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around the world



Survey on Fees and Charges for Seafarer Recruitment or Placement

Project Report

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Executive Summary

Recruitment or placement fees and charges that are borne by seafarers illegally and in violation of the Maritime Labour Convention (MLC) are a serious concern in the maritime industry.

Their impact on seafarers and the industry can be significant and can lead to a range of negative consequences. The stress and financial strain of paying illegal fees can take a toll on seafarers' mental health, limit their career opportunities and lead to loss of trust in the shipping industry. The latter could exacerbate existing labour shortages. These fees and charges can be a significant burden for seafarers, especially those from developing countries. In some cases, seafarers might become trapped in debt bondage and may be forced to work in exploitative and abusive conditions, which are serious violations of their human rights.

The UK's Liverpool John Moores University is currently undertaking a study which aims to address these exploitative and harmful-to-seafarers practices, by examining the extent of this problem and exploring potential solutions.

In this article, we present the results of a survey which examined the prevalence of these practices. The questionnaire survey was designed in co-operation with The Mission to Seafarers (MtS), who sponsored this study, and the Institute of Human Rights and Business (IHRB).

Geographical spread

We gathered a total of 210 valid answers that were used in our analysis. Most of the respondents came from the Philippines (25.24%), India (21.90%) and Sri Lanka (9.52%). The following are the key results.

Seafarers' opinion on placement and recruitment fees: In one of our questions, we tried to elicit seafarers' opinions on illegal demands related to recruitment and placement fees/charges, as they can provide valuable insights into the issue. In their responses, most of the seafarers (almost 92%) indicated a great level of concern about these illegal practices and believed these should stop. In fact, 64.8% of the seafarers who participated in our questionnaire acknowledged that they were aware of these corrupt demands (stating that it had either happened to them or their colleagues).

Placement and recruitment fees – the actual picture: Approximately 21.43% of respondents reported that they had been asked to pay recruitment or placement fees. In terms of the country where the demand for fees was made (this might indicate the place of the middleman or crewing agency), India topped the list (35.5% of cases), followed by the Philippines (13.3%) and Myanmar (11.1%). It is worth noting that 28.26% of Indian seafarers who completed our survey reported that they had paid a fee.

The results of the survey showed that 57.8% of the respondents reported that the crewing agent appointed by the shipping company requested the fees, 11.1% said that the request came from an employee of the shipping company, while 31.1% pointed to an individual with links to the crewing agent or the shipping company.

The amount of money demanded varied from as low as \$50-100 to a maximum of around \$7,500, with an average of \$1,872. We have identified some cases (around 10%) where seafarers are still in debt because of these payments. These debts can place a significant burden on seafarers and can have a negative impact on their mental health and well-being. Further research is needed to investigate the potential for debt bondage (i.e., a form of modern slavery) and exploitation of seafarers.

Regulation support

Seafarers' familiarity with the MLC Convention and their rights: We also sought to gauge respondents' familiarity with the Maritime Labour Convention 2006 and other guidelines related to seafarer workplace rights and entitlement. The majority of them (71.4%) confirmed that they are well-versed in the above-mentioned guidelines and receive regular training. While we had anticipated that most seafarers would be familiar with these guidelines, a quarter of respondents (25.7%) admitted to only having partial knowledge and limited understanding.

Familiarity with complaint procedures: Seafarers were also asked if they were familiar with the procedure to file a complaint against recruitment fees, corrupt demands, or unlawful retention of their documents. Surprisingly, 35.7% replied that they do not know the procedure to file a complaint. This is alarming considering that the MLC requires each Member State to ensure that ships flying its flag have on board complaint procedures in place to handle seafarer complaints regarding breaches of the convention's requirements, including seafarers' rights.

Unlawful retention of seafarer documents: As part of our survey, we asked seafarers whether they had experienced any retention of their documents – such as passports, Continuous Discharge Certificate/ Seaman's books (CDC), or Certificate of Competency (COC) – during the recruitment/placement process by the hiring company or the recruiting agent. A startling 29% of the survey respondents indicated that they had experienced the retention of some of their documents by the hiring company or the recruiting agent during the recruitment/placement process. In almost all the cases both their Continuous Discharge Certificate/Seaman's book and passport were retained.

It should be noted that more than half of those who paid a fee also reported having their documents withheld. This high percentage can be attributed to coercion tactics, for example the retention of documents to ensure payment of a recruitment fee, or to guarantee employment on a particular vessel so that the agent receives a fee from the hiring company.

Taking action

We asked seafarers to provide their opinion on four measures that we identified as having the potential to reduce these practices. The largest percentage of respondents (53.1%) suggested that increasing awareness among seafarers through leaflets, on board notices, and social media could be an effective way to combat these practices.

Including MLC awareness certification alongside other STCW certification for seafarers was supported by 32.7% of the seafarers. This could indicate a desire among seafarers for more formal training to improve their knowledge and understanding of their rights under the MLC.

A significant proportion of respondents (31.3%) also suggested that frequent and regular education on what fees can and cannot be requested would be an effective way to reduce malpractices. We feel that there is definitely a need for a clearer understanding of seafarers' rights and entitlements.

Also, almost 30% of respondents suggested that help to obtain experience during the first years of employment could be an effective way to reduce malpractices related to recruitment fees and corrupt demands.

In addition to the survey responses, we received a significant number of comments in free text format. Most of these comments echoed the above-mentioned suggestions. Some pointed to the lack of opportunities for seafarers to secure their first placement on a ship as a root cause of this issue. Others recommended that governments impose hefty penalties on agents who exploit seafarers or hold manning agents and shipping companies accountable. The need for stricter enforcement was also highlighted.

In summary, compelling evidence suggests that seafarers are being charged for their recruitment and placement. Several interesting observations have been made and the complete survey results will be released soon. Our study will conclude with suggestions to reduce these practices, as well as recommendations for future research.

1 — Introduction

1.1 The Maritime Labour Convention (MLC)

The Maritime Labour Convention (MLC) is an international treaty adopted by the International Labour Organization (ILO) which came into force on 20 August 2013. It sets out minimum standards for the working and living conditions of seafarers on board ships. The MLC has been ratified by over 100 countries and is often referred to as the ‘Seafarers’ bill of rights.’

Seafarers’ employment and social rights are central in the Convention and per Article IV.2 every seafarer has “a right to fair terms of employment”.

Title 1 sets out the minimum requirements for seafarers to work on a ship. It covers issues such as minimum age, medical certification, training and qualifications, and recruitment and placement. The purpose of Title 1 is to ensure that seafarers working on ships are qualified and fit for their duties and that they have access to an efficient and well-regulated recruitment and placement system.

1.2 Recruitment/Placement fees or other charges

Regulation 1.4 of Title 1 of the Maritime Labour Convention (MLC) is about the recruitment and placement of seafarers. The purpose of this regulation is to ensure that seafarers have access to an efficient and well-regulated seafarer recruitment and placement system. It requires that seafarers have access to an efficient, adequate and accountable system for finding employment on board ship without charge to the seafarer.

More specifically, per Standard A1.4 ‘Recruitment and placement’, where a Member has private seafarer recruitment and placement services operating in its territory, they shall “*in its laws and regulations or other measures, at a minimum:*

- a. *prohibit seafarer recruitment and placement services from using means, mechanisms or lists intended to prevent or deter seafarers from gaining employment for which they are qualified;*
- b. *require that no fees or other charges for seafarer recruitment or placement or for providing employment to seafarers are borne directly or indirectly, in whole or in part, by the seafarer, other than the cost of the seafarer obtaining a national statutory medical certificate, the national seafarer’s book and a passport or other similar personal travel documents, not including, however, the cost of visas, which shall be borne by the shipowner”*

Definition

A study on ‘Recruitment or Placement fees and charges’ should begin by establishing a clear definition of these terms. This is important because the definition of recruitment or placement fees and charges can vary depending on the context, and it is essential to establish a common understanding of the term in order to effectively evaluate the prevalence and impact of these charges on seafarers, as well as identify potential solutions and policy recommendations to address this issue.

