

Pakistan has in recent months closed key border crossings with Afghanistan amid escalating frontier tensions and clashes, constraining bilateral trade and limiting access to landlocked Central Asian markets.

Allowing exports through Iran provides exporters with a parallel route, reducing reliance on the Afghan corridor and potentially stabilizing regional trade flows.

“Pakistan will now be able to export rice to Central Asia and Azerbaijan via Iran while removing obstacles in pharmaceutical exports is our top priority,” said minister Khan.

Samiullah Tariq, head of research at Pakistan Kuwait Investment Company Ltd, said the move “would help increase Pakistan’s exports.” Industry stakeholders also welcomed the decision.

“It is definitely a very bold and promising move. War times allow food and medicine supplies regardless of sanctions,” Malik Faisal Jahangir, chairman of the Rice Exporters Association of Pakistan (REAP), told Arab News, adding that Iran was the world’s largest importer of rice. Pakistan is one of the world’s largest rice producers and exported \$1.5 billion of the grain in the current fiscal year during July-Feb.

## **SANCTIONS RISK**

Analysts say the move may also carry broader geopolitical implications, as Pakistan maintains contact with multiple parties involved in the ongoing Middle East conflict.

"This trade and export permissions by the ministry could be a step for a broader deal to resolve Middle East conflict," said Ahsan Mehanti, chief executive officer at Karachi-based Arif Habib Commodities Limited.

He said Pakistan was expected to play a role in easing regional tensions and that expanded trade could help improve ties with Iran.

"Pakistan is a close US ally and steps to trade without bank guarantee and Iran transit trade could help reaching milestone for mediating peace talks," Mehanti said.

He added that any easing of sanctions enforcement by Washington could serve as a confidence-building measure in support of diplomatic efforts, but cautioned that Pakistan would need to remain mindful of its exposure to potential penalties.

"The exporters expect the [Iran] trade is approved, else sanctions could impact Pakistan standing in US relations," he said.

The policy shift comes as Pakistan seeks to stabilize its economy under a \$7 billion International Monetary Fund (IMF) program.

The IMF said on Saturday it had reached a Staff Level Agreement with Pakistan, which, if approved by its executive board, would unlock about \$1.2 billion as a fresh tranche under the Extended Fund Facility and Resilience and Sustainability Facility.

The government has in recent months pushed to expand trade ties and ease export bottlenecks as part of broader efforts to support growth and external balances.

## Yang Ming to Launch China-Singapore-Malaysia Service

Yang Ming Marine Transport Corporation ("Yang Ming") continues to strengthen its Intra-Asia service network by launching the China-Singapore-Malaysia Service ("CSM") on April 3, 2026, further deepening its regional network deployment and enhancing customer service efficiency. The CSM service will be operated by Yang Ming's three 2,800 TEU-class vessels to provide a fixed weekly service with a 21-day round-trip rotation.

The port rotation of CSM will be: Xiamen – Kaohsiung – Shekou – Singapore – Port Kelang – Xiamen. The service is designed to connect key hub ports in the region. It not only strengthens Yang Ming's direct service between South China and Southeast Asia, but also helps customers respond to changing market demand through its flexible and comprehensive Intra-Asia network.

Yang Ming continues to optimize its service network and provide customers with more diverse, reliable, sustainable, and high-quality shipping services. Further information about the service network is available at Yang Ming website ([www.yangming.com](http://www.yangming.com)). Please contact Yang Ming sales team for more details.



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## Asian Logistics Sector

### Vietnam maritime giant VIMC targets logistics cost reduction,



State-owned shipping group Vietnam Maritime Corporation (VIMC) plans to convert all of its ports into "smart ports" to reduce logistics costs and improve efficiency, said general director Le Anh Son.

VIMC maintained strong momentum in 2025, with seaborne cargo volume reaching 21.5 million tons, up 11% from a year earlier, while throughput at its ports rose 12% to 162 million tons. Revenue increased by nearly 8% compared with 2024.

"In 2026, escalating tensions in the Middle East have pushed fuel costs sharply higher, with bunker fuel prices rising by as much as 2.4 times, forcing a reassessment of transport contracts," Son told a government conference on Friday.

Despite the pressure, VIMC aims to cut logistics costs in line with Prime Minister Pham Minh Chinh's request and sustain double-digit growth, targeting a 10.5% increase in shipping volume and an 11% rise in port throughput, with revenue expected to grow by at least 10% this year.

