

COVID-19 Update

The outbreak of the Coronavirus 2019 (COVID-19) in Wuhan, China, earlier this year has caused a lot of uncertainties around the world. Measures are implemented in the fight against the spread of this virus, such as port restrictions and even complete lock-down of cities. Following our previous circular, we would like to give an update and answer some FAQ.

1. What is COVID-19?

COVID-19 is an acute viral respiratory disease. The symptoms include fever, cough, difficulty in breathing and fatigue; severe complications, including pneumonia and kidney failure are possible. For a live update on the COVID-19 outbreak, please check this <u>mapping tool</u>.

2. Why is COVID-19 now declared as a pandemic and what are the implications?

On the 11th of March 2020, the World Health Organisation (WHO) characterised COVID-19 as a pandemic. This means that a new disease, for which people do not have immunity, spreads around the world beyond expectations. Declaring a pandemic has nothing to do with changes to the characteristics of a disease, but is instead associated with concerns over its geographical spread.

3. What is the impact on charter parties and other contracts?

It is advisable that parties address in their contracts the particular risks of the outbreak so that any possible delays are clearly apportioned between the parties, and disputes and additional costs are avoided. Important clauses that have to be reviewed are:

- · force majeure clause;
- · cancellation and/or frustration clause;
- off-hire clause;
- laytime and demurrage provisions; and
- quarantine clauses and exceptions clauses.

Additional contractual advice from BIMCO can be found on their website.

Please feel free to contact our Client Services Desk for specific questions about clauses and contracts.

4. Are there any port entry restrictions?

It has been reported that an increasing number of ports are now starting to apply a 14-day or even a 15-day quarantine for all inbound vessels. The quarantine period usually starts as of the date of sailing from the last port of call. This means that delays are to be expected, especially for voyages shorter than 14 days. Therefore, extra checks need to be performed before nomination of the port.

For an overview of port restrictions worldwide, please consult the <u>interactive map</u> that is updated regularly. In addition, the BIMCO live update on the COVID-19 implementation measures for sea transport worldwide can be found <u>here</u>.

5. What to do when a person on board is sick?

All ships are advised to implement a disease outbreak management plan. Early detection, prevention and control of COVID-19 cases onboard ships must be a priority to avoid further transmission of the virus.

If a crew member falls sick with the COVID-19 infection on board the vessel, this could lead to a deviation and/or quarantine of the vessel. If crew members have a fever, cough or difficulty breathing, it is important to seek medical attention promptly.

In the event a seafarer is diagnosed with COVID-19 or is suspicious of having been infected, the master should report the event as soon as possible to the next port of call in order to allow the relevant authority at the port to arrange medical assistance. The ship may be asked to proceed to another port in close proximity if there is no capacity available.

For further advice please consult:

- Guidance for Ship Operators for the Protection of the Health of Seafarers prepared by the International Chamber of Shipping <u>here</u>,
- · WHO Operational considerations for managing COVID-19 cases on board ships here, and
- WHO Handbook for management of public health events on board ships here.

We recommend to follow the updates of the WHO, which can be found on this website: https://www.who.int/emergencies/diseases/novel-coronavirus-2019

This information is meant for guidance only. Should you require more information or assistance, please feel free to contact our Client Services Desk: ClientServicesDesk@msamlin.com



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