
A New Silk Road Option

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CEVA Logistics: A Leading Global Logistics Company



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GROUND FREIGHT

AIR FREIGHT

OCEAN FREIGHT

CONTRACT LOGISTICS

Silk Road: Market Analysis

Market

- By the beginning of September 2022, the total number of China Railway Express has exceeded **10,000**
- Freight forwarders delivered about 40 % of the goods and direct customer goods delivered rest 60% estimated.

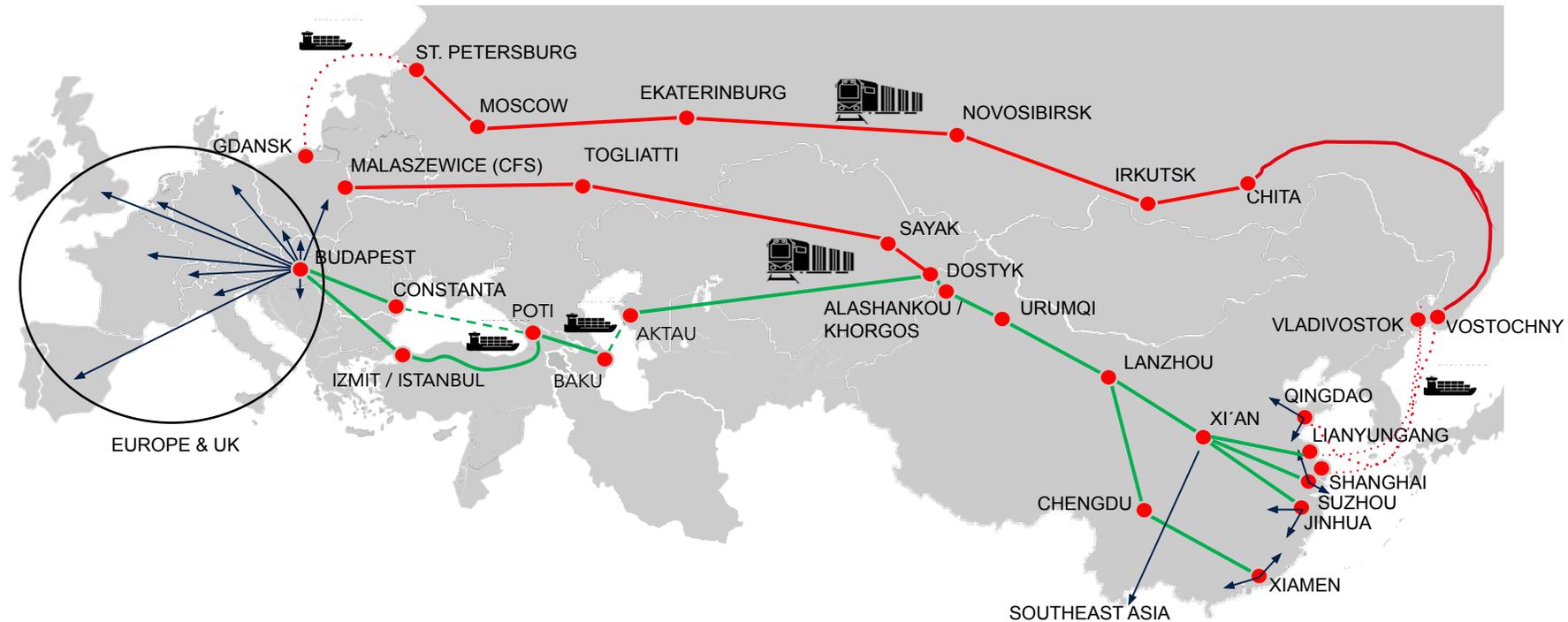
Trends

- European companies is seeking the solution which is not crossing through Russia, Via the northbound route volume is decreasing.
- However, with the significant increase in China-Russia trade volume, the train volume between China to Russia is increasing significant.
- The overall volume of China-Europe

Demand

- The market remains interested in the plan for the **middle corridor** route of the China Railway Express but requires competitiveness in terms of timeliness and price.
- By the way, with the completion of the future China-Laos Railway extending to Thailand, The demand from China to Southeast Asia has also maintained strong growth

