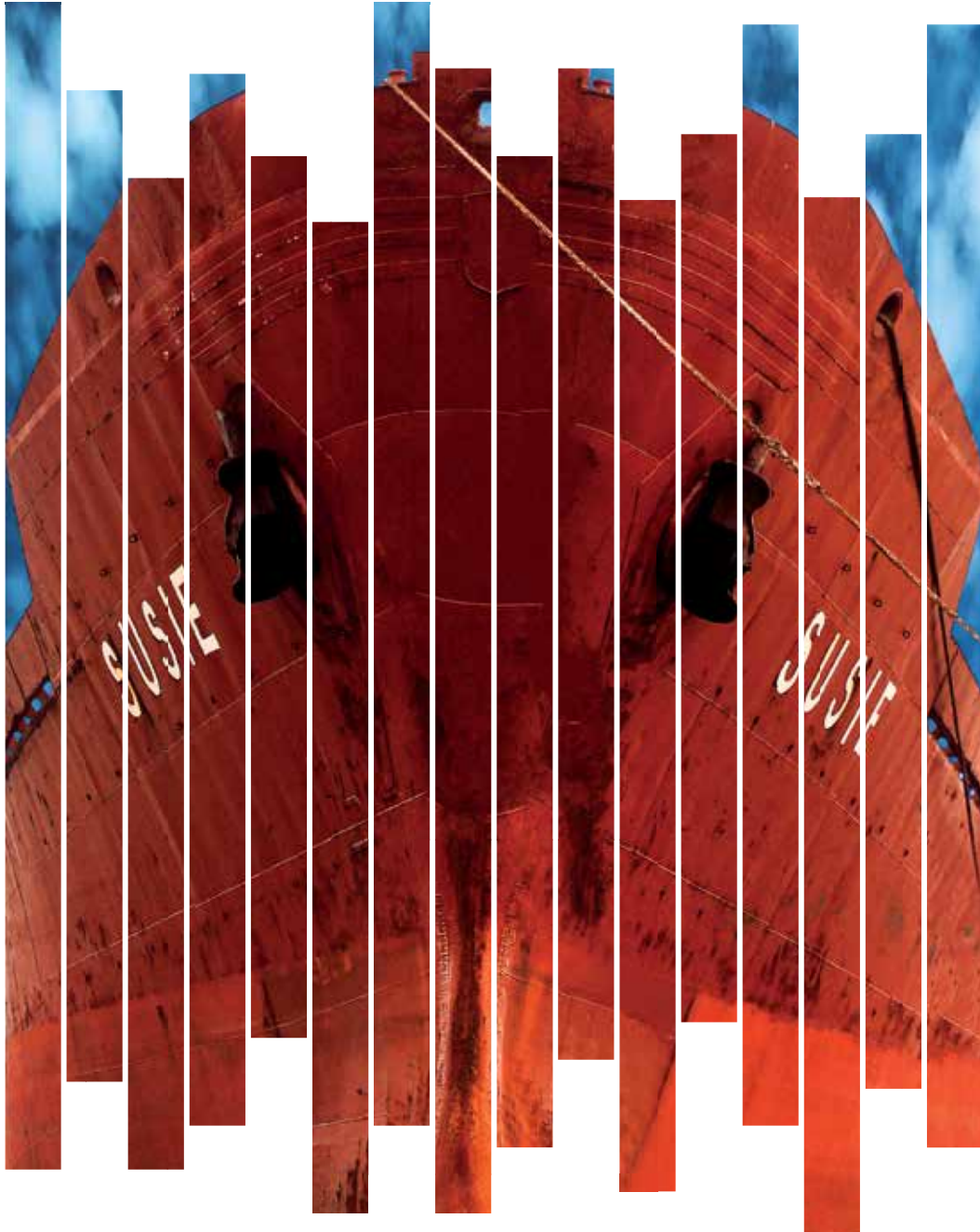


# SEACURUS BULLETIN

MONTHLY EDITION - JULY 2016 | ISSUE 61



## UNDERSTANDING THE EFFECTS OF PIRACY

VIOLENCE AT SEA | TECHNOLOGICAL TRIALS AND TRIBULATIONS | NEW CODE OF CONDUCT



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This last month has seen a number of seafarer issues come to the fore - from the effects of piracy and violence to abandonment and welfare on board - we take an in-depth look at some of the issues.

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## Welcome

> Welcome to the Seacurus Monthly Bulletin – an in-depth look at some of the issues which have been affecting shipping and the maritime industry in the last month.

There have been some rather startling stories in the press recently – and some of them could perhaps have come from the annals of history. Tales of bloodshed, rumours of mutiny and ships being dashed upon the rocks seem more like a Robert Louis Stephenson plot, than our modern day industry. Sadly truth can be every bit as strange as fiction.

While there is a debate over who did what to whom and when, the facts remain that life at sea today has many potential pressure points, and sadly these can often spark disagreements among crew, even leading to violence. Tensions seem to be on the rise, and seafarers are suffering as a result – but so too is safety and security.

These kind of events highlight just how precarious shipping can be, forget the effects of BREXIT or even the impact the new container weighing rules will have, there is always the capacity for a single point failure, when the weakest link in the chain of management onboard snaps – then terrible things can happen.

