"The top seven port operators manage over 40% of global traffic."[1]

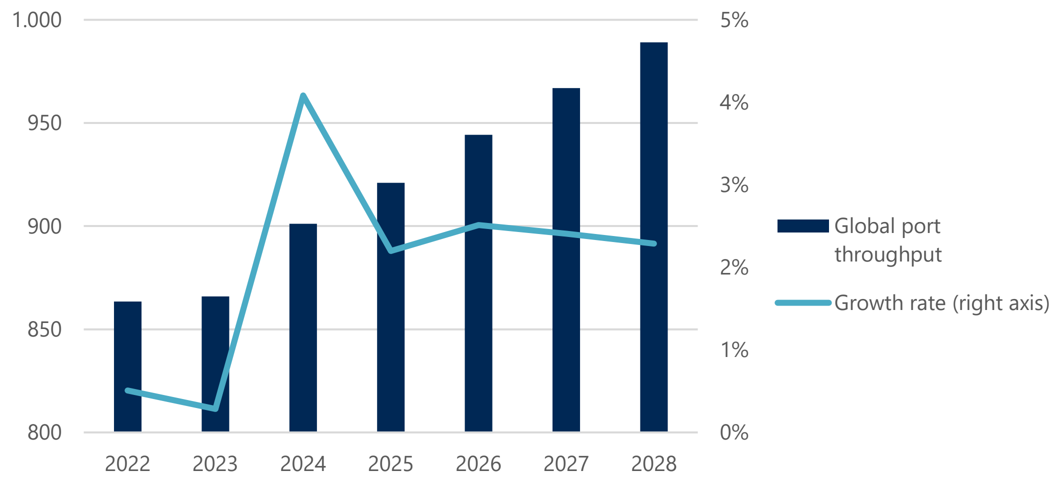
Container shipping continues to adapt to an uncertain environment, with economic and geopolitical challenges. According to Drewry, an annual growth rate of 2.7% is projected through 2028, reaching 989 million TEU compared to 866 million in 2023. This growth reflects the sector's ability to handle fluctuations and disruptions. Global Terminal Operators (GTOs) have demonstrated resilience through strategies of flexibility and innovation to remain competitive.

Since the 1980s, the sector has shifted from public management to a privatized model, driven by globalization and trade. The adoption of advanced technologies and a focus on sustainability have transformed the industry, solidifying the leading operators as innovators in the field.

Analysis of the Fundación Valenciaport

In a context marked by **uncertainty**, **container shipping** continues to **adapt** to changing market conditions. Despite current challenges, Drewry projects that global container handling will experience a compound annual growth rate (CAGR) of 2.7% through 2028, reaching 989 million TEU by the end of this period, compared to the 866 million TEU recorded in 2023 (Graph 1). This scenario reflects both short-term obstacles and **opportunities** for **stabilization** and **sustained growth** in the medium term.

Graph 1. Projected evolution of global container port traffic.



Source: Drewry Maritime Research

[1] Original news published by "Trans.iNFO" and available at: https://trans.info/en/7-global-port-operators-394811

In the context of **geopolitical and macroeconomic volatility**, achieving an increase in volumes represented a challenge for the 21 companies classified as **Global Terminal Operators** (GTOs) in 2023, according to the ranking compiled by Drewry. Despite the difficulties, these operators managed to remain **resilient**, adapting to a challenging environment marked by fluctuating demand and disruptions in supply chains. This scenario has highlighted the importance of flexibility and innovation, key elements for ensuring competitiveness in an increasingly uncertain global market.

