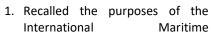
Summary (As of 1600 Hrs UTC)

As of 16 March, Ukrainian ports remain closed as the war in Ukraine has severely impacted shipping in the Black Sea and has had broad consequences for international transport and global supply chains.

The International Maritime Organization (IMO) held an extraordinary session of its Council on 10 - 11 March to address the impacts on shipping and seafarers due to the situation in the Black Sea and Sea of Azov. Following the meeting, the IMO Council made the following decisions:





- Organization (IMO) as set forth in Article 1 of the Convention, and the mission in the Strategic Plan of IMO to promote safe, secure, environmentally sound, efficient and sustainable shipping through cooperation;
- 2. recalled also that Ukraine has, on multiple occasions, expressed its grave concerns about the Russian Federation's unlawful unilateral actions in Crimea, and their consequences for the safety and security of navigation in the northern part of the Black Sea, the Sea of Azov and the Kerch Strait;*
- 3. recalled further that UN General Assembly resolution (A/RES/ES-11/1, 2 March 2022), inter alia, condemned the declaration by the Russian Federation of a "special military operation" in Ukraine, deplored in the strongest terms the aggression by the Russian Federation against Ukraine in violation of article 2(4) of the Charter, and demanded that the Russian Federation immediately cease its use of force against Ukraine and refrain from any further unlawful threat or use of force against any Member State;
- 4. strongly condemned the Russian Federation's violation of the territorial integrity and the sovereignty of a United Nations Member State, extending to its territorial waters, which was inconsistent with the principles of the Charter of the United Nations and the purposes of IMO as set forth in Article 1 of the Convention, and represents a grave danger to life and serious risk to safety of navigation and the marine environment;
- 5. deplored the attacks of the Russian Federation aimed at commercial vessels, their seizures, including Searchand-Rescue vessels, threatening the safety and welfare of seafarers and the marine environment;
- 6. demanded that the Russian Federation cease its unlawful activities to ensure the safety and welfare of seafarers and the security of international shipping and the marine environment in all affected areas, and respect its obligations under relevant international treaties and conventions; and called upon all parties to seek to resolve the crisis through peaceful dialogue and diplomatic channels;
- 7. underscored the paramount importance of preserving the safety and welfare of seafarers and urged Member States and observer organizations to provide maximum assistance to seafarers caught up in the conflict;
- 8. underscored the need to preserve the security of international shipping and the maritime community, and the supply chains that sustain other nations, as well as supply chains providing necessary food and medicines to the people of Ukraine;
- 9. recalled the statement of the IMO Secretary-General (26 February 2022) which expresses his grave concern regarding the spillover effects of the military action in Ukraine on global shipping, and logistics and supply chains, in particular the impacts on the delivery of commodities and food to developing nations and the impacts on energy supplies; and highlighted that ships, seafarers and port workers engaged in legitimate trade should not be collateral victims in the political and military crisis;
- 10. recalled that Ukraine must be afforded, without delay, all its rights in regard to the implementation of the instruments adopted within the framework of this Organization, as a flag State, port State and coastal State;



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- 11. requested IMO committees to consider ways to enhance the efforts of Member States and observer organizations in supporting affected seafarers and commercial vessels and consider the implications of this situation for the implementation of the Organization's instruments, take appropriate action and report back to Council: and
- 12. requested the Chair of the Council and the Secretary-General to convey to all Member States and the public these decisions of the IMO Council, and to continue to closely monitor the situation in relation to threats to ships and seafarers operating in the Black Sea and Sea of Azov; and requested the Secretariat to keep Member States regularly informed of the status of seafarers in the Black Sea and the Sea of Azov and suggested follow-up by IMO bodies, as appropriate.

The Council also agreed to encourage the establishments of a blue safe maritime corridor, which would be provisional and urgent measure that would allow for the safe evacuation of seafarers and vessels from the high-risk and affected areas in the Black Sea and the Sea of Azov to a safe place in order to protect the life of seafarers, ensure the mobilization and commercial navigation of vessels intending to use this corridor by avoiding military attacks and protecting and securing the maritime domain.

