



The European Union's Programme for Ukraine

Програма Європейського Союзу для України

**Project for support to the integration of
Ukraine in the Trans-European Transport
Network, TEN-T**

**A look at Ukraine's borders
with the EU**

Objective

- Examine the needs and measures for unification of cross border technologies with EU standards.
- Propose measures to improve inter-modal operations near border areas.
- Identify priority developments for infrastructure and collaboration.
- All Ukraine's borders with EU - air, water, road and rail.

Problems

- Problems typical of more general issues in the border clearance environment:
 - number of organisations present
 - high documentation requirements (double OECD)
- The border legislation is substantial and complex.
- The emphasis is principally concentrated on authoritarian control and revenue generation, rather than trade facilitation.

Ports

- Ports represent Ukraine's primary trade gateways.
- Additional problems:
 1. presence of large volumes of disputed or abandoned cargoes;
 2. high percentage of cargo is cleared within the port boundary, whereas in EU it is mostly outside.

Road borders

1. Passenger processing is slower in the Ukraine than in much of the EU.
 1. Freight processing is prolonged because of high documentary requirements, numbers of agencies present and high examination levels.
 2. Processing accessibility – lines of vehicles queuing.



Accessibility problem

- This accessibility not only Ukrainian problem. In outbound direction, build-up of traffic in the “no-mans’ land”, thus Ukrainian border post can become congested due to problems on EU side.



Accessibility problem

- Queuing in “no-mans’ land”.



Poland



Romania

Problems for freight

- Two key problems for freight traffic at EU borders:
 1. Cross-border trade adversely affecting passenger traffic
 2. X-ray examinations delaying freight traffic

Cross-border trade

- Products with high excise or other taxation such as alcohol, cigarettes and petrol/diesel, offer significant rewards for purchasing in Ukraine and reselling in neighbouring countries.
- The most serious problem is on the Polish border where the issue has reached endemic proportions.

X-ray examinations

- X-raying of trucks entering EU aims to enhance controls to identify high risk cargo heading into the market.
- Most of the EU neighbours are x-raying 100% of incoming vehicles in conflict with WCO and EU policies.
- Most borders have a single scanner so freight traffic processing capacity depends on individual scanning speeds.

TIR system

- 2 main reasons why TIR system in Ukraine is not working to its optimum potential:
 1. There should be one lane for TIR and empty units, and a standard lane for non-TIR imports, exports and transit. But the access roads to the borders are generally too narrow to provide segregation of freight traffic.



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 2. Ukraine many more documents than the average OECD country.

Significant increase in IT use

- But no significant improvements in clearance times because:
 1. manual and automated systems working in parallel;
 2. Ukrainian Customs system is a recording system, not a processing system;
 3. Not yet a full on-line system;
 4. Some of the smaller borders, particularly rail borders, are working in isolation.

Rail borders

- Bogie changing facilities are sufficient, particularly given the decline in traffic levels.



Other railway problems

- Concern about availability of quality 1520 mm rolling stock for inbound traffic.
- Importers say that UZ cannot provide sufficient quality covered wagons.
- Transshipment service quality is considered better on the EU side than in Ukraine - lower pilferage and damage levels.

Coordination and cooperation

- Problems are made worse by lack of coordination internally between the different agencies concerned with borders, and cooperation externally across the borders.
- These issues need to be solved by a variety of different agencies within Ukraine and in partnership with its EU neighbours.

Thank you for your attention

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