CARAVAN

THE EXECUTIVE NEWSLETTER OF
QASR AL ANQAA GROUP OF COMPANIES

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DETOUR.

When the usual route closes, what does it really take to deliver?

Ports. Corridors. Packaging. Contracts.



IN THIS ISSUE:

02 A Route Is Not a Solution
Why finding another way out is not the same as getting there
Dr. Hossein Azarbaijani

03 The Alternative Route Trap
Five Gulf gateways, five different propositions
Rami Ahmed Hassan

04 Oman: The Gateway Under Pressure
A toll waiver, two crossings and a corridor still proving itself
Atefeh Hosseini

05 The Corridors That Do Not Exist Yet
75 km of track, and a railway still on paper
Josephine Beaumont

06 Commodity Dossier: Bitumen
One customs code, a $100 spread
Amit Tata

07 The Same Cargo
Khor Fakkan or Jebel Ali: the $780 threshold
Sahar Sayyad

08 Who Pays When the Route Changes?
The contract clause and the bank document nobody checked
Ahmed Saleh Al Beshr

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CEO'S NOTE

By Dr. Hossein Azarbaijani
Founder & CEO | Qasr Al Anqaa Group of Companies

A ROUTE IS NOT A SOLUTION

The Difficult Decision Behind Every Detour

Not long ago, I sat in on a discussion about a shipment that could no longer reach its original port of discharge. The cargo was ready, the buyer was waiting, and the hardest part of the negotiation was already behind us.

The conversation turned to alternatives almost at once. One colleague suggested another port; someone else proposed moving the cargo by road; a third wanted to combine a sea leg with a land leg. Within minutes we had several routes on the table and were no closer to knowing how the goods would actually reach the buyer.

I have watched this happen many times. When a route closes, finding another line on the map feels remarkably like finding a solution. It rarely is. A port can be open and still lack the equipment a particular cargo needs. A border can be operating while commercial trucks queue for clearance. A shipping line can accept a booking without being able to guarantee the onward connection. None of this makes an alternative unusable, but it marks the gap between a route that is available and one that is reliable.

That gap now matters across our region. Container volumes have moved to ports on the Gulf of Oman, Sharjah and Oman have opened a road corridor with incentives for cross-border trucks, and governments are discussing railways that would link Central Asia to the Arabian Sea. Some of these developments will create genuine opportunities. Each, however, sits at a different stage: a proposed corridor is not yet a service, and a working service will not suit every commodity.

The cost of getting this wrong tends to surface late. A buyer accepts a revised delivery arrangement because the freight quote looks reasonable, and only at the intermediate port discovers extra handling, a dearer inland leg or a missing customs document.

The problem has simply travelled further down the journey to a point where the cargo is committed, the deadline is close and nobody wants to absorb the difference

This is where logistics turns into commercial judgment. Evaluating an alternative means looking at the whole journey: whether the capacity exists, whether the cargo can legally and practically cross each border, whether the final cost still makes sense, and the question most often left until the argument starts, which is who has agreed to carry the risk of changing the plan.

The strongest trading relationships I know are not the ones that meet fewer difficulties. They are the ones in which awkward questions get asked before they become expensive. A reliable partner does more than confirm that another route exists; it explains what that route requires, what remains uncertain, what it may cost and where responsibility sits. That kind of clarity can slow a decision by a day. It can also save a month.

This issue follows the question from several directions: the five gateways the Gulf turned to under pressure, the new Sharjah–Oman road corridor, the railway ambitions linking our region with Central Asia, a commodity whose packaging decides its route, a cost comparison between Jebel Ali and Khor Fakkan, and the contractual and banking consequences of a diversion.

None of it is an argument against changing routes. In an uncertain market the ability to adapt is essential. Adaptation and improvisation, though, are different things.

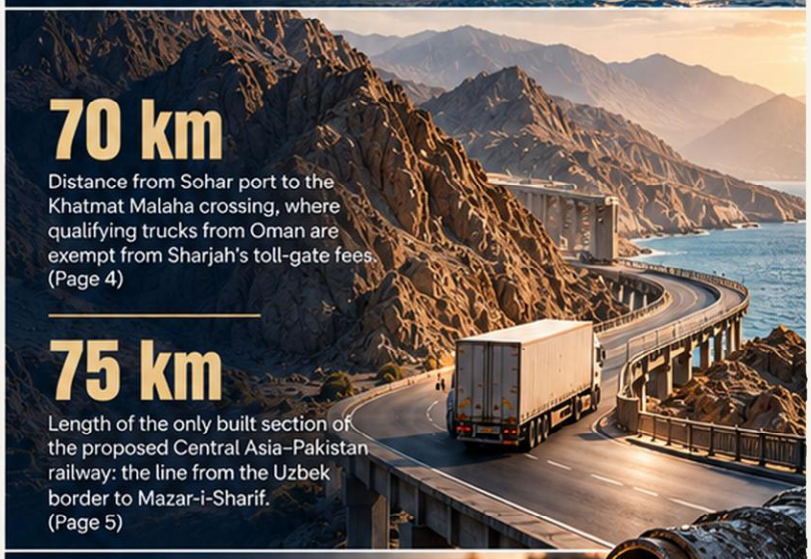
An alternative route becomes a solution only when the entire journey has been considered.

