Conference of the Blue Economy of the Black Sea

14 June 2016, Odessa

Latest update of the Maritime sector of Ukraine

The Ministry of Infrastructure of Ukraine

The activities of the implementation of the Association Agreement

(20 Directives and Regulations, the proceedings for 3-6 years)

The preparation for ratification of the ILO Maritime Labour Convention of 2006

- **improve the social protection of seafarers;**
- **creating fair conditions of employment,**
- **the rights of seafarers to decent working and living conditions on board;**
- **health and medical care**

Roadmap of approximation of Ukrainian Legislation to EU law in the field of international maritime transport

Maritime Security - State flag / classification societies (Directive №2009/15 / EU, № 2009/21 / EU, № 2009/16 / EU and Regulation № 391/2009, № 336/2006, № 392/2009)
Vessel Traffic Control *(Directive № 2002/59 / EU)*
Technical and operational rules:
Passenger vessels *(Directive № 2009/45 / EU, №1999 / 35 / EU, № 2003/25 / EU)*
Oil tankers *(Regulation № 417/2002)*
Bulk cargo ships (*Directive* № 2001/96/EU)
Crew (Directive № 2008/106)
Environment (Directive №2000/59 / EU, Regulation (EU) № 782/2003)
Specifications (Directive №2010/65 / EU)
Social conditions (Directive №1999/63 / EU, №1999 / 95 / EU)
Maritime Safety (Directive №2005/65 / EU, Regulation (EU № 725/2004)

In order to implement the EU legislative acts in 2015 were adopted :

The Order of the Cabinet Ministers of Ukraine "On seafarer's identity document"
The orders of the Ministry of Infrastructure concerning:
confirm of the Commission on approval ratings conservation and protection plans of ports and port facilities

- **changes to the procedures for obtaining the arrival of ships in sea port, allowing ships out at sea and processing vessels out of the seaport**

Work has begun on establishing a system of marine traffic Ukraine and its further integration into SafeSeaNet

Maritime Labour Convention (MLC), 2006

EMSA
European Maritime Safety Agency

Development strategy of maritime transport in Ukraine

In December 2015 approved the Strategic Plan of sea transport for the period to 2020

Reform of the public administration sector	Implementation of effective forms of the public private enterprises in ports and port infrastructure development strategy	The development of electronic community, simplifying control procedures, creating favorable conditions for business	Increased maritime safety, the development of search and rescue, environmental protection

Development strategy of maritime transport in Ukraine

Expected results

strengthening Ukraine's position as a maritime country	increasing in cargo handling in ports and investment, improve the efficiency of business entities and raise additional funds in the budget	increasing of using the transit potential, increasing the volume of transit goods by sea	improving commercial appeal of sea port complex for users of transport services, development of cargo and customer base, improve the optimization of logistics in ports	improving the efficiency of oversight of security measures in maritime transport and minimization of accidents

Achieved results in the maritime and river transport in 2015- 2016 in Ukraine

Creating conditions for building a modern model of shipping business in the country

Increasing the attractiveness of maritime and river ports for cargo and international shipping lines, primarily container services

A new level of attractiveness of the Ukrainian flag for shipowners

Attracting investments in shipping, shipbuilding, ship repair

Technical assistance in the maritime transport sector

Ongoing projects				
TRACECA project "Maritime security and safety II"	Strengthening regional cooperation between the EU and the beneficiary countries in the field of maritime safety and security, and training of maritime personnel..	EU	16.01.2013 – 15.06.2016	2 999 250 euro
Technical Assistance project "Support to the Implementation of the Association Agreement and of the National Strategy in Transport Sector in Ukraine" (AAP 2011&2012)	The overall objective of the project is to contribute to further development and modernisation of the transport sector in Ukraine. Activities are planned for assistance to harmonisation of legislation in the transport area according to the priorities in the association agreement; and for assistance in updating, implementation and monitoring of the national transport strategy.	EU	2016-2018	4 000 000 Euro

Technical assistance in maritime transport sector

Planned project (confirmed)				
Technical assistance project "Assistance to Ukrainian authorities to improve management of infrastructure projects" (endorsement of ToR)	The overall objective of the project is to assist in providing effective, reliable and transparent infrastructure management, to develop a detailed analysis to identify barriers that stand on the way of planning and implementation of projects in the field of transport infrastructure.	EU	2016-2018	500 000 Euro
Technical assistance regional project Maritime safety, security and marine environmental protection in the Black and Caspian Sea Regions	The objective of the project is to further improve maritime safety and security and to increase the levels of marine pollution prevention, preparedness and response in the region. This will be primarily achieved by supporting the ongoing efforts of the beneficiary countries in acceding to and implementing the relevant international legislation, approximation of their regulatory frameworks with the EU legislation and improving the performance of their maritime activities. The project shall cover all three typical areas of responsibility - Flag State, Port State and Coastal State. The focus is on the Black Sea.	EU	Starting from 2017	4.000.000 EUR

