



# SOUTH ASIA CONTAINER MARKET 2024

BY

maritime  
gateway

Drewry 

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COLOMBO, SRILANKA

# ABOUT US

- 16-year-old leading business magazine on South Asia 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 12 years





## SOUTH ASIA OVEVIEW

**Growth in South Asia is expected to increase to 6.4 % in 2024, fastest growing in the world. Region opening further to global trade and investment could help grow even faster and achieve its development goals.**

South Asia development is being supported by strong domestic demand in India and faster recoveries in most other South Asian countries. Growth is expected to remain robust at 6.2 % a year for 2025 and 2026.

- In **Bangladesh**, GDP growth is expected to **slow** to the **range of 3.2 to 5.2 %** (with a mid-point of 4 % in FY24/25), as significant uncertainties are expected to keep investment and industrial growth subdued while agriculture growth is expected to moderate.
- **Bhutan's** economy is expected to grow by 7.2 % in FY24/25, boosted by **faster-than-expected recovery in tourism and strong public investment** at the beginning of a new five-year plan.
- Growth in **India** is projected to reach **7.0 %** in FY24/25 with larger-than-expected agricultural output and policies to foster employment growth contributing to strong private consumption growth.
- In **Maldives**, output growth is expected to remain **modest at 4.7 %** in 2025, if major bilateral government debt repayments can be rescheduled.
- In **Nepal**, growth is projected to **pick up to 5.1 %** in FY24/25 amid an expanding hotel sector, growing tourist arrivals and strengthening industrial sector.
- **Pakistan** continues its **economic recovery** as the relaxation of import controls and projected policy rate cuts are expected to lift growth to **2.8 %** in FY24/25.
- In **Sri Lanka**, output is expected to grow **3.5 % in 2025**, on the back of **stronger-than-expected rebound** in industrial activity and tourism, if debt restructuring and planned reforms remain on track.

Country Fiscal year		Real GDP growth at constant market prices (%)			
Calendar Year Basis		2023	2024f	2025f	2026f
South Asia Region (Exc Afghanistan)		6.6	6.4	6.2	6.2
Maldives	Jan – Dec	4.1	4.7	4.7	4.6
Sri Lanka	Jan – Dec	-2.3	4.4	3.5	3.1
Fiscal year basis		22-23	23-24e	24-25f	25-26f
Bangladesh	Jul – Jun	5.8	5.2	4.0	5.5
Bhutan	Jul – Jun	5.0	5.3	7.2	6.8
India	Apr– Mar	7.0	8.2	7.0	6.7
Nepal	Mid Jul – mid Jun	2.0	3.9	5.1	5.5
Pakistan	Jul – Jun	-0.2	2.5	2.8	3.2

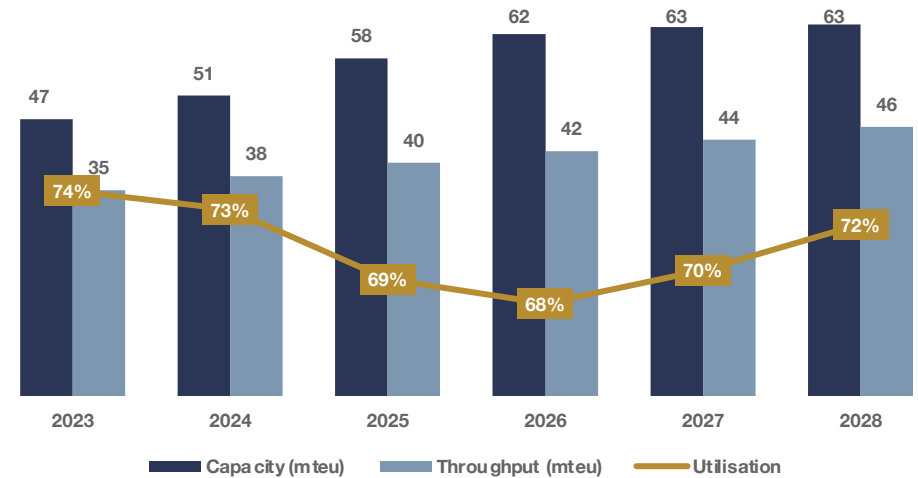
Source: World Bank

# PORTS DEVELOPMENT IN SOUTH ASIA

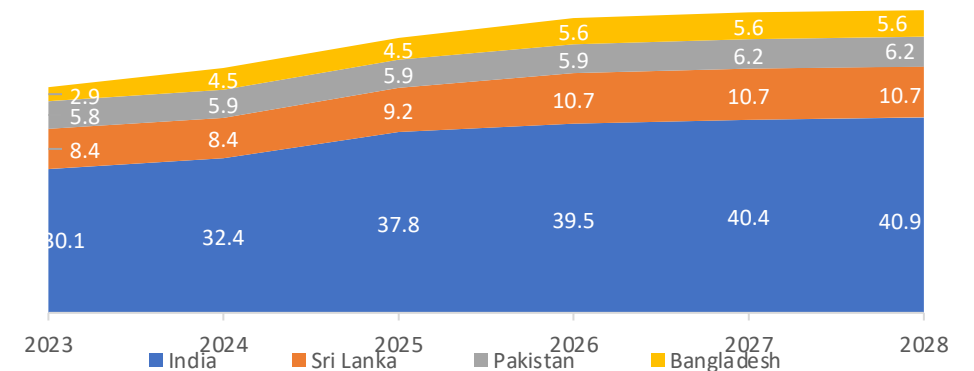
In south Asia, capacity utilization is hovering around 74% in 2023 and projected to continue the range of 73% in 2023. However, with new capacity additions, the utilization is expected to taper down till 2026 to 68% but will further expect to reach to 72% by 2028. Installed capacity is expected to grow by CAGR of 6% during 2023-2028, whereas throughput is forecast to increase by CAGR 5.5% in the same period.

