



REBUILD UKRAINE

Logistics: challenges and opportunities

Overview of Ukrainian transport system

Western inland BCPs

- ✓ **Currently operational BCPs** (border check-points) with EU neighbors: **19** in total
- ✓ **Total trucks capacity:** inbound & outbound freight trucks: ca. **4,800 trucks/day**
- ✓ **Total rail BCPs:** 13 when 8 main BCPs handle 90% of cargo
- ✓ **Average throughput:** ca. **1,000–1,100 wagons/day**

- ✓ **Main constraints:** bottlenecks (long waiting and processing time) at Polish and Romanian borders due to customs, infrastructure, and limited lanes

- ✓ **Overall throughput:** ca. **27 mln MT (2024)** – or 145% growth comparing to 2021 (12 mln MT)



Danube ports

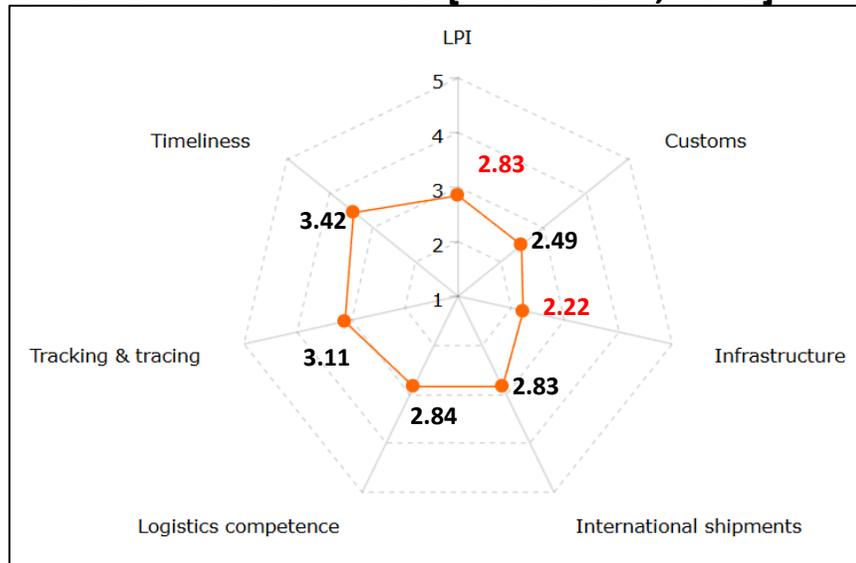
- ✓ Increased use of **Danube ports** (Reni, Izmail, Ust-Dunaisk) as safer alternatives - during Black Sea blockades
- ✓ Specialize in grain, oilseeds, minerals
- ✓ 2024 throughput: **>30 million tons** (10x increase vs. pre-war volumes)
- ✓ Intermodal potential: barge-rail-truck

Black Sea ports

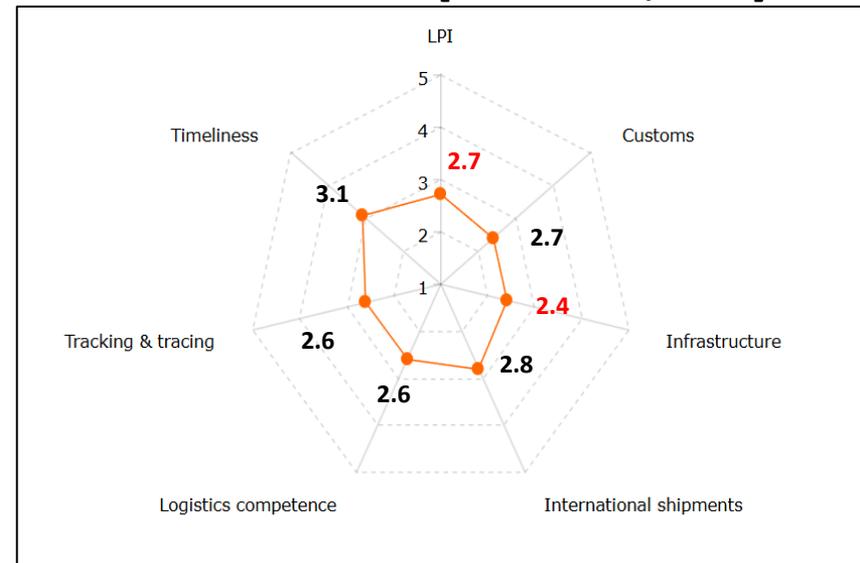
- ✓ **Only 3 ports** are functioning under Ukrainian control - Odessa/ Chornomorsk (ex Ilichivsk)/ Pivdennyi(ex-Yuzhny)
- ✓ Ukraine's Black Sea ports handled approximately **40 million tons** of cargo in 2024
- ✓ It represents a **decrease of 75%** comparing to 2021 (ca. 153 mln MT)
- ✓ Due to extensive direct damages to port infrastructure (circa 280 facilities) the restoration would require approx. **USD 1 billion CAPEX.**

