

Multi-year Expert Meeting
on Transport, Trade Logistics and
Trade Facilitation
9th Session

**Sustainable and resilient transport and
trade facilitation in times of pandemic
and beyond: key challenges and
opportunities**

12–14 July 2022

**Advancing the implementation of human
rights standards for seafarers**

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ADVANCING THE IMPLEMENTATION OF HUMAN RIGHTS STANDARDS FOR SEAFARERS

Multi-year Expert Meeting on Transport, Trade Logistics and Trade Facilitation, 9th session (UNCTAD)

Agenda Item 3: Strengthening legal, policy and collaborative approaches to keep trade flowing during the pandemic and beyond-13 July 2022

FOSTERING THE RESPECT OF HUMAN RIGHTS OF SEAFARERS



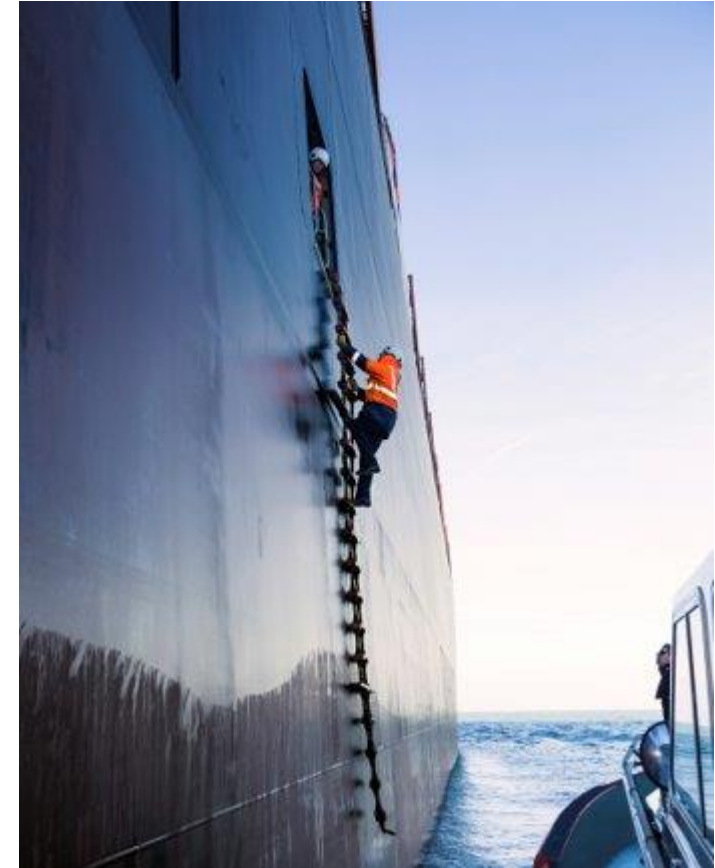
The protection of our seafarers is considered a **priority matter by MSC**. Throughout the pandemic our focus has remained on ensuring people at sea received the support and assistance needed (e.g. chartered flights, vessel deviations, adjustment of vessel schedules, etc.)

This commitment is stressed in our **Code of Business Conduct – Chapter Human Rights and Labour Standards** –reviewed in 2020, which sets standards of responsible business conduct and considers our responsibility in terms of risks to people ('rights-holders'). Our Code **addresses specifically the respect of human rights of seafarers**, in line with:

- *applicable flag states/domestic legal requirements and regulations*
- *international standards , guidelines and recommendations as defined by applicable maritime and labour conventions adopted at the international level by the United Nations*
- *the ILO Maritime Labour Convention (MLC), 2006, as amended*

MSC is actively engaged in a number of multi-stakeholder activities. **Global advocacy work and industry-wide efforts** remain essential to tackle the existing challenges and to ensure the respect of fair and decent working conditions onboard and safe crew changes.

MSC also actively engages with customers/third parties, whenever appropriate, to ensure the inclusion of human rights, labour standards and modern slavery considerations **in contractual requirements, tailored to the maritime industry.**



CURRENT SCENARIO

Over the past years, as a result of COVID-19, human rights issues and related human rights-contractual requirements in commercial contracts have increased.

