

# ITF HUMAN RIGHTS DUE DILIGENCE GUIDANCE

RESPECTING THE HUMAN RIGHTS OF SEAFARERS IN GLOBAL SUPPLY CHAINS





### **ITF**

THE INTERNATIONAL TRANSPORT WORKERS' FEDERATION (ITF) IS A GLOBAL, DEMOCRATIC, AFFILIATE-LED MOVEMENT OF 740 TRANSPORT WORKERS' UNIONS. IT IS RECOGNISED AS THE WORLD'S LEADING TRANSPORT AUTHORITY. WE FIGHT PASSIONATELY TO IMPROVE WORKING LIVES, BY CONNECTING TRADE UNIONS AND WORKERS' NETWORKS FROM 153 COUNTRIES TO SECURE RIGHTS, EQUALITY AND JUSTICE FOR THEIR MEMBERS.

WE ARE THE VOICE OF 20 MILLION TRANSPORT WORKERS WHO MOVE THE WORLD.

REPRESENTING TRANSPORT AND LOGISTICS WORKERS ACROSS THE GLOBAL SUPPLY CHAIN, THE ITF HAS BEEN RAISING, MONITORING AND UPHOLDING STANDARDS FOR OVER 120 YEARS.

THE ITF IS A BOARD MEMBER OF BOTH THE UN GLOBAL COMPACT AND THE ETHICAL TRADING INITIATIVE.

Cover photo: June D. Famur Jr. July 2023

#### Purpose of this guidance

This guidance focuses on the human rights risks in company supply chains for seafarers on merchant vessels. This is distinct from fishers and dockers, who are covered by different international conventions and regulations.

The ITF is the global union representing transport workers that companies should engage with throughout their Human Rights Due Diligence (HRDD) processes.

The ITF works to protect the rights of workers and improve supply chain accountability across all transport sectors. Guidance on HRDD in other transport sectors can be found on the ITF website.

Contact the ITF to discuss your HRDD requirements: supplychains@itf.org.uk

WWW.ITFGLOBAL.ORG

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### **FOREWORD**

Seafarers shipping your cargo need both your urgent attention and your cooperation with the International Transport Workers' Federation (ITF) to reduce risks to their human rights at sea.

Respecting the human rights of seafarers is both a moral and legal obligation for brands. The ITF Human Rights Due Diligence Guidance (HRDD) sets out how brands and other cargo owners can fulfil their obligations to seafarers through effective human rights due diligence.

All companies have responsibilities and, increasingly, legal obligations to carry out human rights due diligence along their supply chains.

Drawing on international labour and human rights law, including sector-specific standards like the Maritime Labour Convention (MLC), UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises this guidance puts the spotlight on seafarers' human rights.

The guidance is a follow up to the joint initiative of the UN Office of the High Commissioner for Human Rights (OHCHR), the UN Global Compact (UNGC), the International Labour Organisation (ILO) and the International Maritime Organisation (IMO) which set out how to respond to the crew change crisis during the Covid-19 pandemic.

Transport workers move the world and 90% of goods are transported by sea which connect global supply chains. Companies rely on hidden workers in supply chains who work in transport and logistics, many of these workers are seafarers.

Gross human rights violations occur daily at sea on ships carrying your cargo, from unpaid or withheld wages, abandonment of vessels and seafarers required to work beyond contract - a situation that may give rise to forced labour. In 2022 ITF inspectors recovered US36.6 million in owed wages. Between 2020 and 2022, the ITF reported 262 cases of abandonment to the International Labour Organisation (ILO).

This guidance provides companies with a step-by-step guide to help identify and mitigate the human rights risks of seafarers.

The ITF stands alone in being able to offer a worker-centred analysis of human rights abuses at sea measured against international laws and standards.

Working in cooperation with the ITF companies can collaborate on HRDD, including developing and adopting risk mitigation processes, ongoing monitoring procedures and grievance mechanisms.

Take the first step today and contact the ITF on how to respect the human rights of seafarers in your supply chains. We are ready to assist.

### **Stephen Cotton**

General Secretary International Transport Workers' Federation





### SECTION 1: ITF GUIDANCE ON HUMAN RIGHTS AT SEA

Transport workers move the world. Ninety percent of goods, amounting to a value of USD14 trillion per year,<sup>1</sup> are transported by sea. Companies are reliant on the maritime industry, and they have a responsibility to respect human rights.

For too long, shipping has been a human rights blind spot for brands. When 400,000 seafarers were stranded at sea during the Covid-19 pandemic, the spotlight was finally turned on this vulnerable group of workers.

The world took notice of the unique and often severe conditions in which seafarers operate in their service of the global economy. Extreme isolation, lack of effective scrutiny, and failures in international regulatory systems frequently enable an environment of exploitation akin to forced labour. This is commonly characterised by overwork, which leads to exhaustion and risks fatal accidents at sea, and even the abandonment of seafarers without pay, food or a way back to their home country.

Any brand dealing in goods that are not 100 percent grown, sourced, processed, produced, manufactured, transported, distributed, and sold locally must consider any shipping risks in their supply chains. Even within states, goods are often moved by sea along coastal routes.

Whether brand products rely on bulk import or export (e.g. grain, oil), sourced raw materials or components (e.g. wood, minerals, automotive parts), or space on container ships for distribution of final products (e.g. food, beverages, garments, electronics, machinery), all brands must thoroughly investigate the way in which their goods are moved along their supply chains, including by sea.

All companies have responsibilities to carry out human rights due diligence (HRDD) along their supply chains. It is over a decade since international standards on business and human rights were endorsed with the UN Guiding Principles (UNGPs),2 and adherence is no longer accepted as voluntary. Both national and regional mandatory due diligence legislation is coming into force around the world to implement this authoritative HRDD framework. This means that brands must urgently assess and address their supply chain risks in order to comply both with the law and with the demands of business partners making these requirements along their own global supply chains.3 Investors are also increasingly asking questions of the businesses in their portfolios, in order to demonstrate that their funds meet sustainability criteria and ESG standards.



Each actor in supply chains has a role to play in protecting workers' rights, including the rights of the seafarers shipping goods and materials. The various duties and responsibilities of different public and private actors are set out in the <a href="ITF's Supply Chain Human Rights">ITF's Supply Chain Human Rights</a> Principles.

This HRDD Guidance demonstrates why the seafarers in your supply chains need your attention. It sets out a step-by-step plan for how brands can work with the ITF and its affiliated unions to exercise effective HRDD in shipping supply chains.

Under HRDD laws and regulations, the position of a company in the supply chain impacts the leverage a company has and is expected to use to ensure that human rights are respected.

Brands at the top of supply chains, whether multinational companies or otherwise, which sell or provide products or services to consumers, have the power and influence to determine working conditions along their supply chains.

Responsible brands are working with the ITF – as a global union social partner – to:

- understand the complexities of HRDD in the maritime industry,
- identify salient and prevalent human rights risks in merchant shipping,
- collaborate to take preventative and remedial action, and
- enhance their social impact as well as their international standing.

## HUMAN RIGHTS RISKS FOR SEAFARERS

The maritime industry relies on a complex web of actors and the ignorance of industry outsiders to obfuscate where employer duties lie, evade accountability for breaches of seafarers' rights, or to allow duty holders to disappear altogether.