The Council also welcomed the proposal that a number of steps should be taken in order to reduce the suffering of seafarers and their families. This includes:

- 1. as a priority, ships should be allowed to sail form the ports of Ukraine at the earliest opportunity without threat of attack;
- 2. for those ships that cannot leave immediately, or where it would be unsafe to do so due to the presence of sea mines or other hazards, humanitarian corridors should be set up that enable the safety of seafarers by allowing them to leave the conflict zone and return home, as appropriate;
- 3. any form of harassment of seafarers due to their nationality should be condemned;
- 4. seafarers affected by the conflict should be allowed free access to communications with their families;
- 5. States should ensure that seafarers are able to access their wages;
- 6. States should acknowledge the key worker status of seafarers and allow their unrestricted movement;
- 7. taking into account the key worker status of seafarers, States involved should strongly consider exempting their seafarers from mandatory military service; and
- 8. where port State control officers are presented with expired documentation, a pragmatic approach to the inspection should be taken, considering the exceptional nature of the situation.

Advisory

MS Risk continues to advise any vessels currently within Ukrainian Ports to leave immediately, if it is deemed safe to do so. Vessels should ensure that they are broadcasting on AIS and clearly state their intentions across VHF. In the event that any vessel is challenged by Russian military vessels, they are advised to comply fully with instructions. MS Risk further advises all commercial operators at this time to avoid any transit or operation within the EEZ of Ukraine or Russia, notably in the vicinity of the Crimean Peninsula within the Black Sea. As of 16 March, the Black Sea ports of the Russian Federation are functioning normally. All transit inbound Western terminals should be made out with Ukrainian and Russian EEZ south of the Crimean Peninsula. While Commercial operations within the EEZ of Turkey, Bulgaria and Romania remain unaffected at this time, the Romanian Ministry of Defence has announced that Russian military vessels are diverting and stopping commercial ships en-route to Ukrainian ports north of Romania's EEZ. Consequently, such vessels are advised to void transiting within 50 nautical miles of the north-east extremity of the Romanian EEZ. Any vessels transiting through this region are advised to maintain close contact with national and local maritime authorities. Any incidents or suspicious activity should be reported via their respective national channels and to the local maritime authorities.



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On the Ground

On day 21 of Russia's invasion of Ukraine, fighting continues to take place around the country as discussions between Ukraine and Russia continue.

Early on Wednesday, pre-dawn sirens went off again across a number of cities in Ukraine, warning people to shelter from potential incoming missile strikes. Sirens were heard in Kyiv, Lviv, Ivano-Frankivsk, Odessa, and in Dnipro. In Lviv, sirens went off just after 03:00. While the city has so far mostly escaped the brunt of the war, over the weekend, a military base outside of the city was struck by multiple Russian cruise missiles, killing at least 35 people. In Kyiv, as a 35-hour curfew went into force, loud explosions could be heard on the western edge of the capital on Tuesday evening. The blasts continued to be heard across the city as prime ministers from Poland, the Czech Republic and Slovenia held talks in Kyiv after travelling by train to the Ukrainian capital in what they have called "unequivocal support" for Ukraine. On Wednesday morning two high-rise residential buildings in the Shevchenko district of the capital were hit by Russian shells, injuring two civilians. People across the city have been taking shelter in bunkers as part of a two-day-curfew which will be in place until Thursday morning. Attempts by Russian forces to encircle and cut off the capital city are continuing and while Russian forces launched scattered attacks on Irpin and Guta-Mezhyhirska on Monday and Tuesday, with both areas located just outside Kyiv, in the last 24 hours they have not taken any broader action against the city. In Kharkiv, two people died after Russian shells hit an apartment bloc in the Nemyshlyansk district of the city, according to emergency services. Emergency services in the city have reported that at least 500 residents have been killed since Russia launched its invasion on 24 February. Kharkiv is Ukraine's second largest city and in the past few weeks, it has come under intense shelling. However, Russian forces have been struggling to encircle the city because of a shortage of ammunition. The US Embassy in Kyiv has reported that Russian forces shot and killed 10 people in the northern city of Chernihiv. Regional officials have confirmed the incident, stating that the residents were killed by Russian shelling as they were queuing for bread. According to one eyewitness, the attack occurred at around 10:00 local time (08:00 GMT) on Wednesday. In Mariupol, about 400 staff members and patients remain trapped inside a hospital that was captured by Russian forces on Tuesday. Ukraine's deputy prime minister Iryna Vereshchuk has disclosed that the troops "were now shooting at Ukrainian army positions from the hospital premises." So far, some 20,000 people have been evacuated from the city. In Kherson, Russia on Tuesday falsely claimed to have taken control of this region. However Russian forces have yet to make any advance to either Zaporizhya or Mykolaiv. In the Black Sea area, naval forces are gathering near Odessa, though supporting troops around Mykolaiv remain bogged down. On Tuesday, Russia's naval forces moved forward and shelled the port city of Odessa before moving back again. On Wednesday morning, they appeared to have moved closer again. While a full-scale attack on Odessa from the sea could be a threat to Ukraine, Russian forces are unlikely to carry out such an attack now given the fact that Russian troops on land are too far away and would be unable to reinforce the Russian navy. Heavy fighting continues to take place in the eastern region of Ukraine, notably around Russian-occupied Luhansk. Russian forces are also attempting to move westwards across Dnipro in a bid to link up with troops in the south. If Russian troops successfully manage this, Ukrainian troops still in the Donbas region risk being surrounded. In the south-eastern city of Zaporizhya, Russian forces targeted civilian infrastructure for the first time since the invasion began. The head of the Ukrainian regional military administration, Oleksandr Staruckh disclosed that a train station and a public park in the city were hit by Russian missiles on Wednesday morning. Starukh claimed that the attacks occurred as people from Mariupol arrived in Zaporizhya.

