

FORCEMAJEURE CIRCUMSTANCES AS THE GROUND FOR RELEASE FROM ECONOMIC LIABILITY: THE ANALYSIS OF MODERN EUROPEAN AND UKRAINIAN APPROACHES

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Abstract. The scientific research is devoted to the problematic issues of force majeure circumstances as the ground for release from the liability in the economic sphere. The aim of the article is to represent the main peculiarities of force majeure circumstances in the modern socio-economic conditions. The definition, features and specialties of application of force majeure clause are thoroughly studied. As well as that the division between force majeure and superior force circumstances is provided. The special attention is paid to the specifics of release from economic liability due to COVID-19. In the survey the authors analyse the possibilities of application of force majeure clause in the conditions of the world pandemic situation.

The authors suggest an efficient algorithm of actions while conducting of economic activity in the conditions of force majeure circumstances. In the article it is highlighted that the terms of superior force and force majeure circumstances are not strictly defined in the legislation. However, this fact does not prevent to consider these events according to such their features as extraordinary and exceptional nature defined in the legal acts. While conducting the research following methods were used, namely the dialectical method, the method of systematic-structural analysis, comparative method, as well as other methods and scientific approaches.

The results of the survey are of crucial importance for practice and theory as it provides deep understanding of the nature of force majeure circumstances. The research conclusions stipulate the main rules of application of force majeure clause while closing and execution of commercial contracts. The article provides the readers with the essence of force majeure circumstances, allowing scholars and practitioners to understand the particularities of force majeure circumstances in various situations, namely in the condition of COVID-19. As a result of this the survey becomes even more important as it may act as a legal guideline for participants of commercial relations facing the necessity of adapting and adjusting their economic activity to modern conditions.

Key words: business entities, exemption from economic and legal liability, superior force, force majeure circumstances.

Introduction. During the last five years' Ukrainian business entities quite often faced the situation of force majeure. And therefore they have dealt with the consequences of circumstances that prevent the economic entities from proper execution of their contract obligations. Force

force majeure clauses are those contract provisions that release parties from performing contract obligations, as well as from liability for non-performance of contract duties, due to specific circumstances that are beyond the control of the breaching party. The rules and limits of force majeure defence must be quite strictly defined by the contract. This means that each force majeure clause has to be thoroughly considered on its definite and precise meaning, as well as studied in its specific context according to the contract provisions and due to the nature of the business relations between parties. Moreover, the party who breach to perform the contract obligation due to force majeure must show the causal link between the failure in performing of contractual duties and circumstances that lead to such inability.

In Ukrainian legislation there are number of legal acts defining the list of force majeure circumstances and superior force events. For instance, the Article 2 of the Law of Ukraine “On State Support of Agriculture” (2004) [1] as such circumstances considers quite wide range of events, including decisions of legal nature, various natural disasters, namely fires, floods, droughts, frosts etc. Article 176 of Merchant Shipping Code of Ukraine (1995) defines superior force as the ground for release of carrier from liability for loss, lack or damage of cargo [2]. On the other hand, it must be taken into consideration that provisions of these legal acts contain special rules that extends to the maritime relations and agreements in the sphere of agriculture.

However, while earlier such events happened rarely and took place in certain regions (namely, zone of temporarily occupied territories), today imposing of quarantine due to spread of coronavirus infection obviously has affected practically all business entities. Due to the COVID-19 many companies all over the world have faced situation of impossibility to perform their contractual obligations as a result of large number of restrictions put in place by the governments to prevent the spread of COVID-19. Evidences proving the extraordinary nature of the situation with spread of coronavirus infection could be found in numerous legislative provisions. For instance, the Law of Ukraine “On Amendments to Certain Legal Acts of Ukraine in Order to Prevent Occurrence and Spread of Coronavirus Decease (COVID-19) of March 17, 2020 No 530-IX was adopted by the Ukrainian Parliament [3]. This legislative act aims to provide additional economic and social standards in order to support business entities and citizens in the conditions of pandemic.