**Capacity within the South Asia is projected to increase by 34%/16.1 mteu to reach 63.3 mteu in 2028.** Around two-thirds of the planned development will take place at Indian ports, with major upgrades underway at Jawaharlal Nehru Port and Mundra, and new deep water capacity planned at Kandla. Capacity will expand significantly at the Sri Lankan Port of Colombo, with the expansion of the SLPA-operated East Container Terminal and the opening of the Adani-led West Container Terminal.

CONTAINER PORT DEMAND-SUPPLY PROJECTIONS TILL 2028



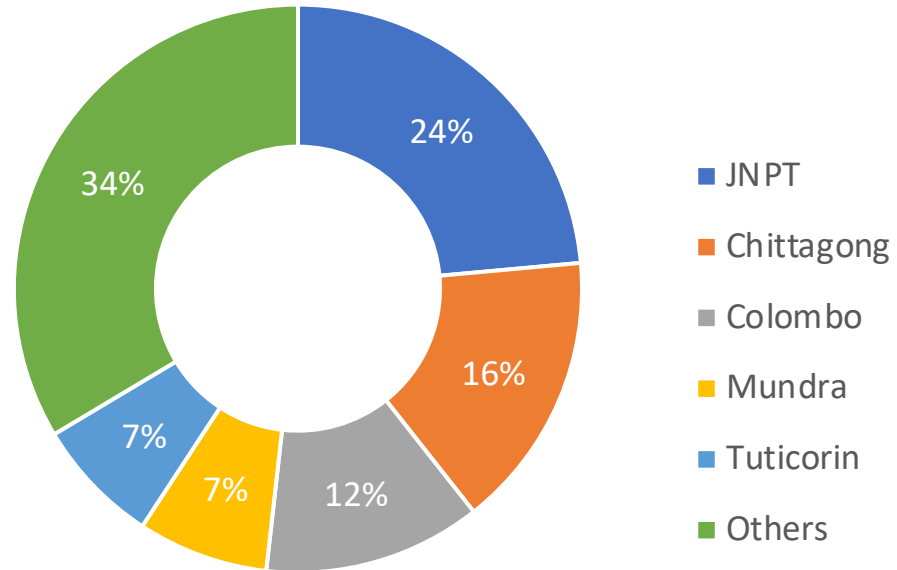
COUNTRY LEVEL CAPACITY EXPANSION IN SOUTH ASIA (MILLION TEUs)



Source: Global Container Terminal Operators Annual Review and Forecast, 2024



# PORT-WISE SHARE OF SOUTH ASIA'S TOTAL CAPACITY EXPANSION 2023-2028



- Jawaharlal Nehru Port expansion driven by investment at PSA Mumbai , APMT Mumbai and Nhava Sheva Freeport Terminal
- Greenfield projects at Chittagong (Patenga, Karnaphuli and Bay Terminal) expected to add 2.3 mteu capacity by 2027
- SLPA's East Container Terminal and Adani's West Container Terminal projects to increase Colombo's capacity by 2.0 mteu

Source: Global Container Terminal Operators: Annual Review and Forecast, Drewry Maritime Research.

# India's Maritime Vision



सत्यमेव जयते

Government of India

## Amrit Kaal: Vision 2047 25-year Roadmap for India@100



### Economy

2<sup>nd</sup> Largest at  
USD 32 Tn



### FDI

To grow 12x to  
USD 1Tn



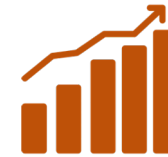
### Per Capita Income

To grow 10x to  
USD 20,000



### Exports

To grow 12x to  
USD 8 Tn



### GDP

Manufacturing GDP to grow  
15x to USD 6.2 Tn;  
Services GDP to grow 13x to USD 20 Tn



### Human capital

Largest and youngest Working  
Population with a median age of 29

# NATIONAL MASTER PLAN FOR MULTI-MODAL CONNECTIVITY



**\$1.2 trillion initiative to improve India's infrastructure and transportation network.**

Launched in October 2021 and is driven by seven engines:

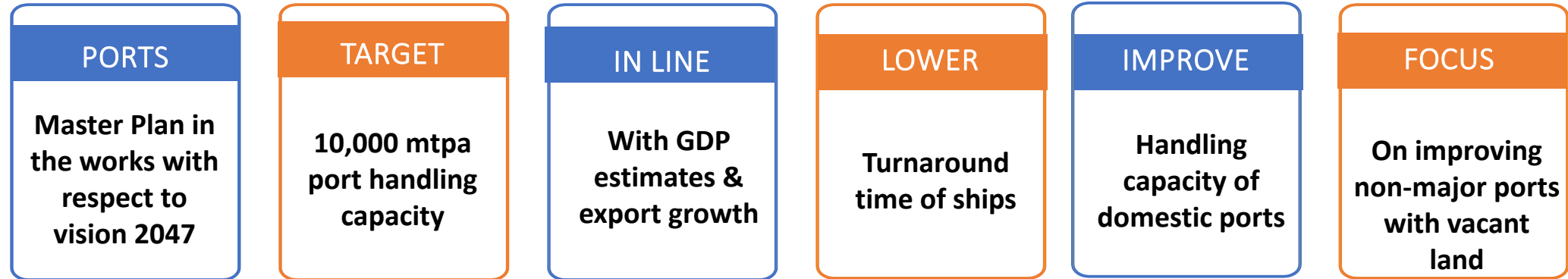
- Railways; Roads, Ports, Waterways, Airports, Mass Transport, Logistics Infrastructure
- Improving connectivity By integrating the efforts of various ministries and using advanced technologies, the plan aims to reduce logistics costs and improve connectivity across the country.