Surprisingly the word ‘fee’ appears only once in the text of the Convention – that is in the text presented above (Standard A1.4). There is, thus, no clear definition of the charges and fees in the Convention.

ILO (2019a) defines ‘**recruitment fees and related costs**’ as “any fees or costs incurred in the recruitment process in order for workers to secure employment or placement, regardless of the manner, timing or location of their imposition or collection.”

'Recruitment fees' include: "

- a. *payments for recruitment services offered by labour recruiters, whether public or private, in matching offers of and applications for employment;*
- b. *payments made in the case of recruitment of workers with a view to employing them to perform work for a third party;*
- c. *payments made in the case of direct recruitment by the employer; or*
- d. *payments required to recover recruitment fees from workers."*

ILO (2019a) further provides an indicative list of costs related to the recruitment process, which "when initiated by an employer, labour recruiter or an agent acting on behalf of those parties; required to secure access to employment or placement; or imposed during the recruitment process" cannot be charged. These costs are the following: "

- i. **Medical costs:** *payments for medical examinations, tests or vaccinations;*
- ii. **Insurance costs:** *costs to insure the lives, health and safety of workers, including enrollment in migrant welfare funds;*
- iii. **Costs for skills and qualification tests:** *costs to verify workers' language proficiency and level of skills and qualifications, as well as for location-specific credentialing, certification or licensing;*
- iv. **Costs for training and orientation:** *expenses for required trainings, including on-site job orientation and pre-departure or post-arrival orientation of newly recruited workers;*
- v. **Equipment costs:** *costs for tools, uniforms, safety gear, and other equipment needed to perform assigned work safely and effectively;*
- vi. **Travel and lodging costs:** *expenses incurred for travel, lodging and subsistence within or across national borders in the recruitment process, including for training, interviews, consular appointments, relocation, and return or repatriation;*
- vii. **Administrative costs:** *application and service fees that are required for the sole purpose of fulfilling the recruitment process. These could include fees for representation and services aimed at preparing, obtaining or legalizing workers' employment contracts, identity documents, passports, visas, background checks, security and exit clearances, banking services, and work and residence permits."*

Finally, they state that "extra-contractual, undisclosed, inflated or illicit costs are never legitimate"; these are related to anti-bribery and anti-corruption regulations. Examples of such illegitimate costs include: "bribes, tributes, extortion or kickback payments, bonds, illicit cost-recovery fees and collaterals required by any actor in the recruitment chain".

For more information, please see ILO (2019a; 2022) for a discussion on recruitment fees and related costs. The interested reader is also referred to the meeting documents submitted to the ILO 'Tripartite Meeting of Experts on Defining Recruitment Fees and Related Costs' in November 2018; see ILO (2018b). The Meeting adopted a comprehensive set of general principles and operational guidelines for fair recruitment, and, amongst others, provided definitions of recruitment fees and itemization of the related costs as presented by selected multi-stakeholder initiatives/organizations.

1.3 Problem definition

The Maritime Labour Convention (MLC) prohibits seafarers from bearing any recruitment or placement fees and charges. Seafarers should be able to access employment on a ship without paying any fees or charges to recruitment agencies or intermediaries. However, this is often violated in the maritime industry, where many seafarers are coerced to pay illegal fees to secure a job. This phenomenon has been well documented by academic literature, press reports and inspection findings. Evidence can also be found online on maritime forums where incidents of these illegal recruitment practices are discussed openly or even anonymously shared by crew members who experienced or witnessed them. We have also been, even, able to locate posts on various for a where, for instance, service charges were advertised openly.

We are currently examining the extent of this problem and exploring potential solutions. Note that it is out of the scope of this report to present the causes and effects of seafarers paying recruitment fees; these are currently being studied and will be presented in future reports. An analysis of the root causes may actually help identify some possible solutions and to understand the significance of the problem.

Regarding the **causes**, we have indeed identified a number of reasons why seafarers pay recruitment and placement fees and charges, even if they are illegal. One reason for the prevalence of these fees might be the lack of awareness among job seekers about the laws and regulations regarding these fees. Many assume that such fees are a normal part of the hiring process. In some cases, seafarers may be desperate for work and may be willing to pay a fee in order to secure a job. This can be exacerbated by a lack of bargaining power, especially if they are seeking entry-level positions (e.g., for their first placement) or are not well-connected in the industry. In addition, some recruiters or employers may pressure or coerce them into paying fees, by making false promises or threats. Cultural norms may also contribute to the prevalence of these fees in some countries. Finally, the lack of regulatory oversight in some countries can create an environment where unscrupulous recruiters or employers can charge fees with little fear of consequences.

The **impact** of illegal recruitment or placement fees and charges on seafarers can be significant and can lead to a range of negative consequences for the seafarers but also for the industry, as a whole. These include, potentially, debt bondage, extended family separation, mental health issues, exploitation and poor working conditions, limited career opportunities, inability to access justice, and loss of trust in the industry and institutions responsible for enforcing labor standards. In more detail, seafarers who pay illegal fees may become indebted to intermediaries such as recruitment agencies, which can lead to a situation of debt bondage, where they may be forced to work in exploitative or abusive conditions to pay off their debt. Prolonged periods of family separation and poor working conditions can take a toll on seafarers' mental health and wellbeing. Moreover, seafarers may be less likely to speak out against abusive or exploitative practices, making it difficult for them to access their rights under the law. This can perpetuate a cycle of exploitation and abuse, which can make it more difficult for regulators to identify and address problems in the industry. Ultimately, if the maritime industry is perceived as exploitative or unfair, it may be less attractive to newly graduated seafarers, exacerbating existing labor shortages in the industry.

This is why it is important for governments, employers and other stakeholders to work together to eliminate these fees and ensure that seafarers are treated fairly and with dignity. As a first step in addressing the problem, a survey questionnaire has been designed, aiming to determine the pervasiveness of these illicit practices and gather initial suggestions from seafarers regarding the reduction of these unlawful acts. This report presents the results of this survey.

2 — Survey and Main Findings

As discussed above, the Maritime Labour Convention (MLC) provides for an absolute prohibition against charging fees, directly or indirectly, in relation to finding employment for seafarers on any ship. According to 'Standard 1.4(5)(b) Recruitment and placement' (Title 1. Minimum requirements for seafarers to work on a ship)

"NO fees or other charges for seafarer recruitment or placement or for providing employment to seafarers are borne directly or indirectly, in whole or in part, by the seafarer, other than the cost of the seafarer obtaining a national statutory medical certificate, the national seafarer's book and a passport or other similar personal travel documents, not including, however, the cost of visas, which shall be borne by the shipowner."

Our aim with this survey was, mainly, to examine whether seafarers are being demanded (directly or indirectly) any of the above fees/costs.

The survey was conducted mainly during the last quarter of 2022 (October-December). The questionnaire survey has been designed in cooperation with **The Mission to Seafarers (Mts)**, who funded this study, and **the Institute of Human Rights and Business (IHRB)**.

The questionnaire was administered through Google Forms, although it should be noted that in some specific countries access to Google products may not be available.

To minimize bias and ensure accurate conclusions, several efforts were made to ensure adequate representation in the sampling. A non-probability convenience sampling method was used, combined with snowball sampling techniques. The latter involves asking participants to help identify other potential subjects. The survey was advertised through social media and various seafarer associations.

