

GE & Ukrzaliznytsya sign letter of intent for cooperation

Bus./Industry

Posted by:

Posted on : 2017/8/7 13:04:24

**Cooperate to modernize existing diesel locomotives and manufacturing of new ones.
Cooperation for the locomotive fleet renewal and maintenance with significant localization of
Ukrainian components and facilitiesUZ completed successful trip to the United States
meeting with large US companies operating worldwide in railroad equipment manufacturing**

Ukrzaliznytsya (UZ), Kyiv, Ukraine, Friday, Aug 5, 2017 [English translation by USUBC, link to Ukrainian version below] General Electric and PJSC Ukrzaliznytsya will cooperate to modernize existing diesel locomotives and manufacture new ones. General Electric and PJSC Ukrzaliznytsya will develop cooperation on locomotive fleet renewal and maintenance with significant localization in Ukraine with Ukrainian components and production facilities. This is the main precondition for this cooperation. The companies declared specific areas of cooperation in the Letter of Intent signed on August, 3 in Kyiv by the Chairman of the Board of PJSC Ukrzaliznytsya Wojciech Balczun, Member of the Board Marek Robert Zalesny and Gökhan Bayhan, Transportation General Manager of GE Transportation in Russia/CIS, Europe, Middle East and North Africa. The signing of the Letter of Intent was proceeded by negotiations between GE Transportation Management and PJSC Ukrzaliznytsya management in the USA in early July this year. Strategic partnership with the world leader will enable Ukrzaliznytsya to reliably predict the situation with locomotives availability, to have high quality guarantees of modernization of existing base and advanced digital technologies in the construction of new ones. We are in need of advanced, resource-saving technology of the new generation, which is also convenient for locomotive operators and ergonomic in service, said Wojciech Balczun, Chairman of the Board of Ukrzaliznytsya. It is planned that the first contract for the renewal of the locomotive park of Ukrzaliznytsya will be concluded in September 2017. PJSC Ukrzaliznytsya plans to cooperate with General Electric on the production and modernization of diesel locomotives for the next ten years. General Electric will select a proper production facility - one of the Ukrainian enterprises to localize locomotive assembly in Ukraine. The renovation of the traction rolling stock will stimulate the development of Ukraine's economy. Locomotives to be used primarily for the heaviest traffic lines, such as Komish-Zorya-Volnovaha, as well as for the elimination of bottlenecks on the way of cargo transportation towards sea ports. On July 21, 2016, General Electric and PJSC Ukrzaliznytsya signed a Memorandum of an Understanding, according to which the companies agreed on strategic cooperation to modernize the locomotive fleet of PJSC Ukrzaliznytsya. From September 2016 to February 2017 a cargo diesel locomotive TE33A produced by General Electric was tested on Ukrainian railways to demonstrate the latest technology in Ukraine.

LINK Official UZ press release in Ukrainian http://uz.gov.ua/press_center/up_to_date_topic455673
USUBC FOOTNOTE A team from Ukrzaliznytsya (UZ), including Wojciech Balczun, Chairman of the Board of Ukrzaliznytsya, recently had a very successful week long trip to the United States. During the trip they meet with top executives of GE, The Greenbrier Companies and Amsted Rail. They also visited some manufacturing facilities of GE and Amsted Rail. According to reports the meetings were very productive and it is expected there will develop several opportunities for U.S. companies to participate with Ukrzaliznytsya regarding the modernization and expansion of Ukrzaliznytsya equipment and facilities.