# Port Development under Amritkal

## Ports Upgrade



## Green Ports

- Ports must meet at least 60% of electricity needs via renewables by 2030, 90% by 2047
- Must have at least one LNG bunkering station by 2030
- Ministry for setting up EV charging stations in and around port areas by 2025



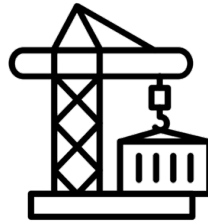
## Vision



The Maritime Amrit Kaal Vision 2047 pegs the total Investment opportunity at ₹80 lakh crore over the next 23 years



Targets increasing India's share of transshipment cargo to 95% by 2047 from the current 32%



It aims to create four port clusters with capacity equal to or more than 300 MTPA, and two with capacity of 200 MTPA or more



It also aims to enhance the modal share of coastal shipping and Inland waterway transport from 109 MTPA in FY22 to 500 MTPA by 2047



Setting up transshipment hubs at Vizhinjam and Galathea Bay, both with 20 metre deep draft

# LOGISTICS INDEX



## Logistics Jump

India jumped six places on the World Logistics index

Soft and hard infra helps improve performance

Technology also a factor

Better dwell times than some advanced countries

	Rank
Singapore	1
Finland	2
Germany	3
Canada	7
France	13
United States	17
China	19
United Kingdom	19
Malaysia	26
Thailand	34
India	38
Saudi Arabia	38

	Rank	2018	2023
LPI Rank		44	▲ 38
Customs		40	▼ 47
Infrastructure		52	▲ 47
International shipments		44	▲ 22
Logistics quality and competence		42	▲ 38
Tracking and tracing		38	▼ 41
Timelines		52	▲ 35

2023 rank is ground rank out of 139 countries, 2018 rank considered 160 countries

Source: World Bank, LPI 2023

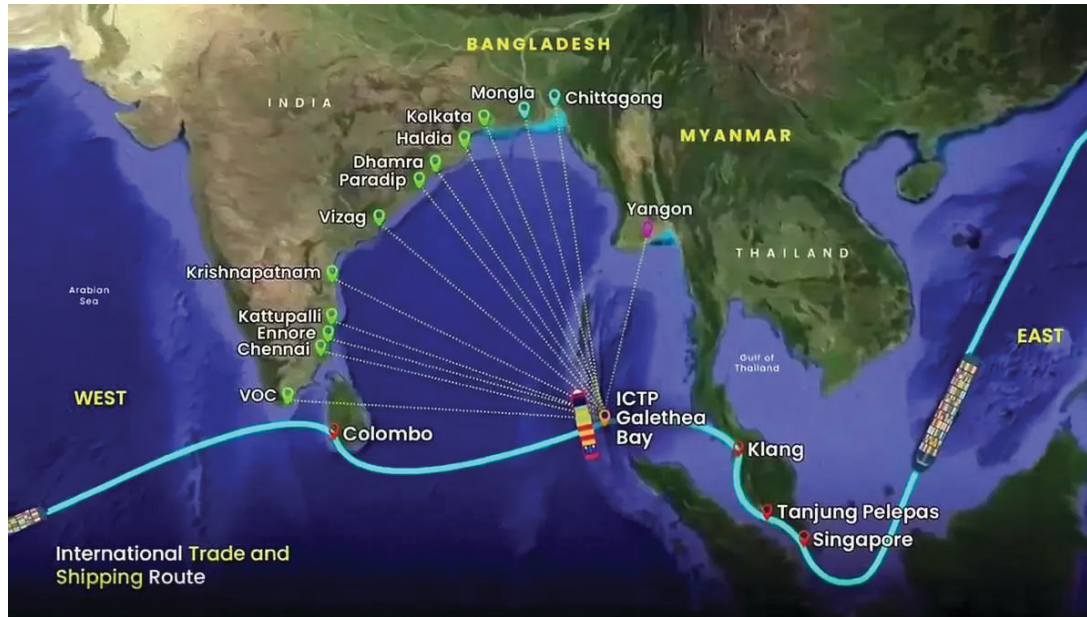


## NEW KID ON THE BLOCK : VIZHINJAM



- 1 Million TEU capacity initially going up to **6 million** TEU annually
- Berthed as many as **23** ships in October alone
- **1.08 lakh** TEUs handled so far
- With second berth ready, port would be able to handle **0.5 lakh to 1 lakh TEUs** per month
- Ambitious to clock **5 lakh TEUs** this FY against a target of 60,000 TEUs

# TRANSHIPMENT : GALETHEA BAY



- 13th Major Port
- 20m Natural Draught
- Strategically located on the East-West international trade and shipping route
- Proximity to transshipment terminals like Singapore, Klang and Colombo.
- Estimated to cost around USD 4 billion

- Transshipment cargo from Indian east coast ports, as also Bangladesh and Myanmar.
- 40 Nautical miles from Malacca Strait — the international shipping channel catering to about 35 per cent of the annual global sea trade.
- **Phase 1 is proposed to be commissioned in the year 2028 with handling capacity of ~ 4 Million TEUs, increasing to 16 Million TEUs in the ultimate stage of development by 2058.**

# MEGA PORT: VADHVAN

- Greenfield seaport in Palghar District, Maharashtra, located 70 km north of Mumbai and 111 km north of Jawaharlal Nehru Port
- Construction expected to start in January 2025.
- The port is planned to become operational by December 2029.
- Natural depth of 20 meters.
- The port will have 9 container terminals, each 1000 meters long,
- 4 multipurpose berths, including the coastal berth,
- 4 liquid cargo berths, A Ro-Ro berth, and A Coast Guard berth.
- **Total Estimated Cost: USD 10 Billion**
- Capacity: 298 million metric tons (MMT) per annum
- Owner: Jawaharlal Nehru Port Authority (JNPA)
- Project Area: 17,471 hectares (16,900 Ha is port limit, 571 Ha outside port limit)
- Waterfront Area: 15363.5 hectares
- Reclamation Area: 1448 hectares
- Berth Area: 63.5 hectares
- Reclamation Quantity: 200m cum
- **The project will be connected to the Delhi – Mumbai Expressway via a link expressway and form a major part of the proposed India – Middle East – Europe Economic Corridor (IMEC).**

