

China & Europe: Challenges & Opportunities Seminar

Panel discussion: Opportunities and challenges in Europe

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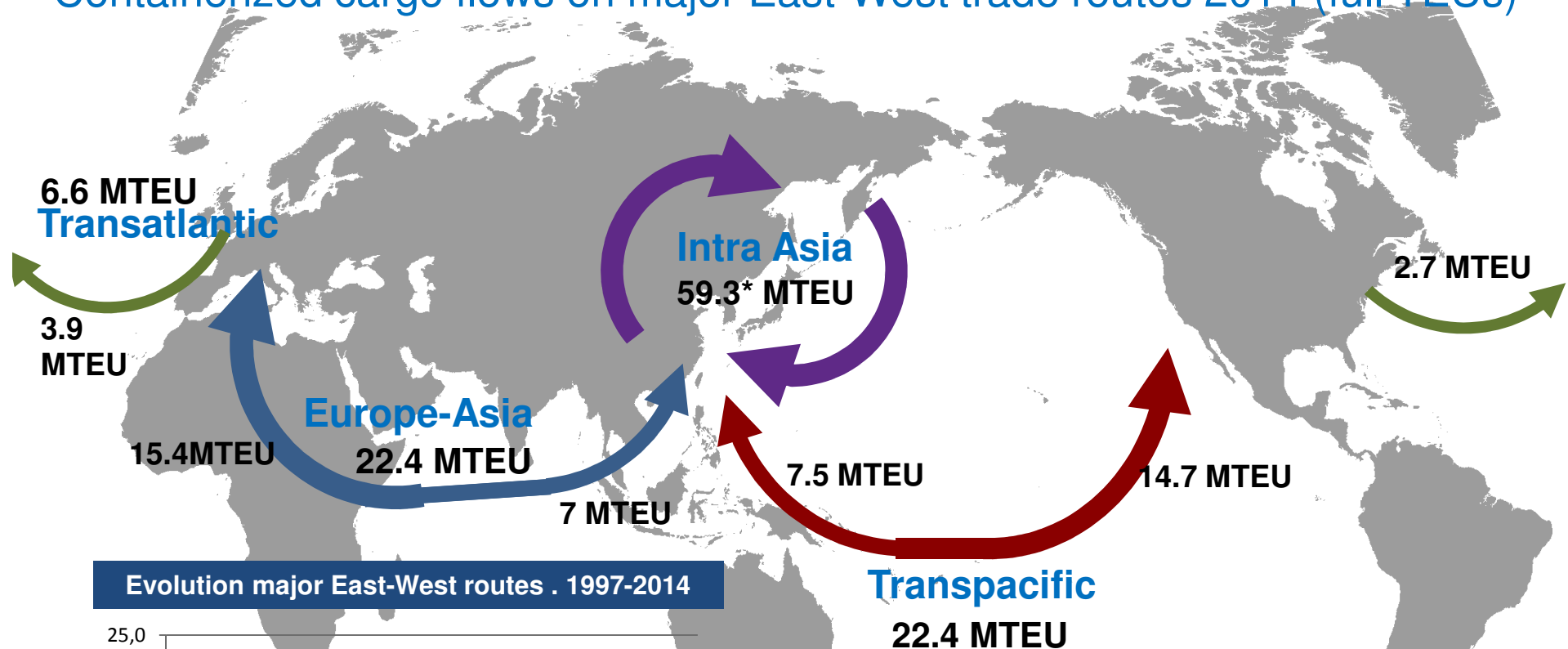


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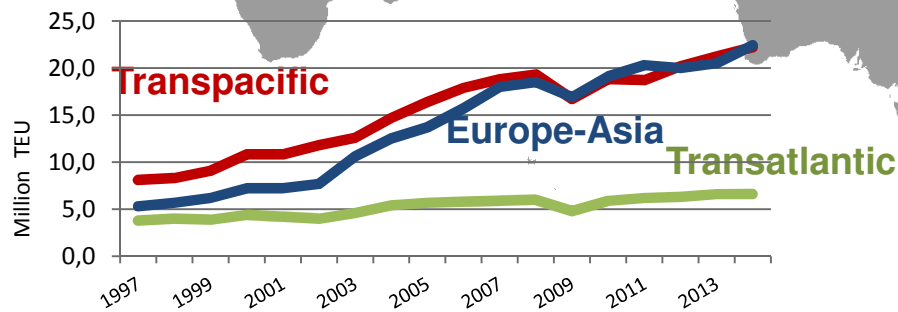


The present European logistics system

Containerized cargo flows on major East-West trade routes 2014 (full TEUs)



