

GO HIGHWAY

CONNECTING ODESA REGION'S
SEAPORTS CARGO FLOWS TO EU

 MINISTRY
OF INFRASTRUCTURE OF UKRAINE



GO HIGHWAY PROJECT

IMPACTS

TEN-T Corridors	National Transport Strategy	Sustainable logistics	Strengthen Ukraine's freight transport and logistics potential	Enhance interconnectivity of all transport modes	Promotes Environmentally friendly and energy-efficient freight transport	Reconstruction of existing roads	Eliminates traffic and cargo bottlenecks
-----------------	-----------------------------	-----------------------	--	--	--	----------------------------------	--

1

2

3

4

5

6

7

8

IMPROVES

Road safety	City-Port Interface and logistics	Cross-Border connectivity	Urban connectivity	Physical and operational capacity, accessibility, Intermodal connectivity, service reliability, energy efficiency	International connectivity	Regional development	Quality of services, build skills, and Institutional capacity for a more competitive sector
-------------	-----------------------------------	---------------------------	--------------------	---	----------------------------	----------------------	---

GO HIGHWAY PROVIDES A DIRECT LINK BETWEEN THE BALTIC AND THE BLACK SEAS

Total Length: 1 746 km

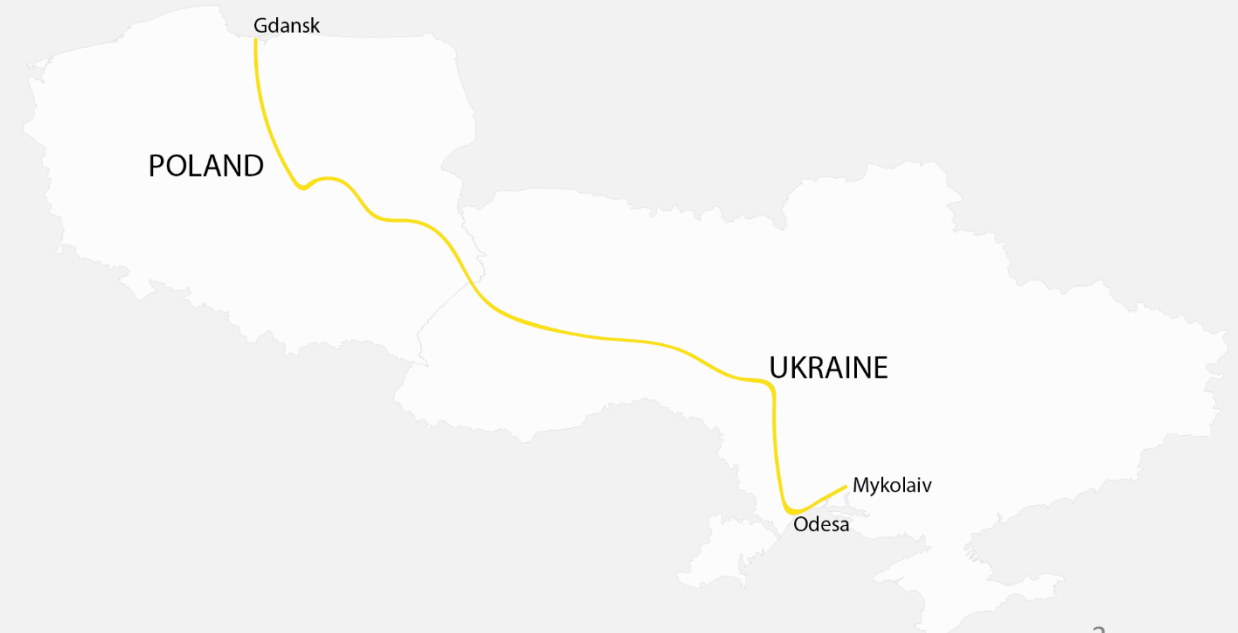
Poland: 658 km (constructed)

Ukraine: 1088 km

Route projected to reduce transit time between Gdansk/Gdynia and Odesa seaports from 23 hours to 15 hours

Benefits

- Improves speed rate for cargo flows
- Reconstruction of road from Category-2 upgrading to Category-1
- Includes construction of bypasses around residential areas

