European Parliament

Russia's war on Ukraine: Implications for transport

SUMMARY

The unjustified Russian invasion of Ukraine has damaged transport infrastructure, caused major transport disruptions and led to a massive flow of refugees into the EU and neighbouring countries.

In response, the EU has adopted several sets of sanctions, leading to the closure of EU airspace to Russian aircraft, the closure of EU ports to Russian vessels, a ban on Russian transport operators and a ban on exports of goods and technology in the aviation, maritime and space sectors.

Designed to undermine Russia's economic and financial ability to sustain its war effort, the sanctions have also impacted on transport in the EU, leading to traffic shortages, supply chain bottlenecks and the need to bypass traditional routes, thereby lengthening journey times and increasing costs.

In order to monitor and deal with these negative impacts and humanitarian crises, the EU has introduced measures to support traffic flows and supply chains, securing the swift and safe transfer of people trapped in war zones and the transfer of essential goods and commodities.

The European Commission has devised a dedicated contingency plan for transport to strengthen coordination in the event of emergencies. It introduces guiding principles for implementing crisis response measures, and contains a number of initiatives intended to remedy the difficulties encountered following the war.

The European Parliament is meanwhile playing an active role by closely monitoring and evaluating the situation, including the EU action taken so far, while also proposing the adoption of additional EU measures to support passenger and freight traffic flows.

This briefing updates an '[at a glance' note](#) on the same topic, published in March 2022.

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State of play before the war

In addition to passenger traffic, transport between the EU and Ukraine and Russia concerns, to a great extent, the transport of essential products, in particular food and energy. Russia and Ukraine are key agricultural players and major providers of basic agro-commodities, including wheat, maize and sunflower oil. Ukraine also exports EU raw materials, chemical products and machinery. The EU is Ukraine's main trading partner, accounting for over 40 % of its trade in 2019. Freight transport from Ukraine is conducted by all modes, the highest volumes being shipped by sea. Before the war, Ukrainian Black Sea ports catered for 90 % of Ukraine's exports of grain and oilseeds, of which one third were destined for Europe, China and Africa respectively.

When it came to passenger transport, air traffic played a key role. According to data from 2021, 3.3 % of total European air passenger traffic was carried out between Europe and Ukraine, and 5.7 % between Europe and Russia.

The coronavirus pandemic had a big impact on transport in the EU and between the EU and Ukraine. Many airlines were grounded due to travel limitations,[1] and road transport, having a heavy human resource requirement, was hampered by sanitary and travel restrictions. Meanwhile, the China-Europe freight train service experienced a record peak in demand during the pandemic. Ukraine had started to re-establish its position on this New Silk Road, as a result in part of its increased political stability. With the progressive lifting of sanitary measures and travel restrictions, air passenger traffic levels had started to return to normal, while global supply chains were still experiencing disruptions before the Russian attacks.

As one of the countries of the EU's Eastern Partnership,[2] Ukraine was included in EU efforts to strengthen transport links between the Union and Eastern Partnership countries. In 2018, the European Commission presented the EU's plans to extend the trans-European transport network (TEN-T) to neighbouring third countries. These plans were confirmed at the Eastern Partnership Summit in December 2021. The 39 projects concerning Ukraine amount to about €4.5 billion, cover all modes of transport and aim to support Ukraine's trade with the EU, worth €43.3 billion in 2019.

Ukraine is currently linked through bilateral air services agreements with all 27 EU Member States. In October 2021, the EU and Ukraine signed a common aviation area agreement, which allows all EU and Ukraine airlines to operate direct flights between any airport in the EU and Ukraine. It also provides a framework and common standards for a wide range of aviation issues, such as passenger rights, air traffic management, economic regulation, competition issues and social aspects.

EU sanctions against Russia and the Russian response

In response to Russia's invasion of Ukraine on 24 February 2022, the EU immediately adopted new sanctions. In the first set of sanctions of 25 February 2022, the EU banned the sale of aircraft, parts and equipment to Russian companies, including insurance and maintenance services. On 28 February 2022, in the third set of sanctions, the EU banned all Russian aircraft, including private jets, from its airspace. In retaliation, Russia banned from its airspace all EU airlines and the airlines of 36 other countries that had adopted similar sanctions.

The fifth EU sanctions package of 8 April 2022 banned Russian-flagged vessels from EU ports, tasking EU ports with application. The ban does not apply to medical, food, energy, or humanitarian consignments. The package also prohibited road transport undertakings established in Russia from transporting goods by road into the EU, including in transit,[3] and banned EU exports to Russia of aviation and space industry goods and technology,[4] and jet fuel. A parallel list of sanctions targeting Belarus has been adopted (with similar exceptions), prohibiting Belarusian road transport operators from entering the EU.

