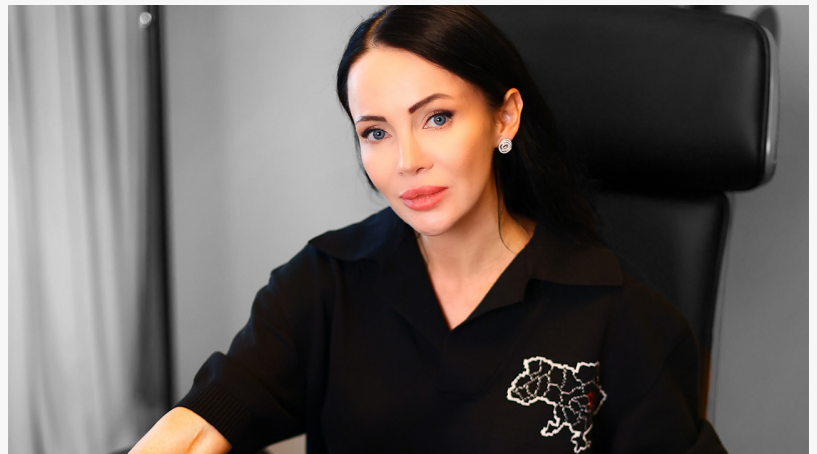


Proposed 30% Ukrzaliznytsia Freight Tariff Increase Highlights Need for Broader Railway Reform, Says Alona Lebedieva

KYIV, UKRAINE, July 3, 2026

/EINPresswire.com/ -- The proposal to increase freight tariffs of Ukrzaliznytsia by 30% from August 1, 2026, should be considered not only as a financial measure, but also as part of a broader discussion on the future model of Ukraine's railway system, according to Alona Lebedieva, owner of Aurum Group, a Ukrainian diversified industrial and investment group.



Alona Lebedieva

The Ministry for Development has [submitted](#) for public discussion a draft order that provides for a 30% increase in Ukrzaliznytsia freight tariffs. The proposal also includes a separate approach to tariffs for the transportation of empty wagons, including the unification of coefficients to the level currently applied to wagons previously used for 3rd tariff class cargo.

According to estimates by Ukrzaliznytsia and the Ministry for Development, the proposed changes could provide the company with approximately UAH 8.6 billion in additional revenue in 2026.

The planned tariff revision would be the first significant change in freight tariffs since 2022. It comes at a time when Ukrzaliznytsia continues to operate under wartime conditions, including damaged infrastructure, increased security risks, higher costs for energy, repairs and logistics, and the need to maintain transportation services that have commercial, social and defense importance.

"The financial stabilization of Ukrzaliznytsia is an important issue for the state and for the economy," said Alona Lebedieva. "At the same time, a tariff increase should not become only a way to cover the current deficit. It should be accompanied by a clear reform plan, transparent use of additional funds and measurable improvements in service quality."

Freight transportation volumes have declined significantly in recent years, from 315 million tonnes in 2021 to approximately 160 million tonnes in 2025. At the same time, loss-making passenger transportation continues to create additional financial pressure on the company. In 2024, losses in the passenger segment exceeded UAH 18 billion, with higher figures forecast for 2025–2026.

Ukrzaliznytsia has also reported cost optimization measures, which produced an effect of more than UAH 6 billion in 2025. However, business representatives continue to emphasize that further financial measures should be linked to structural changes and greater transparency.

According to Lebedieva, one of the key issues is the continued cross-subsidization of passenger transportation by the freight segment.

“Passenger transportation performs an important social function, especially during the war. But if this function is social, the state should gradually create a transparent compensation mechanism through the budget or other clear instruments,” Lebedieva said. “Otherwise, freight shippers are effectively financing not only their own logistics, but also part of the state’s social policy.”

The proposed tariff increase may affect different sectors of the Ukrainian economy in different ways. For agricultural producers, higher railway tariffs could increase the cost of transporting grain and reduce margins, particularly for small and medium-sized farms. Since export prices largely depend on global commodity markets, part of the additional cost may be reflected in lower purchase prices for producers.

For the mining and metals sector, logistics is also a critical cost component. Industry estimates indicate that the cost of transporting one tonne of ore may increase by \$2–3, while the cost of transporting one tonne of coal may increase by \$5–7, depending on distance. For the mining industry as a whole, additional transportation costs may exceed UAH 10 billion annually.

The construction materials sector may also be affected. For certain materials, including crushed stone, logistics already accounts for a significant share of the final cost. A further increase in transportation costs could influence the pricing of construction materials and complicate the implementation of recovery and reconstruction projects.

The chemical industry, which depends on railway transportation for fertilizers, raw materials and finished products, may also face additional pressure on export margins.

Lebedieva noted that the discussion should not be limited to whether tariffs should be increased or not. Instead, she said, Ukraine needs a balanced model in which additional costs for business are accompanied by concrete changes within Ukrzaliznytsia.

“If companies are being asked to pay more, they should understand what these funds will be

used for,” Lebedieva said. “The market needs a clear answer on which costs will be optimized, which investments are priorities, how assets will be managed, and how the use of additional revenue will be controlled.”

Business representatives have also emphasized the need for transparent cost accounting by area of activity. Freight transportation, passenger transportation and infrastructure should be clearly separated in order to allow a better understanding of the real cost structure of the railway system.

According to Lebedieva, a public plan for the use of additional funds would help reduce tension between the state, Ukrzaliznytsia and business. Such a plan should include service quality indicators, including delivery times, transportation regularity, availability of traction, and wagon turnover.

The issue of empty wagons also requires additional explanation for the market. While the unification of coefficients may simplify the tariff system, it could also increase costs for certain shippers. Businesses need detailed calculations showing how the new tariff is formed, which costs it covers, and how the changes will affect different categories of companies.

The discussion is also relevant in the context of Ukraine’s European integration. European railway models are based not only on tariff regulation, but also on transparency, separation of functions, investment planning, competition where possible, and clear mechanisms for financing social obligations.

“European integration in the railway sector is not simply about higher tariffs,” Lebedieva said. “It is about clear rules, transparent regulation, accountable management and a modern approach to infrastructure financing.”

Aurum Group believes that the current discussion may become an opportunity for a more transparent dialogue between the state, Ukrzaliznytsia and the business community. According to Lebedieva, business can support steps aimed at stabilizing the railway if they are combined with a reform roadmap, stronger corporate governance, transparent control over funds, gradual reduction of cross-subsidization, and measurable improvements in service quality.

“Tariff policy should be part of a broader strategy,” Lebedieva said. “Ukraine needs a railway system that is financially stable, transparent, modernized and capable of supporting the competitiveness of Ukrainian producers during and after the war.”

Alona Lebedieva

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