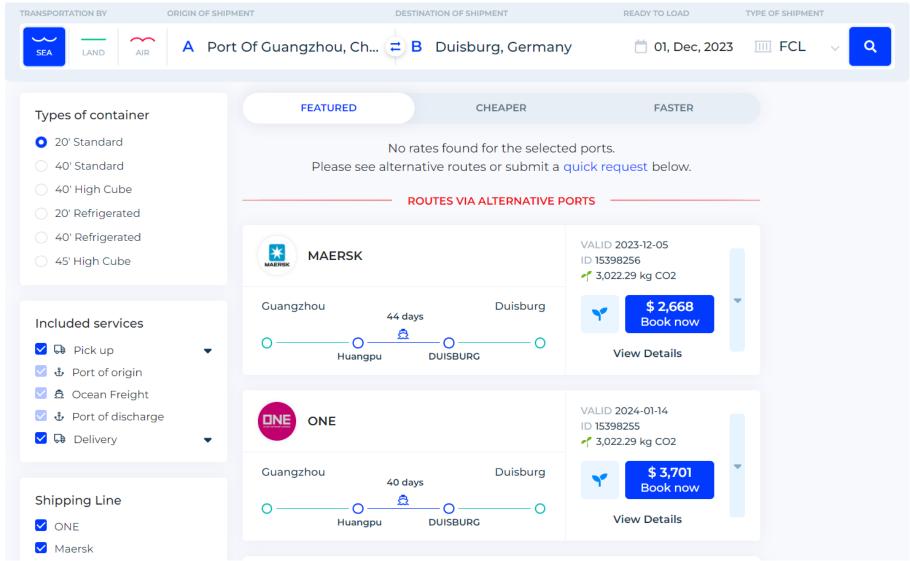


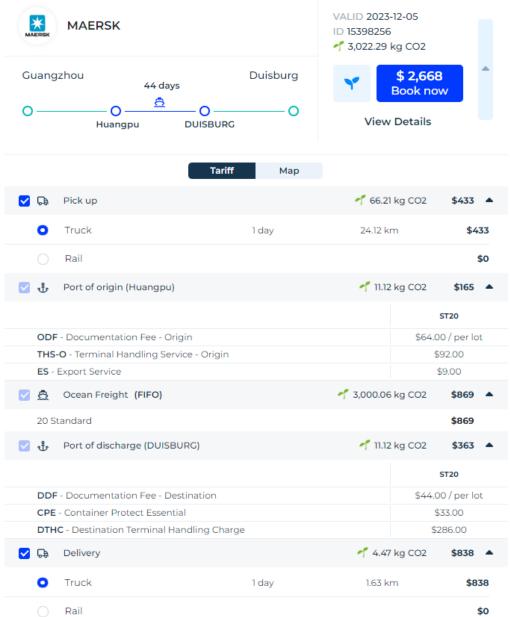
Source: [1] Page: 1





Source: [1] Page: 2





Source: [1] Page: 3

Cost dependencies

- Availability of containers
- Availability of vessel freight capacit
- The freight type of shipping
- The size of shipment
- Current fuel cost



Cost and Value of parts

Parts with relatively low value per kilogram, such as tires, wheels, body parts, and frames, are suitable for transportation via sea cargo. Value of automobile parts transported via maritime is between 50,000 and 375,000 (USD per FEU).

PRODUCT CATEGORY	Items per 40-foot container (FEU)		Retail value (USD per FEU)		Freight Rate (\$1,383 per TEU) per Retail Value	
	LOW	RANGE	LOW	RANGE	LOW	RANGE
Clothing (low value)	90,000 – 130,000		225,000 - 520,000		1.23% - 0.53%	1
Clothing (mid range)	25,000 - 60,000		500,000 - 3,600,000		0.55% - 0.08%	1
Sports shoes	18,000 – 28,000	l e	350,000 - 2,520,000		0.79% - 0.11%	L
Bicycles	1,200 – 1,600		240,000 – 480,000	l .	1.15% – 0.58%	1
Toys (low quality)	20,000 - 60,000		60,000 - 720,000		4.61% - 0.38%	
Consumer electronics (small)	2,800 – 3,600		170,000 – 430,000	l e	1.63% - 0.64%	1
Consumer electronics (large)	240 – 480		70,000 – 140,000		3.95% - 1.98%	
Appliances (small)	600 – 1,200		45,000 – 100,000		6.15% – 2.77%	
Appliances (large)	100 – 130		30,000 – 65,000		9.22% – 4.26%	
Furniture (assembled)	250 – 600		20,000 – 150,000		13.83% – 1.84%	
Furniture (flat packed)	1,000 – 3,000		70,000 – 360,000		3.95% - 0.77%	
Automobile parts	600 – 15,000		50,000 – 375,000		5.53% - 0.74%	©