On 16 April 2022, Russia and Belarus responded by banning goods transport vehicles registered in the EU from crossing the border into the Eurasian Economic Union, unless they entered at

designated border crossing points for swap formalities. Transport operators registered in the EU can enter the swap points to transfer goods with destinations in Belarus or Russia.

The sixth EU sanctions package of 3 June 2022 contains a partial ban on Russian oil imports. Most imports of crude oil and petroleum products via the sea to the EU will be banned by the end of 2022. A specific derogation has been agreed for Bulgaria on account of its geographical exposure, which will enable it to continue imports of crude oil and petroleum products by sea until the end of 2024. A similar exemption has been granted to Croatia for vacuum gas oil and there are temporary exceptions allowing some EU Member States to still receive Russian oil through pipelines.

Figure 1 – EU sanctions concerning transport

- closure of EU airspace to all Russian-owned aircraft
- closure of EU ports to Russian vessels
- ban on Russian road transport operators
- ban on exports to Russia of goods and technology in the aviation, maritime and space sectors

Source: European Council.

Impact of Russian attacks and sanctions on transport

While the EU sanctions target the Russian economy and will impose a heavy, direct cost on Russia, impairing its economic and financial ability to sustain its war efforts, their consequences affect the EU as well. The closure of Ukrainian airspace, and sanctions on Russian aircraft, have had a significant impact on air passenger transport.

In addition, the lengthened flight times and increased fuel consumption that result from bypassing Russian airspace raise transport costs. Air cargo rates have also increased, to 120 % above their pre-crisis level by 7 March, and are continuing to rise. Sanctions and bans are expected to reduce flight capacity, especially between Europe and Asia. In addition, more than 500 commercial aircraft owned by western companies and leased to Russia are stranded in Russia.

While Russian railways are targeted by EU sanctions, freight trains can still run through Russia, but they are not allowed to stop there. Many logistics companies operating rail freight connections between China and the EU are avoiding transit through Russia for security reasons. This is leading to extended use of the Middle Corridor[5] as a bypass route, causing longer journeys and supplementary costs.

Maritime sanctions are limiting the employability of seafarers. Ukrainian and Russian seafarers make up 14.5 % of the global shipping workforce and EU fleets rely on them heavily. Fearing the impact on crew changes, already stretched due to Covid-19, European ship owners have urged EU regulators to guarantee seafarers' mobility and their rights as essential workers.

The immediate consequences of the war also include damaged transport infrastructure, transport disruptions and a massive flow of refugees needing transport towards the EU.

Since Russia's military invasion of Ukraine, up to 30 % of the country's transport infrastructure has been damaged to varying extents, ranging from complete destruction to more minor damage. The costs are estimated at €92.6 billion. At an exchange of views with the European Parliament's Transport Committee in May 2022, Ukrainian Minister of Infrastructure Oleksandr Kubrakov reported on the destruction of 7 airports, 144 000 km of roads, 1 242 bridges and almost 6 300 km of railways. As 70 % of Ukrainian exports were carried by sea, the massive blockade imposed by Russian forces on all ports in the Black and Azov Seas are the main cause of the export crisis.

The United Nations Refugee Agency (UNHCR) estimates that as of 1 June 2022 more than 6.9 million people had fled Ukraine to neighbouring countries – mainly to Poland but also Hungary, Romania, Slovakia and Moldova. The unprecedented flow of people has caused bottlenecks at borders and the main transport hubs.

The immediate border closures meant that a number of truck drivers could not cross the Ukrainian border. On 25 February 2022, the International Road Transport Union (IRU) estimated that at least 12 000 truck drivers of many nationalities were stuck in Ukraine and the wider region, and urged the governments concerned to protect blocked truck drivers and prioritise their passage. Meanwhile owing to the sanctions, Russian road transport operators are not allowed to move goods in the EU, while rising fuel prices [6] are having an additional negative impact on commercial road transport operators. Similarly, a sharp rise in bunker fuel prices has raised maritime freight rates and put further pressure on international shipping, logistics and supply chains.