Our responsibility in international trade is not merely to find a way for goods to leave. It is to make sure they arrive.



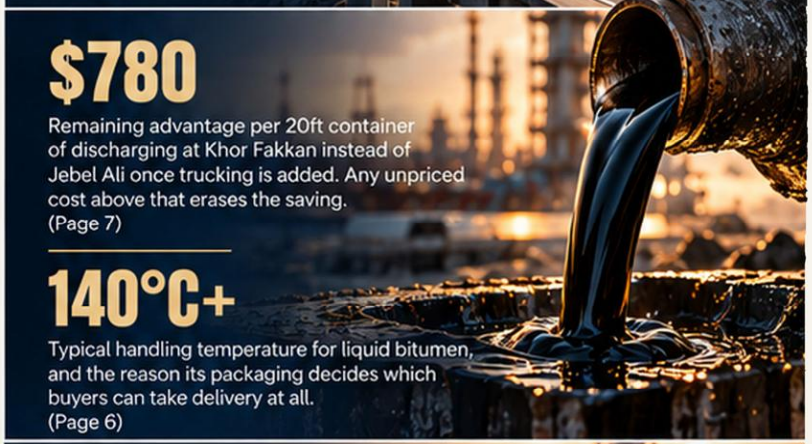
8,000 → 65,000
TEU
Weekly container throughput at Khor Fakkan before the regional war and in July 2026, according to its operator, Gulftainer.
(Page 3)

100 → 8,500
Daily truck movements at the same port. Every container diverted from the sea still has to travel by road.
(Page 3)



70 km
Distance from Sohar port to the Khatmat Malaha crossing, where qualifying trucks from Oman are exempt from Sharjah's toll-gate fees.
(Page 4)

75 km
Length of the only built section of the proposed Central Asia–Pakistan railway: the line from the Uzbek border to Mazar-i-Sharif.
(Page 5)



$780
Remaining advantage per 20ft container of discharging at Khor Fakkan instead of Jebel Ali once trucking is added. Any unpriced cost above that erases the saving.
(Page 7)

140°C+
Typical handling temperature for liquid bitumen, and the reason its packaging decides which buyers can take delivery at all.
(Page 6)



1 line
The port of discharge named in a letter of credit. If the bill of lading names a different port, payment can stall after the cargo has arrived.
(Page 8)

Capacity moved in weeks. Costs, contracts and paperwork are still catching up.

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COVER STORY | REGIONAL TRADE

THE ALTERNATIVE ROUTE TRAP

Five Gateways. Different Capabilities. No Universal Solution.



By Rami Ahmed Hassan
CARAVAN Editorial Team

THE PRICE OF GOING AROUND

At Khor Fakkan, the numbers tell a story that a shipping map cannot.

As cargo was redirected away from disrupted Gulf shipping routes in 2026, the UAE's east-coast port went from handling about 8,000 TEU a week to 65,000, according to its operator, Gulftainer. Daily truck movements rose from roughly 100 to 8,500.

It was an extraordinary demonstration of how quickly a logistics network could respond to a crisis. It was also a warning.

Every container discharged at an alternative port still needed somewhere to go. Every additional truck required a driver, equipment, road space and a delivery destination. The bottleneck had not necessarily disappeared. In many cases, it had simply moved from the sea to the land.

That is the uncomfortable reality behind the Gulf's search for alternative trade routes.

When access through the Strait of Hormuz became severely constrained, attention shifted toward ports on the UAE's eastern coastline and in Oman. Shipping companies established land bridges. Governments worked to ease customs procedures. Infrastructure projects that had once been viewed as long-term investments acquired new urgency.

That pressure has not eased. As of late October 2026, the strait has not returned to normal commercial use: BBC Verify, using UKMTO data, counted 12 vessels attacked in and around Hormuz between 5 and 11 October, the highest weekly figure since the conflict began, and attacks have extended to ships in the Gulf of Oman. The ports discussed here sit outside the chokepoint. They do not sit outside the risk.

An alternative route exists on a map. An available route has some capacity to move cargo. An operationally viable route can carry a particular shipment to its final destination, within an acceptable time and cost, under terms that the parties involved have actually agreed.

The difference is worth more than a technical definition. For a trading company, it can determine whether a shipment remains profitable.

WHERE THE DETOUR BREAKS DOWN

Three constraints can undermine an otherwise credible alternative.

Equipment. A terminal may have space to discharge containers but lack sufficient chassis, trucks, refrigerated connections or specialised trailers to move them onward.

Borders. A route through Oman may be commercially sensible, but UAE-bound cargo must still satisfy cross-border transport and customs requirements. Processing capacity matters as much as distance.

Commercial acceptance. A carrier may approve a diversion while the insurance arrangements, sales contract or delivery obligations remain unresolved. A route that is physically possible is not necessarily one that every party has agreed to use.

These are not secondary details. They are often where the additional cost appears.

THE CAPACITY PROBLEM

The arithmetic becomes difficult once the cargo reaches the road.

The capacity equation on this page is an illustration, not a forecast. The operator's own figures make the same point at real scale: 65,000 TEU a week at the quay, 8,500 truck movements a day at the gate.

Land bridges proved capable of moving substantial volumes during the crisis. In March, Maersk said its alternative network through Khor Fakkan, Sohar and Salalah still had capacity for essential cargo such as food and medicines.