We have featured a number of articles which address seafarer issues this

month – partly because they have been catching our eye in the press, but also it has been Seafarers Awareness Week, and the Mission to Seafarers is an incredible 160 years old this month.

The work of the Mission, as well as other charities, is incredibly important – every bit as vital today as it was back in the reign of Queen Victoria, when iron clad paddle steamers were the technological high water mark.

Times change, but often problems don't – and today seafarers are still battling problems which really do need to be consigned to history. In our article "Innocent Victims at Sea", we look at the abandonment issue, exploring the frustration and worry that crews can face when a commercial dispute breaks out.

This month we also look at piracy – while it may not be hogging the headlines as it recently did, there are still many issues which need to be explored and understood. One of these is the long term effect of having been held captive, or suffered an attack.

It can perhaps be easy to think that life has just returned to normal for the thousands of seafarers who suffered at the hands of pirates. A new study shows the effects are still being felt, and may be for some time. Work by the Oceans Beyond Piracy centre reveals some worrying and troubling trends.

Finally this month we dive into the technological trials and tribulations facing shipping. With the media seemingly in a thrall to Rolls Royce's vision of unmanned ships, we explore how such a conservative industry as shipping can truly embrace the leap into the 21st Century?

We also look at cyber security in the wake of a spate of new conferences – assessing the serious and potentially disastrous consequences in the here and now, as vessels evolve and cyber security problems come to the fore.

As ever we hope you enjoy Seacurus Monthly – please feel free to contact us if you have any comments, and pass onto your colleagues if you feel they will be interested or affected by any of the issues raised. <

All the best

**Capt. Thomas Brown**  
Managing Director



# VIOLENCE AT SEA

**It can be hard enough working at sea today, especially as it seems so many potential pressure points can spark disagreements among crew. Tensions seem to be on the rise, even leading to violence. Seafarers are suffering as a result, and both safety and security are jeopardised.**

## *Tension Rising*

The harsh potential realities working on board ship came to the fore recently in a number of cases in which alleged violence amongst crews grabbed the headlines and even saw a vessel grounded as a result.

The first saw an alleged mutiny when a fight erupted in the engine room amongst the crew on the Liberian-flagged “MV Benita”. An incident which led to the bulk carrier running aground off Mauritius while sailing from India to Durban, South Africa.

Initial reports suggest that a brawl on board led to the grounding, and local media said the fight was instigated by one member of the engine department. One engineer suffered severe injuries and was later airlifted to a hospital in Mauritius.

His alleged attacker, 38-year-old Filipino Omar Taton Palmes, reportedly locked himself in the engine room after the captain threatened to throw him overboard. Other crew members said Palmes then disabled the ship’s power. Taton was charged with aggravated assault and may face further specific maritime related charges.

The vessel’s P&I insurer, the London Club has stated, “The grounding followed an incident on board involving a crew member who suffered a serious medical episode which led to him attacking one colleague before causing extensive damage to the engine room”.

## *Seafarers Traumatized*

An investigation into the unusual circumstances of the grounding has been taken up by Mauritius’ Criminal Investigation Division. The vessel’s voyage data recorder is being analysed by South African experts and by a representative of the Liberian registry (the vessel’s flag state).

Its contents are encrypted and will require expert service to remove and interpret. One aim of the investigation is to determine if the master, Captain Eduardo Cadiz, had attempted to report the disruption on board to Mauritius’ National Coast Guard in a timely manner.

The effect of both the conflict onboard, the subsequent grounding and the high profile ramifications have reportedly left the crew of the “Benita” “traumatized” by the shocking goings on – which is perhaps unsurprising.

“Several crew members say they are very traumatised and they all seem genuinely concerned for each other’s welfare,” said Father Jacques-Henri, Apostleship of the Sea’s (AoS) Port Louis chaplain, who has been visiting the crew. “

## *Abandoned and Fighting*

While the tensions and frustrations on board an operational vessel are capable of sparking violence, imagine then, just how stressed seafarers who have been abandoned by their employer can be. Over the past year the crew of the “New Imperial Star”, a casino vessel, have been fighting the vessel owner to get the wages they are owed. Sadly, the situation on board also saw them begin to fight as tensions flared aboard the ship.

It was reported the Captain and two Chinese crew experienced a brutal altercation over a can of coffee. For crew to live, work, eat, and sleep in such close proximity, there are inevitably problems which can occur. They are thankfully rare – especially with regards to full blown mutiny and near riots, but the potential for discord is all too real.

This is not the only other issue of recent shipboard violence – just last month newspapers in Italy reported local police in Salerno, Italy arrested a 31 year-old Jamaican, man employed as a cook in the galley of the Celebrity cruise ship, the Constellation, for “attempted murder aggravated by petty reasons.”

The cook, identified only as “OG,” attacked a 38 year-old Indian, head chef, with what is described as a “big knife,” according to the press. The cook stabbed the chef in the stomach, seriously injuring him and requiring emergency medical treatment at the Salerno hospital where the chef was admitted in critical condition.

