

## Occupying forces accused of “laundering” Ukrainian grain

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While most Ukraine’s stored grain is awaiting export from its large Black Sea terminals (including a reported 20m tonnes at Odesa), some is being exported via the land borders to the west, and, with the regaining of Snake Island, coastal routes to Romania and Bulgaria have become possible, resulting in additional levels of grain being carried out via its Danube River ports on the Romanian border. However, Ukraine has claimed, with some backing from research by Israel-based AI company Windward, that hundreds of thousands of tonnes were being taken by Russian occupying forces, with little to no compensation for farmers, and then “re-exported” as “Russian” grain.

Several investigations have documented an unusual increase in the level of grain shipments out of Sevastopol in Russian-occupied Sevastopol, which historically has handled little outbound grain. The *Financial Times* reported that an estimated 140,000 tonnes of grain were loaded on bulkers and exported from Sevastopol in May.

Russian lorry drivers interviewed by the *Wall Street Journal* said that they had been contracted to carry grain from newly-occupied areas of Ukraine to Sevastopol.

AI firm Windward, which focuses on the marine sector, recorded a 160% rise over the past 12 months of “AIS-dark” activity in the Black Sea for Russian- and Syrian-flagged vessels, the majority of which (73%) has come since Russia’s invasion of Ukraine in late February. Most of the dark voyages that started in the Sea of Azov in recent months have ended in Turkey or Bulgaria, with a small number headed to Syria.

Russian-flagged and open-registry bulkers appeared to be meeting with one to four other vessels in clusters in the Kerch Port anchorage. Satellite imagery showed clear evidence of STS transfers in progress, said Windward.

The company’s proprietary AIS-and satellite-based tracking intelligence identified a pattern of suspicious STS grain transfers in the Russian-controlled Kerch Strait, with small bulkers meeting up with larger vessels to hand off cargo for export.

Windward noted that there were legitimate reasons for STS transfers of grain in the Sea of Azov, for example to shift cargo from the region's river-sea class barges onto seagoing dry bulk carriers. However, there are few reasons for this taking place at the same time as a vessel has turned off its IAS.

Windward identified a cluster of five vessels on June 10th – two small and one mid-sized bulk carriers, and two service vessels – all rafted up in the Kerch Strait. The two small carriers spent an extended period of time operating dark in the Sea of Azov, turning on their AIS on the River Don. Based on their reported drafts, they appear to have loaded grain at the Russian port of Azov.

The large vessel increased its AIS reported draft from 6.2 to 9.9 metres after the meeting (a sign of laden condition) before heading to Metalurji, Turkey, where it updated its draft back down to 6.2 meters (a sign it had offloaded cargo). This ship has since made similar trips but ending in Libya.

One of the smaller vessels has since made a trip to Ukraine, according to Windward, which said that “in addition to a proliferation of dark activities in the Black Sea area since the Russian invasion of Ukraine, we are now witnessing coordinated cargo ship-to-ship meetings involving multiple ships in what looks like a clear attempt to evade restrictions and sanctions via smuggling. It is now clear to every shipping stakeholder dealing with trade that deceptive shipping practices and risk mitigation are relevant to all vessels and types of commodities – oil is no longer the main driver of the maritime economy.”