



Web Packaging Solutions
TRUSTED PARTNERS FOR FLEXIBLE PACKAGING

WPS INTEL

MARCH 2026

Supply Chain & Logistics

EXECUTIVE TAKEAWAYS

March is defined by geopolitical disruption in critical maritime corridors, capacity shocks across key trade lanes, and targeted infrastructure investments reshaping logistics networks. Conflict-driven rerouting, carrier-led capacity actions, and regulatory developments are increasing execution complexity and planning uncertainty across global supply chains.

Geopolitical Disruptions Are Reshaping Ocean Networks

Conflict in the Middle East is disrupting key chokepoints, forcing rerouting, delaying normalization, and increasing cost pressures across global shipping.

Carrier Actions Are Tightening Effective Capacity

Booking suspensions and rerouting decisions are constraining available capacity, elevating rate pressure and operational risk in affected corridors.

Infrastructure and Regulatory Shifts Are Redefining Control

Strategic air cargo investments and evolving tariff rulings are reinforcing the importance of network control, compliance precision, and operational flexibility.





Middle East Conflict Disrupts Global Ocean Shipping Flows

WHY IT MATTERS

Disruptions across critical maritime chokepoints are extending transit times, increasing costs, and introducing sustained volatility in global ocean freight networks.

HIGHLIGHTS

- The U.S.–Iran–Israel conflict has significantly disrupted Middle East logistics, impacting ocean shipping routes and global supply chains.
- Over 700 vessels were delayed in the first week of March as the Strait of Hormuz remained closed, affecting ~10% of the world's container fleet.
- Approximately over 2 million TEUs are expected to be impacted over the next 90 days.
- Return of Red Sea services by Maersk, Hapag-Lloyd, and CMA CGM delayed, with normalization pushed at least six months out.
- Carriers rerouting vessels via the Cape of Good Hope, extending transit times, and sustaining supply-demand imbalance.
- Surge in surcharges, including fuel-related and emergency conflict fees, with levels remaining uncertain.

- Rising Brent crude prices are increasing costs across ocean, air, and trucking.
- Contract negotiations are shifting in favor of carriers as capacity tightens.
- The global supply-demand balance remains relatively stable outside the Middle East despite regional disruptions.
- U.S. import volumes are expected to see minimal immediate impact due to limited Middle East origin cargo.
- Indirect impact expected through higher fuel costs and congestion, potentially influencing inflation, consumer spending, and manufacturing.
- Highlights the vulnerability of chokepoints such as the Strait of Hormuz and the Red Sea to geopolitical conflict.



LESSONS & ACTIONABLES

Rerouting, surcharge volatility, and chokepoint disruptions require proactive cost management, flexible routing strategies, and closer monitoring of geopolitical risk exposure.

MSC Suspends Cargo Bookings to the Middle East



WHY IT MATTERS

Carrier-led capacity withdrawal in response to geopolitical risk is tightening available space and increasing volatility across key trade lanes.

HIGHLIGHTS

- Mediterranean Shipping Company (MSC) suspended all worldwide cargo bookings to the Middle East until further notice.
- Decision taken as a precautionary measure to ensure crew safety amid escalating military tensions.

Geopolitical Trigger

- Follows military strikes by the United States and Israel on Iran, increasing regional instability and security risks.

Operational Impact on Shipping Capacity

- Affects ~73,000 TEUs of weekly capacity across nine services in the Red Sea and Persian Gulf.
- Uncertainty remains on whether Shikra or IPAK Far East services serving Indian ports are included.

Ships Stranded in the Region

- Dozens of vessels are trapped in the Persian Gulf, including seven MSC ships.
- Primarily intra-regional feeder vessels with ~6,000 TEU capacity.

MSC's Middle East Network

- Expanded services in 2025, including North India–Middle East and South America–Middle East routes.
- Currently serves 25–30 ports across the Arabian Gulf, Red Sea, and Indian Ocean.