## *What do the Rules Say?*

The Maritime Labour Convention (MLC2006) exists to make life at sea better – but it is no silver bullet, it cannot cure the ills which can begin to fester when crews are tense, when they are frustrated or there is a social breakdown on board.

Given just how hard it is to be a seafarer today, it is perhaps surprising there are not more reported incidents. Of course not all people on board a ship will get along – there may be personality clashes, there can be disputes and even anger, but thankfully the systems, structure and discipline are usually maintained.

To rely on discipline though, to hope that people can fix their problems is perhaps asking rather a lot. The modern crew structure, and indeed numbers on board have been rationalised heavily over the past 20 years or more. While this may of course mean there may be less people to fall out with amongst the crew, the implications when people do can be disastrous – as has been seen with the grounding of the “Benita”.

## *Heading off Conflict*

With a high pressure environment, potential for fatigue and tiredness, and the tinder box of emotions and frustrations, then conflict can arise between seafarers – and even groups of people on board. Different departments, nationalities, ranks, there can be times where people find themselves at loggerheads.

Any potential conflicts need diffusing and tackling head on – so what can be done to deal with clashes on board? Just like any workplace, these issues need careful and sensitive management. Unlike other workplaces there is no escape as people live and work together.

For any shipboard manager, the first stage is to display leadership. According to academic research leaders in shore workplaces spend around 25 percent of their time resolving conflicts. Unfortunately at sea very often the management skills, conflict management experience and time to deal with such issues are not as they used to be.

With fewer people, greater demands and ever more input from shore managers, it seems that we have lost some of the leadership that perhaps senior officers would have had before. Action is needed though, and if conflict is likely, then seafarers need to be able to head it off or deal with it.

## *Making Life Better*

There are vessels today which are ticking time bombs, with arguments and breakdowns in shipboard relationships just waiting to happen. To head them off takes an investment in time, effort and resources. It takes a commitment to both understand how conflict can occur, and to ensure that steps are taken to head it off.

One answer to the ways in which life onboard is managed is the subject of a new campaign by the Sustainable Shipping Initiative (SSI) – a pioneering coalition of companies from across the global shipping industry.

The group has announced a ‘Seafarers’ On-board Charter’ – a best practice charter that can be adopted by ship owners and operators to further enhance the welfare of seafarers beyond the mandatory standards of the Maritime Labour Convention (MLC). It will be interesting to see what effect, if any this has – we feature the charter inside this month, and look at the effect it could potentially have.



# UNDERSTANDING THE EFFECTS OF PIRACY

*With piracy slipping out of the headlines for now, it can perhaps be easy to think that life has just returned to normal for the thousands of seafarers who suffered at the hands of pirates. A new study shows the effects are still being felt, and may be for some time*

## THOUSANDS OF SUFFERING SOULS

According to a new report published by Oceans Beyond Piracy and One Earth Future, since 2001 more than 3,000 seafarers have been held hostage by Somali pirates. While a significant, but unknown, number of seafarers have been kidnapped in other parts of the world. With around 40 are currently being held in captivity.

The new OBP study explores the long-term impact of piracy on seafarer and family recovery, and of the ways in which both parties are often left wrestling with deep-seated trauma even once the crew are released and head home.



### Key findings from the report include:

- Most seafarers who have been held hostage do not show lasting impairment in their mental or behavioural health, but 25 percent of former hostages have symptoms consistent with Post-Traumatic Stress Disorder (PTSD). These seafarers are at higher risk of having poor overall well-being, as well.
- Being held hostage, more than any other type of piracy experience, leads to lasting effects. Many seafarers are exposed to different types of threats from pirates, ranging from the tensions of transiting through the high-risk areas to actually being attacked. Only hostage experiences are related to a significantly increased risk of PTSD.
- Seafarers are exposed to a fairly high number and degree of traumatic experiences in the course of their regular employment. The maritime environment is dangerous, and seafarers are regularly exposed to traumatic experiences other than piracy. These experiences have an independent impact on post-traumatic stress symptoms and can negatively affect seafarer well-being.
- Traumatic experiences impact the decisions seafarers make about their work. Seafarers with higher levels of post-traumatic stress symptoms are more likely to think about piracy when taking contracts, and more likely to have declined a job due to piracy risk.
- Families of hostages can have problems getting information about their loved ones, and many suffer lasting distress. Less than 50 percent of family members of hostages feel that they had good information about what was happening to their seafarer, and more than 30 percent of spouses of seafarers report that they have no idea how they would get information if something bad happened while their seafarer was at sea. A large minority of the family members of hostages show lasting behavioural effects from their experiences.

The findings are based on a series of interviews and structured surveys collected from 465 seafarers in three major seafaring countries: India, the Philippines and Ukraine.

These seafarers included 101 former hostages and 364 non-hostages, and also 38 family members of seafarers.

### Types of Abuse

Most former hostages experienced multiple forms of abuse. To capture the rates of exposure to different kinds of abuse, the survey asked former hostages about what kinds of abuse they had suffered.