On the stage of initiation		
Expert assistance Development of the National Plan on Search and Rescue at Sea	Establishing the national system on Search and Rescue at Sea in accordance with the international conventions and regulations.	EU/other donor
Kherson Technical Assistance	Evaluation of potential to concession the port of Kherson and technical assistance to new director	TBD
National Port Study	Stagees 1-2 of national port study review evaluating current state of port usage and proposals for optimization	

Needed technical assistance in the field of ports			
Project	Description	Timing	Comments
Oktyabrsk Port Concession	Concessioning of Oktyabrsk port as demonstration of best practices	2016-2017 pending concession law reform	World Bank funding
USPA reorganization	Reorganize and restructure the functions of USPA and creation of a Maritime Administration	2016	World Bank Funding

SEAPORTS IN UKRAINE: OVERVIEW

SECTOR INFORMATION

- Ukraine has 13 operating seaports with the total handling capacity of 149 Mt of mixed and bulk cargoes, 42 Mt of liquid cargoes, 40 Mt of container cargoes (3.5 million twenty-foot equivalent units), and 1 million passengers.

- In 2015, Ukrainian seaports handled 144,6 Mt of cargoes, up from 143 Mt in 2014 (both figures exclude Crimean ports).

- The largest seaports are Odesa, Illichivsk and Yuzhny, all located in Odesa region (the north-western part of the Black Sea). In 2015, they accounted for 64,3% of Ukraine's total seaport cargo turnover.

- In the Azov Sea region, Ukraine has two seaports, Mariupol and Berdyansk.

- Three other seaports (Mykolayiv, Kherson and smaller Oktyabrsk) are located at the estuaries of the Dnieper and Pivdenniy Buh rivers.

- Five seaports located in annexed Crimea are much smaller compared to those in mainland Ukraine. In 2013, they accounted for a mere 5% of total freight turnover at Ukrainian seaports.

Map of Ukrainian Sea Ports

GROWTH DRIVERS

- Grain export is expected to grow from 33Mt to 100Mt in five year perspectives and requires to increase capacities of national seaports.

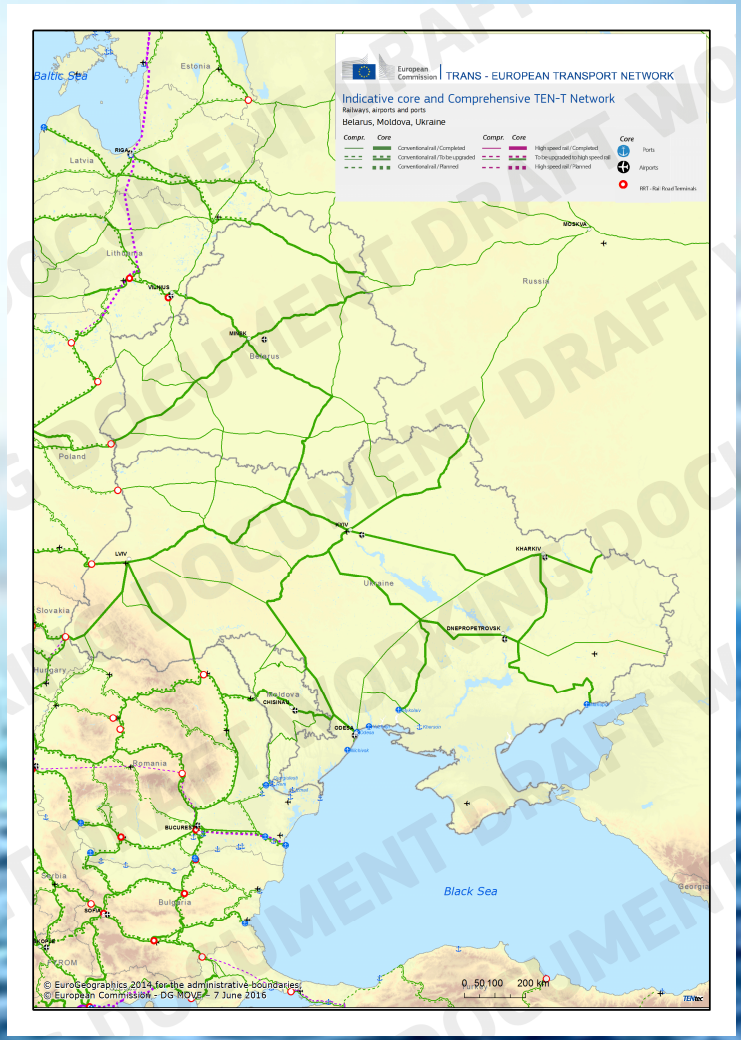
- National strategy for diversification of energy sources includes construction of import facilities for LNG and coal.

