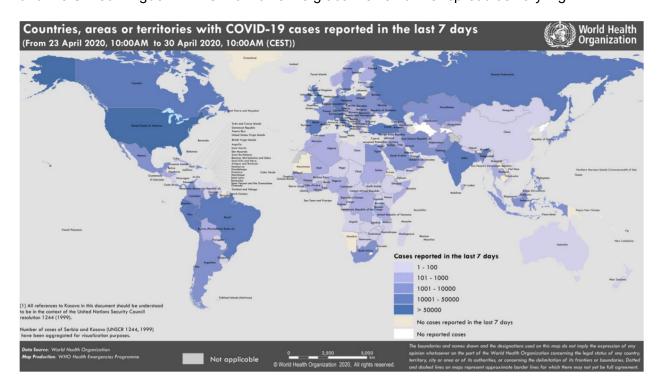


Proinde News 01-05-2020: Coronavirus (COVID-19): health measures in Brazilian ports and airports

1. Global situation

In late December 2019, the novel coronavirus disease (<u>COVID-19</u>), detected in Wuhan, China, was first reported to the World Health Organization (WHO); a month later, it was declared a Public Health Emergency of International Concern. On 11 March 2020, WHO escalated the ongoing outbreak to a pandemic.

Marching into the fifth month after the first detection, the transmission of the virus (SARS-Cov-2) is widespread, with 3.3 million persons infected worldwide and more than 232 thousand people losing their lives, according to <u>Johns Hopkins University live data</u>. <u>WHO situation dashboard</u>, in turn, displays just over three million confirmed cases, including more than 218 thousand deaths globally. The highest incidence of cases as well as fatalities is in the United States, Spain, Italy and the United Kingdom. WHO maintains the global risk of further spread as very high.



2. Effects of the pandemic in Brazil

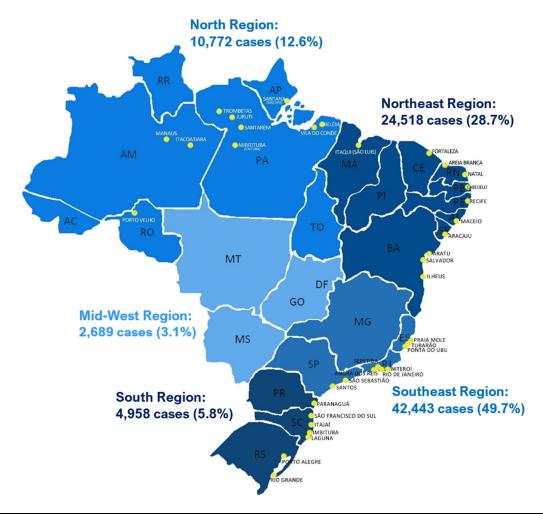
Evolution of the outbreak

Following retrospective research, the Ministry of Health confirmed that the first confirmed case of the novel coronavirus in Latin America was in Brazil on 26 February 2020 and the first death as a result of COVID-19 occurred on 17 March 2020, the two cases in São Paulo, South America's most densely populated city.

On 20 March 2020, air travel from affected areas was temporarily banned. The Ministry of Health <u>declared a state of community transmission in Brazil</u> ruling that "for the containment of the transmissibility of COVID-19, non-pharmacological measures should be adopted, such as domestic isolation of the person with respiratory symptoms and the people residing in the same home, even if they are asymptomatic, and should remain in isolation for a maximum period of 14 (fourteen) days".

On 16 April 2020, President Bolsonaro replaced his popular minister of health amid public disagreements over social distancing and the severity of the quarantine measures adopted by most governors. Although the president ostensibly plays down hygiene protocols in his public appearances and offhand speeches, the new head of the Ministry of Health affirmed that he is working with other federal and state officials on guidelines to enhance non-pharmacological measures (handwashing, respiratory etiquette and distancing) together with operational recommendations to gradually move the population out of isolation in regions where there is a low virus spread and a good public intensive care system. The minister stressed that before implementing any relaxation guidelines, the country's testing capacity needs to be substantially increased mindful of the continental dimensions of Brazil, with its regional differences in demography, climate, urbanisation, health structure and socioeconomic aspects.