Seafarers live and work in an environment of isolation and confinement on board a vessel under the control of their employer, shipowner or agent for the duration of their contract. This makes seafarers uniquely vulnerable to exploitation.

Limited monitoring by authorities is only feasible when ships call at port. Port state authorities have legal duties under the International Labour Organization's (ILO) Maritime Labour Convention (MLC),<sup>4</sup> but they are often not fully invested in ensuring adequate labour conditions for seafarers on board because they are preoccupied with ensuring the mechanical and environmental safety of the vessel in the short time it is docked.

#### **FLAGS OF CONVENIENCE**

A major issue for seafarers is the system of flagging out of vessels.

Ship owners take advantage of flagging a ship to a state of their choosing. Under international law, a ship becomes an extension of the territory of the flag state, meaning the national law and regulation of that state applies on board. However:

 Ship registers can be a significant source of income for governments, and some states compete to lower their labour and other standards in a race to the bottom which attracts shipowners wishing to benefit from lower operating costs.

- Although the UN Convention on the Law of the Sea requires a 'genuine link' between the ship owner and the flag state,<sup>5</sup> in practice this is not demanded by negligent states lax in their international law duties, which operate open international registries. This allows unscrupulous operators to exploit a vacuum of regulation.
- The ITF calls these flags of convenience (FOCs) and has been actively campaigning against their use for 75 years.<sup>6</sup>

This international industry relies on the exploitation of unfair labour competition, with seafarers often sourced from countries with low costs of living.<sup>7</sup> This is used to justify even the international minimum wages negotiated between shipowners and worker representatives being set at relatively very low levels.

Seafarers employed on board a vessel flagged to a state other than their home state are a category of migrant workers.<sup>8</sup>

The ITF has developed the only internationally recognised system of collective bargaining agreements (CBAs) on board FOC ships to improve minimum standards and protections as negotiated by seafarer representatives, such as higher wages, fair wage scales, and recognition of training. The presence of ITF-approved CBAs (also known as ITF Agreements) on board can provide assurances of decent working conditions to brands and other companies contracting shipping services.



# UNDERSTANDING BUSINESS ACTORS IN THE MARITIME INDUSTRY

There is a complex web of business actors involved in offering, preparing, servicing, managing, or engaging merchant vessels to provide brands with maritime transport services.

A shipowner may also act as the ship manager, operator and crewing manager, but this is rare. Most often these roles are performed by different independent, or interdependent (sometimes subsidiaries or related entities) companies. There may also be a charterer and manning agent involved.

The international nature of shipping means these actors may all be established in different jurisdictions around the world.

Oil and gas, mineral or raw material companies may own and operate a few tankers or bulk cargo vessels or an entire fleet. However, shipowners are often distant from operations and may even be untraceable. This intricate network makes it difficult to resolve issues on board and hold the appropriate actors accountable for human rights violations – which creates difficulties for brands seeking confidence in responsible shipping logistics services.

Each one of these business actors has a responsibility to the seafarers transporting the cargo on board, and a role to play in ensuring their own activities and the supply chain in general are free of adverse human rights impacts. None of these responsibilities negates the responsibility of others.

To mitigate the failure of international law to adequately regulate this system with its prevalence of FOCs, and ensure the accountability of every relevant actor, the ITF and its affiliated unions negotiate ITF-approved CBAs with the company in direct control of the vessel or fleet of vessels.

References to shipowner/operator/owner-operator/charterer throughout this Guidance means whichever company is in control of the vessel and/or the crew on board. The business actor may be any of these, depending on the business relationships in place in each case.

# CASE STUDY 01. THE ITF AND SUSTAINABLE SHIPPING: CLIMATE ACTION FOR THE RIGHTS OF SEAFARERS AND BEYOND

Human rights violations at sea can lead to environmental incidents, as labour rights abuses can have implications for occupational safety and health, particularly mental health and fatigue, in already dangerous circumstances.

The reverse is also a major concern: environmental disasters and climate change both directly and indirectly impact human rights. Noting that most emissions causing climate change result from business activities, the UNGPs require companies to continuously assess how their environmental and climate impacts may lead to human rights abuses.<sup>9</sup>

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Environmental impact assessments of brands' activities are not separate but integral to their HRDD. The version of the EU Corporate Sustainability Due Dilgence Directive agreed by the European Parliament in June 2023 consistently calls for company 'human rights and environmental' due diligence.

The environmental costs of shipping cargo must urgently be considered by brands and their shipping suppliers. Shipping is responsible for 90 percent of global trade and almost three percent of global greenhouse gas emissions. Low regulation of FOC vessels must no longer be used to shelter companies from their responsibilities to reduce emissions.

Climate change affects the rights of diverse and distant groups. Seafarers' rights stand to be affected in particular ways. Seafarers are on the front line of the climate emergency – rescuing those fleeing environmental disasters – and they are demanding structural and technological change in the industry to counter climate change. At the same time, they demand involvement in negotiating fair and just outcomes of the adaptations to their work that will result.

At COP26 in Glasgow, the ITF launched its Sustainable Shipping Policy. This demands switches to alternative fuels; shifts in patterns of global trade; and decarbonisation of infrastructure investment, with priority for fossil fuel-reliant maritime jobs being reskilled into decent, safe, and clean jobs for a diverse workforce. When carrying out environmental assessments, businesses must seek to prevent and mitigate job losses resulting from climate change action.

The rights of workers are at the heart of just transition. Brands' environmental and human rights due diligence on shipping companies must pursue decarbonisation and a just transition in the industry.

### SECTION 2: INTERNATIONAL LAWS AND STANDARDS ON HUMAN RIGHTS

# IMPLEMENTING THE UN GUIDING PRINCIPLES AND PRIORITISING SEAFARERS' HUMAN RIGHTS

Every brand should implement the UN Guiding Principles (UNGPs) by first prioritising action to address the most salient human rights impacts of its activities.<sup>11</sup>

The rights of seafarers are salient human rights risks in supply chains because of the industry circumstances, and the scale, scope and gravity of human rights risks at sea.



**Scale** – The extreme risks and grave dangers particular to the isolated maritime environment, vulnerability of seafarers, and severity of the kinds of actual and potential human rights impacts, such as forced labour.



Scope – There are 1.9 million seafarers moving global trade and 90 percent of goods move by sea. New crews are dispatched to ships in swift succession, and any unresolved issues may impact many seafarers for months or even years.



Potential to remedy – Failures to ensure a healthy and safe maritime workplace may result in fatal accidents and even environmental disasters, which cannot be effectively undone or put right.



Likelihood of human rights abuses – ITF rights data based on inspectorate reports of vessels show regional and sectoral risk patterns in global supply chains.

Brands may have large supply chains, but in UNGP terms shipping is clearly an 'area where the risk of adverse human rights impacts is most significant, ...due to certain suppliers' or clients' operating context, ... or services involved."<sup>2</sup> Maritime logistics suppliers should be considered high risk links in the supply chain.

Some of the world's biggest brands are the major drivers of shipping demand across global supply chains. Their collaboration with the ITF is essential to ensure the respect of seafarers' rights.



### SEAFARER RIGHTS THAT BRANDS MUST ASSESS IN THEIR HRDD

According to the UNGPs, at a minimum the human rights that companies must respect along their supply chains are those core rights set out in the International Bill of Human Rights, 13 and the fundamental labour standards set out in the ILO Declaration on Fundamental Principles and Rights at Work.