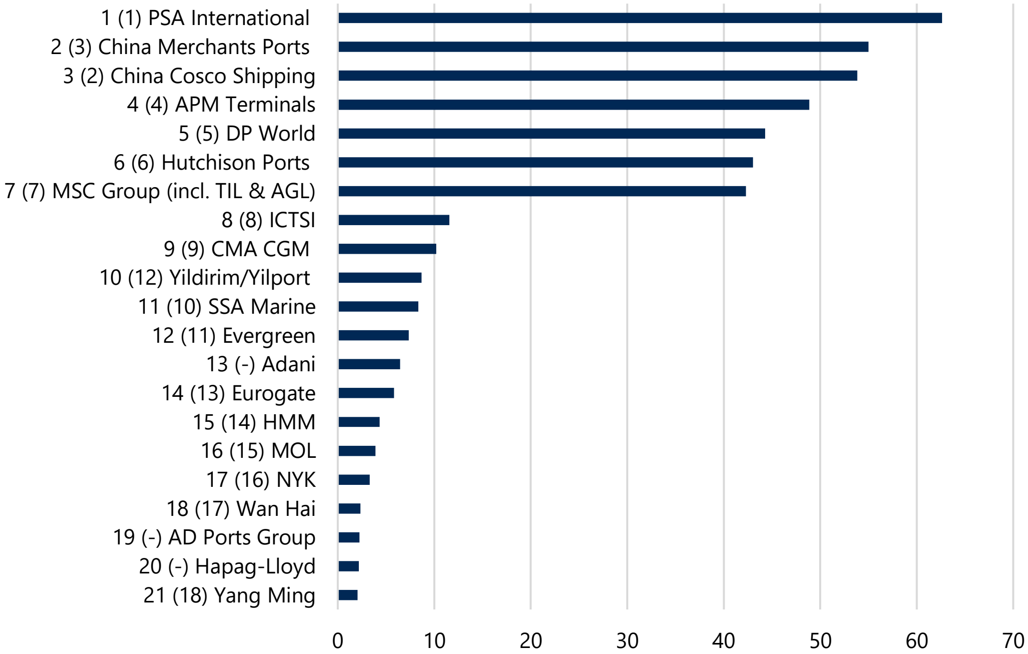
As a point of context, and prior to analyzing trends, during the **1980s,** most ports were primarily **managed** by **public entities**, with terminals under the control of national governments or local authorities. However, globalization and the rise of international trade drove a **privatization process** that allowed private companies to take over management, focusing their efforts on improving efficiency and reducing costs. This led to the consolidation of the sector, with the emergence of **large global operators** such as Hutchison Port Holdings, PSA International, DP World, and APM Terminals, who expanded their influence across multiple terminals worldwide, adopting advanced technologies to enhance competitiveness.

More recently, the **COVID-19 pandemic** marked a **turning point**, accelerating **digitalization** and driving **greater resilience** and **sustainability** in operators' strategies. Investments in green infrastructure and the reduction of carbon emissions have become central, reflecting the need to adapt to evolving global trade and emerging economic and technological challenges.

As shown in Graph 2, the data indicates that, **since 2023**, **the top seven GTOs** have **strengthened** their **position** in the sector, collectively **managing over 40%** of **global port traffic.** Among the leading operators are the terminal divisions of major shipping lines such as **Maersk** (through APM Terminals), **COSCO SHIPPING** (through COSCO SHIPPING Ports), **MSC** (through Terminal Investment Limited - TIL), and **CMA CGM** (through Terminal Link).

With more specific detail, in **2023,** the GTOs experienced an **average growth** of **2.2%** in resource-adjusted performance, surpassing the global increase of 0.3% in port handling. **PSA International** maintained the top position, followed by **China Merchants Ports**, which rose to second place. **China Cosco Shipping** dropped to third, while **MSC Group** recorded significant growth, closing in on **Hutchison Ports**. **Adani,** in its first year in the ranking, took 13th place with a remarkable 22.5% increase.

Graph 2. Ranking of performance based on the equity share of global terminal operators, 2023 (millions of TEUs)



Source: Drewry Maritime Research

Strategies implemented by the leading GTOs

The **increases** in **port capacity** among the GTOs are mainly due to the **strategies they have implemented**. In this regard, in addition to their **commitment to sustainability** and **emission reductions**, GTOs have focused their efforts on expanding their number of terminals, consolidating their global presence through entry into new markets and the formation of strategic alliances. This includes **acquisitions, privatizations**, and **new developments,** as well as capacity expansions at existing terminals through **physical or technological improvements**, such as automation and optimization of operational efficiency. However, in some cases, capacity reductions have also occurred due to asset sales or changes in the use of certain terminals.

The strategies of the leading GTOs vary depending on their ties to shipping lines or their independence. Below, we will analyze the current strategies being implemented or planned for the near future.