Moreover, scientific research of the chosen problematic becomes even more important due to recent amendments to the current legislation of Ukraine. In particular, the abovementioned Law of Ukraine No 530-IX made changes to the Law of Ukraine “On Chambers of Commerce and Industry in Ukraine”. As a result of these changes quarantine was included in the list of force majeure circumstances (superior force circumstances) as extraordinary and inevitable circumstances, that objectively prevent execution of contract obligations, as well as obligations stipulated in the legislation. It also should be mentioned, that according to Cross-border Cooperation Programme Poland-Belarus-Ukraine 2014-2020 the current state of the pandemic (COVID-19) meets the conditions to qualify this situation as a force majeure, i.e. an exceptional situation not resulting from reasons attributable to the contracting authority, which he could not have foreseen [4]. This Programme concerns public procurement contracts. Many national legislations on public procurement recognize COVID-19 as force majeure and provide the possibility of relevant public body to provide the contractor with a certain time extension or even contract termination (excluding supplies for urgent public needs). Ukrainian Law “On Public Procurement” (2015) also provides the possibility of extension of the terms of the procurement contract and terms for execution of obligations of transfer of goods, performance of works, provision of services due to emergence of documental proved superior force circumstances (Article 21 of the Law). Furthermore, mentioned Law defines the possibility of termination of the public procurement tender if the performance of procurement becomes impossible due to the superior force circumstances (Part 5, Article 32 of the Law) [5].

Nevertheless, the recognition of the quarantine as force majeure event did not prevent the problems in application of law connected with the impossibility of performance of contract obligations.

Therefore, the thorough understanding of the legal nature and the rules of application of force majeure circumstances contribute to the theory and practice of economic law. This issue becomes even more important in modern economic conditions, namely world pandemic situations. The absence of recent research of the problems of force majeure circumstances creates uncertainty on the rules of application of force majeure clause. However, grounded scientific analysis of force majeure circumstances from a modern perspective allows scholars and practitioners to better understand the essence of such circumstances and the rules of their application. Moreover, the necessity to explore the nature of force majeure by means of studying of a latest court decisions on this issue allows to clearly understand the tendencies of the law enforcement practice on the studied question.

Also, it worth mentioning that in modern conditions of internationalization and globalization of economic relations there should not be various approaches to the understanding of the nature of force majeure circumstances. Preferably, single approach on the rules of application of force majeure clause to be applied irrespectively of the type of legal system. Such single approach ensures stability and predictability of economic relations, which are the main prerequisites to their efficiency. That is why the conduction of the survey will contribute intensely to this goal.

References review. The review of legal and economic literature allowed to outline the main conceptual framework as to the legal nature of force majeure circumstances and the practice of application of legal provisions. The nature and the problems of force majeure circumstances as the ground for release from economic liability was the topic of research of many scholars.

As a rule, while concluding the agreement, actions and intentions of the parties are directed towards the proper performance of the contract obligations. The obligatory nature of contract duties is the realization of the well-known principle *pacta sunt servanda*. However, as Egidijus Baranauskas, Paulius Zapolskis (2009), while studying the effect of change in circumstances on the performance of contract, highlight the strict application of this principle may lead to infringement of justice, reasonableness, and good faith [6, p. 198]. Therefore, due different reasons, parties sometimes do not comply with the terms of existing contract. SJ Cornelius (2012) stresses that a debtor who is in default can avoid liability based on *mora debitoris* on the basis of certain grounds that would exclude unlawfulness... These grounds also include compelling circumstances such as *vis major* or *casus fortuitous* [7, p. 620]. Guglielmo Maria Caporale, Alex Plastun and Inna Makarenko (2019), considering the particularities of force majeure events and their influence on the Ukrainian stock market, outline the unexpected nature of force majeure events and therefore the impossibility of incorporation of them into asset prices in advance. Even more, as scientists point out, together with natural disasters, social, military and political events, economic events (for example, unexpected bankruptcies of legal entities) in some cases could be considered as force majeure [8, p. 335]. The authors must agree with Olga Melnik (2018) who highlights that in modern researches of force majeure mainly historical aspects of formation of this category, its features are analysed, however the conditions of release from liability in the contractual relations, the problems of recognition of certain situations as force majeure and consequences of such situations are not studied. [9, p. 7]. As S. Zakirova (2020) stresses, while considering of force majeure in the situation of pandemic, the existence of quarantine as special conditions of life in the county or region is not force majeure. Quarantine acquires the features of force majeure circumstances only in case, if the person will prove the impossibility of performing of obligations, prescribed by the contract, because of such circumstances [10, p. 5].

Remarkable discussion among scholars was devoted to the question of identification of force majeure with superior force [11, p. 11]; their division on the basis of the grounds of occurrence [12, p. 132]; application of the superior force in connection of economic activity exclusively of legal entities [13, p. 66].

