



SOUTH ASIA CONTAINER MARKET 2026

COLOMBO INTERNATIONAL MARITIME & LOGISTICS CONFERENCE 2026

COLOMBO, SRILANKA

WHO WE ARE

About Maritime Gateway



Two-decade old leading business magazine on Indian Shipping and logistics sector creating a meaningful dialogue.



We connect governments, trade associations and industry stakeholders through our content, research and discussion forums.



Active global reader network of thousands of maritime and logistics stakeholders



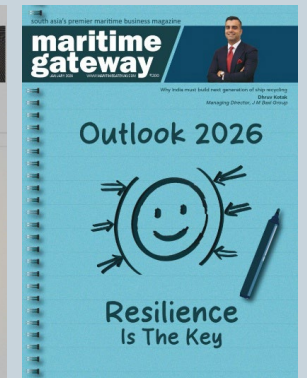
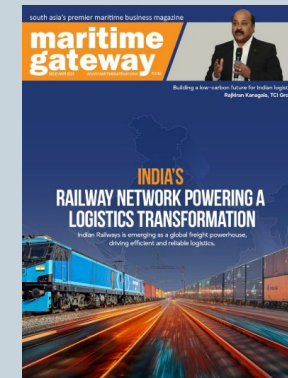
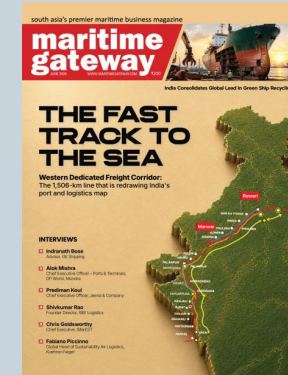
Deep knowledge of the domain and market insights across the value chain



Publishing Indian Container Market Report for the last 10 years

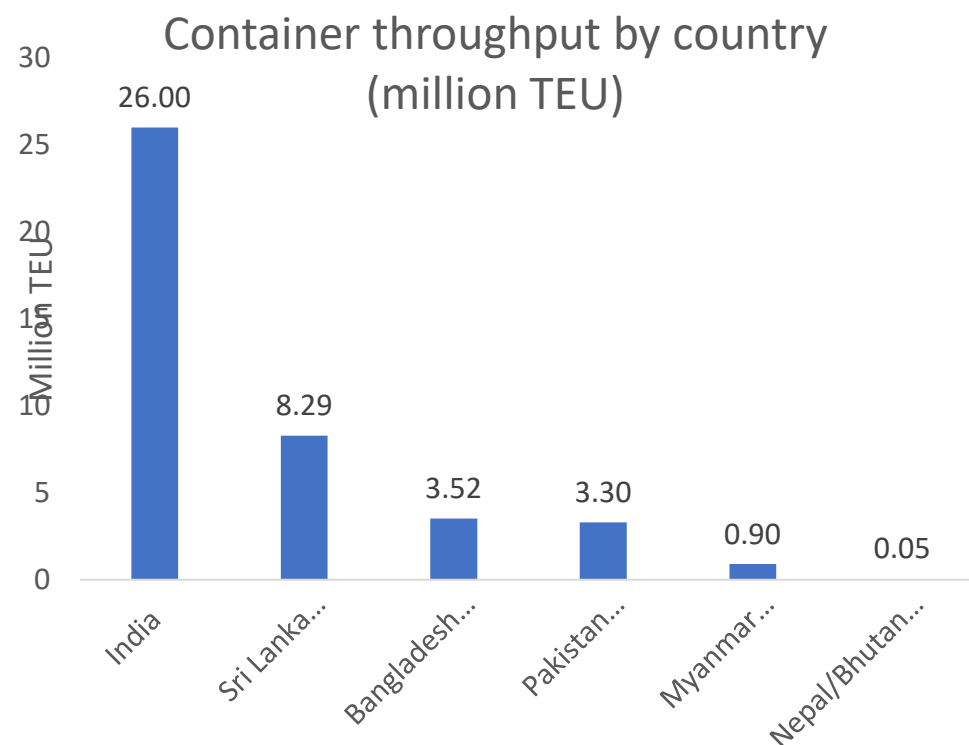


Organised South Asia Maritime & Logistics Forum (Sample) twice – 2017 & 2018



South Asia's container economy at a glance

Global container volumes: 98.4 million TEUs, up 5.2% YoY in H1 2026. Indian Subcontinent & Middle East exports fell 8%, although imports from the Far East increased 2%. In South Asia, India, Bangladesh and Sri Lanka are all adding large-scale new terminal capacity (Vadhavan, Matarbari, CWIT/WCT) in 2025–28, well ahead of a more moderate 2026 regional growth outlook.



REGIONAL INFRASTRUCTURE & TRADE SCENARIO

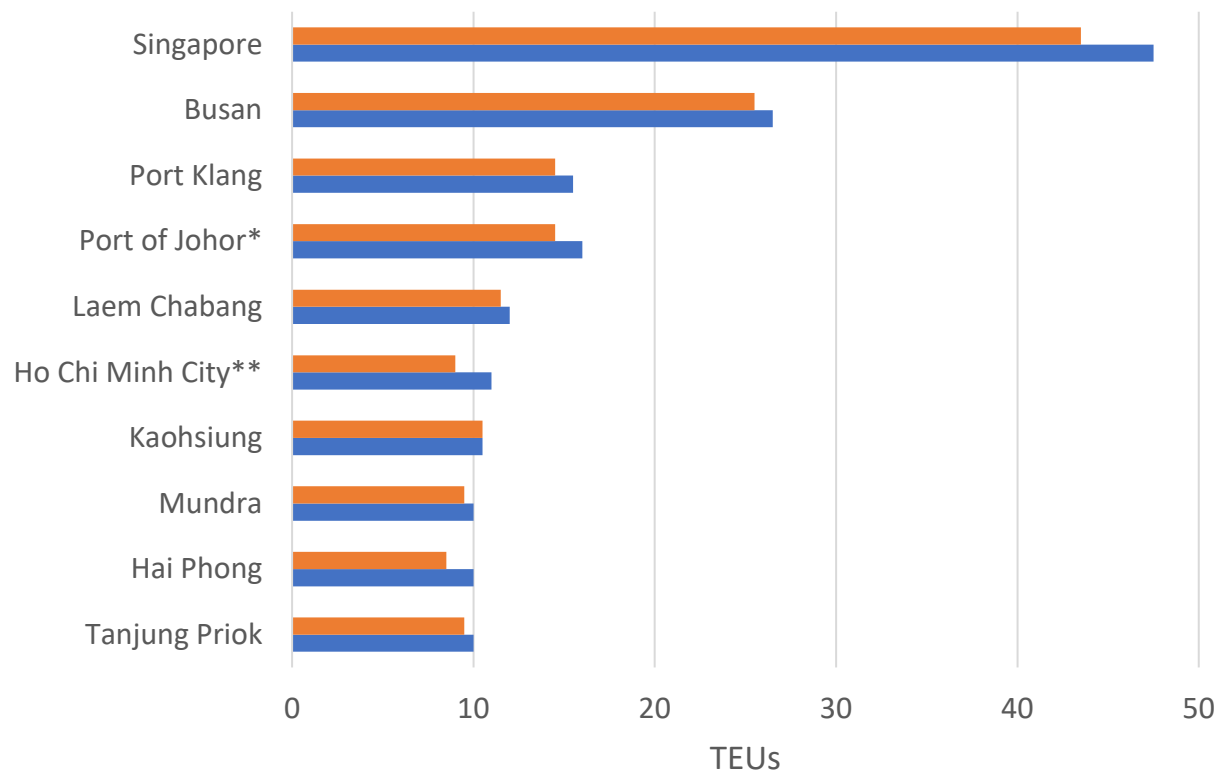
- India dominates the region with ~80 major & non-major ports; JNPA (8.17M TEU, FY26) and Mundra (~7M+ TEU) anchor west-coast box traffic, while Colombo remains South Asia's transshipment hub of choice for India-bound cargo.
- Bangladesh's Chittagong Port crossed a record 3.52M TEU in FY26 (+6.8% YoY), still constrained by a single dominant gateway; Payra and Matarbari deep-sea ports are being built to diversify capacity.
- Landlocked Nepal and Bhutan depend on Indian and Bangladeshi ports via rail-linked dry ports (ICDs) — Birgunj ICD moves cargo to/from Kolkata and Visakhapatnam.
- Maldives and Myanmar remain small-volume, infrastructure-constrained markets; both are investing in new terminals (Thilafushi, Yangon channel dredging) to relieve congestion.
- Container shipping alliances, Red Sea rerouting, and new tariff regimes are reshaping freight costs and vessel deployment across every South Asian gateway in 2025–26.