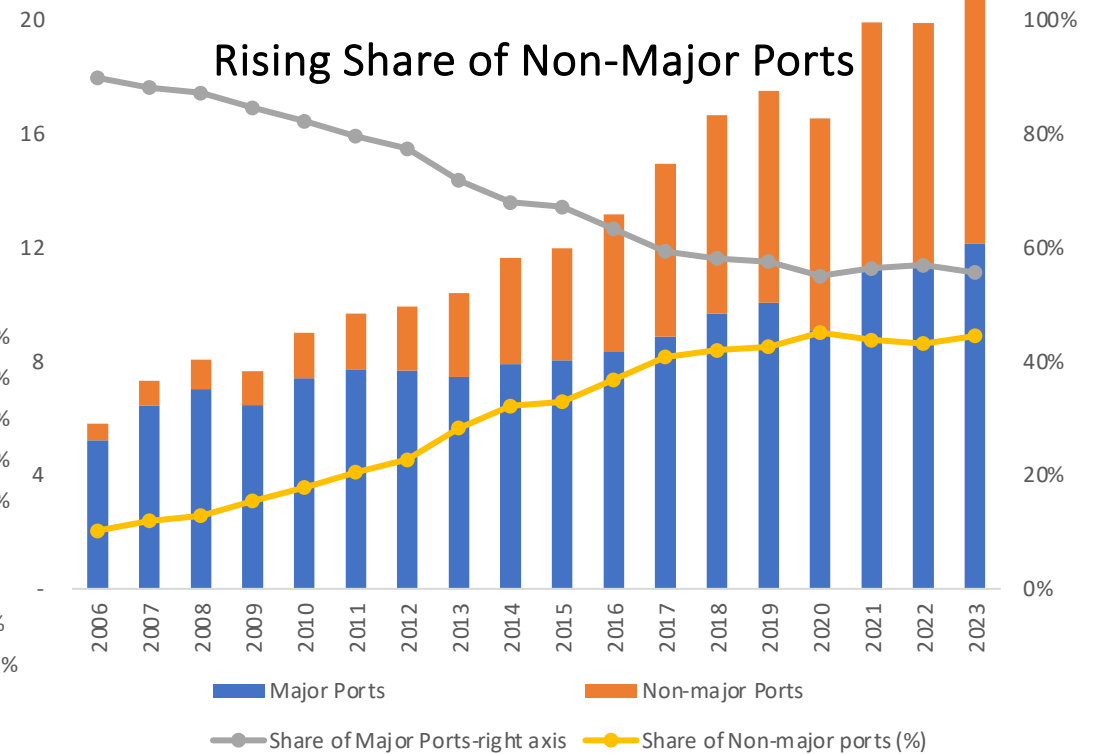
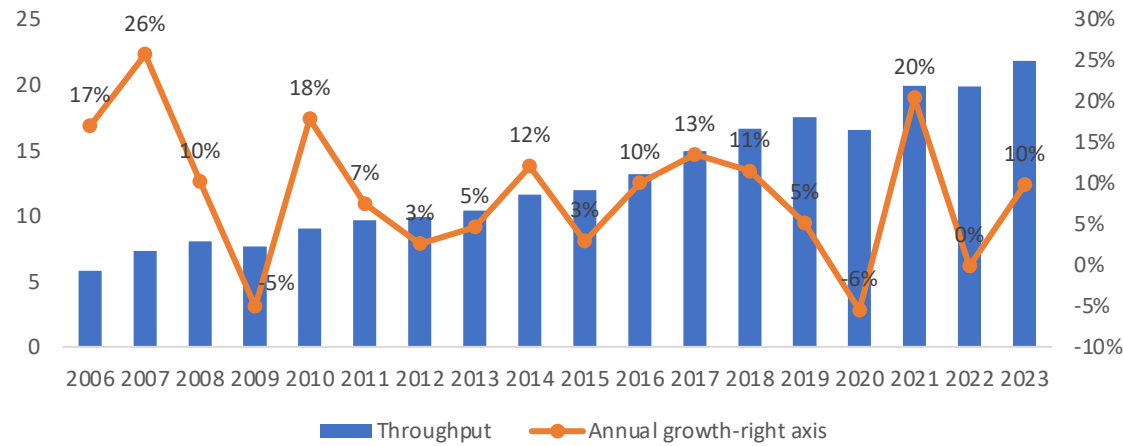




# INDIAN CONTAINER MARKET OVERVIEW

Global container port throughput in 2023 ended with 10% growth after remaining flat in 2022. Indian ports handled around 22 mteu during the year, added 2 mteu throughput over 2022. It was a good year for Indian ports as almost all ports witnessed growth except Tuticorin (-2%). Mundra remained the top gainer and witnessed 10% YoY growth by adding the (700k teu) during the year. **Latest part year data (Jan 24-July 24) suggest that this growth momentum will continue during 2024 too as Indian ports witnessed around 8% growth over last year.**

