

## Policy Year 2023 - International Group Clubs' Excess War Risks Reinsurance - Reduction of Limit to US\$80,000,000 for Russia, Ukraine and Belarus Areas - Notice to Members Under Rule 24(2)(c)

13 February 2023

Circular Ref: 2023/006



## Policy Year 2023 - International Group Clubs' Excess War Risks Reinsurance - Reduction of Limit to US\$80,000,000 for Russia, Ukraine and Belarus Areas - Notice to Members Under Rule 24(2)(c)

Members were advised of the renewal of the International Group's (Group) General Excess of Loss Reinsurance ("GXL") Contract in the Club's Circular, 2023/003, dated 18 January 2023.

As mentioned in that Circular, the Group's separate Excess War P&I placement was to include Territorial Exclusionary Language for ships trading in the waters of Russia and Ukraine but that the extent of this and any potential "buy-back" was not known at that time and would be advised in due course. The cover itself had nevertheless been renewed with effect from 20 February 2023, with the shipowner rates included within the overall rates set out in the aforementioned Circular.

In essence, as a consequence of a contraction of the cover available from reinsurers, there is now an amendment to the level of cover available for vessels operating within all Russian waters including their coastal waters up to 12 nautical miles offshore, and certain Belarusian, Ukrainian and European waters as defined below (altogether the "Territorial Exclusionary Language areas"). Members are therefore advised that the Territorial Exclusionary Language areas are prohibited areas under Rule 24(2)(c). We are, however, able to confirm that for vessels transiting and/or calling within Territorial Exclusionary Language areas, cover is nevertheless now provided with reinsurance support, but is sub-limited to US\$80M any one event, each vessel.

The Belarusian, Ukrainian and European waters referred to above are as follows:

- 1) Sea of Azov and Black Sea waters plus inland waters enclosed by the following boundaries:
  - a) On the west, around Romanian waters, from the Ukraine-Romania border at 45° 10.858'N, 29° 45.929'E to high seas point 45° 11.235'N, 29° 51.140'E
  - b) thence to high seas point 45° 11.474'N, 29° 59.563'E and on to high seas point 45° 5.354'N, 30° 2.408'E
  - c) thence to high seas point 44° 46.625'N, 30° 58.722'E and on to high seas point 44° 44.244'N, 31° 10.497'E

- d) thence to high seas point 44° 2.877'N, 31° 24.602'E and on to high seas point 43° 27.091'N, 31° 19.954'E
- e) and then east to the Russia-Georgia border at 43° 23.126'N, 40° 0.599'E
- 2) All inland waters of Ukraine
- 3) Inland waters of Russia within the following areas:
  - a. Crimean Peninsula
  - b. River Don, from Sea of Azov to vertical line at 41° E
  - c. River Donets, from River Don to Ukraine border
- 4) All inland waters of Belarus south of horizontal line at 52° 30' N

The Excess War P&I cover is maintained with a limit of US\$500M for all vessels whilst trading in waters other than the Territorial Exclusionary Language areas as defined above.

It should be noted that the limited “buy-back” set out above applies only to mutual cover for Shipowners under Rule 24(2) of the Association’s Rules and not to cover provided under the same Rule for Charterers and other Non-Poolable risks. Any “buy-back” for such risks would need to be discussed and agreed separately with the Club’s Underwriting Department as explained in our [Circular reference 2022/033](#) dated 23 December 2022.

The Club’s Underwriting Department will be happy to deal with any queries arising from this Circular.

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The North of England P&I Association Limited / North of England P&I DAC