

# General Provisions

Transport is one of fundamental sectors of national economy, and its efficient functioning constitutes a necessary condition for ensuring defense potential, protecting economic interests of the state, and improving the people's level of life.

Though the transport sector meets in general needs of national economy and residents in transportation, the level of safety, indicators of quality and efficiency of passenger and freight services, energy performance, production-induced pressure on the environment do not comply with present-day requirements.

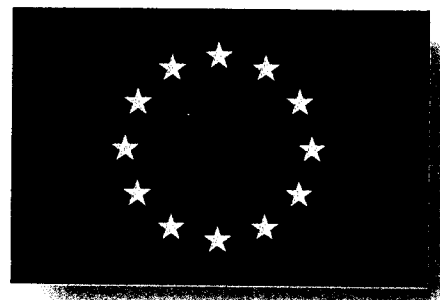
The transport sector faces crucial challenges, i.e. a significant wear and tear of plant and equipment, in particular fleet; insufficient volume of investment required for renewing and developing innovatively the sector physical infrastructure; shortage of budget funding and depreciation payments; imperfect leasing procedure; a low level of the state's transit potential utilization.

Issues of technical re-equipment and upgrading of infrastructure facilities for railways, airports, and sea ports; expansion of public road network according to the country's car ownership growth rates are urgent to be solved.

The length of motorways has not almost increased for the last twenty years;

< *The Transport Strategy of Ukraine has been developed in accordance with the draft Association Agreement between Ukraine and European Union.*

*The development of the document has been provided by the Working Group, created at the Ministry of Transport and Communications of Ukraine in assistance with the EC project "Support to the Integration of Ukraine to the Trans-European Transport Network TEN-T" and Twinning Project "Support to Transport Policy Design and Implementation in Ukraine"*



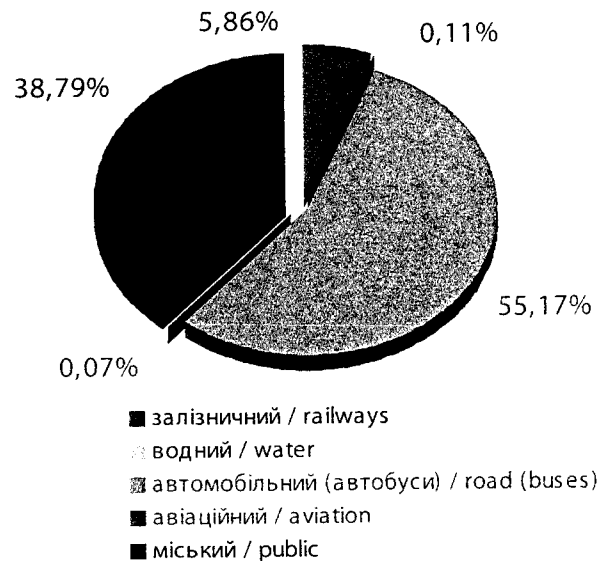
their density falls considerably behind the developed countries' indicator. The motorway condition is unsatisfactory, with 51.1% of roads not meeting requirements for smoothness, and 39.2% - for strength. The average traffic speed on the motorways is 2-3 times lower than in the Western European countries.

The system of governance and management for rail, sea, and road transport as well as road infrastructure should be reformed.

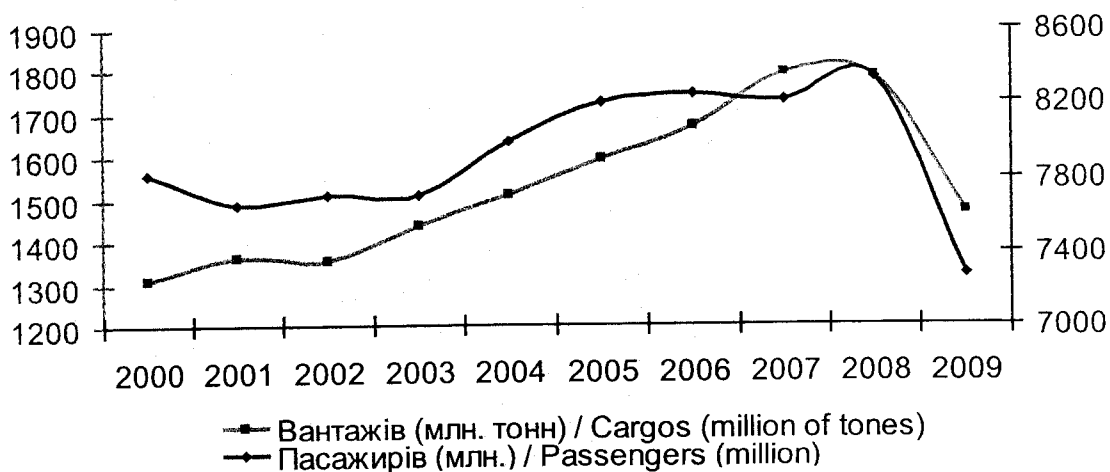
The transportation safety rate is low. Road incident rates are much worse comparing to the EU countries. Aircraft of national airlines have been many times black-listed, with the ban to fly to the EU countries. The unsatisfactory shipping safety control has caused black-listing of the State Flag of Ukraine, according to the Paris Memorandum (Paris MoU on Port State Control).

< According to the State Statistics Committee of Ukraine in 2009 the share of the transport and communications sector in the GDP stated 11,3%.

Структура пасажирських перевезень за видами транспорту / Scheme of passenger transportations by modes of transport



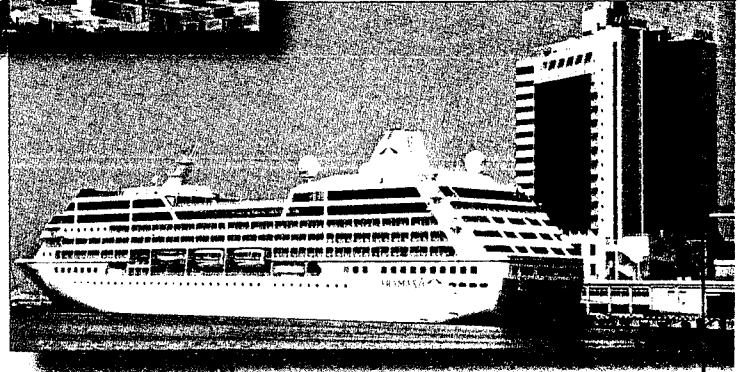
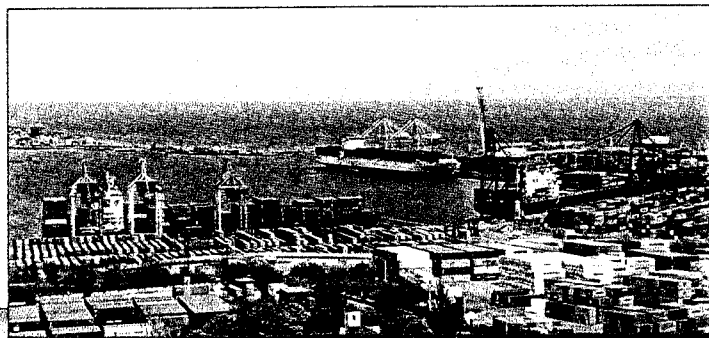
Статистика перевезень транспортом загального користування / Statistics of the general transportation



# Purpose of Strategy

The purpose of Strategy is to establish conceptual fundamentals for developing and implementing the state policy in order to provide sustainable and efficient transport sector operation, to create conditions for social and economic development of the country, to improve competitiveness of national economy and people's wellbeing.