Despite this, the specialties of application of force majeure clause in the contracts still need to be thoroughly studied. Especially in modern conditions when countries all over the world faced the problem of COVID-19 pandemic. Many questions remain unsolved: what events can

be qualified as force majeure nowadays, what legal actions must be taken by the contract parties in order to cope with the situation of pandemic, what is the legal response of state on the current situation. All these issues require scientific analysis in accordance with the doctrine approach and legal background in the conditions of globalization of legal relations.

Research methodology. First of all, it should be pointed out that while conducting of the research variety of methods were used in order to gain the aims of the survey and receive the reliable and grounded scientific results. The list of used methods was predetermined by the aim of the research to conduct a thorough legal analysis on the legal nature of force majeure circumstances and to outline the rules of their application in the modern socio-economic conditions. Thus, the dialectical method was used in order to find out the nature of force majeure circumstances and their influence on a proper execution of the contractual obligations. The method of hermeneutic analysis was applied while interpreting of legal provisions, as well as scientific literature. This method also allowed the authors to make a division between force majeure, superior force events and significant change of circumstances that guided the parties while entry into agreement. The method of system-structural analysis was used to systematically analyse the appropriate legal rules about release from economic liability due to unexpected circumstances. The comparative legal method was used for comparison of different legal acts in the researched field, namely Civil and Economic Codes, other normative acts, as well as international legal provisions. For the purpose of achieving the goals of the survey, the critical analysis of literature has been made in theoretical and methodological contexts. The method of forecasting and the logical-normative method provided the possibility to outline the current problems in application of force majeure clause and make proposals for understanding of a nature of force majeure circumstances in modern social and economic conditions. Together with thorough research of legal doctrine and legislators' approach to understanding of the nature of force majeure circumstances the studying of court practice was highly beneficial. Nowadays the conclusions set forth in the decisions of the Supreme Court are of a crucial importance because they provide the possibility to form a single law enforcement practice. Moreover, the principle of legal certainty is defined as one of the main elements of the rule of law [14, p. 756]. Therefore, by means of scientific method of empirical analysis the court practice was studied. It helps the authors to discover the approach of the courts to the essence of force majeure circumstances and the rules of application of force majeure clause in the contracts.

Results. Traditionally in law theory release from legal liability is closely connected with the number of circumstances, defined in legislation, which allow to avoid application of state coercion measures to the person that committed the offence. That is the reason why this institute is excluded from the general principles of legal responsibility which lies, first of all, in the principle of inevitability of punishment for the committed offence. Herewith different criteria for classification of the grounds for release from legal liability are given. For instance, on the basis of will characteristics there could be defined circumstances connected with the will of subject of such responsibility; circumstances that are beyond the will of the mentioned subject [15, p. 30]. To the first group active repentance, victim-offender reconciliation, or even minority of the offence could be bring to. To the second group belong: force majeure, occasion, significant change of circumstances.

The grounds of release from certain types of legal liability are defined by sectoral legislation.

Thus, Economic Code of Ukraine (2003) (as well as Civil Code of Ukraine (2003)) use the term of "superior force". According to Part 2 of Article 218 of Economic Code of Ukraine, if other is not stipulated in the law or agreement, legal entity for violation of economic obligation bear the economic responsibility, if it will not prove that proper execution of contract obligation was impossible due to superior force event, namely extraordinary and unavoidable event under these conditions of provision of economic activity. Cannot be considered as such circumstances violation of obligations of offender counterparties, absence in the market of goods necessary for the execution of the obligation, debtor's shortage of money. Also according to Part 1 of Article

263 of Civil Code of Ukraine superior force circumstances are characterized as extraordinary and unavoidable in current conditions circumstances. Therefore, the analysis of the mentioned legal provisions allows to make a conclusion that according to national legislation force majeure event can have as unexpected features, as be unavoidable in current conditions even if oncoming of such an event could be foreseen.

For now, the practice of application shows the identification of the supreme force and force majeure circumstances. Such a practice goes completely in line with the approach of the Law of Ukraine "On the Chambers of Commerce and Industry" [16]. However, Belyanovich O.A. correctly highlights, that according to Article 218 of Economic Code of Ukraine the distinction should be made between superior force as circumstances that objectively (according to the law provisions) eliminates the liability, and force majeure as circumstances that release from liability to those extent, which is defined by the agreement [12, p. 132]. It also means, that a force majeure event may be considered as unforeseen event, but not any unforeseen event is force majeure.