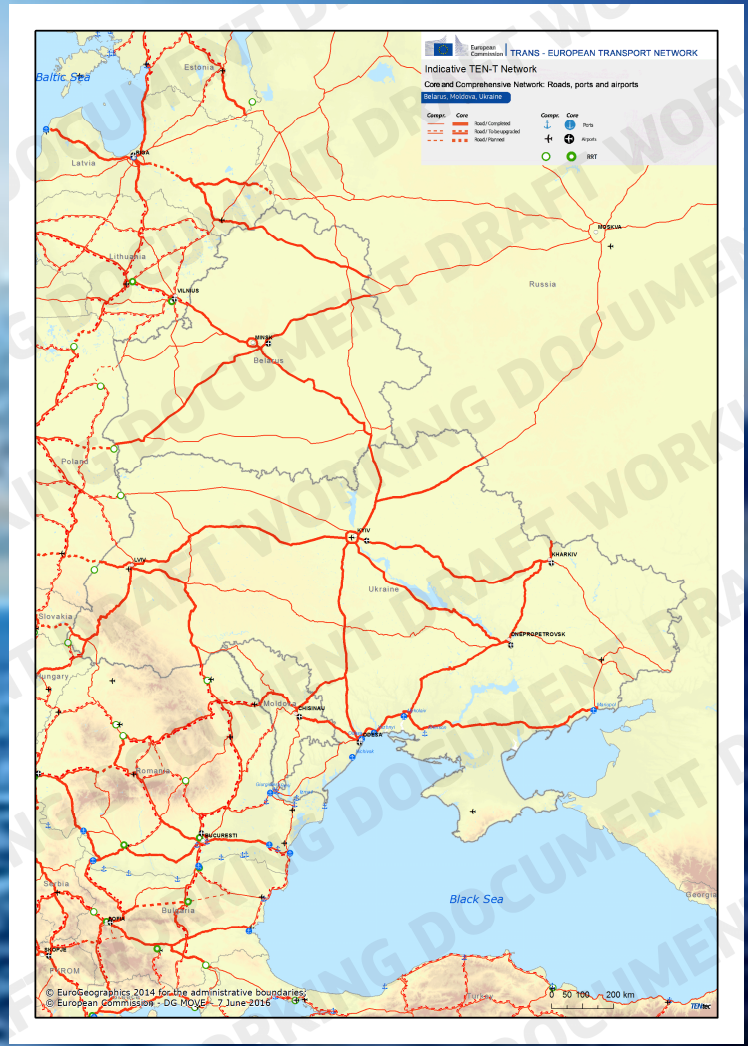
- Transit traffic from Baltic ports to Black seaports has significant potential for growth.

REFORM FOCUS

- Attracting private investments to state-owned seaport operating companies located at 13 seaports in Ukraine.

TEN-T COMPREHENSIVE NETWORK / EaP TRANSPORT NETWORK





DRAFT WORKING DOCUMENT

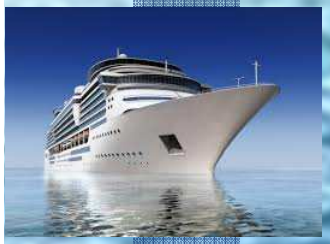
Opportunities for development of cruise business

The Black Sea cruises

- **Odesa sea port**
- 5 berths for receiving line boats
- Maximum draft – 11,5 m
- Maximum length of the ships – to 330 m
- Capacity – 1 mln. passengers
- Length of berths – 1370 m

Danube cruises

- **Ismail sea port**
- 3 berthing floats for river vessels maintenance
- Maximum draft – 7 m
- Maximum length of the ships – to 150 m
- Length of berths – 256 m
- **Sea port Ust-Dunaisk (Vylkovo)**
- 1 berthing float for passenger service
- Maximum length of the ships – to 150 m
- Length of berths – 65 m
- Maximum draft – 4 m



Yachting tourism

- **Order of the Cabinet of Ministers of Ukraine No. 491 dated 7.7.2015 about Deregulation procedures in sea ports**
- Cancellation of commission registration for arrival/departure yachts
- Up to 30 days without a declaration of temporary import arrangements for yachts
- Possibility of declaring yachts of juridical persons with reference to yachts declarations

Dnipro cruises

- **Kherson sea port**
- Adopt vessels with capacity to 700 passengers
- 1 berth with a possibility to adopt vessels to 120 m
- Draft near berth to 3,5 m

Measures focused on increasing tourist attractiveness of seaports of Ukraine

1. *Huge promotional campaign*

2. *Modernization and construction of new infrastructure to service cruise ships*

3. *Harmonization of Ukrainian and the EU legislation in terms of marine tourism*

4. *Increasing economic attractiveness of Ukrainian ports by reducing the cost of ship entry*

5. *Creation tourist information centers and centers of «value added» services at checkpoints*

6. *Creation of new marinas that will be satisfy the requirements of modern yachtsmen*

Thank you for attention!

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Ministry of Infrastructure of Ukraine

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