

CILT International Conference 2017

Smart Journey, Belt and Road

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The Chartered
Institute of Logistics
and Transport

Belt and Road Initiative

Revitalise the Ancient Silk Road



Belt and Road Initiative

Revitalise the Ancient Silk Road



BRI - Revitalise the Ancient Silk Road

- ❖ *“To interconnect the continents of Asia, Europe and Africa”.*
- ❖ 65 Counties
- ❖ Bridge the infrastructure gap – 50% deficit
- ❖ Building Geo-economic communities
- ❖ Accelerate economic growth and prosperity of populace



Belt and Road Initiative Pillars

- Facilities connectivity
- Financial integration
- Policy coordination
- People-to-people bonds
- Unimpeded trade



Unimpeded trade = Global Supply Chain Integrity

Facilities connectivity

Biophysical System



Double handling, Quality, Standards, Utilisation, Efficiency

Financial integration

Transaction System



Cash Flow, Risk, Exchange Rate, Hedging, Credit, Ownership, Agents

People-to-people bonds

Connection System



Relationships, Trust, Long-term focus, Compensation, Power / Influence

Policy coordination

Communication System



Standards, Negotiation, Agreements, Coordination & Logistics, Legalities



Belt and Road Initiative

Facilities Connectivity

- Rail networks - *Trans Siberian, Chinese Transcontinental*
- Ports - *Khorgos Gateway in Kazakhstan and Hambantota in Sri Lanka*
- Bridges – *Euroasian land bridge, Hongkong-Zhuhai-Macao bridge*
- Gas pipelines – *Central Asia*
- Power Stations – *Kenya, Botswana*
- Economic Zones - *China Pakistan Economic Corridor*



Belt and Road Initiative Financial Integration

- Asian Infrastructure Investment Bank (AIIB) \$100 billion capital primarily from Asian and Oceanic members – China largest stakeholder at 26%.
- PRC Silk Road Fund – to invest in business
- Joint investment with member countries

Belt and Road Initiative

People - People

- Cultural communication is key
- Requires a millennial mind shift. China to the world
- Neomercantilism, Globalism 2.0
- New rules for the playground



Belt and Road Initiative Challenges

- Mutual understanding, challenges of communication
- Inbuilt Barriers – bidding, labour *Kenya*
- Political instability in many countries *Pakistan*
- Education and learning – quality infrastructure *Botswana*
- Risk of debt service and default – 50% credit ratings below investment grade *Sri Lanka*
- Over reliance, power & control *Hambantota*

Belt and Road Initiative Opportunities for NZ?

- Mutual understanding – removal of cultural barriers is key
- Mutually beneficial trade
- Leverage assets
- Upgrade infrastructure
- Collaborative geo-economic communities = prosperity for people?



CILT Young Professionals Internationally



CILT Young Professionals Internationally

- Hit or Miss – some doing exceptionally well, some not at all.

NZ sits in the middle

- Sri Lanka, Hong Kong, Bangladesh leading the curve

CILT Young Professionals Internationally

➤ What do YP's want?

Career support, experiences of new things, variety, mentoring, advice, insight, to help others, to have an impact on the future.

➤ Local events are critical. Support and advice from local practitioners DOES make a difference.

CILT Young Professionals engagement

- Mentoring is of key value to YP's
- Long term relationships are appreciated
- Variety in delivery – not necessarily a formal atmosphere
- Best experiences are ones of mutual learning. What can you learn from a YP?



House of Dancing Water City of Dreams - Macau

