

Call-To-Action: Imminent Threats to the Integrity of Global Supply Chains

To slow the spread and mitigate the effects of COVID-19, countries all over the world have closed borders, curtailed travel and imposed quarantine and social isolation restrictions. These extensive measures at the national-level threaten the integrity of global supply chains carrying cross-border flows of food, fuel, medical supplies, raw materials and products needed for society to function and to support the health and well-being of all people. Without immediate and coordinated political actions to facilitate the cross-border movement of goods and key workers, significant delays and disruptions are likely to appear within a very short period of time.

The scale, complexity and urgency of the problem call for a comprehensive, systemic and coordinated approach at the global level. These issues cannot be effectively dealt with on a case-by-case basis, bilaterally or between a limited number of countries. An absence of decisive policy responses at the global level will likely trigger ripple effects which will reverberate through national economies and impede cross-border supplies of critical goods.

The COVID-19 pandemic is a human, economic and social crisis transcending national and administrative borders, threatening lives and livelihoods, and grinding global economic systems to a halt. A particular challenge concerns **ocean-based supply chains**. Almost 90 per cent of the global trade of goods is carried by vessels. Offshore operations are essential to global energy supplies, and mariculture and capture fisheries constitute vitally important sources of food and animal feeds.

Regional and inter-continental shipping constitute the **core of the global logistical system**. At any given time, 50,000 vessels and 1.2 million seafarers are in operation between ports in different parts of the world. Each year, these vessels make more than 4 million port calls. As a consequence of national COVID-19 measures, local restrictions and reduced worker capacity in ports, new challenges are emerging and compounding for vessels calling at ports for discharging, loading, maintenance, repair, certifications and crew changes.

These restrictions are also placing the **physical** and **mental health** of these 1,2 million seafarers at risk. Ensuring seafarers have crucial access to the medical attention that would have been provided previously is proving almost impossible. A further **critically urgent problem** concerns the **monthly changeover** of 100,000 seafarers finishing their contracts. Travel restrictions and grounded airplanes have rendered routine **crew changeovers** virtually impossible. As a temporary solution, changeovers due in April have generally been postponed for one month, until mid-May. Although work cycles vary in the offshore sector, capture fisheries and coastal fish farming, these **will all run into similar problems** within a short period of time.

The challenge of moving key personnel is not just limited to seafarers. While looming labour shortages in the aquaculture industry pose a risk to the **seafood sector**, it is already almost impossible to get specialized personnel **on board vessels** and **offshore energy platforms** or into ports to undertake operations, maintenance and repair. Regulatory and classification bodies and trade unions are unable to get representatives on board to ensure compliance with safety and employment regulations and crew welfare, and to renew classifications and certifications approaching expiration. While exemptions present an immediate solution, delaying these inspections, repairs and certifications put vessels, property, personnel, and the environment at an increased risk of a major incident.

While international companies, trade unions, industry associations and regulatory bodies have developed guidelines and protocols to deal with this unprecedented situation, there is an urgent need for international political action and coordination to facilitate the safe and efficient cross-border **movement of key personnel** and **flow of goods by sea**.

About this Task Force

To contribute in these unprecedented times, the <u>Sustainable Ocean Business Action</u> <u>Platform</u> of the United Nations Global Compact initiated a cross-sectoral COVID-19 Task Force with a fast-track dedicated to the need to ensure the continued supply of ocean-related transport, food and energy. The group consists of representatives from international companies, industry associations, financial institutions, UN specialized agencies and academic institutions. The recommendations below are a consolidation of Task Force meeting discussions, separate inputs from participants, and additional relevant materials (all listed in References). Further elaboration is **annexed**. The recommendations put forward are those of the Sustainable Ocean Business Action Platform, and do not necessarily reflect the position of all participating and cited organizations.

