

China-Europe Freight Train Project with the ‘One Belt One Road’

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Abstract : “One Belt And One Road” is an important strategy for China to participate in world cooperation. This paper Focus on West China International Economic and Technical Cooperation company. In the past two years in west China, under the national policy guidance operation of “China-Europe freight trains” project (Smith, 2017), through the study of experience of the operation method to know the meaning of it for the inland provinces in western China’s foreign trade enterprises, and to enhance the competitiveness of inland provinces. Through the analysis of the strategic objectives of the project and the macro environment of the company with the PEST model, the paper summarizes the main factors affecting the future development of the “China-European Freight train” project.

Keywords: China-Europe Freight Train; One Belt One Rode Project Management



1. Introduction

In 2013, Chinese leader proposed The Belt and Road (B&R) initiative in central Asian countries (Guo you, 2019). Since then, cooperation has been carried out in the form of projects in countries along the Belt and Road. It from superstructure to infrastructure, China has carried out all-round cooperation in various fields. Among them, the China-Europe freight train is particularly outstanding. It mainly refers to the overland container international inter-modal trains running between China and Europe organized and operated by China Railway Corporation. (Mei ling, 2019).

From the perspective of enterprises, foreign economic and trade enterprises in inland provinces in China are at a disadvantage due to information and geographical location (Mei ling, 2019). By analyzing the central trains operation situation and the existing problems, find the reasonable methods to promote the “China-Europe trains” sustainable operation for a long time, so that enterprises can make full use of the “central trains the condition” and “neighbourhood” policy to enhance competitiveness, improve the inland enterprises import and export conditions, shorten the gap with coastal region enterprises, promote the development of inland foreign trade business, increase profits, improve enterprise competitiveness. Through the study of competition strategy, the enterprise itself can be fully analyzed from a scientific perspective, so that the enterprise can timely adjust the strategy, in line with the needs of market development and enterprise’s own growth needs.

2. Research significance

The China-Europe freight train mainly refers to the international land container transport trains between China and Europe. It creates uniform rules and strengthens the guarantee mechanism, aiming to make freight transportation more convenient and efficient, with more simplified procedures and higher safety coefficient. From the trial operation of the first China-Europe freight train on March 19, 2011 to August 2018, “China-Europe freight train” has witnessed rapid development (Smith, 2017). With its professional operation mode and efficient management mechanism, it has attracted various regions and enterprises to compete for development. As a result, more and more freight trains are running and the product structure is becoming richer and richer. This not only increases the brand

awareness of the project, but also enhances its quality (Zhi gao, 2018). Promote domestic economic development while implementing the “One Belt And One Road” practice. Although there are various shortcomings in “hardware” and “software”, with the development of projects undertaken by the company, it has been constantly improved and enhanced the international competitiveness of material transport efficiency.

3. PEST Method.

3.1 Political factor.

The project is set against the background of ‘One Belt And One Road’, full to service industrial structure optimization of the international and domestic trade, promote trade in goods, services trade and an increased frequency of China on import and export trade between countries, to take an active part in multilateral and bilateral investment and free trade negotiations, promoting the orderly to the free flow of international and domestic factors, by 2022, the trade structure more optimized and reasonable (Mei ling, 2019).

3.2 Economic factor.

With the development and expansion of the project, the number of participating countries, enterprises and goods increases, and their demand for capital is enhanced as well. Countries along the project are also addressing the contradiction between their excess production capacity and the growing social needs of their people through inter-connected economic cooperation. Under such circumstances, 9 departments including Business Management Department of the Bank of China have adopted resolution (Guoyou, 2019) to grant railway waybill financing function, and corresponding supporting measures and superstructure construction are still being improved.

3.3 Social factor.

In 2017, China-Europe freight trains achieved breakthrough growth. On the one hand, the improvement of transportation capacity can be seen. On the other hand, it can be seen from the side that the project provides effective export for enterprises and products going out of China (Zhigao, 2018). At present, 35 cities in China have joined in the project and 19 cities, including Chongqing, Zhengzhou, Xi ‘an, Chengdu and Wuhan, are in stable operation. Despite the impact of the Covid-19 pandemic on the project, positive and scientific methods have been adopted to overcome the adverse situation during the period, and a number of enterprises have been called upon to participate in the development of the china-Europe freight train.

3.4 Technological factor

The project offer customized solutions for changing natural environments. Due to the low to high latitude of China, the railway design within The territory of China can basically cover different weather. In terms of social and cultural differences. Asian cultures are even more diverse, including religious beliefs and humanistic feelings of different countries. Therefore, there is an urgent need to cultivate comprehensive talents.

4. Results

With the development of the China-Europe freight train project, its advantages are gradually showing. It mainly includes:

- (1). More and more countries are joining the cooperation mechanism to promote trade and mutual benefit.
- (2). It provides a new engine of growth for the economic development of landlocked countries and regions and eliminates the negative impact of geographical location to a certain extent.
- (3). In terms of the length of transport time, according to the current statistics, one-way transport can be completed within two weeks by China-Europe freight train. Compared with the traditional sea transport time, it can save almost ten days to make transport more efficient (Nazarko, 2017).
- (4). In terms of transportation safety, railway transportation is more secure. Compared with sea transportation and air transportation, it can greatly reduce the loss and damage of goods. Safety is the core content of the logistics industry and the primary consideration in the choice of transportation mode.
- (5). In terms of the timeliness of transportation time, the timeliness of freight trains is very important in current international trade. All the current China-Europe freight trains have accurate round-trip schedules, which greatly ensures the stability of transportation.

5. Conclusion.

Through the analysis of the external environment of the international “China-Europe freight train” project, including PEST analysis, “One Belt And One Road” has some advantages, but also brings about difficulties in cooperation. The collaborative development of these aspects is the key to efforts. Taking advantage of the ideal initiative of the One Belt And One Road community with a Shared future for mankind, the project will connect neighboring countries, expand its business sector, enable China to go global and promote economic exchanges. For the company, it is more of an opportunity. The China-Europe freight train is beneficial to China and the world at large.

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