< For the increase of the transport systems efficiency the program of comprehensive renovation and modernization of transport is needed, which foresees the activities of legislation provision and creation of the favorable investment climate taking into account the budget and non-budget sources of investment.



# Strategy Major Principles and Implementation Scope

The Strategy is based upon such major principles:

- ▶ to make transport services accessible for all groups of residents, including disabled and low-income people
- ▶ to harmonize transport infrastructure development plans with the master model for Ukraine's territory development, and land resource use plans
- ▶ to implement rigid anti-monopoly policy
- ▶ to liberalize pricing at transport service markets
- ▶ to operate transport enterprises as self-sufficient companies
- ▶ to focus financial resources on achieving the primary objectives of transport sector development
- ▶ to cover costs for transporting privileged categories of population by State and local budget subsidies
- ▶ to ensure environmental safety, to enforce environmental standards and regulations in transport sector operation
- ▶ to enhance the development of energy saving and environmentally friendly modes of transport.

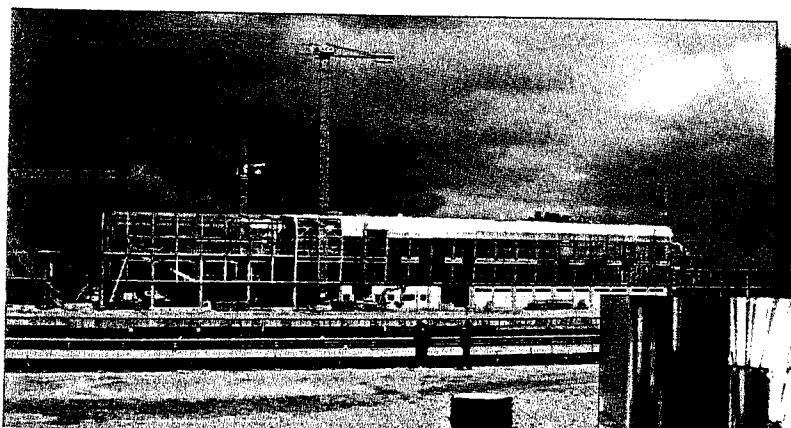
The principal aspects for Strategy implementation are:

- ▶ development of transport infrastructure through:
  - *expanding the road network, first of all, highways and bypasses*
  - *increasing the traffic capacity of main railways, transport hubs, rail and road approaches to sea ports, road-and-street system of major cities;*
  - *upgrading the industrial rail transport*



- building and rehabilitating bridges in cities of Kyiv, Dnipropetrovsk, Zaporizhia, Mykolaiv, and Kherson
- building sections of metro systems in cities of Kyiv, Kharkiv, Dnipropetrovsk, and Donetsk
- building and rehabilitating terminals (first of all, for containers) in the sea ports;
- establishing a logistic center network
- preparing the transport network to the final part of 2012 UEFA European Football Championship (EURO 2012)

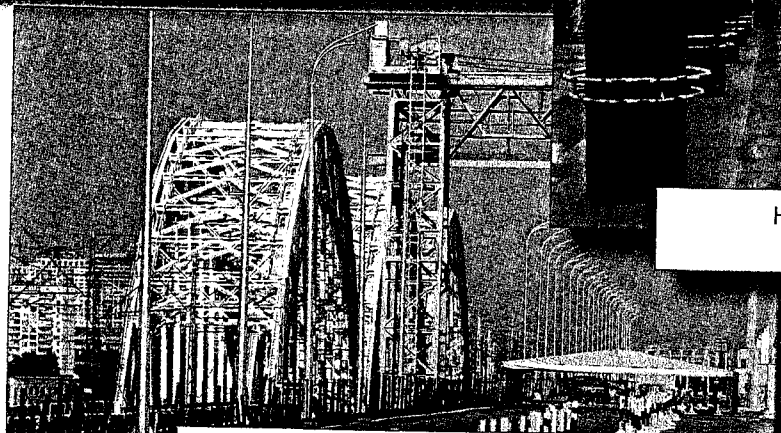
< To ensure preparation of the road and transport infrastructure for hosting the final tournament of the European football championship in 2012 within the State target programme foreseen financing of measures for building up the roads, airports, metros and railway transport facilities with the total amount of about USD10 billion (including over USD6 billion – funds from the State Budget of Ukraine)



Будівництво нового терміналу аеропорту "Львів"  
Construction of the new airport terminal "Lviv"



Нова станція метро "Деміївська"  
New metro station "Demiyivska"



Будівництво мостового переходу через р. Дніпро  
Construction of the bridge over the Dnipro River



► renewal of transport fleet through:

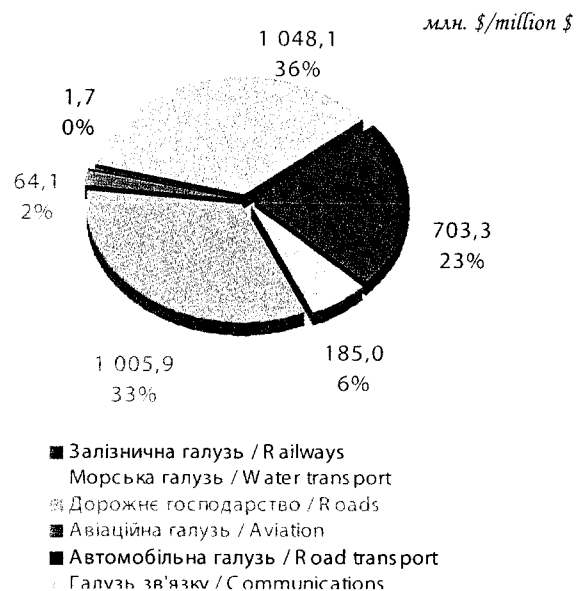
- rationalizing the vehicle fleet structure, in the view of capacity, load carrying capacity, passenger carrying capacity, dedicated use of vehicles
- prioritizing the renewal of the fleet to be used for public services (privileged passengers, rural residents, disabled people)
- introducing vehicles, with operational, technical, and economic specifications that meet current European requirements in terms of safety and security, sustainability and energy performance of transport.