"To achieve these goals, the company is accelerating digital transformation, with a plan to convert 100% of its ports into smart ports by the end of the current term," he added.

Automation is expected to streamline administrative procedures and reduce cargo handling and storage costs. At major hubs such as Hai Phong and Ho Chi Minh City, VIMC ports are already offering some of the lowest service fees in the market.

The company is also integrating artificial intelligence and automation into port and shipping operations to optimize data management and further cut costs, Son said.

Previously, at a recent conference with the Central Policy and Strategy Committee, VIMC had highlighted Vietnam's heavy reliance on road transport as a key factor driving high logistics costs, calling for greater investment in alternative transport modes.

Son urged the government to prioritize funding for inland waterway infrastructure, particularly in southern Vietnam, where an extensive network of rivers and canals remains underutilized despite being one of the largest in the world.

At the same time, he highlighted the need to strengthen rail freight capacity. Vietnam's railway network is largely concentrated along the north-south axis, with limited connections linking industrial zones in southern provinces such as Tay Ninh, Binh Duong, Binh Phuoc, Ho Chi Minh City, and Dong Nai to ports in Ba Ria-Vung Tau.

VIMC is working with foreign partners to develop cross-regional transport solutions connecting industrial centers to seaports, aiming to lower logistics costs for the broader economy, he added.

State-controlled Vietnam Maritime Corporation (VIMC) has outlined plans to [invest nearly VND13.8 trillion \(\\$527.45 million\) to co-develop the Can Gio international transshipment port](#), one of the country's most ambitious port projects, as it seeks to expand capacity and capture long-term growth in regional logistics.

According to documents prepared for its 2026 AGM, VIMC (UPCoM: MVN) will partner with its subsidiary Saigon Port Corp and Terminal Investment Limited Holding (TIL) – an affiliate of global shipping group MSC, to establish a project company for the development.

VIMC is expected to hold a 36% stake, while Saigon Port will own 15% and TIL 49%.

Located in Can Gio in Ho Chi Minh City, the port is designed to handle ultra-large container vessels of up to 250,000 DWT. The project will feature a total berth length of around 7.2 kilometers and a designed capacity of 16.9 million TEU annually across an area of 571 hectares. **(Source: The investor.vn)**

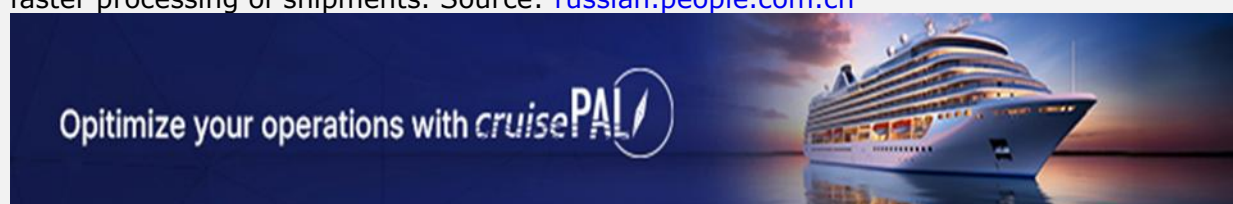
## China increases fruit and vegetable exports via Khorgos crossing

In the first two months of 2026, 137,000 tonnes of fruit and vegetables were exported through the Khorgos border crossing in the Xinjiang Uyghur Autonomous Region, northwest China. This represents an increase of 29.3% compared to the same period last year, according to data from Khorgos Customs.

Each day, a large number of refrigerated trucks carrying apples, oranges, lemons, tomatoes, peppers, and cucumbers pass through the China-Kazakhstan "green channel" for expedited customs clearance of agricultural products. The shipments are then delivered to Kazakhstan, Uzbekistan, Russia, and other countries.

According to Yu Huan, general director of a local international trade company, the current period marks the peak season for fruit and vegetable exports. The company dispatches nearly 30 trucks daily, transporting over 700 tonnes of produce. Goods harvested and cleared through customs in the morning can reach markets in Almaty, Kazakhstan, on the same day.

