



<b>Event</b>	European Business Association Task Force 2012 meeting
<b>Speaker:</b>	Mr. Mykola Berezovsky, Deputy Head of the State Road Administration of Ukraine "Ukravtodor"
<b>Subject</b>	Preparation of the general use roads for EURO 2012
<b>Date</b>	13 April 2009
<b>Location</b>	European Business Association, Kyiv, Ukraine

### **Introduction:**

Mr. Mykola Berezovsky, Deputy Head of the of the State Road Administration of Ukraine "Ukravtodor", was invited to European Business Association Task Force 2012 meeting to discuss a current situation and further plans for preparation of the Ukrainian automobile roads for EURO 2012.

### **Minutes:**

Mr. Mykola Berezovsky informed the participants of the meeting on the current activity of the State Road Administration of Ukraine regarding the development of the road infrastructure for EURO 2012. First of all, he underlined that the main task of Ukravtodor in this context is construction of new roads of national standard and reconstruction of the existing ones.

Mr. Berezovsky informed that Ukravtodor plans to construct 300 km of new roads, reconstruct 263 km of existing roads, and carry out the capital repair of 4024 km of roads by 2012. In particular, for 2009 the development plans envisage reconstruction and capital repair of 1017 km of the automobile roads to be started in April 2009.

The speaker described the road network that should be prepared for EURO 2012 defined by UEFA. This network includes 11 main directions that will be used during the football championship and the ring road around Kiev.

One of the main projects for 2009 which is being implemented according to the third credit agreement between Ukraine, EBRD and EIB, is the reconstruction of the part of automobile road Kyiv – T Chop (313 km distance from Brody in Lviv region to Zhytomyr). Mr. Berezovsky named the companies involved in this project as subcontractors, namely: Todini (Italy), Onur (Turkey), Gulsan (Turkey), Granit (Macedonia), Pivden-Zahid Shlyakhbud (Ukraine), and Azerkorpu (Germany/Azerbaijan).

Furthermore, Mr. Berezovsky raised the issue of financing the roads preparation. The total amount allocated for roads preparation is 42713,70 million UAH. Out of them, 15775,08 million UAH are resources from the State budget and 26938,62 million UAH should be covered by credits. In particular, resources from investors (concession) supposed to be 12738,00 million UAH, including 2296,00 million UAH for the new road Lviv–Krakovets and 10442,00 million UAH for the ring road around Kyiv.



## EURO 2012 Fair, Congress and Seminar Report Ukraine

As of now, there are 2 concessionaires working with Ukravtodor, underlined Mr. Berezovsky. The main credit institutions Ukravtodor is working with are European Bank for Reconstruction and Development and European Investment Bank.

Also, the Deputy Head informed the audience on the main obstacles that appear while constructing new roads. The major problem concerns the gaps in the law on concession that creates further difficulties with attracting investors in this sphere. The second serious issue is the land acquisition for social needs which is rather problematic in Ukraine due to the legislative procedures.

In conclusion, Mr. Berezovsky expressed his hope that the changes in the legislation will be adopted in the nearest future that will enable more effective cooperation between potential investors and State Road Administration of Ukraine.