Hapag-Lloyd

Hapag-Lloyd renewed its strategic focus by changing the name of its Terminal and Infrastructure division to **Hanseatic Global Terminals** on July 1, 2023, reflecting its **vision** for future **growth.** This transformation includes the **management** and **consolidation** of **investments** in **20 terminals** across **11 countries**, highlighting key locations such as the Altenwerder Container Terminal in Hamburg and the JadeWeserPort in Wilhelmshaven, both in Germany, as well as the TC3 Terminal in Tangier (Morocco) and Terminal 2 in Damietta (Egypt), which is under construction.

Hanseatic Global Terminals has also strengthened its presence in the Americas with the **acquisition** of SAAM Terminals in Chile and in Asia with an **investment** in JM Baxi Ports & Logistics in India. Additionally, it holds a minority stake in the Spinelli Group, further consolidating its global expansion strategy.

APM Terminals

By its side, **APM Terminals**, the **terminal division** of **Maersk** and ranked fourth in the global GTO rankings, operates under a **consolidated and diversified model**. Its operations are divided into several categories:

• **HUB Terminals: Strategic owned terminals**, such as Algeciras (Spain), Tangier and Tangier Med II (Morocco), Rotterdam Maasvlakte II (Netherlands), Tanjung Pelepas (Malaysia), Salalah (Oman), and Port Said SCCT (Egypt).

• **Gateway Terminals with majority shares**: 27 terminals in North America, South America, Europe, West Africa, the Middle East, Japan, and India.

• **Gateway Terminals with minority shares:** 24 terminals in North America, Brazil, Europe, West Africa, the Middle East, China, Thailand, and Sri Lanka.

• **Terminals under development**: Three ongoing projects in Brazil, Croatia, and Vietnam.

MSC/TIL

MSC, through its division **Terminal Investment Limited (TIL),** is making **strategic acquisitions** to expand its presence in new markets, such as West Africa and Brazil, with the **aim** of **enhancing connectivity** and **logistics services**. A key example of these investments is the purchase of Bolloré Africa Logistics for 5.7 billion euros, strengthening its position in Africa, where it now operates in 42 ports and 16 container terminals. Additionally, TIL has **invested** in the Lomé Container Terminal in Togo and has been selected as the concessionaire for the Walvis Bay terminal in Namibia.

In Spain, TIL has allocated 1.021 billion euros for a new terminal at the Port of Valencia. It has also announced a 1.2 billion dollar investment in Panama for the development of a port area in Colón. In Brazil, TIL has committed investments of 2.89 billion dollars, mainly in the Port of Santos and Portonave Terminal, to improve infrastructure and operational capacity, driving economic growth in these key regions.

CMA CGM/Terminal Link and CMA Terminals

CMA CGM, through its divisions Terminal Link and CMA Terminals, manages a total of **50 maritime terminals**. Terminal Link is a joint venture between CMA CGM (51%) and China Merchants Holdings International (49%), while CMA Terminals is fully owned by CMA CGM. These terminals are distributed globally, with a strong presence on the West Coast of Africa, particularly in French-speaking countries, and in other key regions such as France, Morocco, Egypt, Netherlands, Spain (Valencia), Malta, Croatia, Greece, Lebanon, Ukraine, the U.S., China, Vietnam, Thailand, Jamaica, South Korea, South Africa, India, and Iraq.

In terms of **expansion**, CMA CGM has strengthened its terminal network with **key acquisitions**, such as the GCT Bayonne and GCT New York terminals at the Port of New York and New Jersey, which will increase supply chain capacity on the U.S. East Coast. The combined capacity of these terminals is expected to increase by 50% in the coming years, with improvements in infrastructure and intermodal access.

This strategy reinforces CMA CGM's position as the third-largest shipping company in the world, with a special focus on critical markets such as Asia, the U.S., China, West Africa, Brazil, Southeast Asia, and the Mediterranean.

COSCO SHIPPING Ports

COSCO SHIPPING Ports, the terminal division of the COSCO Group, ranked third in the global terminal operator rankings, manages **a total of 30 terminals in China** and has a significant presence in Northern Europe, the Mediterranean, as well as in Peru, South Korea, Egypt, Turkey, Saudi Arabia, the United Arab Emirates, Singapore, and the U.S.