Khorgos Customs reported the introduction of facilitation measures, including dedicated service windows and specialized channels for fruit and vegetable exports, aimed at reducing clearance times. In addition, customs procedures are carried out around the clock to ensure faster processing of shipments. Source: [russian.people.com.cn](#)



## Intra Asian Trade

### Vietnamese cashew exports disrupted by shipping constraints

Vietnam exported just under 800,000 metric tons of cashew kernels in 2025, with China as the largest buyer at 156,000 metric tons, followed by the United States with 111,000 metric tons.

The Middle East accounted for 11 per cent of exports, totalling 89,000 metric tons. Key destinations included the UAE with 47,000 metric tons, Saudi Arabia with 12,000 metric tons, Iraq with 9,000 metric tons, Israel with 6,300 metric tons, Jordan with 6,000 metric tons, Lebanon with 3,800 metric tons, Iran with 1,200 metric tons, and Qatar with 233 metric tons.

Trade flows to the Middle East have been disrupted following the Iran war. Shipping lines have suspended services to Persian Gulf ports, including Jebel Ali in the UAE, due to the closure of the Strait of Hormuz.

To maintain supply, carriers are redirecting cargo through alternative routes. These include Omani ports such as Salalah, Red Sea ports including Jeddah, and Mediterranean ports such as Mersin in Turkey, with onward transport by road and rail to Gulf markets.

"Some Middle East demand is returning," a trader said in late March. "Some cargo is being redirected to Jeddah, and buyers are using alternative road or rail transport to reach eastern Saudi Arabia and other Gulf states." However, trade conditions remain constrained. "Every vessel to Dubai has been stopped. Some larger customers are finding other ways to get cargo delivered, but regional traders usually aren't interested—it's too much hassle," another trader noted.

Cargo delays at transshipment hubs have affected delivery schedules, while some sellers are unable to receive payments for shipments that have not reached destination markets.

Reduced demand from the Middle East is creating downward pressure on prices. Market sentiment is also influenced by rising energy costs, with concerns that higher inflation may affect the consumption of products such as nuts and dried fruits.

At the same time, cashew kernel prices in Vietnam for key whole grades have firmed. Market support is linked to higher freight costs for raw cashew nut shipments from Africa and lower-than-expected yields from early harvests in West African origins, including Ghana and the Ivory Coast. (Source: Fresh Plaza)



## Philippine banana and pineapple exports at risk of higher freight

The Philippines banana and pineapple exports are facing potential disruption despite growth in early 2025, according to the Department of Agriculture. "I think there would be a [negative] effect on our exports, considering the situation. Hopefully, the effects won't last long," Agriculture Secretary Francisco P. Tiu Laurel Jr. said.

Preliminary data from the Philippine Statistics Authority show that fresh banana exports declined by 5.1 per cent in February, while year-to-date exports increased by 7.6 per cent to US\$244.68 million from US\$227.31 million in the same period of 2025.

Pineapple exports and related products increased by 45.5 per cent to US\$188.05 million, compared with US\$129.21 million in the previous year period. Bananas and pineapples rank as the ninth and tenth largest export commodities, and the second and third most valuable in the agriculture sector after coconut oil.

The Middle East remains a key destination for Philippine fruit. In 2025, Iran was the largest buyer of Philippine bananas in the region, importing US\$97.53 million of the nearly US\$200 million shipped. Other markets include Saudi Arabia with US\$62.71 million, the United Arab Emirates with US\$13.12 million, Iraq with US\$6.19 million, Qatar with US\$5.12 million, and Bahrain with US\$3.78 million. The region accounted for more than 11 per cent of total fresh banana exports.

For fresh pineapples, the United Arab Emirates imported US\$15.83 million, followed by Iran with US\$11.94 million and Saudi Arabia with US\$2.62 million. The region accounted for nearly 6 per cent of pineapple exports.

The Department of Agriculture said it is monitoring developments and may support the private sector in case of prolonged shipping disruption. "If there are market disruptions, the private sector will surely try to find other channels to sell their goods, and we will be assisting them. [We'll constantly try] to look and assist in all possible ways," Laurel said.

The Philippines may also redirect shipments to East Asian markets. "The main factor that could affect banana exports is freight costs. Because Japan is relatively close, we may have a slight advantage over South American suppliers," Laurel said.

Japan remains the largest market for fresh bananas, with exports valued at US\$920.49 million in 2025, and the second-largest market for fresh pineapples in East Asia at US\$174 million. Source: [BusinessWorld](#)

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