Evolution major East-West routes . 1997-2014

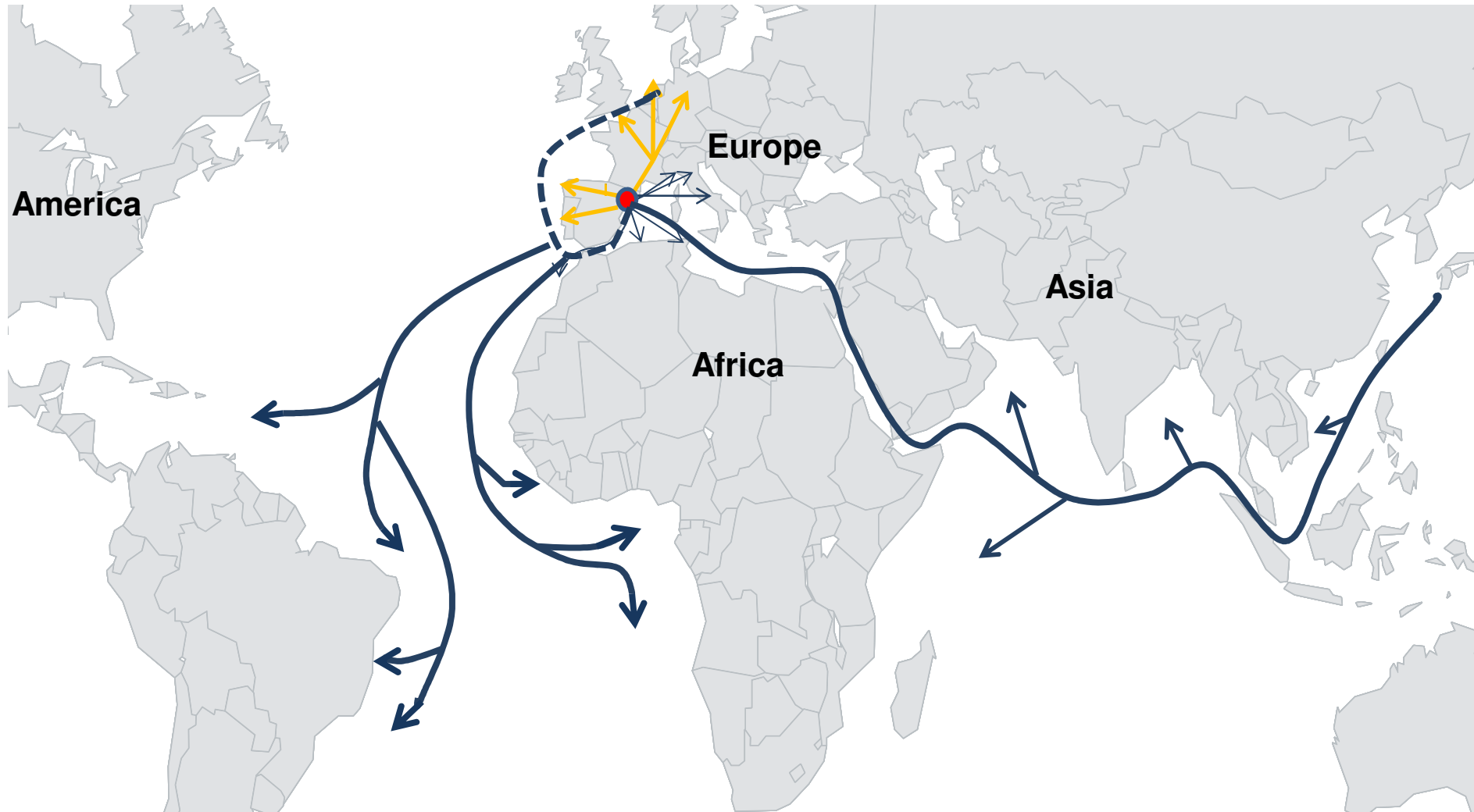


* Drewry Maritime Research 2014 (data 2013)



The present European logistics system

The Europe-Asia route





The present European logistics system CO₂ emissions in Europe-Far East route

The Port de Barcelona's Ecocalculator is a tool for calculating the CO₂ emissions generated by transporting a container between Europe and the rest of the world through the Port de Barcelona.