The five fundamental principles elevate 11 core ILO Conventions and include protection of the right to:

- · Be free from all forms of forced labour.
- · A safe and healthy working environment.
- Freedom of association and collective bargaining.<sup>14</sup>

The protections of these core rights are essential and of concern to all companies. Yet the ITF regularly documents wide-ranging violations of these rights on board vessels transporting the cargo of internationally recognised brands.

The Maritime Labour Convention, 2006, as amended (MLC) provides details of practices required to adhere to the above fundamental labour standards in the maritime environment, including to avoid forced labour, incorporate collective labour agreements, and the meaning of a safe and healthy environment on board a ship.

The MLC collated 68 existing maritime labour conventions and recommendations protecting seafarers' rights and minimum decent working conditions. It is sometimes known as the Seafarer's Bill of Rights.

Due to the technical in-depth nature of the MLC, brands cannot be expected to draw on the details of this convention when engaging with their shipping suppliers. There is also some flexibility permitted in the implementation of the MLC in national laws.

As an alternative, the existence of ITF Agreements on board can offer a strong indicator to brands that advanced protections of seafarers' rights are in place, which are negotiated with worker representatives, and that worker-led processes exist for monitoring, enforcement and resolving grievances.



# UNDERSTANDING HOW ITF AGREEMENTS MITIGATE RISK

An ITF Agreement guarantees trade union consultation, negotiation, ongoing engagement, and monitoring in both implementation and grievances essential for HRDD compliance.

### ITF Agreements provide:

- 01. Assurance that wages are fair, determined by negotiations with seafarers' representatives at the international level, and higher than the basic safety net recommended periodically by the ILO.<sup>15</sup> Fair wage scales account for different ranks, roles and experience accrued.
- 02. Reassurance that minimum international labour standards are exceeded and that many protections go beyond the MLC to improve life at sea. This includes provisions on daily working hours; overtime rates; incentives to keep accurate records; rest periods; safe manning; maximum period on board; paid leave; decent working and accommodation conditions; repatriation; and insurance cover to protect crew in case of abandonment.

- 03. Grievance mechanisms, supplementary to the MLC, as a safety net to enforce these conditions.
- 04. Onboard checks: The ITF is one of very few organisations with the right to access vessels from shore by way of its network of 130 ITF inspectors at ports around the world. ITF inspectors are a lifeline for seafarers and an invaluable asset to brands collaborating with the ITF. ITF inspectors benefit from permissions to go on board a vessel covered by an ITF Agreement and demand to review the ship's logs and speak privately with crew.
- 05. Informal whistleblowing to ITF inspectors is successful because of the ITF's international reputation and trust among seafarers, and because of the methods used by inspectors to protect anonymity, such as the ability to carry out 'routine inspections' when responding to a seafarer complaint.
- 06. Where prevention has failed, there is a route to swiftly resolve issues and broker remedies via established relationships between the ITF and responsible shipping companies.

### FORCED LABOUR AND HUMAN RIGHTS ABUSES AS SEA

### The right to be free from all forms of forced labour

Forced labour overlaps with modern slavery and human trafficking, and results in some of the most heinous human rights abuses. Forced labour itself,<sup>16</sup> as well as many of its contributing elements individually, are outlawed by human rights treaties. The two ILO forced labour conventions have almost universal ratification and must be respected by all ILO member states as fundamental principles.

Forced labour involves work performed under a threat of a penalty without free and informed consent. The ILO has set out 11 key indicators of a situation of forced labour. <sup>17</sup> In some cases, one of these alone may be enough to qualify as forced labour, while in others a combination may be needed to reach this threshold of abuse. These indicators are:

- 01. Isolation.
- 02. Restriction of movement.
- 03. Wage theft.
- 04. Abuse of vulnerability.
- 05. Deception.
- 06. Retention of documents.
- 07. Debt bondage.
- 08. Abusive working and living conditions.
- 09. Excessive overtime.
- 10. Physical and sexual violence.
- 11. Intimidation and threats.

All these elements are prevalent in the industry. The first two – isolation and restriction of movement – are often unavoidable realities in the lives of merchant seafarers.

Many other distinct and serious human rights violations may be identifiable in a situation that could also be assessed as forced labour, including each of these examples:

- According to ILO Convention 185 on Seafarers' Identity Documents of 2003, article 7(1), the seafarer's identity document shall remain in the seafarer's possession at all times, except when it is held for safekeeping by the master of the ship concerned, and only then with the seafarer's written consent.
- Any deduction of wages to the employer or a manning agent (recruiter) for the purposes of attaining employment – a situation that can lead to debt bondage – is prohibited under ILO Convention 95 on Protection of Wages of 1949, article 9.<sup>18</sup>
- ILO Convention 190 on Violence and Harassment of 2019 recognises that violence and harassment in the world of work, including gender-based violence and harassment, can constitute a human rights violation or abuse, is a threat to equal opportunities, is unacceptable, and is incompatible with decent work.



# HOW HUMAN RIGHTS VIOLATIONS, INCLUDING INDICATORS OF FORCED LABOUR, ARE MANIFESTED IN LIFE AT SEA

### Withholding pay

Despite international minimum wages being set relatively very low, shipowners or operators consistently attempt to underpay or withhold pay from seafarers for work already done – income that seafarers' families at home rely on.

Under ITF Agreements, ITF inspectors located in ports around the globe have the right to:

- · board ships,
- review wage accounts, contracts and overtime records,

- enforce wage scales set out in, and protected by, the same ITF Agreements, and
- recover unpaid wages.

Most complaints received by the 130 inspectors globally relate to unpaid wages (wage theft) – around 1,500 each year.<sup>19</sup> In 2022, ITF inspectors recovered USD36.5 million in owed wages.

### **Human trafficking**

Certain abusive behaviours in this isolated environment under the control of the employer may even amount to indicators of human trafficking for labour exploitation.<sup>20</sup>

This includes deceptive recruitment, failure to uphold contract terms or payment as promised, charging recruitment fees (directly, indirectly or partially), or withholding wages or documentation – all of which may lead to debt bonded or forced labour.<sup>21</sup> The ITF sees many cases where seafarers are forced to remain on board or risk never receiving what they are owed.

Under national laws, aspects of this behaviour may be criminal.

Brands should take particular note of modern slavery risks for reporting requirements under national legislation, such as the modern slavery acts in the UK and Australia.

#### **Abuse**

The hierarchical structure on board can encourage harassment, bullying, discrimination, or abuse along ranks. The most significant factor associated with workplace violence has been found to be seafarer country of origin, with seafarers from the Philippines or Eastern Europe more likely to report exposure to it.<sup>22</sup>

IN 2022, ITF INSPECTORS RECOVERED USD 36.5 MILLION IN OWED WAGES.

#### Failure to repatriate

Some actors are unwilling to repatriate seafarers at the end of contract and at no cost to the seafarer.<sup>23</sup>

Operators fail to prepare visas and schedule the arrival of replacement crew in time to repatriate at the end of contracts, often to avoid countries where travel is more expensive or complicated, or to minimise the frequency and costs of crew change. Blame is often disingenuously assigned to states' immigration rules.

