

# THE GRAIN AGREEMENT OVERVIEW

Report issued by Skytek: at 12:00 GMT on November 01<sup>st</sup>, 2022

## SUMMARY

On July 27th, 2022, the United Nations (UN) secretary general announced the implementation of a UN initiative to allow commercial food exports from three key Ukrainian ports in the Black Sea – Odesa, Chornomorsk, Yuzhny, valid for three months and due for renegotiation on November 17<sup>th</sup>.

Skytek recorded 340 unique merchant vessels registered with the Joint Coordination Centre (JCC) until October 27<sup>th</sup>, approved to enter Ukraine, and performed 402 voyages (some ships carried out 5 voyages during the period) under the UN initiative.

The total cargo exported from Ukraine through October 27<sup>th</sup> amounts to 9.016 million tonnes, and Skytek represents in Figure 1 the top ten countries which imported food stock products from Ukraine by the total quantity received in the three months.

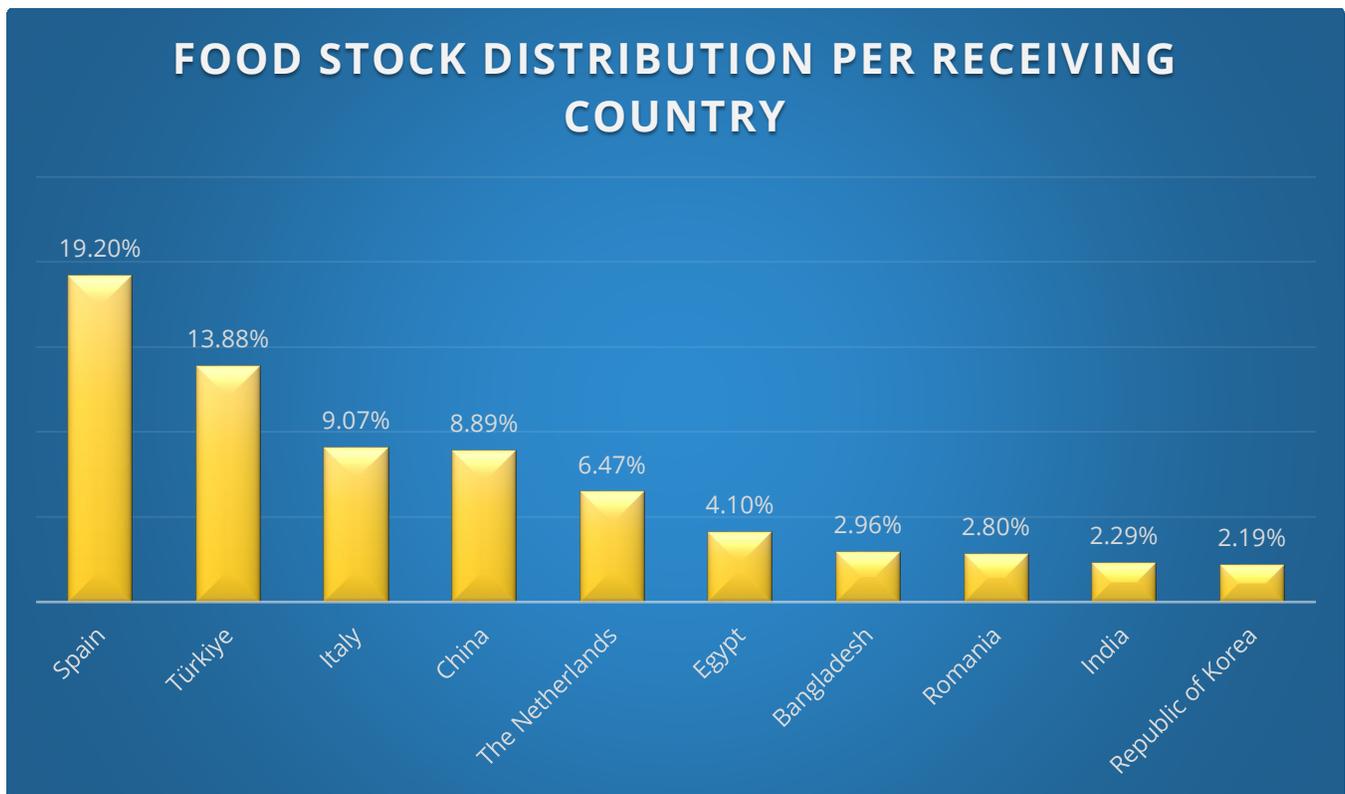


Figure 1- August 27th , 2022 to October 27th, 2022 – food stock distribution by receiving country