POLICY & AGREEMENTS SHAPING THE MARKET

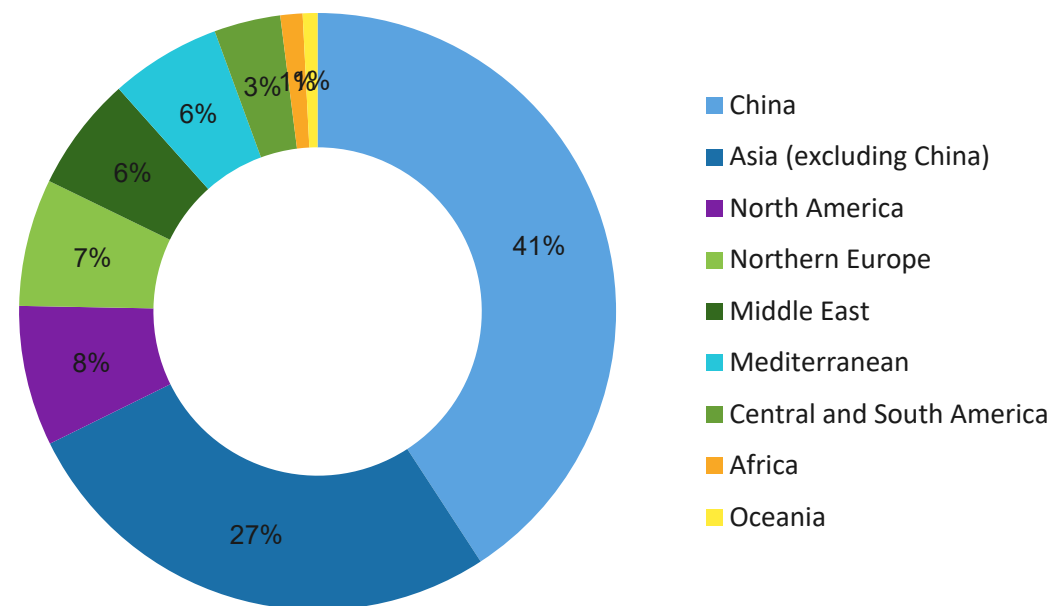
- SAFTA (2006) and bilateral FTAs (India–Sri Lanka, India–Nepal, India–Bhutan) remain the base layer of preferential trade; the long-stalled BIMSTEC FTA is being revived as SAFTA momentum weakens.
- India's Maritime Amrit Kaal Vision 2047 / Sagarmala targets 10,000+ MMT capacity; Sri Lanka is racing to defend transshipment share via CWIT and the SLPA West Container Terminal.
- US tariff shifts, Red Sea/Suez disruption and a possible 2026 return to Suez are the single biggest swing factors on regional freight costs and routing.

Global Container Trade

Asia's Top 10 Ports, Excluding China

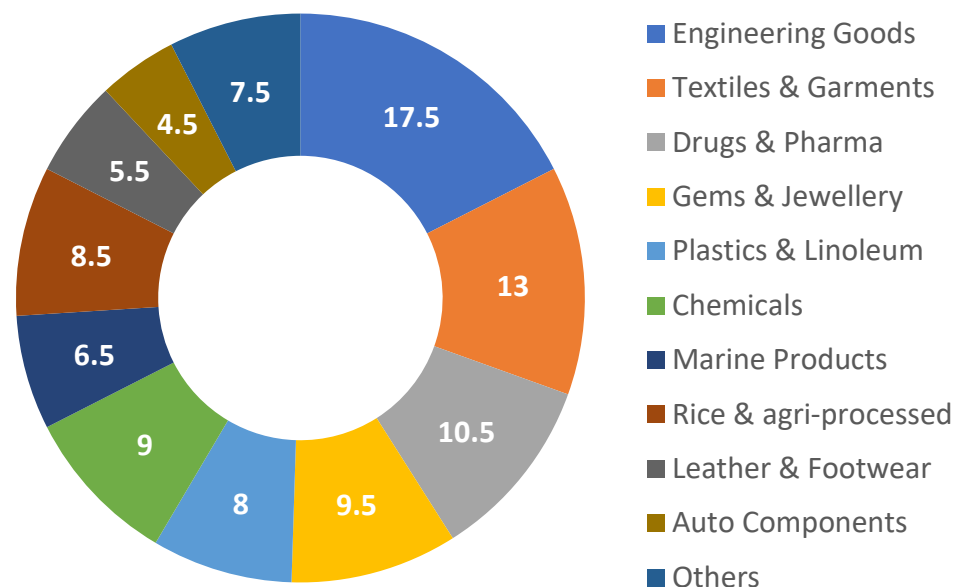


Regional Share, 2025

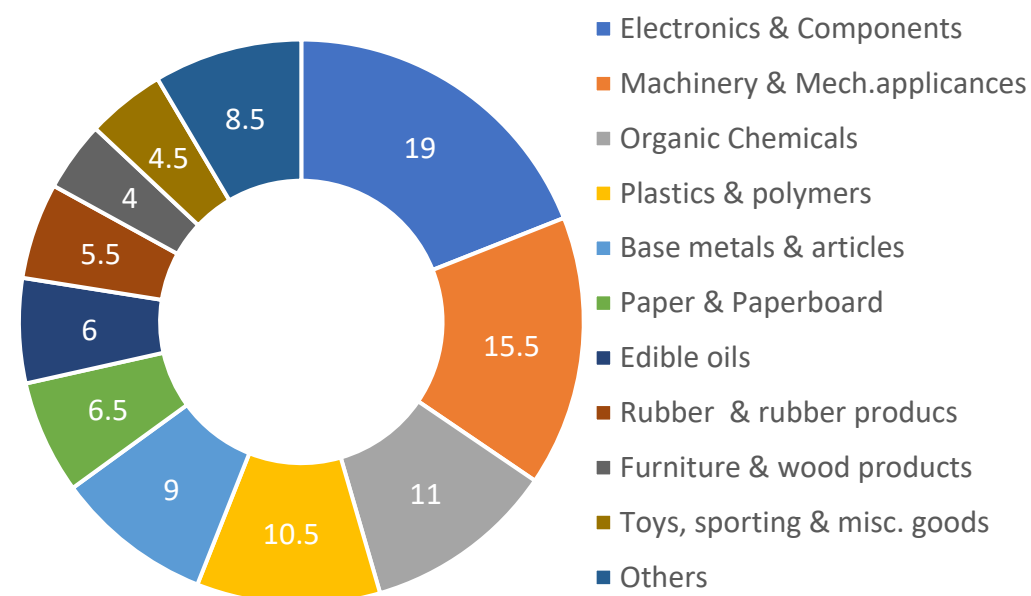


Top Containerized Commodities – Exports and Imports share (%)

Top 10 containerized export commodities (est % of export TEU)



Top 10 containerized import commodities (est % of import TEU)



India's containerized trade in FY 2026 was dominated by Engineering goods, electronics, textiles & garments, pharmaceuticals, gems & jewelry, Plastics, electronics, and machinery.

Electronics boom: India's electronics exports grew rapidly, but imports of components remained high, showing supply chain reliance.

Pharma strength: Pharmaceuticals continued to be India's most resilient high-margin export.

Trade balance pressure: High-value imports (oil, gold, electronics) outweighed several export categories, widening the trade deficit.