2. 1 Demographics

We have gathered a total of n=210 valid answers that have been used in our analysis. 203 of the respondents (96.7%) were male. Their current rank (or the last rank they served onboard) was as follows:

- Senior Officers:** Deck dept. (29%) and Engine dept. (10%)
- Junior Officers:** Deck dept. (16.2%) and Engine dept. (8.6%)
- Cadets:** 10%
- Ratings:** Deck dept. (16.2%) Engine dept. (3.3%)

Regarding their age distribution, 1.9% of respondents were below 21 years old, 27.6% were between 21 and 30 years old, and 37.1% between 31 and 40 years old. 20.5% were between 41 and 50 years old, and 12.9% above 50. *Note here that these are their current ages and not their age when the corrupt demand was placed.*

Most of our respondents come from the Philippines (25.24%), India (21.90%) and Sri Lanka (9.52%); major seafaring supplying countries such Indonesia, Russia and China are underrepresented (see Legend in Fig. 1 for the percentage of the total global seafarer supply for each country per UNCTAD).

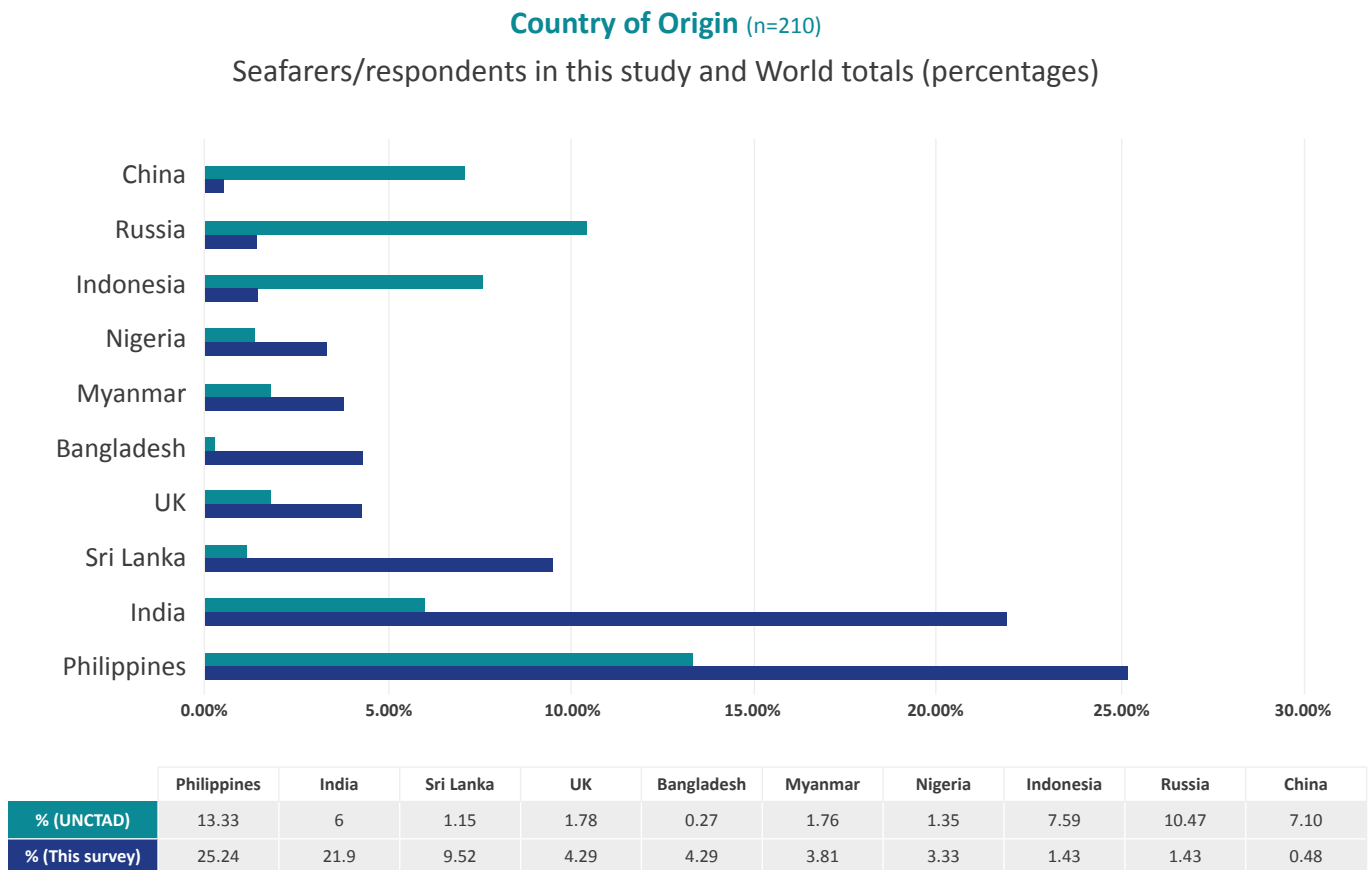


Figure 1: Country of origin of the respondents

2.2 Seafarers' opinion regarding illegal demands related to recruitment/ placement fees/charges

In one of our questions, we tried to elicit the seafarers' opinions on illegal demands related to recruitment and placement fees/charges, as they can provide valuable insights into the issue.

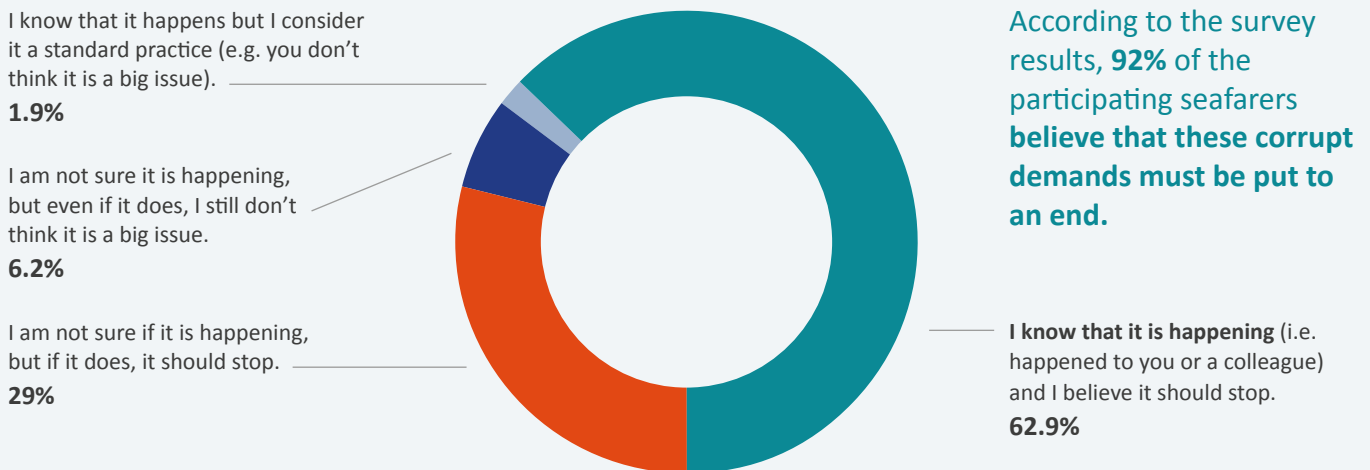


Figure 2: Seafarers' opinion on the illegal demands

Some responses suggest that there is some acceptance towards the issue. Around 8% of the respondents feel that this is not a big issue, even if it happens. In fact, 23.7% of them have actually been asked and paid a placement fee. Most are unaware of these demands (and perhaps the negative impacts on those that experience them), and perhaps they feel that this is not a big issue due to perceived powerlessness to stop the practice. Additionally, some of them come from countries where paying such charges might be a common practice and may be considered acceptable. Note that many of the respondents that were comfortable with the practice were from India, the Philippines and Myanmar.

Another explanation of this acceptance might be that some seafarers feel that paying a small fee to get a good salary is worthwhile; there is a general perception that seafarers tend to be paid better than equivalent onshore jobs for untrained personnel.