Source: [6] Page: 5

Cost and Value of parts

Cost of parts produced in China:

- Average production cost: \$0.5/piece
- Average production cost in Germany: \$2.5/piece

Trade volume between China and Germany: \$300 billion

- German imports of auto parts from China: \$5 billion (1.7% share)
- German tariffs: 4.5%, VAT: 19%.

Cost-effective shipping: Medium to low-value, high-volume parts:

Ocean freight is ideal for cost-effective shipping of high-volume automotive parts, leveraging China's production cost advantage. The lower sea shipping costs result in significant savings, especially for large shipments.

Source: [2] Page: 6

Capacity & Volume handling

Guangzhou harbour cargo throughput:

- Guangzhou port cargo throughput: 750 million tonnes
- Sea freight throughput: 680 million tonnes

Port of Duisburg:

- Port of Duisburg cargo throughput: 100 million tonnes
- Cargo throughput imported from China: 2 million tonnes)



Source: [3][4] Page: 7

Environmental Impact

According to S&P Global Platts Analytics, the shipping industry currently accounts for between 2% and 3% of global CO2 emissions and could be 17% by 2050 if left unregulated

Air Pollution

The pollutants released by ships include carbon dioxide (CO2), nitrogen oxides (NOx), sulfur oxides (SOx), and particulate matter

Carbon dioxide disrupts ecosystems and ocean circulation

Nitrogen oxide, sulfur oxides, and particulate matter contribute to the premature deaths of people and environmental pollution.

Noise Pollution

A cargo vessel emits around 190 decibels of noise - which is louder even than a jet engine at take-off.

Noise travels fast in water - four times faster than in air - meaning that noise from a ship can carry exceedingly far

Marine species who may rely on sound for their orientation, communication, and feeding, can be harmed by this sound pollution

Vessel Discharges

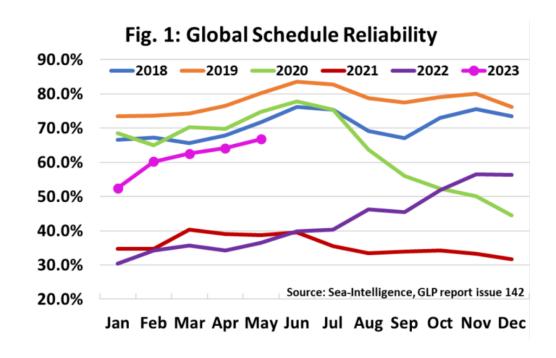
Blackwater is sewage, wastewater from toilets and medical facilities

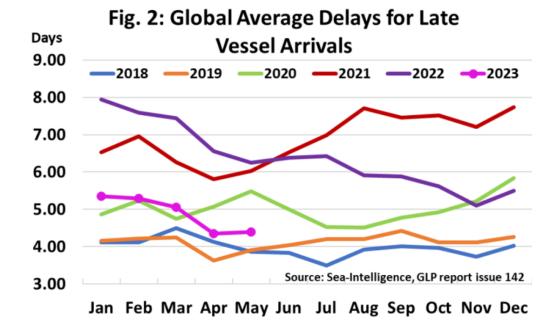
Graywater consists of discharges from sink, bath, and shower water

Discharge 'bilge' water illegally instead of treating it

Source: [5][6][7]

Reliability and consistency





Sensitivity transportation

- Sensitivity of automotive parts to transportation conditions vary depending on the parts. For example, engines and transmissions are more prone to be damaged.
- To securely package those, foam-in-place or spray foam filler can be used
- Plastic and other breakable parts can be packed using air cushions
- Time tires can be transported without using any additional materials









Time constraints

- At a minimum of 30-40 days for a door-to-door shipment from China to Germany, under normal conditions
- During peak season or Chinese major holidays, the total shipping time will become longer.



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