Firstly, such conclusion could be made on the basis of literal interpretation of the Part 2 of Art. 218 and Part 4 of Art. 219 of Economic Code. More specifically, as Article 219 stipulates additional grounds for release from economic liability, which parties could apply if including the relevant clause into their agreement [17]. Namely, the parties of the obligation can predetermine certain circumstances that due to their extraordinary features can act as grounds for release from economic liability in case of violation of obligation by the debtor because of such circumstances. Also the order of certification of fact of occurrence of these circumstances could be defined by the parties.

At the same vein, there is a world tendency of recognition of the number of circumstances sufficiently enough to release from economic liability. Moreover, these circumstances are not only defined, but the list of measures to be taken when such events occur is also prescribed. In particular, non-performance by a party is excused if that party proves that the non-performance was due to an impediment beyond its control and that it could not reasonably be expected to have taken the impediment into account at the time of the conclusion of the contract or to have avoided or overcome it or its consequences. When the impediment is only temporary, the excuse shall have effect for such period as is reasonable having regard to the effect of the impediment on the performance of the contract. The party who fails to perform must give notice to the other party of the impediment and its effect on its ability to perform. If the notice is not received by the other party within a reasonable time after the party who fails to perform knew or ought to have known of the impediment, it is liable for damages resulting from such non-receipt (Article 7.1.7 Unidroit Principles of International Commercial Contracts (2016) [18]), Article 79 United Nations Convention on Contracts for the International Sale of Goods (1980) [19].).

As could be seen these international acts do not stipulate the legal definition of superior force or force majeure circumstances, on the other hand this is not an obstacle to consider these circumstances as those according to the extraordinary and exceptional features, as defined in these acts.

The same provisions could be fined in the Principles of European Contract Law. Thus, according to the Article 6:111 of this Principles the change of circumstances could be the sufficient ground for changing or termination of the contract between parties. Though, it must be taken into consideration, that such change must occur only after the time of conclusion of the contract, there should be no possibility of change of the circumstances when the contract was concluded, the party does not bear the risk of changing circumstances according to the contract or legislation. Existence of all these conditions can provide the parties with the possibility to apply to the court with the claim about termination of the contract, or the court may change the contract in order to distribute between the parties in a just and equitable manner the losses and gains resulting from the change of circumstances [20].

However, it is ought to highlight, that termination of the contract in major cases is more favourable for the parties. This is due to the fact, that when changing the contract, the court can

impose on the parties the duties, which they did not intend to bear when entering into the agreement.

According to the Article 205 of Economic Code of Ukraine economic obligations is terminated due to impossibility of performance if the circumstances arise, which are beyond the responsibility of the parties, if other is not defined in the legislation. In case of impossibility of performance of obligation partly or in whole the debtor, in order to prevent unfavourable to the parties' material or other consequences, must immediately inform the creditor, which should take the necessary measures to reduce the negative effects. Such notification does not release the obliged party from liability for non-performance of obligation in accordance with the requirements of the law.

These rules correspond with the Article 8:108 of abovementioned Principles of European Contract Law. The article defines that the non-performing party must inform the other party within a reasonable time about the impossibility to perform the contract obligations. Therefore, if the party fail to perform such duty the other party is entitled to damages for any loss resulting from the non-receipt of such notice.

It should be emphasized that the party failing to perform the obligations due to force majeure have to take reasonable steps in order to avoid or reduce the negative consequences of non-performing of the contract. The list of measures to be taken to mitigate the consequences of breaching the contract because of such circumstances to a high extent depends on the nature of the business relations and subject matter of the contract. It must be argued that practically all European legal systems recognize unexpected circumstances as those, that may influence the contract rights and obligations.

In the scope of the research there should be made a division between force majeure, superior force events and significant change of circumstances that guided the parties while conclusion of the contract. According to the provisions of Article 652 of the Civil Code of Ukraine in the event of significant change of circumstances that guided the parties while conclusion of the contract, the agreement may be changed or terminated with the consent of the parties if other is not stipulated by the contract or follows from the essence of the obligation. Change of circumstances is significant if they have changed to such extent that, if the parties could have foreseen it, they would not have entered into the contract, or have concluded the contract on other terms [21]. Though, the change of not all the circumstances will lead to change or termination of the contract. It must be taken into consideration, that for instance, «as a general rule, parties do not excuse performance because of changes in the market price» [22, p. 375].

