

# Shipping companies in 'impossible position' as proof of seafarer vaccinations poses legal minefield

- ICS warns that shipowners may be forced to cancel voyages if crew remain unvaccinated.
- 900,000 seafarers are from developing nations, where vaccines may not be available until 2024.
- Shipping companies stuck between legal 'rock and a hard place' as some governments seek proof of seafarer vaccinations to be able to enter ports and require seafarers to be vaccinated with vaccines not on the WHO list of vaccines for Emergency Use.
- Shipping companies unable to change current contracts to guarantee vaccinations.

**London, March 22 2021**: The International Chamber of Shipping (ICS) has warned that lack of access to vaccinations for seafarers is placing shipping in a 'legal minefield', while leaving global supply chains vulnerable.

A legal document due to be circulated to the global shipping community later this week by ICS highlights concerns that vaccinations could soon become a compulsory requirement for work at sea because of reports that some states are insisting all crew be vaccinated as a pre-condition of entering their ports.

However, <u>reports estimate</u> that developing nations will not achieve mass immunisation until 2024, with some <u>90% of people</u> in 67 low-income countries standing little chance of vaccination in 2021. ICS calculates that 900,000 of the world's seafarers (well over half the global workforce) are from developing nations.

This is creating a 'perfect storm' for shipowners, who may be forced to cancel voyages if crew members are not vaccinated. They would risk legal, financial and reputational damage by sailing with unvaccinated crews, who could be denied entry to ports.

Delays into ports caused by unvaccinated crew would open up legal liabilities and costs for owners, which would not be recoverable from charterers. Furthermore, while owners would be able to address the need for seafarer vaccines in new contracts, owners attempting to change existing contracts or asking crew to receive a specific vaccine requested by a port could open themselves up to legal liabilities.

The uncertainty comes at a crucial moment in the ongoing role of shipping in the global supply chain during the Covid-19 pandemic.

Shipping is expected to overtake aviation in the race to deliver vaccines around the world in the second half of 2021, in a distribution drive that <u>is estimated</u> to take four years. Shipping is also a vital method of transportation for accompanying personal protective equipment (PPE), whose estimated total volume will be 6-7 times that of the vaccine and refrigeration systems.

Seafarers are among the most internationalised workers in the world, crossing international borders multiple times during a contracted period, with up to 30 nationalities on board at any one time. ICS's legal document noted that it is likely that a Covid-19 vaccination: 'Will be required by most if not all states and therefore [it] would reasonably be considered to be a "necessary" vaccination.'

## ICS secretary-general Guy Platten said:

"Shipping companies are in an impossible position. They are stuck between a rock and a hard place, with little or no access to vaccines for their workforce, particularly from developing countries.

"We're already seeing reports of states requiring proof of COVID-19 vaccination for seafarers. If our workers can't pass through international borders, this will undoubtedly cause delays and disruptions in the supply chain. For a sector expected to help drive the global vaccination effort, this is totally unacceptable."



"This is a key issue for shipping but could also have a significant impact across many sectors as international business recovers."

**Bud Darr, Executive Vice President, Maritime Policy and Government Affairs at MSC Group, added:** "While we haven't seen it yet, we're definitely concerned that the lack of vaccinations will become an obstacle to the free movement of seafarers this year.

"Seafarers have already given us so much. Navigating quarantines, the suspension of flights routes and health restrictions that have kept them away from their family and friends. All to keep the world supplied with essential goods.

"The shipping industry needs to find creative solutions to the problem. In the short term this means getting seafarers vaccinations in their countries where there are established programmes and sufficient supplies of vaccines. In the long term it's about exploring the idea of public-private partnerships. There may even be the opportunity, when the initial surge of need is met for national allocation, for manufacturers to provide vaccinations directly to shipowners to allocate/administer to these key workers."

The International Chamber of Shipping is currently exploring all avenues to find a solution. This includes the implementation of vaccinations hubs across key international ports, as suggested by the Cypriot government. If a solution to provide direct access of vaccines to seafarers is not found, shipowners fear a return to the crew change crisis of 2020 that saw 400,000 seafarers stranded on board ships across the world due to travel restrictions and international lockdowns.

### **Guy Platten concluded:**

"Many think we're in a vaccination sprint. The reality is we're at the start of an ultra-marathon, and seafarers will be key in getting across the finish line. We need to keep them safe and for governments to play their part by ensuring that vaccines for seafarers have been approved by WHO for emergency use. There are currently more than 50 vaccines each at different stages of testing and approval and only some of these have been recognised by WHO as suitable for emergency use. Yet some states are imposing vaccines for seafarers that are not on the WHO list of vaccines for Emergency Use. If we're to maintain internationalised workforces, this needs to change immediately."

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## About ICS

The International Chamber of Shipping (ICS) is the principal international trade association for merchant shipowners and operators, representing all sectors and trades and over 80% of the world merchant fleet.

### Media enquiries

For all press related enquiries click <u>here</u> or call Duncan Bray on +44(0) 797 222 4445 in UK office hours or +44(0) 208 638 8753 out of office hours.

### Notes To Editor

Travel:

- Currently 87% of medical products by volume are sent via sea, versus 13% by air.
- Find up-to-date global travel restrictions <u>here</u>.
- EU plans to implement a vaccine passport, focused on intra-European travel rather than to attend to seafarers of international workforces.
- <u>Australia's Qantas</u> has said that they will not allow passengers onboard who have not been vaccinated.
- <u>China</u> has recently relaxed entry restrictions only for foreigners inoculated with the Chinese vaccines



• <u>UK</u>, <u>Sri Lanka</u>, Norway, and others are allowing safe passage for seafarers if they travel directly after off-boarding.

Crew Change:

- 200,000 seafarers are currently impacted by the crew change crisis.
- <u>57 member states and 2 member parties</u> have classified seafarers as key workers.

Figure 1: Percentage of seafarers by nationality