## SHIPS TRAPPED IN UKRAINE FEBRUARY 24<sup>TH</sup> TO OCTOBER 31<sup>ST</sup>, 2022

On February 24<sup>th</sup>, 2022, more than 90 foreign flag merchant ships became trapped in the Black Sea and Sea of Azov ports of Ukraine due to the Russian invasion of Ukraine. Skytek intelligence platform placed the aggregated market value of the assets trapped in Ukraine at \$864 million.

Skytek is closely monitoring the Black Sea High Risk Area (HRA), as per the latest definition through [JWLA-030](#) from the Joint War Committee (JWC), tracking the activity in the area, whether it is missile attacks on ships or ports infrastructure or ships that were able to sail away from Ukrainian waters.

On October 31<sup>st</sup>, 2022, 51 foreign flag merchant ships were still trapped in the Ukrainian ports, and Skytek records indicate that seven of them have suffered total or partial damage due to military activities. The current market value of the 51 assets is estimated at \$398 million.

## SHIPS CALLING UKRAINE PORTS UNDER JCC AGREEMENT

Since starting the Grain Agreement initiative an average of five ships per day departed from Ukrainian ports, to export grain or edible oils. On October 29<sup>th</sup>, Russia which is part of the Grain Agreement has changed its status and Skytek lists below timeline and key events:

### October 29<sup>th</sup>, 2022

Following a drone attack on the port of Sevastopol, the Russian Defence Ministry was quoted saying: "... Russia suspends its participation in the implementation of the agreement on the export of agricultural products from Ukrainian ports".

Four ships departed from Ukrainian ports in laden condition exporting 95,000 tonnes,

### October 30<sup>th</sup>, 2022

A plan to move 16 ships out of Ukraine and continue JCC inspections at Istanbul anchorage for another 40 ships was agreed upon between Turkey, Ukraine and UN representative and Russia was informed.

No ships moved in or out of Ukrainian ports.

**October 31<sup>th</sup>, 2022**

As planned a day earlier, 13 Bulk Carriers with an aggregated value of \$255 million and carrying 438,700 tonnes of food stocks departed from Ukrainian ports and two tankers with an aggregated value of \$22.8 million entered for loading.

**November 01<sup>st</sup>, 2022**

Russia stated it is suspending its participation in the grain agreement rather than ending it. However, the Russian president said it would be too risky to continue sailing ships through the grain corridor.

Turkey declared it will continue its efforts for the Black Sea grain export deal despite Russian hesitancy.

Skytek, tracking the activity in the Black Sea, notes that additional two Bulk Carriers, with an aggregated value of 9.37 million, departed from the ports of Chornomorsk and Yuzhny, respectively, carrying 35,490 tonnes of Wheat and Sunflower meal.

On November 01<sup>st</sup>, Skytek recorded seven Bulk Carriers and one Chemical Tanker alongside Ukrainian ports for loading.

**November 02<sup>nd</sup>, 2022**

The UN and Turkey's diplomatic efforts saw Russia re-joining the Grain Agreement initiative late today, and JCC advised shipments will resume from November 03<sup>rd</sup>.

Skytek tracks three Bulk Carriers departed in the morning from Chornomorsk, Odesa and Yuzhny ports but waiting at anchor off Odesa before entering the safe corridor.

Skytek mapped in Figure 2 the movement through the Black Sea of the ships registered with JCC under the Grain Agreement as captured for October 31<sup>st</sup> when one of the largest grain shipments departed from Ukraine.