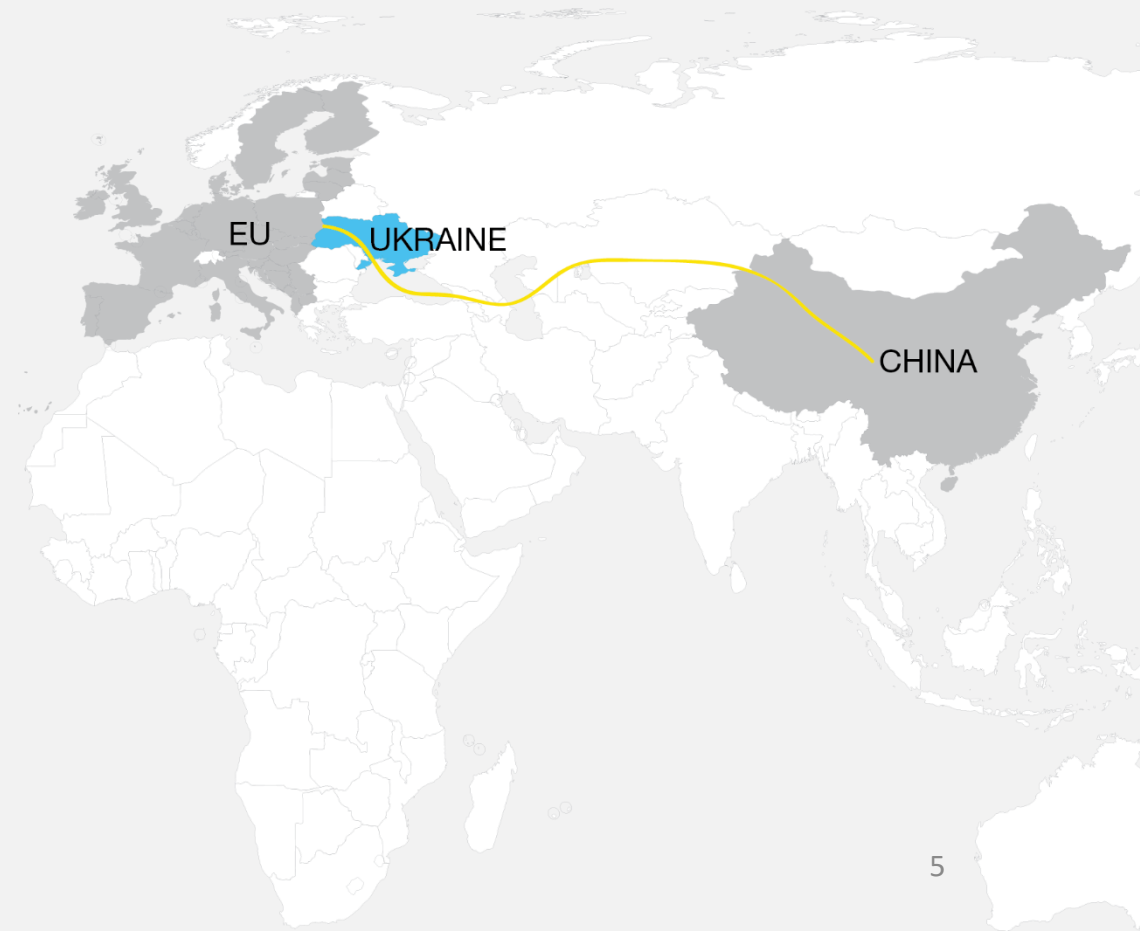


ECONOMIC IMPACT

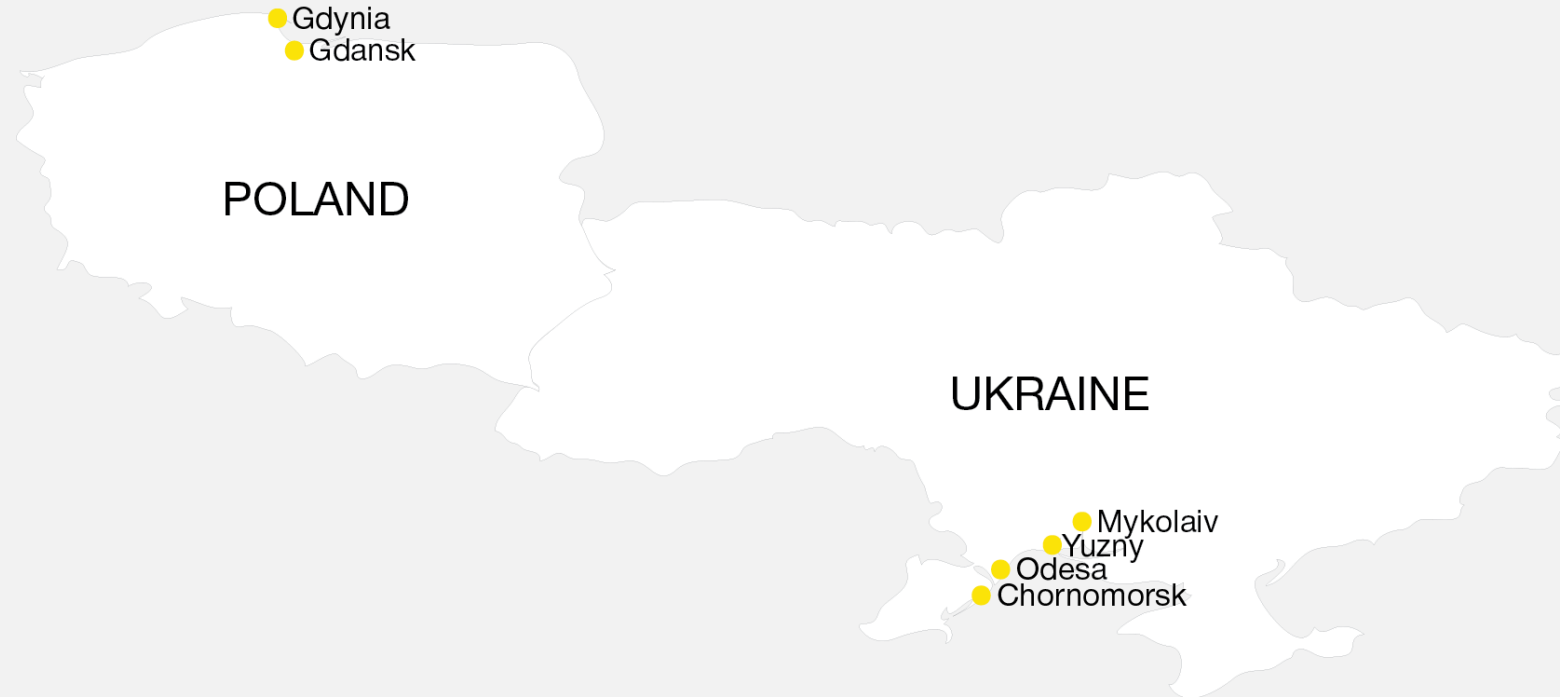
- The EU is Ukraine's largest trading partner
- In 2016 trade accounted for more than 40% of Ukraine's imports and exports after launching the FTA with the EU
- Ukrainian export to the EU grew 5 % in 2016
- EU - Ukraine Deep and Comprehensive Free Trade Area DCFTA began on 1/1/2016
- The AA/DCFTA aims to boost trade in goods and services between the EU and Ukraine
- GO HIGHWAY project cuts 30% cargo delivery cost
- Currently 20' container costs from \$1000 up to \$1500 from Gdansk to Odesa
- With GO HIGHWAY project it will cost 30 % less
- Provides an alternative route for cargo going from the eastern – western markets
- Catalyzes to develop markets along the routes providing them with access to overseas markets
- Relevant to national transport strategies of both countries

SOUTHERN SILK ROAD ROUTE INFORCEMENT

- New intermodal Southern Silk Road route across the Black and Caspian Seas bypassing Russia enhance
- Cuts delivery costs from Europe to China and from China to Europe
- China represents €521 bn, or 15% of total EU trade and continues to be one of the two main trading partner of the European Union (EU), well ahead of Switzerland (€253 bn, or 7%) and Russia (€210 bn, or 6%)