#### Repeated extensions of contracts

Seafarers often fear blacklisting (a threat of penalty) if they refuse an employer request. Repeated extension of contracts in the context of power imbalance, restrictions on freedom of movement and impaired freedom to consent can be a direct indication of forced labour. The legal absolute maximum time a seafarer may be on board is 11 months.<sup>24</sup>

#### **Denial of basic necessities**

Seafarers not only work but also live on board, and sometimes do not even receive basic necessities for decent living conditions, health and wellbeing, such as regular and nutritious meals, drinking water, heating, light, electricity, or internet to communicate with their families at home.<sup>25</sup>

#### **Abandonment**

The interrelated abandonment of crew is an alarming illicit practice specific to the treatment of seafarers.

# CASE STUDY 02. COVID-19 CREW CHANGE CRISIS: FORCED LABOUR RISKS AS SEAFARERS KEPT ON BOARD

During the Covid-19 pandemic, governments around the world quickly implemented public health measures which restricted movement for citizens, banned non-essential foreign travel, and imposed mandatory quarantine. This interrupted shipping schedules, triggering chaos and backlogs in ports around the world. Very soon, global supply chains were expected to continue to provide those in lockdown with food, fuel, medicine and personal protective equipment, without true recognition of the cost to seafarers.

Many seafarers were unable to be repatriated, as flights were suspended and states initially requested that seafarers' contracts be extended. As restrictions became the new normal, shipowners took advantage of these extreme circumstances to avoid, postpone or reduce repatriation costs. Hundreds of thousands of seafarers were held on ships beyond the end of their contracts or forced to sign extensions. Many seafarers were told that repatriation was impossible, rather than the truth – that it was simply more complicated for the company to arrange.

Certain flag states, such as Panama, sanctioned this behaviour by advising extensions of the maximum time on board, despite binding MLC protections.<sup>26</sup>

Some seafarers were kept on board for 24 months – 15 months over the maximum time a seafarer may be on board, according to international law.<sup>27</sup>

Seafarers were also largely denied shore leave, to which they have a right under the MLC for their health and wellbeing,<sup>28</sup> further depriving them of access to onshore medical care.<sup>29</sup>

Maximum contract periods are in place to safeguard the seafarer from fatigue and undue pressure to extend their contract while in a restrictive environment fully governed by their employer. The ability for formal, free and informed consent was compromised,<sup>30</sup> and this effectively forced the extension of seafarers' contracts. This outcome is of such severity that the ILO Committee of Experts on the Application of Conventions and Recommendations stated that it 'creates conditions for them to languish for months on end in situations that could amount to forced labour'.<sup>31</sup>

### SOME SEAFARERS WERE KEPT ON BOARD FOR 24 MONTHS – 15 MONTHS OVER THE MAXIMUM TIME A SEAFARER MAY BE ON BOARD, ACCORDING TO INTERNATIONAL LAW.

The ITF took action with its international partners to resolve the international crew change crisis by establishing crew-change protocols, repatriation hubs with the cooperation of governments, and the recognition of seafarers as key workers.<sup>32</sup> The ITF also collaborated to use big brands' influence to effect change by helping brands comply with their HRDD obligations in the crisis.<sup>33</sup> A number of asset managers also recognised the risks to global trade and the role that investors should play in addressing the crew change crisis.

# CASE STUDY 03. ABANDONMENT AT SEA AND ITS INDICATORS OF FORCED LABOUR

Abandonment by the shipowner of seafarers far from home without pay, food, fuel for survival on board, or a way home, is an all-too-common occurrence. The ITF deals with many cases of abandonment each year. Between 2020 and 2022, the ITF reported 262 cases of abandoned vessels to the ILO.

The abandonment of seafarers arises if the shipowner has failed to pay wages for two months or more, has failed to repatriate the crew, or has left the crew without the necessary maintenance or support. Wage deprivation, abusive living and working conditions, and extreme restriction of movement are indicators of forced labour that may be present in these cases. Seafarers have a right under the MLC to be repatriated at no cost to themselves when their contracts expire or if the shipowner fails to respect contractual terms. International rules requiring minimum skeleton crew to remain on board a vessel for safety at sea complicate these cases.

In a recent case, a Liberian-flagged livestock vessel with more than 30 Filipino crew was stranded off the coast of Australia after being abandoned by its Hong Kong owners. The vessel was detained by the Australian authorities in September 2022 and legal proceedings were launched by creditors in Singapore. The ITF assessed that the seafarers were owed more than USD250,000 in unpaid wages and fought to ensure payment before the crew were finally able to return home on 22 March 2023.<sup>34</sup>

In October 2021, the ITF inspector in Hong Kong helped eight seafarers from Myanmar recover almost USD30,000 in unpaid wages after they ran aground following a typhoon.<sup>35</sup>

The shipowner had refused to pay the two months' wages he owed them, abandoned the crew and ruled out any assistance to get them home. After weeks of ITF campaigning, on 2 November 2021, the crew flew home with their full wages.

### BETWEEN 2020 AND 2022, THE ITF REPORTED 262 CASES OF ABANDONED VESSELS TO THE ILO.

Another high-profile case involved a Syrian seafarer who was made legal guardian of the Bahrani-flagged MV Aman and forced to live on the abandoned vessel for four years while the Egyptian authorities tried to sell the ship to pay the owners' debts. When the ITF became involved in December 2020, it took just five months to get the seafarer home.<sup>36</sup>

A particularly extreme case recently reported to the ITF is of a Syrian national who has not been paid for the last seven of the 10 years he has been on board a Tanzanian-flagged vessel which operates out of Saudi Arabia.<sup>37</sup> He has been tricked and cajoled by the owners into remaining on board while other crew members have come and gone, most having received their rightful pay. The seafarer has been unable to return to his family in Egypt, where he has children, since 2012. The ITF is currently pursuing the owner for his years of unpaid wages and for his repatriation.



# OCCUPATIONAL SAFETY AND HEALTH AT SEA

The right to a safe and healthy working environment.

In June 2022, occupational safety and health was recognised as a core labour right and incorporated into the ILO Fundamental Principles and Rights at Work. As such, ILO Convention 155 on Occupational Safety and Health has become a core convention which must be respected by brands and incorporated into their HRDD. 'Health' in this Convention is defined to include 'the physical and mental elements affecting health which are directly related to safety and hygiene at work'.

The MLC includes many provisions for a healthy and safe environment on board, including the maximum length of time on board, the right to shore leave, the right to medical treatment, the crewing of vessels, and the standards of accommodation and food.

There are a range of occupational health and safety risks associated with the living and working conditions of seafarers.

The potential human, environmental and biodiversity costs of accidents at sea are notably severe:

 Fatigue and exhaustion are major risks associated with life at sea, especially as owner-operators circumvent minimum safe manning, overwork crew beyond maximum overtime levels, and rely on exploitative working conditions.

- There is a mental health crisis at sea and concerning rates of depression (25 percent), anxiety (17 percent) and suicidal ideation (20 percent) among seafarers.<sup>38</sup> Contributing factors have been shown to be work environmental conditions, including a non-caring work culture; violence at work; and a lack of training, with the occurrence of notable high-risk periods during an extension of a voyage.
- Seafarers are under increasing pressure to do additional tasks withouth adequate rest time or training. A group of owner-operators is currently engaged in litigation with the ITF in an attempt to cut costs and evade a term agreed to in ITF Agreements that protects untrained seafarers from being forced to complete the dangerous lashing and unlashing of the ship's cargo. This is a role historically performed by trained dockers safely in ports.<sup>39</sup>

ILO Convention 155 empowers workers to remove themselves from a situation of imminent and serious danger to life or health without suffering consequences, such as blacklisting. ITF Agreements reflect this by providing seafarers with additional rights and protections around voyages to conflict zones.