The maritime sector and ports have been heavily affected. With commercial ships hit in the conflict, operators have been forced to redirect freight transport and divert vessels. Most large shipping companies, citing unpredictable operational impact, have suspended shipments to and from Russia and to Ukraine. Important shipping routes at the Black Sea and Sea of Azov have been blocked.[7] The closure of Ukrainian ports has heavily disrupted numerous supply chains and paralysed Ukrainian exports of grain and sunflower oil, with no viable rerouting alternatives available due to the large volumes involved. Increased traffic in EU ports, which are striving to keep supply chains operational and safeguard the energy supplies needed, could exacerbate congestion at some port terminals, increasing maritime safety and security risks.[8]

# Measures to support traffic flows and movement of people and goods

In order to remedy the negative impacts of the war and the sanctions, various measures supporting traffic flows, restoring freight supply chains, and helping to move civilians in need of medical care and humanitarian aid have been put in place. These have been introduced both at EU level and by Member States. To facilitate this support, seven EU countries along major transport routes towards Ukraine exempted humanitarian transport from tolls and rules on professional driving time and rest time. Many transport operators have also offered support. In addition to extra train services organised by Ukrainian Railways, rail companies in neighbouring countries have also organised humanitarian trains to evacuate refugees from Ukraine and send humanitarian aid back into the country. Other rail companies banded together to offer additional carriages on trains and make travel free for Ukrainians to reach shelter or join family members across the continent. Still other private actors, such as Wizzair, provided Ukrainian refugees with free flight tickets to fly from Bulgaria, Hungary, Poland, Romania and Slovakia to the UK to participate in the British government's Homes for Ukraine visa programme. Many transport organisations offered buses, coaches and trucks to help transport refugees and essential goods. For instance, FlixBus immediately organised additional connections from Polish and Romanian cities for anyone leaving Ukraine.

To help humanitarian convoys cross EU-Ukraine borders quickly and safely, on 2 March the European Commission adopted a communication on operational guidelines for external border management, instructing Member States to designate special lanes at their border crossing points as emergency support lanes. Member States are also encouraged to designate similar lanes for

trucks, to ensure a continued supply of goods and services and the safe return of transport workers from Ukraine.

On 8 March 2022, the European Commission set up a European solidarity mechanism, a dedicated European system for the swift transfer of people in need of medical care among EU Member States. The aim of this mechanism is to ensure that refugees and displaced persons receive the healthcare that they need, and that Member States' health systems, in particular those in countries bordering Ukraine, are not overwhelmed.

Figure 2 – How the EU civil protection mechanism works
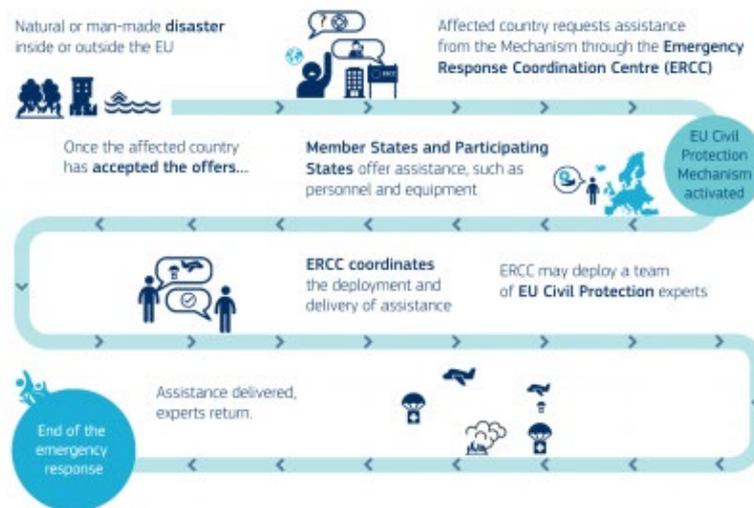
Source: European Commission.

At Ukraine's request, the EU also activated the civil protection mechanism, a tool including EU Member States and 6 additional countries[9] and aiming to improve prevention, preparedness, and response to natural or manmade disasters. In the context of the war on Ukraine, the mechanism is helping, not least, to facilitate the transport of goods to Ukraine and the repatriation of EU citizens. Civil protection logistical hubs have been set up in Poland, Romania and Slovakia to channel the aid delivered by the civil protection mechanism to Ukraine as quickly as possible.

On 25 March 2022, the European Council urged Russia to guarantee safe passage to civilians entrapped in all other war zones to a destination of their choice, and to provide uninterrupted humanitarian access and to establish humanitarian corridors. Meanwhile, the International Maritime Organization (IMO) called for a blue safe maritime corridor to allow the safe evacuation of seafarers and ships from the high-risk and affected areas in the Black Sea and the Sea of Azov.