South Asia Overview: GDP Growth Outlook

7.0% → 6.9%

South Asia real GDP growth, 2025 to 2027

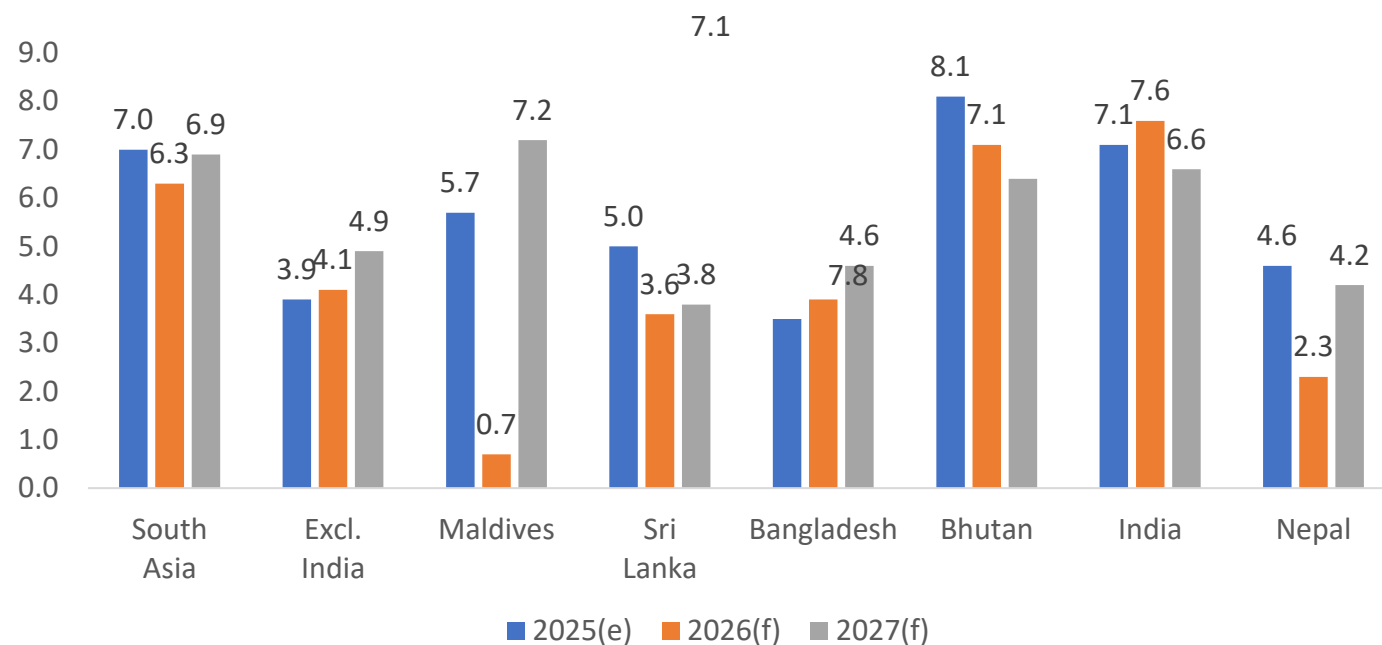
7.6%

India GDP growth, FY2025/26 — the region's key driver

3.9% → 4.9%

Excl-India growth strengthens through 2027(f)

GDP Growth by Country (%)



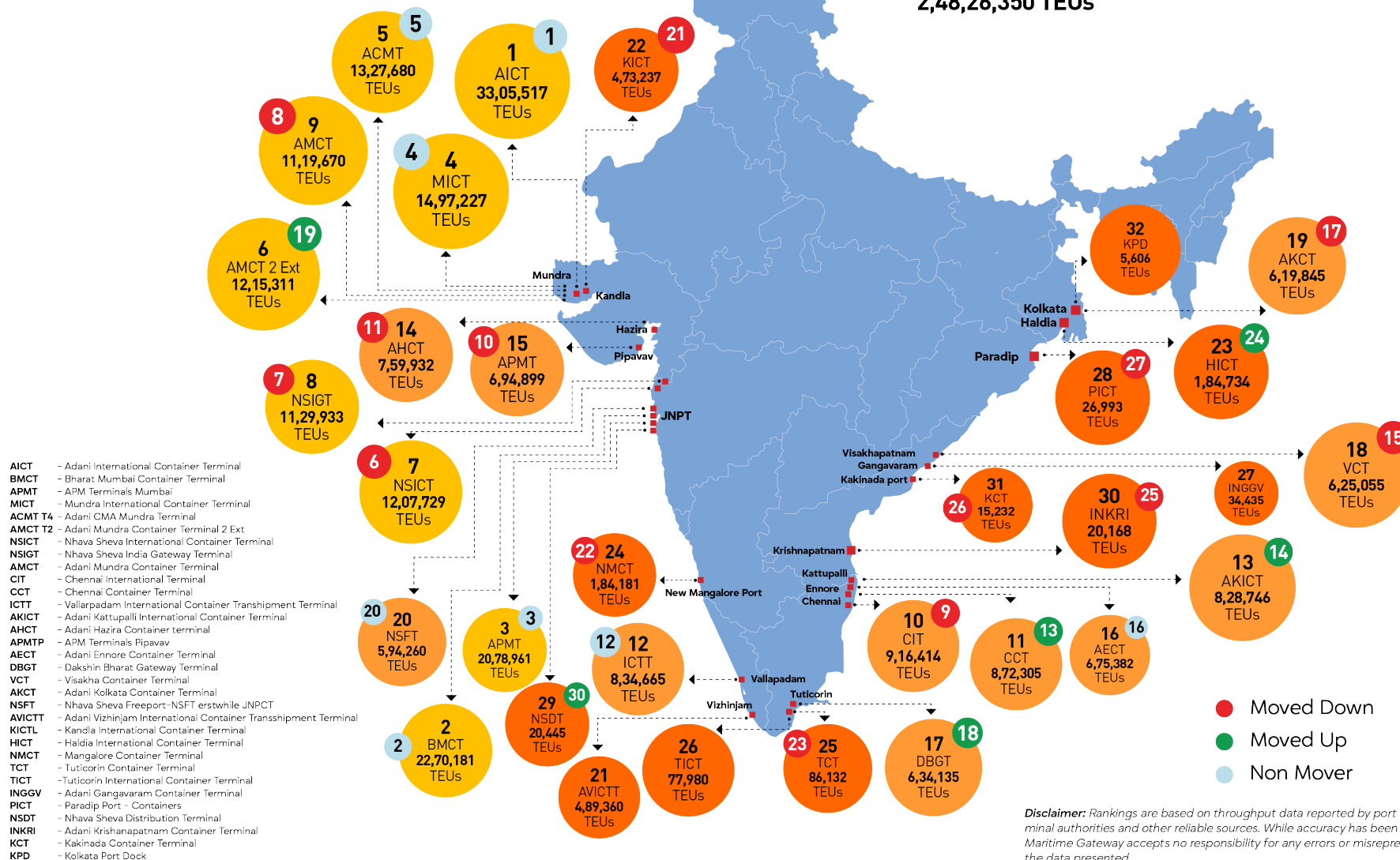
Country	2025(e)	2026(f)	2027(f)
South Asia region	7.0	6.3	6.9
Excl. India	3.9	4.1	4.9
Maldives	5.7	0.7	7.2
Sri Lanka	5.0	3.6	3.8
Bangladesh	3.5	3.9	4.6
Bhutan	8.1	7.1	6.4
India	7.1	7.6	6.6
Nepal	4.6	2.3	4.2

INDIAN CONTAINER TERMINAL RANKING BY Volume FY 2024-2025

Total Installed Capacity
3,43,80,000 TEUs

Total Throughput
2,48,26,350 TEUs

- >10,00,001 (TEUs)
- 5,00,001-10,00,000 (TEUs)
- 0-5,00,000 (TEUs)



Indian Container Terminal Share Q1 2026

Top 8 Container Terminal Throughput AUG 2026

#	Terminal	AUG '26 Vol (TEU)
1	AICTPL	3,07,329
2	BMCTPL	3,03,306
3	GTI-APM	1,85,292
4	AVPPL	1,41,759
5	AMCT T2	1,40,023
6	MICT	1,38,160
7	ACMTPL	1,35,385
8	NSFT	1,23,876

Note:

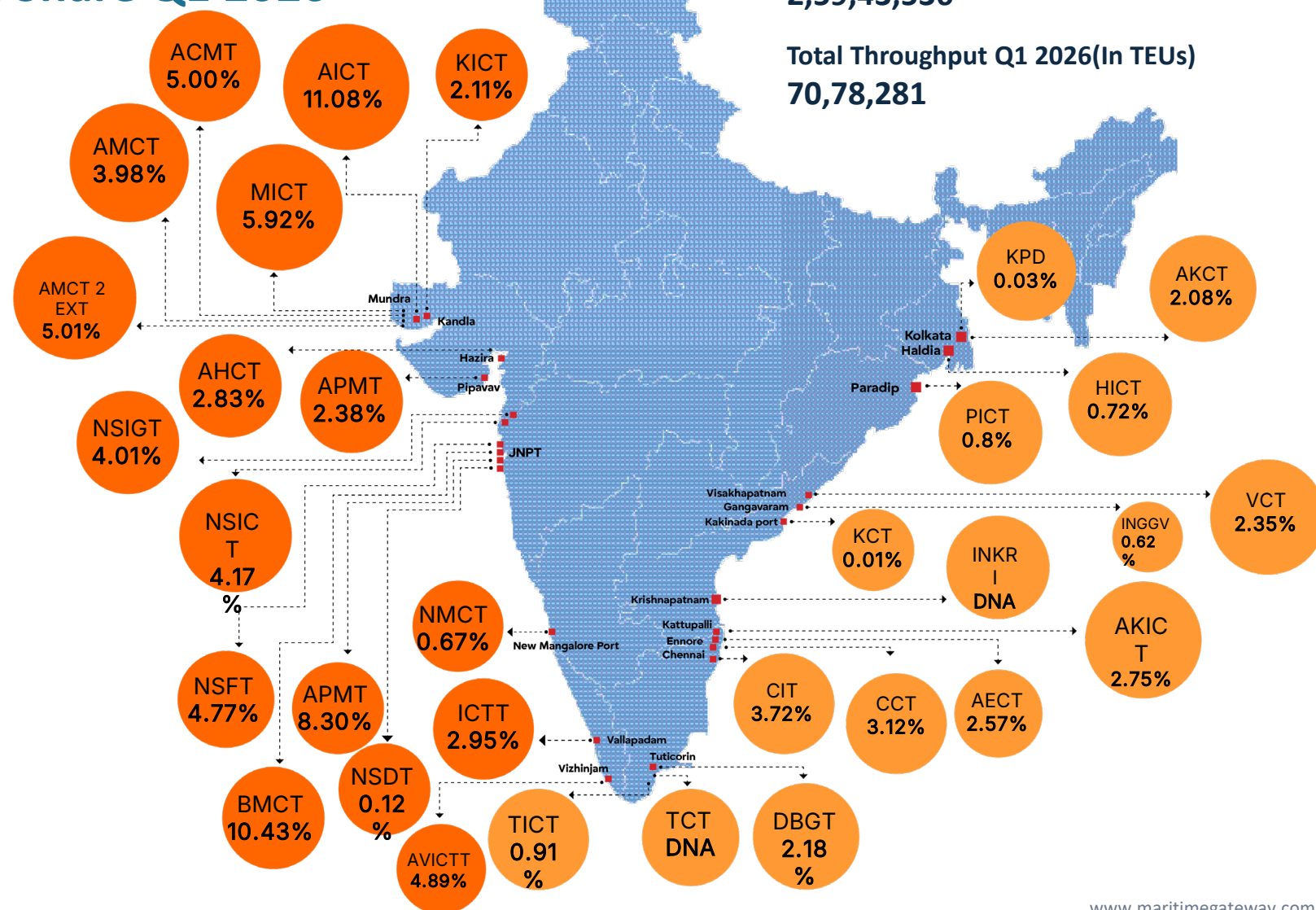
Total Throughput AUG 2026
25,63,006 TEUs

Total Throughput 2025 (In TEUs)

2,59,43,536

Total Throughput Q1 2026(In TEUs)

70,78,281



Indian Transshipment Story

Vallarpadam

767,948

Vallarpadam Total Throughput TEU
-8.0% YoY

Vallarpadam transshipment volumes nearly halved
DP World's Vallarpadam terminal at Cochin saw transshipment throughput fall to 85,911 TEU in FY2025-26, down from 169,562 TEU a year earlier — even as gateway (EXIM) cargo grew close to 6% YoY.

Terminal	Operator	FY25-26 Vol.	YoY
Vallarpadam	DP World	767,948 TEU	-8.0%

Vallarpadam Gateway (EXIM) Cargo
Grew despite transshipment decline

+6%

Vizhinjam

1.3M

Vizhinjam Volume, FY25-26
~600 vessel calls

Vizhinjam emerges as a serious competitor
The Adani Ports-operated deepwater terminal handled around 1.3 million TEU from about 600 vessel calls in its first full financial year — exceeding its Phase 1 design capacity of 1 million TEU.

Terminal	Operator	FY25-26 Vol.	YoY
Vizhinjam	Adani Ports	~1.3M TEU	New*

Vizhinjam Phase 2 Expansion
Targeted completion 2028 · US\$1bn investment

4M TEU

Key Statistics

India's Upcoming Mega-Ports

Vadhavan (Maharashtra) & Bahuda (Odisha)

298 MMTPA

Vadhavan Total Capacity
\$8.06 Billion investment

150 MMTPA

Bahuda Total Capacity
\$2.2 Billion investment

Vadhavan & Bahuda — Snapshot

Parameter	Vadhavan	Bahuda
Location	Palghar, Maharashtra	Ganjam, Odisha
Lead Authority	JNPA (Union Govt.)	Paradip Port Authority
Capacity	15 M TEUs	6000 TEUs/ 5 M containers
Est. Cost	\$8.06 Billion	\$2.2 Billion
Infrastructure Support	9 container terminals, 4 multipurpose berths, 4 liquid cargo berths, and a Ro-Ro berth.	NA
Cabinet Approval	19 Jun 2024	Pending (~6 mo. post-DPR)

Paradip Port's Committed Investment in Bahuda

As quoted by PPA Chairman P L Haranadh

\$529.5 million



- Bahuda pivots from a bulk-only design to a combined hub for Andhra Pradesh, Chhattisgarh and Odisha, since Paradip and Astaranga already cover bulk cargo nearby.
- Designed for dry bulk ships of 40,000–150,000 DWT and container vessels up to 6,000 TEU — roughly 5 million containers of capacity.
- Both projects bundle heavy-duty rail and highway corridors to link the ports directly to inland industrial zones and decongest existing hubs.
- Vadhavan set to be the 13th major port and Galathea Bay the 14th, Bahuda is positioned as the 15th — under Paradip Port Authority's oversight.

INDIA • RAIL-PORT LOGISTICS

Western Dedicated Freight Corridor Transforms JNPT Container Movement

The 1,506-km WDFC now fully links New Dadri to JNPA/JNPT, creating a high-speed exclusive rail pipe between northern manufacturing hinterlands and India's largest container gateway.

3.83M TEUs

Handled at JNPA, Apr–Aug 2026 —
up 15.45% YoY

100 Trains/Day

New freight train capacity vs. ~27 today, after the
JNPT–Vaitarna section opened

360 TEUs

Per double-stack rake, over a 422 km run
(e.g., JNPT → Vadodara)



Mega Double-Stack Trains

1.3-km-long double-stack trains now run on the WDFC, stacking containers two layers high and roughly doubling the capacity of standard freight rakes per run.



Surge in Evacuation Capacity

Full activation of the final 102-km JNPT–Vaitarna section lets the port handle up to 100 freight trains daily — nearly 4x the current average of ~27.



Drastic Cut in Transit Times

Freight trains run on a dedicated, exclusive track and no longer wait on side lines for passenger trains to pass, sharply reducing end-to-end transit time.

INDIA • NATIONAL SHIPPING LINE

Bharat Container Shipping Line: India's First State-Backed Carrier

Formalized via MoU on Feb 3, 2026 under the Ministry of Ports, Shipping & Waterways, BCSL unites SCI, CONCOR, SMFCL, and major port authorities to challenge foreign lines, which currently carry 90–95% of India's seaborne cargo.

\$6.9B

National shipping investment, within a \$26B maritime modernisation plan

51 vessels

Phase 1 target over 5 years — 15 ships ordered for FY 2026–27

20%

Of India's containerised cargo targeted on Indian-flagged vessels within a decade

₹15,000 Cr

Joint PPP funding for eligible port capacity expansion projects

Ownership & Roles

SCI and CONCOR hold the primary stakes, backed by Sagarmala Finance Corp (SMFCL). JNPA, Chennai Port Authority & VOCPA hold minor stakes for dedicated berth access. SCI charts vessels; CONCOR supplies the 56,000 TEU fleet and inland logistics via 400+ freight trains.