That was a significant operational achievement. It did not make road transport a cost-free substitute for maritime shipping: one academic estimate, cited in regional trade press, puts overland rerouting at 2.4 to 4.2 times the cost per tonne-kilometre of sea transport.

THE CAPACITY EQUATION



20,000 TEU ÷ **2 TEU** = **10,000 LOADED TRUCK MOVEMENTS**

Illustrative container-vessel capacity | Assumed load per truck movement

Illustrative calculation only. Excludes empty repositioning, weight restrictions, equipment availability, terminal constraints and border processing.

FACT VS CLAIM

WHAT THE MARKET SAYS	WHAT THE SHIPPER MUST ESTABLISH
"The port has spare capacity."	Is space available for this cargo, vessel and delivery window?
"The alternative is shorter."	Is the total door-to-door journey actually faster?
"Customs clearance is straightforward."	Do the procedures apply to this shipment and border?
"The freight quote is competitive."	What is the total cost after handling, trucking, insurance and delays?

THE COMMERCIAL TEST

The Gulf's alternative gateways have demonstrated that trade can adapt under pressure. They have also shown why resilience cannot be measured simply by counting ports outside a chokepoint.

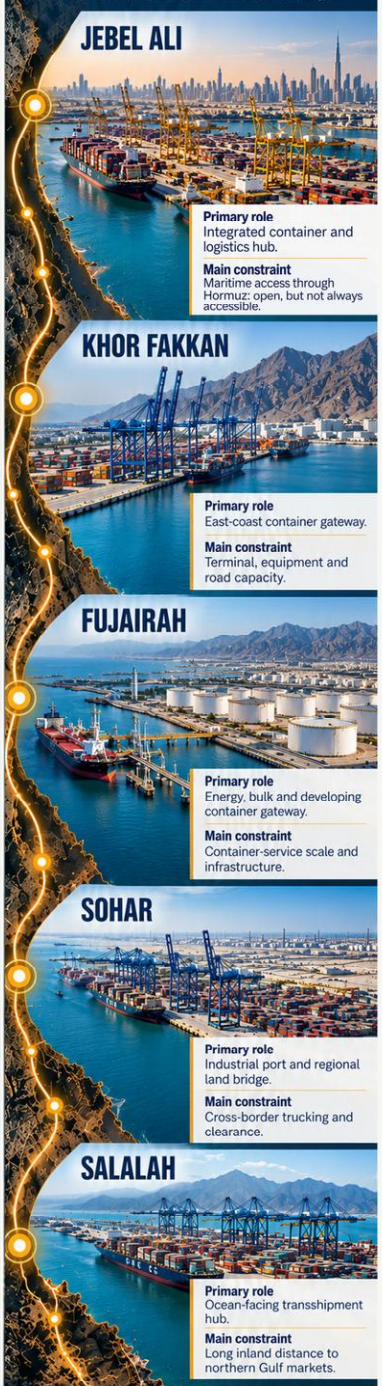
A diversion can protect a delivery. It can also introduce unfamiliar charges, new counterparties and obligations that were never contemplated when the transaction was agreed.

The decisive question is therefore not which port appears closest on the map. It is whether the transport chain can deliver the cargo—with confirmed capacity, acceptable cost and clearly assigned responsibility.

A shipment that escapes one bottleneck only to become trapped at another has not found an alternative. It has found a different problem.

FIVE GATEWAYS | MAP DATA

The five gateways serve different cargo flows and destinations. Their inclusion does not imply that every commodity can be shipped through each port or that capacity is available for immediate booking.



JEBEL ALI
Primary role Integrated container and logistics hub.
Main constraint Maritime access through Hormuz: open, but not always accessible.

KHOR FAKKAN
Primary role East-coast container gateway.
Main constraint Terminal, equipment and road capacity.

FUJAIRAH
Primary role Energy, bulk and developing container gateway.
Main constraint Container-service scale and infrastructure.

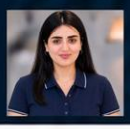
SOHAR
Primary role Industrial port and regional land bridge.
Main constraint Cross-border trucking and clearance.

SALALAH
Primary role Ocean-facing transshipment hub.
Main constraint Long inland distance to northern Gulf markets.

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OMAN: THE GATEWAY UNDER PRESSURE

Can the Sharjah–Oman Corridor Deliver on Its Promise?



By Atefeh Hosseini
Business Development Manager
Qasr Al Anqaa Group of Companies

A CORRIDOR, NOT JUST A BORDER

In late May 2026, Sharjah announced a modest but potentially consequential trade measure: qualifying cargo trucks arriving from Oman through Khatmat Malaha and Al Madam would be exempt from the emirate's truck toll-gate fees.

The announcement involved neither a new port nor a major infrastructure project. Instead, it targeted a less visible obstacle: the cost of moving imported goods from an Omani terminal into the UAE. The commercial significance extends beyond the exemption.

During the Gulf shipping disruption earlier in 2026, carriers including Maersk developed land-bridge services using Omani ports. Sharjah's authorities say live operations on the corridor began on 14 May, with the first shipment moving from Port Khalid to Sohar through Khatmat Malaha, and that cargo now moves in both directions.

What began as a response to interrupted maritime connections now raises a longer-term question: could these routes compete for cargo once normal shipping options return?

