



Russian and Chinese representatives, including Chongqing Mayor Huang Qifan (third from right), toast the success of the cooperation on the Chongqing-Xinjiang-Europe railway in 2013.



Chinese and foreign delegates celebrate the establishment of a logistics company in Chongqing, which has capitalized on the international railway to provide its clients freight services.

Intl railway promises to revive Silk Road

New town and launch of regular trains to boost modernized trading routes between East and West, **Tan Yingzi** reports from Chongqing

Legend has it that Chinese emperor Han Wu Di (156 BC-87 BC) once looked to the lands west of his vast empire and proclaimed them full of people who placed "great value on the rich produce of China".

That regal observation spurred exploration of those foreign lands, leading to a network of trading routes between the East and West that came to be known as the Silk Road.

But the historic route declined in the centuries that followed as maritime trade increased.

Now China is building a modern version of the ancient world's renowned trade routes to bring back the glory days — instead of camels, modern travelers will use cars, trains and planes.

The latest addition to this effort is the Chongqing-Xinjiang-Europe international railway, which started operating in 2011.

Starting in Chongqing, the only municipality in inland China, the Asia-Europe rail link project bridges East and West and connects North and South.

The megacity boasts a population of 32 million and is one of the largest and fastest growing cities in the world.

Chongqing opened a line to form part of the new route in the north at Shaanxi's provincial capital Xi'an — the historical city that flourished as the Chinese terminus of the Silk Road centuries ago.

The new link offers an attractive alternative for trading companies in Chongqing that otherwise use the more time-consuming and costly maritime route via southern Chinese coastal ports, including Shanghai or Guangzhou, before shipping goods through the Strait of Malacca.

The 11,000 km route passes through Xi'an, Lanzhou, Urumqi and the Alataw Pass, where it crosses the border into Kazakhstan. It then continues through Russia, Belarus and Poland before ending in Duisburg, Germany.

Chongqing authorities say the railway puts the city on the map as an international logistics hub by connecting the Yangtze River Delta economic belt to Europe.

The journey takes an average of 16 days, less than half the time of the maritime route, and is changing Chongqing's role from an inland city to a bridgehead for China's gateway to the West.

In addition, customs and tariff procedures have been simplified to make international trade more convenient.

Thanks to the railway, PC products manufacturer Hewlett Packard, which has laptop factories in Chongqing, saved significant transport costs and time, benefiting its consumers worldwide, said Tony Prophet, HP's senior vice-president.

In 2011, trains ran just once a month. Now they run every day and the number of departures is expected to rise to three per day by 2015.

While shipping laptops, mechanical and electrical products and car parts made in Chongqing to Europe, the railway still has to deal with relatively high freight costs, as there are few China-bound goods.

According to YuXinOu (Chongqing)



PHOTOS PROVIDED TO CHINA DAILY

A train shipping IT products first sets off for Europe from the Chongqing railway station via the inter-continental railway in 2011.

The city's growing transportation system that reaches overseas makes the inland southwest municipality very competitive."

HUANG QIFAN
CHONGQING MAYOR

Logistics, since 2011, 95 train services carried cargo worth more than \$2 billion from Chongqing but only one cargo train ran from Europe. The first return cargo train carried Ford car parts from Duisburg, Germany, at the end of February 2013, and arrived in Chongqing 17 days later on March 18.

The rail link is now the busiest cargo freight route between China and Europe, according to the logistics company.

To meet the increasing demand of the Sino-Euro trade, the company recently announced that the first train with a regular weekly schedule between Chongqing and Europe will leave on April 8.

Self-developed insulated containers mean YuXinOu Logistics can now also transport the products during winter.

The cost of each wagon to Europe is \$8,000, but the figure is expected to fall to about \$5,000 to \$6,000 as more European goods are carried back to China via the link.

To benefit from the increase in trains and encourage more trade a new free trade port town will be built in the Chongqing Liangjiang New Area. Work was due to start on March 29, and the town is expected to be up and running by November 2015.

The national development area is the third

A FASTER ROUTE FOR TRADE



Sources: Ministry of Commerce, General Administration of Customs, YuXinOu Rail Logistics Company FENG XIJUN / CHINA DAILY

to be approved directly by the State Council, following Shanghai's Pudong New Area and the Binhai New Area in Tianjin.

The Chongqing Free Trade Port Town received 10 billion yuan (\$1.6 billion) for investment projects including new hotels, shopping malls and office buildings.

The town will be built around a trade center, which was established in 2011. The center is a commercial platform for business people in China and abroad to exchange information and products.

To date 400 companies have moved into the center, including 13 Fortune 500 companies.

To help facilitate trade with Europe a logistics center and an e-commerce center will also be built.

In early May, three logistics companies from the United States, Italy and Australia invested 5.4 billion yuan in the region to tap the potential opportunities.

Spearheading the New Silk Road

In a speech in Kazakhstan last year, President Xi Jinping proposed that China and the Central Asian countries build an "economic belt along the Silk Road".

The trans-Eurasian project would target more than 3 billion people and represent the single biggest market in the world, one with unparalleled potential.