Recommendations to ensure the continuing safe and efficient functioning of ocean-related supply chains during the COVID-19 pandemic:

- I. Recognize the fundamental role robust international ocean-related supply chains play in the COVID-19 pandemic response
 - 1. Establish a **coalition of willing Governments** to champion the issue, raising cross-border awareness to ensure the integrity of global supply chains so that the **flow of goods by sea** is not disrupted.
- II. Pursue holistic and harmonized global cooperation and coordination to ensure the safety and integrity of ocean-related global supply chains

 Establish a dedicated Ocean Supply Chain Task Force consisting of champion Government representatives, industry associations and UN specialized agencies to facilitate the cross-border movement of key personnel and flow of goods by sea.

III. Ensure the continued cross-border flow of goods by sea to avoid disruptions to the integrity of ocean-related global supply chains

- 3. Maintain open borders for imports and exports to ensure the continued flow of goods by sea.
- 4. Pursue a coordinated and proactive "approach between Customs administrations and Port State authorities.
- IV. Adopt an internationally recognized "key worker" status system enabling unhindered movement, regardless of nationality, across international borders of personnel key to the safety and integrity of ocean-related supply chains
 - 5. Establish an internationally recognized list of **essential services** for the recognition of Governments, ensuring these take **ocean-related activities** into account.
 - Implement a globally recognized and uniformly implemented "key worker" status for those operating essential services, giving the workers a right to transit international borders and medical attention ashore.
- V. Implement measures to facilitate the safe and efficient cross-border movement of key personnel and flow of goods by sea

- 7. Facilitate the efficient **flow of goods by sea** by following best-identified port operations practices and measures.
- 8. Governments should facilitate the movement of key personnel by identifying airports and, if need be, ports in their countries from where defined key worker personnel changes can be resumed as soon as possible in accordance with established safety protocols.
- Ensure health and safety at ports and other cross-border movements on shore by following identified best practices and establishing strong ship to shore communication and cooperation.
- 10. Ensure **health and safety** on **sea-going** vessels and **offshore** infrastructure by establishing and implementing COVID-19 protocols for mitigating and preventing outbreaks at sea.
- 11. Governments should facilitate the delivery of essential medical supplies, as entitled by key worker status, fuel and other essential provisions from land to ships.
- VI. Adopt a uniform, evidenced-based and globally consistent approach to certification and classification procedures to ensure the safety and integrity of ocean-related global supply chains
 - 12. To ensure the safety of property, personnel, and the environment, key worker status **must be granted as soon as possible** to personnel essential for certification, classification and maintenance procedures, to help facilitate travel to offshore and sea-going infrastructures.
 - 13. In the meantime, Port State control authorities, flag administrations and other maritime nations should pursue a **consistent**, **uniform and**

evidenced-based approach to granting exemption measures across marine jurisdictions on vessel and personnel certification and classification.

VII. Establish a system of metrics to gauge disruptions in the global ocean-related supply chains

14. Establish a set of indicators that could serve to identify actual and potential disruptions in the ocean-related supply chains.

Elaborations on recommendations to ensure the continuing safe and efficient functioning of ocean-related supply chains during the COVID-19 pandemic

I. Recognize the fundamental role robust international ocean-related supply chains play in the COVID-19 pandemic response

Global ocean-related supply chains are responsible for the critical flow of food, fuel, medical supplies, raw materials and products needed for the continued functioning of modern societies and to support the health and well-being of all people. Political awareness and action at the highest level for the critical nature of this issue is essential.

 Establish a coalition of willing Governments to champion the issue, raising cross-border awareness to ensure the integrity of the global supply chain so that the flow of goods by sea is not unnecessarily disrupted.

¹ Kindly note the sources cited in the annex are subject to change and update in light of the evolving nature of the COVID-19 pandemic. Re-checking sources for updates is strongly encouraged.

II. Pursue holistic and harmonized global cooperation and coordination to ensure the safety and integrity of ocean-related global supply chains

The need for cooperation transcending national boundaries has never been greater, but policy responses thus far have largely been national. However, some cross-border initiatives have been established between cross-industry actors and associations, which should be effectively harnessed, avoiding duplication of efforts where possible. The international coordination developed during this crisis to keep supply chains intact will lay a foundation for how effectively future waves of COVID-19 and other challenges are approached.