Sharjah has addressed one part of the equation. The rest depends on the ports, border procedures and businesses operating between them.



HOW THE CORRIDOR WORKS

OMAN PORT → INLAND TRANSPORT → UAE BORDER → CUSTOMS RELEASE → UAE CONSIGNEE

STAGE	RESPONSIBILITY	KEY REQUIREMENT
Oman Port	Carrier / terminal	Cargo release, shipping documents
Inland Transport	Haulier	Vehicle, driver, insurance, permits
UAE Border	Broker / importer	Declaration, invoice, packing list
Customs Release	Customs / declarant	Applicable duty, deposit, approvals
Final Delivery	Transporter / consignee	Delivery instruction, proof of receipt

The critical distinction is the cargo's customs status. Goods imported for UAE consumption and goods moving under transit can face different documentation, guarantees and clearance requirements.

That decision belongs at the planning stage, not at the border.

THE PORT QUESTION



SOHAR — THE NORTHERN CONNECTION

Sohar has the strongest geographic case for UAE-bound cargo. Located outside Hormuz, it handles containers, general cargo and industrial bulk, and Sharjah Customs places Khatmat Malaha approximately 70 kilometres from the port. In July, Asyad and CMA CGM signed a USD 400 million framework agreement for a new container terminal there.

Best suited to: Containerised imports and industrial shipments with confirmed vessel connections.
Main constraint: Actual shipping availability and cross-border delivery arrangements.



SALALAH — THE OCEAN NETWORK

Salalah is an established Arabian Sea transshipment hub with container and general-cargo facilities. Its international connections can make it attractive when suitable services are unavailable farther north.

The disadvantage is a road journey of more than 1,000 kilometres to northern UAE markets.

Best suited to: Service-dependent containers and cargo requiring its established terminal network.
Main constraint: Inland distance, transport economics and operating conditions.



DUQM — THE INDUSTRIAL OPTION

Duqm's commercial value lies in project cargo, breakbulk and dry-bulk capabilities. Its 2,200-metre commercial quay and 18-metre draft support industrial shipments requiring specialised handling.

Best suited to: Heavy equipment, project cargo and suitable bulk commodities.
Main constraint: Shipping frequency and the cost of onward transportation.

These ports are not interchangeable. Each serves a different commercial requirement.

THE BORDER REALITY

A truck crossing from Oman into Sharjah still requires an appropriate customs procedure. The two crossings serve different flows: Khatmat Malaha sits on the coastal road from Sohar, while Al Madam links Sharjah's interior with Wilayat Mahdha in Oman's Al Buraimi Governorate.

Sharjah's published rules distinguish imports from transit movements. Depending on the applicable procedure, shipments may require commercial documents, origin information, customs deposits, inspections or additional approvals.

Transport operators must also establish whether the same vehicle can complete both legs of the journey or whether cargo must be transferred at the border, and build the necessary time into their schedules.

WHAT THE NEW INCENTIVES CHANGE

Sharjah's exemption removes toll-gate charges for qualifying trucks on approved corridor routes and sits alongside an existing package of customs facilitation, including clearance directly at the border crossings.

Neither the authority nor the published announcements state the value of the toll waived per truck, so importers should ask the haulier to show the saving as a separate line on the quotation. Officials have spoken of cost reductions of around 15% on the corridor; that is a claim to test against a real quote, not a planning assumption.

The exemption does not remove ocean freight, port handling, trucking, insurance or customs charges. The waiver is real. Its value per truck has not been published.

WHEN OMAN MAKES SENSE

The Sharjah–Oman corridor can be an effective option when:

- Shipping is disrupted or specific port services are unavailable elsewhere.
- Omani ports offer suitable vessel connections.
- The cargo profile matches a port's strengths (containers, project cargo or industrial bulk).
- Total transit time and cost are competitive once all charges are included.
- Businesses are prepared to manage the required documentation and cross-border procedures.

ROUTE READINESS CHECK

Before using the corridor, businesses should confirm:

1. Is the vessel booking secured at the chosen Omani port?
2. Which crossing will be used: Khatmat Malaha or Al Madam?
3. Is the truck registered on an approved corridor route, so the toll exemption applies?
4. Is the customs procedure import, transit or another approved arrangement?
5. Can the same vehicle complete the journey, or is a handover needed at the border?

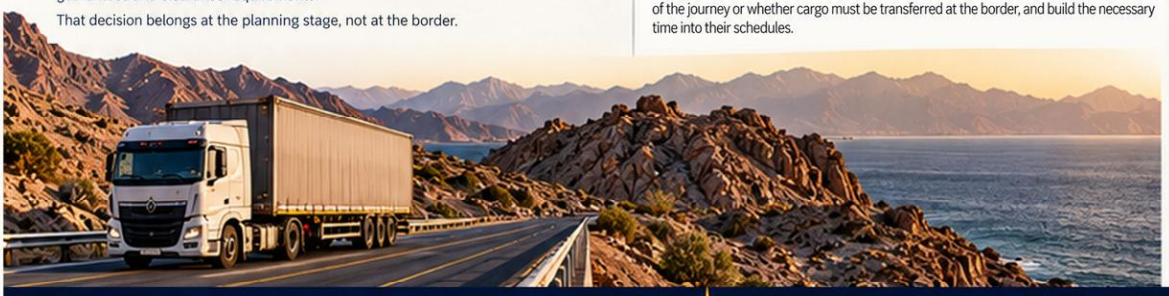
THE COMMERCIAL VERDICT

Sharjah's initiative improves the economics of an emerging regional logistics connection. Its lasting success, however, will depend on whether operators can turn exceptional cargo movements into dependable commercial services.

