



DHL Global Forwarding

China “Belt and Road” Development, Challenges, Opportunities

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DHL CHINA RAIL – DEVELOPMENT

2025

Market growth
forecast
1 Million TEU

2017

DHL offers 23 rail routes,
directly connecting
13 countries in Europe
and Asia

2013-2016

- Daily rail service CN to EU
- Moscow block trains
- Japan, Korea, Taiwan, Vietnam connections
- Trans-Caspian corridor to Turkey

2008 – 2012

Concept definition
and trials via various
routes West- and
Eastbound directions

DHL – THE CHINA RAIL NETWORK



NEW SILK ROAD DEVELOPMENT GOES ON...



CHINARAIL 2017 – A fairly good year!

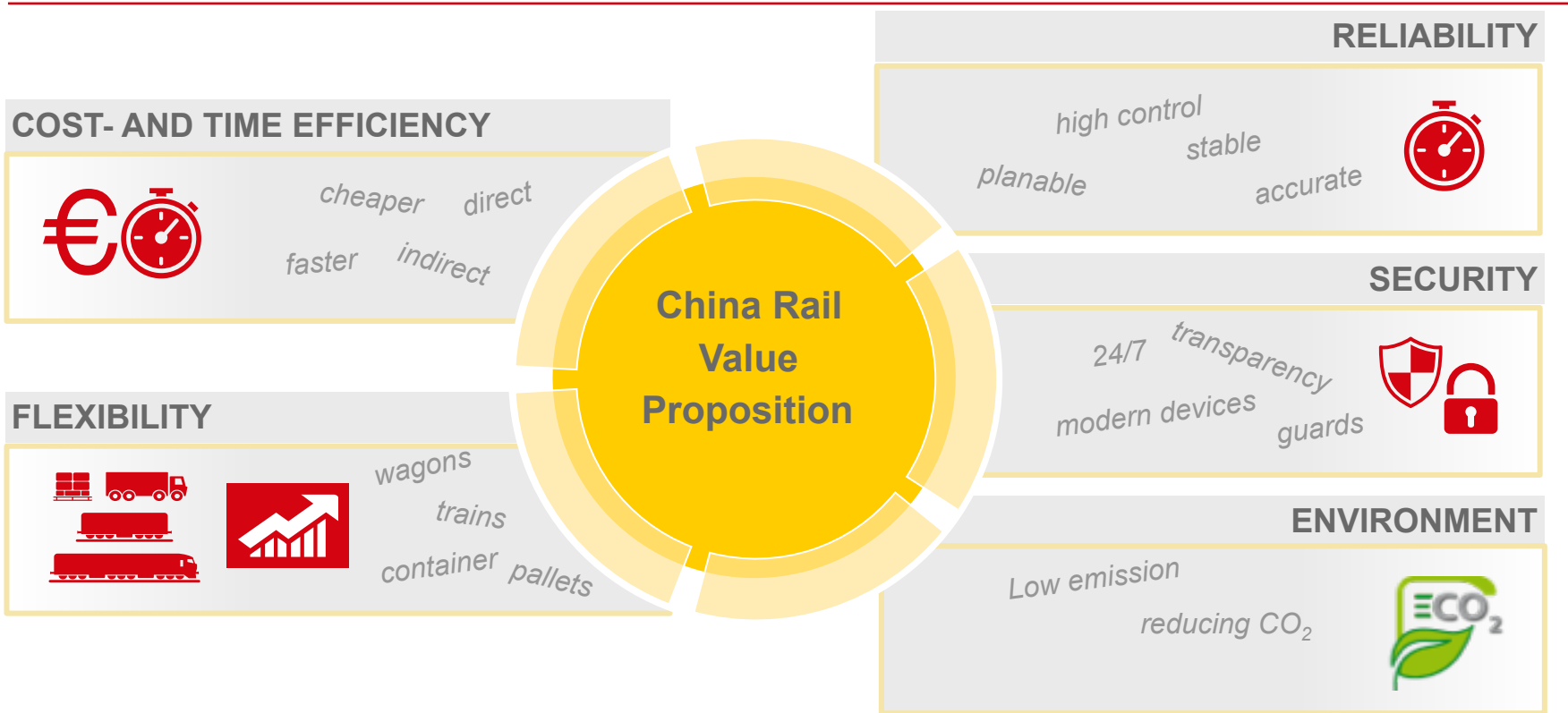
**Volume
increased**

**More
trains**

**New
Players**

**Political
Interest**

...AND MORE AND MORE SHIPPERS ARE GETTING INTERESTED IN THIS ALTERNATIVE...



...ALMOST EACH INDUSTRY SECTOR SEES NEED...

What cargo we see

AUTOMOTIVE



**TECHNOLOG
Y**



**ENGINEERING &
MANUFACTURING**



**CHEMICAL
S**



CONSUMER



...BUT

1 Customer expectations are steadily increasing



DHL

2 Investing in Infrastructure is required



1

SHIPPERS EXPECTATIONS ARE STEADILY INCREASING

- End-to-End Management across regions in consistent way
- Equipment provision (20', 40', 40HC, Reefer, etc.)
- Flexibility in bookings / shorter Gate-In Times, faster Gate-Out Times
- Sufficient Capacity to deal with volatile markets
- Multimodal connections / Transit
- Shipment visibility, i.e. Track & Trace / Daily monitoring, proactive information
- Lead time reliability / ETA updates
- Handle all sort of shipment sizes from mail, parcel, pallets, LTL/PTL, FTL, to FCL
- Consolidation / Deconsolidation services
- Faster & Easier Customs processing & consultancy
- Chinese / European front end consultancy
- ...

2 INVESTING IN INFRASTRUCTURE IS REQUIRED TO SPEED UP

Every successful business has operational challenges

- ▶ Border capacity don't keep up with rapid expansion of China rail services and cargo volume
- ▶ Lack of infrastructure at alternative borders
- ▶ Idling time and delays

- ▶ Constant speed improvement is expected by the market
- ▶ Average cargo train speed is lowest in the EU
- ▶ Estimated Time of Arrival (ETA) on container level is a must to have



- ▶ Customs document translation to many languages
- ▶ HS code verification and conversion
- ▶ Customs offices don't work 24/7
- ▶ E-Customs solutions required

- ▶ Less departures from European borders to European hubs
- ▶ Platform / wagon shortage during 1520 / 1435 trans-loading
- ▶ Track renovation in Europe causing disruptions
- ▶ Improve Train lead times!

POLAND HAS ALL CARDS IN HAND TO PLAY AN IMPORTANT PART IN CONNECTING CHINA AND EUROPE VIA RAIL

**Can we achieve 9 days rail transit time between China and Europe?
Is everybody in Poland fired up to take this unique opportunity?**





ARE YOU READY FOR CHINA RAIL?

Joint success!