

# The EV Supply Chain Challenge

## OPPORTUNITIES



The global automotive semiconductor market is projected to grow from **\$59.22B in 2022 to \$103.85B by 2029**.



By 2030, Electric Vehicles and hybrids are expected to **constitute 66% of new car sales worldwide**.



Global EV sales are projected to soar from **2M in 2020 to 73M in 2040**.



Electronics as a percentage of new car cost will soar from **18% in 2000 to an impressive 45% by 2030**.



## CHALLENGES



### NEW PRODUCTION HUBS AND SHIPPING LANES

New EV supply chains will require more shipping to, from and within Asia, requiring logistics partners to move freight reliably and affordably in these lanes.



### DIFFERENT PARTS, NEW PLAYERS

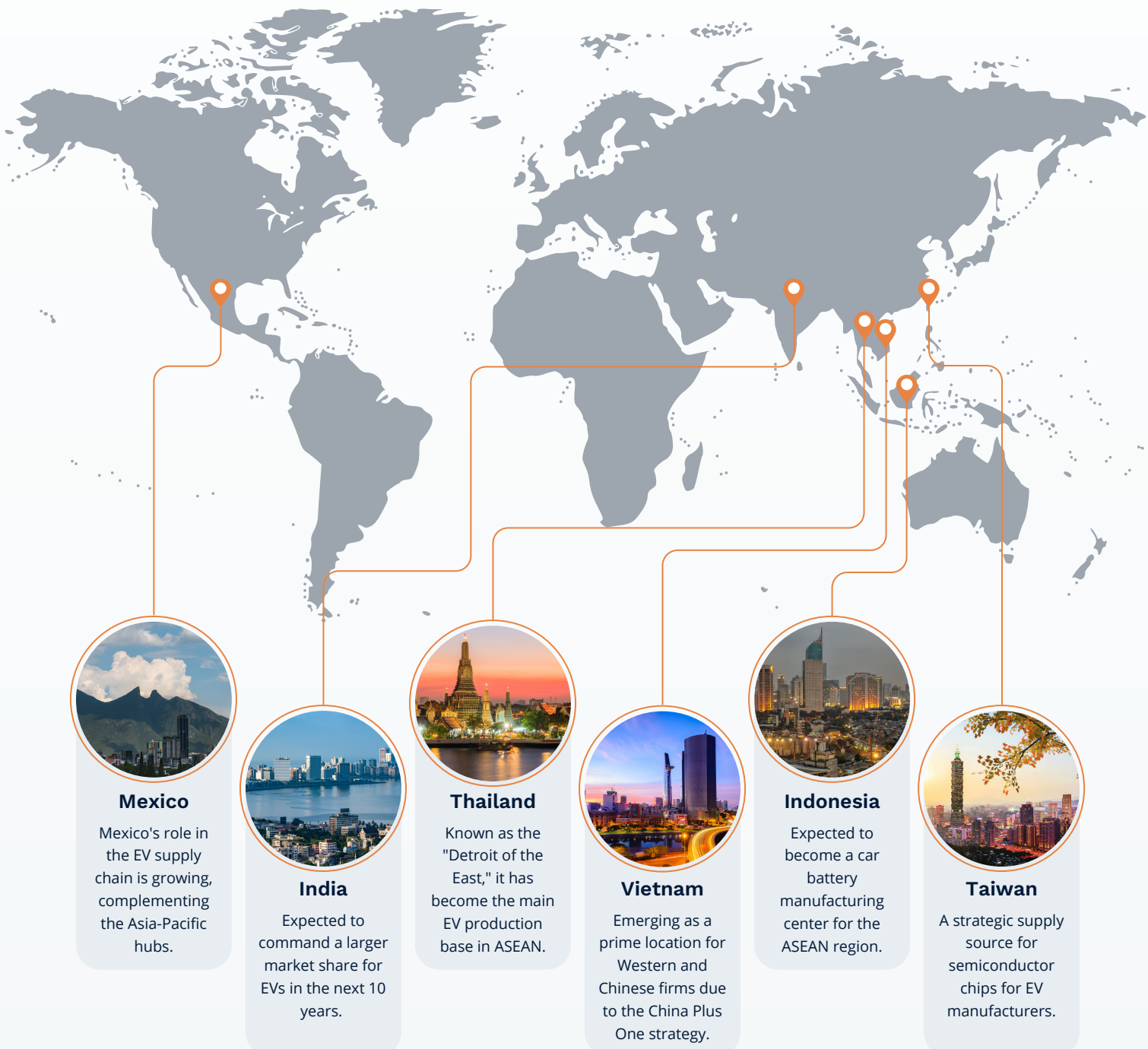
Shipping EV components like semiconductors, batteries, and drive systems is complex. EV batteries are classified as "dangerous goods," facing strict rules and regulations. Semiconductor chips need special handling, packaging, and shipping for quality assurance.