The real test is not how many trucks use the corridor during a crisis. It is how many customers continue using it when they have a choice.

SOURCES & METHODOLOGY

Information in this article is based on Sharjah Customs announcements, port operator disclosures and international shipping industry reports published in 2026.



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THE CORRIDORS THAT DO NOT EXIST YET

Central Asia's Infrastructure Ambitions vs Commercial Reality



By Josephine Beaumont
CARAVAN Editorial Team

THE ANNOUNCEMENT

Three countries have agreed to explore a railway connecting Central Asia to Pakistan's seaports. The commercial opportunity is considerable. The railway itself remains largely unbuilt.

In late September, Kazakhstan, Uzbekistan and the United Arab Emirates announced a memorandum of understanding covering the proposed Central Asia–South Asia railway, known as CASA and also referred to as the Trans-Afghan Railway.

The ambition is straightforward: connect Central Asian rail networks to ports on the Arabian Sea through Afghanistan and Pakistan, giving exporters another potential outlet to international markets. For landlocked economies, that prospect carries obvious appeal.

The announcement, however, contained a distinction easily lost in infrastructure headlines: the three governments agreed to pursue technical and economic studies, assess infrastructure requirements and consider a joint working group. They did not announce a fully financed construction programme or a date when trains would begin operating.

The UAE's involvement brings infrastructure and logistics experience to a project long constrained by funding and political uncertainty, but it does not, by itself, turn a proposed railway into a functioning corridor.



THE AFGHANISTAN FACTOR

The greatest obstacles are not necessarily geographical. Afghanistan's mountainous terrain presents substantial engineering challenges, with implications for construction costs, route design and maintenance.

Financing may prove equally difficult. International recognition and sanctions-related compliance concerns complicate the ability of major financial institutions to participate.

Political relations introduce another uncertainty. Tensions between Afghanistan and Pakistan have repeatedly affected border operations. A railway dependent on uninterrupted cross-border movement would require arrangements capable of surviving such disruptions.

Even after construction, technical compatibility, customs procedures and access to Pakistan's downstream railway and port infrastructure would remain important.

The corridor therefore faces several connected tests: engineering feasibility, bankability, political cooperation and eventual commercial reliability, none of which a single announcement can resolve.



THE MAP OF AMBITION

KAZAKHSTAN → UZBEKISTAN → AFGHANISTAN → PAKISTAN → SEAPORTS



The proposal combines established railway networks in Kazakhstan, Uzbekistan and Pakistan with a planned connection across Afghanistan toward Pakistan's seaports.

There is already a limited railway connection from Uzbekistan into northern Afghanistan, extending approximately 75 kilometres from Hairatan toward Mazar-i-Sharif. That infrastructure should not be confused with a continuous railway across Afghanistan.

The difficult section is precisely where the proposed corridor must cross, and it will require significant investment to connect national networks and establish reliable international transit arrangements.

TODAY VS TOMORROW

For businesses purchasing transport today, the distinction is practical rather than philosophical.

ROUTES AVAILABLE FOR ASSESSMENT TODAY	FUTURE CORRIDOR PROJECTS
Termez–Hairatan–Mazar-i-Sharif rail link (built; about 75 km inside Afghanistan)	Mazar-i-Sharif–Kabul–Peshawar rail connection (proposed)
Road haulage across Afghanistan to Karachi and Gwadar, including TIR movements	A continuous rail service to Pakistani seaports
Middle Corridor rail-sea route via Kazakhstan, the Caspian and Azerbaijan	Published tariffs and timetables for CASA freight
Rail and road links through Turkmenistan and Iran to Iranian Gulf ports, subject to sanctions screening	Construction financing, still to be secured

Each existing route carries its own constraints: closures on the Afghanistan–Pakistan frontier, Caspian ferry capacity, sanctions screening for any Iranian leg. None guarantees capacity. All of them, however, can be quoted, booked and tested today, which is more than a memorandum can offer.

FIVE STAGES OF A CORRIDOR

Infrastructure projects pass through several distinct commercial stages.

STAGE	WHAT IT ACTUALLY MEANS
01 · Announcement	Governments express political support.
02 · Feasibility	Engineers and economists examine routes, costs and demand.
03 · Financing	Investors and lenders commit construction capital.
04 · Construction	Infrastructure is built, connected and tested.
05 · Operations	Customers can book commercially available freight services.

CASA STATUS: STAGE 02 — FEASIBILITY PLANNING

The September memorandum provides a framework for studies and cooperation. It does not establish that construction financing has been secured.

For cargo owners, this distinction is decisive: an infrastructure proposal cannot yet provide a freight rate, confirmed capacity or delivery schedule.

THE INVESTMENT QUESTION

For investors, diplomatic backing is useful but insufficient. A credible project requires evidence of freight demand, realistic construction costs, committed funding and workable connections to existing networks.

