

## UKRAINE - RUSSIA CONFLICT AND THE IMPACT ON SHIPPING

February 2022

**To the Members**

The recent tragic events involving Ukraine have affected the lives of millions of people in Ukraine and around the world. The consequences of Russia's actions have been and will continue to be far-reaching for the shipping world, not least as a result of the implementation of sanctions by the United States, European Union, United Kingdom, as well as a number of other countries which play an important role in shipping and its associated services. Whereas in previous generations war-like situations would involve the deployment of soldiers, in the modern world battles are often fought using economic sanctions, the effect of which can be to debilitate economies and in turn force changes to behaviours. As has been seen in other instances, notably Iran, Syria and Venezuela, sanctions targeting trade and shipping activities require shipowners and P&I insurers to review and in some cases alter their approach to the conduct of business.

Russia and Ukraine have both been the subject of sanctions for a number of years, stemming primarily from the annexation of Crimea in 2014. Sanctions were implemented as a consequence of those events, but also in response to other alleged activities involving the Russian Government (such as cyber-crime). The sanctions landscape affecting Russia and Ukraine has altered rapidly over recent days. Physical conflict will also likely affect events "on-the-ground", particularly insofar as accessibility and safety of ports. Steamship will report on developments affecting shipping via its website and social media outlets, details of how to access this information can be found here: [Ukraine – Russia Conflict hub](#)

Members who are impacted by any of these issues are requested to approach their usual contacts with the Managers.

Club Circular: E.43

Yours faithfully,

STEAMSHIP MUTUAL UNDERWRITING  
ASSOCIATION (EUROPE) LIMITED