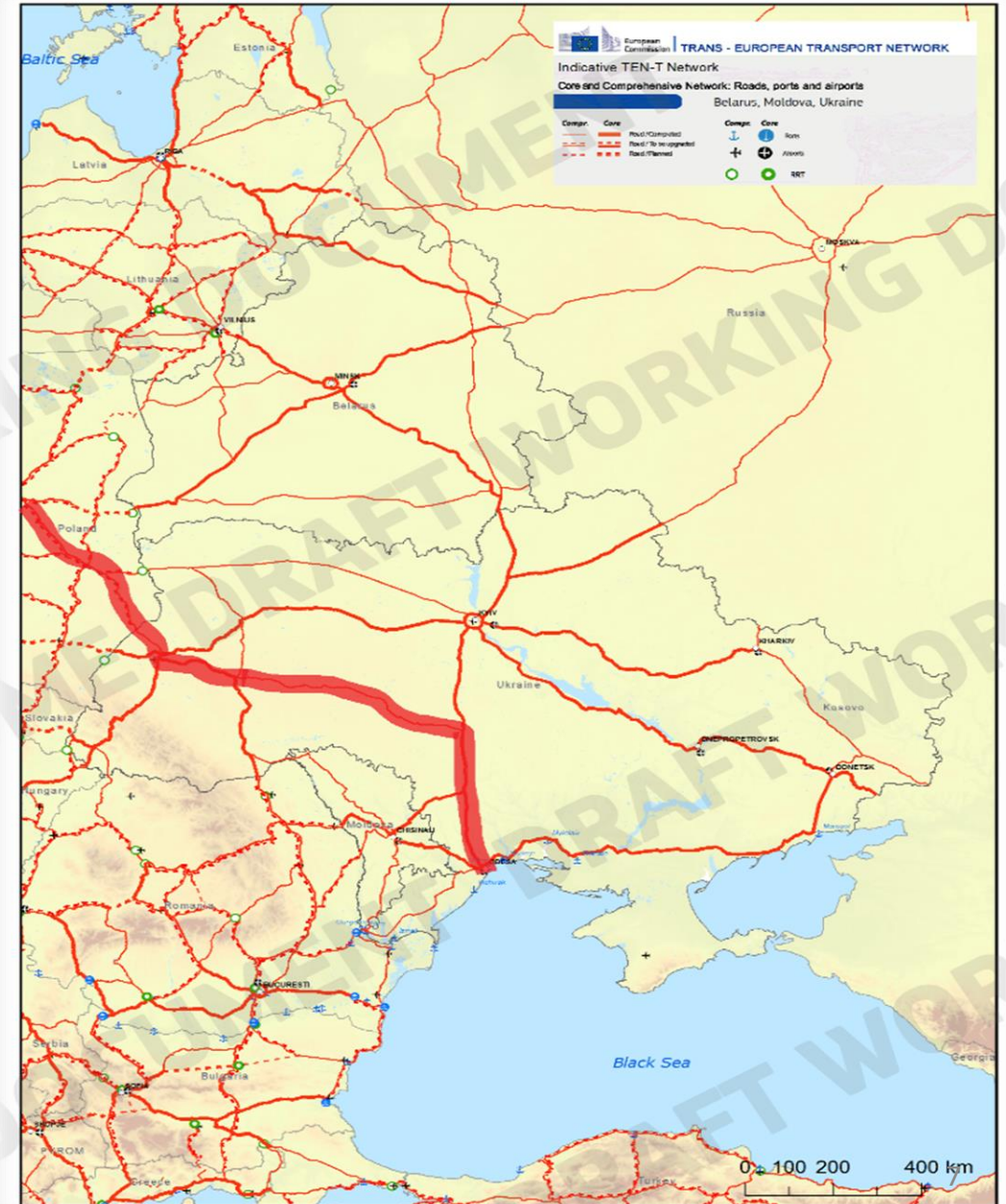
GO HIGHWAY IS ANCHORED BY MAJOR UKRAINIAN AND POLISH SEAPORTS



Roughly 150 mln tons of cargo is currently handled by the ports in Poland and Ukraine.
Cargo flow has potential to grow creating unique possibilities for economies of both countries.