Fleet Build-Out

15 domestically built container ships ordered in FY 2026–27, the first step toward 51 vessels over five years. The order book leans on the new Container Manufacturing Assistance Scheme (CMAS) to boost local shipyards.

Route Rollout

Initial focus on high-density lanes across Asia, West Asia, and the Red Sea corridor. Once stable, the network expands long-haul to Europe, Africa, and the Americas — en route to the 10-year, 20% cargo-share goal.

INDIA · CONTAINER MANUFACTURING

CMAS: India's Bid to Break China's Container Manufacturing Monopoly

Announced in Union Budget 2026–27 with a ₹10,000 crore outlay over five years, CMAS targets a 10x jump in domestic capacity to challenge China's 95%+ share of global container production.

₹10,000 Cr

CMAS financial outlay over five years

7.5 lakh TEUs

Target annual production capacity — a 10x increase

\$800/unit

Average production-linked subsidy per container (~₹65,000)

~2M containers

Empty containers India imports annually — the market CMAS targets

Incentive Structure

10–40% capital subsidies for Greenfield/Brownfield plants, plus ~\$800/container production-linked payouts. Ancillary grants fund testing labs and local component makers (corner castings, flooring, Corten steel) — complemented by the ₹6,322 Cr Specialty Steel PLI scheme.

Industry Response

Jupiter Wagons is expanding its Pithampur plant for tank and reefer containers; Texmaco is upgrading steel casting for intermodal boxes. CONCOR & SCI are guaranteeing demand via BCSL's ₹99,149 Cr fleet plan, and Maersk placed its first commercial order for Indian-made containers.

Demand Drivers

India's ports handle ~14M TEUs annually, growing 8–10% a year. Existing reliance on ~2M imported empty containers, plus a rising shortage of reefer containers and ISO tanks for pharma and agri-processing hubs, underpins the local opportunity.

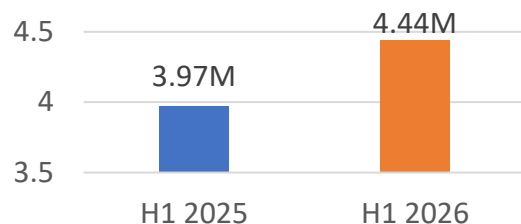


Sri Lanka Transshipment Scenario

Colombo Port Performance — H1 2026

4.44MTEUs Handled, H1 2026
+11.9% YoY**27.0%**Import Volume Growth
59,287 TEUs**10.49M**Total Cargo (tonnes)
+9.5% YoY**84.7%**Share of Transshipment
+12.6% YoY vol.

Container Throughput Trend

Vessel Calls, H1 2026
+2.5% YoY**2,066**

Terminal Performance — April 2026

Terminal	TEUs (Apr '26)	YoY Change
CICT	273,417	-2.6%
SAGT	154,465	+3.8%

CICT — Largest Single-Terminal Operator
by volume**#1**

GLOBAL RANK

26th → 20th

Sri Lanka Transshipment Scenario — H1 2026 Update

Strong H1 2026 growth

Port of Colombo handled 4.44 million TEUs in Jan–Jun 2026, up 11.9% YoY — adding 471,981 TEUs over H1 2025. Full-year 2025 volume was approximately 8.3 million TEUs.

Global ranking improved significantly

Colombo climbed from 26th globally at the end of 2025 to 20th in H1 2026, reinforcing its position as a leading Indian Ocean transshipment hub.

Early-year momentum was strong too

2.915 million TEUs were handled in Jan–Apr 2026, up 13.9% YoY — running ahead of the full-half growth rate.

Capacity expansion to support growth

Adani Ports' Colombo West International Terminal (CWIT) handled over 1 million TEUs in its first year, backed by an \$800 million investment and planned capacity of 3.2 million TEUs annually, to US\$2 billion in container-handling and logistics infrastructure investment over the next 1–3 years, including expansion projects and PPPs, to improve capacity, productivity, technology and connectivity.

India–Sri Lanka Bilateral Trade: Key Highlights 2026

US\$7.18B

Bilateral merchandise trade, FY 2025-26

\$550M (+33.9%)

India's exports to Sri Lanka, June 2026 YoY

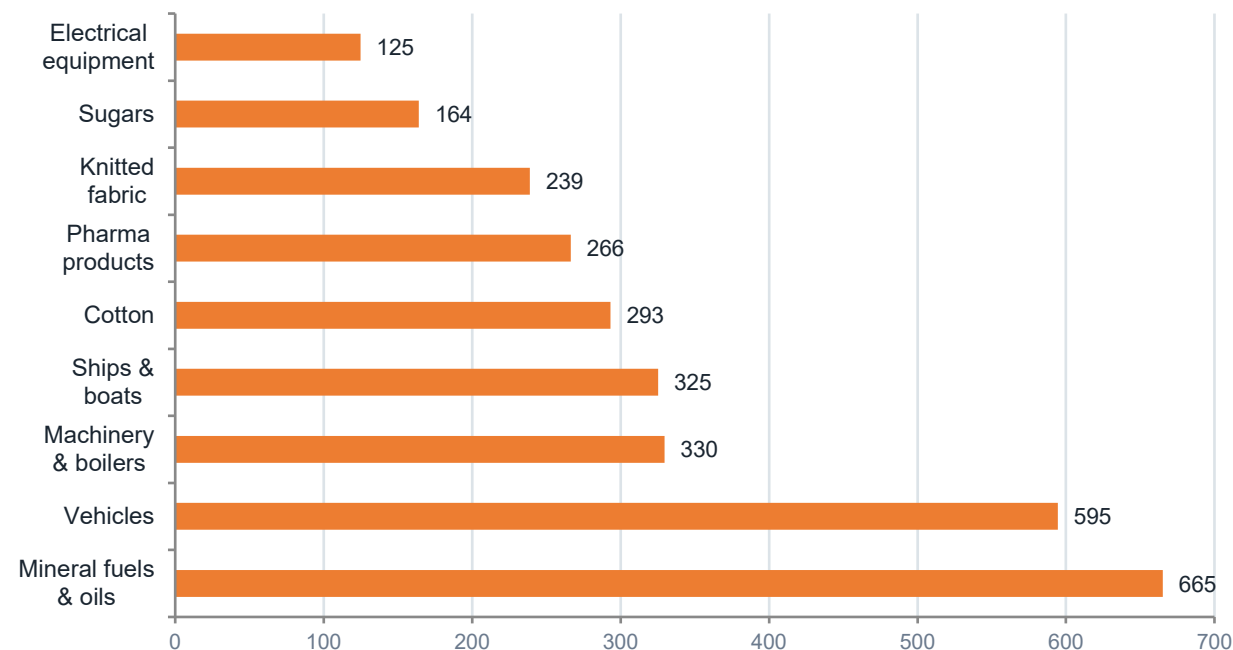
\$111M (+58.6%)

Sri Lanka's exports to India, June 2026 YoY

\$439M deficit

Sri Lanka's trade deficit with India, June 2026

India's Top Exports to Sri Lanka — 2025 (US\$M)



JUNE 2026 GROWTH DRIVERS (INDIA → SRI LANKA)

Category	Value	YoY
Petroleum products	\$144M	+178%
Motor vehicles / cars	\$39.3M	+239%
Two/three-wheelers	\$33.7M	+132%

SRI LANKA'S TOP EXPORTS TO INDIA — JUNE 2026

Category	Value	YoY
Ships, boats & floating structures	\$15.1M	—
Other commodities	\$12.3M	—
Spices	\$10.8M	—
Aluminium products	—	+534%
Precious / semi-precious stones	—	+2,230%

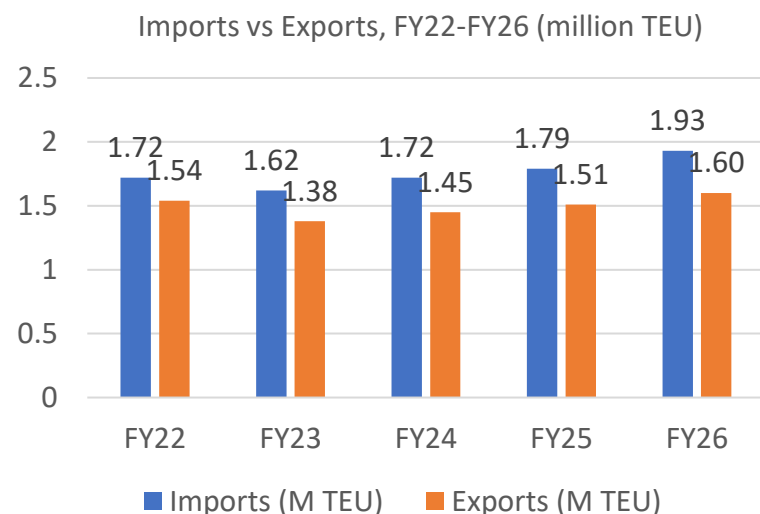
India was among Sri Lanka's fastest-growing export destinations, April–July 2026: exports +111.76% YoY.