# CASE STUDY 04. FULFILLING INCREASED HRDD RESPONSIBILITIES IN CONFLICT ZONES

Responsible brands have sensitive processes in place to review decisions to operate, source, or continue existing business activities in conflict zones, post-conflict or otherwise high-risk countries.<sup>40</sup>

These circumstances increase the risk of gross human rights abuses, so brands must carry out additional due diligence through a sharper lens, to identify, prevent and mitigate these increased risks.<sup>41</sup> Brands must also avoid contributing to breaches of international humanitarian law (e.g. complicity in war crimes) and exacerbating the conflict.<sup>42</sup>

Brands may be less aware of the consequences of geographical insecurity on seafarers. For example:

- Brands may decide not to operate or to responsibly withdraw from a conflictaffected area to avoid contributing to conflict or human rights impacts. However, that same company may have rented space on a ship that stops at ports in this area along its route, inadvertently affecting the seafarers' rights to shore leave, or their safety when disembarking.
- Conflict in seafarers' home states may impact the dynamics on board between crew members from different key labour supply countries (e.g. Ukraine and Russia provide 14.5 percent of the global seafaring labour force).<sup>43</sup>
- Certain international waters are high-risk areas for piracy and require armed security personnel onboard.

ENSURE ADDITIONAL
EMPLOYMENT
PROTECTIONS, BONUS
PAYMENTS, AND
COMPENSATION IN CASE
OF DISABILITY, DEATH
OR CAPTURE THROUGH
PIRACY OR HIJACKING,
DEPENDING ON THE
REGION.

The ITF maintains a list of prevailing warlike and high-risk areas through the International Bargaining Forum (currently including the Gulf of Aden, Gulf of Guinea, and the Sea of Azov). On ships with ITF Agreements on board, seafarers are entitled to be informed at the time of assignment if the ship is bound for or may enter these areas and have the right to refuse sailing without detriment (such as loss of employment or blacklisting) and to be repatriated at no cost to the seafarer. This reflects the fundamental right in ILO Convention 155 on occupational safety and health for a worker to remove themselves from a situation of imminent and serious danger.

ITF Agreements also ensure additional employment protections, bonus payments, and compensation in case of disability, death or capture through piracy or hijacking, depending on the region.

### FREEDOM OF ASSOCIATION, COLLECTIVE BARGAINING, AND TRADE UNION ENGAGEMENT

The right to freedom of association and collective bargaining.

ITF-approved collective bargaining agreements result from the only known example of international collective bargaining. Seafarers' unions can agree with companies to put these agreements in place on their ships to enhance protections for seafarers. As such, these ITF Agreements uphold the fundamental labour rights of freedom of association and collective bargaining.

The newly updated OECD Guidelines for Multinational Enterprises 2023 clarify that companies should respect the freedom of association and collective bargaining rights of all workers in the supply chain no matter whether they are employed by the relevant multinational. If a company is not the employer (but the employer's business partner, subcontractor or investor), its obligation is to support implementation of the Guidelines by using its leverage through its contracts or investments.<sup>44</sup>

The OECD Due Diligence Guidance of 2018 confirms that engaging in dialogue with global union federations, such as the ITF, is a way for brands to mitigate risks in their supply chains.<sup>45</sup>

Brand collaboration with global unions ensures business respect for the right to freedom of association and collective bargaining – which are not only ILO fundamental principles and rights at work but also 'enabling rights' under international law. This recognises that full trade union engagement is an essential prerequisite to the exercise of all other labour rights.

Without engaging with unions, companies are unable to respect an entire set of workers' rights in their supply chains.

Meaningful trade union collaboration is required throughout the HRDD process – from developing and adopting risk mitigation processes to ongoing monitoring procedures, and within grievance mechanisms to ensure they are legitimate, equitable and effective.<sup>46</sup>

Meaningful engagement means two-way communication, with information shared in an easily accessible format and with enough time to make informed decisions. Transparency is crucial and may include participating in and sharing the results of site visits.<sup>47</sup>

The version of the EU Corporate Sustainability Directive agreed by the European Parliament in June 2023 protects trade union rights and requires companies to work with trade unions to conduct HRDD. This includes genuine dialogue with unions to gather information to identify potential human rights breaches and consulting them to develop corrective actions and remedies.

# UNDERSTANDING COLLECTIVE BARGAINING IN ACTION: ITF AGREEMENTS AND A GLOBAL NETWORK OF INSPECTORS

Under ITF policy, affiliated seafarers' unions have the right to sign what are known as ITF Agreements with shipping providers on Flag of Convenience (FOC) vessels that are beneficially owned in their country. These agreements cover seafarers working on board and must adhere to certain principles and standards to be approved as ITF Agreements.

These agreements are either bargained with shipping representatives from the Joint Negotiating Group (JNG) or are otherwise developed from the template known as the ITF uniform TCC agreement.

ITF-affiliated maritime unions form a committee which negotiates with the JNG in what is known as the International Bargaining Forum (IBF). The ITF committee takes its bargaining direction from affiliated seafarers' and dockers' unions. The IBF is the only known example of international collective bargaining, beginning its operation in 2003. The result of the negotiations is the IBF framework agreement.

Negotiations then continue at the local level between the relevant ITF-affiliated union and the company to make slight adaptations to the IBF framework agreement or TCC template to meet the requirements of local laws and traditions. The ITF vets and approves the final standards agreed in the collective bargaining agreements.

ITF Agreements consist of Special Agreements between the ITF, an affiliated union and a shipowner or their representative, which stipulate the vessels covered by the ITFapproved collective bargaining agreement with the company. The Special Agreements give ITF inspectors the express right to go on board the vessels, speak to crew and review documentation.

There are now 13,500 FOC vessels covered by ITF Agreements, and 130 ITF inspectors who board vessels docking in more than 111 ports across 56 countries monitoring compliance.

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There is no equivalent to an ITF Agreement on board a FOC ship. Only the ITF – as the global union federation for transport workers – is positioned to negotiate these agreements. The ITF is formed by a unique democratic international network of affiliated transport workers' unions, including maritime unions which negotiate these ITF-approved collective bargaining agreements. The ITF global network of inspectors has powers to monitor the agreements.

### SECTION 3: HOW CAN BRANDS FULFIL THEIR RESPONSIBILITIES TO SEAFARERS?

# MITIGATING RISK IN TRANSPORT AND LOGISTICS SUPPLY CHAINS

Identifying risks is the first step in performing human rights due diligence. This is followed by action to prevent or mitigate risks, and ongoing monitoring and cooperation in grievance and remedy.

The ITF stands alone in being able to offer a worker-centred analysis of human rights abuses at sea measured against international laws and standards.

Working in cooperation with the ITF, companies can collaborate on HRDD, including developing and adopting risk mitigation processes, ongoing monitoring procedures, and grievance mechanisms.