On the other hand, **most of the seafarers (almost 92%) in their responses indicate a greater level of concern about these illegal practices.** Seafarers who have experienced or heard of such demands are more likely to view it as a problem that needs to be addressed. However, even those who have not directly experienced it recognize the potential harm and agree that it should stop. **It is noteworthy that 64.8% of the seafarers who participated in our questionnaire acknowledged that they are aware of corrupt recruitment practices happening (either to them or their colleagues).** This percentage is significantly higher than the number of seafarers (21.43%) who reported personally experiencing recruitment fees or charges; more on this below.

2.3 Illegal Demands for Recruitment and Placement

2.3.1 Country of origin and demand location

45 seafarers, or approximately 21.43% of respondents, reported that they were asked to pay recruitment or placement fees, while 3.33% of survey participants declined to disclose any information regarding such demands.

Have you ever been asked to pay a Fee/Charge (even indirectly) during the recruitment/placement process? (n=210)

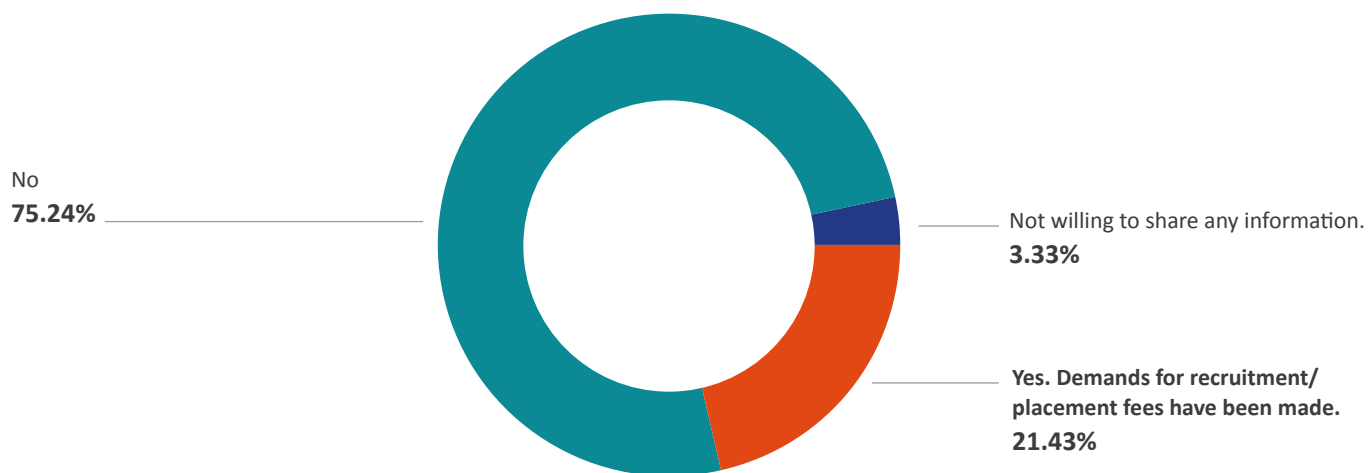


Figure 3: Percentage of seafarers which have been asked for a fee

According to our analysis, **28.8% of cases involving recruitment/placement fees were related to Indian citizens**, while 13.3% were related to Burmese citizens (Myanmar) and 11% were related to Filipinos. It is worth noting that 28.26% of Indians and 75% of Burmese (based on a small sample size of only 8 seafarers) reported paying such fees, whereas the percentage for Filipinos was less than 10%.

In terms of the country where the demand for fees was made (this might indicate the place of the middleman or manning agency), **India topped the list** with 16 cases (35.5% of the cases), followed by the Philippines (13.3%) and Myanmar (11.1%). The fact that 62.2% of the cases involved demands made in the last 3 years (2020-2022) indicates that such practices are still prevalent.

With regards to the type of vessel, **demands for placement on a bulk carrier accounted for one third of the cases (33.33%), while oil tankers accounted for 28.8%. Panama was the Flag state for most of the vessels involved (42.2%);** this is not surprising though given that Panama is the Flag of registration of 7.8% of the global vessels (15.9% by dead weight tonnage).

2.3.2 Person or entity who demanded the payment

Seafarers were asked about the individuals or entities that demanded recruitment fees from them. The results of the survey showed that **57.8% of the respondents reported that the crewing agent appointed by the shipping company requested the fees.** This was actually expected given the involvement of manning agencies as intermediaries in recruiting seafarers.

11.1% said that the request came from 'an employee of the shipping company' while 31.1% pointed to 'an individual with links to the manning/crewing agent or the shipping company'. It is worth noting that individuals with links to the manning/crewing agent or the shipping company are also found to be significant players in this issue. **These individuals could be anyone with a relationship or connection to the company, including friends, family members, business associates or trade union/association members.**

From whom did you receive the request for recruitment/placement fees? (n=45)

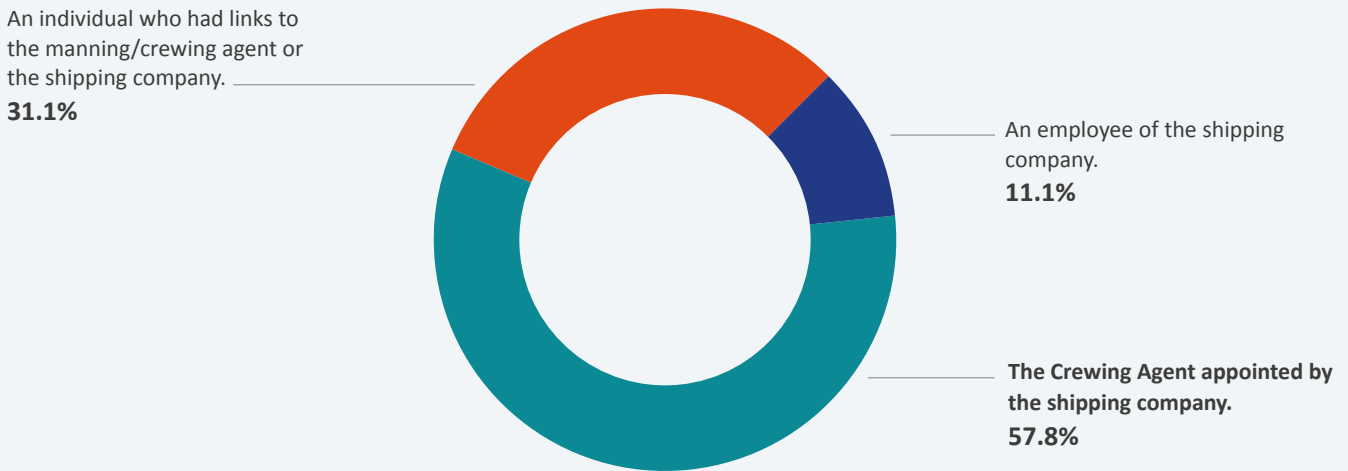


Figure 4: Person/Entity that made the request

2.3.3 Nature and amount of the Demand

The survey asked seafarers about the nature of the payment demands they received. The results showed that the top three categories of demands were ‘service charges’ (55.6%), followed by ‘agency fees/registration fees’ and ‘bribe demands’ (both 28.9%). Other categories included travel expenses, visa fees, commissions, security bonds or deposits, demands for other undocumented fees, and gifts.

Service charges are an interesting category. According to ILO (2020), which presents a global comparative study on defining recruitment fees and related costs, it is quite true that some countries allow recruitment agencies to request service charges, but this is not the case for seafarers. Nonetheless, it could be helpful to identify countries where recruitment fees are legal for land-based or overseas jobs, particularly for migrant workers. Seafarers may face higher risks of being charged illegal fees in such countries due to a lack of awareness or social and cultural norms that tolerate such practices.