Total Indian exports to Sri Lanka: US\$4.88B in 2025

BANGLADESH PORTS-CHATTOTGRAM-CONTAINER IMBALANCE

The Widening Gap Behind the Empty-Box Crisis

IMPORTS VS EXPORTS, FY22-FY26 (MILLION TEU)

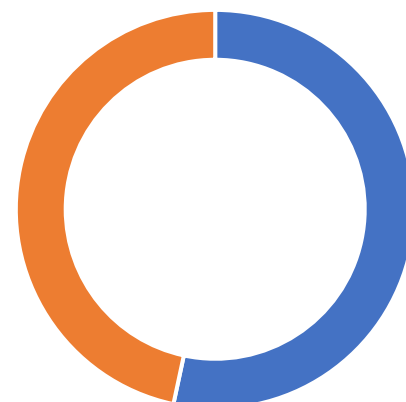


RECORD GAP
329,996

TEU import-export gap in FY26 — the widest on record. Gap has grown every year since FY22 (177,832 TEU).

EMPTY CONTAINERS IN ICDs

24 Private ICDs: Storage in Use



■ Empty containers held
■ Empty containers Occupied

56,565 TEU

of 106,000 TEU total ICD capacity held by empty containers

Chattogram Port: Bangladesh

CALENDAR YEAR 2025

3.4M TEU

Container throughput ·
+4.07% YoY

11.43%

Total cargo growth YoY

4,273

Vessel calls · +10.5% YoY

FY 2025-26 — NINE MONTHS TO DATE

4.07%

Container Handling Growth
YOY

3,230

Ship arrivals · +5.62% YoY

799,000

Containers handled Q1 FY26 · up ~3,845 TEU

Momentum building. Vessel turnaround time fell from 4.0 to 2.53 days and waiting time at outer anchorage dropped to zero — supporting a 21.11% surge in vessel arrivals in October 2025 alone.

Port Infrastructure

Patenga Container Terminal

Chattogram Port, Bangladesh

Timeline: concession signed 2023 → commenced ops Jun 2024 → full-scale ops Jul 2026

OPERATOR

Red Sea Gateway Terminal International (RSGTI)

CONCESSION

22-year equip, operate & maintain agreement

INVESTMENT

US\$170M by RSGTI (Saudi-backed) on top of the US\$240M CPA-built facility

600m

Total berth length
(3 jetties)

32

acres of terminal
land area

500,000

TEU annual
handling capacity

10.5m

Design draft
alongside

3

vessels berthed
simultaneously

200m

Max vessel length
(~4,500 TEU)

Key Statistics

Laldia Container Terminal

Chattogram Port, Bangladesh

Timeline: groundbreaking Aug 2026 → construction → targeted operational 2030

DEVELOPER & OPERATOR

APM Terminals, with Chittagong Port Authority (CPA) and local partner QNS Container Services Ltd

CONCESSION

30-year design-finance-build-operate agreement; port asset remains owned by Bangladesh throughout

INVESTMENT

US\$550M — a Government-to- Government partnership between Bangladesh and Denmark

6,000 TEU

Max vessel capacity
(up from ~2,800 TEU
today)

800,000

TEU added annual
handling capacity

US\$550M+

TEU annual
handling capacity

10.5m

Design draft
alongside

49+ acres

Terminal complex
land area

7 | 32 | 41

STS cranes | e-RTGs
| Electric tractors

Nepal: landlocked trade routed through Indian & Bangladeshi dry ports

₹366.49 Cr

Banbasa ICP road project — 75%+ complete, due Apr 2027

\$586M

India's trade surplus with Nepal, June 2026

+25.1%

Growth in India's exports to Nepal, YoY(June)

**125,000
TEUs**

Imports

**6,000
TEUs**

Exports

60%

Imports from Vizag

80%

Exports from Kolkata

CONNECTIVITY IN MOTION

Kolkata–Biratnagar Rail Link

- India's first direct commercial container freight train from Kolkata Port to Biratnagar, Nepal, has commenced operations, carrying 40 wagons of cargo under the revised India–Nepal Rail Transit Protocol.

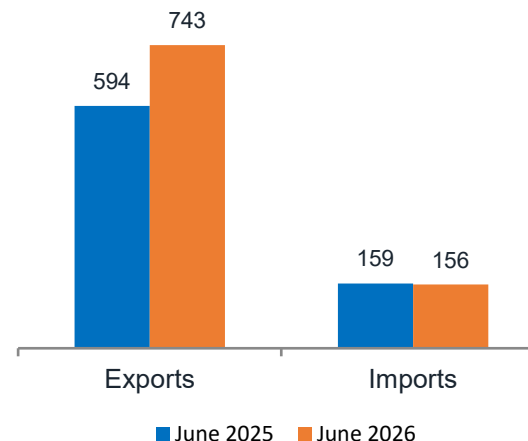
Banbasa Integrated Check Post Road

- NHAI is developing a ₹366.49 crore, 3.65-km four-lane greenfield road in Uttarakhand under the Bharatmala Pariyojana, connecting Jagbuda Bridge to the Banbasa ICP over 75% complete, targeted for April 2027.

Imports

- Imports move more from Vizag because of Ocean Freight rates and more liner connectivity
- 90 Rakes move every month from both Kolkata and Vizag.

India–Nepal Trade (US\$ Million)



India exported \$743 million to Nepal and imported \$156 million, resulting in a trade surplus of \$586 million for India.

Key Exports (India→Nepal)	Value	Key Imports (Nepal→India)	Value
Petroleum products	\$275M	Vegetable oils	\$87.1M
Iron & steel	\$66M	Manmade yarn/fabrics	\$8.96M
Plastic raw materials	\$22.3M	Plywood & allied products	\$6.99M

Pakistan & Afghanistan: a brief container-market snapshot

PAKISTAN

~2.65M TEU

Karachi Port throughput,
FY24–25

6.2M TEU

Karachi Port installed annual
capacity (~3.5–3.8M TEU)

- Three main gateways: Port of Karachi (~66% of container trade), Port Qasim, and Gwadar (China-operated, 43-year lease to 2059).
- 2025–26 saw an unprecedented, geopolitically-driven transshipment surge: Karachi handled ~8,300 TEU of transshipment in all of 2025, then 8,313 TEU in just 24 days of March 2026, and ~11,000 TEU in March 2026 alone — following the Strait of Hormuz crisis (Feb–Mar 2026) that diverted Iran-bound and regional cargo to Pakistani ports.
- New Pakistan–Iran overland transit routes (six road corridors via Gabd/Taftan, effective Apr-2026) are reshaping regional cargo flow alongside the port surge.
- GDP growth: FY25 outlook upgraded on a stronger Q4; investment recovering on accommodative monetary policy and 2025 sovereign rating upgrades.
- Key challenge: capacity is already near operational limits at Karachi; sustaining the transshipment windfall requires rapid scale-up at Port Qasim/Gwadar or risk congestion eroding the current cost advantage.

AFGHANISTAN

- Landlocked with no domestic seaport; containerised trade moves overland via Pakistan (Karachi/Port Qasim → Torkham/Chaman) and, increasingly, via Iran's Chabahar port as an alternative route reducing dependence on Pakistan.
- India–Afghanistan Preferential Trade Agreement (2003) remains in place, though physical trade routing is constrained by the lack of direct India–Afghanistan land access (transit through Pakistan is not permitted for India-origin goods).
- Ongoing political and security uncertainty, sanctions-related banking constraints, and underdeveloped logistics infrastructure continue to depress formal containerised trade volumes.