► improvement of investment climate through:

- creating favorable conditions for attracting investment, particularly foreign, into the transport sector to renovate and upgrade the sector physical infrastructure
  - promoting the public-private partnership development
  - involving investment on concession base
  - improving leasing procedure to provide the transport fleet renewal
- accessibility of transport services and their quality increase through
- developing and introducing state

< In 2009 the transport sector enterprises mastered over 3 billion USD of investments. However the sector feels significant shortage of funds for its development. Major part of the investments to the transport sector is making with own funds of the transport sector enterprises and bank loans. Due to incompleteness of the structural reforms the private capital did not yet became a substantial factor for development.

Структура капітальних вкладень за напрямками інвестицій / Structure of the capital investments by the directions



*social standards and regulations on transport services*

- *shortening freight delivery time and increasing passenger transport traffic speed, on the basis of world's practice*
- *reducing the time required for handling goods in the ports and border crossing points*
- *introducing advanced GPS-based information and communication technologies*
- *developing intermodal services*
- *increasing volumes and classes of containerized goods*
- *introducing electronic document circulation*
- *improving the procedure for freight traffic operator certification*
- *setting up integrated information systems for controlling, monitoring and identifying goods and containers, with arrival notification*
- *equipping vehicles with GPS devices integrated into the unified coordinate control system*
- *optimizing air, road, and rail routes*
- *institutionalizing and legalizing the consolidation of road operators and the establishment of integrated road company network*
- *introducing a transparent tariff regulation procedure, working out and approving guidelines (methods) for developing and changing tariffs*
- *improving services for disabled people*
- *establishing a non-cash fare collection system for public city transport based on smart cards*
- *setting up the unified system for state regulation and control over passenger services provided by taxis and road vehicles on order*



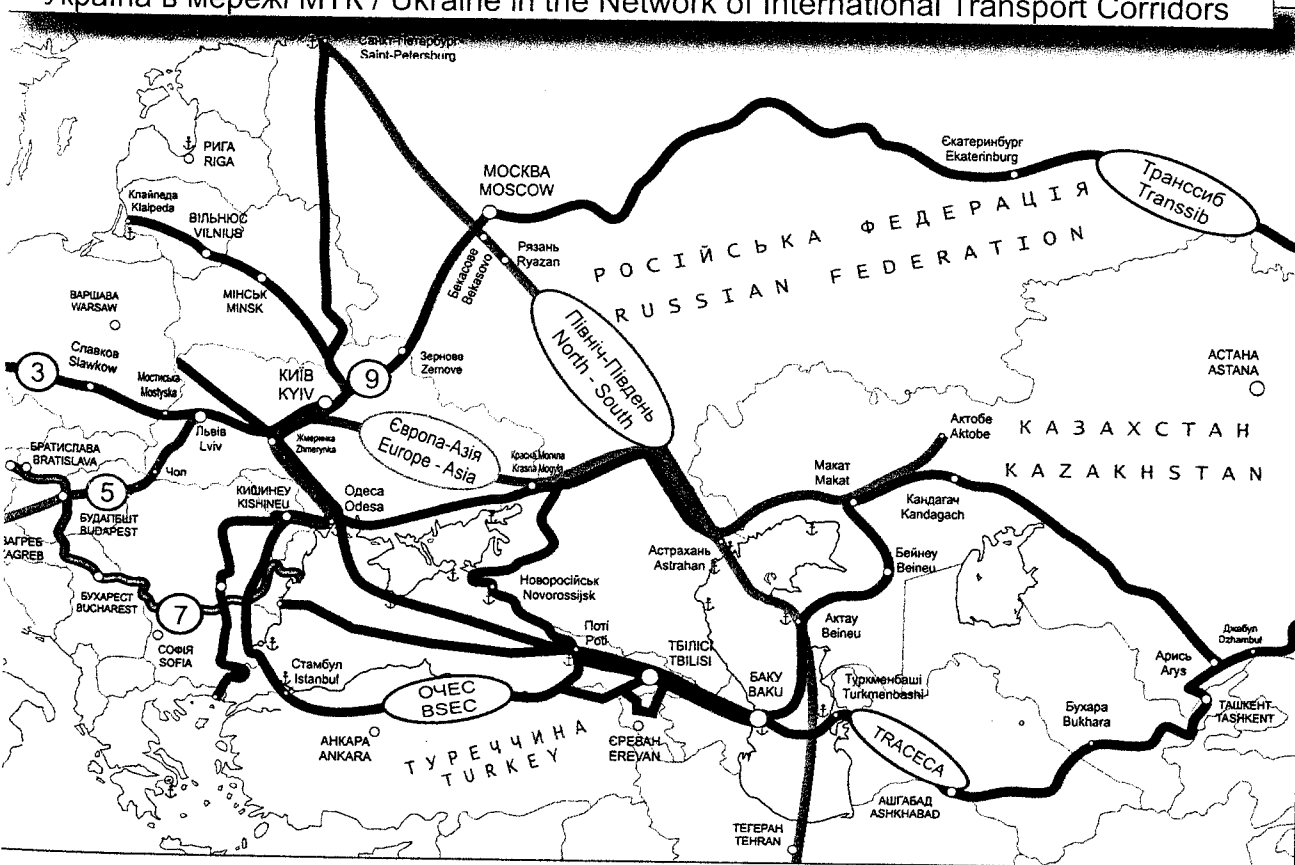
- developing programs for training and skill improvement for taxi drivers and dispatch operators, with the relevant amendments of Job Classification

► integration of national transport network into European and world's systems through:

- developing the transport service exports, using efficiently the transit potential, increasing the competitiveness of national transport at the international transport service market

< The advantageous geographical position of Ukraine stipulates the passing through its territory of the Pan-European Transport Corridors No. 3, 5, 7, 9, corridors of the Organization for Cooperation of Railways (OSZD) No. 3, 4, 5, 7, 8, 10 and transport corridor Europe – Caucasus – Asia (TRACECA).