- Establish a dedicated Ocean Supply Chain Task Force consisting of champion Government representatives, industry associations and UN specialized agencies to facilitate the cross-border movement of key personnel and flow of goods by sea. This could include, amongst others (listed in no order of priority):
 - a. International Chamber of Shipping (ICS)
 - b. International Transport Federation (ITF)
 - c. International Association of Ports and Harbors (IAPH)
 - d. International Association of Classification Societies (IACS),
 - e. International Association of Oil and Gas Producers (IOGP)
 - f. International Civil Aviation Organization (ICAO)
 - g. International Air Transport Association (IATA)
 - h. International Marine Contractors Association (IMCA)
 - i. UN Food and Agriculture Organization (FAO)
 - j. World Health Organization (WHO)
 - k. International Maritime Organization (IMO)
 - I. World Customs Organization (WCO)
 - m. International Labour Organization (ILO)
 - n. World Trade Organization (WTO)

III. Ensure the continued cross-border flow of goods by sea to avoid disruptions to the integrity of ocean-related global supply chains

Ensuring the ongoing flow of goods by sea is crucial to support both the COVID-19 pandemic response and to mitigate risks to economic and social life. The disruptions to international trade are already posing a risk to ocean-related supply chains and in turn to global food security. In the aquaculture industry, supply chain inputs, such as fish feed, are increasingly interrupted, posing risks to the seafood sector and its role as an important food source provider (see FAQ). To ensure the continued flow of critical goods to the COVID-19 response, urgently needed medical supplies are already being prioritized across the entire ports logistics chain (per IAPH).

- 3. Maintain open borders for imports and exports so that the flow of goods by sea is not disrupted.
- 4. Pursue a coordinated and proactive approach between Customs administrations and Port State authorities (as per <u>WCO/IMO</u>).
 - a. Consider prioritizing medical supplies as essential goods to the COVID-19 pandemic response to ensure no disruption of critical medical supplies (see for example <u>WCO/WHO</u>) at ports.

IV. Adopt an internationally recognized "key worker" status system enabling unhindered movement, regardless of nationality, across international borders of personnel key to the safety and integrity of ocean-related supply chains

Moving key personnel across international borders poses significant cross-sectoral challenges across ocean industries in shipping, offshore industries and others. Numerous occupations crucial for the safe and efficient continued functioning of global ocean-related supply chains rely on unhindered movement across both land and sea.

- 5. Establish an internationally recognized list of **essential services** for the recognition of Governments, ensuring these take **ocean-related activities** into account. A preliminary list could include the following based on identified **essential ocean services**:²
 - a. Maritime personnel and seafarers keeping trade flowing
 - b. Port workers, port authority and port service personnel, pilots, mooring tug and dredger crew, and ship suppliers
 - c. Health professionals responding to maritime medical emergencies
 - d. Salvors, naval architects, firefighters, oil spill response teams and other such emergency personnel responding to a maritime casualty
 - e. Carriers and their conveyances
 - f. Delivery services including first and last mile transportation from ports to ensure goods can continue to be supplied
 - g. Engineering and industrial personnel, such as energy technicians, who are providing critical offshore maintenance or certification
 - h. Other technicians for essential equipment maintenance and vessel certification
 - i. Those involved in the production, processing, sale and distribution of seafood and mariculture, such as fishermen
- Implement a globally recognized and uniformly implemented 'key worker' status for those operating essential services, giving the workers a right to transit international borders and medical attention ashore.
 - a. Professional certificate or employment letter as proof for key worker status.
 - b. Specific stickers to recognise key worker status at borders.
 - c. Seaman's discharge book or a seaman's card; see <u>IMO Circular Letter</u> <u>No. 4204/Add.6</u> for additional proposed identity documents for seafarers.

² List is based on recommendations from the UN Global Compact Ocean Task Force with input from a <u>document</u> released by the EU Commission on the free movement of workers during COVID-19 (see References)

d. See <u>draft template</u> of letters of authorization from the ICS/ITF to help seafarers and authorities recognize key worker status.