Middle Corridor: Overview



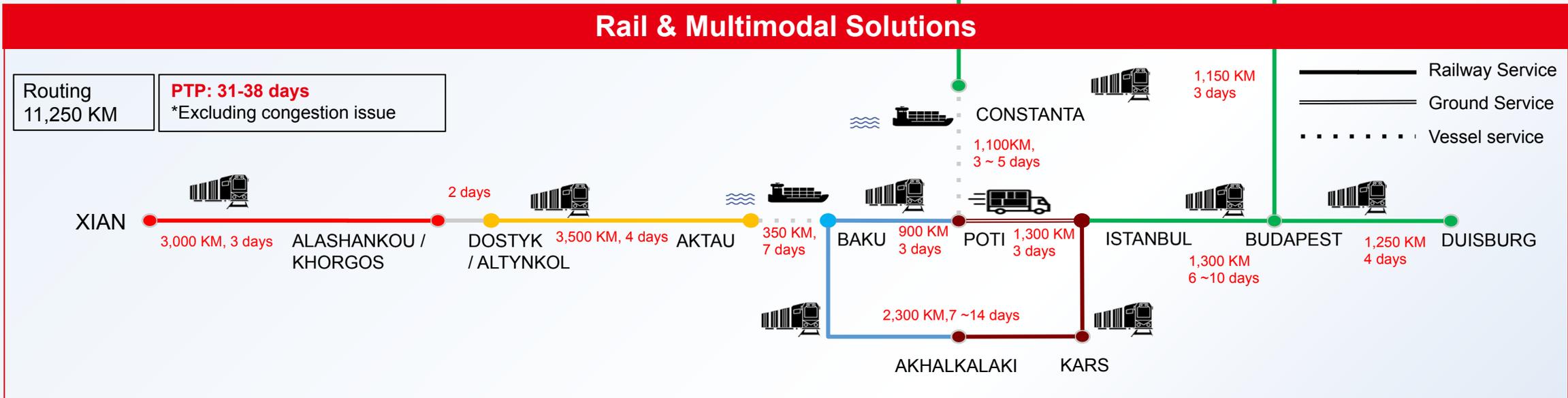
Benefit And Advantage

- ▶ **Regular Block train solutions** via Trans-Caspian International Transport Route (50 cntrs each Schedule)
- ▶ Secured capacity & **container availability**
- ▶ **World Class Customer Service** with a multilingual team and reporting flexibility
- ▶ Engineering **DNA** (network design, route optimization)
- ▶ By using rail solutions and **reducing CO2 emissions**

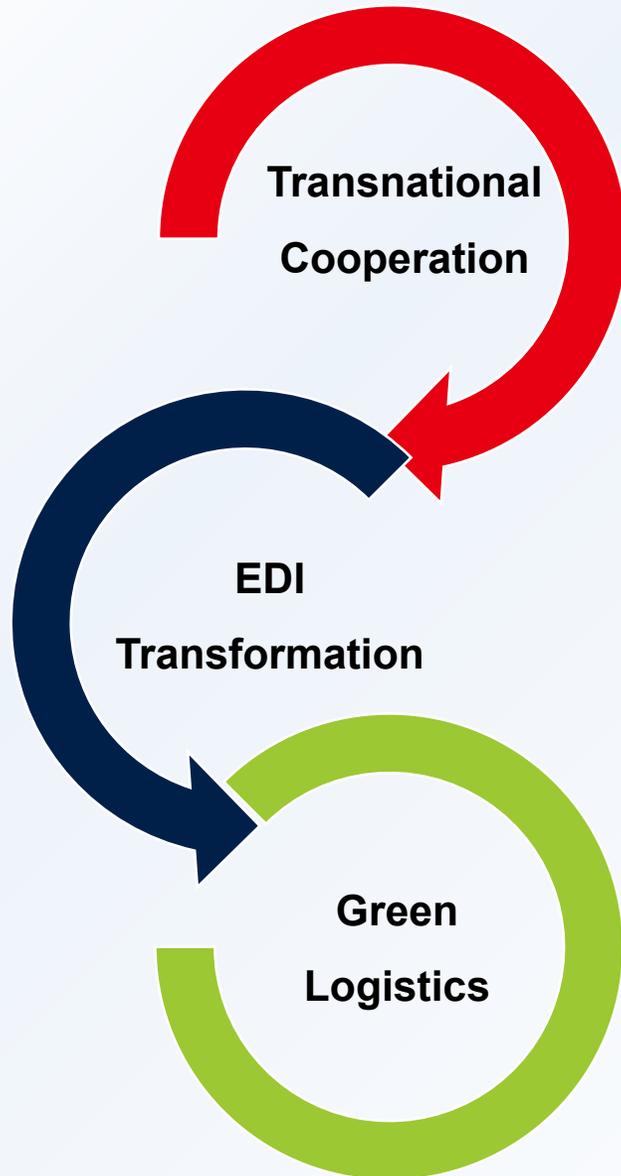
Middle Corridor: Challenges

Bottleneck And Challenges

- ▶ **Lead time:** Lead time is longer by 15 ~ 30 days than via Russia routing. so far, the average lead time approx. 50 ~ 60 days.
- ▶ **Bottlenecks:**
 - I. **Congestion** in Aktau, Poti and Constanta port, rail connection from Constanta port to Europe.
 - II. **Wagon shortage** issue.
 - III. Long time waiting for Caspian Sea & Black Sea Vessel.
 - IV. T1 issued in Constanta terminal and rail connection issue.
- ▶ **Cost:** The cost is higher than **30%** compared to via Russia routing



Middle Corridor: Future Opportunities



- 1 **Joint effort** from the countries along the way to develop this middle corridor routing
- 2 Focus on construction of infrastructure and improve the **capacity** of border operation, speed up the LOLO operation in border.
- 3 A sea-land links the Silk Road Economic Belt and build up a Eurasian Land Bridge
- 4 The possibility of transportation for **battery cargo** or **battery contained** cargo
- 5 According to fast and stable China railway express service, attract **high value – added** products and manufactories landing with local government support.
- 6 A door-to-door **bill of lading** for international railway or multi-model transportation
- 7 **EDI connection** in countries along the belt and road, improve the efficiency of train running.
- 8 To build carbon neutral and **sustainable** railway service.

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Thank You