PAKISTAN • INFRASTRUCTURE

AD Ports Group's \$300M+ Modernisation of Karachi Port

Operating through long-term concessions on Karachi's East Wharf, Abu Dhabi's AD Ports Group is overhauling both container handling and heavy bulk cargo logistics — and linking maritime operations directly to inland supply chains.

\$300M+

Total committed investment to modernise Karachi Port

\$220M

Backing the initial project rollout

200m

New berth extension added

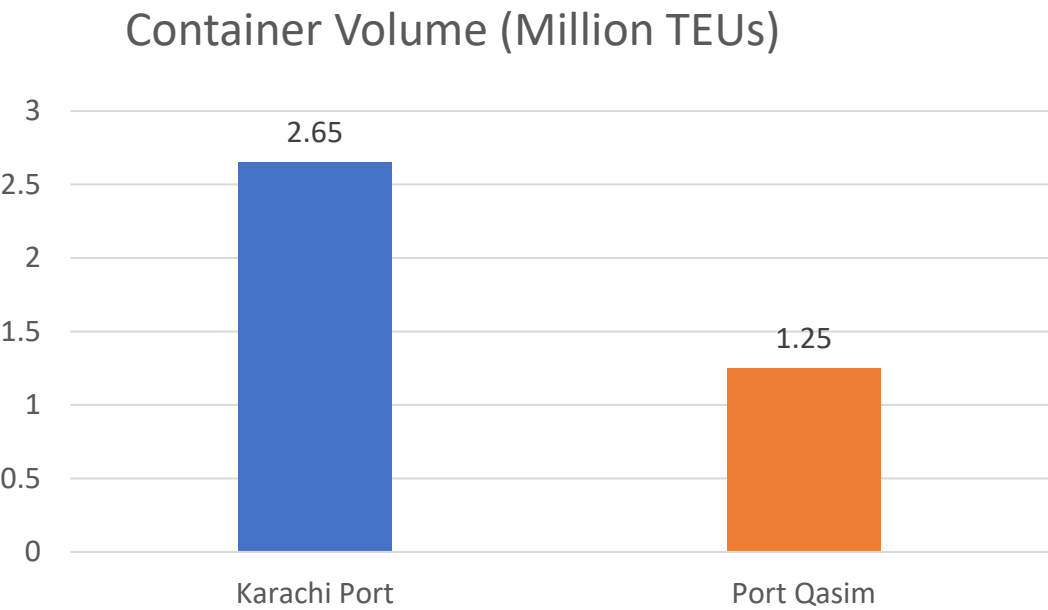
8,500 TEU

Post-Panamax vessel capacity — the ultimate target

The Blueprint

- Physical upgrades: berth extensions, custom automated entry gates, and new crane rail tracks.
- Deeper channels to accommodate larger vessels and reduce turnaround time.
- Direct rail/road linkages connecting the port to inland supply chains.
- Goal: let global lines sail Post-Panamax ships directly into Karachi — no foreign transshipment stop required.

Karachi Port vs. Port Qasim: Two Different Leaders



Feature	Karachi Port (KPT)	Port Qasim (PQA)
Container share	~67% of Pakistan's TEUs	~33% of Pakistan's TEUs
Tonnage share	~40% of trade weight	~60% of trade weight
Terminal operators	SAPT (Hutchison), KGTL (AD Ports), PICT	QICT (DP World)
Core strength	Consumer goods, textile exports, fast LCL/FCL	Industrial bulk, grains, fuels, LNG, coal

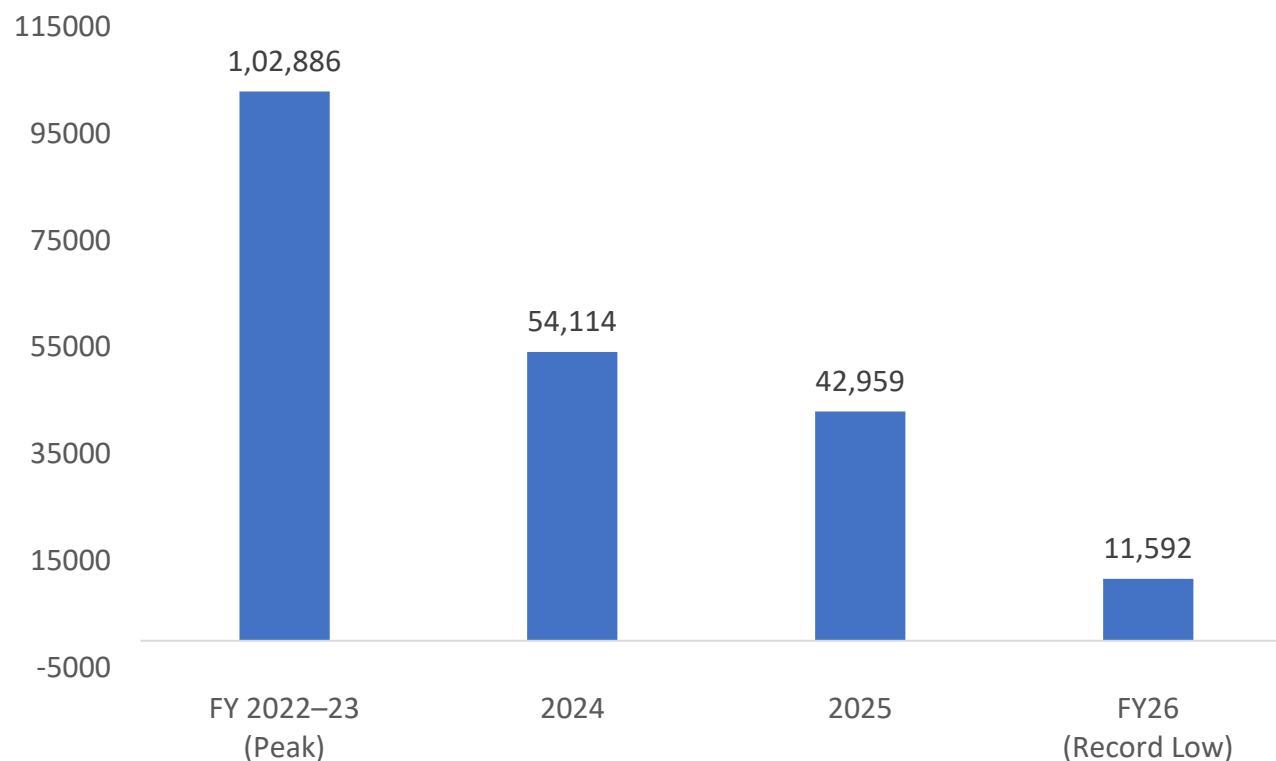
Port Qasim is operating at near-full design capacity of 1.4M TEUs/year — leaving Karachi's ongoing expansion as the key swing factor for Pakistan's total container throughput.

AFGHANISTAN · TRANSIT TRADE

Afghan Transit Trade Crashes on the Pakistan Route — Shifting to Iran

Landlocked Afghanistan routes all ocean cargo through neighboring countries. Container volumes historically peaked above 102,000/year, but security crackdowns and border closures have pushed traffic away from Pakistan and toward Iranian ports.

Afghan Transit Containers via Pakistan

**102,886 containers**

Historic peak, FY 2022–23 — valued at \$6.7 billion

11,592 containers

FY26 volume — a record low, per Moneycontrol

\$454M → \$7M

Collapse in “reverse transit” — Afghan exports reaching buyers via Pakistan

Trade is now rerouting toward Iranian ports as the Pakistan corridor nears a standstill.

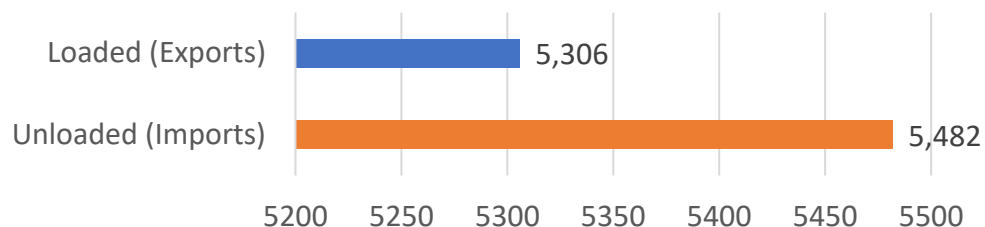
MALDIVES · CONTAINER TRADE

A Small but Import-Critical Container Market

The Maldives relies on sea freight for nearly 90% of everyday consumer goods. Container traffic is highly import-driven and managed centrally by Maldives Ports Limited (MPL).