Route Result Alternative Help

VENISSIEUX

79 KgCO₂ (781 Km)

BEANR - Antwerpen

1.145 KgCO₂ (6.505 Km)

EGPSD - Port Saïd

Route via **BEANR - Antwerpen**

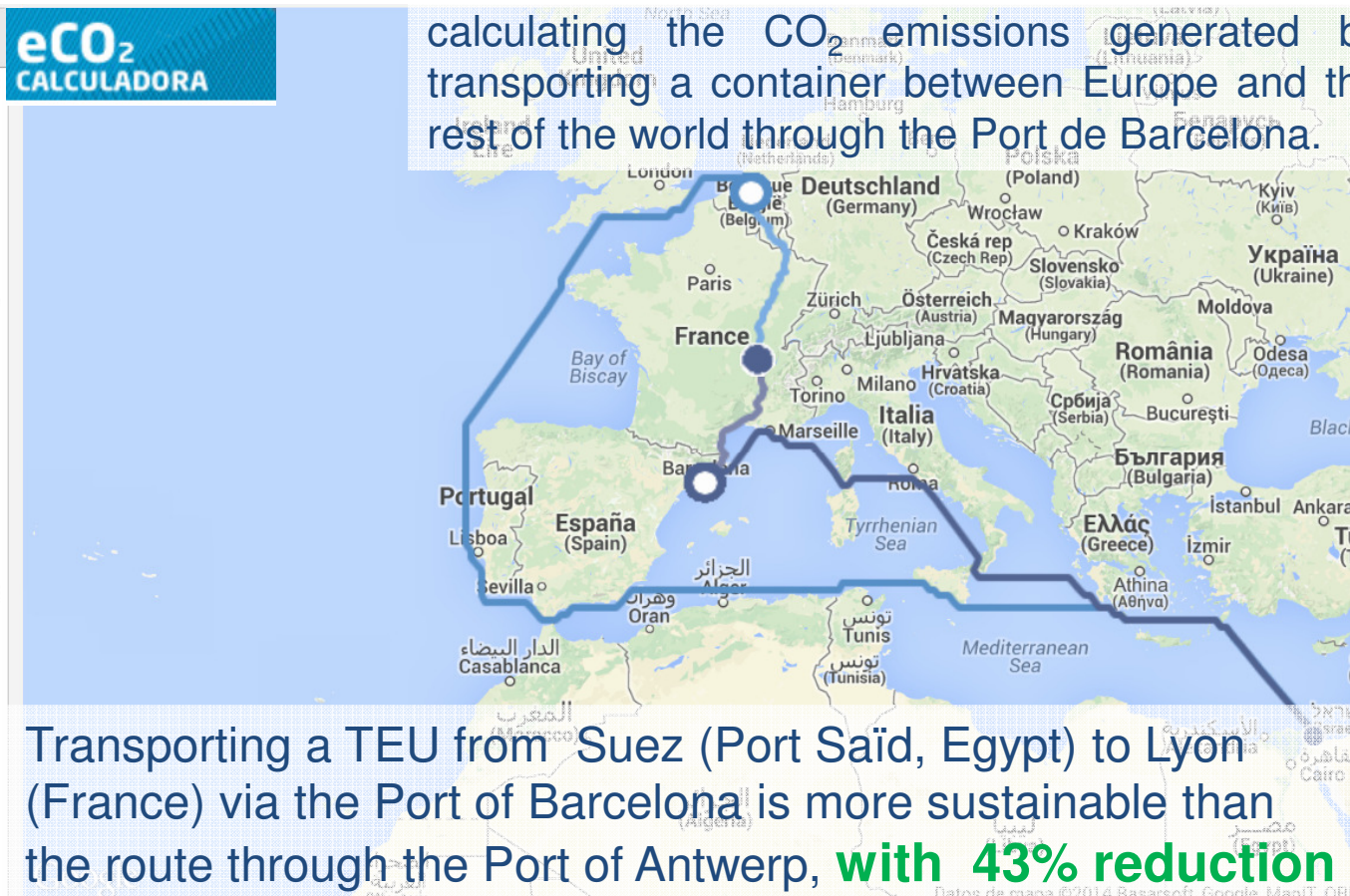
KILOMETRES	KgCO ₂ /TEU
7.315	1.244

Route via **ESBCN - Barcelona**

KILOMETRES	KgCO ₂ /TEU	VARIATION
4.246	710	-43%

The route via Port of Barcelona is much more environmentally efficient than the route via the port of BEANR - Antwerpen

Viewing Controls



Transporting a TEU from Suez (Port Saïd, Egypt) to Lyon (France) via the Port of Barcelona is more sustainable than the route through the Port of Antwerp, **with 43% reduction of the CO₂ emissions.**



The present European logistics system

The European Transport policy

- **“White Paper on transport”** defines the main objectives of the European government for the next years. It includes
 - **Reduction** of at least **60% of CO2 emissions** by 2050 and
 - To promote **more and efficient entry points into European markets**, avoiding unnecessary traffic crossing Europe.
- “Seaports have a **major role as logistics centres** and require efficient hinterland connections. **Their development is vital** to handle increased volumes of freight both by short sea shipping within the EU and with the rest of the world.” *White Paper, March 2011*
- The new **Trans-European Transport Network (TEN-T)** was approved in 2011 and established 9 corridors as **European investment priority**.
- The new **“Regulation of the European Parliament and of the Council establishing a framework on market access to port services and financial transparency of ports”** is currently being discussed in the European Parliament.



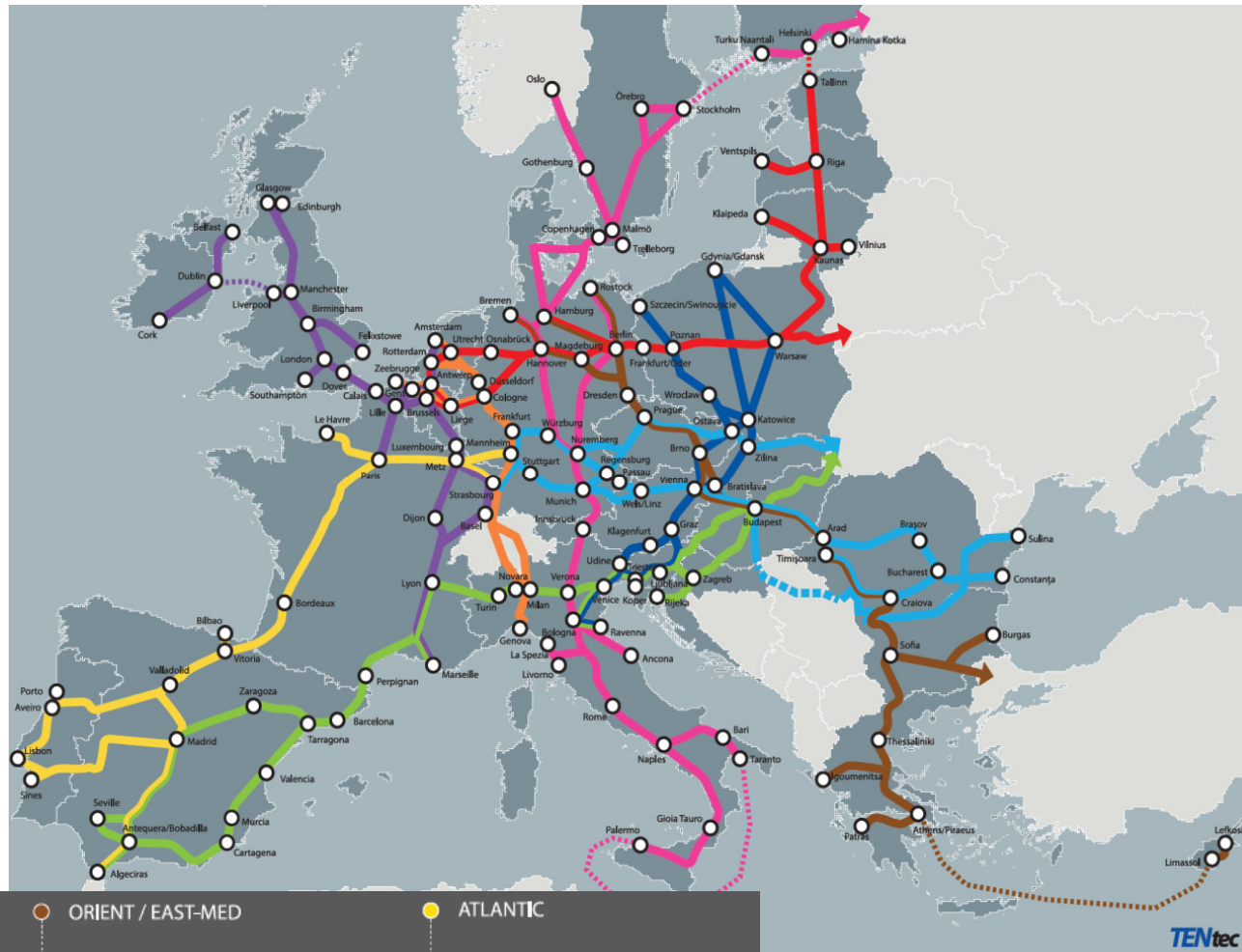
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European Commission

