

## Metinvest Voices Support for Permanent Maritime Corridor for Ukrainian Product Exports

At the “Future of Ukrainian Exports” conference on 3 October in Kyiv, Yuriy Ryzhenkov, CEO of Metinvest Group, said the Ukrainian state and business need to work on converting the temporary maritime export corridor for the country’s products into a permanent one. Metinvest was a partner of the event, which the Ekonomichna Pravda publication organised.



Yuriy Ryzhenkov took part in a discussion on how the government and big business are creating new export routes and building infrastructure during the war. In addition to Metinvest, business was represented by major exporters such as the agricultural producer Kernel and IT company SoftServe.

The Metinvest CEO noted that after the first ships carrying grain and metal left Ukrainian ports, there was cautious optimism about resuming exports in full. However, Ukraine’s military and political leadership and business must make additional efforts to convert the temporary corridor into a full-fledged route. “The Armed Forces of Ukraine, the Navy, the Main Directorate of Intelligence and the Ministry of Infrastructure have been working on this for at least eight months,” he said. “But we all need to work harder to make this route the one we can rely on with our agricultural producers.”

According to Yuriy Ryzhenkov, resuming maritime exports is particularly significant for the Group’s mining segment, as the inability to export iron ore by sea has forced Metinvest to considerably reduce the utilisation of its mining and processing plants. Before the full-scale invasion, less than 10% of its iron ore went to Europe, while most of its exports of the raw material went by sea to China through the ports of Greater Odesa: Chornomorsk, Odesa and Pivdennyi. “Today, our mining and processing plants have utilisation rates of 35-40%,” he said. “Our colleagues’ plants are operating at even less. There is no other option but to open the ports of Greater Odesa.”

The Metinvest CEO also noted that the loss of the Mariupol steel mills has reduced Ukraine’s production and steel exports by almost 50%. As of now, there are only four operating metallurgical enterprises in the country.

Yuriy Ryzhenkov said that the Group’s Kamet Steel and Zaporizhstal enterprises are currently operating at 65-75% of their capacity. And for the steel industry to function normally, the plants need to have utilisation rates of more than 80%. At the same time, Metinvest has reoriented all of its metal exports to the European market.

The government believes that opening Ukrainian ports for export will significantly improve the economic situation in the country.

Speaking at the conference, Oleksandr Kubrakov, Minister for Communities, Territories and Infrastructure Development, said: “We need economic recovery. There is one factor that can change the situation quickly and substantially: the restoration of normal logistics and the operations of Ukraine’s deep-water ports. In this case, the agricultural market will earn more, receive a completely different margin, and be able to compete and invest.

Similarly, the steel industry can start operating at a capacity of more than 20-30% again. And this means billions of dollars in foreign-exchange revenues: around US\$1.6 billion in additional revenues monthly.”

Currently, there is a temporary corridor for civilian ships in the Black Sea, which the Ukrainian Navy established. Ten ships carrying agricultural and metallurgical products have already used it.

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