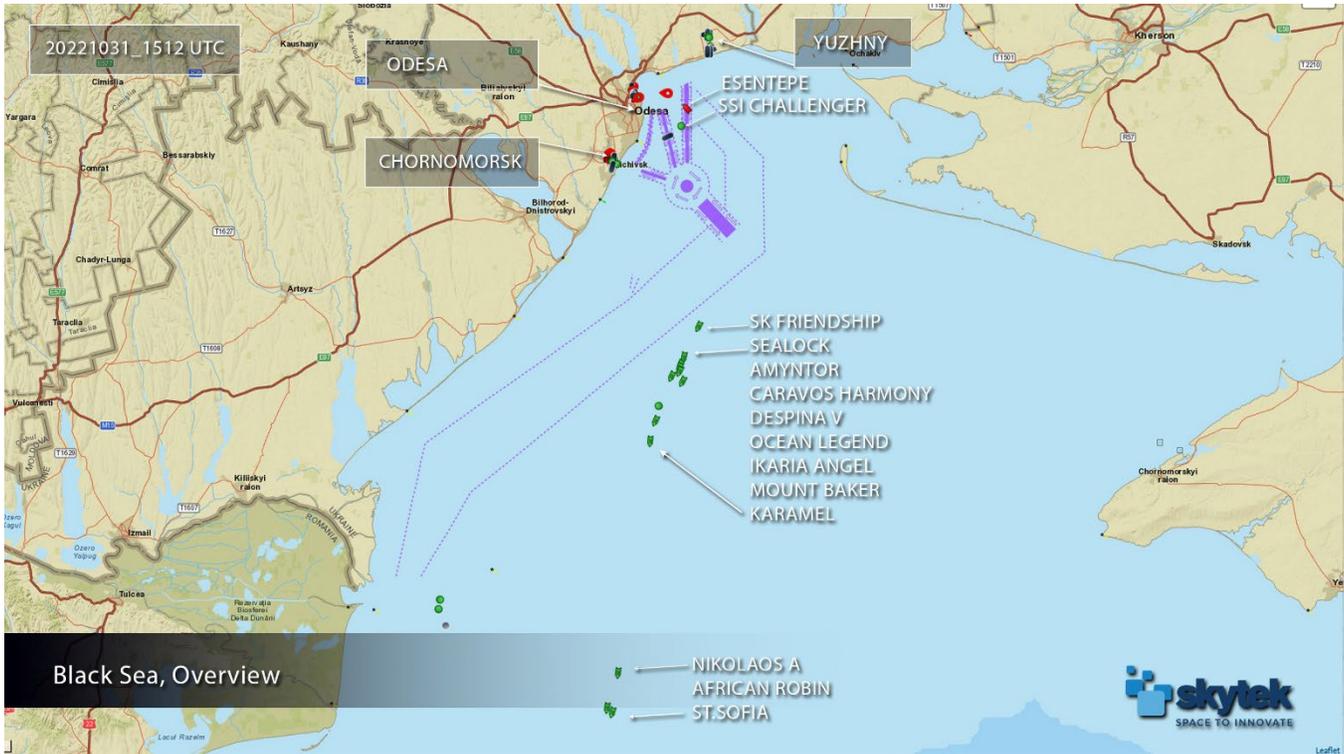


Figure 2 - Skytek overview of the Black Sea mapping the JCC registered ships movements, October 31st, 2022

## SHIPS FROM UKRAINE WAITING FOR JCC CLEARANCE AT ISTANBUL

As per the terms of the Grain Agreement, the vessels loaded in Ukraine must be inspected by a JCC team before proceeding to their discharge ports.

Skytek records that on November 01<sup>st</sup>, in the designated anchorages at both ends of the Bosphorus Strait, 107 foreign flag merchant ships carrying food stock cargoes loaded from Odesa, Yuzhny, or Chornomorsk are waiting at anchor for the team of the JCC inspectors for the final clearing inspection.

In Figure 3, Skytek represents an overview of the Bosphorus Strait Southern anchorage captured on October 21<sup>st</sup>, highlighting the build-up of ships waiting for JCC clearance.



Figure 3 - Skytek overview of the Southern Bosphorus Strait anchorage, October 21st, 2022



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