TRANS-EUROPEAN TRANSPORT NETWORK

TEN-T CORE NETWORK CORRIDORS



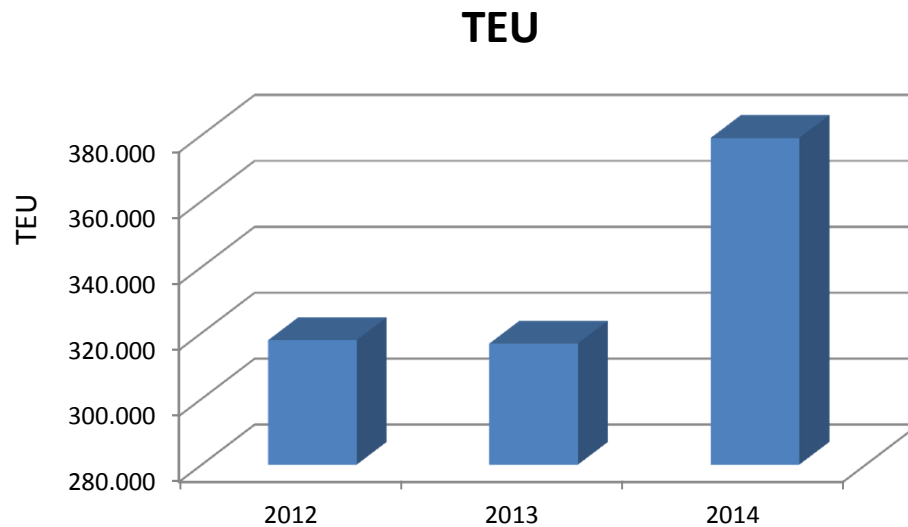
TENtec

- BALTIC - ADRIATIC
- NORTH SEA - BALTIC
- MEDITERRANEAN
- ORIENT / EAST-MED
- SCANDINAVIAN - MEDITERRANEAN
- RHINE - ALPINE
- ATLANTIC
- NORTH SEA - MEDITERRANEAN
- RHINE - DANUBE



Connectivity Port of Barcelona-China Container traffic

Evolution Container traffic between Port of
Barcelona & China (2012-14)(TEUs)

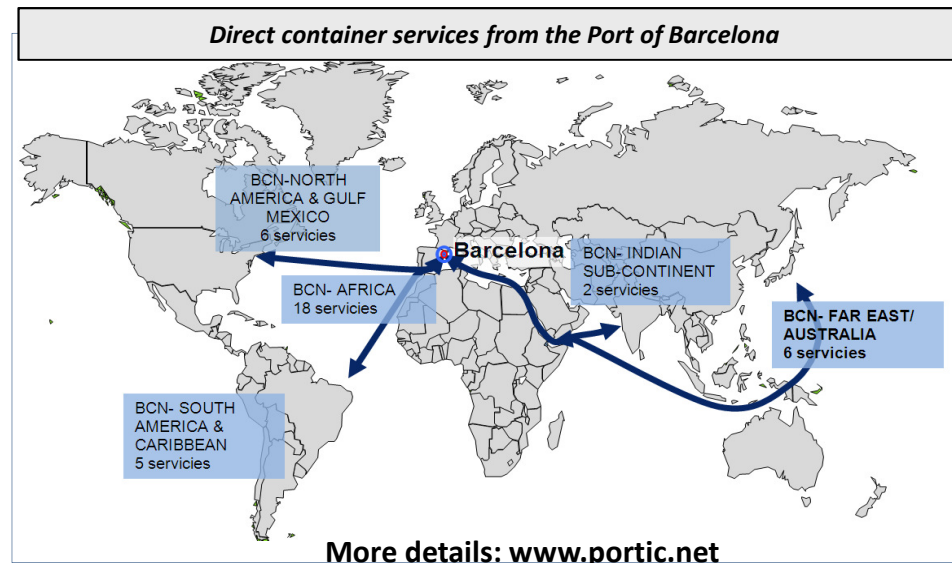


- China is the **most relevant country** for the Port of Barcelona's trade. It supposed **21%** of the total container traffic of the Port in 2014.
- The container traffic between the Port of Barcelona and China **increased 20% in 2014**, achieving 379,000 TEUs.



