

SPOTLIGHT

Regular Arctic Shipping Expected to Influence Business Route Choices

By Zhao Yu

The Arctic Ocean's so-called "golden waterway" is expected to begin regular operations this summer. Authorities in Zhejiang Province have recently issued an action plan outlining potential regular container services along the route. The move signals a shift in the world's first China - Europe Arctic container service toward regular operations.

Rising tensions in the Strait of Hormuz have disrupted traditional shipping lanes, driving up freight rates and reducing schedule reliability. The Arctic route offers a faster and more reliable alternative for shipping between China and Europe.

Companies Turn to Arctic Corridor

"Last year we were still waiting and seeing, but this year we are getting anxious," said Shi Yu, head of Ningbo Mascube Import & Export Co. Recently, three of the company's containers were rolled or rebooked multiple times, delaying departure from March 23 to April 8 and frustrating consignees at the destination.

Rising freight costs on traditional European routes, capacity shortages, and schedule disruptions have pushed Shi to consider a previously alternative route through the Arctic. Traditional routes via the Suez Canal take about 40 days, and via the Cape of Good Hope about 50 days. The Arctic route shortens the voyage by 20 - 30 days, making it the fastest sea link between Asia and Europe and offering advantages in both timeliness and safety.

Cost remains the primary concern for companies. Zhu Xuan, head of an electric vehicle company in Changzhou, Jiangsu, estimated that using the Arctic route would save \$30 per unit compared with road transport, but cost \$3.30 more than traditional sea freight.

"If regular operations can bring shipping costs down, Chinese exporters will be more



Istanbul Bridge, the first vessel to complete the Arctic route. [Photo by Xu Cheng]

willing to adopt the Arctic route," Zhu said.

Hu Chenjie, general manager of Ningbo Xindajie Electric Co., echoed the view. "The key is the final freight rate. Once it becomes competitive, we will prioritize the Arctic route and let our European customers know about its benefits," he said.

Several Ningbo-based export executives noted that in a complex and volatile international environment, the Arctic corridor—with stable schedules, low geopolitical risk, and high capacity—fills a market gap: faster than other sea freight options, cheaper than air freight.

Challenges to Regular Operations Remain

Launching the China - Europe Arctic Express has been a multi-year effort. Polar navigation means dealing with shifting ice and extreme cold, placing stringent demands on both vessels and crews.

The captain of the first Arctic Express vessel comes from Shanghai-based Sea Legend Shipping, which began

preparing for trial runs of the Arctic route three years ago. The company upgraded ship hardware, trained crews for polar certification, and developed precise ice-regime weather routing.

Last year, Sea Legend Shipping invested over \$1 million in ship upgrades, while each crew training session cost around 200,000 yuan. The maiden voyage carried 3,000 TEUs but incurred a loss of \$1 million to \$1.5 million, or roughly \$333 - 500 per container.

Zhong Desheng, captain of the Istanbul Bridge, the first vessel to complete the Arctic route, said that achieving regular operations hinges on two challenges: developing a high performance polar fleet and training a skilled polar crew—both of which take time.

"The Arctic's sea ice is dangerous to navigate," Zhong said. "Ice drifts constantly under currents and wind. Even a minor collision could be disastrous."

Vessels operating in polar waters must meet strict specifications for cold resistance, structural integrity, and navigation and communication equip-

ment to obtain the Polar Ship Certificate—the mandatory entry permit for the region.

Despite these challenges, industry experts expect that as schedules become more reliable, cargo volumes increase, and container space utilization improves, profitability will rise and freight rates will gradually fall, making the route increasingly attractive for long-term corporate planning.

Funding and Market Barriers Persist

Xu Xiaorong, an overseas strategy expert at WIFFA International Freight Forwarding Platform, said the China - Europe Arctic Express holds significant strategic value, but achieving regular, profitable, and sustainable operations faces practical hurdles, including market strategy and positioning.

"In the short term, the Arctic route cannot be commercially self-sustaining; it requires continued investment, market acceptance, and a clear operational strategy," Xu said.

