

19 OCTOBER 2016

# UKRAINE TRANSPORT STRATEGY UPDATE

**DEVELOPMENT AND CONSTRUCTION OF AN  
INTEGRATED TRANSPORT SYSTEM IN UKRAINE:  
APPROACHES PROPOSED IN THE NEW NATIONAL TRANSPORT STRATEGY**

Support to the Implementation of the Association Agreement  
and of the National Strategy in the Transport Sector in Ukraine  
**National Transport Strategy**

THIS PROJECT IS FUNDED  
BY THE  
EUROPEAN UNION



# Strategy Priorities & Financing



# TRANSPORT SECTOR PRIORITIES UNTIL 2030

## PRIORITY AXIS1: Efficiency in Public Governance in the Transport Sector

**Improvement of governance and transparency**  
in the transport sector as integral part of **fighting corruption**.

Deregulation and liberalization **attracting private operators**  
alongside corporate governance for **SOEs**.

Enhancing the **policy making** of the Ministry and non-biased  
**regulatory role** of the state agencies in line with the public  
administration reform.



# TRANSPORT SECTOR PRIORITIES UNTIL 2030

## PRIORITY AXIS 2: Provide Quality and Efficient Transport Services

Apply approach for **integrated transport systems** serving the **users' needs** maximizing the economic benefits of current assets.

Deploy **new technologies** to improve efficiency of transport operation and services, where **maintenance** will be prioritized over new investment.

Enhance **energy efficiency** and respect **environmentally policies**.

Eliminate existing barriers to logistics and **multi-modal solutions** within the framework of national corridors, **integration to TEN-T and improving terms of transit corridors**.



# TRANSPORT SECTOR PRIORITIES UNTIL 2030

## PRIORITY AXIS 3: Achieve Sustainable Financing for Transport

**Adequate and reliable financing** of transport investment is the corner stone for **sustainable provision of transport services**.

Consider “**user pays**” principles and introduce mechanism for **Ear marked** funding for transport. The **involvement of private capital** with evident Value for Money shall be promoted. A continued dialogue with IFIs is crucial within the context of **supporting transport sector development**.

Allocation of public funds will follow transparent prioritization mechanism and its administration shall safeguard **cost efficiency and transparent** public procurement rules. Establish open communication and **Information disclosure** on budget planning and spending.



TRANSPORT  
SECTOR  
PRIORITIES  
UNTIL 2030

## PRIORITY AXIS 4: Improving Transport Safety and Security

**Reducing risk** of transport to human lives **particularly in urban areas** and improve the security of transport users and transported goods as a basic right.



TRANSPORT  
SECTOR  
PRIORITIES  
UNTIL 2030

## PRIORITY AXIS 5: Improved Urban Mobility and Regional Integration in Ukraine

Provide affordable, responsive and reliable **public transport** services with focus on **regional connectivity** to support the development of regional clusters and **labour mobility**.



# NATIONAL TRANSPORT STRATEGY FINANCING

## State and local budgets, revenues of state own companies

- limited financing/lack of financing

## EU Aid

- limited financing, mainly soft projects

## IFIs –

- concerns mature and big enough projects to be financed by IFIs (EIB or EBRD) which could get small grants from EU, lack of projects prepared

## PPP –

- lack of expertise



# ROTTERDAM MEETING DECLARATION FEEDBACK

- the combination of EU Neighbourhood funding tools and Transport Policy funding tools is worth to be addressed
- new financial mechanisms for EU support to transport is required to accelerate cooperation



# NEIGHBOURHOOD INOVATIVE INSTRUMENTS TO SUPPORT

- **Pre-feasibility/feasibility studies of the projects realised in the future** (UKR: examining the state of seaports infrastructure as explained in the Ports “Strategy”);
- **Comprehensive studies aiming at developing multimodal transport** (UKR: ports-hinterland connectivity);
- **Specific studies aiming at identifying how to reinforce networks efficiency** (UKR: Intelligent Transport Systems);
- **Financing of small-scale transport infrastructure projects** (UKR: connecting local communities to main road network, improving cross-roads safety, improving rural areas access for tourism development)



# CONNECTING EUROPE FACILITY

- to get a total financing of 100% for studies under the cross-border projects scheme
  - the project “feasibility of automatic change of railway gauge” submitted by Ukraine to CEF failed due to the impossibility to mobilise the other 50% financing to 50% of CEF