### NEW MARKETS

As EV production hubs expand from China into India and ASEAN countries, component manufacturers will need to set up operations in new countries. Do not underestimate the complexity of entering new markets and the time it takes to do it right.

### The New Landscape



The transformation of supply chains by these emerging EV production hubs demands OEMs and component manufacturers to reevaluate sourcing and logistics approaches for an increasingly Asia-centric landscape.

## SOLUTIONS

### New Logistics Strategies Demand Adaptation

As EV supply chains evolve, OEMs and suppliers face a series of unprecedented logistics challenges. To succeed in this dynamic landscape, adaptation is crucial.

Here are the key areas where adaptation is essential:



#### Seeking New Partners

As EV supply chains evolve, they create new shipping and logistics challenges; suppliers must form partnerships with logistics experts to navigate these changes.



#### Navigating Shipping and Freight Complexity

The introduction of new shipping lanes demands reliable freight capacity to ensure seamless transportation of EV components and products.



#### Special Handling for Critical Components

Important products like semiconductor chips and EV batteries require specialized handling to preserve their integrity and functionality throughout the supply chain.



#### Unlocking New Market Opportunities

Expansion into new markets offers tremendous growth potential, requiring adept logistics partners proficient in regulations, compliance, and workforce management.



#### Addressing Critical Implications

The transformation of EV supply chains has major implications for logistics strategies, and logistics partners can play a crucial role in managing these challenges for you.

### Key Logistics Partner Criteria for EV OEMs and Suppliers

The Best 3PLs for the EV Supply Chain will need a combination of experience.

#### Extensive Presence in Asia:

A 3PL that has operated in a market for years can help with legal and regulatory requirements associated with entering a new market, as well as moving goods seamlessly through Customs.

#### Specialization in Semiconductor and Battery Shipping:

Seek 3PLs with proven experience in handling and shipping sensitive semiconductor components and EV batteries. This experience reduces the risk in shipping these sensitive specialty products.

#### Robust Freight Capacity and Global Scope:

Look for logistics partners with extensive freight capacity and a global network to connect supply chain partners on multiple continents. This ensures efficient movement of goods across international borders.

#### Advanced Systems and Real-time Visibility:

You'll want real-time visibility to your inventory and shipment status, globally, along with a platform for supply chain partners to manage orders and shipping activities to the Purchase Order level.

#### Local Warehousing:

A 3PL with local facilities can help you enter markets quickly. Bonded warehouses can help defer duties and taxes to improve your cash flow.

### Ready to Drive Forward?

Partner with Dimerco for Your EV Supply Chain Journey!

Eager to explore the complete eBook 'EV Supply Chain Challenge and Opportunities' and navigate the complexities of this dynamic industry? Let Dimerco be your strategic guide. Our expertise in optimizing supply chains for the EV industry is your key to success. Contact us now to collaborate and drive your EV supply chain forward.

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