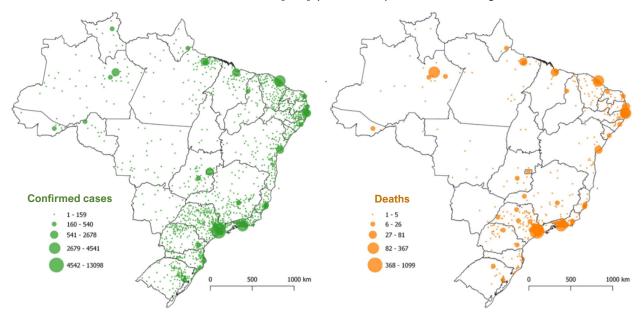
Just over two months since the first confirmed case in the country, the death toll continues to rise almost exponentially, with more than 5,000 people killed and some state health systems and funeral services reaching a breaking point. The closure of air and land borders has been for another month extended and most states will maintain or extend quarantine measures for people and businesses until at least the end of May.



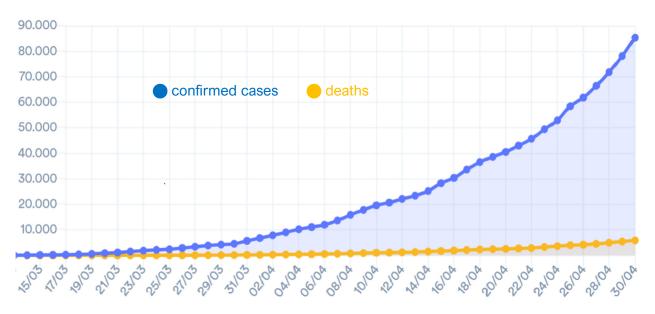
Reported cases

<u>WHO situation report</u> dated 30 April 2020 recorded 71,886 laboratory-confirmed cases in Brazil, including 5,017 deaths, all categorised as local transmission. Brazil remains the 11th country in number of cases and deaths, representing 1.4% of global cases and 5.7% of COVID-19.

For the same period, the Ministry of Health's dashboard reported 85,380 confirmed cases, with 5,901 deaths and a fatality rate of 6.4%. The highest numbers of cases and fatalities are in the Southeastern states of Sao Paulo [SP] (28,698 confirmed cases with 2,375 deaths) and Rio de Janeiro [RJ] (9,453/854), followed by Ceará [CE] (7,606/482) Pernambuco [PE] (6,876/565) in the Northeast, and the state of Amazonas [AM] (5,254/425) in the North region.



Test kits continue to be gradually made available on the public health network and the <u>National Health Surveillance Agency (ANVISA)</u> has just authorised pharmacies to perform rapid tests for COVID-19. Brazil is still climbing up its epidemiological curve with an acceleration since early April. As the season of greater circulation of respiratory viruses approaches in the densely populated southern Brazil, it is expected that the infection will continue to spread steadily in the coming weeks.



Government response

Quarantine: the government maintains the emergency health measures and actions implemented over the past weeks, based on <u>Law 13,979/2020</u>. Brazil banned international travel and closed its land borders. The Ministry of Health echoed WHO recommendations to shut down all but essential public services and private businesses, with servants and employees working from home or on paid leave. Commerce is restricted to supermarkets, pharmacies, restaurants (for takeaway or delivery only), gas stations and other critical services.

While some states plan to relax quarantine rules, others, notably the northern state of Maranhão, whose capital São Luis is facing a collapse of its health system, are being placed under strict lockdown with a ban on unnecessary circulation of people and vehicles and the closure of borders. In São Paulo, the quarantine is expected to be extended and intensified beyond 10 May 2020 as the transmission curve continues to steepen in the largest – and most affected – state of the federation.

Essential services: on 20 March 2020, the president issued <u>Decree 10,282/2020</u> to regulate Law 13,979/2020 and define the public functions and private activities deemed as essential by the government and should not be interrupted by quarantine measures. Among the many services listed as critical to the country's interests, it is included carriage of passengers and goods, maritime traffic control and customs surveillance.

On 15 April 2020, the Federal Supreme Court unanimously affirmed that irrespective of the guidelines issued by the Ministry of Health, states and municipalities have the autonomy to concurrently adopt norms and measures to combat the outbreak and decide, within the limits of their powers, which services and activities are considered essential in their jurisdiction.