## Development of Container Traffic in India



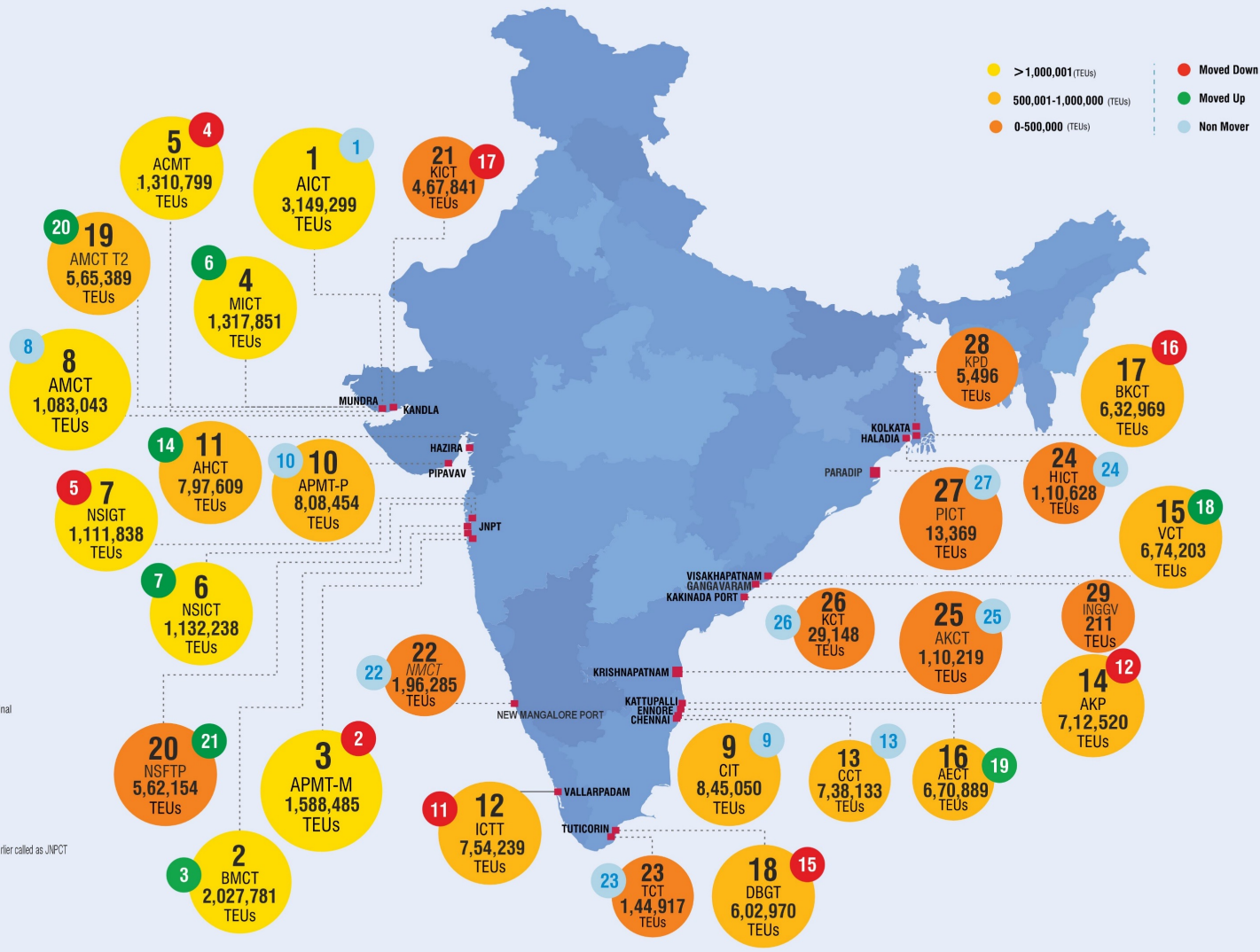
Source: Drewry Maritime Research

# INDIAN CONTAINER TERMINAL RANKINGS: FY 2023-24

Total Installed Capacity  
**30,510,000 TEUs**

Total Throughput  
**22,164,027 TEUs**

- AICT: Adani International Container Terminal
- APMT: APM Terminals Mumbai
- BMCT: Bharat Mumbai Container Terminal
- ACMT: Adani CMA Mundra Terminal
- NSIGT: Nhava Sheva India Gateway Terminal
- MICT: Mundra International Container Terminal
- NSICT: Nhava Sheva International Container Terminal
- AMCT: Adani Mundra Container Terminal
- CIT: Chennai International Terminal
- APMTP: APM Terminals Pipavav
- ICTT: Vallarpadam International Container Transhipment Terminal
- AKP: Kattupalli International Container Terminal
- CCT: Chennai Container Terminal
- AHCT: Adani Hazira Container terminal
- DBGT: Dakshin Bharat Gateway Terminal
- BKCT: Bharat Kolkata Container Terminal
- AECT: Adani Ennore Container Terminal
- VCT: Visakha Container Terminal
- KICT: Kandla International Container Terminal
- AMCT T2: Adani Mundra Container Terminal 2
- NSFTPT: Nhava Sheva Freeport Terminal Private Limited (NSFTPT) - Earlier called as JNPT
- NMCT: Mangalore Container Terminal Pvt.Ltd
- TCT: PSA SICAL Tuticorin Container Terminal
- HICT: Haldia International Container Terminal
- AKCT: Adani Krishanapatham Container Terminal
- KCT: Kakinada Container Terminal
- PICT: Paradip Port - Containers
- KPD: Kolkata Port Dock
- INGGV: Gangavaram



In FY 2023-24, overall Indian container terminals handled about 73% of the existing installed capacity.

# BANGLADESH: BAY TERMINAL

## BAY TERMINAL CONSTRUCTION SET FOR 2024



Target for starting partial operation

**2026**



THERE WILL BE 4 TERMINALS

- ▶ Terminal 1, 2: Container
- ▶ Terminal 3: Multipurpose
- ▶ Terminal 4: Gas and oil



### INVESTMENT PROPOSALS

Capacity would be 6 times the current capacity of the Ctg port

Currently, ships larger than 10 metres draught and 200 metres long cannot enter Chattogram Port

Bay Terminal will be able to accommodate ships up to 12 metres draught and 260 metres long

PSA Singapore, Dubai-based DP World set to enter deals to invest in Bay Terminal 1 and 2