COSCO SHIPPING Ports' **strategy aligns** with **Chinese government policies**, particularly with the 14th Five-Year Plan (2021-2025), focusing on the "dual circulation" model, which aims to strengthen China's domestic economy while maintaining its openness to international trade. This approach is part of the Belt & Road Initiative, which aims to **establish** a **global network of terminals** under Chinese control, **leveraging strategic partnerships** with other members of the OCEAN Alliance, such as CMA CGM and Evergreen, to optimize services and explore new business opportunities.

Additionally, COSCO SHIPPING Ports has integrated **cutting-edge technologies** into its operations, such as the use of 5G, crane automation, and renewable energies, at locations like the Chancay Mega Port in Peru and the Xiamen Ocean Gate terminal in China, to enhance efficiency and sustainability in port operations.

Future Capacity Expansion Outlook

According to **capacity projections** for the coming years, GTOs are expected to increase their capacity by **136.6 million TEU** between 2023 and 2028. This growth will cover **green projects, expansions** at **existing terminals**, as well as the effects of known acquisitions and divestitures until 2024. On average, each operator is expected to increase its capacity by **6.4 million TEU annually**, representing an **average growth of 2.6% per year.**

Regarding the **geographical diversity** of terminal logistics operators (Table 1), there is **considerable variability** among industry players. While some GTOs, such as DP World, MSC Group, and ICTSI, can be considered **purely global** with **investments** in terminals across **all regions** of the world, **others** operate in a more **regionalized manner.**

Table 1. Geographic diversity of the GTOs

	Greater China & North Asia	Northern Europe	Med & Black Sea	North America	Southeast Asia	Latin America	South Asia	Africa	Middle East	Oceania
ICTSI	■	■	■	■	■	■	■	■	■	■
MSC Group (inl. TIL % AGL)	■	■	■	■	■	■	■	■	■	■
APM Terminals	■	■	■	■	■	■	■	■	■	
DP World	■	■	■	■	■	■	■	■	■	■
CMA CGM	■	■	■	■	■	■	■	■	■	
Hutchison Ports	■	■	■	■	■	■	■		■	■
PSA International	■	■	■	■	■	■	■			■
China Cosco Shipping	■	■	■	■	■				■	
HMM	■	■	■	■	■					
China Merchants Ports	■		■			■	■	■		
Evergreen	■			■	■	■	■			
MOL	■	■		■	■					
AD Ports Group		■	■				■		■	
Hapag-Lloyd		■		■		■		■		
Yildirim/Yilport		■	■			■				
SSA Marine				■		■	■			
Eurogate		■	■					■		
NYK	■			■	■					
Yang Mind	■	■		■						
Adani			■					■		

Source: Own elaboration with data from Drewry Maritime Research

This geographical diversity is primarily influenced by three key factors: the **size of the GTO**, its **affiliation with shipping lines**, and the **investment opportunities** it has had over time. Larger GTOs tend to diversify their terminal investments more, while smaller operators often focus on specific regions, with notable exceptions like China Cosco Shipping and China Merchants, which, despite their size, maintain a strong focus on the Chinese market.

The **connection with major shipping lines**, such as Maersk, MSC, and CMA CGM, also plays a crucial role in the geographical expansion of GTOs. These operators have leveraged their alliances to **ensure constant volumes,** allowing them to reduce risks, particularly in the transshipment sector. This type of strategy has provided them with a competitive advantage by facilitating their entry into new markets.