To adjust capacities, many measures were taken and a satisfactory performance was achieved

Ukraine: LPI^{*)} rank – #66 [Word Bank, 2018]



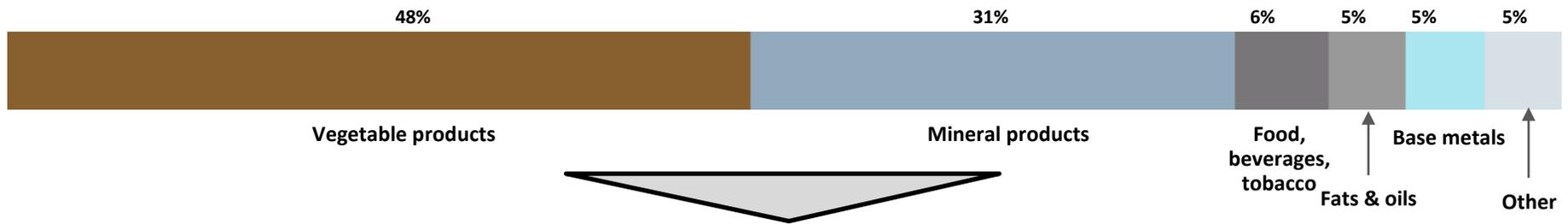
Ukraine: LPI rank – #79 [Word Bank, 2023]



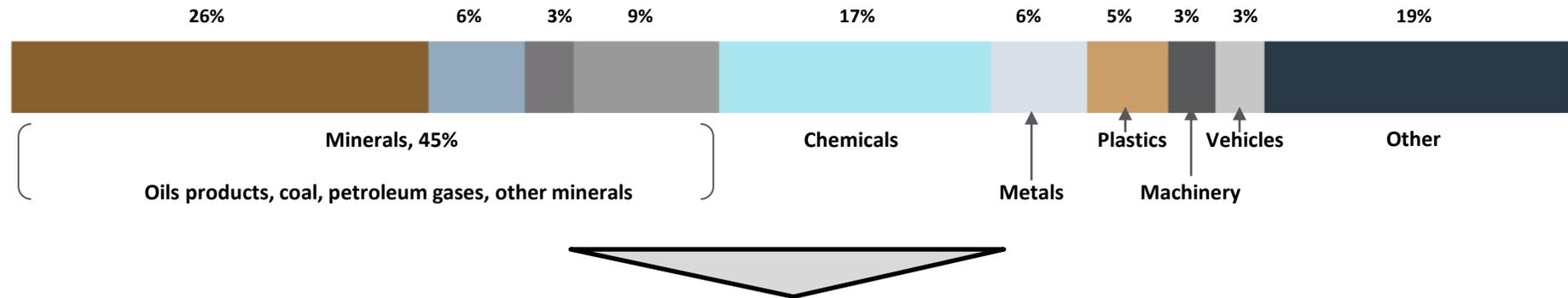
- ✓ **Infrastructure adaptation:** quickly adjusted to wartime realities by rerouting agro exports through land border crossings, alongside rapid road repairs, road detours, and temporary bridges—preserving network flexibility and throughput.
- ✓ **International shipments:** maintained steady (scores are 2.83 → 2.80), keeping export/import corridors open - crucial for economic lifelines and defense supply chains.
- ✓ **Resilience maintained:** transport system demonstrated its ability to absorb massive wartime shocks. It has been a cornerstone of national resilience - maintaining critical export and import routes under fire and rapidly adapting infrastructure to keep goods and defense supplies moving. This enduring logistical backbone not only sustains the war-time economy but also lays the groundwork for a swift post-war recovery.