On 6 April 2022, the Commission adopted a recommendation for a Council decision, to authorise the opening of negotiations on an agreement on the carriage of goods by road between the EU and Ukraine. It seeks to help and to ease, on a provisional basis and to the greatest extent possible, transport previously carried out by the strained and vulnerable rail network, blocked civilian airspace and blocked Black Sea ports by means of enhanced road transport alternatives. To encourage EU transport operators to allow their vehicles to enter Ukraine, the Commission will also investigate options for top-up financial guarantees.

On 12 May 2022, the European Commission presented an action plan for EU-Ukraine solidarity lanes to help Ukraine export its agricultural produce, by addressing transport bottlenecks, such as differences in rail gauge, lack of trucks, and blocked ports. While Ukraine is one of the world's most important producers of agricultural products (mainly cereals, oilseeds and vegetable oils), of which 75 % is exported, generating around 20 % of Ukraine's export revenue, Russia's invasion and the blockade of Ukrainian ports mean that these products can no longer reach their destinations. To

help Ukrainian agricultural goods reach the EU and world markets, the action plan lists a number of measures: short-term measures aim to unlock existing logistics potential, while additional medium- and long-term measures should serve as enablers of Ukraine's post-war trade and support the reconstruction of the country. Short-term measures include: additional freight rolling stock, vessels and lorries, made available by market players; increased capacity of transport networks and transhipment terminals for instance by prioritising agricultural goods from Ukraine; improved customs operations, for instance by applying maximum flexibility ensuring adequate staffing; storage of goods on EU territory. Long-term measures include increasing the infrastructure capacity of new export corridors, and establishing new infrastructure connections in the framework of the reconstruction of Ukraine. The Commission also reiterates in the action plan that it intends to conclude the aforementioned road transport agreement with Ukraine swiftly, once the Council has granted the mandate. However, solidarity lanes are only part of the solution.

In parallel, the Commission adopted a decision on signing a high-level agreement with Ukraine, updating the indicative maps for the trans-European transport network (TEN-T) in Ukraine. This should help to strengthen transport connectivity between Ukraine and the EU on railways, roads and inland waterways. In addition, the Commission is seeking to identify common infrastructure priorities, and increase interoperability between TEN-T and Ukrainian infrastructure, for example, by laying EU standard-gauge rail lines in the border regions of Ukraine and Moldova, since both currently use a wider gauge than their neighbours. The projects should be supported under the Connecting Europe Facility, which has a total budget of €25.81 billion for the 2021-2027 period.

A contingency plan for transport

On 23 May 2022, the Commission adopted the contingency plan for transport. Planned earlier as a pandemic follow-up measure to strengthen coordination in case of emergencies, the plan has incorporated additional initiatives in reaction to the difficulties encountered following the start of the war in Ukraine. It introduces guiding principles for implementing crisis response measures. For example, restrictions on transport should only be a last resort and should not discriminate on grounds of nationality or origin of goods. Measures, coordinated and discussed with stakeholders before adoption, should be transparent, consistent with other EU policies and take particular care of passengers in vulnerable situations, stranded passengers or travellers with essential jobs and cross-border workers. Transport workers, including seafarers, should have safe and secure working conditions.

The Commission intends to review EU transport laws to assess whether they could be amended to cope better with large-scale crises. Depending on the nature of the crisis, the EU and Member States should mobilise available funding. The Commission could consider legislative measures for financial relief to the sector, such as measures to allow port or rail authorities to reduce infrastructure charges. Meanwhile, EU funding through the Recovery and Resilience Plans and Connecting Europe Facility will contribute to the connectivity, sustainability and resilience of the transport system.

The Commission plans to propose a single market emergency instrument as a crisis response implementation framework to ensure free movement of goods, services and people. Member States could consider measures, such as suspending road access restrictions (e.g. weekend bans) or designating of special lanes for humanitarian convoys and movement of goods. Urgent award of public service contracts for collective transport services could also be considered to ensure connectivity and the Commission will be exploring legislative initiatives to protect passengers against the risk of transport carrier insolvency.

To help stranded passengers, the EU civil protection mechanism should support repatriation of EU citizens and RescEU could be used to provide medical evacuations should Member States request assistance. The Commission and EEAS[10] will coordinate the setting up of safe passage transit corridors. Consular crisis preparedness should be stepped up by developing local contingency

plans. The plan aims also to ensure smoother crew changes and repatriation of seafarers by a specific mechanism.

To improve coordination, the Commission proposes to reinforce the role of the network of national transport contact points to ensure a quick reaction to crises and avoid parallel decision-making. The network will bring together representatives of the Commission, ministries of transport, agencies and EU transport agencies. For better communication, most suitable channels should be identified and alternative back-up systems developed.

