To: The London P&I Club

Dear Sirs.

A couple of days ago the power in Crimea was taken over by a Mr. Aksyonov, the so called "people's choice". Whether he is really welcome and supported by the people of Crimea is unknown. It is known however, that he is supported by the leaders of the local criminal structures.

Mr. Aksyonov has set a general referendum in Crimea on 16 March 2014 with a view to let the people of Crimea express their will – either to stay with Ukraine or to join Russia. Mr. Aksyonov himself is a violent supporter of the latter option.

Planning of the said referendum in Crimea, in the first place, makes the political situation in Ukraine even tenser as the Crimea is an autonomous republic within Ukraine and as per the Law of Ukraine it is only possible and legitimate to hold referendum among the whole population of Ukraine. In the second place, but not less important, we can hardly hope that this referendum will be fair and equitable bearing in mind that Russian armed detachments now feel like home in this region.

Appearance of the new self-proclaimed authority with a center in the capital of Crimea Simferopol makes the nearest future of the region, economical aspect in general and operation of the ports in particular, very vague. The thing is the whole number of state institutions, including customs authorities in the ports of Kerch and Theodosia, recognized the new self-appointed authority in Crimea. The practical result of it may be that the loading/discharging operations in these ports will be thwarted.

As we all know the loading of the cargo on board a ship can be started when, firstly, the cargo is available for loading, and, secondly, the cargo has passed the customs clearance. Today, it's quite possible that customs authorities in Kerch and Theodosia, supporting the new self-proclaimed government in Crimea, will deny Ukrainian cargoes customs clearance and a ship won't be able to start loading. We really think that such scenario is quite plausible as the central Ukrainian authorities have no power now in Crimea. Apart from the Customs, sanitary control service is capable to hinder the process, for example refusing to come aboard and make the inward clearance.

As regards the third port of Crimea, Sevastopol, the situation there is more stable. For the present we do not expect such chaos as described above to take place in this port.

Fortunately, no bad news has been received so far in respect of other ports of Ukraine – they operate in the usual manner and we do hope will continue to do so in future.

From: DIAS Marine Consulting p.c., Odessa, Ukraine

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