



***Third Informal Multidisciplinary Advisory Group Meeting on Transport  
Responses to the COVID-19 Crisis***

***Exchange of views on possible recommendations to increase resilience to future outbreaks –  
by Governments, private sector operators and international organizations***

***UNECE, 29 June 2021***

**COVID-19: responding to some of the key implications  
for international (maritime) transport and trade and  
building resilience**

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## Working together to better respond to pandemics through resilient supply chains, transport and trade.



### Contactless solutions

It aims at minimizing physical contact among people in cross-border supply chains by facilitating the flow of goods without spreading the virus.

eTIR International System application / Interagency multidisciplinary Advisory Group >

Electronic trade and transport documents and data >

Supporting the implementation of automated road and rail solutions >

Support to implementing best practices in TF in times of crisis and epidemic >



### Seamless connectivity

It focuses on eliminating obstacles to cross-border trade and transport operations arising from the COVID-19 crisis.

UNCTAD/ ASYCUDA Guidelines >

Cross-border processes performance management – ASYPM >

Facilitate Humanitarian aid flows through efficient and managed coordination – ASYREC >

Key international commercial law implications >

National TF Committee coordination: general >

National TF Committees coordination: best practices in times of crisis and epidemic >

National TF Committees: ECE >

TRAINS online NTM portal & training >



### Collaborative solutions

It seeks to strengthen regional and sectoral cooperation to facilitate joint actions and solutions in responding to the COVID-19 pandemic.

Asia Pacific Region >

Africa Region >

West Asia Region >

Latin America and the Caribbean Region >

Europe and Central Asia Region >

Regional Trade Facilitation coordination >

Port resilience against invisible threats >

Maritime Supply Chain Resilience Tracker and KPIs >

## Activities

UN Global Survey on Digital and Sustainable Trade Facilitation 2021  
4 Jan 2021 - 30 Jun 2021

Building Port Resilience Against Pandemics  
31 Mar 2021 - 28 Feb 2022



## Partners



ECLAC  
Economic Commission for Latin America and the Caribbean



ESCAP  
Economic and Social Commission for Asia and the Pacific



ESCWA  
United Nations Economic and Social Commission for Western Asia



UNCTAD  
United Nations Conference on Trade and Development



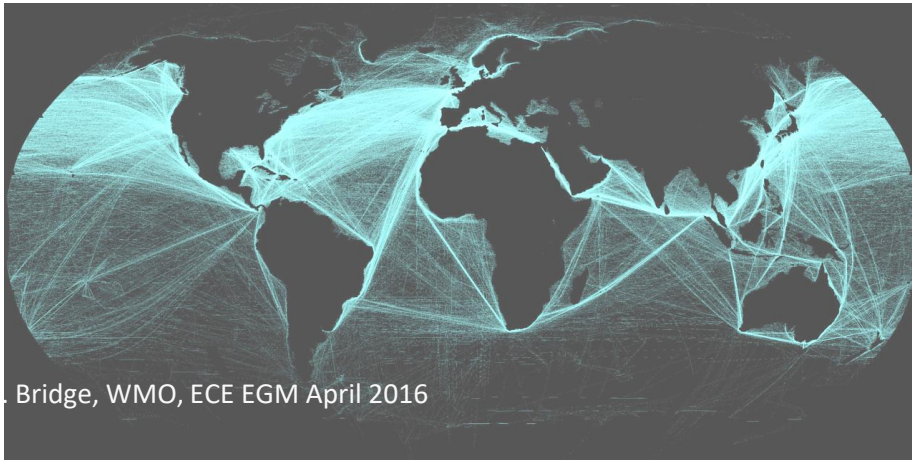
UNECA  
United Nations Economic Commission for Africa



UNECE  
United Nations Economic Commission for Europe



## Maritime Transport: a critical facilitator of global trade and development



Bridge, WMO, ECE EGM April 2016

Global shipping movements

Over 80% of volume (70 % of value) of world merchandise trade is carried by sea (port to port): shipping and ports are key links/nodes in the network of closely linked international supply chains

Globalization: interconnectedness/interdependence of shipping/ports and transport across supply chains

Seaborne trade: around 60% of goods loaded/unloaded in developing countries ([UNCTAD RMT 2020](#))

### Wide-ranging socio-economic and trade-related implications of the COVID-19 pandemic and related response, including for:

**Seafarers and crew change issues** - vital during the COVID-19 pandemic to ensure shipments of food, medical supplies, fuel, and other essential goods, and helping keep supply chains open and global commerce running

**Commercial contracts and related claims (eg International Sale of Goods, Carriage of Goods by Sea)**



## COVID-19: Seafarers and crew change issues

For some key developments, see: [Facilitating crew changes and repatriation of seafarers during the COVID-19 pandemic and beyond](#), UNCTAD, March 2021

- To ensure food security, medical supplies, provisioning of populations, and harness economic benefits from growth in e-commerce, **physical supply chains need to be secured** in a coordinated way across the globe
- **Recommendations and guidance** (gov, IGO/NGOs) to ensure seafarers are protected from COVID-19, medically fit, with access to medical care, and ships and port facilities meet international sanitary requirements
- Border closures, lockdowns/preventative measures have resulted in hundreds of thousands of **seafarers stranded at sea** far beyond expiration of their contracts
- Calls by [international organizations](#), [industry bodies](#) and [governments](#), urging States to: **designate seafarers and other marine personnel as key workers**: accept **seafarers' identity documents** as evidence of KW status; allow flexibility to divert ships / **call in ports where crew change is possible, without imposing penalties**.