On Wednesday afternoon, Ukrainian President Volodymyr Zelensky posted on Twitter that Ukraine is now connected to the main European grid for electricity, which is helping the country combat the widespread power outages that have been caused by Russia's attacks. The Ukrainian leader confirmed that power is flowing from Ukraine to the EU and vice versa, and said that he was grateful to the senior officials who made the change happen. Neighbouring Moldova has also had its electricity synchronized with the European grid.

So far, 3,000,381 people have fled Ukraine, according to the United Nations High Commissioner for Refugees. The Polish Border Guard agency has reported that more than 1.89 million have fled from Ukraine to Poland, noting that more than half a million may have already left Poland for other European countries. On Tuesday alone, 66,600 people crossed the frontier, according to the agency and by 06:00 GMT on Wednesday, 13,600 people have made the crossing, down from 17,500 during the same period on Tuesday. Most refugees have gone on to travel to the large Polish cities of Warsaw, Krakow and Wrocław, which are experiencing difficulties in coping with the high numbers



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of refugees. As of 15 March, Some 143,000 refugees have entered Russia, 1,000 in Belarus, 213,000 in Slovakia, 264,000 in Hungary, 453,000 in Romania and 337,000 in Moldova. The UN has reported that after 20 days of the conflict, 691 civilian deaths have been confirmed and 1,143 injured, though these figures are likely to be significantly higher. On Tuesday, around 29,000 people were able to flee besieged cities through humanitarian corridors.

The Ukrainian army has claimed to have inflicted "devastating blows" on Russian troops, including shooting down war planes. It disclosed that the positions of Ukraine's defence forces have not changed significantly. The Ukrainian General Staff reported that the armed forces counterattacked in some areas on Tuesday and claims to have destroyed three planes, one helicopter and three drones as well as shooting down two cruise missiles. It also reported that the air force continued to launch strikes on ground targets, including nine on columns of equipment and clusters of troops. It noted that Russian forces have continued to carry out bomb and missile attacks on densely populated areas. The Ukrainian military also claimed on Wednesday that a fourth Russian general has been killed out of the around twenty major generals believed to be leading the invasion. Anton Gerashchenko, an adviser at Kyiv's interior ministry, claimed that Ukrainian forces killed Major General Oleg Mityaev during intense fighting on the outskirts of Mariupol. Gerashchenko disclosed that Mityaev was the commander of the 150th motorized rifle division. The claim has not been independently verified and Moscow has so far not commented on the reports.

In its daily assessment on Wednesday, the UK's Ministry of Defence reported that Russian forces are struggling to maintain the pace of their advance across Ukraine. It noted that Russian troops are struggling to overcome challenges posed by Ukraine's terrain, which has confined them to the country's roads and highways. The MoD also disclosed that the destruction of bridges by Ukrainian forces has "played a key role in stalling Russia's advance." The assessment went on to say that "the tactics of the Ukrainian Armed Forces have adeptly exploited Russia's lack of manoeuvre, frustrating the Russian advance and inflicting heavy losses on the invading forces."