The UAE's participation may improve the project's prospects, but participation should not be mistaken for a financing commitment. The milestone to watch is a bankable feasibility study, followed by a credible financing structure and timetable.



EDITORIAL VERDICT

Central Asia has strong economic reasons to seek additional access to maritime trade. The proposed CASA railway could eventually alter regional freight patterns, strengthen connections with South Asia and create opportunities for logistics investors. Those possibilities deserve attention.

> The milestone that matters is not when governments announce a corridor, but when a customer can book a shipment through it.

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BITUMEN

A COMMODITY THAT TRAVELS DIFFERENTLY

ONE PRODUCT. THREE JOURNEYS.

SAME GRADE. DIFFERENT LOGISTICS.
DIFFERENT LANDED COST.

Amit Tata
International Sales Manager



STEEL DRUMS

Refinery filling line › Steel drums › Shipping container › Destination warehouse › Heating and recovery



PACKAGING REQUIRED | INDIVIDUAL HANDLING | MATERIAL RECOVERY

Flexible packaged distribution, but more handling and packaging cost.

JUMBO BAGS

Refinery › Approved solid-pack system › Containerised shipment › Unloading › Controlled recovery



APPROVED PACKAGING | LIFTING REQUIREMENTS | RECOVERY SYSTEM

Fewer individual packages may simplify handling, but packaging compatibility and recovery facilities must be confirmed.

HEATED BULK

Refinery › Heated storage › Specialised tanker › Heated destination storage › Pumping system



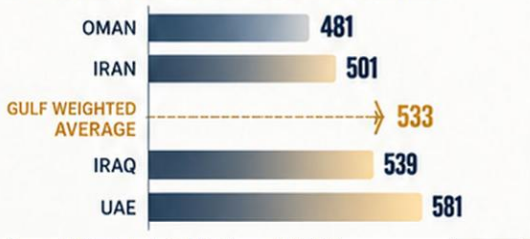
TEMPERATURE CONTROL | HEATED INFRASTRUCTURE | PUMPING CAPABILITY

Efficient for suitable large-volume operations, but dependent on specialised infrastructure. Typically handled above 140°C.

02 PRICE SNAPSHOT

ONE CUSTOMS CODE. A $100 SPREAD.

CIF INDIA CUSTOMS VALUE · USD/MT · JULY 2026



Source: UN Comtrade via QAA Intelligence, HS 271320.
Customs unit values, not offers.

Live prices · intelligence.qasralanqaa.com/analysis/bitumen/

Same customs code. Different origin, packaging and terms.

03 THREE WAYS TO CLASSIFY BITUMEN

GRADES ARE NOT INTERCHANGEABLE

PENETRATION 60/70



Consistency measured through needle penetration.

ASTM D946/D946M

VISCOSITY VG



Binder viscosity measured under specified test conditions.

PERFORMANCE PG



Classification based on pavement-design temperature conditions.

ASTM D6373 / applicable AASHTO specification

80/100 is a commercial designation; confirm its governing specification.

04 THE INCOTERMS LADDER

THREE QUOTES. THREE DIFFERENT OBLIGATIONS.

FCA WAREHOUSE



Delivery to the nominated carrier at the named place, under agreed conditions.

FOB LOAD PORT



Delivery on board the vessel at the named shipment port.

CIF DESTINATION PORT



Seller contracts freight and required insurance to the named destination port; risk generally transfers on board at origin.

CIF IS NOT DOOR DELIVERY.

Compare quotations using the same grade, packaging, quantity and delivery point.

ICC Incoterms® 2020.

05 BUYER'S DECISION PANEL

SEVEN QUESTIONS BEFORE THE QUOTE

01 Exact grade and specification?
02 Required test methods?
03 Packaging and handling method?
04 Quantity and tolerance?
05 Destination unloading capability?
06 Incoterm, delivery point and included costs?
07 Inspection and import requirements?



FOR BITUMEN, PACKAGING IS A COMMERCIAL SPECIFICATION TOO.

The shipment is not defined by its grade alone. Its delivery system determines what the buyer must handle, accept and ultimately pay for.

SOURCING BITUMEN?
Check the grade. Then check the journey.

Supplier coordination · Specifications review · Packaging options · Freight planning · Trade documentation

TRADE SERVICES ▸

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FREIGHT & TRADE ECONOMICS | COST ANALYSIS

THE SAME CARGO. TWO ROUTES. TWO PRICES.

Why a Cheaper Freight Quote Can Produce a More Expensive Delivery



By Sahar Sayyad
Business Consultant · Writer & Editorial Contributor



FREIGHT DIFFERENTIAL NARROWS AFTER INLAND COSTS

The cost advantage of shipping containers from India's Nhava Sheva port to Khor Fakkan rather than Jebel Ali narrows significantly once inland transportation is included, according to an analysis of published freight benchmarks.

Indicative ocean freight to Khor Fakkan stood at about $3,917 per 20ft container on 23 October, compared with about $5,242 to Jebel Ali, based on Cogoport's published rates.

The gap of roughly $1,325 is a 25% discount on the ocean leg.

Moving the container on from Khor Fakkan to Jebel Ali, however, adds approximately $545, using a trucking benchmark published in March.

That leaves an indicative advantage of about $780 per container before additional terminal, documentation and bonded-transfer costs. That residual is the number against which the alternative route should be judged.