The current Ukrainian legislation does not contain clear provisions regarding the algorithm of actions of the contract party, which cannot fulfil its obligations due to the existence of extraordinary and unavoidable circumstances. As a result, to minimize the negative consequences of quarantine restrictions it is appropriate to stipulate in the contract terms, which due to these circumstances cannot be fulfilled within a specified period, and to determine the list of actions of the participants in the event of occurrence of such circumstances. In order to preserve the business reputation of the legal entity as well as friendly business relations with other economic entities it could be reasonable to warn a counterparty about the circumstances that prevent proper performance of the obligation and offer, if possible, the real terms of performing of such obligation after the quarantine restrictions by means of making amendments to the agreement (for example, in the form of additional agreement). At the same time, it is necessary to document the existence of circumstances that prevent the fulfilling of the obligation. And only in case of refusal of the counterparty to change the conditions of performance of obligation it is reasonable to apply to the Chamber of Commerce and Industry (hereinafter CCI) of Ukraine for a certificate of superior force events (force majeure circumstances). The party must prove the existence of casual link between the obligation, the fulfilment of which is physically and legally impossible, and the circumstances as the basis of impossibility to perform the obligation. Therefore, the burden of proving the existence of force majeure lies with the debtor.

That is why the certificate of CCI of Ukraine is considered as a key evidence that confirms the appearance of force majeure circumstances (Resolution of the Supreme Court of

February 14, 2018, in Case No 926/2343/16) [23]. Nevertheless, according to court practice, obtaining of a certificate is not a guarantee of release of the legal entity from economic liability due to the absence of the grounds for application of force majeure from the court point of view (Resolutions of the Supreme Court of February 14, 2018 in Case No 926/2343/16 [23], of April 11, 2018 in Case No 904/4470/16 [24], of May 14, 2019 in Case No 904/1224/18 [25]). In this regard is worth mentioning that it is advisable to determine the issue of the list of circumstances, as the ground for release from liability, at the stage of the conclusion of the contract with specification not only of the list of such events, but also with the outlining of the number of actions of the parties to be taken in order to properly perform the obligations in the conditions of force majeure.

Besides, the Supreme Court in the Resolution of March 26, 2018 in Case No 910/7036/17 pointed out that resolution of the question about existence in the application of force majeure (superior force circumstances) belongs to the exclusive competence of CCI of Ukraine. That is why the court do not have the right instead of CCI of Ukraine to evaluate whether or not the circumstances set out in the application belongs to force majeure (superior force circumstances) [26].

Furthermore, the Supreme Court of Ukraine stipulated that refusal of the CCI of Ukraine to issue the certificate can be appealed to court by the rules of economic proceedings (Resolution of the Grand Chamber of the Supreme Court of October 31, 2018 in Case No 805/2078/15-a [27]; Resolution of the Supreme Court of January 29, 2019 in Case No 805/3240/16-a) [28].)

Overall one of typical force majeure clause may be defined as following: “Should any circumstances arise which prevent full or partial fulfilment of the obligations for any of the Parties under the Contract, namely: fire, acts of the elements, military operations of any kind, blockade, decisions of the state, the time periods of fulfilling the obligations is extended proportionate to time during which these circumstances last. The Party, unable to fulfil its obligations in the Contract due to those circumstances, should immediately inform the other Party about setting in and termination of the circumstances preventing the fulfilment of those obligations. The valid proof for the presence and duration of the above circumstances will be provided by the document issued correspondingly by the Chamber of Commerce of the country”. As well as that example of force majeure clause could be fined in standard contracts of Grain and Feed Trade Association (hereinafter GAFTA contracts). These contracts provide stricter and broader approach to the definition of list of force majeure events [29]. Under the terms of GAFTA contracts quarantine may be considered as force majeure circumstance if it has led to restrictions or ban on export, has created unforeseeable and unavoidable impediments to transportation or navigation. As N. Miroshnichenko admits “In case of charters, the obligation of the charterer to nominate a safe port for loading or unloading should be taken into consideration. Even if there is a virus in such port, it still can be safe if there is no significant risk to vessel call” [30, p. 5]. So in maritime contracts interpretation of force majeure clause in the conditions of COVID-19 should be done with consideration of mentioned specifics.

