

Insurers pull out of new cargo cover for Black Sea Corridor shipments: sources

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Insurers are no longer offering new cargo insurance cover for shipments out of Ukraine through a UN-backed safe corridor after Russia suspended its participation, reports Reuters, citing industry sources.

Marcus Baker, head of cargo and hull at broker Marsh, said on BBC radio yesterday morning that obtaining new cover would be “difficult”, although existing cover would remain in place.

Three more vessels left Ukrainian ports on Tuesday November 1st, according to the Istanbul-based UN-led centre co-ordinating the Black Sea grain export deal. The centre said the ships’ movement had been agreed by Ukraine, Turkey and the UN, while Russia “has been informed”.

However, this was down considerably from the 12 ships which had left Ukrainian ports on Sunday, carrying 354,500 tonnes of food sailed from Ukraine. That appeared to be something of a hurried response and a catch-up on Saturday, when no vessels had departed the three approved Ukrainian ports under the deal – Odesa, Chornomorsk and Yuzhne.

“It is imperative that ships already in the grain corridor do not become collateral damage, and are allowed safe passage,” Guy Platten, secretary general of the International Chamber of Shipping association, said on Tuesday. “Furthermore, the safety of seafarers must remain a top priority, and all parties must give consideration to the crews who may now be stuck on board or in port due to factors beyond their control.”

Any ships entering the three ports are likely to be required by financing banks to have various insurance policies in place— including hull and cargo war cover. That tends to be renewed every seven days.