100–120KTEUs handled nationally
per year**10,788**TEUs at Malé Commercial
Harbour, March 2026**2,850**TEUs — MSC's single-month
import record, July 2026**~3 days**Average vessel
turnaround time

March 2026 Snapshot — Malé Commercial Harbour



Total monthly throughput of 10,788 TEUs — a near-even split between inbound and outbound container flow, reflecting the Maldives' import-dependent, tourism-linked economy. The MSC Manasa F alone processed 1,747 TEUs in a 3-day port call.

Maldives: relocating its container gateway from Malé to Thilafushi

2,400 TEU

Capacity of the new Empty Container Depot, Thilafushi (opened Sep-2025)

3.8% / 3.2%

Real GDP growth, 2025 / 2026f (ADB) — tourism-led, fiscal & current-account deficits are a risk

2026

Targeted completion of the Thilafushi Port Development Project (Phase 1 & 2)

1

Primary commercial gateway today: Malé Commercial Harbour — being progressively replaced by Thilafushi

Port infrastructure & transition

- Malé Commercial Harbour (operated by Maldives Ports Limited, MPL) remains the country's primary container gateway but faces chronic space constraints and congestion.
- MPL has opened a new Empty Container Depot at Thilafushi (2,400–3,000 TEU capacity, 60m quay wall) as the first phase of a full migration of main port operations to Thilafushi by 2026.
- The Thilafushi Port Development Project (International Logistics Terminal, Phase 1 targeted mid-2025) is designed to relieve Malé congestion and modernise cargo handling.
- Gulhifalhu, an adjacent reclaimed island, is also being developed as part of Greater Malé's port/logistics expansion.
- As an archipelagic, import-dependent economy, the Maldives has no meaningful export-container base; nearly all containerised volume is import cargo (food, construction materials, consumer goods, fuel-related equipment).

Trade policy & challenges

- India–Maldives trade agreement (1981) underpins essential commodity supply; India annually approves export quotas for staples (rice, sugar, flour, eggs, potatoes, onions) to the Maldives — renewed for 2025–26.
- Bilateral trade with India has grown modestly (from ~\$973M in 2022–23 to ~\$979M in 2023–24).
- As a 100% import-dependent, tourism-driven economy, the Maldives is highly exposed to freight-rate volatility on Indian Ocean/Colombo feeder routes.

SOUTH ASIA • FREIGHT RATES

Container Rates Are Elevated Across the Region

\$4,465

Drewry World Container Index — global benchmark, per 40ft container

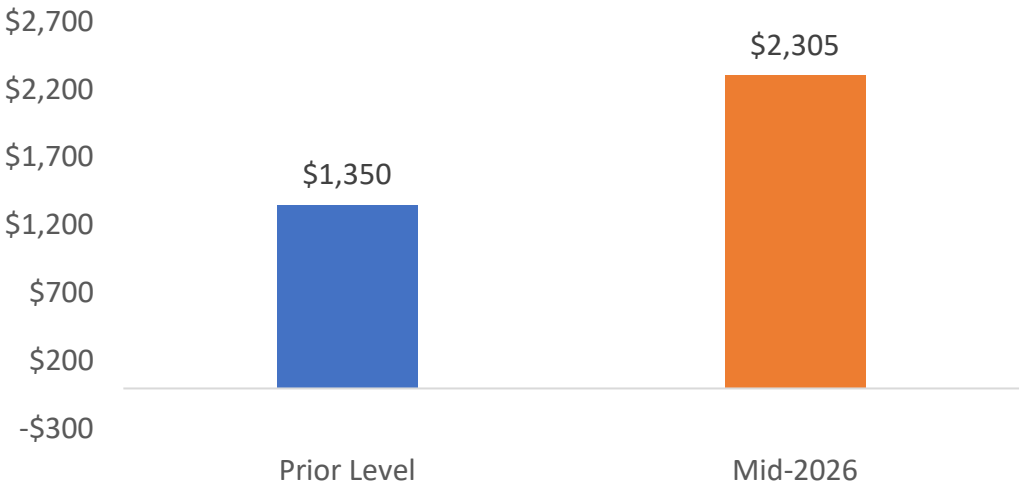
\$6,050–\$6,250

South Asia → Europe, per 20ft (Nhava Sheva, Port Qasim)

\$6,850

Chittagong (Bangladesh) → Europe, per 40ft — a regional premium

China → India Spot Rate Jump (\$/FEU)



Route Channel	Trend	Primary Cost Driver
Intra-Asia / China–India	Rising (+9%)	Port backlogs; seasonal electronics & raw material rushes
India/Pakistan → Europe	High & flat	Heavy baseline carrier tariff restructuring
South Asia → Middle East	Extreme spike	Reroutes avoiding the Strait of Hormuz

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Four Forces Keeping Rates High



Strait of Hormuz Spillover

Iran-conflict tensions disrupted regional shipping, forcing heavy emergency surcharges — short-haul rates to the UAE and Saudi Arabia have exceeded 3x their historical baseline.



Severe Capacity Constraints

MSC pulled its “Indus Service” loop from North/West India. Spot rates on affected lanes climbed ~158% above contracted levels, leaving contract holders with only 15% of expected space.



Asian Port Congestion

Consecutive typhoons cut vessel schedule reliability to 56.4%, with delayed vessels arriving 6.06 days late on average — backing up South Asian transshipment ports.



Stacking Surcharges

A flat Peak Season Surcharge of \$500/container now applies from East Asia to Mundra, Pipavav, and Pakistani ports — plus separate Bunker Recovery, FuelEU, and ETS charges.

Blank Sailings Set to Tighten Capacity in October 2026

96

Blank sailings scheduled on East–West lanes feeding South Asia

6–10%

Expected capacity tightening across regional ocean trade

up to 14%

Space cuts on select regional lanes vs. normal schedules

Carriers are cutting space right after China's Golden Week to protect high freight rates and offset port congestion.

Fierce competition for slots

Even shippers with fixed annual contracts face restricted or delayed space allocations.

Premium roll-over fees

Cargo owners pay surcharges on top of base rates just to avoid being “rolled” to the next sailing.

Transshipment bottlenecks

Colombo and Nhava Sheva feeder networks strand containers whenever a mainline vessel blanks a call.

Key trade & container-market challenges across South Asia

1 Infrastructure concentration

Single-gateway dependence is the region's defining vulnerability: Chittagong handles ~99% of Bangladesh's boxes, Colombo dominates Sri Lankan throughput, and Nepal/Bhutan rely entirely on Indian/Bangladeshi ports.

2 Transshipment leakage

An estimated ~25% of India's EXIM containers are still transshipped abroad (chiefly Colombo, Singapore, Klang) rather than direct-called — a structural cost and strategic dependency India is racing to fix via Vizhinjam/Vadhavan.

3 Freight-rate volatility

Red Sea rerouting, tariff shocks and swinging alliance capacity have produced 2–3 major SCFI spikes/crashes since late 2023, complicating cost planning for every exporter/importer in the region.

4 Data & transparency gaps

Port-wise KPI data (crane productivity, pre-berthing detention) beyond FY2023–24, commodity-level TEU breakdowns, and Myanmar/Bhutan/Maldives-specific throughput figures are patchy or unpublished — constraining precise cross-country benchmarking.

5 Capacity-demand mismatch risk

India, Bangladesh and Sri Lanka are collectively adding tens of millions of TEU in new capacity (Vadhavan, Matarbari, CWIT, Galathea Bay) against a South Asia GDP growth outlook that is expected to moderate from 6.6% (2025) to 5.8% (2026).

6 Political & security disruption

2025 unrest in Nepal, hydropower delays in Bhutan, and geopolitical shocks (Strait of Hormuz crisis, 2026) illustrate how quickly non-trade events can redirect regional cargo flows and investment timelines.

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Thank you