### A FOUR-STEP GUIDE TO COOPERATING WITH THE ITF ON HUMAN RIGHTS DUE DILIGENCE



### STEP ONE AN INTRODUCTION TO COOPERATIVE MARITIME HUMAN RIGHTS **DUE DILIGENCE**

An Introductory meeting with the ITF to discuss worker-centred HRDD approaches to your transport and logistics supply chains. The ITF can help support the effective communication of the risks to seafarers' rights and HRDD requirements across corporate teams. Shared principles and approaches to HRDD are agreed, including recognition that freedom of association and collective bargaining are enabling rights that make it possible to promote and realise decent work.



### STEP TWO ITF RIGHTS CHECK

Request a confidential ITF Rights Check for seafarers. Agree to share information on ships carrying your cargo to inform an ITF assessment of human rights risks to seafarers on those vessels over a specified period.



### **STEP THREE** DIALOGUE ON RISKS AND MITIGATION

Dialogue with the ITF on the risks identified within the ITF Rights Check for seafarers and suggested actions. Engage and update business policies related to HRDD.



### STEP FOUR ITF COOPERATION AGREEMENT

- a. Cooperate with the ITF to prevent or remedy actual or potential human rights violations in maritime logistics, early, directly and in a manner acceptable to the affected seafarers – in line with the UN Guiding Principles.
- b. Undertake regular Rights Checks for seafarers.
- c. Map your whole transport and logistics supply chain, with the possibility of expanding ITF Rights Checks to other parts of your supply chain.
- d. Recognise the ITF and its affiliates as representatives of transport workers, and collaborate to address actual and potential impacts on transport workers' rights, including labour rights.

## CASE STUDY 05. BEST PRACTICE: TFG BRANDS LONDON

The Covid-19 pandemic brought the maritime supply chain into the spotlight as hundreds of thousands of seafarers were stranded on ships. Alarmed by these reports, TFG Brands London – owner of Hobbs, Whistles, Phase Eight and Inside Story – approached the ITF for support to ensure this was not happening on ships carrying its cargo. The ITF and TFG Brands collaborated on an initial investigation, which helped the major brand take key steps in its supply chains.

This relationship has since evolved. TFG Brands London recently became the first fashion retailer to partner with the ITF to cooperate on preventing, mitigating, and addressing human rights risks for transport workers in its supply chain. A Memorandum of Understanding signed on 29 March 2023 sets out ways of working together to eradicate labour rights abuses from the company's entire supply chain, including shipping, freight, and warehouse workers.

"ITF HAS BEEN AN INVALUABLE PARTNER OF TFG LONDON SINCE THE START OF THE COVID-19 PANDEMIC, INITIALLY COLLABORATING TO ADDRESS THE SEAFARERS' HUMANITARIAN CRISIS AND HELPING TO SHINE A LIGHT ON AN AREA OF OUR SUPPLY CHAIN WHERE WE HAD LIMITED VISIBILITY."

### JUSTIN HAMPSHIRE, CHIEF EXECUTIVE, TFG BRANDS LONDON

The ITF is in ongoing discussions with other brands that continue to come forward for support. The ITF invites further approaches from responsible companies wanting to collaborate to ensure the rights of workers are respected in their transport supply chains.



# IMPLEMENTING BUSINESS PRACTICES UNDERPINNING MARITIME HRDD

Based on findings of the ITF Rights Check for seafarers and dialogue with a company, bespoke solutions to mitigate risks can be negotiated, as these examples highlight.

- 01. Seek, establish and maintain business relationships with charterers or combined logistics providers who commit to engage for the shipping of the brand's cargo only FOC vessels with an ITF Agreement on board, or national flag vessels with a national collective bargaining agreement on board.
  - This provides brands with assurances that human rights safeguards are in place for seafarers. The brands can also rely on there being an accessible way for seafarers with concerns to make an anonymous complaint through the ITF Inspectorate network, providing an additional informal grievance mechanism at the operational level.
- 02. Require shipping or combined logistics providers to attest to this requirement of ITF Agreements on board, and include it as a contract term in a brand's own shipping or logistics supplier agreements. Demand that this be cascaded into

- any agreements between a brand's logistics suppliers and any additional subcontractors/suppliers of shipping services.
- 03. Require charterers to agree with any crew managers and/or manning agents that the manning agent will provide engagement, training and information packages to seafarers concerning their human rights. These should include occupational health and safety, the role of the ITF, and seafarers' direct access to the ITF's global network of inspectors.
- 04. Require charterers to agree to ensure similar information is accessible in documents visible on board, and to the facilitation of ITF inspections (permitted by the ITF Agreement).
- 05. Cease behaviours in their own business, management, pricing, and tender models that may be root causes of exploitative practices in transport services along the supply chain.



# RESPONSIBILITIES OF BRANDS IN THE HRDD FRAMEWORK AS APPLIED TO SHIPPING

Brands can have positive impacts on communities if they behave responsibly. The UNGPs set out an internationally recognised framework based on HRDD processes to ensure companies respect human rights in all activities and operations.

A whole set of actors have responsibilities towards a wide range of stakeholders whose interests risk being negatively impacted.

Workers, unions and global unions like the ITF are all "stakeholders" in supply chains.

Actors with responsibilities include national governments, local governments, intergovernmental institutions, investors, and companies, including brands at the top of supply chains providing their goods and services to customers. ITF's Supply Chain Human Rights Principles discuss the roles of these various actors further. In the specific maritime context, flag states, port states and seafarer home state governments have precise and distinct duties laid out in the MLC.

Responsibilities for labour rights go beyond the company directly hiring seafarers.

Responsible brands recognise their important role at the head of supply chains as consumers and investors become increasingly conscientious. They are taking steps to fully investigate the impacts of the business they do with partners and suppliers globally.

Brands' power and influence determines rates, terms and working conditions along their supply chains. Not only must they 'do no harm' in their own direct operations, but also responsibly engage other companies providing them with services (including shipping and logistics) and use their influence to ensure their business partners also respect human rights.

Brand leverage may extend beyond (direct) business partners.

Companies have responsibilities for what is going on along the length of their supply chains, 'downstream' as well as 'upstream'.<sup>49</sup>

The HRDD framework directs companies to identify, prevent, mitigate and account for human rights impacts. They are expected to assess their activities to prevent, mitigate, or remedy any actual or potential adverse impacts on human rights, including labour rights.

Company responsibilities depend on their particular role in the web of actors. Whether it causes, contributes to, or is directly linked to potential or actual impacts by its business relationships will impact the extent to which they are expected to act.

RESPONSIBILITIES FOR LABOUR RIGHTS GO BEYOND THE COMPANY DIRECTLY HIRING SEAFARERS. Where shipping is integral to a brand's business, the brand may themselves be the owner-operator or have chartered a fleet of vessels for their needs, which they may also manage, giving them effective control. This is common where a company transports bulk cargo. This brand is directly responsible for the seafarers onboard and required to cease and prevent any impacts on their rights because it is implicated in causing them.

Brands that indirectly charter are less likely to cause or contribute to human rights impacts, but contribution is possible. Examples include directly engaging charterers on unreasonably strict terms which cannot be met in conditions free from exploitation; indirectly chartering while mandating unreasonable conditions; or where the chartering brand is aware of exploitative conditions on board vessels repeatedly used to transport the brands' goods without taking remedial action.<sup>50</sup>

Where a brand contributes to a (potential) impact, it must cease or prevent its contribution, and also use its leverage to bring about change.

Where a brand does not cause or contribute but it is linked by its business relationships (e.g. by contracting a charterer or space on a ship to transport its goods), it should attempt to prevent or mitigate impacts caused by that charterer.