Cargo transport and logistics: the Ministry of Infrastructure recognises that port and airport operations are vital to keeping supply chains open and sustaining foreign trade. It continues to work with other ministries and authorities to safeguard the health of the workers moving cargo at ports, airports, and inland transport. The Ministry agreed with secretaries of the states and port authorities on action plans to avoid logistical disruptions during the pandemic.

On 4 April 2020, the government issued <u>Provisional Measure 945/2020</u> providing for changes in the recruitment and remuneration of casual port workers, including those infected with COVID-19 or within the group of risk. The act also regulates temporary cession of military aprons for use by private companies engaged in air transport services.

Public health measures: a mass flu vaccination campaign for those in the risk group is still ongoing, tax exemptions on medicines and medical supplies were granted. Planes with PPE and medical equipment continue to arrive to restock the hospitals amid worldwide shortages of supplies. Preventive health measures were put in place in ports, airports and ground crossings.

Employment and economy: the president sanctioned a bill to provide income for the poorest, unemployed and workers in the informal economy without a fixed income, and over 46 million Brazilians have already cashed the benefit. Aid packages are being sent to states and municipalities and the <u>Ministry of Economy</u> takes steps to mitigate the impact of additional spending to tackle the pandemic, which has already caused an estimated public deficit of USD 110 billion, while creating mechanisms to relieve the productive chain and keep jobs.

3. Health measures for ports, airports and ground crossings

ANVISA defined standards for increased surveillance and controls at Brazilian ports, airports and ground crossings. On 25 March 2020, it released specific Technical Notes providing health recommendations for aircraft and airports, land vehicles and ground crossings, ships and ports.

Main guidelines regarding health measures at Brazilian airports and points of entry are contained in <u>Technical Notes 62/2020</u> (replacing Technical Note 38/2020) and <u>Technical Note 40/2020</u>, respectively, and include:

- Adherence to the International Health Regulations (<u>IHR 2005</u>) at points of entry and conveyances
- Guidance to sanitary inspectors and healthcare staffs about the use of PPE and increased sensibility for detection and management of suspected cases
- Reinforcement of contingency plans and preparedness for immediate reporting of suspected cases at the points of entry and conveyances
- Intensification of cleaning and disinfection routines and procedures at airport terminals and ground crossings and use of PPE by cleaning workers
- Reinforcement of disinfection protocols for airports and aircrafts
- Addressing air passengers, in Portuguese, English and Mandarin, through airport PA systems on the risks and measures to be taken to avoid transmission

On 30 March 2020, ANVISA published a new edition of its "Protocol – Detection and Attendance to Suspected Cases of COVID-19 in Ports, Airports and Ground Crossings" (in Portuguese), a compilation of its existing Resolutions and the Technical Notes issued in recent weeks with a recap of the measures and actions taken by the federal health authority since the outbreak of coronavirus was announced by WHO.

4. Health measures for ships and crews

Port health clearance

In addition to the IHR 2005, all vessels calling at Brazilian ports must adhere to ANVISA regulations. <u>Technical Note 65/2020</u>, issued on 16 April 2020 replaces Technical Note 47/2020 and updates the health measures to be adopted by vessels, platforms and offshore ships operating in national waters. The main set of measures applying for cargo vessels and their crews are summarised as follows:

- Provide a copy of the medical logbook when applying for the free pratique certificate
- Carefully fill out the WHO Maritime Declaration of Health as it will be strictly reviewed by the authority before health clearance
- Cargo vessels arriving from overseas may only berth and operate provided no crewmember disembarks for 14 days from vessel's departure from the last foreign port of call, except where the landing of a crewmember is essential to the operation

- Vessel crews must maintain minimum contact and keep a distance from shore workers
- Persons working on or visiting foreign vessels, including shore workers and pilots, should wear PPE as directed by ANVISA
- Supply of water and stores and removal of solid residues and effluents require ANVISA's prior approval
- No symptomatic crewmember will be allowed to embark on the vessel

In case of a COVID-19 event during the voyage or during the port stay:

- No crewmember will not be allowed ashore, not even for vessel or cargo operation, for 14 (fourteen) days from the onset of symptoms of the latter case, except for medical evacuation
- Symptomatic Brazilian crewmembers may be allowed to disembark for home quarantine upon conditions
- Vessels with a suspected or confirmed case of COVID-19 may not be allowed to leave the port. The continuity of the vessel's operation will be assessed by ANVISA
- The suspected crewmember should be isolated, ideally in a cabin, and wear a mask until ANVISA determine whether the infected person will be quarantined onboard or moved to a referral hospital. In case of quarantine on board, the recommendations laid out in the "Protocol for Quarantine of ships with confirmed case of COVID-19 should be followed

ANVISA advises crews not to share kitchenware, such as glasses, cutlery and dishes. These must be cleaned with soap and water or detergent and disinfected with a sodium hypochlorite solution or, ideally, replaced with disposable utensils.