Yet, these clauses reflect a “traditional approach” to HRDD:

- the customer tends to **shift all responsibility** for human rights issues to **the supplier**
- the customer requests the supplier to sign/adopt a standard framework (e.g. code of business conduct for suppliers) which **does not** take into account sector specifics, emerging risks and specific terms and conditions of contracts, developments in national legislations
- contractual requirements **do not** reflect human rights commitments and standards **tailored to the rights-holders**

GAPS RELATED TO HUMAN RIGHTS OF SEAFARERS

The majority of clauses/contractual requirements reflect poor awareness and understanding of the international shipping sector’s regulatory frameworks specific from other sectors. For example, they:

- are **not related** to compliance with applicable maritime conventions, including the ILO MLC, 2006, as amended;
- **focus** mainly on international shipping’s **Tier 1 supply chain** (logistics service providers and subcontractors)
- **do not** address compliance matters related to international shipping’s value chain (**connecting carriers/chartered vessels for example**)
- are **not tailored** to services requested and related **rights-holders** (e.g. seafarers)
- **do not address differences in applicable international standards** (e.g. ILO Convention 138 and its exceptions for developing countries which set different minimum standards compared to the ILO MLC, 2006, as amended)
- **do not address emerging human rights/modern slavery risks**
- **are linked to a termination clause** in case of breach, instead of requesting to monitor compliance with contractual requirements and encouraging collaborative efforts to address human rights issues/adverse human rights impacts (if any)

MSC' S EFFORTS TO ADVANCE THESE GAPS



MSC has developed a number of model clauses with a focus on sector specifics and relevant rights-holders. These include model clauses related to human rights of seafarers.

The drafting and/or amendments to these clauses include **collaboration with our customers/third parties** and are made **on ad hoc basis** in order to:

- ensure the **inclusion of contractual requirements focused on human rights of seafarers** and **related applicable standards** as defined by relevant maritime conventions
- ensure **alignment** between contractual requirements **with relevant/applicable human rights due diligence standards**
- raise awareness and provide guidance to the customer/third party on **sector-specific regulatory frameworks whenever needed**
- provide **operational guidance** to the customer/third party in terms of compliance obligations and requirements
- allow the integration of **emerging human rights risks** requiring reasonable due diligence by **both contracting parties** (e.g. by mutualizing the clauses)
- **negotiate the rejection of** standardized code of business conducts as well as **termination clauses**, where applicable, by advocating for the inclusion of a wording requesting joint efforts/information sharing in case of human rights adverse impacts

- **Model clauses for commercial contracts** with a focus on **human rights of seafarers/compliance with the ILO MLC, 2006, as amended** are needed
- **Official continuous guidance is required** to ensure contractual requirements are reviewed and tailored to **address emerging human rights risks, changing operational challenges and the evolving scenario**
- **Exploring ways to include companies using ocean transportation** (“cargo owners”) into a **broader collaborative approach** addressing human rights standards for seafarers **is crucial**
- **Clear guidelines are needed to** ensure the integration of human rights standards for seafarers **in existing data collections frameworks and human rights due diligence processes**
- **Raising awareness of the linkages between the respect of human rights of seafarers and resilient supply chains** would also help advancing the **SDG 8** on decent work and economic growth, for sustainable development
- The inclusion of the above human rights considerations in the **ongoing discussions/developments at the international level related to the shipping’s regulatory frameworks** would be a significant step **to advance the global Business and Human Rights agenda**



2021
SUSTAINABILITY
REPORT

Additional information on our efforts related to the protection of human rights of our seafarers and current human rights-related challenges can be found in our **Sustainability Reports**

[msc.com/sustainability](https://www.msc.com/sustainability)

and **MSC Modern Slavery Transparency Statements**

[MSC Modern Slavery Transparency Statement | MSC](#)

THANK YOU

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