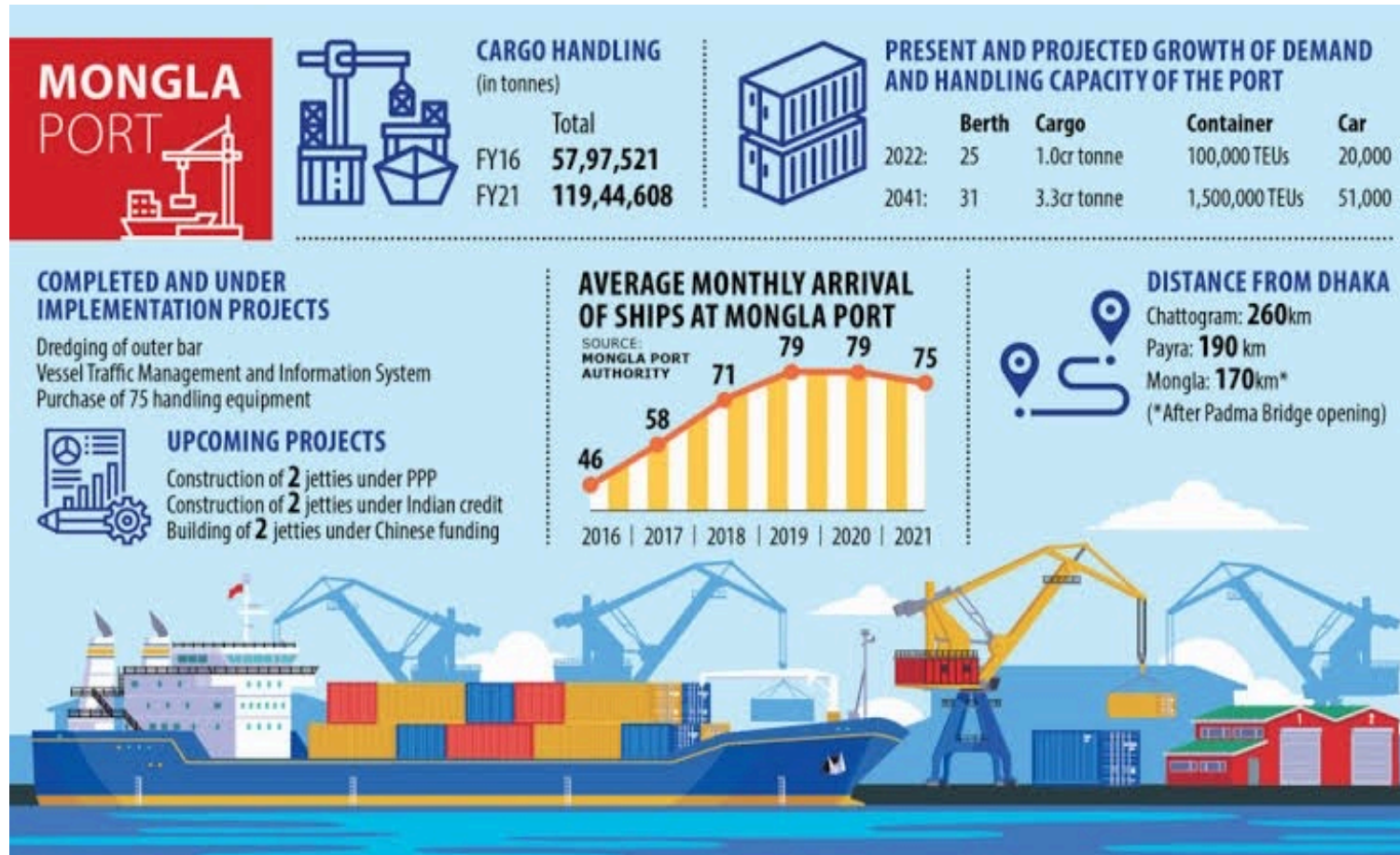
A private company, together with a foreign partner, proposes a \$3.5b investment

Abu Dhabi Port Group proposes a \$1b investment

- World Bank approved **\$650** million to improve infrastructure
- Four terminals including a gas and oil terminal.
- Likely to be operational by 2026
- Port's container handling capacity will go up to **5 Million TEUs** per year from the current 3.1 million TEUs.
- AD Ports will invest in multipurpose Terminal
- PSA Singapore and DP World will invest and build Box Terminals
- Local East Coast Group will build Oil Terminal
- **2500** acres of land
- **12** metres of draft




# BANGLADESH: MONGLA PORT





- Country's second largest seaport
- Strategic win for India to obtain the operational rights of this terminal
- To build two new jetties, improving port infrastructure, and dredging the Pashur Channel.
- **The port will be able to handle 4 million metric tons of cargo, and 800,000 TEU containers a year**
- Under a G2G project funded by China, two container berths, a yard, and other facilities are planned, which will enhance regional connectivity in South Asia.

# BANGLADESH: PATENGA CONTAINER TERMINAL

## PATENGA CONTAINER TERMINAL (PCT) CAPACITY


 Annual handling capacity 5 lakh TEUs (Twenty-foot unit)


 Backup yard to be set up in Laldia Char

 4,500 TEUs can be stored at a time



### PCT PROJECT:

 95% OF CONSTRUCTION COMPLETED

 ESTIMATED COST TK3,262CR

 \$8M ANNUAL OPERATING COST

## CHATTOGRAM PORT:

• Currently, Ctg port handles 32 lakh containers annually



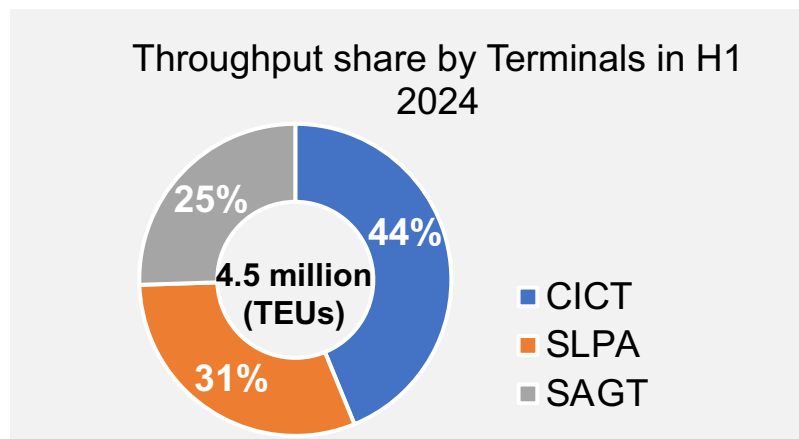
• With PCT, the port's annual capacity to increase by 4,500 TEUs



- Jeddah-based Red Sea Gateway Terminal (RSGT) operates the \$100m government-built terminal, the first foreign operator in the Bangladesh's port sector.
- Chittagong port add some 500,000 TEU annual container handling capacity.