Crew change and shore leave

The landing of foreign crewmembers for repatriation is subject to an authorisation of the immigration authority (Federal Police) and the health authority (ANVISA) and the carrier, through the agents, remain responsible for the departure of the crewmember from the country.

Effective from 26 March 2020, the federal government placed an exceptional 30-day ban on the disembark of all foreign crewmembers arriving at Brazilian ports and points of entry, except those seeking medical assistance or in an air connection to their country of origin.

Regardless of the International Maritime Organization (IMO) <u>Circular Letter</u> urging states to facilitate maritime traffic and exempt seafarers from travel bans, the Brazilian government has not changed the treatment afforded to the category. To the contrary, on 24 April 2020, <u>Interministerial Ordinance no 201</u> extended the ban for another 30 days. Therefore, it will not be possible to change or repatriate crewmembers in Brazil at least until **24 May 2020**.

Medical assistance to crewmembers

ANVISA allows disembark of crewmembers for medical treatment and subsequent repatriation, if required. Crewmembers who are eventually suspected or diagnosed with COVID-19 must go through a 14-day quarantine on board the vessel with the rest of the crew and are only allowed ashore if medical assistance or hospitalisation is required.

On 26 April 2020, ANVISA issued <u>Technical Note 86/2020</u> defining the flow of communication for repatriation of crewmembers disembarked for medical treatment or quarantine in the context of COVID-19.

Ship sanitation certificates (SSC)

Renewals of ship sanitation certificates (SSCC and SSCEC) in Brazil are suspended due to temporary disruptions in public services. ANVISA is only granting 30-day extensions, as long as there is no evidence of risk to public health on board the vessel. A list of the ports authorised under IHR 2005 to extend SSC is available <u>from WHO dedicated website</u>. ANVISA does not accept SSCs issued outside the listed ports.

SSC extensions must be booked in advance, especially at ANVISA stations that cover ports in remote locations. In any case, it is essential that the extension is obtained before the SSC expires; otherwise, the vessel will not receive free pratique. Exercising discretion, ANVISA tends not to provide SSC extensions for vessels arriving with an expired certificate, unless the shipowner can prove that no renewal or extension could have been timely arranged prior to vessel's arrival in Brazil.

On 16 April 2020, ANVISA issued Resolution RDC 373/2020 providing for a one-off extension of 30 days of the National Ship Sanitation Control Certificate (NSSCC) and the National Ship Sanitation Exemption Certificate (NSSCEC), which are valid for 180 days and apply to Brazilian-flagged vessels sailing in national ports. NSSCC and NSSCEC are domestic equivalents to the SSCC and SSCEC issued under IHR 2005.

5. Port operations and services

Access to the ports: all accesses to ports and terminal are normal. Security checks on visitors to port facilities and vessels alongside have been heightened. A few private terminals are restricting entry of out-of-town professionals (Class and P&I inspectors, cargo surveyors, etc.).

Due to the restricted mobility and massive reduction of domestic air network, there may be delays in the arrival of correspondents, surveyors and other professionals onboard vessels in isolated locations, especially in <u>Brazil's Northern Arc ports</u>, where there are far fewer flights available than usual to cover a vast geographical area where is not possible to travel by land.

Cargo operations: all major Brazilian public and private ports and cargo handling facilities continue without disruptions other than reduced labour force. Non-essential employees and public servants are still working remotely or on leave, and there is no prospect of easing of restrictive measures before the end of April at best. Disinfection and heightened safety and health protocols have been heightened in all ports. The National Waterways Transportation Agency (ANTAQ) is working together with other federal authorities and market players to streamline processes to comply with the latest ANVISA guidelines and protocols.

Volumes of cargo handled in Brazilian ports in March were substantially higher than the same period of last year despite the reduction in economic activity generally. The production and exports of agricultural products, particularly soya beans, <u>reached unprecedented numbers</u> for this period and the prospects of a record crop in the 2019/2020 season are promising regardless of the long-term uncertainties surrounding foreign trade.