In his work report at the start of the second session of the 12th National People's Congress in March, Premier Li Keqiang said that the government will push forward the establishment of the Silk Road economic belt, which may eventually encompass more than 40 countries.

Chongqing is applying to be the start of the Silk Road economic belt and the hub of a 21st century maritime Silk Road, connecting the Chinese interior to the world.

Chongqing Mayor Huang Qifan said the city's growing transportation system that

FAST FACTS

- Total length of 11,179 km.
- Going through six countries in about 16 days: China, Kazakhstan, Russia, Belarus, Poland and Germany.
- The first coordination meeting attended by representatives from five countries along the railway was held in Chongqing in November 2010.
- The first train on the railway to travel to Moscow arrived on Jan 28, 2011.
- The first train on the railway to travel to Duisburg, Germany, arrived on March 19, 2011.
- Regular train services on the railway started on June 30, 2011.
- The first return train on the railway left Duisburg for China on Feb 28, 2013. It passed through Poland, Belarus, Russia, and Kazakhstan before it finally arrived at Tuanjie Village in Chongqing.
- The first train on the railway not limited to carry only IT products will run on April 8, 2014. It can carry all products to be exported to countries along the line and will transport products from regions around Chongqing to Europe.
- From the first train, which ran on Jan 28, 2011, to Jan 24, 2014, the railway has seen a total of 96 runs. During this time the trains transported 8,434-container exports worth \$3 billion, according to the Chongqing logistics office.

reaches overseas makes the inland southwest municipality very competitive.

This year, many provinces applied to become part of the Silk Road economic belt to increase their overseas connections.

Huang said Chongqing's advantage is that it connects with other cities by air, rail and water. "The Yangtze River gateway has great potential," he said, adding that the cargo volume could double or even triple.

Inland provinces, such as Sichuan and Shaanxi, are also applying to be the start of the belt.

"Chongqing's electronic industries are needed in European countries," Huang said, adding that a cluster of industries in the city make products that are needed by the world and would also be important to open up.

The mayor said, "Chongqing is one step ahead in taking the initiative in the economic belt." He pointed out that the municipality has been shipping goods to Europe via the trans-Eurasian railway network since 2011.

Chongqing has already started to seek cooperation with Russia, which is about to establish a consulate in the municipality. Direct flights to several Russian cities will begin this year and a Sino-Russian industrial park will be built in Liangjiang New Area that will focus on aviation-related manufacturing, including helicopter parts and engines.

Contact the writer at tanyingzi@chinadaily.com

For further information, please contact YuXinOu (Chongqing) Logistics Ltd Co Sales Department: +86 023-67623895 Cargo service registration: 400-630-0002 Website: www.yuxinoulogistics.com

Chongqing key link to connect inner China with world

By **TAN YINGZI** in Chongqing and **LUO WANGSHU** in Beijing

Cargo trains transporting goods from central, southwest and south China across six countries to Europe will run regularly from April 8. The trains will travel along the Chongqing-Xinjiang-Europe railway, a key economic transport corridor that starts at Chongqing and links East and West.

The regularly scheduled cargo trains will be a new addition to the line, previously ran trains reserved for special orders, particularly IT products.

"Products other than IT products are wel-

comed to take the ride to Europe," said Yang Liqiong, deputy director of Chongqing's Municipal Commission of Economy and Information Technology and head of the Municipal Logistics Office.

He added that a discount would be given depending on the amount of cargo. Each container costs from \$ 5,000 to \$8,000.

Since the first service in 2011, 95 train services have carried cargo worth more than \$2 billion on the railway from Chongqing. The first return cargo service started from Duisburg, Germany, at the end of February 2013 and arrived in Chongqing on March 18.

Yang said more than 100 regularly sched-

uled trains will depart from Chongqing. Two trains each week will set out in April and May. From June to November, the number of the trains from Chongqing will increase to three each week.

All trains will leave from Chongqing Tuanjiejun station at 12:05 pm.

A total of 12 return cargos are planned in 2014, starting from May.

The train journey takes 16 days- 20 days shorter than shipping times and costs a fifth of air transport.

The Chongqing-Europe link transports the city's goods, ranging from IT products, car parts, medical goods and electronics

that are headed for European markets. The first return freight train carried high-end car parts.

Chongqing Mayor Huang Qifan said "Chongqing takes advantage of the Chongqing-Xinjiang-Europe railway, the expanding air channel and the Yangtze River gateway to attract more international opportunities."

During the National People's Congress and the Chinese People's Political Consultative Conference in March, Chongqing's delegation proposed Chongqing as the start of the Silk Road economic belt and the hub of a 21st century maritime Silk Road, connecting Chinese inner land to the world.

The railway is the city's first advantage on the list. "Chongqing-Xinjiang-Europe railway, heading northwest and connecting Chinese inner land Chongqing to Europe, travels 14 to 15 days, greatly reducing the cost of transporting goods from China's west region abroad," Mayor Huang said, adding that the route will attract foreign investment.

"Chongqing, at the center of China, has the perfect geographic spot. It also enjoys a convenient transporting hinge by road, railway, water and air," Huang added.

Contact the writers at tanyingzi@chinadaily.com and luowangshu@chinadaily.com