Connectivity Port of Barcelona- China

Container traffic



➤ Major shipowners connecting the Port of Barcelona:

- **2M:** MSC & Maersk
- **O3:** China shipping, CMA CGM, UASC
- **CKYHE:** Cosco, K-Line, Yang Ming, Hanjin & Evergreen
- **G6:** APL, Hapag-Lloyd, Hyundai Merchant Marine, Mitsui O.S.K. Lines, Nippon Yusen Kaisha & OOCL

➤ **6 direct container services with China:** weekly frequency and an average transit time of 27 days. Vessels capacity between 6.500 TEU and 14.000 TEU

➤ **1 weekly direct vehicles service with Shanghai:** Vessel capacity 2.000 vehicles

➤ **Interlining Asia-Europe-American routes** and maritime distribution hub (feeder services) in the MED



I. What does BARCELONA offer as an Euro- Mediterranean distribution center?

1

An integrated logistics hub with port, airport & logistics facilities



2

Biggest industrial & consumption area in the MED & Southern Europe



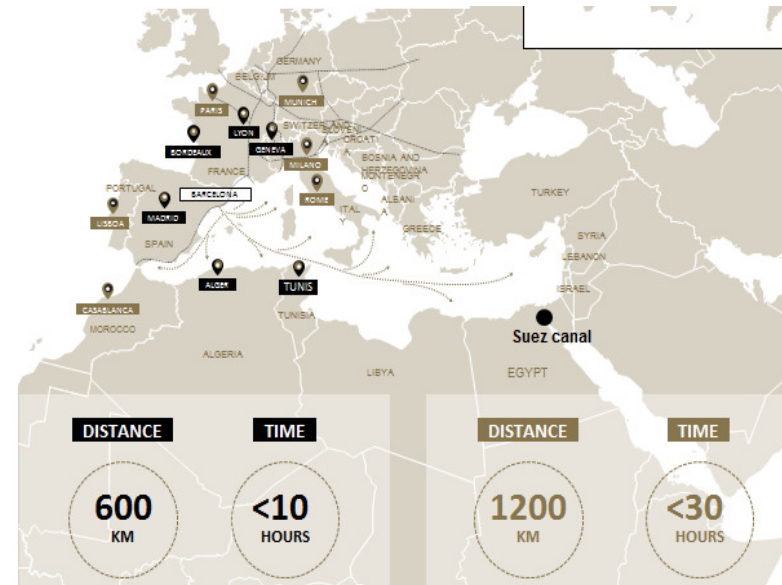
3

Logistics specialization

packaging REVERSE LOGISTICS specialised transport services
E-FULFILMENT CLASSIFICATION
JISGPS tracking **GHS** regulations
AIR REAL-TIME INVENTORY SYSTEMS
GROUPAGE IRONING **SUPPLY**
 ONLINE TRACK & TRACING
 supply chains handling and storage
 REPAIRS **PICKING** CAR WASHING
 TAPA security system replacement
 ACCESSORIES handling of fragile goods
PDI security regulations
WAREHOUSING (ISO 9001, ISO 14001, OHSAS 18001)
CLP spare parts management
 distribution transport on hangers **JIT**
 delivery outlets CUSTOMER ORDERS RECEPTION

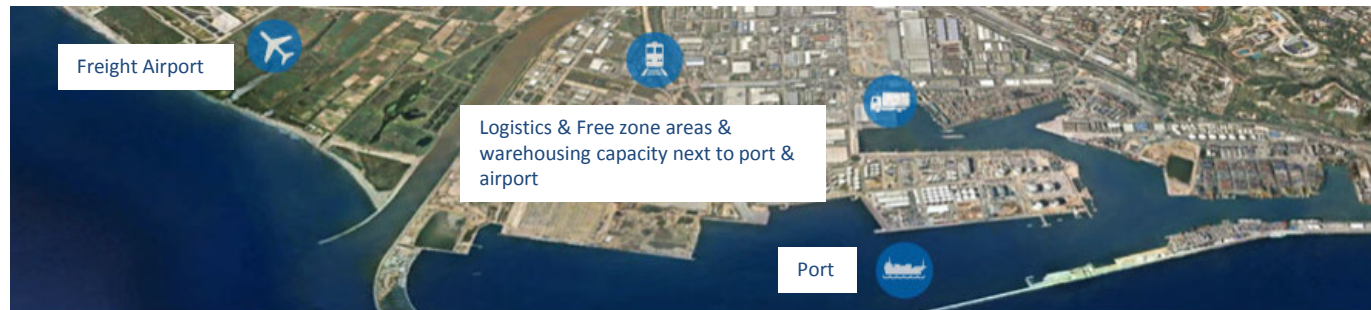
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Distribution capacity to Europe/MED/Africa





