

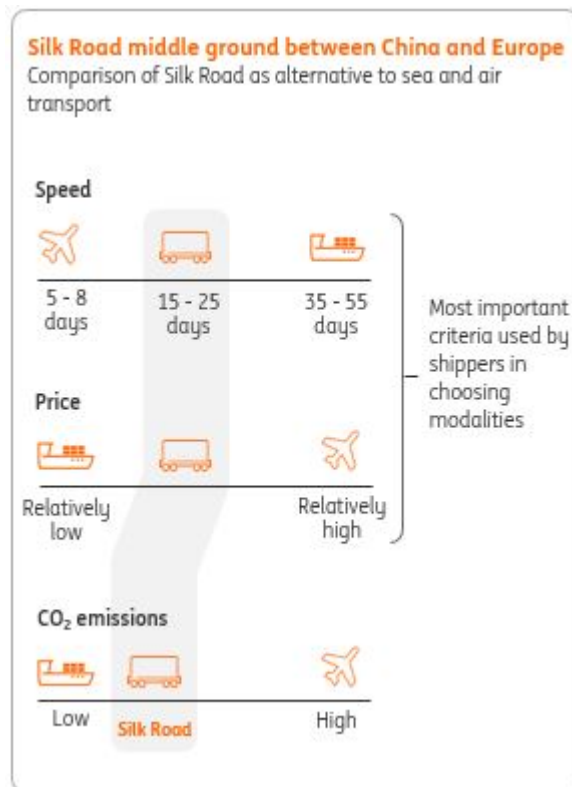
The New Silk Railroad Revolution

China is investing billions of dollars in its Belt & Road initiative and that's creating new options for rail transport between China and western Europe. [As our new report reveals](#), this could shake up supply chains, as it's twice as fast as sea freight and up to six times cheaper than air



New Silk rail road: Twice as fast as sea, four to six times cheaper than air

China is investing billions of dollars in its Belt & Road initiative. As a result, container traffic on The New Silk rail road between China and Europe is growing at a double-digit rate and this is expected to continue in the coming years. The rail connection offers opportunities for optimisation to shippers and possibly shakes up supply chains. It is twice as fast as sea freight and four to six times cheaper than air freight.



Most interesting for higher valued products to inland destinations

The New silk road especially offers opportunities for transportation of higher valued consumer products like electronics and medicines to and from deep hinterland destinations like the Chinese city agglomerations of Chengdu and Chongqing.

CO₂-footprint is a growing advantage

Looking at the trade flows and characteristics, the silk road competes more with air transport than with sea transport. Western European freight airports like Schiphol, Frankfurt and Luik could feel the competition in the medium term. Besides the price difference, the huge difference in the CO₂-footprint is a growing advantage given the increasing climate awareness.

Central and Eastern European countries to become gateways

The New Silk Road represents a potentially revolutionary shift in the way that goods are transported between China and Europe. Although volumes are still low, Central and Eastern European countries get the chance to develop themselves as overland gateways to and from the East. Large parts of Western-Europe are predominantly supplied overseas via gateway countries like the Netherlands and Belgium. With the arrival of the New Silk Road, this will not necessarily always be the case in the future.

Challenges ahead, but New Silk road is here to stay

The Silk Road is on its way to maturity. Challenges like dependency on subsidies and busy rail networks in Western Europe are still ahead. But scaling and efficiency gains could compensate in

price, capacity and shorter transit times.

For shippers, the New Silk road offers a chance to reconsider supply chains looking for cheaper or faster transport. One modality does not always cancel out another. In practice we will see an increased combination of rail with air transport and/or sea transport. Not only does this help to spread risk, but also offers opportunity for a more optimum multimodal servicing of supply chains.

[Click here to read the full report.](#)

Silk Road by rail has 3 main branches and covers a distance of 10,000 - 12,000 km



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