Україна в мережі МТК / Ukraine in the Network of International Transport Corridors





- *acceding international transport conventions and agreements, and enforcing their observance*
- *harmonizing the national laws with EU transport legislation*
- *developing and implementing technical and technological regulations and standards in line with international requirements*
- *unifying requirements to the operators*
- *cooperating with the EU in order to develop international transport corridors and axes identified by the EC High Level Group*
- *developing the cooperation with Poland, Byelorussia and other states in terms of combined transport services*
- *providing the interoperability of transport networks of Ukraine and neighboring states*
- *cooperating in the use of satellite navigation systems within the framework of Co-operation Agreement on a Civil Global Navigation Satellite System (GNSS) between the European Community and its Member-States, and Ukraine*
- *making bilateral agreements on transport communication between Ukraine and EU member states*
- *integrating the civil aviation into the Joint Air Space*
- *facilitating the procedure for transferring goods across the state border and rationalizing the reduction of time required for check procedures at the state border crossing points, and adjusting the conditions of such border crossing point operation to the European standards*
- *upgrading the border crossing point infrastructure*
- *setting up the multifunctional integrated system – Electronic Customs*
- *creating, with the use of EU customs electronic databases, an inter-state information exchange system to*



ensure the efficient operation of border crossing points

- introducing automated systems for rail rolling stock transfer from the wide-gauge track to the narrow-gauge one

- improving the customs statistics system to monitor and forecast the goods transit

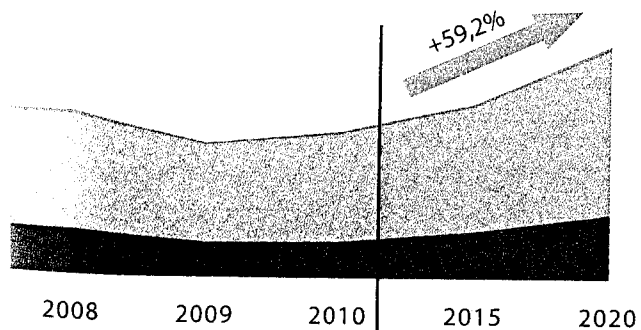
- creating an efficient system for monitoring weight and dimensions of road vehicles at the border crossing points

► improvement of public governance efficiency in the transport sector through

- reforming the public governance system for railways, public roads, and sea commercial ports, improving the bus station operation

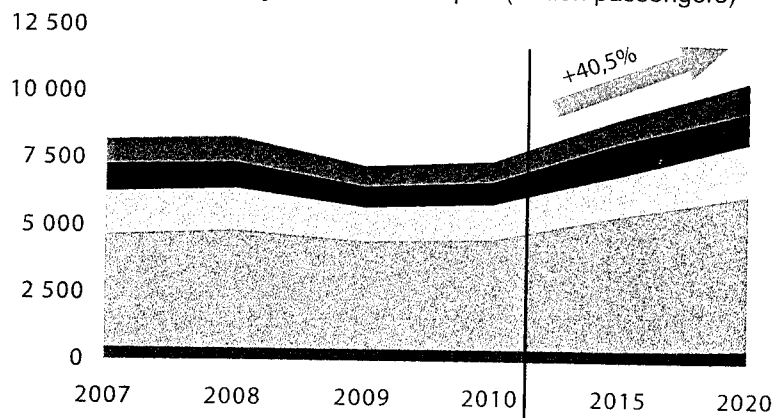
< It is expected that in 2009 – 2012 the average yearly growth of cargo transportation will be 3,7 %, passenger – 2,3 %. This period requires the support for the transport sector as well as the provision of the efficient tariff and tax policies and also the investments attraction. During the post-crisis period (2013-2020) the expected average yearly growth of cargo transportation will reach 6,3 %, passenger – 2,8 %.

Прогноз перевезень вантажів за видами транспорту (млн. тонн) / Forecast of the cargo transportation by modes of transport (million tonnes)



■ / Railways ■ Автомобільний / Road ■ Інший / Other

Прогноз перевезень пасажирів за видами транспорту (млн. пас.) / Forecast of the passenger transportation by modes of transport (million passengers)



■ Залізничний / Railways ■ Автомобільний / Road  
 ■ Тролейбусний / Trolleybus ■ Трамвайний / Tram  
 ■ Метрополітен / Metro ■ Інший / Other



- *providing the state regulation of transport business entities according to the European standards and establishing a regulative body for rail transport after its reformation*
- *improving the staff potential and increasing the social security level for transport employees*
- *implementing institutional reforms aimed at developing and improving market relations in the transport sector*
- *creating a competitive environment at the transport service market*
  - *coordinating operation of various transport modes*
  - *establishing conditions for fast transfer of transit goods*
  - *improving the licensing system for certain types of activities in the transport sector*
  - *implementing the efficient tariff and price policy aimed at balancing the interests of transport companies and their customers*
  - *mitigating the adverse impact of transport on the environment*
- ▶ *provision of safety and security of transport processes through*
  - *improving the state transport safety and security system*
    - *setting up a state inspection (monitoring) body for transport safety and security within the transport executive power central body framework*
    - *implementing advanced information technologies for monitoring the transport safety and security, establishing satellite systems for monitoring and controlling vehicle traffic*
    - *improving the procedure for authorizing the business entities to transport passengers and goods*
    - *improving the infrastructure level of roads, streets, and level crossings to provide the road traffic safety*



- *raising requirements to the vehicle design safety*
- *improving and developing the national safety and security system for transporting hazardous goods, working out relevant regulative documents, and compiling the hazardous goods register*
  - ▶ *improvement of sustainability and energy efficiency of vehicles through*
    - *applying international environmental standards for vehicles and engine fuel,*
    - *promoting the use of energy efficient, environmentally friendly and alternative types of liquid and gas fuel*
    - *optimizing service life, maintenance, and repairs of vehicles*
    - *improving the tax system subject to sustainability and energy efficiency of vehicles*
    - *reducing the noise and vibration impact on the environment*
    - *operating energy efficient modes of transport – electrical, rail, river – in the cities*
    - *introducing an enhancement system for using alternative types of liquid and gas engine fuel.*



# Priorities for development of public rail transport

27

**P**riorities for development of public rail transport:

▶ reforming public rail transport through

- refining the rail transport institutional structure
- separating business operation and state regulation functions in rail transport sector
- setting up a rail transport governmental body
- setting up a business entity composed of railways, enterprises, institutions, and organizations of rail transport necessary to provide its activities in production and technological integration