Leverage exists wherever the brand has the ability to change the practice that caused harm. Opportunities to increase leverage include collaborating with other companies that contract the same shipping provider.

The UNGPs recommend that the structure of contracts can mitigate human rights risks.<sup>51</sup>

Where this is ineffective, brands must consider terminating the relationship.

### **ENDNOTES**

- 1. International Chamber of Shipping (ICS) at <a href="https://www.ics-shipping.org/shipping-fact/shipping-and-world-trade-driving-prosperity/">https://www.ics-shipping.org/shipping-fact/shipping-and-world-trade-driving-prosperity/</a>. Figures include containers, bulkers and tankers.
- 2. The UN Guiding Principles on Business and Human Rights, 2011; OECD Guidelines for Multinational Enterprises 2011, now updated 2023 version, available here. The ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, most recently amended in 2017, is the only ILO document providing guidance directly to companies on responsible and sustainable business.
- 3. The French Corporate Duty of Vigilance Law 2017 is already being litigated in France. See also <u>Germany's Act</u> on Corporate Due Diligence Obligations in Supply Chains, in force from 1 January 2023; the proposed EU Corporate Sustainability Due Diligence Directive (European Parliament position agreed 1 June 2023); the UK Modern Slavery Act 2015; the Australia Modern Slavery Act 2018; the Dutch Child Labour Due Diligence law of 2019; and the Norwegian Transparency Act of 2022.
- 4. ILO Maritime Labour Convention, 2006, as amended.
- 5. United Nations Convention on the Law of the Sea, article 91, available at <a href="https://www.un.org/depts/los/convention\_agreements/texts/unclos/unclos\_e.pdf">https://www.un.org/depts/los/convention\_agreements/texts/unclos/unclos\_e.pdf</a>
- 6. Many targeted supporting campaigns are run alongside. E.g., the ITF has recently launched a targeted campaign against the FOCs of the Cook Islands, Palau, Sierra Leone, and Togo operating in the Mediterranean where, in the last three years alone, these ships have had 5,203 deficiencies and detentions issued by European enforcement agencies, have abandoned 33 crews totalling over 100 seafarers without food, water or a way home. Owed wages totalling USD5.5 million has been recovered by ITF inspectors.
- 7. India, Indonesia, the Philippines, China and Russia together provide the largest numbers (44 percent) of the world's 1.9 million seafarers. See the UN Conference on Trade and Development *Review of Maritime Transport*, reporting on BIMCO/ICS 2021 report, <a href="https://unctad.org/system/files/official-document/rmt2021\_en\_0.pdf">https://unctad.org/system/files/official-document/rmt2021\_en\_0.pdf</a>.
- 8. UN Convention on the Protection of the Rights of all Migrant Workers and Members of their Families, 1990 although seafarers are excluded from migrant worker convention provisions in favour of more specific tailored regulation.
- 9. Human Rights, Climate Change and Business: Key Messages, UN OHCHR, <a href="https://www.ohchr.org/sites/default/files/Documents/Issues/ClimateChange/materials/KMBusiness.pdf">https://www.ohchr.org/sites/default/files/Documents/Issues/ClimateChange/materials/KMBusiness.pdf</a>
- 10. October 2021, <a href="https://www.itfglobal.org/en/reports-publications/itfs-sustainable-shipping-position-paper">https://www.itfglobal.org/en/reports-publications/itfs-sustainable-shipping-position-paper</a>. According to the Maritime Joint Task Force's 10-point Action Plan for a Just Transition, women are needed for better performance and risk management. In 2020, women made up just 1.28 percent of the overall global seafaring workforce, and just 0.73 percent of officers, according to the ICS. The cruise and ferry industries were a key sector for women seafarers, which were brought to a halt by the Covid-19 pandemic.
- 11. See Shift, <a href="https://www.ungpreporting.org/resources/salient-human-rights-issues/">https://www.ungpreporting.org/resources/salient-human-rights-issues/</a>; UN Guiding Principle 24: 'business enterprises should first seek to prevent and mitigate those that are most severe or where delayed response would make them irremediable.'
- 12. UNGP 17, commentary.
- 13. Consisting of the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights ('ICCPR'), and the International Covenant on Civil and Political Rights (ICESCR) and its two Optional Protocols.
- 14. The other two fundamental principles are the elimination of child labour, and the elimination of discrimination in occupation and employment.
- 15. Based on the ILO Seafarers' Wages, Hours of Work and the Manning of Ships Recommendation, 1996 (No. 187), and periodically set by the bipartite Joint Maritime Commission of shipowners and seafarers.
- 16. Universal Declaration of Human Rights, article 4 'No one shall be required to perform forced or compulsory labour.'; ILO Forced Labour Convention No 29 of 1930; ILO Abolition of Forced Labour Convention No 105 of 1957; ILO Protocol of 2014 to the Forced Labour Convention, 1930.
- 17. ILO Special Action Programme to Combat Forced Labour, <a href="https://www.ilo.org/wcmsp5/groups/public/---ed\_norm/---declaration/documents/publication/wcms\_203832.pdf">https://www.ilo.org/wcmsp5/groups/public/---ed\_norm/---declaration/documents/publication/wcms\_203832.pdf</a>
- 18. Also reflected in the MLC at B2.2.2.4(i).

- 19. See <a href="https://www.itfseafarers.org/en/your-rights/non-payment-wages">https://www.itfseafarers.org/en/your-rights/non-payment-wages</a>. Beyond contract terms, some mandatory HRDD legislation now requires due diligence to ensure an adequate or 'living' wage. Germany's Act on Corporate Due Diligence Obligations in Supply Chains includes 'withholding an adequate living wage' as a human rights risk at article 2(2) (see <a href="https://www.csr-in-deutschland.de/SharedDocs/Downloads/EN/act-corporate-due-diligence-obligations-supply-chains.pdf">https://www.csr-in-deutschland.de/SharedDocs/Downloads/EN/act-corporate-due-diligence-obligations-supply-chains.pdf</a>.