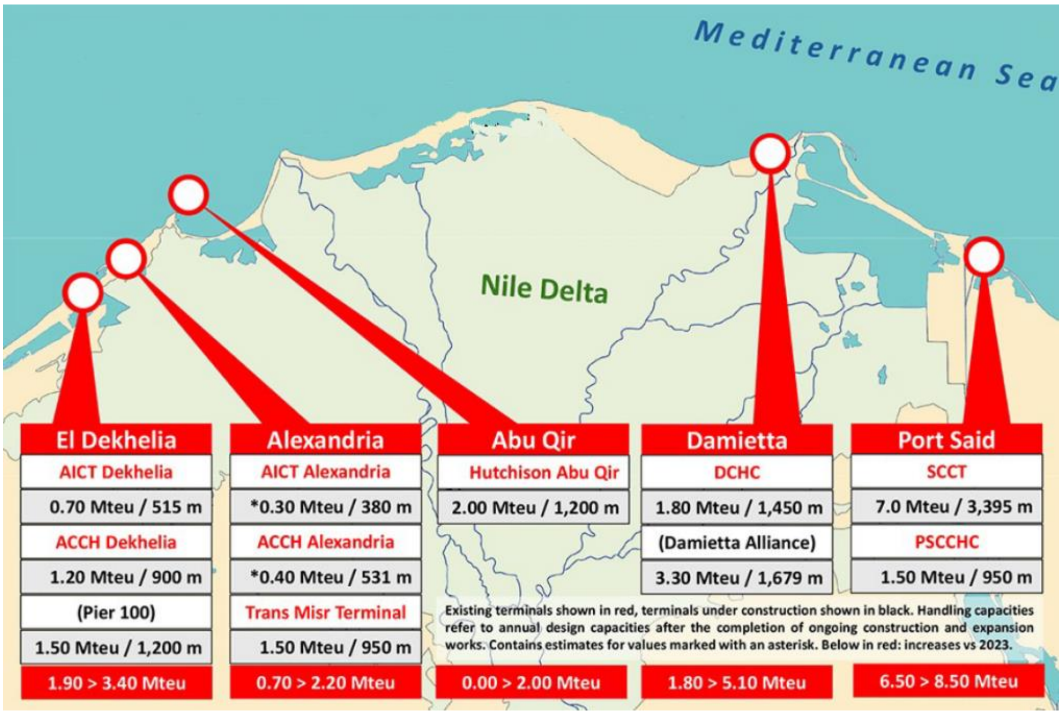
Additionally, many of the GTOs with the most geographical diversification capitalized on **investment opportunities** before the 2008 global financial crisis, when terminal ownership was more fragmented. This allowed them to consolidate a global position, as seen with operators like **Hutchison Ports** and **PSA.** On the other hand, companies like **China Cosco Shipping** and **China Merchants**, which began diversifying their investments later, still have a more limited geographical presence compared to other industry players.

Potential of Egyptian Mediterranean Ports

After analyzing the strategies of major GTOs from a more global perspective, it is interesting to focus on the **initiatives** carried out in the **Egyptian Mediterranean ports**, which are emerging as an **area of great potential.** Their **strategic location** near the Suez Canal and their development capacity position them as a key point for international trade in the near future.

In **2023,** the Egyptian Mediterranean ports **handled 7.38 million TEU**, and it is expected that, with the completion of ongoing projects, their capacity will **increase to 10 million TEU** (Illustration 1).

Illustratation 1. Expected capacity after planned expansions of Egypt's major Mediterranean ports.



Source: Alphaliner

Traditionally, **shipping companies have not been** deeply **involved** in **Egyptian ports,** with some exceptions such as Maersk and COSCO's stakes in the SCCT terminal in Port Said. However, this **trend** has **changed** in **recent years**. Companies like **CMA CGM** and **Evergreen** have started **investing** in **new terminals,** such as TMT in Alexandria and HPH in Abu Qir. Additionally, **MSC** has strengthened its presence in Abu Qir, while **Hapag-Lloyd** and **MSC** are developing new projects like Pier 100 in El Dekhelia and the Damietta project. With the upcoming **alliance reorganization** set for **2025, competition** is expected to **increase**, potentially generating more investments in competing terminals.

Currently, there are at least **nine operational terminals** in **Egyptian Mediterranean ports**, including El Dekhelia, Alexandria, Abu Qir, Damietta, and Port Said. Additionally, **two new projects** are **under development.** These developments, along with **expansions** at **existing facilities**, will significantly **increase handling capacity** in the **coming years**.

In light of this, **analyzing** the **strategies** of **major GTOs** reveals a **dynamic** and **competitive landscape** in the **port sector**. Despite **geopolitical and economic challenges**, GTOs have shown **resilience** by adopting expansion, digitalization, and sustainability strategies, enabling them to **continue growing** and **consolidating** in **key markets**.

In this context, the **Egyptian Mediterranean ports** stand out as a **high-potential area**, particularly due to their strategic location near the Suez Canal and the significant investments being made by major shipping lines and operators in the region. The **expansion of capacities** and the **construction of new terminals** in Egypt, coupled with the **geographical diversification** of GTOs, suggest that **competition** in the **sector** will continue to **rise,** driven by the need to adapt to an ever-evolving international trade environment.