Rates of abuse are listed below:

TYPE OF ABUSE	N	RATE
Threatened with death or execution	88	87.13%
Given insufficient or inadequate food or water	81	80.20%
Threatened with beating or abuse	78	77.23%
Slapped, kicked, or punched by pirates	59	58.42%
Serious injury to other crew	56	55.45%
Beaten with an implement (for example a rod, stick, or gun)	47	46.53%
Ship used as 'Mother Ship' for pirates to operate from	39	38.61%
Being hung by the tied hands or arms	36	35.64%
Other forms of extreme physical abuse	31	30.69%
Held by yourself with no other crew for long periods	30	29.70%
Death of other crew member	27	26.73%
Serious injury to self	25	24.75%
Forced to remain uncovered outside for extended periods	20	19.80%
Hung overboard	9	8.91%
Electric shock	0	0.00%

### The Response

The report states that part of the response to maritime piracy should help seafarers prepare for potential exposure to pirate attack and cope with their experiences during and after the event. This should be an integrated response including pre-event planning and training and during event management as well as post-event support and care. Care for the families should also be an integral part of the response.

Post-event care should include social integration and support as well as targeted mental health support. All hostages will benefit from the former, and a minority will need the latter. Programs designed to mitigate the long-term impact of piracy should also support resilience in the face of other traumatic maritime events.

In practice, addressing these issues will require a coordinated effort from seafarer support organizations, industry and states, says the report. This will require a corresponding increase in appreciation for the breadth and depth of the impact of piracy and other traumas on the seafarer population.

While there are many negatives and problems highlighted in the study, it can also be seen that seafarers are a resilient community and suggests that with the development of more robust systems for support, this resilience can be reinforced. It is hugely important that studies such as this highlight the issue – while thankfully organisations such as ISWAN and the ITF continue to fund and operate the Maritime Piracy Humanitarian Response Programme (MPHRP).

Indeed, Maritime charity ISWAN has released an updated version of its Good Practice Guide for Shipping Companies and Manning Agents. Seafarers continue to be the targets of pirates and armed robbers, with around 100 held captive ashore by various groups in different parts of the world at the moment, says the charity. Interviews with seafarers released after an attack and hostage situation suggest that those briefed in advance cope better than those who are not.

# TECHNOLOGICAL TRIALS AND TRIBULATIONS

With the media seemingly in a thrall to Rolls Royce's vision of unmanned ships, just how will such a conservative industry as shipping make the leap into the 21st Century? Cyber security is one issue, but so too is legality and liability. Technology is not seemingly keeping step with other realities.



## New Vision for Shipping

Rolls-Royce has been talking for a while now about autonomous ships – but last month revealed more of the concept designs for their ship that could be managed remotely from a manned control centre. A video released by the company shows possible designs for its “oX control room”, which includes a global wall that could show a real-time overview of global shipping traffic.

“Autonomous shipping is the future of the maritime industry” said Mikael Makinen, president of Rolls-Royce's marine division, in a white paper published by the company. “As disruptive as the smartphone, the smart ship will revolutionise the landscape of ship design and operations.”

Remote Ship Operators would be able to monitor vessels by a remote link, carry out diagnostics and deploy drones to perform further inspections. The video also suggests that operators would be able to collaborate at workstations that project three-dimensional displays of a ship's mechanics, allowing engineers and technicians to fix issues remotely.

Rolls-Royce's vice president of marine innovation, Oskar Levander, who unveiled the concepts at this year's Autonomous Ship Technology Symposium in Amsterdam, said the company expected to see this kind of remote-controlled ship in use by the end of the decade.

## Technology Needs Perfecting

“This is happening,” said Rolls Royce's Oskar Levander, “It's not if, it's when. The technologies needed to make remote and autonomous ships a reality exist.” The concepts are part of the company's Advanced Autonomous Waterborne Applications (AAWA) programme, which is currently testing its sensors and controls in a variety of operating and climatic conditions in Finland.

It is interesting to note that parallel to their marine work, Rolls-Royce's motoring division has also taken steps into the world of driverless cars, unveiling its first self-driving concept earlier this year. The vehicle included a built-in “red carpet” and lighting system that announces its arrival to bystanders.

You could perhaps be forgiven for thinking that all these rapid technological advancements are all pro and no con. Alas that view seems to be tragically wrong as it has recently emerged that self-driving cars have claimed their first life. This comes after a former Navy SEAL has reportedly become the first person to die at the wheel of a self-driving car as the systems onboard failed to spot a truck on the road.

While the Tesla system relies on some form of human redundancy to assist the process, it seems the driver was watching a Harry Potter movie as his Tesla collided with a truck while on autopilot. Joshua Brown, died after his computer-guided Tesla Model S ploughed into a tractor trailer on a freeway in Florida, in May. Tesla said its autopilot system failed to detect the truck because its white colour was similar to that of the bright sky, adding that the driver also made no attempt to hit the brakes.

## What about at Sea?

Once again it seems that the potential utopian technological vision of unmanned ships being remotely controlled could be undermined by the fact that sometimes machinery is just as fallible as the humans it is seeking to replace.

The idea that an advanced self-driving car could completely fail to spot a huge white coloured truck, just because the sun was shining and there were perhaps white clouds in the sky is pretty terrifying. Visibility at sea is bound to be a massively problematic issue – would Maersk have to change the colour of

its ships incase sensors couldn't spot a big blue ship amongst big blue waves?

