

Circular From GARD**Date: 29 March 2022****War in Ukraine - impact on crew contracts, claims and repatriation**

Many Gard Members employ Ukrainian and Russian seafarers. We outline some of the Frequently Asked Questions related to employment terms and also the impact of the war on P&I cover for crew claims.

While each question will depend on the specific facts, we provide below some general guidance which will be supplemented as events unfold.

1 What if a Member has Ukrainian crewmembers on board and the crew contracts are about to expire and the seafarer wishes to extend his or her contract and remain on board?

- The Ukrainian ITF affiliate - Union Marine Transport workers Trade Union of Ukraine (MTWTU), has issued a [statement](#) saying that seafarers can extend their contracts and MTWTU recommends that they “remain on board for as long as it becomes possible and safe to return to the Ukraine”.
- Members should work with their seafarers to ensure that there is a clear agreement to extend or modify their Seafarer Employment Agreements.

2 What if a Ukrainian seafarer wishes to terminate the contract early?

- Members who wish to accommodate the request are recommended to obtain a written acknowledgement and waiver of the contract terms including alteration of the place of repatriation. The International Group of P&I Clubs (IG) has prepared a template wording for this purpose which is found at question number 7 below. The IG clubs have not approved the wording, merely providing Members with a suggestion and they will need to seek legal advice based on the particular contract and jurisdiction involved.

3 Can a Member repatriate a Ukrainian crewmember to a country/destination other than provided for in the Seaman's Employment Agreement?

- According to the Union Marine Transport workers Trade Union of Ukraine (MTWTU) [statement](#) “for those seafarers willing to return home upon expiry of their employment contracts/terminating their employment, flight tickets to neighboring friendly countries of Ukraine (main airports - Chisinau, Moldova and Warsaw, Poland; Hungary, Slovakia, Romania) shall be purchased by the company, as well as amounts to cover costs of transportation to Ukrainian land border/checkpoints shall be

reimbursed”.

- The seafarer’s request to repatriate to an alternate destination should be acknowledged with a signed waiver/release, preferably prepared with the legal advice of counsel familiar with the Seafarer’s Employment Agreement and Maritime Labour Convention (MLC) obligations, and in coordination with the representative union. A template wording prepared by the IG clubs is provided at question number 7 below.
- Repatriation to an alternate destination under a waiver/release may raise visa/refugee issues and needs to be carefully coordinated with the host country as the permissible extent of stay will vary from country to country.
- If a waiver/release provides for the termination of all contractual obligations, i.e. wages, accommodation, subsistence, then Members may want to consider a certain period through which at least the accommodation and subsistence continues in the host country, perhaps with a provision for a potential extension depending on individual circumstances.
- Presumably the representative union(s) will take a pragmatic approach and work with Members, given the potential frustration of the Seafarer Employment Agreement/MLC obligations.
- Costs of repatriation, other than medical repatriation, are an operational expense not covered under P&I insurance.

4 How does the War Risk exclusion in the P&I Rules affect cover for personal injury, and death of seafarers?

- The P&I policy excludes war risks which would mean that Gard does not cover injuries or deaths that arise from the war in Ukraine. As an example, Gard does not cover an injury due to a missile strike even if the vessel was not the target.
- When not caused by war, cover for injury, illness and death is maintained even if the vessel is in a war zone. For example, injury due to a slip and fall during routine work aboard the vessel would be covered by P&I even if the vessel is in a Ukrainian port.
- Members should report injuries or deaths to both Gard and their War Risks underwriter in the event there is any doubt as to which policy responds.
- More information about the Rule 58 War Risk exclusion can be found in the [Gard Guidance](#) to the P&I Rules.

5 To what extent are the Ukrainian crewmembers covered under the P&I cover when transiting to or from the vessel?

- Subject to the war risk exclusion to P&I cover, crew cover under Rule 27 remains in place for crewmembers transiting to or from the vessel, provided these periods are covered under the employment contract. Costs covered include liability to pay hospital, medical, maintenance, funeral and other costs and expenses incurred in relation to the injury to, or illness, or death of a crewmember in accordance with the terms of the employment contract and/or applicable law. More information about cover can be found in the [Gard Guidance to Rule 27](#).

6 Will a Member be able to pay its Ukrainian and Russian crewmembers?

- Due to Russia’s continued aggression, the United States, European Union, and the United Kingdom

have all enacted countermeasures in the form of sanctions.

- Members should err on the side of caution and seek legal advice in the appropriate jurisdiction if payments to crew or next of kin are to be sent to the Ukraine or Russia.
- Gard is also carefully monitoring these new sanctions, as the restrictions apply to Gard as well.

Additional resources

This FAQ is relevant to the crew cover provided by Gard and does not address the many difficult and changing security and operational challenges relating to the war. We recommend that Members refer to their associations, like [Intertanko](#), and [BIMCO](#) who have provided more detailed advice for their respective clientele. (These association websites require membership and passwords)

Source of Information: The Gard P&I Club