Industry Implications

- Potential disruption to global supply chains, particularly across Middle Eastern and Indian Ocean trade flows.
- Risk of capacity tightening and increased freight rates in affected lanes.



LESSONS & ACTIONABLES

Capacity suspensions and regional instability require contingency planning, alternative routing strategies, and early booking to manage potential space and rate volatility.



FedEx Invests \$250M in Mumbai Air Cargo Hub

WHY IT MATTERS

Targeted infrastructure investments are enhancing network control, improving processing efficiency, and strengthening India's role in global air cargo flows.

HIGHLIGHTS

Major Infrastructure Investment in India

- FedEx is investing ~\$250 million in a dedicated cargo facility at Navi Mumbai International Airport.
- A 20-year lease was signed for a 300,000 sq. ft. parcel consolidation center.
- Expected operational timeline: 27–32 months.

Operational Advantages

- Enables on-airport parcel and freight processing within a dedicated FedEx facility (subject to regulatory approval).
- Replaces the shared multi-user setup at Mumbai International Airport.
- Adjacent aircraft parking supports faster loading and unloading.
- Continued operations at the legacy Mumbai airport.

Infrastructure & Technology Enhancements

- Facility managed within the Adani Group-led airport ecosystem.
- Equipped with high-speed conveyors, dimensional scanning, security screening, and automated sorting.
- Integrated cargo complex capacity:
 - ♦ Phase 1: 500,000 metric tons annually
 - ♦ Full build-out: 3.5 million tons annually
- Located near multimodal transport and industrial hubs in western India.

Strategic Market Focus

- Supports growth in electronics, engineering goods, pharmaceuticals, and perishables.
- Strengthens presence in a high-growth trade corridor.
- Improves speed, reliability, and handling of time-sensitive cargo.

Broader Air Network Expansion

- Additional investments include the Istanbul cargo terminal, the planned hub at King Salman International Airport, and the consolidation at Detroit Metropolitan Airport.



LESSONS & ACTIONABLES

Dedicated infrastructure, automation, and network integration are critical to improving throughput, reliability, and control over high-value, time-sensitive cargo flows.

CIT Orders Removal of IEEPA Tariffs on Non-Final Entries



TARIFFS

WHY IT MATTERS

Regulatory rulings on tariff treatment are reshaping customs processes, with implications for duty calculations, compliance workflows, and potential financial exposure.

HIGHLIGHTS

Court Decision

- On March 4, 2026, the U.S. Court of International Trade issued an order in *Atmus Filtration, Inc. v. United States*.
- Addresses handling of imports previously subject to IEEPA duties.

Instructions to CBP

- CBP directed to remove IEEPA tariff impact through liquidation and reliquidation processes.
- Unliquidated entries: must be liquidated without IEEPA duties.
- Liquidated but not final entries: must be reliquidated without IEEPA duties.

Importance of Liquidation

- Liquidation finalizes duty calculations on imported goods.

- Entry status determines the applicability of the ruling.

Uncertainty Around Refunds

- No clarity on refund process, interest inclusion, or timelines.
- Mechanism for issuing refunds remains undefined.

Scope Limitations

- Applies only to unliquidated and non-final entries.
- Does not cover final entries, protests, PSCs, reconciliation filings, drawback claims, or disclosures.

Next Steps

- No compliance deadlines or reporting requirements defined.
- Further guidance is expected as litigation and regulatory clarification continue.



LESSONS & ACTIONABLES

Evolving tariff rulings require close tracking of entry status, documentation accuracy, and readiness to respond to further regulatory clarification.



Web Packaging Solutions
TRUSTED PARTNERS FOR FLEXIBLE PACKAGING

For inquiries & market intelligence

info@webpackagingsolutions.com



11490 Westheimer Rd Suite 970, Houston TX 77077, United States



+1 832-341-1222



info@webpackagingsolutions.com



www.webpackagingsolutions.com