It may sound trite, but it seems the dream is not yet ready for the reality – and with fears of potential great loss of life and environmental disaster, the technologists are going to have to work very hard to make sure the future vision is viable.

With a mix of human controlled vessels, and these remote ones – it seems that there may well be a dichotomy in the ways in which ships are sensing and reacting. Humans are far, far from fallible – but so too is technology.

## Liability and Legality

It can be tempting to think that all States in the world are as ready to embrace and trust technology. That their legal systems, and indeed security authorities are as liberal in attitudes as other places.

Two cases emerged last month which reminded us that ships have to operate in places which can challenge the perceptions that technology is always embraced and welcomed. In India and Egypt, it seems based on these cases that is not always the case.

Four seafarers were arrested from a Panamanian cargo ship off the Eastern coast of India last month for allegedly carrying satellite phones. These phones had been banned in India as they are similar to ones used in the 26/11 Mumbai attacks.

According to the Indian authorities signals from a ‘Thuraya’ phone were detected and the Coast Guard tracked the signals to an anchored ship “Frontier Triumph”. The master denied there was a sat phone on the ship as the Thuraya had not been declared – something which is mandatory for ships entering Indian waters.

Naturally the phone was eventually found, and the crew will now face some extremely searching questions.

## Time to Think On Drones

The other technological concern surrounds the use of drones and ships – while in the US last month a company was boasting about their new capability to use drones to supply vessels, over in the Suez Canal the technology has been less well received. Indeed, experts have been issuing advice for shipowners thinking of using drones at sea after a ship was detained for using a drone while transiting the Suez Canal.

While details of why a drone was being deployed from the vessel have not been confirmed, shortly after the drone was, the Master was requested by the Canal Authorities (SCA) to drop anchor. During the subsequent inspection, they confiscated the drone and the vessel was detained in anticipation of further investigations.

There are currently no common or international rules governing the use of drones. According to the European Aviation Safety Agency (EASA), basic national safety rules apply but these differ from one country to another. Nevertheless, a drone launched from a vessel, can have serious consequences for the vessel and the shipowner.

In the past security companies have pitched the idea of using drones against pirates, and there are some technology companies using them for ship inspections. However, some believe that if the drone hits another ship, it could technically fall under an act of piracy. While drones use RF (radio frequency) to communicate, most ships emit far stronger RF signals than the drone remote controller device, and so it is considered most likely a drone will just fly away, uncontrolled. With the subsequent chaos and issues that could cause.



# CYBER INCIDENTS WORRYINGLY COMMON

**It is not just the issue of the near or far future when technology will shape shipping. There are serious and potentially disastrous consequences in the here and now, as vessels evolve and cyber security problems come to the fore.**

## Talking About Problems

Maritime conference organisers always like to keep their fingers on the pulse of the industry – and just in the past couple of months alone it seems that cyber security has become the biggest show in town. In London alone 3 or 4 conferences have all looked at the cyber issues affecting ships and seafarers.

According to speakers at one conference, 43 per cent of crew said they had served on a vessel that had been a victim of some form of cyber incident. Attacks which could include malware insertion, digital virus attack, or software updating issues.

This alone would be terrifying enough, but the statistics get even more worrying – It was claimed that 95 per cent of cyber breaches are human-related. Yet only 10 per cent of crew surveyed had received some form of cyber security training.

Sadly seafarers are part of the problem – and are often a key conduit for malware and viruses, through the use of USB memory drives. But there are other sources of cyber risk too, as attacks could come through the ship's connection to online services over satellite communications, in-port WiFi, or through contractors providing remote monitoring services.

Malware could also come from engineers updating shipboard system software.

## Lucky So Far

Shipping has seemingly been fortunate not have been widely targeted as yet, but “security through obscurity” is not a solution, it is just luck – and the industry cannot remain or expect to stay lucky for long.

It has long been feared that hackers will discover shipping's “soft underbelly”, and when they do, and as bandwidth increases, the results could be alarming. As cyber-attacks are a definite “when-not-if” threat.

The shipping industry has to be ready, aware and willing to tackle the problems – however at the moment it seems that there is a degree of hesitancy, and even something of a head in the sand attitude.

At another conference it was suggested that insurers should be the ones that drive change, and compel action. However, it was pointed out that as P&I Clubs will cover (non-terrorist) cyber issues – then there is seemingly little appetite to get into the tough issue of insuring shipping's technological weak spots.

## Poor System Designs

While the current number of known shipping attacks is actually low, the industry is slowly waking to the threats and the implications. However, one oil major confidently stated that they had never experienced a cyber-issue...whether this is pride coming before a fall time will only tell.

It seems that hubris and over confidence could well be the downfall of many shipping companies. The fact remains that shipping is all too often reliant on out of date, obsolete software, under powered hardware and often systems are poorly defended. As vessels increasingly rely on automation and remote monitoring, key systems including navigation equipment could and will be compromised.

The fact that Windows XP seems to figure so widely in shipping operations is perhaps something of a shock to many. Even those of us who do nothing more than surf the web and email know that support for Windows legacy systems has long been withdrawn.

There are no updates, and so with every passing second the vulnerabilities of such systems becomes ever greater. The sophistication of hackers and the viruses which can so easily be introduced mean that such vessels (and there are many), are so exposed to cyber problems.