  <a href="https://www.regieringen.no/contentassets/c3ac3faf340441faa7388331a735f9d9/transparency-act-english-translation.pdf">https://www.regieringen.no/contentassets/c3ac3faf340441faa7388331a735f9d9/transparency-act-english-translation.pdf</a>
- 20. ILO Delphi Indicators, see Operational Indicators of Trafficking in Human Beings, 2009, at <a href="https://www.ilo.org/wcmsp5/groups/public/---ed\_norm/---declaration/documents/publication/wcms\_105023.pdf">https://www.ilo.org/wcmsp5/groups/public/---ed\_norm/---declaration/documents/publication/wcms\_105023.pdf</a>
- 22. ITF Seafarers' Trust and Yale University study, 2019.
- 23. Under Regulation 2.5.1 of the MLC 2006, seafarers have the right to be repatriated at no cost to themselves at the end of the employment agreement (even where one party terminates the agreement for justified reasons).
- 24. Regulation 2.5, MLC 2006 determines the maximum time before the seafarer is entitled to be repatriated is 12 months, but with one month of paid leave accruing over the contract period due at the end, this brings the maximum time on board to 11 months.
- 25. In 2022, the ITF achieved nine MLC amendments including the right to social connectivity, a balanced diet and improved drinking water access.
- 26. In June 2020, the Panama Ship Registry in its Merchant Marine notice 03/2020, advised that ships flying its flag could extend contracts to 17 months (6 months longer than the MLC maximum) if Covid-19 prevented repatriation.
- 27. MLC, 2006, Regulation 2.5 (above).
- 28. MLC, Regulation 2.4.2.
- 29. Protected under MLC, Regulation 4.1.3.
- 30. MLC, Regulation 2.1, para. 2, states that seafarers' employment agreements shall be agreed to by the seafarer under conditions which ensure that the seafarer has an opportunity to review and seek advice on the terms and conditions in the agreement and freely accepts them before signing. This generally can only occur before the seafarer joins the vessel when the employer gains effective control over the seafarer's movements.
- 31. ILO, Information note on maritime labour issues and coronavirus (COVID-19), 3 February 2021, paras 11-12, <a href="https://www.ilo.org/wcmsp5/groups/public/---ed\_norm/---normes/documents/genericdocument/wcms\_741024.pdf">https://www.ilo.org/wcmsp5/groups/public/---ed\_norm/---normes/documents/genericdocument/wcms\_741024.pdf</a>
- 32. See International Maritime Organisation (IMO), Coronavirus (COVID-19) Recommended Framework of Protocols for ensuring safe ship crew changes and travel during the Coronavirus (COVID-19), October 2020, pandemic, <a href="https://www.cdn.imo.org/localresources/en/MediaCentre/HotTopics/Documents/COVIDCL4204adds/CircularLetterNo.4204-Add.14-Coronavirus">https://www.cdn.imo.org/localresources/en/MediaCentre/HotTopics/Documents/COVIDCL4204adds/CircularLetterNo.4204-Add.14-Coronavirus</a> (Covid-19)-RecommendedFrameworkOfProtocols.pdf
- 33. UN Global Compact, Maritime Human Rights Risks and the Covid19 Crew Change Crisis, A Tool to Support Human Rights Due Diligence, at <a href="https://unglobalcompact.org/library/5886">https://unglobalcompact.org/library/5886</a>
- 34. ITF delivers justice for Yangtze Fortune crew abandoned off Australian coast seafarers repaid missing wages and repatriated home, 22 March 2023, <a href="https://www.itfseafarers.org/en/news/itf-delivers-justice-yangtze-fortune-crew-abandoned-australian-coast-seafarers-repaid-missing">https://www.itfseafarers.org/en/news/itf-delivers-justice-yangtze-fortune-crew-abandoned-australian-coast-seafarers-repaid-missing</a>
- 35. <a href="https://www.itfseafarers.org/en/news/itf-inspectors-recover-usd376m-unpaid-wages-seafarers-despite-covid-restrictions">https://www.itfseafarers.org/en/news/itf-inspectors-recover-usd376m-unpaid-wages-seafarers-despite-covid-restrictions</a>
- 36. 'Tip of the iceberg': ITF inspectors recover \$45m in seafarers' wages amidst record-high abandonments', 7 June 2021, <a href="https://www.itfseafarers.org/en/news/tip-iceberg-itf-inspectors-recover-45m-seafarers-wages-amidst-record-high-abandonments">https://www.itfseafarers.org/en/news/tip-iceberg-itf-inspectors-recover-45m-seafarers-wages-amidst-record-high-abandonments</a>
- 37. See: https://www.itfseafarers.org/en/news/seafarer-unpaid-seven-years-while-tanzanian-flag-ducks-its-obligations
- 38. A study and report by the ITF Seafarers' Trust and Yale University in 2019 found 25 percent of seafarers suffer from depression compared with six percent in a general German population and five percent of oil and gas workers workers who risk similar kinds of isolation.
- 39. There has been a victory in a Rotterdam court on this 'non-seafarers' work clause', with the judge highlighting the importance of honouring collective bargaining agreements and the improved safety that the clause brings for seafarers: <a href="https://www.itfseafarers.org/en/news/victory-seafarers-safety-dutch-court-sides-unions-container-lashing">https://www.itfseafarers.org/en/news/victory-seafarers-safety-dutch-court-sides-unions-container-lashing</a>

- 40. The UNGPs do not necessarily require all brands to leave a situation of conflict. If a company assesses that it can respect human rights, seek to use its leverage and mitigate adverse impacts, then it may be able to stay. The OECD Guidelines recommend disengagement as a last resort. Some decisions to leave come outside of the UNGPs. But if the company does withdraw, then the UNGPs will require a responsible exit with consideration and measures taken for those affected by the withdrawal, including workers.
- 41. Carrying out HRDD in conflict zones is not equal to complying with the requirements of international sanctions. Having HRDD processes in place may help comply with sanctions, as a company will already have awareness of its business partners. A decision to leave may be required in advance of any international sanctions to remain compliant with UNGPs.
- 42. UN Guiding Principle 12 Commentary: 'Moreover, in situations of armed conflict enterprises should respect the standards of international humanitarian law.'
- 43. ICS, Feb 2022, discussed here in terms of keeping shipping running by ensuring seafarers from these countries can travel, disembark, receive international banking etc., <a href="https://www.ics-shipping.org/press-release/russian-and-ukrainian-seafarers-make-up-14-5-of-global-shipping-workforce-according-to-ics/">https://www.ics-shipping.org/press-release/russian-and-ukrainian-seafarers-make-up-14-5-of-global-shipping-workforce-according-to-ics/</a>
- 44. The 2023 amendment removes the condition of 'employed by the multinational enterprise', Ch V.1a and b.
- 45. OECD Due Diligence Guidance for Responsible Business Conduct, 2018: 'Due diligence is informed by engagement with stakeholders. Stakeholders are persons or groups who have interests that could be affected by an enterprise's activities.

  2. Examples of stakeholders include workers, workers' representatives, trade unions (including Global Unions) ...', at page 18. <a href="https://www.oecd.org/investment/due-diligence-guidance-for-responsible-business-conduct.htm">https://www.oecd.org/investment/due-diligence-guidance-for-responsible-business-conduct.htm</a>
- 46. OECD Due Diligence Guidance, 2018, at p18. See also 'effectiveness criteria' for grievance mechanisms in UN Guiding Principle 31.
- 47. OECD Due Diligence Guidance, pp18-19. Also under the Norwegian Transparency Act, any member of the public, including investors, NGOs, and trade unions, can request information from a company about how it addresses actual and potential human rights impacts.
- 48. Hobbs and Whistles Owner First to Commit to Human Rights Due Diligence Across Transport Supply Chain', 29 March 2023, <a href="https://www.itfseafarers.org/en/news/hobbs-and-whistles-owner-first-commit-human-rights-due-diligence-across-transport-supply-chain">https://www.itfseafarers.org/en/news/hobbs-and-whistles-owner-first-commit-human-rights-due-diligence-across-transport-supply-chain</a>
- 49. UN Office of the High Commissioner for Human Rights (OHCHR), <a href="https://www.ohchr.org/sites/default/files/documents/issues/business/2022-09-13/mandating-downstream-hrdd.pdf">https://www.ohchr.org/sites/default/files/documents/issues/business/2022-09-13/mandating-downstream-hrdd.pdf</a>
- 50. See Global Compact Network Australia, *Modern Slavery within Maritime Shipping Supply Chains, Guidance for Australian Businesses in Identifying, Managing, and Mitigating Modern Slavery Risks within Maritime Shipping*, December 2022, especially page 24.
- 51. UNGP17 commentary.

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