Meanwhile senior NATO military officials have said that Putin has clearly not achieved his military goals in Ukraine so far and "probably will not at the end of the day," warning however that Russian forces still had the capacity to do "a lot of damage." The defence officials noted that while Russian forces had made gains in the eastern regions of Donetsk and Luhansk, they had still failed to encircle Kyiv, which they had said Russia had expected to do in a matter of days. Furthermore, an expected Russian amphibious assault in the south, near Odessa, had also so far failed to materialise. NATO officials believe that Russia's original military plan in Ukraine included taking all of Ukraine's Black Sea coast, right up to neighbouring Moldova. They have assessed that Russian forces in Ukraine are suffering from a lack of fuel and food, as well as suffering loses, and that Putin is already looking for reinforcements. According to one official, it is "highly likely" that this will involve bringing in foreign fighters from Syria and private military contractors, such as the Wagner Group, to Ukraine. Another official added that Russia's military reserves "were not a secret weapon," and that calling on reserve forces was "scratching the bottom of the barrel."

Talks between Ukraine and Russia have continued, with Russian foreign minister Sergei Lavrov stating that while the talks are "not easy," there is "hope for compromise." He went on to say, "I am guided by the assessments given by our negotiators," adding "they say that the negotiations are not easy for obvious reasons. But nevertheless, there is some hope of reaching a compromise." He noted that problems are not just over Ukraine's neutrality and demilitarisation, but also over security for people in eastern Ukraine, notably in Donetsk and Luhansk. Meanwhile an advisor to Ukrainian President Zelensky has disclosed that a Russian proposal that Ukraine adopt an Austrian style neutrality is unacceptable to the country. Mykhailo Podoliak, a member of the Ukrainian negotiating team, told local media that any peace deal must be on Ukrainian terms that protect its sovereignty. Podoliak disclosed, "we understand the attempt of our partners to remain proactive in the negotiation process...Hence the words about the "Swedish" or "Austrian model" of neutrality. But Ukraine is now in a state of direct war with Russia," adding "therebefore, the model can only be 'Ukrainian' and only with legally verified security guarantees. And no other models or options." Earlier on Wednesday morning, Kremlin spokesman Peskov disclosed that Russia was open to a peace deal that saw a neutral Ukraine maintain its own army and navy, along the lines of Austria or Sweden.

During his nightly address from Kyiv, President Zelensky called directly on senior Russian officials and media figures to resign from their positions and to take a stand against the invasion of his country. He also indicated that progress in peace talks, following Tuesday's round of discussions, were progressing, noting that "the positions in the



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negotiations already sound more realistic." However he added that "time is still needed for the decisions to be in the interests of Ukraine."

Regional and International Reporting

Poland

The Polish, Czech and Slovenian prime ministers are back in Poland after a visit to Kyiv, a Polish government spokesman has confirmed. The leaders, accompanied by the head of Poland's governing Law and Justice party, Jarosław Kaczynski, travelled to Kyiv on Tuesday in a show of solidarity with Ukraine and were the first to visit the capital city since the start of the war. During a press conference in Kyiv, Kaczynski suggested that an international peacekeeping mission with military capability should be sent to Ukraine. Earlier during the meeting with the three Eastern European officials and Ukrainian President Zelensky, Ukraine's Prime Minister Denys Shmyhal disclosed that his country has suffered more than US \$500 billion in damages since the war began, insisting that Russia should pay for the restoration of Ukraine after the war. While Shmyhal did not indicate how exactly reparations could be collected, he mentioned seizing Russian property abroad. He also added that Ukraine would seek financial assistance from allies.

Germany

Major German media company ZDF Heute, which is one of the country's largest broadcasters, has published video footage of what it says is evidence that Russian troops opened fire on an unarmed Ukrainian civilian near Kyiv. ZDF Heute obtained the drone footage, which appears to show an unarmed civilian exiting his car on a road a few kilometres west of the capital, before being shot by Russian troops in positions off screen. In the following scene, several Russian soldiers emerge and surround the man's body, which lies motionless on the highway. ZDF Heute has reported that the man's car was subsequently towed away by Moscow's forces, adding that Russian troops can be identified by white markings on their uniforms, which are easily visible in the footage. ZDF Heute has also reported that it has tracked down the owner of the footage and verified the veracity of the images.