## Crew Concerns

Perhaps the biggest perennial technology problem is also one of the most basic. That is the widespread use of USB thumb-drives by crew, service engineers and visitors onboard.

As the capacity of remote drives has grown, so too has the potential for anyone onboard to unwittingly infect shipboard systems. Add to that the change to the shipboard architecture with ever more connected systems, then any virus entering a vessel has a chance to spread and cause problems.

While there should be caution in labelling seafarers a threat, it has to be recognised that the so-called “insider” risks posed

by people onboard must be considered. While these may not be prompted by malicious intent, it is vital that any ignorance or lack of understanding is guarded against.

As such there are calls for shipping to introduce the systems, protocols and cultural changes which mean seafarers move from problem to solution. Though it was noted that progress will not happen instantly nor without a plan to change. But it has repeatedly been stressed that this has to be guidelines, not standards.

## What can be Done?

With people onboard ship being such a potential problem area, a strong focus has been on asking just what can be done to mitigate the risk and to ensure that people do not compromise safety and security.

Just what can be done to incentivise crews to take cyber issues more seriously? Cyber issues do not exist in a vacuum – they are just one of so many other problems that seafarers have to manage and understand. So it has been stressed that seafarers need to understand where the risks lie, and of their role in protecting the vessel and systems. Education and training are key – and it is vital that some of resilience is developed.

There are also calls for cyber-security risks to be incorporated within the International Safety Management (ISM) code, and so be laid down within Safety Management Systems (SMS). The Code does already contain provision for threats and hazards to “key equipment”, so perhaps this could be a reality east step. Just making sure safety and security embrace this different kind of problem – so by changing the interpretation and emphasis rather than the wording.

These are early days as the industry wrestles with cyber security, and as such there is no current complete picture, but there are incredibly compelling warning signs. As such the industry has to do more to manage the risk of attack or weakness and to limit its effects if the worst does happen.

# INNOCENT VICTIMS AT SEA

There can be fewer more frustrating and worrying situations for seafarers than when their vessel is arrested as part of a commercial dispute. When it comes to a breakdown in the commercial relationship between owners and charterers or managers, then the crew can become the very innocent victims.

## Seafarers Pulled into Problems

All too often seafarers are pulled into bitter and simmering disputes between erstwhile business partners or clients, or can be victim to rogue owners who think it acceptable to not pay wages or provide food.

While maritime commercial disputes are commonplace, it can be all too easy to forget the human costs associated, and the pressures and uncertainty which are burdened by any seafarers unwittingly caught in the crossfire.

In all too many cases seafarers become the forgotten victims, there are instances when they do not receive wages as they fall between the cracks in the argument, and then as the time rolls on it becomes ever harder to get food, water and fuel onto the ship. After all which chandler or bunker supplier is going to take on the risk of not getting paid.

So bad becomes worse, and while the lawyers chew over legal points and as arbitrators mull the arguments, it is the seafarers whose lives are on hold – whose families at home begin to suffer and for whom the real life costs begin to rack up.

## Looking Out for Crew

The Sustainable Shipping Initiative (SSI) – a pioneering coalition of companies from across the global shipping industry – has announced it has developed the concept of a ‘Seafarers’ On-board Charter’ – a best practice charter that can be adopted by ship owners and operators to further enhance the welfare of seafarers beyond the mandatory standards of the Maritime Labour Convention (MLC).

The SSI’s Social Sustainability Working Group has developed the concept for the Seafarers’ On-board Charter following the implementation of a research survey to analyse the quality of life of seafarers, and generate insights on what more can be done to enhance living conditions while on-board vessels.

The Charter aims to encourage ship owners and operators to go beyond the mandatory basics of the MLC, including specifically implementing some of the voluntary aspects of the Part B provisions of the MLC, within the following five subcategories:

### Accommodation

– enhancing habitability through indoor environmental quality factors

### Recreation and Social Activities

– providing and equipping recreational spaces for social activities on board

### Communication and Social Support

– providing internet connectivity, and monitoring seafarer satisfaction

### Food and Catering

– provide routines for testing of potable water to ensure a suitable quality

### Management and Policy

– ensuring that there are equal opportunities for seafarers and shore staff, and encouraging a harmonious working environment

## Developing Best Practices

Ship owners and operators that adopt the best practice standards of the Charter will demonstrate their recognition of the value of the seafarer to the enterprise, and their commitment to them. By creating a better working environment, they will attract and retain the best talent which will inspire more productivity and efficiencies within operations, adding to their competitive advantage with their customers.

To support the voluntary implementation of the Charter, the SSI is working with its ship owner and charterer members for suitable rating schemes to adopt the Charter and would recognise and favour owners and operators who adopt the more progressive approaches to crew welfare. A further development could be for access to the Charter to allow seafarers to see which progressive companies place additional value on their sea staff.

The development of the Charter is in line with the third key pillar of the SSI’s Vision for a sustainable shipping industry by 2040.



The SSI believes that not only is it a fundamental duty of the industry to improve the overall quality of life for those that work at sea, but also, the industry must build a reputation for being a trusted and responsible partner within the communities where it lives, works and operates.

