ECONOMY DURING THE WAR



Rail cargo shipments in Ukraine DECREASED BY ALMOST 70%

Rail cargo shipments during first 9 days of March in Ukraine has fallen by almost 70% y-o-y, according to national rail operator Ukrzaliznytsia. Approximately the same rate of decline in both domestic transportation and export-import. The structure of transported goods has changed significantly.

The share of coal has risen as thermal power plants build up stocks. The share of iron ore remained at the same level, as it is the only mass export commodity at the moment. The export of ferrous metals has ceased, as all plants have been put into idle mode. The share of oil and oil products increased when the supply routes changed from Russia and Belarus to Poland and other neighboring European countries.

The role of Ukrzaliznytsia is extremely high in ensuring security and economic development in wartime.

First of all, Ukrzaliznytsia transported more than 2 million refugees. Transportation of passengers by rail today is the safest mode of transport in Ukraine.

Also, the rail shipments become the only export opportunity for Ukraine when Russian warships block supplies across the Black Sea. For example, iron ore

GMK Center is a Ukrainian think-tank and media-source continues its work to share relevant information about the economy of Ukraine during the war. We call for attention to the devastating effects of war on civilians and infrastructure, as well as the negative effects for the whole world.

-69.2%

Drop in rail cargo shipments in first 9 days of March compared to previous year

companies work with 50% utilization because of the inability to transport a larger volume of products in the direction of European ports.

The export of agricultural products was blocked; before the war, 95% was exported through seaports.

The problem here is the low capacity of border crossings with the EU and different gauges in Ukraine and in European countries. To solve this problem, Ukrzaliznytsia plans to double the capacity of border crossings to increase export deliveries.

The company has also developed routes for the delivery of goods to the EU borders with subsequent reloading into European standard wagons and asks businesses to assist in organizing such reloading points.

It is also expected that the fuel shortage in Ukraine will be resolved through imports from the EU by rail.

Rail shipments by type of cargo