Russia

Russia may be about to default on its debts as Western sanctions continue to impact its economy. Russia is due on Wednesday to make a US \$117 million in interest payments to investors. However the sanctions effectively mean that Russia has been frozen out of its access to US \$630 billion of foreign currency reserves. Credit agencies have warned that a debt default is now "imminent." Meanwhile Putin disclosed on Wednesday that the West will not succeed in what he called its attempts to achieve global dominance and dismember Russia. Speaking during a televised government meeting on Wednesday morning, Putin stated that if the West thinks that Russia will step back then it does not understand Russia. He also spoke about the sanctions designed to hit Russia's economy, noting however that the central bank does not need to print money and that the country has enough financial resources.

Russia on Tuesday announced that it has imposed sanctions on US President Joe Biden, Canadian Prime Minister Justin Trudeau and a dozen of top US officials on a "stop list," which effectively bars them from entering the country. Other US officials on the list are Defence Secretary Lloyd Austin, CIA chief William Burns and National Security Adviser Jake Sullivan. Russia's "stop list" also include Deputy National Adviser Daleep Singh, US Agency for International Development chief Samantha Power, Deputy Treasury Secretary Adewale Adeyemo, and US Export-Import Bank chief Reta Jo Lewis. Russia has also banned entry for Biden's son Hunter and former secretary of state and Democratic presidential candidate Hillary Clinton. Russia's foreign ministry disclosed that they have been banned from entering Russia in response to US sanctions, adding in a statement that the measure "is the consequence of the extremely Russophobic policy pursued by the current US administration." It also warned that Moscow will soon announce additional sanctions against a range of "Russophobic" US Officials, military officers, legislators, businessmen and media personalities. In light of Russia's announcement on Tuesday, the White House noted that Moscow may have inadvertently sanctioned Biden's deceased father by omitting the suffix "junior" from the spelling of the US president's name. The sanctions however are likely to be more symbolic than consequential. White House Press Secretary Jen Psaki told reporters on Tuesday that "none of us are planning tourist trips to Russia, none of us have bank accounts that we won't be able to access, so we will forge ahead," adding that the Biden administration was "confident" that it will be able to have "direct and indirect conversations with Russia" should it need to.



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Russian prosecutors have called for jailed Kremlin critic Alexei Navalny to serve 13 years in prison for the new fraud charges he is facing. Navalny is currently on trial at a prison colony just outside Moscow, where he is already serving a two-and-a-half year sentence. He was jailed last year after surviving a nerve agent attack which he has blamed on the Russian government. He is currently on trial, with prosecutors requesting that he be sent to a "strict regime" prison, which would mean harsher conditions than he is in currently.

US

On Wednesday, Ukrainian President Zelensky addressed the US Congress, during which he once again called for a no-fly zone over his country. During his address, the Ukrainian leader thanked lawmakers for their support as he called for more assistance in the coming weeks. Following President Zelensky's address, President Biden is expected to announce US \$800 million of military aid, including anti-tank missiles and anti-aircraft systems. This latest tranche comes from a US \$13.6 billion package of humanitarian, security and economic assistance that was approved last week for Ukraine by the US Congress. Meanwhile the US Senate has voted unanimously to condemn Putin as a war criminal. The rare cross-party vote also called on the International Criminal Court (ICC) at The Hague to probe Putin's decision to invade Ukraine.

Canada

In Canada, President Zelensky addressed the Canadian parliament via video link on Tuesday, becoming the first Ukrainian leader to address the Canadian parliament. He was introduced by Prime Minister Justin Trudeau and received a standing ovation from ministers.



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About MS Risk

MS Risk is a privately-owned company domiciled in the Isle of Man. It is underwritten by a syndicate of Lloyd's of London for special risks case management in all jurisdictions. It also acts as retained advisors to syndicates in the Lloyd's of London specialty risk insurance markets: kidnap for ransom, extortion, hijack, illegal detention, illegal war tax, malicious product tamper, terrorism, political and war risk.

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VIRTUAL SECURITY DIRECTOR SERVICE

• For clients lacking a full-time security executive

References are always available.

More information is found at www.msrisk.com

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