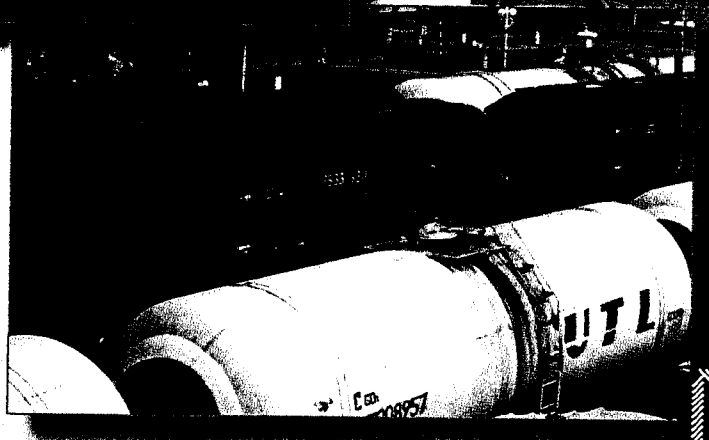
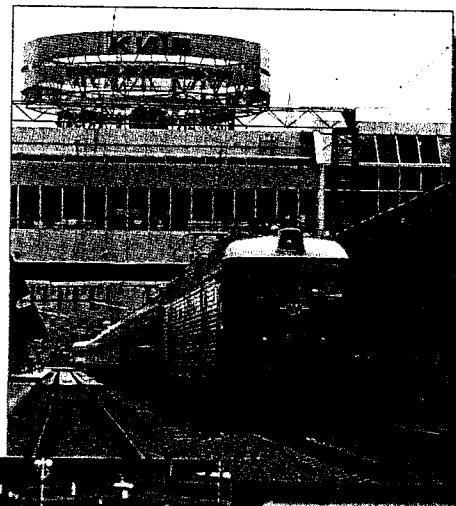
< Operational length of the railways is 21,68 thousand kilometers;

Length of the electrified lines – 9854 km;

Railway car park;

- cargo – 121,3 thousand units;

- passenger – 7,3 thousand units.



- *maintaining social sector facilities in the business entity structure to provide the traffic safety and security, labor protection, and stability of rail transport staff potential*
- *establishing an automated system for rail operation control via main and regional control centers, and centralizing the train operation control*
- *setting up a vertically integrated system for rail transport business management*
  - ▶ *provision of railways with rolling stock capable of improving significantly the technical and technological parameters, including*
    - *increasing a passenger train speed up to 160kph (200kph in the future) and a freight train speed up to 100-120kph*
    - *extending the service life and improving the performance of rolling stock*
    - *reducing unit costs of power resources and materials*
    - *shortening freight delivery time and passenger travel time*
    - *providing facilities for transporting disabled passengers*
  - ▶ *technical refurbishment of railway infrastructure facilities through*
    - *upgrading railway lines along international transport corridor destinations*
    - *increasing the traffic capacity of railway sections, including destinations Znamianka – Dolynska – Mykolaiv – Kherson – Dzhankoy and Kyiv – Trypillia – Myronivka*
    - *electrifying further rail lines with dense freight traffic*
    - *building a new tunnel at Beskyd – Skotarske rail section*
    - *expanding major marshalling yards*



► improvement of operation processes and their intensification through

- *implementing step-by-step rapid passenger traffic, particularly at destinations Kyiv – Poltava – Kharkiv, Kyiv – Donetsk, Kyiv – Dnipropetrovsk, Kyiv – Ternopil – Lviv, Kyiv – Zhmerynka – Odesa*

- *launching day passenger trains*

- *optimizing the train traffic schedule and the procedure for composing rolling stock flows*

- *setting up a network of inter-connected logistic centers and multimodal terminals in the major transport hubs, and at border crossing points*

- *operating trains by destinations dedicated mainly to one type of traffic (passenger or freight)*

- *automating maximally processes of operation and repairs, and diagnostics of rail rolling stock technical condition*

► improvement of the rail service tariffing system and introduction of pricing market mechanism through

- *balancing interests of railways and their customers in freight services, with establishing the proper value of transport component in the product price and the profitability level*

- *introducing a tariff differentiation tool for the passenger services, on the basis of international practices, eliminating*



*step-by-step the cross-subsidizing of passenger services on the account of other business activities, establishing the self-sufficiency of services in international and inter-regional traffic*

- *improvement of competence level and social security of rail transport staff, enhancement of labor motivation*

- *state support for renewal of the rolling stock and construction of rail facilities of public significance; introduction of effective procedure to cover the railways' losses caused by transporting privileged groups of passengers.*

## **Priorities for development of industrial rail transport**

**P**riorities for development of industrial rail transport:

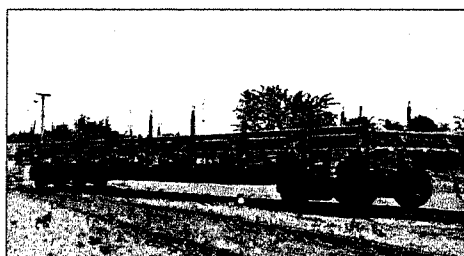
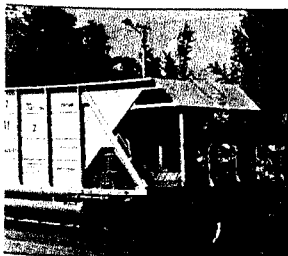
- ▶ improvement of legal and technical regulative framework for industrial rail transport

- ▶ improvement of state regulation system to guarantee efficient and safe operation of industrial rail transport

- ▶ introduction of traffic safety and security monitoring procedure for industrial rail transport

- ▶ establishment of conditions for technical and technological upgrading of industrial rail transport, with involving investment

- ▶ development and efficient utilization of infrastructure of industrial rail transport state enterprises.





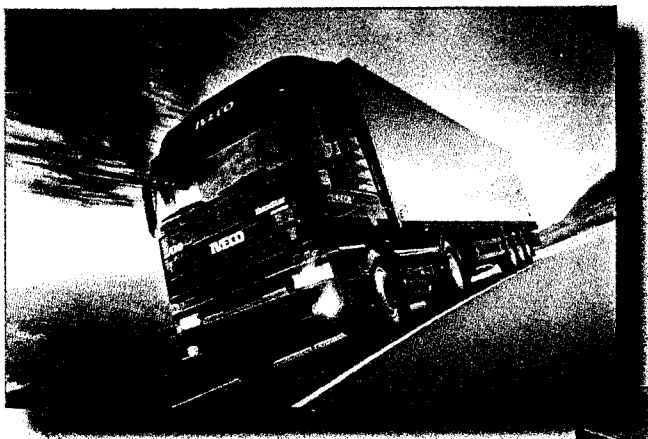
# Priorities for development of road transport

**P**riorities for development of road transport:

- ▶ establishment of conditions for transport service market business
- ▶ improvement of road traffic safety and power efficiency through
  - *approving and implementing the State Target Program for Improving Road Traffic Safety Rate*
  - *distributing road traffic operation functions among executive bodies, and setting up a control system harmonized with the European one*

< There 400 thousand carriers working on the Ukrainian market of road transportation, which include:

- 226,3 thousand - cargo transportations;
- 172 thousand - passenger transportations;
- 1,7 thousand - mixed transportations.



