

19.04.2026

Chain Reaction: How the Middle East Conflict Fractures Supply Chains for Russian Exporters

Global supply chains are currently undergoing severe disruption due to the ongoing escalation of the conflict in the Middle East, directly affecting the interests of Russian exporters. The decline in Russia's foreign trade turnover at the beginning of the year was no mere coincidence, but a clear alarm signal. Current events highlight the main structural challenge facing Russian foreign trade: we have yet to secure fully reliable logistical routes for our exports. Exporters face the risk of losing accumulated profits unless they rapidly restructure their logistics chains.

The active phase of the conflict in the Strait of Hormuz has plunged the transportation market into a state of acute crisis. Carriers are incurring hundreds of thousands of dollars in additional costs per voyage due to multi-fold increases in spot rates and port terminal congestion across most major routes. Insurance premiums for vessels passing through the conflict zone have surged to 3% of the vessel's value per voyage. For Russian exporters, this adds up to some unpleasant math: for instance, shipping from Novorossiysk to Southeast Asian countries—which used to cost between $2,000 and $3,000—now exceeds $10,000 per TEU.

Land alternatives were also hit hard: on March 12 the Kremlin announced that Iran was unable to proceed with the implementation of the International North-South Transport Corridor (INSTC) project, which signifies a de facto freeze of the

© MOSCOW FORESIGHT - 2026. ALL RIGHTS RESERVED.

strategic route intended to become a seamless railway artery to Asia. Construction of the key Rasht–Astara section, despite the agreements signed in 2023, is now postponed indefinitely. The situation was further aggravated by an incident on the Azerbaijan-Iran border, where truck traffic was halted due to the crash of Iranian drones. Traffic along this corridor has already been halted for timber exports, and now chemical companies are facing significant logistical challenges.

In this context, while the new railway route for fertilizer deliveries to Armenia opened by the Freight One Company does not offer a complete solution, it represents a commendable example of long-term planning and a strategic approach to maintaining business operations during a crisis.

Among other achievements in Russian international logistics at the start of the year, the performance of the stevedore Port Alliance stands out: by March of this year, the company increased its total cargo turnover by 5,54% to 3,36 million tons, rebounding from an 8,5% decline in January. The key driver of the holding – the Osterra coal terminal in Khabarovsk Krai increased coal handling by 37,5% to 1,87 million tons. Murmansk Commercial Sea Port and Murmansk Bulk Terminal joint throughput exceeded 1 million tons (fertilizers, apatites, coal), confirming the sustainability of the Arctic shipping route. Ammonia exports from the Port Favor terminal in Ust-Luga grew by 2,9% year-on-year, reaching 53,26 thousand tons in February 2026.

Year-over-year data for southern destinations shows a positive trend: for example, NUTEP Container Terminal increased its container turnover by 1,9% to 624 000 TEU in 2025, maintaining its leadership in the Black Sea basin, and Novorossiysk Grain Terminal, advancing a new investment project to increase grain transshipment volumes from road transport, exported nearly 5,5 million tons of grain crops by the end of the year. These figures emphasize adaptation of the Black Sea infrastructure to new logistic reality, however, it is still unclear what the year of 2026 would bring.

© MOSCOW FORESIGHT - 2026. ALL RIGHTS RESERVED.



© MOSCOW FORESIGHT - 2026. ALL RIGHTS RESERVED.

Overall, the majority of the Russian logistics community experts think that the situation, unfolding in the Middle East, is by no means the end of the world, but more of an opportunity for decisive and forward-looking players to reinforce positions. Recommendations to completely abandon 'Suez dependence' and actively increase the share of rail and multimodal routes to Asia through land corridors and close cooperation with partners in the Eurasian Economic Union are growing louder. China, India, and Turkey are expressing interest in fixed-rate, Russian-exported commodities, aimed at mitigating currency volatility through accessible freight hedging tools.

It is crucial to consider two key scenarios. If the active phase of the crisis ends before Iran's adversaries exhaust their current energy reserves, Russia's export logistics in this direction will gain a breathing space: the Strait of Hormuz will open for commercial traffic; freight rates could drop by 40-50%. Under these circumstances, the ongoing pivot towards Eastern markets will solidify long-term competitive advantages for Russian suppliers. But if the conflict drags on, the consequences will be far more serious: a literally total blockade of the Persian Gulf is possible, paralyzing about 20% of world trade, insurance payments will skyrocket 5-10 times, and for Russia, the risks of losing significant export volumes could increase, particularly in the energy sector. In this case, it will be necessary to urgently expand land routes and Arctic routes at any cost, which will require urgent significant investments in infrastructure.

Practical recommendations for Russian and Moscow-based exporters are simple and concrete: Unfortunately, it must be admitted that the Iranian section of the North-South Transport Corridor (INSTC) cannot currently be considered a reliable or fast route, and the Northern Sea Route, as a foundation for a Trans-Arctic transport corridor, currently remains merely a hypothetical possibility for regular commercial shipping, as icebreaker assistance is still very expensive and there are not enough vessels of the appropriate ice class. For exports to the EAEU and Southeast Asia countries, a significant share of trade volumes (in some sectors, at least 50%) should be oriented towards railway and road transport. When selecting carriers and freight forwarders, it is advisable to execute long-term contracts with reliable and stable operators, as freight rates may continue to rise in the coming months. Regular monitoring of logistics risks is essential, including formerly exotic threats such as the hijacking of transport and cargo by state-sponsored ‘privateers’.

Consequently, failure to restructure immediately could see February's cargo turnover growth turn into a March downturn, resulting in the loss of major contracts. However, companies that manage to promptly adapt their supply chains to the new geopolitical order will certainly have a chance to end the year in profit. Russian exports are traditionally tempered in such crises and emerge from them only stronger, confirming their resilience on the global stage.

© MOSCOW FORESIGHT - 2026. ALL RIGHTS RESERVED.

Leonid Shurilinov,
Infranews Agency Expert

© MOSCOW FORESIGHT - 2026. ALL RIGHTS RESERVED.