Bunkers and supplies: delivery of bunkers, stores and potable water at main ports remains normal. However, the supply of water and provisions and the removal of solid residues and effluents must be previously approved by ANVISA.

Spare parts and courier: arrival and release of spare parts and supplies for vessels are functioning normally at all major international airports handling cargo, despite the shortage of staff and the physical absence of customs officials. Shipping and delivery of international courier and samples are slower than usual, with courier companies levying surcharges to cope with the restructuring of global air network.

Cargo clearance and delivery: even with the substantial slowdown in the workforce in public administration and regulatory agencies, customs-bonded ports and terminals are operating without congestions, while cargo transport in the cabotage and inland waterways remains undisturbed. Loading and discharge operations are uninterrupted, and no significant delays in cargo clearance and delivery are reported.

Strike threats: rumours spread from time to time about strike movements by stevedores and other casual port workers, but unions and port authorities have repeatedly denied such risks. ANTAQ and the Ministry of Infrastructure are liaising with the workers' unions, trade organisations and port authorities to ensure the continuity of port operations and cargo delivery. The government issued a provisional ruling that allows port operators to hire port workers directly, in the event of strikes and work-to-rule movements.

Conaportos: on 14 April 2020, the government issued <u>Decree 10,319/2020</u> reorganising the National Commission of Port Authorities (Conaportos). The new regulation also changed the structure of the National Commission of Airport Authorities (Conaero).

Brazilian ship and seafarer certification: Brazilian Navy's Directorate of Ports and Coasts (DPC), granted automatic extensions for a period of up to 120 days to certificates and documents that expire during the period of the quarantine imposed by federal and local health authorities. The extension applies to certificates of competency and proficiency, personal data labels, and complementary courses valid until 31 July 2020. Same applies to permits for foreign-flag ships and platforms, IMO and Brazilian authority statutory certificates, statements of compliance and condition surveys for bulk carriers expiring on 31 July 2020.

6. Airport operations and services

Air Travel ban: a 30-day ban on all non-resident foreign nationals was implemented on 30 March 2020 and extended for 30 days from 28 April 2020.

Access to the airports: car transfers to the main domestic and international airports that remain operative is undisturbed by the ongoing quarantine measures.

Airport operations: all main Brazilian airports are open but operating with reduced staff.

Passenger screening: The Federal Supreme Court (STF) recently confirmed that the sanitary control of restricted areas within airports is under the jurisdiction of Ministry of Health, through ANVISA, and not the state or municipal health authorities. Following WHO guidelines, ANVISA does not carry out passenger screening at Brazilian airports, regardless of the traveller's airport of origin. Only symptomatic passengers are being monitored by the federal health agency.

Flight availability: the federal government and the <u>National Civil Aviation Agency (ANAC)</u> monitor the rearrangement of airlines in domestic service to maintain air transport and ensure that all states have at least one fully operational airport open to traffic.

Major commercial airports are operating with far fewer flights available. More connections are needed to cover relatively short distances, and there is a general scarcity of flights, particularly to reach faraway ports in the North and Northeast regions of the country. Reduced flight options are leading to an escalation in the airfare, which reflected in the cost of services provided by shipping agents, pilots and surveyors.

Advice to passengers and aircrews: International and Brazilian authorities continue to advise against unnecessary travel, because of isolation measures and the significant reduction in air routes. For those who need to travel, ANVISA recommends social distancing and home isolation for at least one week for passengers arriving from abroad, and 14-day quarantine for those disembarking with symptoms of COVID-19. On 30 March 2020, ANVISA issued new "Guidelines for Sanitary Measures for Aircrews in Brazil" (in Portuguese) with detailed advice for aircrews.

7. Travel bans and border closures

WHO advised state members to take measures compatible with the public health risks involved and consistent with the guidelines set out in the IHR 2005. Brazil has slowly imposed restrictions on the entry of foreigners arriving from some countries. From late March, the federal government shut the international airports to all non-resident foreigners, with a few exceptions, banned international sea and land transport of passengers and closed its land borders.

The temporary closure of air and land borders do not prevent the traffic of international air, road or sea freights, vehicles in cross-border humanitarian actions and residents of twin cities exclusively with land border.

