

The Increase of MLC related PSC inspections and detentions



Crew living standards are a key component of MLC compliance (Source: Skuld)

THE MARITIME LABOUR CONVENTION (MLC)

The Maritime Labour Convention 2006 (MLC) sometimes called the “seafarers’ charter” or the “seafarers’ bill of rights” entered into force as of 20 August 2013 for the initial ratifying nations, and has been adopted by a number of further jurisdictions since that time.

The MLC amalgamates several dozen older Conventions and Regulations, as well as expanded on these and now lays down a comprehensive framework for employment contracts, employment terms as well as working and living conditions. Significant rules include a focus on wages, living conditions, safety and rest hours.

66 countries have ratified MLC to date, which between them hold the registry to about 85% of the world’s tonnage, and cover perhaps as many as 2 million seafarers around the world.

In the short time since it has come in to force, PSCs have already stated enforcing action.



Fire detector above steering gear broken (Source: Skuld)

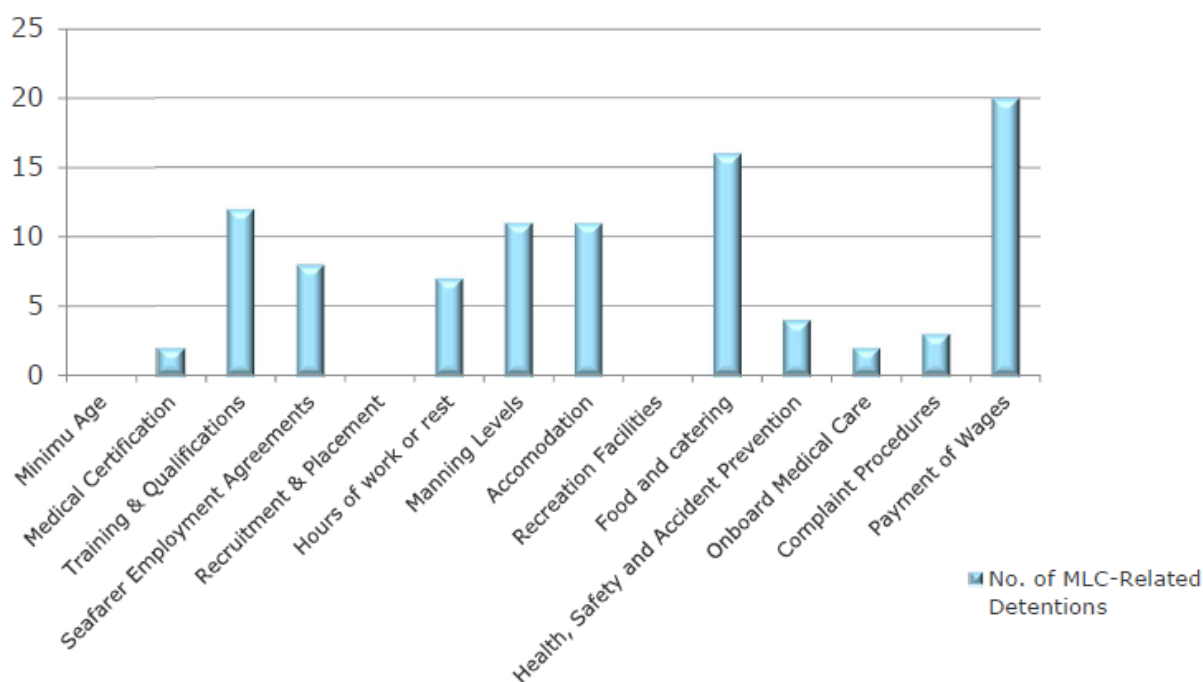
Port State Control Inspections

MLC inspections are conducted by local Port State Control including on foreign flagged ships in their national territories to verify ships are properly manned, equipped and operated in accordance with international conventions and regulations.

Hot tip : The MLC applies by virtue of ratification of the PSC jurisdiction, which means it can apply to vessels from flags and crews from countries that have not ratified it.

There are 14 key areas which are checked by PSC and which have, to a certain degree, already led to vessels being detained, as per the chart below (courtesy of DNV GL). It must be kept in mind, however, that a local PSC may choose expand on an inspection and go beyond these 14 areas in their investigation.

MLC related detentions in Tokyo and Paris MOU (2014)



The most frequent deficiencies that resulted in detentions have been (non-)payment of wages, manning levels, health and safety and accident prevention, hours of work and rest, food and catering and accommodation.

Major MoU's have reported that 160 ships, inclusive of 113 inspected by the Paris MoU, were detained for MLC deficiencies in the first year alone of it coming in to force. There is clearly a willingness on the part of the Paris MoU, Tokyo MoU, AMSA in Australia, as well as a number of other maritime authorities to take enforcement very seriously.

EXAMPLE CASE STUDIES

The Association has seen a number of instances as well as received reports of others where PSC considered the vessel to have not been in MLC compliance, and that included the following examples:

- 1) a vessel was detained in northern America due to issues with respect to payment of crew wages
- 2) repeat detention in northern Europe because of an absence of formal crew contracts and crew did not have a copy of their contracts on board
- 3) AMSA, the Australian agency carrying out Australia's port state control function, have also stated that they will pay close attention to MLC compliance including time served on board as well as hours of rest and work



Poor house-keeping, makes for a poor impression (Source: Skuld)

WHAT DO THE FIGURES SAY

It is undeniable that shipping continues to face difficult times, and that owners operate in tough market conditions. It is also, however, very important to appreciate that the overall regulatory environment for shipping is tightening, and that there is increased focus and willingness from national authorities to pursue rigorous enforcement policies.

Shipowners need to be aware that whenever they will call at a port of a country that has ratified the MLC, the convention will apply. That means local PSC, or equivalent authority, may come on board and carry out an inspection, and should deficiencies be noted, action is very likely to follow. In extreme cases it may see a vessel prohibited from returning, and AMSA in Australia has recently issued a clear policy guideline on such action.

To ensure vessels can continue to sail and trade, without the significant consequence of a PSC detention, fines and even bans being imposed, it will be necessary to have a clear understanding of the MLC's

requirements as well as having a clear company policy for practical compliance. This requires training and education throughout the organisation.

It is also important to remember that while the MLC does not apply in every country or port, the SCTW Convention is likely to apply. It also regulates many of the matters addressed by the MLC including hours of work and rest.

The Association knows from its own experience that the “Human element” is key to loss prevention and the safety of voyages. Well rested and well cared for seafarers make for safer ships, with less down time and claims, all of which contribute towards a company’s bottom line. Whether seen holistically or economically, MLC compliance is important.



Documents being inspected [Source: Paris MOU]

FURTHER READING

The Association has previously published guidance on the MLC, including a detailed insight section as well as certain specific topics which can be accessed via Skuld’s website here:

[MLC and SCTW related material](#)

[MLC 2006 Insight](#)

[AMSA Guidelines](#)

Should members have a vessel specific enquiry they are asked to contact their usual Skuld business unit.

CREDITS

By: Rachel Wong
Claims Executive, Skuld Hong Kong

For further information, members are asked to contact Christian Ott at: lossprevention@skuld.com