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## **IMPACTS OF THE WAR IN UKRAINE ON GLOBAL SHIPPING**

It is a well known fact that since the beginning of the full-scale invasion of the Russian Federation into the territory of Ukraine, the shipping industry has suffered in several directions: the loss of people and ships in the Black Sea, the violation of trade with Russia and Ukraine, and the growing burden of sanctions. The industry also faces challenges in day-to-day operations related to crew implications, cost and availability of bunker fuel.

Therefore of constant shelling by the occupiers, all ports of Ukraine remain blocked, and entry and exit of ships is impossible.

We would like to point out that Turkey and their ferry operator Cenk Lines, which had 4-5 vessels regularly operating at the port of Chornomorsk, suffered to a large extent. Two of their ferries remain blocked among 80 others currently in Ukrainian ports [1].

Importers shifted their focus from the Black Sea to purchases from Argentina and India, due to which trade flow have shifted there and, accordingly, freight in these directions became more necessary. Thus, the start of hostilities in Ukraine caused an increase in freight rates in other regions.

As for the grain itself in Ukraine, if you believe the members of the parliamentary committee on agrarian and land policy, Ukraine has enough of its own grain for the domestic market. A maximum of 20 million tons is consumed within the country every year. Despite the fact that this year was harvested less than last year, what was harvested is considered sufficient.

"Private and government funds, primarily American, will provide special 200-ton agricultural bags. Harvest can be stored in them for up to 24 months. Next, we need to

have a conversation about the capital construction of granaries," noted Dmytro Solomchuk (parliamentarian) [4].

Thanks to international partners and kind-hearted people who care about the situation in the country, we have a chance to restore ports in some cities after the end of the war.

For some reason, no one raises this topic, but now the problem of insufficient crew is very relevant. A full-scale invasion of Ukraine has consequences not only for the naval forces of the state, but also has certain consequences for the global maritime workforce [2]. Trapped crews face the constant threat of attack with limited access to food and medicine. Unfortunately, several crewmembers have already died as a result of the shelling.

According to the International Chamber of Shipping (ICS), Russian sailors make up a little more than 10% of the total workforce in the shipping industry, and another 4% are from Ukraine. With many direct flights to Russia suspended and fewer ships operating at Russian and Ukrainian ports, it may be difficult for seafarers from these countries to return home after their current contracts expire [3].

It is impossible not to mention the release from the Russian occupation of Zmiiny Island, which allowed the use of the Bystre mouth, which connects the Danube and the Black Sea with a shipping channel. Thanks to this transport corridor for the entry and exit of ships, the Romanian Sulina Canal has been somewhat relieved [2].

In addition, the proximity of Ukrainian Danube ports to Romania as a NATO country makes the river transport corridor safer than the sea one.

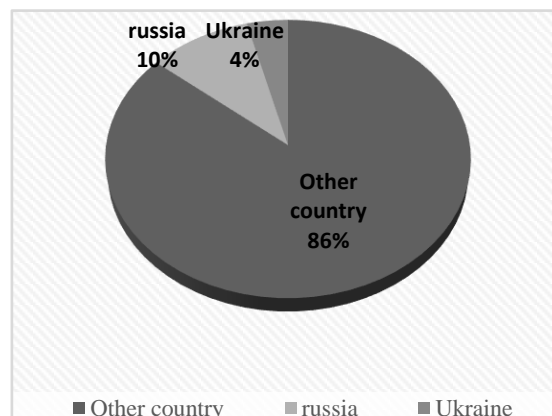


Fig. 1 Workforce in the shipping industry

*Compiled by the author using the source [2]*

In conclusion, we can say that today the relevance of sea logistics has decreased significantly compared to rail and land. However, eventually the war will end with the victory of Ukraine and this will lead to the unblocking of the ports and the return of relevance of the freight market. As for the situation in the world, since the beginning of hostilities, cargo flows from the Black Sea have decreased, freight rates have dropped significantly, and a significant part of the tonnage stopped entering the Black Sea due to military risks and was relocated to other regions.

We can also note that until the hostilities end, shipping will for the most part "stand still". However, the key to the successful recovery of shipping in Ukraine is the effective cooperation of the authorities, international investors and business.

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