



China Belt and Road Initiative Test on Trans-Eurasian Rail

OE Watch Commentary: As the accompanying article illuminates, China has used the Arctic Northern Sea Route for shipping between China and Russia and Norway. Russia is developing a large container handling facility near Murmansk. However, to date, the only container ship to sail the Northern Sea route was contracted by the Danish Maersk shipping company to move goods from the Russian Far East to Germany in September 2018. China, Russia, Finland and Norway have cooperated on a container test run from Eastern China to the Northern port city of Narvik, Norway. China is also involved in discussions with Finland and Sweden about extending the Finnish-Swedish railroad line to the Barents Sea to facilitate Chinese trade with the Nordic states and Europe. **End OE Watch Commentary (Grau)**

“The scheme appears highly competitive. Rail shipments between Narvik and China take 15-17 days, compared to 1.5 months with ships. And the price is low. According to the route developers, rail transportation is up to seven times cheaper than by air. Sea transport remains the cheapest alternative, however, with up to 40 percent lower rates than by rail.”

Source: Atle Staalesen, “A container from China arrives in Narvik. It could pave way for a new transport route”, *The Barents Independent Observer*, <https://thebarentsobserver.com/en/industry-and-energy/2020/08/container-china-arrives-narvik-it-could-pave-way-new-transport-route>, 5 August 2020.

A container from China arrives in Narvik. It could pave way for a new transport route

In mid-July, a shipping container was loaded onto a train in the Chinese city of Hefei. Less than two weeks later, it had made it through Kazakhstan and Russia, and all the way to Finland. Helsinki, the container was sent north and then westwards across the border to Norway. On the 4th August, a group of local logistics developers greeted the load as it rolled into the port area of Narvik, the north Norwegian town and infrastructure hub. This successful delivery shows that goods can be sent smoothly between Narvik and China and that a new northern transport route can be developed, representatives of the Narvik Seaport say....

“There is a major potential for this route,” project coordinator Anna Filina stated. She believes various manufactured goods can be sent from China to Narvik, while Norwegian fish can be sent the other way. It will be of great use for business in northern Norway. Also companies outside the region, including from other parts of Norway, as well as countries such as the UK, USA and Canada, can benefit.

The test container that arrived ...is packed with furniture ordered by a local Norwegian company. Soon, more goods could follow. “We now have to show that it works, that the route can be a reliable complementary alternative to the existing routes,” Filina says. She is confident that customers will come as soon as the route is up running. The test container was transported by truck from Helsinki, but as soon as there are sufficient goods there will be train transportation all the way.

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On board with the plans is Nurmenen Logistics, the Finnish company with long experience in transportation through Russia. The Finns are already heavily engaged in east-west shipments to China and currently once every two weeks send trains on the route through Russia and Kazakhstan. Currently they bring mostly wood products, paper and electronics. In the future, Norwegian fish sent in reefers might join the container trains that shuttle across the vast Russian and Kazakh steppe....