



LOSS PREVENTION UPDATE

CONCENTRATED INSPECTION CAMPAIGN ON CREW WAGES AND SEAFARER EMPLOYMENT AGREEMENTS (MLC, 2006)

The Member Authorities of the Tokyo and Paris Memoranda of Understanding (MoU) on Port State Control (PSC) will initiate a [joint Concentrated Inspection Campaign \(CIC\)](#) focusing on [Crew Wages and Seafarer Employment Agreements](#) in accordance with the Maritime Labour Convention (MLC, 2006). Other PSC MOUs are also expected to take part in this CIC.

This campaign will take place over three months, [from 1 September to 30 November 2024](#). During this period, Port State Control Officers will use a [pre-defined questionnaire](#) to ensure that [crew wages, seafarer employment agreements \(SEA\), and financial securities](#) comply with the relevant MLC requirements. There are eleven questions in the questionnaire. Any questions, except question 3, that are ticked as 'No' may be considered as grounds for detention.

In addition to the CIC questionnaire, the scope of a PSC inspection regarding the MLC is generally limited to reviewing the ship's Maritime Labour Certificate and Declaration of Maritime Labour Compliance for validity and completeness. However, PSC may carry out a more detailed inspection if any scenario, such as clear grounds, reasonable grounds, or complaints outlined in Standard A5.2.1 (inspections in port) of MLC 2006 is identified.

If such a detailed inspection is conducted, it will cover the general areas of the convention listed in [APPENDIX A5-III](#) of MLC 2006.

Therefore, masters and shipowners are advised to [ensure strict compliance with the requirements of MLC 2006](#), particularly in the following areas:

THE SEAFARER EMPLOYMENT AGREEMENTS

The SEA should conform with all flag state requirements and must contain all the items listed in Standard A2.1, paragraph 4(a)–(k) of MLC 2006. Noting also that as per MLC 2006, Article II 1(g): "A seafarers' employment agreement includes both a contract of employment and articles of agreement".

It should be confirmed a copy of the SEA and, where applicable, the collective bargaining agreement (CBA) are available on board, and seafarers have access to both in a language they understand. Each seafarer should have a copy of their own SEA. If the CBA and SEA are not written in English, the relevant provisions of the CBA and a copy of the standard SEA should be available in English on board. Ensure the SEA is signed by both the seafarer



and the shipowner, or a representative of the shipowner. If the SEA is concluded and signed by a person supplying the seafarer to the ship, a power of attorney must be in place.

Ensure seafarers are given a document containing a record of their employment on the ship (such as a discharge book), which should not contain statements regarding the quality of their work or their wages.

Always ensure seafarers are not on board beyond the date fixed for expiry in the SEA. If the expiry date has passed, evidence of the contract extension and the seafarer's request for the extension should be annexed to the SEA, and the period of extension should not exceed the minimum annual leave limit as specified in Standard A2.4 of MLC 2006 or the national standard.

WAGES AND DEDUCTIONS

Ensure evidence documents, such as wage slips, are available for all seafarers on board to confirm wages are being paid at intervals no greater than one month, as specified in their SEA or the relevant CBA.

Confirm any deductions in the wage bill are in accordance with national standards, the SEA, and the CBA and no unauthorised deductions, such as payments for travel to or from the ship, are made in the wage bill.

Ensure evidence of regular salary remittance to seafarers is available on board, and any charges for remittance or allotment transmission services are reasonable, and exchange rates comply with national requirements.

Be clear on the calculations required for overtime payments to the ships crew. Records of overtime worked should be maintained up to date, with evidence that each member of the crew has confirmed the accuracy of the figures at least monthly.

CERTIFICATE(S) OF FINANCIAL SECURITY

Ensure valid certificates or documentary evidence of financial security, issued by the financial security provider, such as P&I clubs, as required by Standard A2.5.2, paragraph 7 (repatriation), and Standard A4.2.1, paragraph 14 (compensation in the event of death or long-term disability) of MLC 2006, are available on board. A copy of these certificates should be posted in a conspicuous place on board, such as the messroom or smoking room.

FURTHER INFORMATION

For further information, please do not hesitate to email lossprevention@tindallriley.com

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