V. Implement measures to facilitate the safe and efficient cross-border movement of key personnel and flow of goods by sea

Facilitating the flow of goods by sea and the movement of key personnel requires coordination between numerous actors and bodies. The proposed **Ocean Supply Chain Task Force** would be well-positioned to address the measures needed. Moreover, the health and safety of key workers providing essential services and those maintaining the flow of goods by sea are of the utmost importance.

- Facilitate the efficient flow of goods by sea by following best-identified port operations practices (as <u>per IAPH</u>) and measures outlined by the IMO in <u>Circular Letter 4202/Add 6</u>:
 - a. Ports are urged to stay operational for cargo business as expressed in the declaration of the <u>Port Authorities Roundtable</u> and engage in the initiatives of the IAPH.
 - b. Use already established fast lane infrastructure or create a fast lane at ports for medical supplies and essential services.
 - c. Facilitating the creation of operational stand-by teams and showing increased flexibility in port operations.
 - *d.* See <u>IMO Circular Letter 4202/Add 6</u> for actionable measures addressing ships' access to berth in port, measures to facilitate crew changes in ports, and measures to facilitate port (and related) operations.
- 8. Governments should facilitate the movement of key personnel by identifying airports and, if need be, ports in their countries from where defined key worker personnel changes can be resumed as soon as possible in accordance with established safety protocols and inform the dedicated Ocean Supply Chain Task Force, including the IMO and ICAO.

- a. See <u>IMO Circular Letter No. 4204/Add.14</u> for recommended framework of protocols for ensuring safe ship crew changes.
- b. European Commission guidelines on designated ports for crew changes to take place (see <u>IMO Circular Letter 4204/Add.11</u>, IV.30).
- Ensure health and safety at ports and other cross-border movements on shore by following identified best practices and establishing strong ship to shore communication and cooperation.
 - a. Respecting and implementing social distancing measures at ports.
 - Additional measures to ensure further health protection in ports in IMO <u>Circular Letter 4202/Add 6</u> and <u>IAPH Covid-19 guidance</u>).
 - c. Ensuring access to sanitation for transport workers (ITF Transport Workers' <u>Sanitation Charter</u>).
 - d. Establish robust communication channels between ship and shore, including the clear communication of embarkation and disembarkation protocols.

10. Ensure health and safety on sea-going vessels and offshore

infrastructure by establishing and implementing COVID-19 protocols for mitigating and preventing outbreaks at sea following WHO, ICS, European Commission and IMO guidance (<u>Circular Note No. 4204/Add4</u>, <u>Add3</u>, <u>Add 10</u> and <u>Add 11</u>) to ensure the health and safety of seafarers while transporting the flow of goods by sea, as is required by the Maritime Labour Convention 2006 (see <u>IMO/ILO/WHO</u>)

- a. Pre-employment medical tests to include COVID-19.
- b. Establish and self-certify testing and quarantine facilities.
- c. Daily monitoring of crew health, safe distancing and alternate access routes on vessels.
- d. Sanitizing and sterilizing vessel parts and cargo
- e. Clear communication of developed protocols to seafarer workforce to ensure seagoing vessel confidence.

11. Governments should also facilitate the delivery of essential medical supplies, as entitled by key worker status, fuel and other essential provisions from land to ships, in line with the International Medical Guide for Ships and as outlined by the <u>ILO.</u>

VI. Adopt a uniform, evidenced-based and globally consistent approach to certification and classification procedures to ensure the safety and integrity of ocean-related global supply chains

To ensure the safety of personnel, cargo and the environment, vessels, crew and relevant offshore infrastructures need to be maintained in compliance with relevant classification rules and international conventions. Travel restrictions and locally enforced limitations pertaining to additional personnel have made this critical process extremely difficult, with subsequent likely disruptions to ocean-related supply chains, such as cargo transportation and fishing. All deviations from statutory regulations require Flag Administration approval.