Operating in polar regions remains costly. Investment in

specialized vessels, ice-zone services, crew training, and insurance far exceeds that of traditional routes. Even at full capacity, per-container costs are high, and insufficient cargo volumes or low space utilization can make voyages unprofitable.

Companies are willing to pay more for faster shipping - but not by too much. Beyond speed, Chinese exporters also prioritize supply chain security and stability. New routes carry unknown risks and therefore take time to gain market acceptance.

Limited seasonal access makes it hard for the Arctic route to attract steady, long-term shipments. Without a steady source of cargo, shipping companies risk repeated losses and struggle to maintain investment.

"Any new international logistics corridor requires government support in the form of policies and funding in its early stages," Xu said. "Phased support—improving reliability and reputation, attracting cargo owners, and establishing service systems—is essential for gradually moving toward profitability and sustainability."

Four Days, 300 Million Yuan: Ningbo Companies See Strong Returns from Russia Expo

By Lu Xinyan

On the evening of April 3 local time in Moscow, the 2026 Ningbo (Russia) Home and Consumer Goods Expo concluded, with participating Ningbo companies reporting significant gains.

"The results far exceeded our expectations. By targeting the Russian market with accuracy, we connected with more than 15 qualified clients. New orders are set to roll in," said the head of exports at a Ningbo-based picture frame company.

His success reflected broader achievements for Ningbo manufacturers in the Russian market. According to the organizer, ITE Exhibition Group, more than 20 Ningbo companies collectively secured over 300 million yuan (about \$41 million) of intended orders during the four-day event.

An official from the CCPIT Ningbo Committee said that despite its streamlined scale, the event delivered notable results, helping Ningbo products—including home goods, furniture, and garments—expand into offline retail and cross-border e-commerce channels.

A market-focused approach has become essential for companies seeking breakthroughs. A textile company attending the expo for the third consecutive year adopted a more proactive strategy this year, visiting long-standing clients two months in advance and tailoring its offerings to the high-end market based on client feedback. The firm also introduced new carpet designs featuring warm tones and intricate patterns.

"Russian consumers place a premium on home comfort," the company's head said. The approach helped the firm secure 10 new high-end clients, with Ningbo-made products steadily growing their share in the mid-to-high-end segment of the local market.

The expo also provided a platform for companies to explore new business models. A large Ningbo trading group sent representatives from six business divisions to the event, showcasing dozens of new product categories and testing the local market for cross-border e-commerce opportunities.

"The results have been very encouraging," said the team leader. "After engaging with several highly compatible cross-border platforms, we've shifted our strategy. Next, we aim not only to act as a trading intermediary but also to build our own brands and help Ningbo consumer goods establish a foothold in Russia."

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Ningbo Qipao Show Wins Praise from Chinese Ambassador to North Macedonia

By Jin Lu

A qipao show organized by a Ningbo company in North Macedonia has drawn praise from Jiang Xiaoyan, Chinese Ambassador to North Macedonia, highlighting Ningbo's role in promoting traditional Chinese culture overseas.

Invited by the Chinese embassy, Ningbo-based Zhejiang Chantel Gong Cultural Industry Development presented the finale at a local fashion week event in North Macedonia. Nearly 300 guests attended, including

representatives from government, business, academia, media, and the diplomatic corps.

In her keynote address, Jiang said clothing offers an important window into Chinese culture and expressed hope that the show would deepen mutual understanding and friendship between the two countries.

The collection blended elements of intangible cultural heritage with contemporary fashion. Drawing on the Ningbo's tailoring legacy and Shanghai-style design, it showcased how traditional Chinese attire can be adapted for modern wear.

Three themed series were presented: a casual line featuring tie-dye and gradient techniques; a workplace collection using kesi and brocade fabrics; and a formal wear series highlighted by gold couching embroidery and beadwork.

Gong Hangyu, founder of the brand, said the designs aim to balance tradition and practicality, making Chinese aesthetics more accessible to international audiences.

The show was well received, with attendees praising it as one of the most notable fashion events held locally.



Fashion show in Skopje, capital of North Macedonia. [Photo provided to Ningbo Times]