What was the nature of the direct/indirect recruitment fee/charge? (n=45)

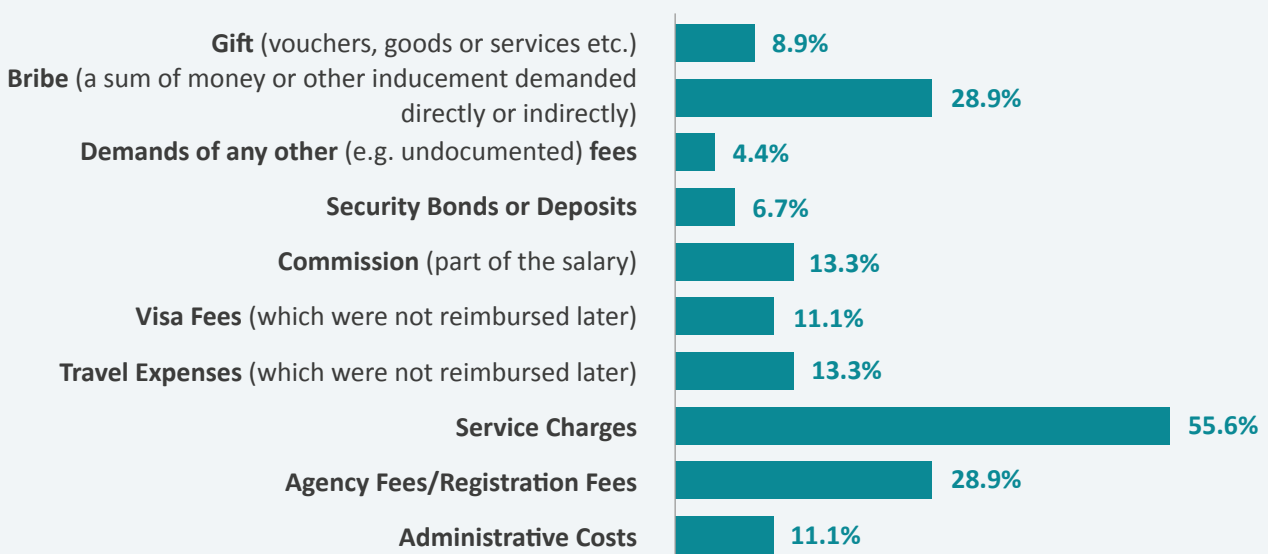


Figure 5: Nature of the request

The amount of money demanded varied from as low as 50-100 USD to a maximum of around 7500 USD, with an average of 1,872 USD. **In around 10% of the reported cases, the involved seafarers are still being in debt.** These debts can place a significant burden on seafarers and can have a negative impact on their mental health and well-being. Further research is needed to investigate the potential for debt bondage (a form of modern slavery) and exploitation of the seafarers.

2.4 Familiarity with the MLC Convention and their rights

We sought to gauge the respondents' familiarity with the MLC 2006 and other guidelines related to seafarer workplace rights and entitlement, as well as the frequency with which they update their knowledge and receive training on them.

The majority of them (71.4%) confirmed that they are well-versed in the above-mentioned guidelines and receive regular training. While we had anticipated that most seafarers would be familiar with these guidelines, a quarter of respondents (25.7%) admitted to only having partial knowledge and limited understanding.

Awareness of MLC 2006 and /or other guidelines on seafarer workplace rights and entitlements (n=210)

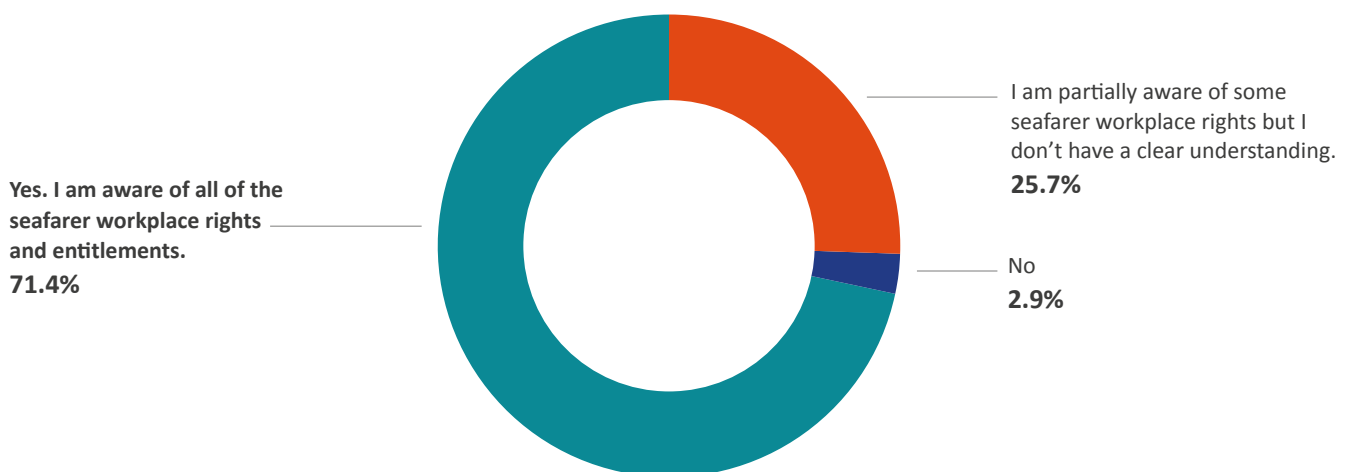


Figure 6: Awareness of the MLC Convention and/or relevant guidelines

Additionally, 21% of respondents claimed to have never received any relevant training, which is surprising. On the other hand, 40.5% claimed that they receive regular training onboard the vessels.

Training on MLC 2006 and/or other guidelines on seafarer workplace rights and entitlements (n=210)

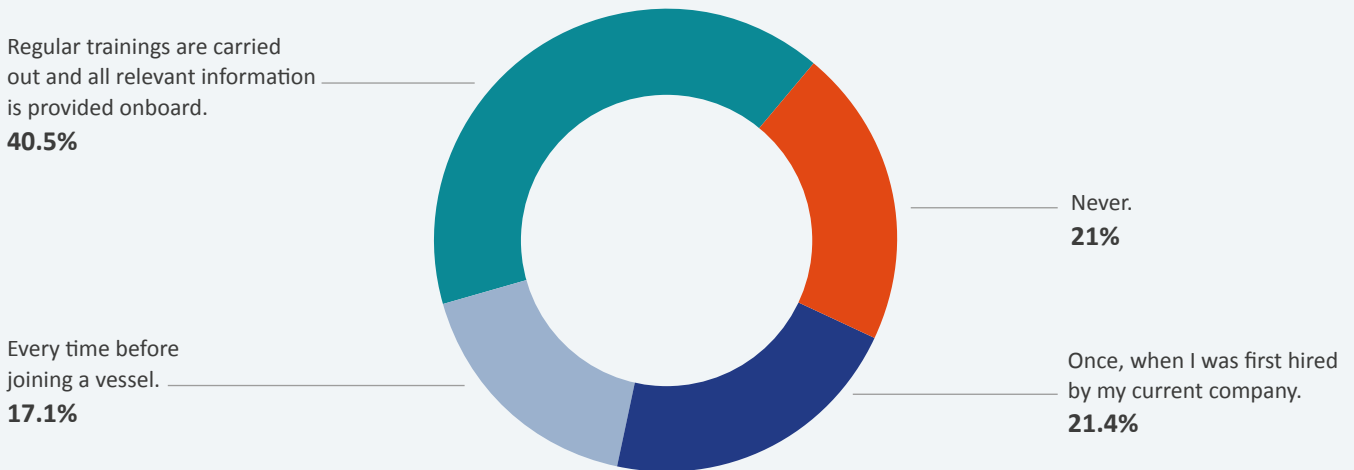


Figure 7: Training on the MLC Convention and/or relevant guidelines

2.5 Complaint Procedures

Seafarers were also asked if they were familiar with the procedure to file a complaint against recruitment fees, corrupt demands, or unlawful retention of documents, even those not relating to the MLC.