Exports and imports data, by HS Groups

Ukraine: export, by key HS groups, by weight, 2024

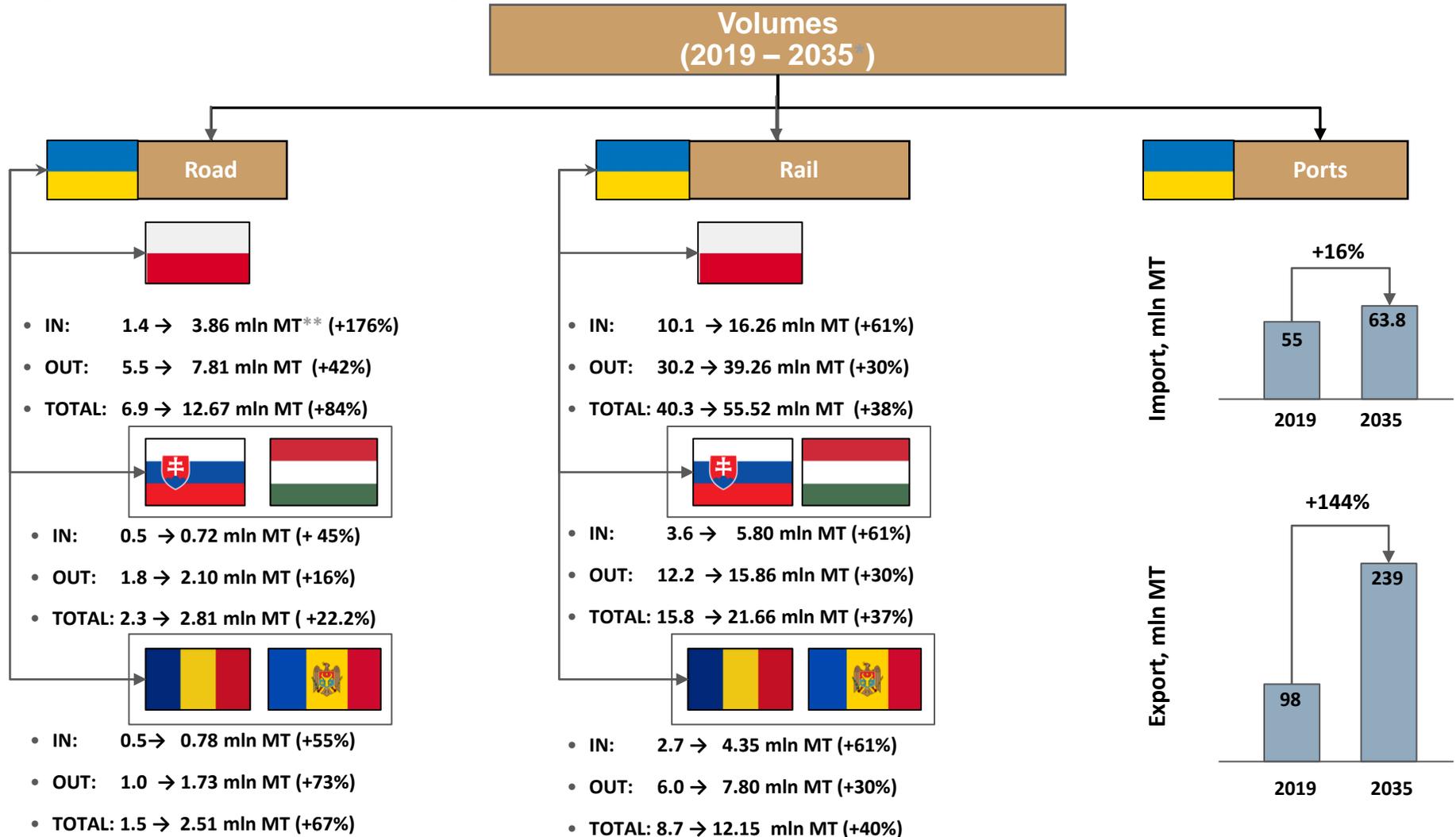


Ukraine: import, by key HS groups, by weight, 2024



Ukraine's imports are dominated by petroleum products, chemicals, machinery, metals, and vehicles, which are essential for the reconstruction of infrastructure and industrial production. The logistics systems must adapt to a growing share of incoming industrial goods, requiring intermodal and storage capacities for more complex, time-critical deliveries.

