Business Strategies of China-Europe Land Bridge

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COMPANY INTRODUCTION

TERRITORY OF EXPERTISE
- Eurasia-wide logistics via CIS and Mongolia

NETWORK OVERVIEW
- Head office in Hong Kong
- 7 offices across Eurasia
- Over 60 countries of operation

MISSION

UNDERSTAND
INTERESTS

SIMPLIFY
PROCESSES

DELIVER
SOLUTIONS

A.R.T. LOGISTICS
Understand Simplify Deliver
Chinese President Xi Jinping launched the New Silk Road Economic Belt in Astana, Kazakhstan, in September 2013.
One month later he announced a twenty-first-century Maritime Silk Road.
First block train was launched from Chongqing to Duisburg in 2011.

Silk Road block train volume, TEU/year
FACT ABOUT SILK ROAD

- Train frequency dispatched **1881** times with volume turnover **90,000 FEU**.
- **39** routings from/to **16** origin cities in China from/to **12** cities in Europe/CIS/Russia.
- Import and export cargo value of shipment USD17 Billion
- In 2020, increased train frequency to **5000 times** approx. volume turnover **200,000 FEU**.
- Low usage of multimodal transportation in China.
  * 40% in USA, 25% in India

**Multi modal transportation - Shanghai vs. other main seaport**

<table>
<thead>
<tr>
<th></th>
<th>集装箱吞吐量（万 TEU）</th>
<th>铁路联运比例（%）</th>
<th>铁路联运运量（万 TEU）</th>
</tr>
</thead>
<tbody>
<tr>
<td>上海港</td>
<td>1808</td>
<td>0.3</td>
<td>5.4</td>
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<tr>
<td>鹿特丹港</td>
<td>930</td>
<td>7</td>
<td>65</td>
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<td>汉堡港</td>
<td>809</td>
<td>18</td>
<td>146</td>
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<td>安特卫普港</td>
<td>648</td>
<td>8</td>
<td>52</td>
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<tr>
<td>墨尔本港</td>
<td>749</td>
<td>24</td>
<td>180</td>
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<tr>
<td>纽约新泽西港</td>
<td>480</td>
<td>11</td>
<td>53</td>
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<tr>
<td>平均值</td>
<td>904</td>
<td>11</td>
<td>84</td>
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来源：广州市交通运输研究所
SILK ROAD ROUTES

- **14-18 DAYS** China-Europe
- **From Door** in China
- **To Door** in Europe
- **15 WEEKLY** dispatches
BOOKING PROCESS

1. QUOTE ONLINE
2. BOOK ONLINE
3. DISPATCH
4. TRACK ONLINE
Silk Road rail route is a cost-effective alternative to both sea freight and air freight. This route is in demand among manufacturers of electronics, high-tech, food, automotive products, textiles and medical equipment.

**Comparison basis:**

- Sichuan / Hubei / Henan province of China to Eastern and Central Europe.
- Sea rates include pre-carriage, OTHC, sea-freight, DTHC, DOOR delivery.
- Silk Road includes rail tariff, THC, DOOR delivery.
- Transit time and cost are average.
Silk Road rail is a proven cost effective alternative to sea-air. Service includes pick up any part of China and South East Asia and Europe-wide delivery within 16-25 days only. Comparison on EXW – DOOR basis is recommended.

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BENEFITS OF SILK ROAD

Faster lead time along with moderate increase in cost of delivery affects following KPIs of your supply chain:

- **FASTER SALES CYCLE**
- **REDUCED COST OF FINANCING**
- **SHORTER P/O CYCLE**
- **INCREASED INVENTORY TURNOVER**
- **IMPROVED CASH-TO-CASH CYCLE**
TARGET COMMODITIES

GLOBAL BRANDS WHICH ARE ALREADY USING SILK ROAD:

- PHILIPS
- BMW
- ABB
- Haier
- hp
- lenovo
- DELL
- Schneider Electric
- FIAT
- 3M
- P&G
- TCL
- Seagate
- Kodak
- Samsung
- Sony Ericsson
- Flextronics
VALUE ADDING SERVICES

IN EUROPE:
- EU-WIDE DISTRIBUTION
- CONTAINER RETURN
- DOOR DELIVERY

14-16 DAYS EUROPE – CHINA

IN CHINA:
- CONSOLIDATION
- PAPERWORK CHECK
- EXPORT CLEARANCE
- EQUIPMENT RELEASE

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