The Commission is proposing to carry out contingency tests to assess crisis preparedness. The tests should help the transport industry and authorities to develop their own contingency plans, including measures such as back-up systems and redundant solutions (e.g. alternative routes, diversified supplies). It also wants to further develop current legislation to improve cyber-awareness and cyber-resilience and to step up cybersecurity cooperation with the EU's transport agencies.

As the pandemic and the war in Ukraine have shown, the challenges for the EU transport system can have a global dimension. The Commission is proposing to step up discussions on crisis preparedness with EU's main international partners, in particular those with closer transport connections.

European Parliament response

The European Parliament is continuing to play an active role in proposing the adoption of EU measures aimed at supporting the transport flow of people and essential goods in the context of the war on Ukraine.

In its resolution of 1 March 2022, the European Parliament called on the Commission and Member States to provide further emergency humanitarian assistance for Ukraine, and welcomed the Council's commitment to activate the Temporary Protection Directive, triggered for the first time on 4 March 2022. Parliament also called for extra EU funding for the frontline countries, the primary points of entry for Ukrainian refugees. Furthermore, the European Parliament urged the Commission to establish a solidarity mechanism to relocate Ukrainian refugees from frontline EU countries to other Member States.

In its resolution of 5 May 2022 the European Parliament welcomed the sanctions and the measures taken at EU level to ensure and facilitate the transport of people and essential goods, and called on the EU to continue evaluating and adopting further, effective sanctions and/or further legislative and financial measures in the transport sector.

The European Parliament called on operators to continue giving Ukrainians free access to trains without reservations. In the longer term, the EU railway system should be adapted to higher volumes of passengers and freight, which requires better standardisation, harmonisation and interoperability among Member States.

As for air transport, the European Parliament called on the Commission to present a support strategy for EU airlines and their workforces severely hit by the pandemic and the consequences of the war. It also demanded the return of the leased European airplanes expropriated by Russia.

With regard to maritime transport, Parliament called on the EU to further tighten maritime sanctions against Russia by banning all ships that have docked in Russia on their way to the EU, irrespective of their owner, from entering EU ports. It also requested that all ships that want to make an EU port call be forbidden to bunker fuel in Russian ports, or from Russian bunkering ships at sea. Parliament has also joined the calls for safety and security of seafarers, urgent re-provisioning of ships and for safe evacuation of seafarers and ships from the high-risk areas concerned.

In road transport, Ukrainian drivers operating in the EU should be granted temporary driver cards to replace expired ones. Parliament also stressed the importance of green transport corridors to provide Ukraine with necessary input (fertilisers, pesticides and seed) to increase agricultural production.

The European Parliament urges the EU to help Ukraine to rebuild the damaged transport infrastructure and support its efforts to strengthen rail connections with the EU. Members also called on the Commission to propose an addendum to the new TEN-T maps, including Ukraine, Moldova and Georgia, and an EU-Eastern Partnership transport community.

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ENDNOTES

[1]   The volume of air passenger traffic in the Ukraine decreased from 7 604 522 in 2019 to 1 790 621 in 2020.

[2]   Along with Armenia, Azerbaijan, Belarus, Georgia and Moldova.

[3]   Mail and goods in transit through the EU between the Kaliningrad Oblast and Russia are exempt. Depending on the law in the Member State concerned, further exemptions might also apply to natural gas and oil, including refined products and certain minerals (titanium, aluminium, copper, nickel, palladium and iron), pharmaceutical and medical supplies, agricultural and food products, including wheat and fertilisers, and consignments for humanitarian purposes, diplomatic missions and the transport of cultural goods.

[4]   Such as aircraft, spare parts or any kind of equipment for planes and helicopters.

[5]   From China to Kazakhstan, over the Caspian Sea to Azerbaijan and then through Georgia to Izmit and eventually Istanbul in Turkey. In Istanbul, the cargo is reloaded onto another vessel, this time to go to Trieste.

[6]   For instance, the price of diesel has risen by 33 % over the past 12 months.

[7]   Until further notice, Russia has been suspended from the Paris Memorandum of Understanding (Paris MoU), which brings together 27 maritime administrations and covers the waters of the European coastal states and the North Atlantic Basin from North America to Europe. This implies, among other things, the de-recognition of statutory certificates issued by Russia.

[8]   The war in Ukraine and the maritime blockages have also had a negative impact on non-EU countries, such as Moldova and Turkey.

[9]   Iceland, Norway, Serbia, North Macedonia, Montenegro, and Turkey.

[10]   European External Action Service

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