Indeed, many maritime jurisdictions have already granted dispensations and exemptions. While exemptions present an immediate solution, delaying these inspections, repairs and certifications put vessels, property, personnel, and the environment at an increased risk of a major incident.

- 12. To ensure the safety of property, personnel, and the environment, key worker status **must be granted as soon as possible** to personnel essential for certification, classification and maintenance procedures to help facilitate travel to offshore and sea-going infrastructures.
 - a. Establish and implement health and safety protocols to enable additional key personnel safe access to offshore infrastructures and vessels, including training, personal protective equipment and hygiene.
- 13. In the meantime, Port State control authorities, flag administrations and other maritime nations should pursue a **consistent**, **uniform and**

evidenced-based approach to granting exemption measures across

marine jurisdictions on vessel and personnel certification and classification.

- a. IMO <u>Circular Letter No.4204/Add.5/Rev.1</u> addresses the certification of seafarers and fishing vessel personnel.
- B. Recommendations on seafarer medical certification and ship sanitation certification are further elaborated on in IMO <u>Circular Letter No.</u> <u>4202/Add.10</u> and <u>Add.11.</u>
- c. <u>Special International Labour Organization (ILO)</u> tripartite maritime committee suggests extending the validity of seafarers' certificates for at least three months and adopting a flexible approach to ship certification.
- d. The International Association of Classification Societies' (IACS) <u>COVID-19 Task Force</u> is identifying consistent measures for the maritime sector.

VII. Establish a system of metrics to gauge actual disruptions in the global ocean-related supply chains

Metrics and indicators are needed to identify actual and potential bottlenecks and to distinguish between supply chain disruptions and general reductions in economic activity. Of particular importance would be indicators for delays and disruptions in port operations (as per <u>IAPH-WPSP</u>, <u>Wilhelmsen</u> and <u>S5 Agency World</u>), crew changeovers and key personnel.

14. Establish a set of indicators that could serve to identify actual and potential disruptions in the ocean-related supply chains.

References and resources

COVID-19 Task Force Participants:

- Bakkafrost
- CEiiA Centre for Engineering and Product Design
- Cermaq AS
- DNB Bank ASA
- DNV GL AS
- Food and Agricultural Organization of the United Nations (FAO)
- Gard AS
- International Association of Oil and Gas Producers (IOGP)
- International Association of Ports and Harbors (IAPH)
- International Chamber of Shipping (ICS)
- International Maritime Organization (IMO)
- John Hopkins University School of Advanced International Studies (SAIS)
- Kongsberg Gruppen ASA
- Massachusetts Institute of Technology (MIT)
- Nor-Shipping
- Norwegian Institute of International Affairs (NUPI)
- Norwegian Ministry of Foreign Affairs
- Norwegian Shipowners' Association
- Organisation for Economic Cooperation and Development (OECD)
- Stockholm Resilience Centre
- Tata NYK
- Vulcan
- Wilh. Wilhelmsen Holding ASA
- World Resources Institute (WRI)
- World Bank
- Yara International ASA

References

EU Commission (30 March 2020) <u>Communication from the Commission</u> Guidelines concerning the exercise of the free movement of workers during COVID-19 outbreak 2020/C 102 I/03 provides a list of key workers

International Association of Classification Societies (IACS) <u>COVID-19 response</u> webpage

International Association of Ports and Harbors (IAPH) (22 April 2020) <u>Guidance</u> on ports' response to the coronavirus pandemic – guidance on ports operations, governance and communications

International Labour Organization (ILO) <u>Statement of the Officers</u> of the STC 1 on the novel coronavirus disease (COVID-19)

International Maritime Organisation (IMO)