According to our findings, 38.6% of the seafarers know how to file a complaint, while 25.7% have a rough idea of how to do it. However, **surprisingly, 35.7% replied that they do not know the procedure.** This is alarming considering that the MLC requires each Member State to ensure that ships flying its flag have on-board complaint procedures in place to handle seafarer complaints regarding breaches of the convention’s requirements, including seafarers’ rights.

Awareness of grievance procedures. Do you know the procedure to file a complaint related to recruitment fees, corrupt demands or the unlawful retention of document?

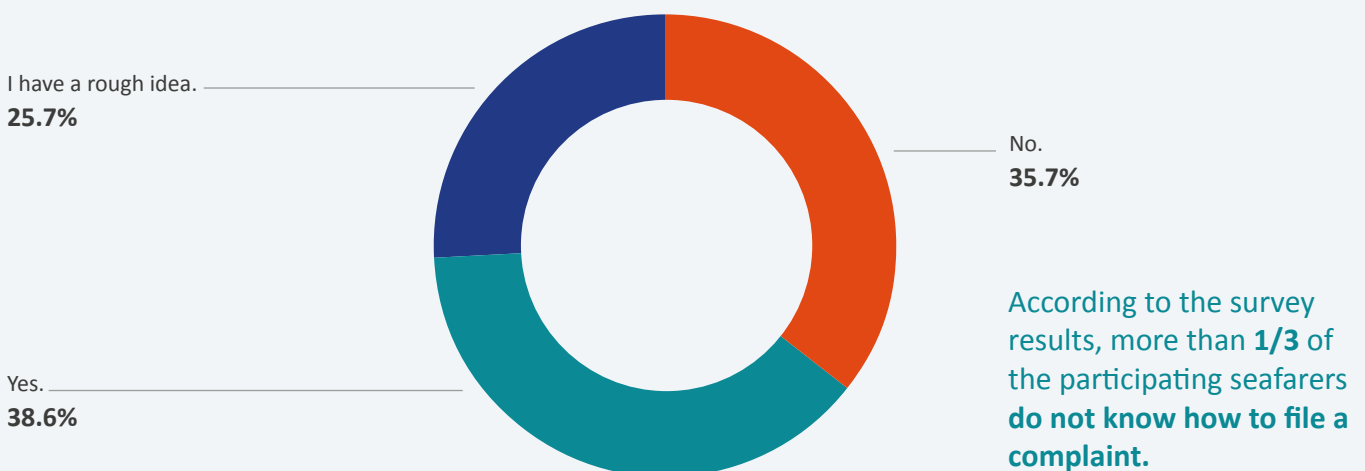


Figure 8: Awareness of complaint procedures

In fact, the MLC Convention contains provisions for both on-board complaint procedures and procedures in port, requiring ratifying members to:

- “require that ships that fly its flag have on-board procedures for the fair, effective and expeditious handling of seafarer complaints alleging breaches of the requirements of this Convention (including seafarers’ rights)” (Reg. 5.1.5); and
- “ensure that seafarers on ships calling at a port in the Member’s territory who allege a breach of the requirements of this Convention (including seafarers’ rights) have the right to report such a complaint in order to facilitate a prompt and practical means of redress” (Reg. 5.2.2)

Finally, it’s worth mentioning that seafarers were also asked if they had ever lodged a complaint on breaches of the requirements of the MLC. Of those surveyed, 10.5% reported having filed a complaint in the past. Among these complaints, 10% were related to Title 1 (minimum requirements), while 41% were associated with Title 2 (conditions of employment).

2.6 Unlawful Retention of Seafarer Documents

There have been several cases, based on anecdotal evidence and the literature, where documents such as passports and Seafarers Identity Documents (SID) have been unlawfully withheld.

As part of our survey, we asked seafarers whether they had experienced any retention of their documents, such as passports, Continuous Discharge Certificate/Seamans book (CDC), or Certificate of Competency (COC), during the recruitment/placement process by the hiring company or the recruiting agent. Furthermore, we sought additional details on the type of documents retained, the rationale, duration, and any other pertinent observations from the seafarers.

Unlawful retention of documents

During the recruitment/placement process, was any of your documents, for example Passport, Continuous Discharge Certificate/Seamans Book (CDC), or Certificate of Competency (COC), retained by the company or the recruitment agent? (n=210)

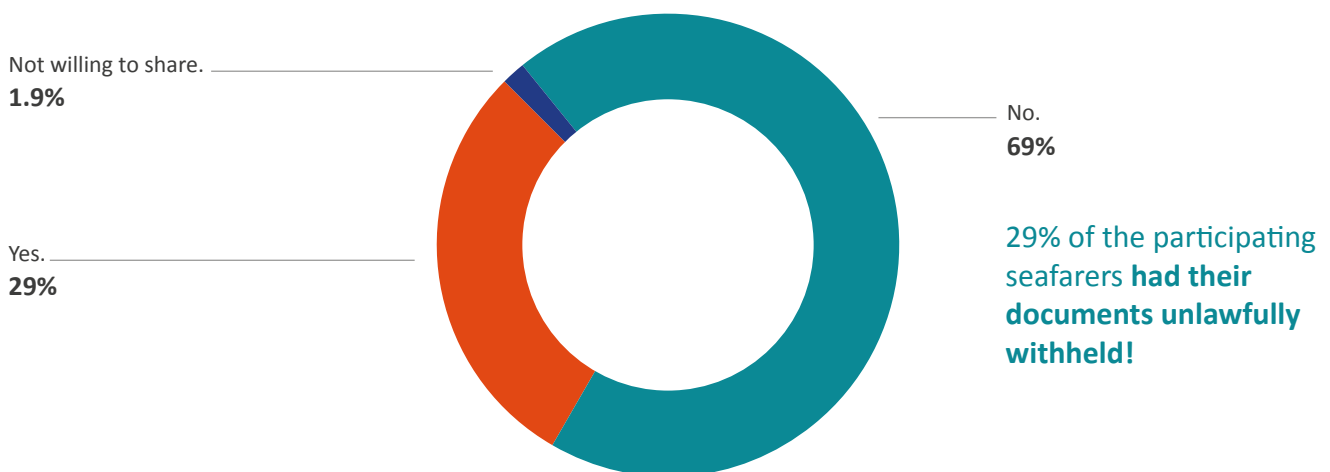


Figure 9: Percentage of seafarers that had their documents retained

A startling 29% of the survey respondents indicated that they had experienced the retention of some of their documents by the hiring company or the recruiting agent during the recruitment/placement process. The documents most frequently retained were the Continuous Discharge Certificate/Seaman’s book (90.2%), followed by the passport (85.2%), and the Certificate of Competency (45.9%).

It should be noted that more than half (57.8%) of those who paid a fee also reported having their documents withheld. This high percentage could be attributed to coercion tactics, such as the retention of documents to ensure payment of a recruitment fee or to guarantee employment on a particular vessel so that the agent receives a fee from the hiring company.

Respondents were asked to provide additional information, and some of the answers received were quite revealing. In some cases, documents were kept until the seafarers joined the vessel to prevent them from joining another vessel or were held until the hiring process was complete. In other cases, documents were retained to ensure payment of a recruitment fee, and there was even a report of agents intentionally damaging documents if payment was not received. One respondent reported receiving a loan from a company (possibly the recruitment agency) and having their documents held until the loan was paid back with interest.

While some respondents were presented with valid reasons, such as clearance with port agents or visa purposes, these explanations seemed more like excuses for unjust retention of documents. A seafarer reported being told by an agent that they had paid for their US visa and were, therefore, entitled to keep the passport. The agent also stated that if the seafarer wished to retrieve their passport, they would have to pay for the visa cost. However, this assertion is incorrect as per the MLC Convention visa costs are to be borne by the shipowner.

