## The Supply Chainer

### **Logistics Industry News Brief**



By Sophia Hernandez, May 20, 2025

# <u>Inside the GCC–Mediterranean Corridor: Could Overland Freight Disrupt Sea</u> Dominance?

With the Red Sea corridor compromised and long-haul ocean freight under renewed pressure, regional trade strategies are being reimagined. Among the most geopolitically ambitious is the potential Gulf Cooperation Council (GCC)—to—Mediterranean land route, designed to link the UAE and Saudi Arabia directly to European markets via Jordan and Israel.

What was once a diplomatic pipe dream is now an operational consideration. But for supply chain professionals, the question isn't whether the corridor is exciting—it's whether it's viable. Will this new overland path reshape sourcing, routing, and fulfillment models in the region? Or will it remain a niche alternative for politically motivated freight?

#### DHL: "A Faster, Cost-Effective Alternative to Sea Freight"

At least one major logistics player sees opportunity. In a written response to The Supply Chainer, Samer Kaissi, CEO Gulf at DHL Global Forwarding, said the land route "offers a cost-effective and faster alternative to traditional ocean freight, especially in the current context," citing port congestion and geopolitical bottlenecks along the Suez Canal and the Cape of Good Hope.

Kaissi emphasized reduced transit times, lower shipping costs, and improved responsiveness as key advantages, particularly for shipments bound for growing ports like Jeddah or Haifa. DHL is currently evaluating multimodal solutions that combine regional rail, road, and existing sea links.

However, he added a caution: "Depending on the destination, gains may vary. This is not a one-size-fits-all solution. But for specific routes and product types, the corridor could deliver significant efficiency."

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#### ParkourSC: Modeling Risk in Real Time

For technology vendors like ParkourSC, the appeal of the corridor lies not just in its logistics value, but in the ability to model its impact dynamically.

In a response to The Supply Chainer, Dr. Iris Heckmann, VP of Product Strategy & Industry Solutions at ParkourSC, explained that land-based shifts introduce a fresh layer of volatility—from border clearance delays to driver availability and cost per lane.

"Organizations need to think beyond just the immediate cost implications," said Heckmann. "A new land route avoiding Suez creates both opportunities and challenges—from loading and unloading logistics to competitive dynamics that will impact existing sea routes."

ParkourSC uses digital twins and scenario planning to simulate how the new corridor would affect service levels, capital lock-up, and margin across multiple fulfillment nodes.

"Yesterday it was fuel prices, today it's tariffs and new trade routes, tomorrow it could be something entirely different," said Heckmann. "With dynamic decision intelligence, organizations can assess the trade-offs between multi-modal options in real time."

#### **Infrastructure First, Impact Later**

Still, several hurdles remain. The GCC–Mediterranean land route requires robust, secure, and interoperable infrastructure—across at least four jurisdictions. While Saudi Arabia and the UAE have made significant investments in logistics modernization, interconnection with Jordan and Israel still involves geopolitical fragility.

Privately, some freight analysts told The Supply Chainer they view the corridor as a useful redundancy, but not yet a game-changer for mass-market supply chains. "We don't expect bulk consumer goods to start moving by truck from the Gulf to Greece anytime soon," one analyst said. "But for high-value or time-sensitive freight—medical, tech, automotive—the corridor could prove valuable."

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#### What's Next for Supply Chain Planners?

Even if the GCC–Med corridor takes years to scale, the lesson for planners is immediate: agility now requires geographic options. The old sea-only mindset no longer guarantees resilience. Strategic routing decisions will increasingly depend on corridor-level intelligence—risk scoring, capacity simulation, and cost forecasting.

As Heckmann put it, "The winners won't be those with the most capacity, but those with the clearest visibility across options."

Whether the GCC–Med corridor becomes a major artery or remains a regional shortcut, it is already reshaping how global brands think about routing—and proving that in today's landscape, even landlocked alternatives deserve a place in the playbook.