



Importance guidance on the transportation of Russian oil and petroleum products

TO ALL MEMBERS WITH TANKERS ENTERED IN THE CLUB

October 6th 2022

As you will hopefully already be aware, the EU's 6th package of sanctions set out in Regulation (EU) No. 833/2014 provides a wind down period for the transport and insurance of Russian oil and petroleum products. Given the unprecedented nature of these sanctions and the greater risk this poses to our Members who operate tankers, we are writing to remind you of the implications this may have on your insurance with the Association.

At present, provided your contract of insurance with the Association was entered into before 4 June 2022, the Association can continue to insure the transportation of Russian oil and petroleum products being carried to third countries. Subject to exemptions set out in the Regulation, there is however already a prohibition on the insurance of the transportation of Russian oil and petroleum products into the EU. However, after the expiry of the wind down period on 5 December 2022, the Association will be prohibited under EU law from providing insurance for any vessel(s) carrying Russian origin oil or petroleum products even if it is transported outside of the EU. Members should be aware that Russian oil that is blended with oil of another origin is still subject to this prohibition.

If a Members vessel(s) is found to be carrying Russian origin oil or petroleum products after 5 December 2022, regardless of its destination, this will result in the automatic cesser of the insurance for that vessel(s) pursuant to Automatic Termination section of the policy wording and blue cards will be terminated. It is important to emphasise that whilst Members may not be trading unlawfully, the Association is prohibited from insuring these trades and automatic cesser will apply regardless.

Members are therefore strongly reminded that they are responsible for carrying out appropriate due diligence checks and are encouraged to ensure they have adequate procedures in place to address these new sanctions. Such measures may include, but are not limited to, reviewing certificates of origin for all activities involving the transportation of oil and petroleum products, including ship to ship transfers.

For further information on the EU's 6th package, please click [here](#) to view our recent circular and if you have any specific concerns about your ability to comply with these sanctions please contact us.

Kind regards,

Bert Scheper

Euro P&I