2.7 Suggestions to reduce these malpractices

It has been suggested, in discussions with experts and in the literature, that increasing education and awareness, including MLC awareness certification, and providing more support during the early stages of a seafarer's career are effective ways to reduce malpractices related to recruitment fees and corrupt demands. We have asked seafarers to provide their opinion on the four measures presented below and to provide any other relevant suggestions.

In your opinion, what measures could be taken to reduce malpractices related to recruitment fees and/or corrupt demands? (n=210)

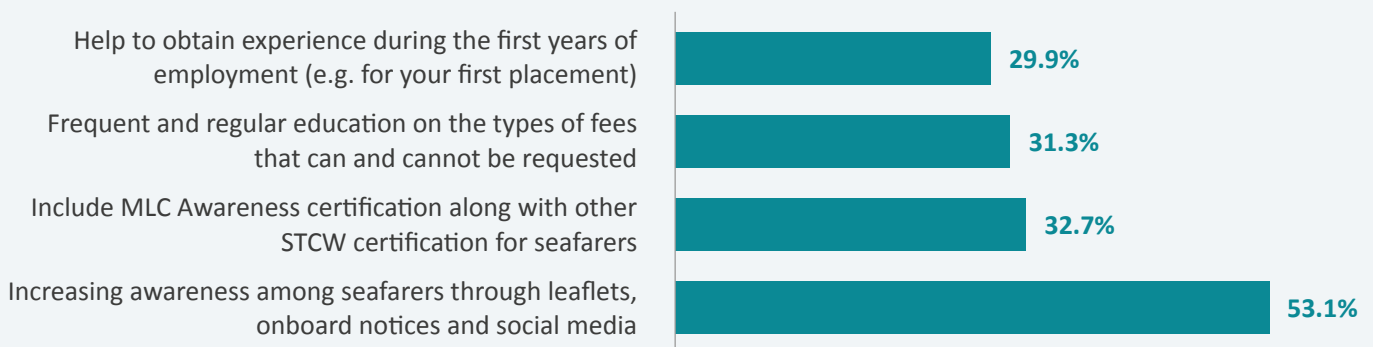


Figure 10: Seafarers' opinion on a set of measures that could reduce these practices

The largest percentage of respondents (53.1%) suggested that **increasing awareness among seafarers through leaflets, onboard notices, and social media** could be an effective way to combat these practices.

Including MLC awareness certification alongside other STCW certification for seafarers was supported by 32.7% of the seafarers. This could indicate a desire among seafarers for more formal training of their knowledge and understanding of their rights under the MLC.

A significant proportion of respondents (31.3%) also suggested that **frequent and regular education on what fees can and cannot be requested** would be an effective way to reduce malpractices. We clearly feel that there is a need for more clear understanding of their rights and entitlements; see also our discussion of clearly communicating the fees that seafarers can be charged for.

In addition, almost 30% of respondents suggested that providing **help to obtain experience during the first years of employment** could be an effective way to reduce malpractices related to recruitment fees and corrupt demands.

Finally, the respondents provided several free-text comments. The following suggestions were made:

For states: The administrations should impose stricter measures on manning agents and penalize them for charging illegal fees. An easy complaint system should be established to report these cases, and regular inspections of the manning companies operating in their country should be conducted. Governments should check with seafarers after they have joined a ship when they are more likely to report any corrupt demands.

For ship owners: Ship owners should provide better remuneration to their crewing agents to prevent them from taking illegal fees. Some respondents suggested that ship owners should be accountable and face consequences for the manning companies they use. A reporting system that is easy and anonymous for seafarers to report illegal practices could be created.

For manning/recruitment agencies: Educate office staff that illegal fees are prohibited and should not be requested. Warn all manning agency employees that any forms of bribery are illegal and may cause problems for their company. All manning and recruiting agencies must have an anti-corruption and anti-bribery policy, and swift action should be taken against employees who violate this policy.

2.8 Any additional comments

In addition to the survey responses, we received a significant number of comments in free text format. Most of these comments echoed previous suggestions. Some pointed to the lack of opportunities for seafarers to secure their first placement on a ship as a root cause of this issue. Others recommended that governments impose hefty penalties on agents who exploit seafarers or hold manning agents and shipping companies accountable. The need for stricter enforcement has also been highlighted.

While some comments contained generalizations, many were intriguing and warrant further investigation. It is valuable to hear the opinions of those impacted by recruitment/placement fees and charges, and we will take these comments into consideration as we continue to explore this topic.

The following comments are worth investigating further:

(A) Focus on specific countries, where the payment of recruitment fees and other malpractices seem to be widespread:

- “I have seen this happen over and over with **Filipino** crew members. The companies hold their documents in the office when they are on leave. They are put at the bottom of the list to get their next ship unless they bribe the personnel department.”
- “Almost all recruitment in **Chinese** company requires illegal payment. If someone say he didn’t have to pay, he is lying.”
- “Most big companies in **India** are charging one month salary as bribe for getting a vessel each time.”
- “Due to very few shipping companies been willing to take **Nigerian** seafarers, recruitment fee is a way for us to get a job.”

(B) Security bonds as migration management tools

“In **Sri Lanka**, seafarers (mostly ratings) are required to keep a **bond in both cash and property to the crewing agents to guarantee they will return home**. Due to increasing rate of job abandonment in developed countries the bond is significantly increased up to an extend that is unbearable to a genuine seafarer.”

(C) Experience sharing platform

“A platform should be made available for seafarers to share their experience in this regard.”

(D) Ways to connect seafarers with shipping companies directly

“This should be abolished completely. There must be no agent or intermediary between Seafarer and the company.”

3 — Recommendations and Future research

While preparing the survey, we identified issues related to the definition of fees and changes in the MLC, and the alignment of national regulations with the Convention.

Definition of the fees and charges

First, we feel that the definition of fees and charges is very broad. While we understand that the ILO aims to encompass all fees and costs associated with the recruitment process, regardless of their imposition, timing or location, we believe that these charges should be more precisely defined to avoid confusion among seafarers, or at least, some examples should be provided. The itemisations presented in doc. Appendix IV of the 2018 Tripartite Meeting of Experts (ILO, 2018b) can serve as a basis for identifying the relevant cost items. Seafarers need to have a better understanding of what they should not be charged for.

Review of national regulation to ensure compliance with MLC

There is a clear need to **review national regulations** to ensure they are aligned with the provisions of the MLC. Indeed, a global ILO study found that 36 countries regulated (at that time) the payment of recruitment fees and related costs; 8 had issued general statements that allowed the charging of fees, 13 had a cap and 21 had detailed or itemized cost categories. The document identified also some cases where the national legislation contradicted the prohibition of charging fees and costs as stated in ILO (2019a). This review should identify any instances where national regulations contradict the MLC, and corrective action should be taken.

Moreover, it may be useful to **identify countries where recruitment fees are permitted for land-based or overseas jobs, particularly for migrant workers.** This means that migrant workers, in some countries, might be legally charged for employment-related fees; and might, therefore, not be aware of the fact that these charges are illegal for jobs at sea. Additionally, if these unlawful charges are commonplace in other industries, it could suggest that they are accepted as social and cultural norms, despite being illegal. For instance, in the Philippines, the world's leading supplier of seafarers, recruitment agencies are permitted by law to collect placement fees from migrant workers who are sent abroad.

In addition, based on our findings, a number of suggestions can be made for measures to address these practices, and this is where future research should focus.

Overall, the survey results suggest that increasing education and awareness, providing formal certification of MLC knowledge, and providing more support during the early stages of a seafarer's career could all be effective ways to reduce malpractices related to recruitment fees and corrupt demands.

Increasing education and awareness

Increasing awareness among seafarers through leaflets, onboard notices, and social media

Awareness-raising campaigns and materials can inform seafarers about their rights under the MLC. There is agreement between the respondents that when seafarers are aware of their rights, they are less likely to fall victim to unscrupulous recruitment agencies or intermediaries. Recruitment fees and charges should be presented using a clear and precise language.

