

# Press release

## ÖBB Rail Cargo Group is increasing its role in the rail freight transport of Ukrainian goods

*30 August 2022: ÖBB Rail Cargo Group (RCG) is ready to increase further its share in the Ukrainian export-import rail freight transport, as it has been agreed during the negotiations conducted on August 26 between the management of the Ukrainian State Railway Company, Ukrzaliznica (UZ), the subsidiary of UZ in Lemberg, the management of the subsidiary of UZ CTL and Imre Kovács, Member of the Board of ÖBB RCG and Chairman of Board of RCH and Norbert Körös, Member of the Board and CEO of RCH.*

In the meeting the Parties agreed on further intensifying their cooperation, taking measures to accelerate forwarding of Ukrainian goods and setting up a permanent bilateral working group to facilitate the transports. Inter alia, they discussed the extension of the already existing cooperation agreement on data exchange and to migrate the planning system for transport volumes to a single electronic platform. These measures will promote the scheduled transfer of goods in transit, as well as its adjustment to the current free reloading capacities and the more efficient utilization of border crossing points.

Since the outbreak of the war it has been a priority for the RCG to facilitate forwarding of Ukrainian goods to the destinations required. Thanks to the presence of the Rail Cargo Group at all EU railway border crossing points, it can ensure that Ukrainian goods, as well as grain, reach their destinations in Hungary, Italy, Germany, Austria, Slovakia and Slovenia.

Since the beginning of March 2022, the company group has transported 430,000 tons of grain from Ukraine via the Hungarian, Slovakian and Polish border crossing points, and utilizes major part of its grain wagon fleet to further ensure the necessary capacity for the transport of consignments. Since the beginning of this year, RCH has accepted almost 390 thousand tons of grain via Eperjeske and Záhony.

As far as shipments from Ukraine are concerned, 1.9 million tons of goods crossed the border with RCH in the first 7 months of 2022, of which 1.7 million tons were transported by rail. The Záhony region was originally designed to handle conventional bulk goods and this service is still dominating. 70% of goods crossing the border is iron ore. In addition to energy carriers like coal or coke, incoming transport of salt, cement and fertilizers is dominant among litter products. This year the main product groups are cereals and vegetable oil. So far, over 200 thousand tons of maize have already arrived.

Rail Cargo Group is continuously developing innovative technological and alternative transport solutions in order to increase the efficiency and volume of its rail freight forwarding capacity.

Rail Cargo Logistics - Hungaria is optimizing the transport of grain products by applying a new technology that enables delivery of a larger volume of goods from Ukraine to their markets in a shorter period of time. Grain is being loaded into standard containers in Ukraine and transported to a silo in Nyírbátor, Hungary, by standard gauge wagons. Thanks to this solution, reloading of wide-gauge grain wagons has become redundant and in the near future several tens of thousands of tons of grain is planned to be transported.

Since Ukrainian wide-gauge wagons are not suitable for the European standard gauge traffic, RCH is reutilizing the technology of reassembling the axles of its wagons in order to speed up the traffic.

Moreover, since transport of Ukrainian containers from the blocked Black Sea harbours is not possible, Rail Cargo Operator - Hungaria (RCO-HU) decided to use a previously non-used route to deliver Ukrainian containers to the Adriatic ports. Since April, 1,350 TEU in total have been transported by trains operated by the company from Eperjeske to Koper via Rail Cargo Terminal - BILK and the Budapest Free Port and additional 120 TEU were transported to the port of Trieste. From these ports Ukrainian goods are being transported by cargo ships to various oversea destinations. The company's trains also return empty containers to Ukraine. Most recently, the transport of cargo containers to Ukraine from the Far East has also started, so the goods necessary for the operation of the Ukrainian economy are delivered in the organization of RCO-HU from the Adriatic ports to Ukrainian industrial zones.

In addition to a smooth serving of increased transport needs, ÖBB and Rail Cargo Group are also striving to provide assistance to Ukrainian citizens in need. So far, ÖBB provides transportation of refugees free of charge and Rail Cargo Group forwards relief consignments to Ukraine free of charge, as part of which in the first half of 2022, Rail Cargo Hungaria transported donations arriving by truck in Záhony to Chop. At the end of August, the company delivered also personal protective equipment – boots, helmets, visibility vests and gloves – for Ukrainian railway workers, and a package of technical equipment, utility items and textiles for the Catholic Charity Organization of Transcarpathia.

Delegations of RCG and the railway company UZ praised the experience gained through the co-operation and agreed to exploit jointly the opportunities identified in the meeting.

**More information:**

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