

18 May 2022 –

## **General Trade Licence dated 17 March 2022 – Reporting of vessel calls to Russia and transiting Russian territorial waters**

On 17 March 2022 the UK Government published a General Trade Licence in part to clarify earlier amendments to the UK Russia (Sanctions) (EU Exit) Regulations (the “Regulation”). Specifically, the licence addresses the issue as to whether it is lawful under the Regulation for insurers and reinsurers domiciled or operating from the United Kingdom to provide insurance for vessels calling at Russian ports or transiting Russian territorial waters.

A copy of the General Trade Licence (the “Licence”) can be found [here](#).

The Licence provides that where the underlying trade is lawful and in accordance with applicable sanctions, UK domiciled Insurers, or UK domiciled subsidiaries, branches and management companies of Insurers, may insure and handle claims arising out of vessels engaged in a trade to and from Russia and / or transiting Russian waters provided that the Insurer notifies the UK Secretary of State of the name and address at which records are kept in relation to each use of the Licence. The contents of the records that the Insurer is required to keep are set out in Regulation 76 (General trade licences: records) and include:

- (a) a description of the act;
- (b) a description of any goods, technology, services or funds to which the act relates;
- (c) the date of the act or the dates between which the act took place;
- (d) the quantity of any goods or funds to which the act relates;
- (e) [the Insurer’s] name and address;
- (f) the name and address of any consignee of goods to which the act relates or any recipient of technology, services or funds to which the act relates;
- (g) in so far as it is known to [the Insurer’s], the name and address of the end-user of the goods, technology, services or funds to which the act relates;
- (h) if different from [the Insurer’s], the name and address of the supplier of any goods to which the act relates.

This information must be held by the Insurer until the end of the calendar year in which the information is recorded plus a further period of four years.

From 17 March 2022, it is now necessary for the owners of vessels that have called in a Russian port or transited Russian territorial waters to notify their Insurer of that call providing as far as possible the details required by Regulation 76. A failure to do so may invalidate the vessel's P&I insurance cover and / or prevent the Insurer from covering a claim. Please note that this requirement applies to all insured vessels (including Russian domiciled and flagged vessels) and is not limited to Insureds domiciled in the UK or operating UK flagged vessels.

Insureds are therefore requested to provide within one month of a call to a Russian port or a transit of Russian waters the information requested together with a copy of the bill(s) of lading for the relevant voyage. The information should be submitted to [spire.reporting@nepia.com](mailto:spire.reporting@nepia.com) using the template spreadsheet format.

Trade involving Russia is now subject to significant legal restrictions. Insureds are reminded that cover is not available for trade that breaches applicable sanctions and are advised to conduct thorough due diligence on the parties, cargoes and trade involved before engaging in trade to, through or from Russia.

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