1 An integrated logistics hub of world-class infrastructures

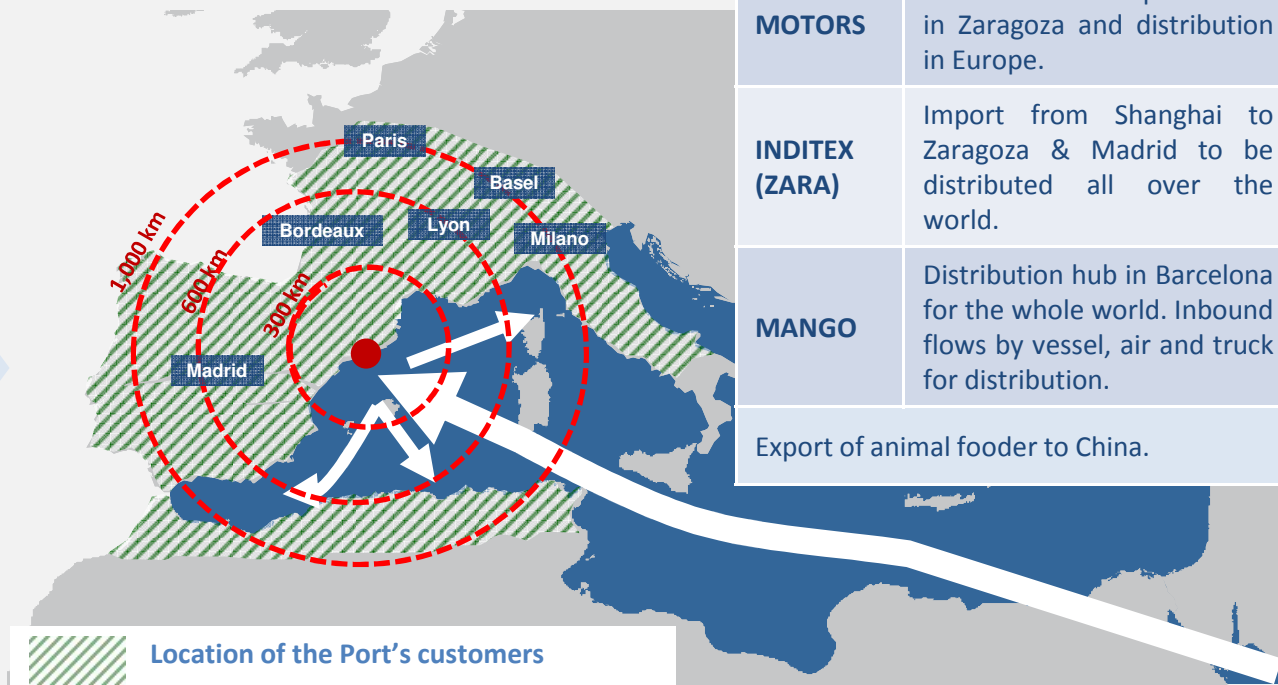


- **Only location in Southern Europe hosting all together a port, airport, free and logistics zones** with warehousing capacity.
- **Strong synergies among all transport modes** for inbound and outbound flows and global distribution.
- In Barcelona Chinese's companies can find **a unique integration of world-class infrastructures** (port, airport, free zone and logistics zone), **services** and **top commercial and logistics partners**.
- The Port of Barcelona is **Spain's main transport and services infrastructure**.
- In the last 10 years, the port has received **more than 1 billion \$ of foreign investment**, among which a **500 million € investment by Hutchison** in its new semi-automated container terminal.
- Barcelona has the best connectivity in the Mediterranean with Asia with a **record transit time of 18 days** and has been recently awarded as **the third most productive port in Europe**.



1 The Port of Barcelona

European & Mediterranean logistics hub in order to serve our clients located in Spain, France, Italy, Portugal and North Africa



EXAMPLES

GENERAL MOTORS	Import of spare parts from Korea for MOKKA production in Zaragoza and distribution in Europe.
INDITEX (ZARA)	Import from Shanghai to Zaragoza & Madrid to be distributed all over the world.
MANGO	Distribution hub in Barcelona for the whole world. Inbound flows by vessel, air and truck for distribution.
	Export of animal fodder to China.

Expansion of the Port and Logistics areas

Improved connectivity with hinterland and foreland

Excellence in the provision of services

Largest part completed
New investments: Hutchison & Carnival, Grimaldi, Salamanca group...

Hinterland strategy
Direct services with Far East with excellent transit time

Port services
3rd most productive port in Europe JOC's Port Productivity Report 2014



2 Biggest industrial & consumption area in the MED & Southern Europe

BARCELONA

1,5% Spanish area and 10% Spanish population, account for:

19.8 % Spanish GDP

20% Spanish industry

30% Spanish exporting companies

20% Spanish foreign trade

25% Spanish tourists

Global clusters

Automotive, chemical, pharmacy, fashion, e-commerce....

5th biggest metropolitan area in Europe with more than 5 million inhabitants. (source:Eurostat)



Headquarters of Global Companies

SEAT, MANGO, Desigual, E-dreams, TOUS...

3th city in Europe and 10th in the world as tourist destination (1st port in Europe in cruise traffic and 4th in the world)

2 Business schools among the 10 best in Europe and in the top 25 worldwide

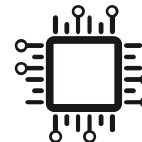


2

Biggest industrial & consumption area in the MED & Southern Europe



AUTOMOBILES:
CONTINENTAL /
HONDA / KEEWAY /
NISSAN /
VOLKSWAGEN



ELECTRONIC PRODUCTS:
FUJITSU / HAIER / HUAWEI
/ IBM / SIEMENS / SUNFOR

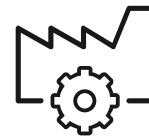


E-COMMERCE:
EDREAMS
LETS BONUS
PRIVALIA
PARABEBÉS



**FASHION AND
FOOTWEAR:**
ZARA / MANGO /
DESIGUAL

OTHER SECTORS:
PHARMA
STEEL PRODUCTS
PERISHABLES



**INDUSTRIAL
PRODUCTS
AND
CONSUMER
DURABLES:**
HAIER /
SUNFOR



**CHEMICAL
PRODUCTS:** BASF /
BAYER / DOW
/ HENKEL / SOLVAY



3 Logistics specialization and added value services

Warehousing

Fullfiment
Postponement
Repacking
Transformational Cross Docking
.....