As a consequence, the existence of superior force (force majeure circumstances) releases from liability of business entity for non-performance of obligation, including from payment of penalties. However, this rule does not apply to liability for violation of performing of monetary obligations, as defined in the Article 625 of Civil Code of Ukraine, which does not provide grounds for release from liability. This is because the annual rates and inflation losses, defined in the Art. 635 of the Civil Code of Ukraine, are the sort of compensation to the creditor from the depreciation of funds due to inflation and for the use of funds belonged to the creditor (for instance, Resolution of the Supreme Court of July 24, 2018 in Case No 905/1722/17 [31]).

Conclusions. 1. Force majeure refers to an exceptional situation where a contractual party is temporarily freed from their contractual obligations without sanctions/penalties or liability due to an unexpected and unforeseeable impediment.

2. For business entities quite beneficial could be the following scenario while conducting of economic activity in the conditions of quarantine restrictions:

1) proving the impossibility of proper fulfilment of the obligation due to extraordinary and unavoidable circumstances as a result of the quarantine restrictions, applied by the Cabinet of Ministers of Ukraine or foreign governments, which are recognized as force majeure as the grounds for release from economic liability under Part 2 of Article 218 of the Economic Code of Ukraine, upon condition of acquiring of the certificate of CCI, unless otherwise provided by the contract or law;

2) proving the impossibility of performing of obligation because of existence of extraordinary circumstances, defined by the contract, including pandemic and imposing of quarantine restrictions, and, therefore, release from economic liability due to Part 4 Article 219 of Economic Code of Ukraine on the basis of conclusion of the competent authority about verification of existence of force majeure circumstances, that is defined by the contract;

3) proving of the fact of availability of complications and economic inexpediency for the parties of the contract due to quarantine restrictions, and hence the recognition of significant changes in the circumstances of the contract and therefore the possibility of changing or termination of the contract by agreement of the parties or in its absence – by the court decision. While changing the contract due to significant change of circumstances quite beneficial seems the court procedure of settling of a dispute with the participation of a judge, as defined in Economic Procedural Code of Ukraine. In particular, according to Part 5 of Article 188 of Economic Procedural Code of Ukraine during the joint meeting in the procedure of settling of a dispute with the participation of a judge, the judge clarifies the grounds and subject matter of the claim, the grounds for objections, explains to the parties the scope of evidence on the category of dispute under consideration, suggests the parties to make proposals for amicable settlement of the dispute and commit other actions aimed at amicable settlement of the dispute. The judge may suggest the parties the possible way to settle the dispute amicably [32]. As it seems, the participation of a judge in the negotiation process while changing or termination of a contract could be really effective if such dispute is in the court consideration. Such a procedure may allow parties to reach the optimal balance of their interests in the conditions of circumstances that have changed significantly.

1. While considering the issue of change or termination of the agreement due to force majeure the will of the parties should be taken into consideration as well. Thus, if for the parties in the priority is the change of the contract, the agreement must be changed. At the same time, it should be marked out that if the court makes a decision about changing of the contract the court by this decision impose on the parties' obligations to perform the contract on the terms they did not intend to include into their initial agreement. If the parties cannot agree on the conditions of changing of the contract the court must give priority to terminating the contract in order to avoid imposing on the parties of the contract the burden of additional obligations.

2. Contractual remedy for such force majeure event as COVID-19 could be the extension of time to perform contractual obligations, suspension of performance to a certain time up to the parties' decision, or termination of the contract. Though, it is ought to point out that COVID-19 does not automatically constitute force majeure in all types of contracts, and in some cases only a significant rise in costs or delays due to COVID-19 can be considered as force majeure.

3. It should be highlighted, that world situation with COVID-19 is characterized by its global and unpredictable nature. In current situation it is crucial to understand that the relevant force majeure event need not be pandemic itself. It is obvious that before the quarantine measures were implied by the governments such a force majeure clause was not included into the contracts. However, as a result of COVID-19 governments all over the world imposed restricting quarantine measures. So as a result of such impediments the force majeure event could be the acts of government or change in legislation that lead to impossibility to perform the contract obligations. Furthermore, the contract clause listing force majeure events may include epidemic/pandemic or other relevant circumstance, such as government order. Though it must be bear in mind that contracts concluded after the governmental measures to stop the pandemic must include special clause about influence of COVID-19 on contractual parties, as it is not an unpredictable and unforeseen event any more.

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