- *enhancing requirements to road operators and monitoring their compliance with transport safety legal provisions*
- *improving the system for monitoring the use of driving time and the time of rest of drivers, pursuant to the European Agreement Concerning the Work of Crews of Vehicles Engaged in International Road Transport (AETR) and the 1979 International Labour Organisation Convention No 153 – Hours of Work and Rest Periods (Road Transport)*
- *improving the technical regulation system for vehicle access to the road traffic, the regular technical inspection, and maintenance and repairs of vehicles*
- *establishing the unified system for training and certifying the road transport employees, according to European standards*
- *improving the procedure for alternative fuel use*
- *setting up a testing centre for establishing the compliance of road vehicles, engines and exhaust gas conversion systems with national and international standard provisions*
- *introducing international environmental standards EURO-3 and EURO-6 for vehicles and engine fuels*
  - ▶ *efficiency of road transport operation through*
- *approving and implementing the State Target Economic Program for Road Transport Development*
- *improving the road transport technology, increasing the share of combined transport services, developing proper technological models for transport junctions*
- *renewing the fleet by purchasing nationally made vehicles and optimizing its structure according to the service life, passenger carrying capacity, and capability for transporting disabled people.*

# Priorities for development of road infrastructure

**P**riorities for development of road infrastructure:

► development of road system through

- prioritizing the development of national public roads, first of all under the projects for preparing the roads to the final part of EURO 2012

- building, rehabilitating, and carrying out capital repairs of such roads as Kyiv – Chernihiv – Novy Yarylovychi, Kyiv – Kharkiv – Dovzhansky, Znamianka – Luhansk – Izvaryne, Kyiv – Odesa, Kyiv – Chop, Kyiv – Kovel – Yagodyn, Stryi – Ternopil, Kirovograd – Znamianka, Ulianivka – Mykolaiv, Kharkiv – Simpheropil – Yalta, Kharkiv – Scherbakivka, Kherson – Simpheropil, Lviv – Krakovets, Vinnytsia – Kyiv, Big Ring Road around Kyiv, the Black Sea Bypass

< Length of the public use roads is 169,5 thousand kilometers, which include:

- 20,1 thousand km – are of the state priority;

- 149,4 thousand km – are of the local priority;

Total amount of the bridges is 16,2 thousand units.



- *implementing actions to increase the financial support for the road infrastructure*

- *building approach roads with hard covering to all rural settlements*

- ▶ *enhancement of innovative component in the road infrastructure development projects through*

- *applying up-to-date materials and innovative technologies for building, rehabilitating, repairing and maintaining the roads*

- *re-equipping the technical base of road enterprises*

- ▶ *improvement of road traffic safety rate through*

- *implementing road traffic safety actions on particularly dangerous stretches of roads*

- *introducing efficient road traffic technical devices on roads (automated road traffic operation systems, antidazzle screens, markings with improved reflective properties, etc.)*

- *improving the information support for road traffic participants*

- ▶ *reforming of public road state governance system through*

- *combining properly the centralized administration of national public road network and the regional administration of local roads*

< *There are about 8 million of the wheeled vehicles registered in Ukraine.*

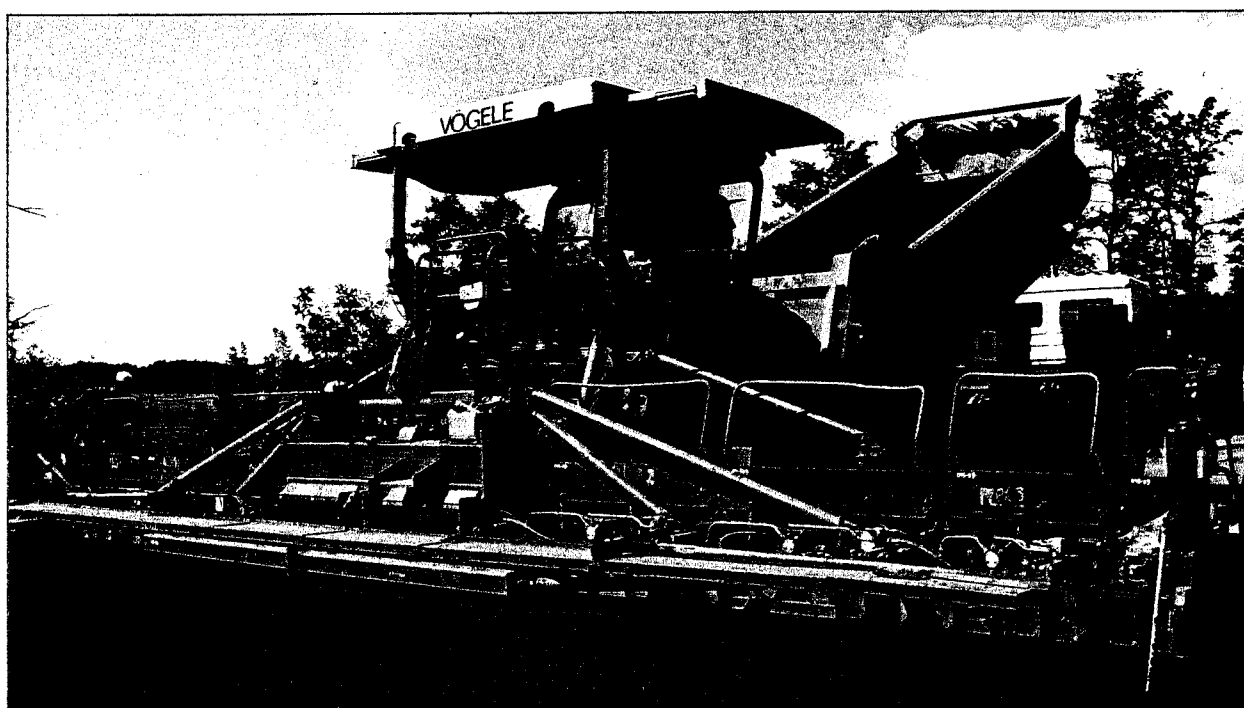
*The indicators of the accidents are much higher than in Europe, and are as following:*

- *1,3 deaths in accidents per 1000 wheeled vehicles;*

- *20,7 deaths in accidents per 100 thousand people.*



- *providing the proper funds for construction, rehabilitation, and repairs of national and local public roads*
  - *restructuring the State Joint Stock Company ROADS OF UKRAINE OJSC*
  - *establishing a road operation system based on geoinformation technologies*
  - *improving the quality assurance system for construction, repairs, and maintenance works on roads by the set-up of the State Road Inspection*
- ▶ *sustainable construction and maintenance of roads through*
- *applying environmentally friendly and energy saving materials and innovative technologies*
  - *introducing technical means for mitigating the adverse impact of roads on the environment (noise protective screens, water treatment facilities, animal passages, fencing, etc.)*