DSV

DB Schenker

Kuehne+Nagel

Kerry Logistics

DHL

GEFCO

Rhenus

Logistics

Panalpina

Logisfashion

Specialized by product segments

MANGO

Desigual

CUSTO

Bayer

Dow Chemical

Nissan

SEAT

Production services

Kitting
Light Assembly
Technical Services
.....

Distribution services

Aftermarket services

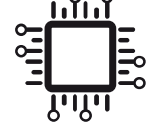
E-commerce



Fashion and footwear



Electronic products



Industrial products and consumer durables



Chemicals



Automotive





3 Reduced & competitive logistics costs

Stock costs

Short maritime transit times and **high frequency** of ships reduce stock costs.



Warehousing & labor costs

Low warehousing cost (2,5 to 6 €/ m2) and **low labour costs for preparing orders (picking)**.



Transportation & distribution costs

Competitive road costs (1 €/km).

Daily air freight services to all major European cities & direct connections to cities in America.

Short Sea Shipping services with Italy and North Africa.



Lower logistics costs allow an easy access to markets improving your products competitiveness



4 Distribution capacity to Europe/MED/Africa



From **Barcelona**, you can reach a market of **400 millions consumers** in less than 24/48 hours.

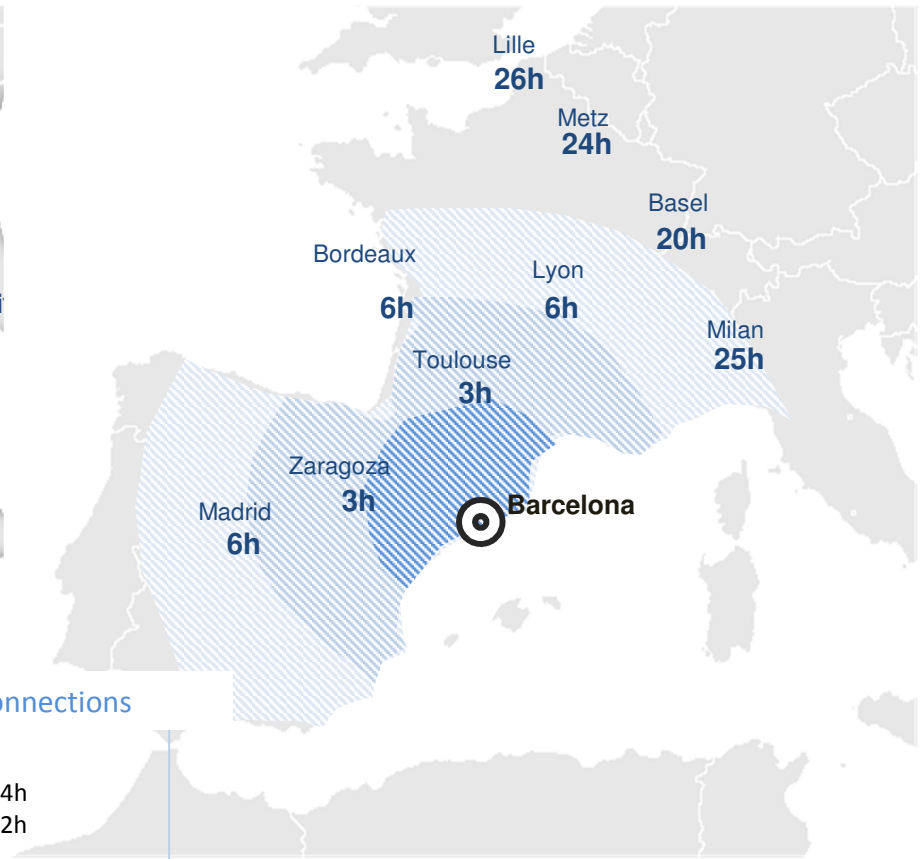


4 Distribution capacity to Europe/MED/Africa

a) Short Sea Shipping connectivity in the MED



b) Road distribution to Europe



SSS transit time:

Roma	20h	Alger	35h	Tanger	24h
Genova	17h	Porto Torres	11h	Tunis	32h
Livorno	17h	Savona	17h		