THE COMPARISON BASIS

The analysis considers one standard 20ft dry container carrying non-hazardous merchandise from Nhava Sheva, India, to the same consignee in Dubai. Cargo specifications, shipment weight, commercial value and final delivery requirements remain unchanged.

ROUTE A — DIRECT

Nhava Sheva → Jebel Ali → Customs clearance → Final delivery

ROUTE B — ALTERNATIVE PORT

Nhava Sheva → Khor Fakkan → Bonded trucking → Jebel Ali → Customs clearance → Final delivery

Dubai Trade introduced procedures in March 2026 allowing containers discharged at Khor Fakkan and Fujairah to move under bond to Jebel Ali. Actual handling arrangements depend on the carrier, terminal and customs procedure.

ROUTE C — CLEAR AT KHOR FAKKAN

Nhava Sheva → Khor Fakkan → Customs clearance → Direct delivery to consignee

Route C is not costed here because it depends on where the consignee sits and on a clearance quote at Khor Fakkan. For a consignee in Sharjah, northern Dubai or the industrial areas along the Emirates Road, it can remove the transfer back to Jebel Ali altogether, and with it most of the $545 that erodes Route B's advantage. Importers who use Khor Fakkan regularly should price this option before treating Route B as the only alternative.



THE COST COMPARISON

INDICATIVE COSTS — USD/20FT CONTAINER

COST COMPONENT	ROUTE A	ROUTE B
Ocean freight	**$5,242**	**$3,917**
Inland transfer to Jebel Ali	—	$545
Identified transport subtotal	**$5,242**	**$4,461**
Additional terminal handling	To be confirmed	To be confirmed
Bonded-transfer charges	—	To be confirmed
Documentation and administration	To be confirmed	To be confirmed
Insurance and applicable surcharges	To be confirmed	To be confirmed
Storage and delay costs	Variable	Variable
Final landed cost	**Unconfirmed**	**Unconfirmed**

Ocean rates: October 2026 indicative benchmarks. Trucking: March 2026 published reference, converted using AED 3.6725/$.

CONGESTION ADDS DELIVERY UNCERTAINTY

Ocean transit estimates on both routes are broadly comparable, at approximately three to four days, but vessel arrival does not establish the final delivery date.

Maersk's October operational guidance identified congestion, high yard utilisation and extended truck waiting times at Khor Fakkan. Some movements may also require an inland container depot transfer before onward transportation.

These additional stages can increase both delivery time and cost exposure. The financial impact depends on waiting periods, applicable free time, trucking availability and storage tariffs. Without confirmed operational schedules, neither route can be assigned a reliable end-to-end delivery time.



BREAK-EVEN DIFFERENTIAL: $780 /CONTAINER

Route B retains its identified transport-cost advantage only while its additional net costs, relative to Route A, remain below approximately $780.

QAA TRADE SERVICES
ONE SHIPMENT.
MULTIPLE DOCUMENTS.
NO CONFLICTING DETAILS.

- Procurement — Supplier coordination
- Payments — Secure international transactions
- Logistics — Ocean, land and air
- Customs — Documentation and clearance
- Delivery — End-to-end management

THE UNPRICED COST EXPOSURE

The freight differential is sensitive to charges excluded from the initial quotations. Additional terminal handling, bonded administration, documentation, container detention and storage may reduce the alternative route's advantage.

EXTRA NET COSTS ON ROUTE B	REMAINING ADVANTAGE
$0	$780
$250	$530
$500	$280
$780	$0
$1,000	–$220

Illustrative additions relative to Route A; not reported transaction charges. The calculation excludes charges common to both routes.

CONTRACTUAL EXPOSURE VARIES

The party responsible for additional transport costs depends on the sales contract and applicable delivery terms.

Under FCA the buyer generally arranges main carriage; under DAP the seller carries transport risk to the named destination; under CIF the seller pays for carriage and insurance while risk passes at loading. None of these terms, on its own, decides who pays a rerouting surcharge. Page 8 sets out how that question should be settled before the cargo moves.

THREE COMMERCIAL OUTCOMES

TIME-SENSITIVE CARGO
The preferred route is the one offering the more reliable confirmed delivery schedule, even at a higher transport cost.

LOW-MARGIN TRANSACTIONS
The $780 differential provides a limited allowance for unpriced costs. Additional charges can rapidly eliminate the apperent saving.

DELIVERY-CRITICAL SHIPMENTS
Confirmed vessel capacity, terminal handling, bonded transport and customs arrangements may outweigh an unverified freight discount.

MARKET ASSESSMENT

The available benchmarks indicate that Khor Fakkan can offer a lower ocean freight cost than Jebel Ali on the examined route. They do not establish that the alternative produces a lower final landed cost.

The difference between the two outcomes depends on additional charges, port conditions and the reliability of onward transportation.

For importers, the $780 residual differential is therefore a decision threshold rather than a confirmed saving.

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EXECUTIVE VOICE | THE CLOSING ARGUMENT

WHO PAYS WHEN THE ROUTE CHANGES?

The Commercial Responsibility Behind Every Detour

By Ahmed Saleh Al Beshr
Mithaq Alfajr General Trading L.L.C.

THE EMAIL THAT CHANGES THE DEAL

The contract is signed. The goods are ready. The buyer has arranged financing, the seller has met the production deadline, and everyone expects the shipment to move.