- In December 2020, UN General Assembly resolution adopted: “International cooperation to address challenges faced by seafarers as a result of the COVID-19 pandemic to support global supply chains” (A/RES/75/17)

Inter alia, urges States to **designate seafarers and other marine personnel as key workers** and **implement the IMO protocols** to ensure safe ship crew changes/travel during the COVID-19; calls upon governments to promptly implement measures to **facilitate maritime crew changes**

- Neptune Declaration on Seafarer Wellbeing and Crew Change, signed by 600+ companies/organizations recognizing their shared responsibility to resolve the crew change crisis (Jan 2021)
- As of 20 May 2021, 62 IMO Member States/Associate Member States had signed on to designate seafarers as key workers
- UNCTAD will monitor and report on relevant developments to GA as part of RMT 2021
- Freight costs have dramatically risen as a result of the pandemic – reducing costs critical, especially for those most affected, e.g. vulnerable island nations/SIDS



## COVID-19: Key international commercial law implications

- Unprecedented disruptions associated with the pandemic and its socioeconomic consequences giving rise to a plethora of **legal issues affecting traders across the globe**
- Effects may lead to business losses and **bankruptcies** and **overwhelm courts and legal systems, with implications for governance and the rule of law**
- In all cases where **performance is disrupted, delayed, impossible**, legal consequences arise, increasing need for **dispute resolution/litigation; jurisdictional issues** in a globalized context, as well as **costs**
- **Common and collaborative approaches** needed to reduce incidence of disputes and facilitate their resolution:
  - contractual extensions; **restraint in pursuing legal rights and claims**; efforts at mediation and informal dispute resolution (ADR); related **capacity-building to strengthen ADR**
  - **commercial risk-allocation** (standard form clauses drafted to address contractual rights/obligations in light of the circumstances associated with the pandemic)
- Governments should consider where **temporary financial support or regulatory easement** may be required to avoid widespread business failures and protect essential flow of goods across all trade routes; establish **cross-sectoral institutional, planning and regulatory framework for resilience building**; and **secure production and supply chains for critical medical and other supplies**





## COVID-19: Key international commercial law implications

Additional considerations arise from greater reliance on electronic trading in a physically constrained world:

- **E-commerce will grow significantly, but contracts need to be performed in the real world**, i.e goods need to be manufactured/stored/distributed/transported, delivered), **requiring physical networks/infrastructures** - with important restrictions on movement continuing, this will be a major challenge.
- **Cyber-risks likely to increase significantly** as a result of an increasing shift to virtual interactions at all levels; this increases vulnerabilities across the globe, with the potential for crippling effects on critical supply-chains and services
- **Coordinated efforts at protection against cyber-crime and attacks should be pursued as a matter of urgency**; requires significant scaling up of investment and capacity building, including in respect of skilled human resources.



## Key international commercial law implications



**COVID-19 implications for commercial contracts: International sale of goods on CIF and FOB terms**



**COVID-19 implications for commercial contracts: Carriage of goods by sea and related cargo claims**

Available at <https://unctad.org/ttl/legal>; See also related: [COVID-19 and maritime transport: Impact and responses](https://unttc.org/); <https://unttc.org/>; [UNCTAD policy brief](#)





## COVID-19 pandemic - a cautionary tale

Wide-ranging socio-economic impacts of the COVID-19 pandemic

- illustrate effect of disruptions to transportation/supply-chains, with extensive economic costs and broader trade-related implications
- underline the critical importance of risk-assessment, preparedness and resilience

Climate change adaptation for global ports and other key transport infrastructure remains a major and increasingly urgent challenge - in light of high/growing risks: see [Climate change impacts on seaports: a growing threat to sustainable trade and development](#); see also [UNCTAD's related work since 2008](#)

- Note e.g. research by [Swiss Re](#) reported in the Guardian, 7 June 2021: [Climate crisis to shrink G7 economies twice as much as Covid-19, says research - G7 countries will lose \\$5tn a year by 2050 if temperatures rise by 2.6C](#)

Lessons learnt should provide impetus for climate risk/vulnerability assessments of critical transport infrastructure and foster early long-term planning, essential to enhancing resiliency and 'building back better'



**Thank you!**



## For further information see also:

- [UNCTAD Review of Maritime Transport 2020, Chapter 5.E.](#)
- [COVID-19 - Member States and Associate Members Communications](#), and [COVID-19-related IMO circulars](#) (guidance from IMO and other international organizations).
- UNCTAD, [Coronavirus: Let's keep ships moving, ports open and cross-border trade flowing](#), 25 March 2020;
- UNCTAD-IMO [Joint Statement in support of keeping ships moving, ports open and cross-border trade flowing during the COVID/19 pandemic](#), 8 June 2020.
- UNCTAD Technical Note on [Port Responsiveness in the fight against the “invisible” threat: COVID-19](#);
- [UNCTAD – Repositories of measures on cross-border movement of goods and persons.](#)
- [Neptune Declaration crew change indicator](#) (May 2021)
- IMO [Circular Letter dated 20 May 2021](#): data on Member States/ Associate Members, which have signed on to designate seafarers as key workers.
- IMO's online [Global Integrated Shipping Information System \(GISIS\)](#): also provides information from States on national focal points for crew change and repatriation of seafarers