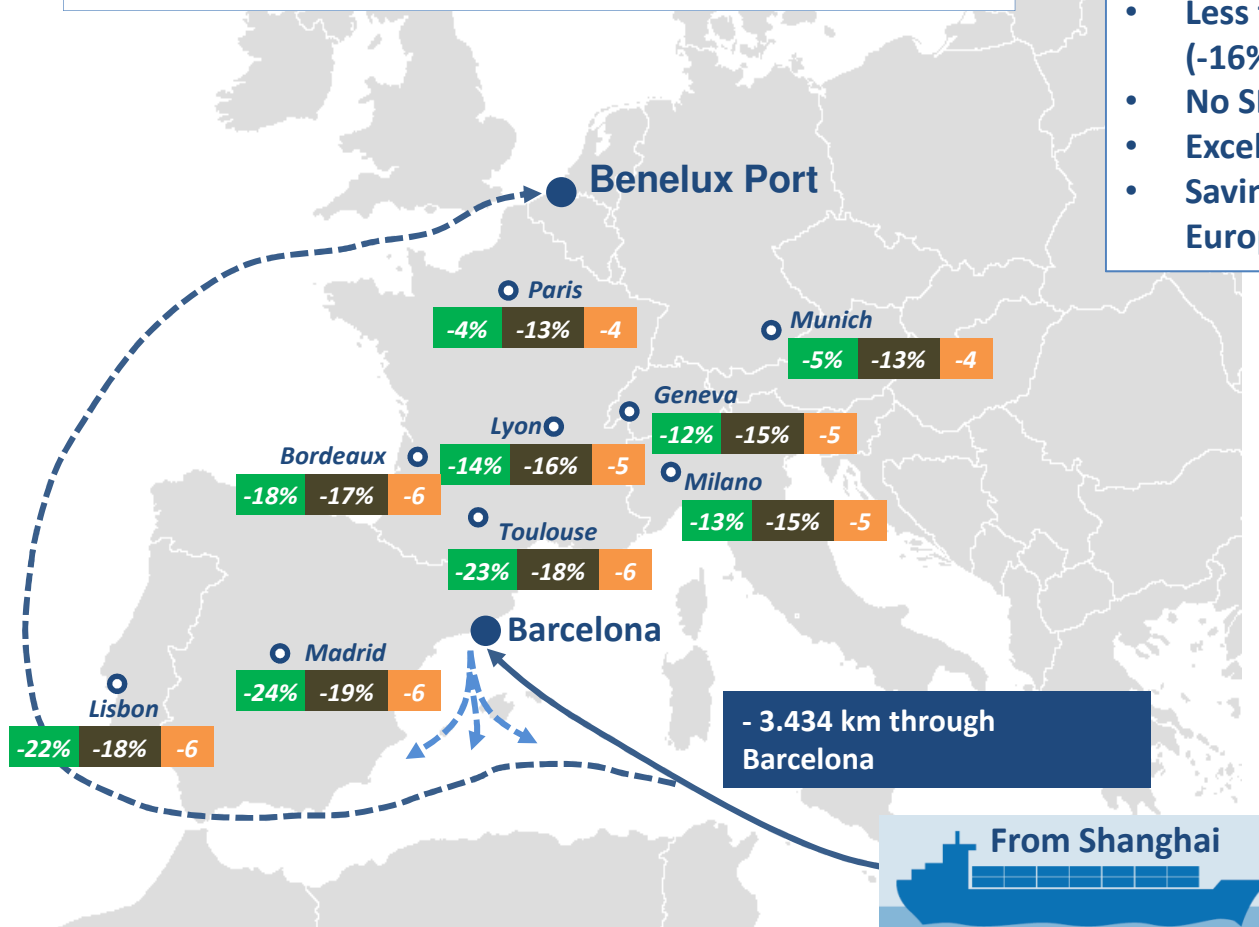
Barcelona it's the ideal location for China's trade distribution



4 Savings in distance, CO2 emissions and time

Shanghai – Europe & Mediterranean through Port of Barcelona or a Benelux Port

- Shorter maritime route: -3.434 km
- Better transit time: up to 5 days
- Less fuel consumption and CO2 emissions (-16%)
- No SECA regulation
- Excellent maritime weather
- Savings in CO2 emissions even the farther European destinations



Savings through Port of Barcelona in comparison with Benelux port

Total CO2	Distance	Time
KgCO2eq/TEU	Km	Days

Calculations made with the Port of Barcelona Ecocalculator. Hypothesis : 7,000TEU Container vessel
Land transport by truck: EUROV of 2TEU



Port de Barcelona

About BARCELOC program

巴塞罗那中国欧洲物流中心

Barcelona China's European
Logistics Center

BARCELOC



A joint initiative:



Port de Barcelona

Catalonia &
Trade & Investment



Generalitat de Catalunya
Government of Catalonia

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BEIJING



SHANGHAI



HONG KONG



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Services:

Expert know-how	Expert guidance	Expert support	After-care
Customized information on the advantages offered by Barcelona.	For the companies particularly interested in continuing to analyze the Barcelona option	For the companies that decide to launch the project	For companies already operating in Barcelona/Catalonia/Spain
Why choose Barcelona as a logistics center for your company? Tailor-made information on logistics solutions General and economic information about Barcelona/Catalonia Information about port and logistics clusters in Barcelona/Catalonia	Defining logistics requirements Getting logistics services proposals Defining other business aspects of the project	To meet the right logistics operator To meet the right local partner (industrial, commercial or logistics) One-stop-shop for the entire project To find a suitable business location Tailor-made incentives for your investment project in Catalonia	To expand your market



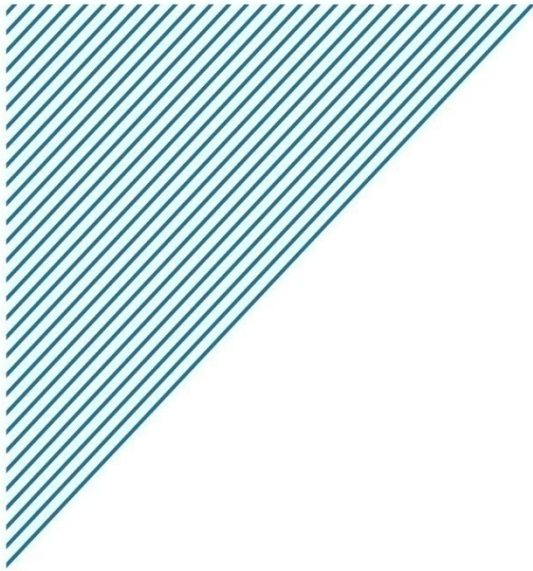
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SHANGHAI



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Thank you.



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