## SRI LANKA CARGO VOLUME SCENARIO – H12024

The Port of Colombo handled 45,06,201 TEUs in H1 2024, about ~10% increase against 2023. This growth is due to improved operational performance and increased container handling across the port's terminals



Terminal Name	Throughput TEUs in H1 2024	Growth in 2024
CICT	19,75,188	↑ 6%
SLPA	13,87,313	↑ 15%
SGAT	11,43,699	↑ 13%
POC	45,06,201	↑ 10%

### Key factors for The Port of Colombo's growth:

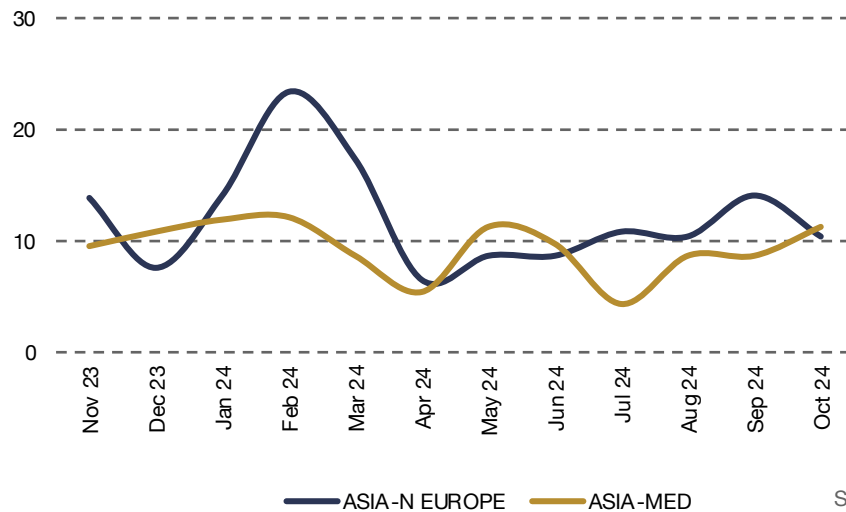
- **Red Sea attacks:** Shipping lines are rerouting vessels away from the Red Sea and Suez Canal, which is driving volumes at Colombo.
- **New quay cranes:** The addition of cranes at the East Container Terminal allowing the port to handle larger ships with increased volume.
- **ECT Stage II:** The coming on stream of ECT Stage II will also help to boost volumes.

## CANCELLED SAILINGS

Blanked sailings on the Asia-Europe trades are increased because of Golden week holidays in Asia. 15% of the total capacity was cancelled in September and 17% in October. The recent strike by US East Coast dockworkers, which lasted from 1 October to 3 October, has significantly disrupted the container shipping market. In response, carriers have rerouted cargo to ports in Canada and Mexico, while some ships opted to bypass East Coast ports altogether, unloading their cargo elsewhere.

On the global operations front, Shipping lines will likely continue to divert via the Cape of Good Hope through much of 2025, which will help them manage overcapacity.

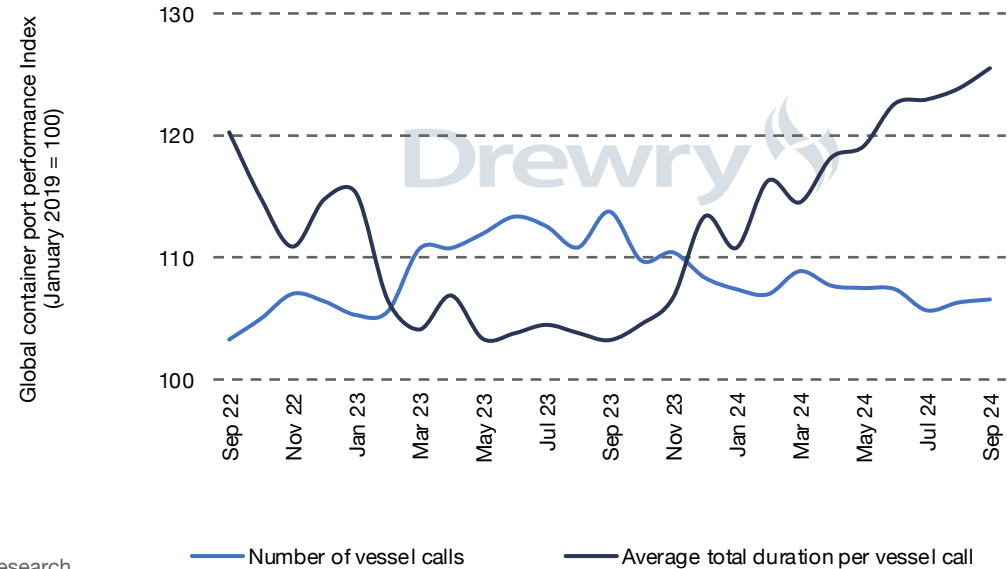
### Monthly Cancelled Sailings Evolution