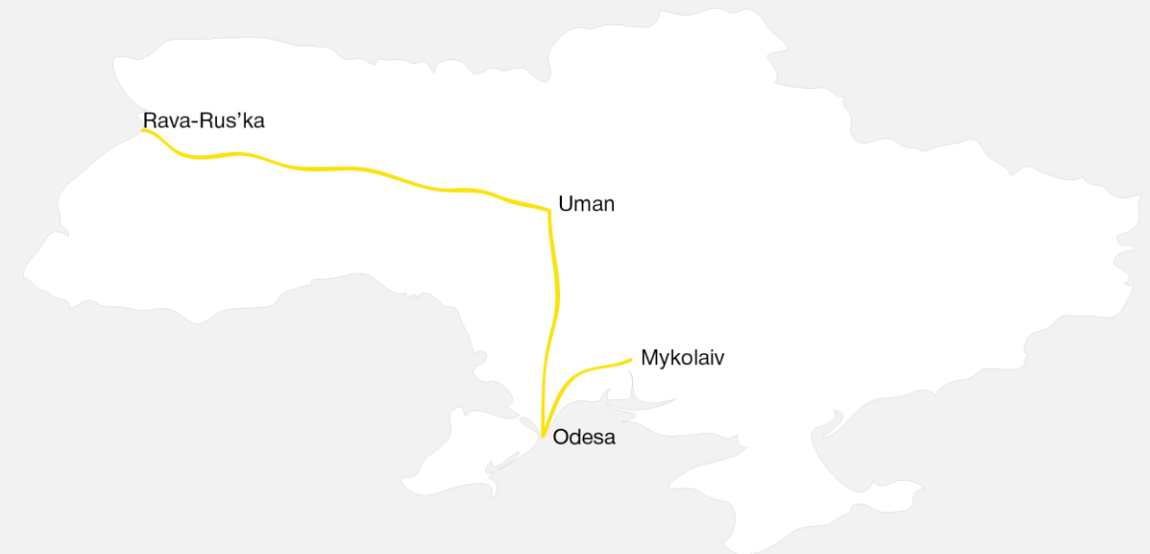
RELEVANCE TO TEN-T CORRIDORS

- GO HIGHWAY project is relevant to Trans European Transport Network - Core and Comprehensive Network: Roads and Ports
- Improves EU – Ukraine connectivity through Poland to Gdansk/Gdynia seaports
- Strong incentive for economical development for the region with 5 million inhabitants Including cities of Vinnitsa, Khmelnytsky, Ternopil



GO HIGHWAY PROJECT SEGMENTS

- Uman – L'viv – Rava-Rus'ka reconstruction of road Category-2 (2 lanes) up to Category-1 (4 lanes)
- Reconstruction of residential bypasses equipped with stop lights
- Odesa-Uman already constructed Category-1 (4 lanes)
- Reconstruction interconnections to ports
- Polish segment already constructed



1. MAIN SEGMENT

UMAN – LVIV – RAVA-RUS'KA

Main road construction project will be between

Uman – L'viv – Rava-Rus'ka
589 km

Currently road is Category-2 (2 lanes)
Reconstructed highway will be
Category-1 (4 lanes)



2. RECONSTRUCTION OF RESIDENTIAL BYPASSES

Reconstruction of bypasses equipped with STOP LIGHTS

- North of L'viv
- Ternopil
- Kmelnytsky
- Vinnitsa
- Small villages and towns

IMPROVES

- Road safety
- Travel times



3. ODESA-UMAN SEGMENT

Odesa-Uman is already constructed as a Category-1 road

Needs reconstruction of bypasses with stop lights

IMPROVES

- Road safety
- Cargo flow speed rate



4. RECONSTRUCTION OF PORTS INTERCONNECTIONS

Reconstruction of port interconnectivity

- Odesa Seaport
- Yuzniy Seaport
- Chernomorsk Seaport
- Mykolaiv Seaport

Reconstruction of ports approaches -
upgrade and maintenance



ROAD SAFETY

GO HIGHWAY PROJECT includes

- Reconstruction of bypasses around residential areas with stop lights
- Reconstruction of overpasses
- Decreases risks of deaths and injuries

Annual fatalities on roads in Ukraine 7 000 people

Annual injuries on roads in Ukraine 40 000 people

- Improves safety in urban areas

CURRENT SITUATION ON THE ROUTE




No highway
No Port interconnection


ESTIMATED COST

EUR 2 billion


TOTAL COST


Estimated construction cost

 EUR 1.9 billion

 Time frame - 3 years

TA for FS (CBA), EIA, design

 EUR 0.1 billion

 Time frame - 6 months

Lead agency – Ministry of Infrastructure of Ukraine, Ukravtodor

**THANK YOU
FOR YOUR
ATTENTION**