# Priorities for development of air transport:

45

**P**riorities for development of air transport:

► adjustment of air transport infrastructure in line with international requirements through

- building, rehabilitating, repairing, and upgrading airports in cities of Kyiv, Donetsk, Lviv, Kharkiv, Dnipropetrovsk, Odesa, and Simpheropil

- approving and implementing the State Target Program for Airport Development for the Period of up to 2020

- keeping the integrated property complexes of airports

- developing the airport infrastructure under leasing and concession conditions

< *There are 45 airfields and 30 airports in Ukraine, where 9 of them are of the strategic importance.*

*36 air companies provide the passenger transportations.*

*Air cargo transportations are provided by 6 cargo companies.*



- *providing the required technical level of navigation devices, radar observation, communication, airfield equipment, aviation ground engineering, service facilities for passengers, luggage, and cargo*
- *increasing volumes of transit passenger and cargo services and establishing a key hub terminal complex on the base of BORYSPIL International Airport State Enterprise*
  - ▶ *integration of air transport system into the European air transport network through*
- *making an agreement on Joint Air Space between Ukraine and the EU*
- *ensuring Ukraine's membership in the European air organizations*
- *harmonizing and integrating the air traffic control system into the European one*
  - ▶ *provision of air safety and security through*
- *approving and implementing the State Target Program for Flight Safety for the Period of up to 2015*
- *setting up the National Commission for Air Accident Investigation*
- *setting up a scientific research and methods centre for flight safety*



- ▶ improvement of civil aviation legislation through
  - *adopting the Air Code of Ukraine and amending Law of Ukraine 'On State Air Safety Program for Civil Aviation'*
  - *harmonizing the air navigation service and air traffic control regulations with the requirements of the International Civil Aviation Organisation, the European Organisation for the Safety of Air Navigation*
  - *meeting the convergence and implementation plan for Ukraine, in line with the European Convergence and Implementation Plan*
- ▶ meeting of national and foreign airlines demands in high quality air traffic service through
  - *meeting the requirements of the International convention relating to co-operation for the safety of air navigation and the Multilateral agreement relating to route charges*
  - *improving the air traffic control system*
- ▶ renewal of aircraft fleet through
  - *purchasing up-to-date planes with high rates of comforts, energy efficiency, and reduced costs for their maintenance according to international requirements*
  - *improving the model and procedure of leasing to renew the aircraft fleet.*





# Priorities for development of maritime transport

51

**P**riorities for development of maritime transport:

► technical and technological upgrading of maritime transport according to the international standards and requirements through

- working out the Master Plan for Sea Commercial Port Development
- expanding a network of special purpose terminals in the ports
- building new waterways and sea port harborage areas and deepening the existing ones for an unimpeded passage of large deadweight ships
- completing the construction of the Danube – Black Sea deep-water navigation pass

< There are 18 sea commercial ports situated in the Black Sea, Azov Sea and Danube basins.

There are also 4 fishing ports, 13 private transshipment complexes and 12 river ports operating in Ukraine.

The length of the largest European river waterways Danube and Dnepr is 2,2 thousand kilometers.



► increase of maritime transport competitiveness through

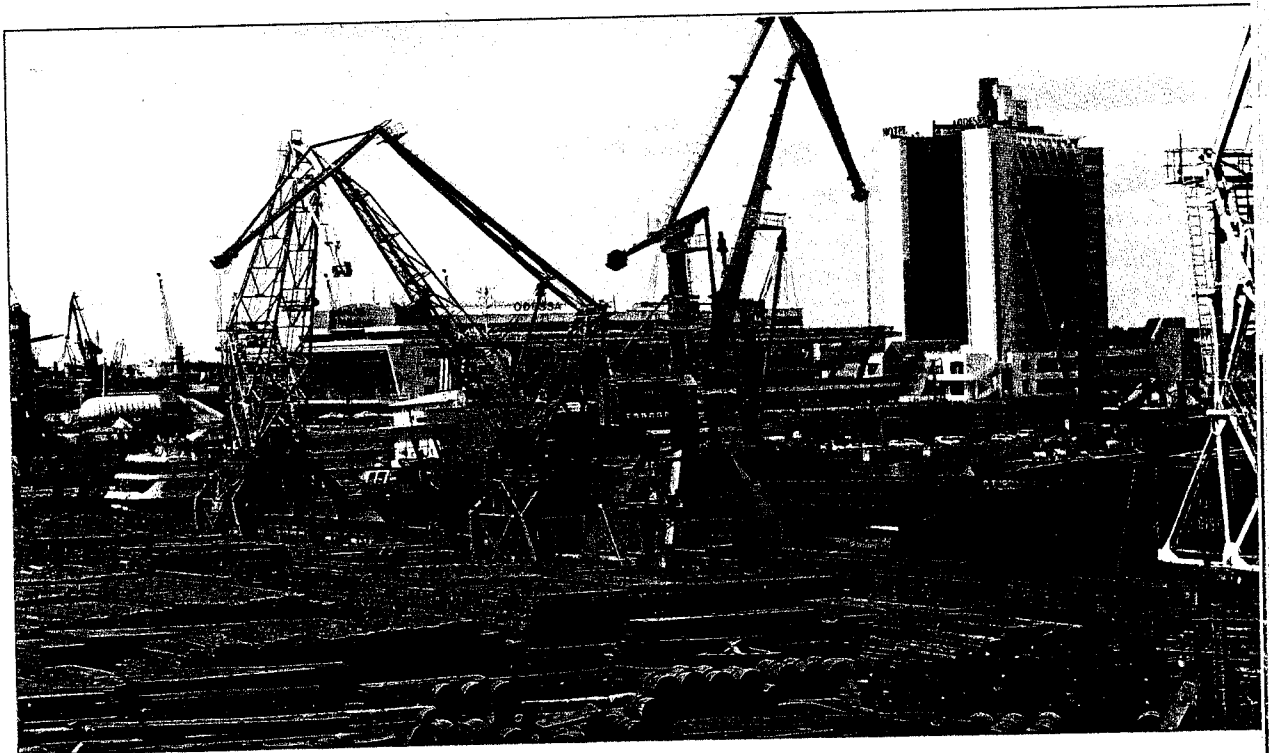
- *creating service auxiliary, technical, and rescue fleet*
- *improving the navigation safety level, utilizing new, environmentally friendly types of ship fuel*
- *improving the efficiency of logistic operations in the sea ports*

• *upgrading and developing the port infrastructure*

► reforming of maritime transport governance system through

• *adopting Law of Ukraine 'On Sea Ports' and amending the Merchant Shipping Code of Ukraine*