- <u>Circular Letter No. 4204/Add.11</u> (24 April): European Commission Guidelines on the protection of health, repatriation and travel arrangements for seafarers, passengers and other persons on board ships.
- <u>Circular Letter No. 4202/Add.10</u> (22 April) <u>A Joint Statement with the ILO</u> and WHO on medical certificates of seafarers, ship sanitation certificates and medical care of seafarers in the context of the COVID-19 pandemic: statement calls for medical care for seafarers as per the Maritime Labour Convention 2006, a practical approach to seafarer medical certification exemption and renewal, implement extraordinary temporary measures for ship sanitation certificates.
- <u>Circular Letter No.4204/Add.9</u> (16 April 2020): Joint Statement IMO-WCO on the integrity of the global supply chain during the COVID-19 pandemic
- <u>Circular Letter No.4204/Add.8</u> (14 April 2020): Coronavirus (COVID-19)
 Video meeting with port State control (PSC) regimes (includes joint statement and statements and/or relevant temporary guidance issued by the United States, the Acuerdo de Viña del Mar and the Caribbean, Indian Ocean, Mediterranean, Paris and Tokyo MOUs
- <u>Circular Letter No.4204/Add.7</u> (3 April 2020): Coronavirus (COVID-19)
 Guidance concerning unforeseen delays in the delivery of ships

- <u>Circular Letter No.4204/Add.6</u> (27 March 2020) Coronavirus (COVID-19)
 Preliminary list of recommendations for Governments and relevant national authorities on the facilitation of maritime trade during the COVID-19 pandemic.
- <u>Circular Letter No.4204/Add.5/Rev.1</u> (2 April 2020) Coronavirus (COVID-19) – Guidance relating to the certification of seafarers and fishing vessel personnel
- <u>Circular Letter No.4204/Add.4</u> (5 March 2020) contains ICS Coronavirus (COVID-19) Guidance for ship operators for the protection of the health of seafarers
- <u>Circular Letter No.4204/Add.3</u> (2 March 2020): Operational considerations for managing COVID-19 cases/outbreak on board ships
- <u>Circular Letter No.4204/Add.2</u> (21 February 2020) contains the Joint Statement IMO-WHO on the Response to the COVID-19 Outbreak and encourages Member States and international organizations to disseminate it as widely as possible. Available in the six official languages of the United Nations system.
- <u>Circular Letter No.4204/Add.1</u> (19 February 2020) provides advice on the implementation and enforcement of relevant IMO instruments
- <u>Circular Letter No.4203.Add.1</u> (12 February 2020) provides information and guidance on the precautions to be taken to minimize risks to delegates
- <u>Circular Letter No.4204</u> (31 January 2020) providing information and guidance, based on recommendations developed by the World Health Organization (WHO), on the precautions to be taken to minimize risks to seafarers, passengers and others onboard ships from the novel coronavirus.

International Transport Workers' Federation

 Joint statement with the International Chamber of Shipping to G20 Leaders (15 April 2020)

- <u>Joint statement</u> from ITF and the Joint Negotiating Group of Employers (JNG) (16 April)
- <u>Covid-19 and access to sanitation facilities for transport workers</u> (17 April 2020)

S5 Agency World Service Availability by Port

Wilh. Wilhelmsen Holding ASA: COVID-19 Global Port Restrictions Map

World Customs Organization joint <u>classification reference for Covid-19 medical</u> <u>supplies</u> 2nd Edition with WHO (9 April 2020)

World Health Organization (25 March 2020): <u>Operational considerations for</u> managing COVID-19 cases/outbreak on board ships

UN Food and Agriculture Organization (FAO)

- Joint statement with the International Fund for Agricultural Development (IFAD), the World Bank and the World Food Programme (WFP) on COVID-19 Impacts on Food Security and Nutrition.
- <u>COVID-19</u>: Channels of transmission to food and agriculture: paper aims to identify the channels of transmissions into the food and agriculture sectors to delineate the degrees of exposure to the COVID-19- induced shock by geographic region.
- <u>Public Policy Training Centre</u>: FAO is currently collecting and analyzing information from all countries affected by the virus.
- How is COVID-19 affecting the fisheries and aquaculture food systems: policy brief reviews ongoing challenges and proposes measures to protect production and income of the sector and the most vulnerable, as well as maintain operations and support the supply chain.