

The Actual Situation and Nippon Express's Initiatives Regarding Rail Transport between China and Europe

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For rail transport between China and Europe, the Chinese government had initially set 2020 as the target for the operation of 5,000 train services, but this has been achieved ahead of schedule. In 2017 the train services achieved totaled 3,673, but last year there were more than 6,000 services with a growth rate of approximately 70%.

In comparison with the volume of maritime freight transport between China and Europe, the rail freight volume is some 1%, yet in comparison with the volume of air freight transport between China and Europe, at some 30%, it has already become a major means of transport for that route. We recognize this rail transport as a "third means of transport" alongside maritime and air transport between China and Europe.

In order to cope with the dramatic increase in the number of train services, all rail-related facilities within China and border facilities are being strengthened. In particular, the border with Kazakhstan on the Western Channel (South Route) which is taken as accounting for over 60% of the total volume of freight, is flush with investment on both the Chinese and Kazakh sides. Meanwhile, the Poland–Belarus border (Małaszewicze), the entranceway to Europe, is under scrutiny with reports of congestion depending on the time. In Europe there are reports of plans to also use other border points in the future, and trial operations are actually underway.

After entering Europe, Duisburg railway station in Germany plays a central role, and Nippon Express too already has a presence there, and with train services destined for Eastern Europe from China also increasing, our automotive industry clients in particular are making active use of them.

From May last year we commenced the sale of service products originating in Japan with transportation by rail from China to Europe. We offer: "Sea and Rail", linking Japan's five major ports with the Port of Dalian in China and connecting up to Europe by rail; and "Air and Rail", linking Japan's major airports with Chongqing airport in China and connecting up to Europe by rail. Differing from the services between China and Europe in not being complete intermediate products, they have not become a "third means of transport", but the handling of goods is gradually increasing. For the further expansion of usage, we are examining the addition of services other than the current Dalian route. Services via Taicang port and others are candidates. Regarding ports of departure from Japan, we would like to expand the ports we deal with, including the utilization of the Port of Niigata.

As a commissioned project for the Ministry of Economy, Trade and Industry, we organized a "Nippon Express special train" departing from Xi'an in December last year to lower transportation costs. Under Nippon Express's control we effected the organization of all 41 containers as freight handled by our company. This month the train and all the containers have already arrived at the Duisburg terminal, and we are currently engaging in verification.

The specifics of the data and lead times during transportation are planned to be made public via the Ministry of Economy, Trade and Industry from this April onwards. Moreover, a symposium on the commissioned project is planned to be held in Tokyo in March.

[Translated by ERINA]