Failure to comply with the restrictions may result in civil, administrative, and criminal liabilities, repatriation or deportation and disqualification of refugee status or application, where applicable.

Ban on sea travel

The Ministry of Health called off the rest of the 2019/2020 cruise season. All vessels with passengers were prevented from leaving the ports and had to remain in quarantine before the passengers could disembark for repatriation to be followed by 14-day home isolation. ANVISA maintains a dedicated website with its "Sanitary Guide for Cruise Ships" (in English).

All cruise ships which were undergoing quarantine in Brazilian ports are now free to sail and leave the Brazilian coast.

On 2 Abril 2020, ANTAQ published <u>Resolution 7,653/2020</u> providing for revised and additional health restrictions in the carriage of domestic passengers within inland waterways. The regulation reflects ANVISA recommendations and guidelines to deal with COVID-19 and reaffirms that there should be no restriction on the movement of cargo or circulation of workers essential to public services or those performing critical activities.

Ban on air travel

On 20 March 2020, the government imposed a temporary 30-day ban on the entry of foreign citizens arriving from specific countries (Australia, China, EU members, Iceland, Iran, Japan, Korea, Malaysia, Norway, Switzerland, and the UK). The restriction was amplified on 27 March 2020 to include all non-resident foreign nationals, regardless of nationality. On 28 April 2020, the air travel ban was extended for another 30 days. It does not apply to passengers falling under one of the following categories:

- Brazilian nationals and resident foreigners
- Professional in a mission in the service of an international body recognised by Brazil
- Foreign officials accredited by the Brazilian government
- Spouse, partner or immediate family member of a Brazilian citizen
- Foreign nationals whose entrance into Brazil is deemed by the government to be in the public interest
- Travellers in transit (provided they do not leave the airport international transit area, and the country of destination admits their entry)
- Bearers of the National Migration Registration (RMN)
- Flight crews

The travel ban remains until at least **28 May 2020** and does not affect air cargo transport or prevent technical landings for refuelling, when there is no need to disembark passengers.

In line with other agencies, ANAC discourages unnecessary air travel. As most states have closed their borders and airspace, ANAC recommends travellers to consult the <u>database of the International Air Transport Association (IATA)</u> and the official website of the country of destination and the airline concerned to check if there are any restrictions in force.

Closure of land crossings

Brazil is the largest and most populated country in South America and, except for Chile and Ecuador on the west coast, it borders all other countries on the continent.

The <u>National Land Transportation Agency (ANTT)</u> banned traffic of cross-border cars and buses indefinitely, but interstate and intercity road transportation of passengers remains cleared.

The Ministry of Justice placed an exceptional restriction on the entry by land of citizens from all neighbouring South American countries (Argentina, Bolivia, Colombia, French Guiana, Guyana, Paraguay, Peru, Suriname, Uruguay and Venezuela). The restrictions were extended on 2 April 2020 and 28 April 2020 to include entry by land of any foreigner, regardless of nationality.

The restrictions remain in place until **28 May 2020** and do apply for those falling into one of the following categories:

- Brazilian citizens and resident foreigners, except Venezuelan citizens
- Foreign professionals employed by a non-governmental aid organisation recognised by the Brazilian government
- Foreign officials accredited by the Brazilian government
- Spouse, partner or immediate family member of a Brazilian citizen
- Foreign nationals whose entrance into Brazil is deemed by the government to be in the public interest
- Bearers of the National Migration Registry (RMN)

A foreigner who is in one of the land border countries and needs to cross the border to Brazil to catch a flight back home may exceptionally be authorised by the Federal Police (immigration authority), upon official request from the foreigner's consular authority and proof of travel, to enter the country as long as directly to the airport to board the flight.

The land border closure does not prevent the international road freight traffic, even if the driver does not fall under any of the above exemptions and the neighbouring country gives reciprocal treatment to Brazilians. Vehicles in cross-border humanitarian actions and residents of twin cities exclusively with a land border can also enter, except for Venezuelans.

8. Fast-developing events

This unprecedented situation is changing rapidly, and we are striving to keep the information as accurate and up to date as possible.

While news relevant to the industry will be posted here regularly, local events and developments should be checked with local agents in the first instance as the authorities and stakeholders are changing regimes with little to no notice.

1 May 2020 REPRESENTAÇÕES PROINDE LTDA.

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