

# Maersk spots growth opportunities from India-Middle East-Europe corridor development

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Maersk is looking to add a new layer to its trade reach out of India as the India-Middle East-Europe Economic Corridor (IMEC), given shape at the G20 summit held in New Delhi last month, presents greater growth potential.

The participants in the multimodal corridor – involving sea and rail networks – include Saudi Arabia, the European Union, India, the UAE, France, Italy, Germany and the United States. According to available information, it has been designed to connect cargo by sea from Mumbai (Nhava Sheva) to Jebel Ali and from there by rail to Saudi Arabia and Jordan for the final leg of delivery to Haifa Port in Israel.

“It is encouraging to see a consensus from the leaders of countries in investing and developing a corridor that will strengthen global trade and contribute towards economic growth,” said Vikash Agarwal, Maersk’s managing director for South Asia.

The Danish carrier believes having an alternative supply chain corridor to the Suez Canal route will be a boon for trade as newer inland markets emerge along the route.

Agarwal also noted, "Depending on how the rail route through the Middle East is laid out, it will help us reach out to markets in the Middle Eastern hinterlands in a much quicker and more environment-friendly way."

Maersk said it will closely evaluate details of the project expected to be known in the coming weeks. Notably, it is the first container carrier to officially comment on the new corridor development.

Agarwal went on to explain, "The ambition of the IMEC is to cut down the transit time by 40% using a mix of ocean shipping and landside transportation consisting of rail and road as the modes of transport, as well as by eliminating the journey through the Suez Canal."

Announcing the joint plan, the eight-member group noted that the IMEC would stimulate economic development through enhanced connectivity and economic integration between Asia, the Arabian Gulf, and Europe.

"The IMEC will be comprised of two separate corridors, the east corridor connecting India to the Arabian Gulf and the northern corridor connecting the Arabian Gulf to Europe," said the joint statement.

The statement added, "It will include a railway that, upon completion, will provide a reliable and cost-effective cross-border ship-to-rail transit network to supplement existing maritime and road transport routes – enabling goods and services to transit to, from, and between India, the UAE, Saudi Arabia, Jordan, Israel, and Europe."

The Danish carrier has been at the forefront of supply chain innovations in India, which lately include fielding block container train solutions and inland waterways connections.

Meanwhile, Indian container volumes are showing some signs of an uptick. For example, Nhava Sheva Port (JNPT) saw September box throughput expand 6.5% year-over-year, according to the latest data obtained by *Container News*.