This will help to promote shipping as an industry of opportunity, attracting and retaining people with the traditional skills and competencies required, as well as the more diverse skillsets and experience which are increasingly needed as the industry develops in technical complexity.

## MLC Effect

“Since coming into force, the Maritime Labour Convention has had a positive impact in ensuring that the majority of seafarers, at the minimum, have a basic, safe, and secure workplace as well as fair terms of employment and relatively decent living conditions,” said Alastair Fischbacher, CEO, The Sustainable Shipping Initiative.

“While there are many companies who already implement many of the Charter aspirations, it is by no means universal and more need to be aware of what they can do to improve their sea staff’s satisfaction and productivity. Seafarers are the lifeblood of the shipping industry and critical to its future sustainability.

The Charter sets out some simple measures that enhance their welfare, living standards and working conditions to ensure that we attract and retain the best talent by ensuring a reputation for shipping as an industry where people can build rewarding careers.”

This is seemingly a positive step – but does it really go far enough? Perhaps the biggest weakness of any such idealistic step is the fact that consumers do not seemingly care about seafarers – perhaps because they are ignorant to their plight. This means that charterers do not feel the need to really commit as strongly as they should to seafarer welfare. The rules are in place, but does the reality mean that’s seafarers will always have to suffer?

# MONTHLY NEWS ROUND-UP

SOME OF THE OTHER STORIES WHICH HAVE  
CAUGHT OUR EYE THIS PAST MONTH.

**Long Awaited Panama Opening:** Panama opened the long-delayed \$5.4 billion expansion of its shipping canal amid cheering crowds on Sunday, despite looming economic uncertainty in the shipping industry and a heated battle over billions in cost overruns. At 7.50 a.m. (1250 GMT), the Chinese container ship “Cosco Shipping Panama” entered the Agua Clara lock on the Atlantic to begin the first crossing of the roughly 50-mile-long (80.45-km-long) waterway and was due to emerge on the Pacific side by 5.00 p.m. (2200 GMT). The expansion triples the size of ships that can travel the canal, and aims to wrestle market share from rival Suez and U.S. land routes. <https://goo.gl/8IRUik>

**Shipping Tries to Stay Calm:** In a statement in response to the outcome of the EU Referendum, the UK Chamber of Shipping remained neutral on the debate over the UK’s membership of the EU, but recognized the decision of the British people and saying now is the time for rational and strategic thinking. “Shipping moves 95% of the UK’s international trade and we don’t see that changing,” the UK Chamber. “We may now be beginning the process of leaving the European Union, but we are still an island nation...What we need now are cool heads. We’ve had the political debate, now it’s time for rational and strategic thinking.” <https://goo.gl/rTHAFR>

**Indonesia Bans Pirate-Hit Shipments:** Indonesia has banned all Indonesian-flagged vessels from heading to the Philippines, after a spate of seafarer kidnappings in the Sulu and Celebes seas in recent months, linked to southern Philippine Islamic group Abu Sayyaf. The move could lead to a shortfall in coal for the Philippines, which sources around 70% of the important raw material from its neighbour, Indonesia. “The moratorium on coal exports to the Philippines will be extended until there is a guarantee for security from the Philippines government,” said Indonesian foreign minister Retno Marsudi. <http://goo.gl/kvVXI9>

**Port Workers Spotting Ship Slaves:** Port workers are being asked to look out for signs of slavery on ships docking in England’s south coast ports. The Hampshire and Isle of Wight Modern Slavery Partnership says slavery at sea can go unnoticed because of restricted access to ships and the limited chances to check on the welfare of seafarers. One port chaplain says he has seen evidence of crew members forced to work without sufficient rest hours or pay. Hampshire Constabulary said it would do all it could to help victims. Rev Roger Stone, said he had seen galleys without food or drinking water, food unfit for human consumption, filthy shower and toilet areas. <http://goo.gl/A7D6g8>

**Demand Not Meeting Supply:** It is now clear that the demands for shipping services are way below the availability of the fleets of existing ships in most sectors. While the tanker markets remain finely balanced, as the price of crude oil does not seem to affect demand, orders for new crude carriers are cause for concern. The dry-bulk and container sectors are grossly over-tonnaged causing most companies in these sectors to record growing losses. Most financial analysts and some major shipbrokers now concede that this shipping crisis will continue through the remainder of this decade and maybe well into the next one. <http://goo.gl/40S89X>

**Abu Sayyaf Kidnap Again:** Suspected members of the Abu Sayyaf Group (ASG) reportedly abducted 7 crew members of a cargo ship headed to Indonesia on Tuesday, June 22. The cargo vessel was traversing Indonesian waters from the Philippines when the armed men, fired at the vessel and seized 7 of the 13 crew members, said to be a mix of Indonesian and Malaysian citizens. With their victims, the kidnappers reportedly fled towards the direction of Tawi-Tawi in the southern Philippines. The incident is the latest in a string of abductions. <http://goo.gl/XfOtVY>