Source: Drewry Maritime Research

## SHIP CALLS AND CONGESTION

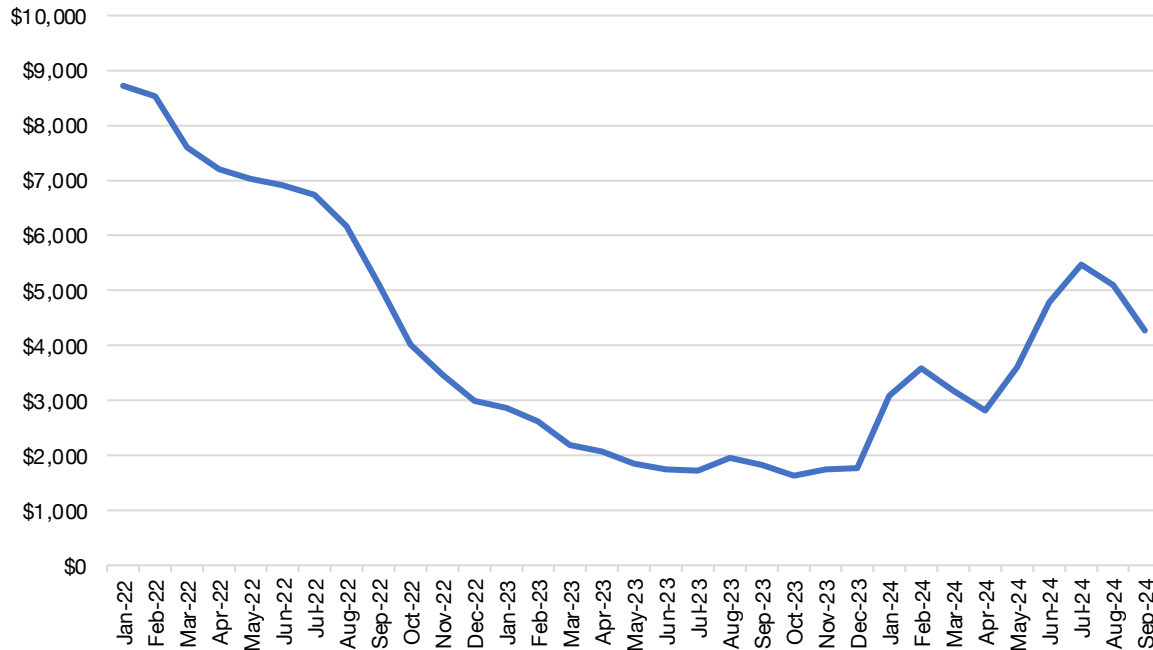
The congestion pressure on the global supply chain remained an issue throughout the year at container ports in all regions. Average turnaround time improved slightly in second half of 2023 but its increasing again in recent months of 2024. The Drewry Global Container Port Performance Index rose 1.4% MoM in September, with average port call duration up 22% YoY to 1.5 days. Overall, **pre-berth waiting time in September was 45% higher YoY, with congestion causing waiting times to rise significantly in Oceania (up 80% MoM), North America (up 11% MoM) and Africa (up 10% MoM).**





# FREIGHT RATE FLUCTUATIONS

Global Freight Rate Index



After peaking in late 2021 to mid-2022, container freight rates continued to erode through 2023. The Index witnessed its lowest value of \$1630 in October 2023. However, it has started improving from January 2024 and reached a year-high of \$5474 in early July 2024. On East-West trades, the index peaked in the July 2024 at \$6334, but by September it had slumped to \$4778, a reduction of 25%.

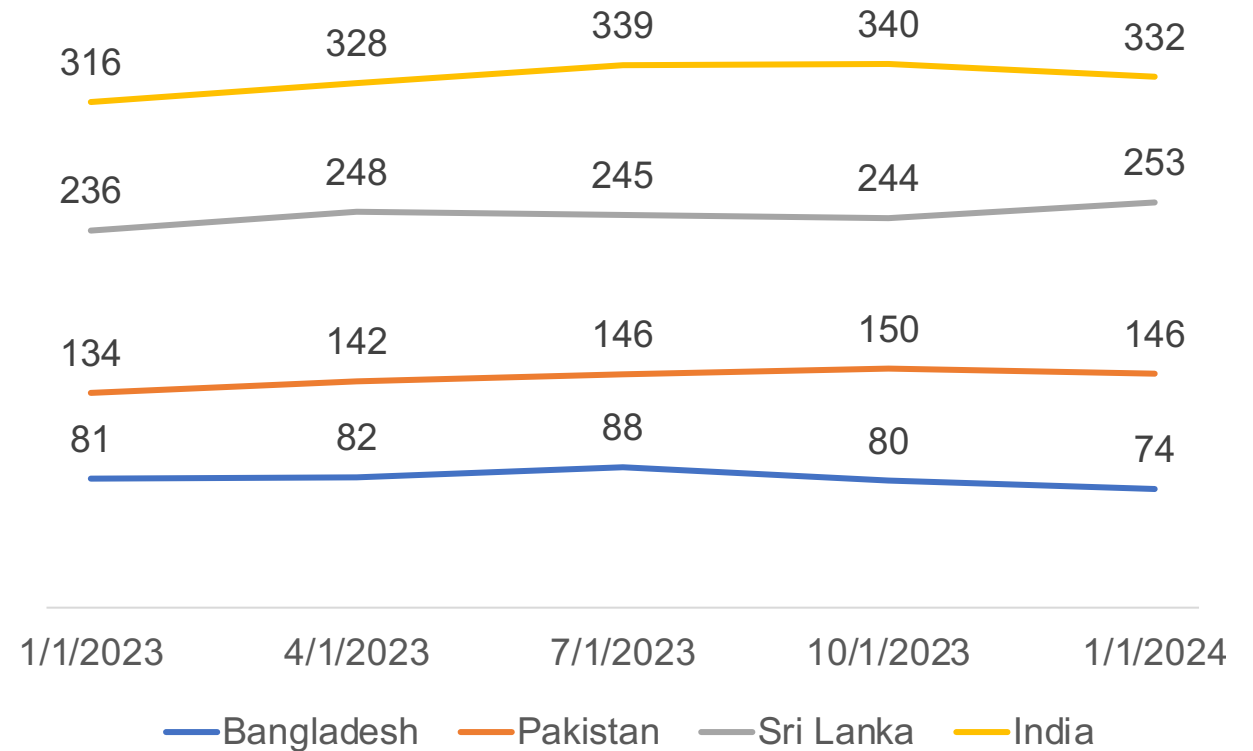
Source: Container Freight Rate Insight, Drewry Maritime Research

# SOUTH ASIA - LINER SHIPPING CONNECTIVITY INDEX- 2024

Indian topped in LSCI -2024 at 14<sup>th</sup> best connected country followed by Sri Lanka at 22<sup>nd</sup>

- The best-connected countries in the **Indian sub-continent** are India (14th best-connected country in the world), Sri Lanka (22nd), and Pakistan (34th).
- LSCI increased in India (5.1%), UAE (5,7%) and Sri Lanka (7.5%). Pakistan (+8.9%) surpassed Oman in terms of connectivity and is now among the five best-connected countries in the region.
- Liner Shipping Connectivity Index (LSCI) indicates a country's integration into global liner shipping networks. Countries' access to world markets depends largely on their transport connectivity, especially as regards regular shipping services for the import and export of manufactured goods. A higher value is associated with better connectivity.

LSCI -2024 South Asia Countries connectivity during Jan 2023- Jan 2024





**maritime  
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*Thank You*

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