• *developing and approving the sector program for sea port development*

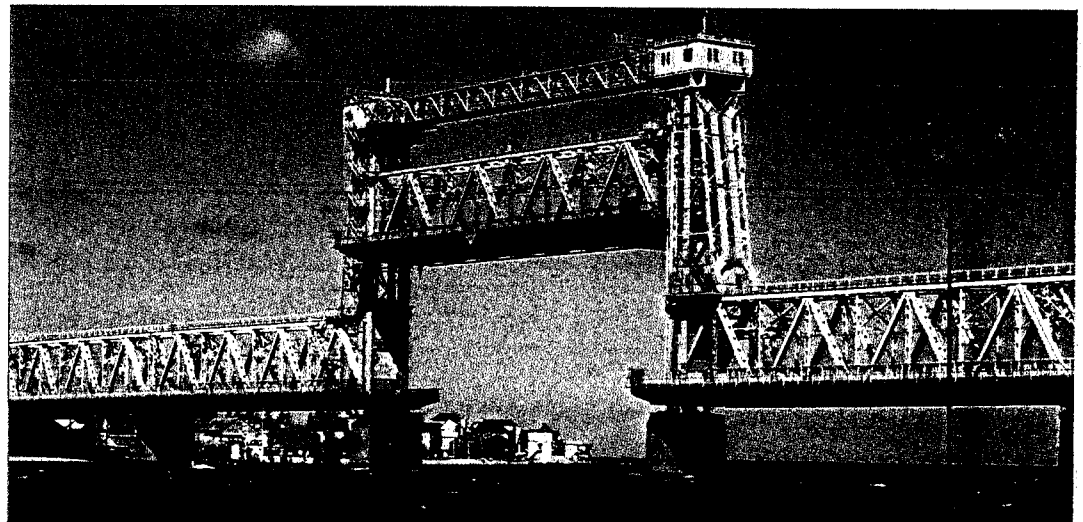


- restructuring state enterprises (sea commercial ports), establishing state and maritime administrations of ports
- compiling a list of port infrastructure facilities to be transferred under the control of the port state administrations
- setting out legal and institutional conditions for port operators' business
- identifying specific conditions for development and functioning of sea ports of national strategic significance located in the junction points of international transport corridors, pursuant to the international standards
  - ▶ improvement of shipping safety and security and provision of environmental safety through
    - establishing and observing the shipping rules in the Ukrainian part of the Sea of Azov and Kerch Strait
    - improving the governance system in terms of shipping safety and security, according to the responsibilities of Flag State, Port State and Coastal State
    - adjusting engineering and information support coastal systems for shipping safety in line with the international requirements
    - establishing the unified maritime picture monitoring system for the Black Sea and the Sea of Azov
    - providing navigation hydrographical and hydrometeorological support for shipping in line with international requirements
      - ▶ creation and introduction of energy saving technologies at the maritime transport through
        - applying wind generators and solar cells for stand-alone power supply facilities instead of diesel generators
        - designing and installing plants for producing alternative types of fuel to be used by boiler units, out of processed oil-containing secondary raw materials.

# Priorities for development of inland water transport

**P**riorities for development of inland water transport:

- ▶ improvement of legislation on inland water shipping
- ▶ approval and implementation of the State Program for Inland Waterway (IWW) Development
  - ▶ operational reliability of navigational hydraulic structures (locks), and planned-preventive repairs
  - ▶ renewal and upgrading of technical and special purpose fleet
  - ▶ improvement of IWW shipping navigation support systems and real-time operational communication
  - ▶ upgrading and construction of river fleet
  - ▶ establishment of river information system and its operation in interaction with river picture monitoring system
  - ▶ improvement of inland water transport carrying capacity rate through extension of navigation period, employment of ice breakers, and establishing safe conditions for 24h ship traffic
  - ▶ guaranteed dimensions of fairways along the whole length of transit waterways
  - ▶ compiling and logging of river hydraulic engineering structures register.



# Priorities for development of city transport

59

**P**riorities for development of city transport:

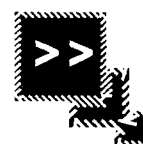
► development of public city passenger transport through:

- *renewing and upgrading the fleet*
- *promoting development of environmentally friendly modes of transport (tram, rapid tram, trolleybus, metro, light rail, monorail, etc.)*
- *building parkings and parking lots for motor vehicles*
- *dedicating specific lanes on the street carriageway for the public passenger transport traffic and creating cycle lanes*
- *improving the fare collection system for city transport*

< *Trolleybus transport: the operational length of the public trolleybus tracks is 4,47 thousand km (single track calculation).*

*Tram transport: the operational length of the public tram tracks is 1,98 thousand km (single track calculation).*

*Metro: the operational length of the public metro tracks is 102,6 thousand km (double track calculation).*



► long-term planning of urban and suburban transport network development through

- *developing transport communication models*
- *increasing the rate of street-and-road network traffic capacity*
- *establishing city transport traffic controlling centers*
- *setting up transport systems for city transport traffic operation*
- *developing programs for city transport safety improvement*

► use of public city transport during the final part of EURO 2012 to be held in Ukraine through

- *establishing centers for coordinating various modes of transport and a controlling office in the hosting cities*
- *creating a unified road information sign system*
- *operating public city transport service at night.*

## Strategy Financial Provision

The implementation of the Strategy should be financed out of own funds of transport sector enterprises, funds of State and local budgets, and other sources allowed by the law.

## Expected Outcome

63

Implementing the Strategy would allow for:

- ▶ upgrading the transport system and improving its operation efficiency
- ▶ satisfying a need of national economy and residents in transport and improving the quality and accessibility of transport services
  - ▶ delivering goods in proper time
  - ▶ refining the transport sector management system
  - ▶ increasing the transport network handling capacity
  - ▶ improving the transport safety rate
  - ▶ reducing volumes of hazardous substance emissions in the atmosphere by 30%
  - ▶ decreasing the transport power consumption by 15-20%, including road transport -from 43.6 to 34.8gram of coal equivalent per 1 ton/km, rail transport – from 10.32 to 8.75gram of coal equivalent per 1 ton/km
  - ▶ accelerating rates of national transport system integration into the European and global transport systems, with the maximum utilisation of state's transit potential.

< According to the program document "Ukraine 2020: Strategy of the National Modernization", the perspective development of the Ukrainian economy is optimistically evaluated as investment-innovative, which is expected to strengthen its competitive abilities.

The period of 2013-2020 will become the important one by the acceleration of economic and social development of Ukraine. It is expected that the amounts of the cargo transportation will raise in comparison with 2009 by 63,4 % and will be 2535 million of tones, cargo operations in State Sea Commercial Ports will raise by 43,2 % and will be 233,4 million of tones, passenger transportation volumes – by 44,6 % and will be 10520,9 million of people.