**Time for New Emissions Approach:** Shipping needs to come up with an IMO-led global solution to fight emissions, and must not go down the regionalisation route, a leading shipowner said yesterday. “We believe that shipping, together with all other industry sectors, must be part of the solution to limit the increase in global temperature, as we clearly are a global contributor to carbon emissions”, said the president of the European Community Shipowners’ Associations (ECSA), Niels Smedegaard, addressing a symposium on decarbonisation of shipping held in Antwerp. <http://goo.gl/3xNjok>

**Industry Not Ready for Weighing:** Helle Hammer, Managing Director Cefor & Chair of the International Union of Marine Insurance (IUMI) Political Forum discuss about Container Weighing Rules. As of 1 July 2016, only containers with a verified gross mass will be allowed to be loaded on board a vessel (although IMO is allowing a grace period of three months). Although the new SOLAS requirement was adopted in 2014, many shippers and forwarders are still unprepared, and masters will have little choice but to refuse unverified containers. Non-compliance is likely to affect risk exposure due to disturbances in the supply chain and delays. <http://goo.gl/mHDFtS>

**New Suez Price List:** Egypt’s Suez Canal Authority has set new toll rates for oil tankers as part of a six-month experiment that came into effect on Thursday, it said on its website. Very large crude carriers (VLCCs) transiting the canal from the Arabian Gulf after discharging at the SUMED oil pipeline will be charged \$155,000 if they are carrying more than 250,000 in deadweight tonnage. VLCCs are to pay \$230,000 on their return ballast trip. The canal is one of Egypt’s main sources of foreign currency. Egypt has been struggling to revive its economy since a 2011 uprising scared away tourists and foreign investors. <http://goo.gl/CCJPrP>

**Information Centre Closes:** The Maritime Trade Information Sharing Centre – Gulf of Guinea (MTISC-GoG) will close before the end of this month, following what is being claimed as “the successful conclusion of the Pilot Project”. Based in Accra, Ghana, MTISC-GOG has been operational since March 2014, supported by some EU Member States and other international partners. Merchant vessels submit voluntary reports to the centre which facilitates the creation of a maritime picture from Senegal to Angola and provides security warnings to vessels about suspicious incidents and piracy attacks. There have been allegations the centre had been hacked or infiltrated. <http://goo.gl/5Tr4rP>

**IUMI Embraces New Rules:** The York-Antwerp Rules (YAR) is a set of rules by which General Average (GA) is adjusted. IUMI has a particular interest in their content as, on average, the GA system increases the cost of maritime casualties by between 10%-30% largely due to interest, commission and adjusters’ fees. The process of collecting GA security from all the cargo interests, assembling information about ship and cargo values and expenses then re-adjusting all GA expenses and sacrifices usually takes several years and prevents claims files being closed quickly. IUMI has been campaigning for a set of YAR for expenses to lie where they fall outside GA. <http://goo.gl/r15NCS>

**Could You Handle PR Glare:** If your ship sinks, can you answer the questions the public wants answered? Are you and your team prepared should the unthinkable happen? Could a perfect media storm happen on your watch? These were the questions posed to an audience of shipowners, brokers and other key members of the shipping community by Lars Rhodin, Managing Director of The Swedish Club at its 144th AGM. The theme of this year’s Club AGM – ‘What can be done when the damage is done? Can you make a bad case better?’ – was aimed at reminding members and guests that loss prevention doesn’t stop when there is an incident. <http://goo.gl/sqm7DP>

**Ship Scrapping at Record Levels:** Ship scrapping appears set to hit record levels this year, according to shipbroker and services firm Clarksons. In its latest review of the demolition market, it says that after a slowing in the second half of 2015, ship scrapping “returned to a rapid pace” this year. According to Clarksons, 457 vessels, with a combined deadweight of 25.8m tonnes, have been demolished this year as owners looked to “clean out” older tonnage. “The majority of this tonnage (262 ships) has been in the bulker sector, particularly in the larger sizes,” noted Clarksons, “while boxship scrapping has also been considerable”. <http://goo.gl/TcJyVK>

**Psychosocial Risks for Seafarers:** Over the past few years, the OCIMF’s Tanker Management and Self-Assessment program, and others, have made recommendations about the psychometric evaluation of seafarers. However, there is still quite strong scepticism among the maritime industry, and there is little research, if any, about the psychosocial risks faced by seafarers, even though they are among the first to be experience occupational stress, burnout and various other psychological problems. The effective management of these risks should be a priority for policymakers, employers and employees. <http://goo.gl/JeV1Ge>

**Shipping Needs CSR Boost:** The shipping industry needs to increase Corporate Social Responsibility (CSR) awareness as on average less than 50 percent of the industry fully commits to related activities, according to the Shipping CSR500 Survey. The survey found that the five top rated sectors are oil companies, LNG operators, drilling companies, tanker operators and container operators, while bulk carrier operators, associations, ports and P&I Clubs were identified as under-performing. <http://goo.gl/Na6FQK>

**Port State Top Performers:** The Paris MoU has released its new performance lists for flags and Recognized Organizations citing Sweden as top performer followed by the United Kingdom, France, Denmark and Norway. The White, Grey and Black List is based on inspections and detentions over a three-year rolling period for flags. The new list has 43 flags on the White list, 19 on the Grey List and 11 on the Black list. <http://goo.gl/Scx4iK>



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