Then an email arrives from the shipping company. The original service is disrupted, and the carrier proposes discharge at another port followed by road transport to the intended destination, with a revised schedule and an additional charge.

The seller forwards the proposal to the buyer. The buyer replies that transportation was already included in the agreed price. The seller argues that the disruption was beyond its control. Meanwhile, the cargo is going nowhere.

Neither side necessarily disputes the need for an alternative route. The disagreement concerns something less visible: who has the authority to approve the change, and who must absorb its consequences?

It is a familiar situation in international trade. A workable logistical solution encounters a commercial problem that nobody settled beforehand.

THE CONTRACT IS THE STARTING POINT

When a route changes, traders often reach for three letters: FOB, CIF or DAP. They matter, but they are not the complete answer.

Incoterms® 2020 establish important obligations concerning delivery, transportation, costs and the transfer of risk between seller and buyer. But they do not replace the sales contract, the contract of carriage, the cargo insurance policy or the payment arrangements.

Consider a CIF transaction. The seller contracts and pays for carriage to the named destination port, while the risk of loss or damage generally transfers to the buyer when the goods are loaded on board at origin.

That distinction does not automatically establish who must pay an unforeseen diversion surcharge. The answer depends on the contractual terms, the nature of the charge, the carrier's rights and any subsequent agreement between the parties.

A further complication sits in the bill of lading. Most contain a liberty clause allowing the carrier to discharge at an alternative port when the voyage is hindered or unsafe, often at the cargo's expense. The carrier can therefore change the route without the buyer's consent under the sales contract.

The party entitled to change the vessel's route is not necessarily the party entitled to change the commercial bargain.

FOUR QUESTIONS BEFORE ACCEPTING A DETOUR

Before approving a proposed diversion, four questions deserve written answers.

1. **WHO CAN AUTHORISE IT?** Identify who contracted the carrier, who can issue transport instructions and whose approval is required under the sales agreement.
2. **WHO PAYS THE DIFFERENCE?** Separate unavoidable carrier charges from costs arising from a newly agreed delivery arrangement. Establish any spending limit before committing.
3. **WHAT HAPPENS TO THE DEADLINE?** Determine whether the original delivery obligation remains in force, whether an extension is justified and how that extension will be documented.
4. **WHO BEARS THE RESULTING RISK?** Check cargo custody, insurance coverage, additional handling and the point at which contractual delivery occurs.

These questions should precede the decision—not become arguments after the invoice arrives.

THE CLAUSE THAT WAS NEVER WRITTEN

Most commercial agreements specify a price, quantity, destination and delivery term. Fewer explain what happens when the nominated route becomes unavailable.

A practical diversion clause should establish four things:

1. **AUTHORITY** — Who may propose, approve or reject a change of port or route?
2. **COST APPROVAL** — Which additional charges require consent, supporting evidence or a revised quotation?
3. **DELAY RESPONSIBILITY** — How are revised deadlines, notice obligations and potential delay claims handled?
4. **DOCUMENTARY CONSEQUENCES** — Who arranges amendments to transport documents, insurance and payment instructions?

There is no single clause suitable for every transaction. The point is to establish a decision process before it is needed.

WHEN THE BANK ENTERS THE PICTURE

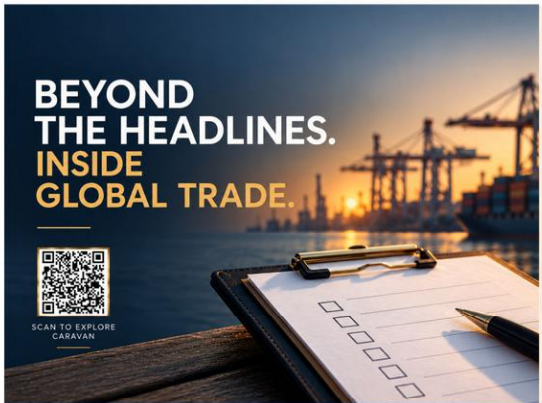
A cargo can reach the buyer and still encounter a payment problem.

Under a documentary letter of credit, banks examine the stipulated documents, rather than the physical movement of the goods.

Suppose the credit requires a bill of lading identifying Jebel Ali as the port of discharge. The shipment is instead discharged at Khor Fakkan.

Does that create a discrepancy? The answer turns first on what the bill of lading says, not on where the container physically went.

If the bill shows Jebel Ali as the port of discharge and the carrier later diverted under its liberty clause, the document may still comply on its face. If the bill names Khor Fakkan, it no longer shows the port of discharge the credit stipulates, and under Article 20 of UCP 600 the bank may treat that as a discrepancy. **Physical delivery and documentary compliance are two different tests.**



BEFORE YOU SAY YES

- ☑ Obtain the carrier's written diversion proposal.
- ☑ Review the sales contract and applicable Incoterm.
- ☑ Confirm the carrier's contractual authority.
- ☑ Request a complete breakdown of additional costs.
- ☑ Establish the revised delivery date.
- ☑ Confirm insurance and cargo-handling implications.
- ☑ Review the letter of credit and required shipping documents.
- ☑ Record both parties' agreement and the person authorised to act.

A phone call can help solve an urgent problem. It should not be the only record of a decision that changes the transaction.