Reconstruction will increase demand for products and cause a significant shift in freight flows



New priority: “reversed logistics”

Shift of goods flows: preparing for an increase in inbound logistics

A.

Progressively bulk exports (grain, ores, minerals) will return to Black Sea and Danube ports- as consequence, freed trucks & road capacities could be use for import of products necessary for reconstruction & rebuilding

B.

Existing capacity of UZ and private operators - currently underutilized – could be enough to satisfy goods delivery to ports – especially, with improved travel time of trains

C.

Some storage, handling and infrastructure capacities (grain silos, etc.) that were created to ensure exports to the EU and via Europe to third markets will become redundant, as other types of products will be handled there

D.

The BCPs and logistical infrastructure of the EU, which were previously geared towards supporting emergency exports from Ukraine, must adapt to the increasing import flows into Ukraine – all capacities and throughputs must be assessed in reverse order (reverse logistics)

D.

Cross-border throughput - reversed direction – from the EU to Ukraine - has to be assessed and upgraded accordingly - to handle rising import volumes for reconstruction and to avoid future bottlenecks (“anticipated debottlenecking approach”)



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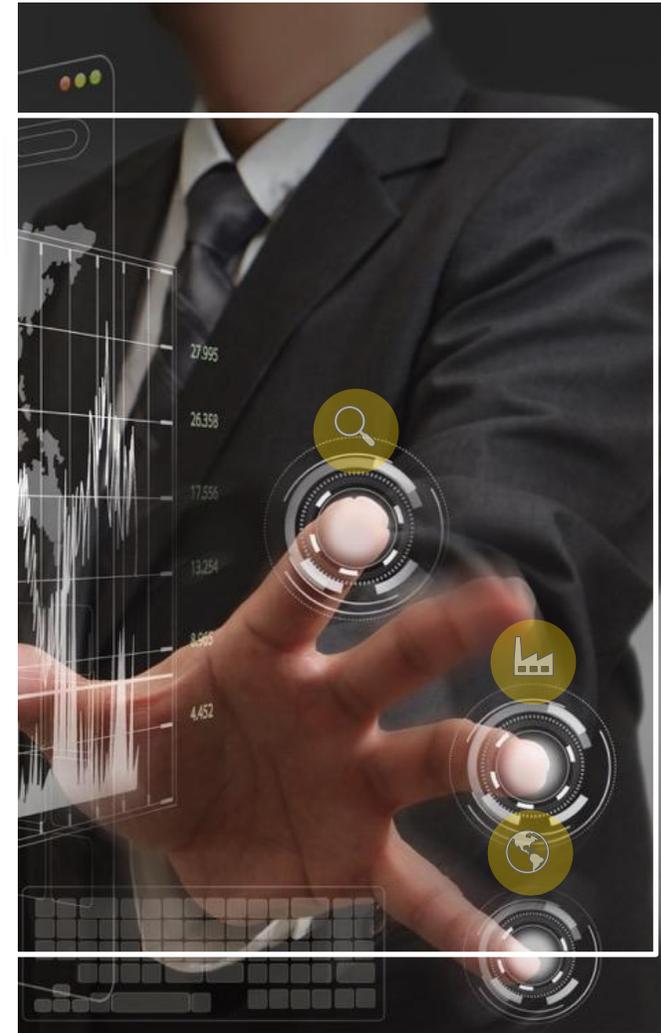
Business Set Up

- Setting up your legal structure in Ukraine
- General Director Function
- Interim Management
- Bank Account Opening
- Work and residence permits for foreigners



Business Process Outsourcing

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