A relevant initiative is ITF's ShipBeSure website (www.itfshipbesure.org), which informs seafarers on their employment rights and clearly states what a recruitment agent can and cannot charge seafarers. In fact, this website also provides advice on finding a manning agent, avoiding recruitment scams and ensuring that seafarers have the right contract. It also provides a directory of around 1300 reputable recruitment agents (the so-called 'green list') and currently lists 2 agencies in its 'red list' – that is companies which seafarers are advised to avoid.

In summary, we feel that an effective awareness-raising campaign to combat illegal recruitment practices should not only inform seafarers about their rights but also provide them with resources and tools to navigate the recruitment process safely and effectively. This can include a list of reputable and non-reputable agents, an experience sharing platform, training programs for seafarers, and means for reporting abuses; see below for more on the latter.

Providing help to obtain experience during the first years of employment

A bit less than a third of respondents suggested that providing **help to obtain experience during the first years of employment** could be an effective way to reduce malpractices related to recruitment fees and corrupt demands. To assist seafarers, especially newly graduates, in acquiring experience several measures can be implemented. These could, for example, include the establishment of a platform for seafarers to register and upload their resumes, the formation of partnerships with shipping companies to provide internships and entry-level positions, the provision of career guidance and counselling services and the creation of a mentorship program. For the above-mentioned measures to work, strong cooperation between government agencies and shipping companies is required.

Complaint procedures

It is concerning that 35.7% of the seafarers surveyed replied that they do not know the procedure to file a complaint against recruitment fees, corrupt demands, or unlawful retention of documents. As presented above the MLC requires that each Member ensures that appropriate complaint procedures are in place to meet the requirements of Regulations 5.1.5 and 5.2.2.

At the same time though, it is recognised that seafarers are reluctant to use the available complaint mechanisms *“due to the fear of limiting future employment opportunities and being labelled ‘troublemakers’” and prefer to submit complaints “in a manner that safeguards anonymity including through channels such as the ITF, other trade unions, or port chaplains who in turn notify the relevant authorities” (ILO, 2019b).*

It is, therefore, necessary to reconsider the current complaint mechanisms, and it requires active participation from both governments and shipping companies. To ensure the effectiveness of the reporting systems, they must offer anonymity, accessibility, and availability through multiple channels. Seafarers who report violations may require additional support, and there should be mechanisms to provide legal or financial assistance when needed. The complaints must be investigated promptly and thoroughly to offer seafarers timely resolution and discourage future violations. The violators must be held accountable and penalized for their actions.

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ILO (2020) “A global comparative study on defining recruitment fees and related costs: Interregional research on law, policy and practice”, International Labour Office, Geneva, Switzerland. Available online at: https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---migrant/documents/publication/wcms_761729.pdf

Annex I – Excerpt of the Maritime Labour Convention, 2006, as amended (MLC, 2006) (Entry into force: 20 Aug 2013)

https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:91:0:::P91_SECTION:MLCA_AMEND_A1

Title 1. Minimum requirements for seafarers to work on a ship

Regulation 1.4 - Recruitment and placement

Purpose: To ensure that seafarers have access to an efficient and well-regulated seafarer recruitment and placement system

1. All seafarers shall have access to an efficient, adequate and accountable system for finding employment on board ship without charge to the seafarer.
2. Seafarer recruitment and placement services operating in a Member’s territory shall conform to the standards set out in the Code.
3. Each Member shall require, in respect of seafarers who work on ships that fly its flag, that shipowners who use seafarer recruitment and placement services that are based in countries or territories in which this Convention does not apply, ensure that those services conform to the requirements set out in the Code.

Standard A1.4 – Recruitment and placement

1. Each Member that operates a public seafarer recruitment and placement service shall ensure that the service is operated in an orderly manner that protects and promotes seafarers’ employment rights as provided in this Convention.
2. Where a Member has private seafarer recruitment and placement services operating in its territory whose primary purpose is the recruitment and placement of seafarers or which recruit and place a significant number of seafarers, they shall be operated only in conformity with a standardized system of licensing or certification or other form of regulation. This system shall be established, modified or changed only after consultation with the shipowners’ and seafarers’ organizations concerned. In the event of doubt as to whether this Convention applies

- to a private recruitment and placement service, the question shall be determined by the competent authority in each Member after consultation with the shipowners' and seafarers' organizations concerned. Undue proliferation of private seafarer recruitment and placement services shall not be encouraged.
3. The provisions of paragraph 2 of this Standard shall also apply – to the extent that they are determined by the competent authority, in consultation with the shipowners' and seafarers' organizations concerned, to be appropriate – in the context of recruitment and placement services operated by a seafarers' organization in the territory of the Member for the supply of seafarers who are nationals of that Member to ships which fly its flag. The services covered by this paragraph are those fulfilling the following conditions:
 - a. *the recruitment and placement service is operated pursuant to a collective bargaining agreement between that organization and a shipowner;*
 - b. *both the seafarers' organization and the shipowner are based in the territory of the Member;*
 - c. *the Member has national laws or regulations or a procedure to authorize or register the collective bargaining agreement permitting the operation of the recruitment and placement service; and*
 - d. *the recruitment and placement service is operated in an orderly manner and measures are in place to protect and promote seafarers' employment rights comparable to those provided in paragraph 5 of this Standard.*
 4. Nothing in this Standard or Regulation 1.4 shall be deemed to:
 - a. *prevent a Member from maintaining a free public seafarer recruitment and placement service for seafarers in the framework of a policy to meet the needs of seafarers and shipowners, whether the service forms part of or is coordinated with a public employment service for all workers and employers; or*
 - b. *impose on a Member the obligation to establish a system for the operation of private seafarer recruitment or placement services in its territory.*
 5. A Member adopting a system referred to in paragraph 2 of this Standard shall, in its laws and regulations or other measures, at a minimum:
 - a. *prohibit seafarer recruitment and placement services from using means, mechanisms or lists intended to prevent or deter seafarers from gaining employment for which they are qualified;*
 - b. *require that no fees or other charges for seafarer recruitment or placement or for providing employment to seafarers are borne directly or indirectly, in whole or in part, by the seafarer, other than the cost of the seafarer obtaining a national statutory medical certificate, the national seafarer's book and a passport or other similar personal travel documents, not including, however, the cost of visas, which shall be borne by the shipowner; and*
 - c. *ensure that seafarer recruitment and placement services operating in its territory:*
 - i. *maintain an up-to-date register of all seafarers recruited or placed through them, to be available for inspection by the competent authority;*
 - ii. *make sure that seafarers are informed of their rights and duties under their employment agreements prior to or in the process of engagement and that proper arrangements are made for seafarers to examine their employment agreements before and after they are signed and for them to receive a copy of the agreements;*
 - iii. *verify that seafarers recruited or placed by them are qualified and hold the documents necessary for the job concerned, and that the seafarers' employment agreements are in accordance with applicable laws and regulations and any collective bargaining agreement that forms part of the employment agreement;*
 - iv. *make sure, as far as practicable, that the shipowner has the means to protect seafarers from being stranded in a foreign port;*
 - v. *examine and respond to any complaint concerning their activities and advise the competent authority of any unresolved complaint;*
 - vi. *establish a system of protection, by way of insurance or an equivalent appropriate measure, to compensate seafarers for monetary loss that they may incur as a result of the failure of a recruitment and placement service or the relevant shipowner under the seafarers' employment agreement to meet its obligations to them.**
 6. The competent authority shall closely supervise and control all seafarer recruitment and placement services operating in the territory of the Member concerned. Any licences or certificates or similar authorizations for the operation of private services in the territory are granted or renewed only after verification that the seafarer recruitment and placement service concerned meets the requirements of national laws and regulations.
 7. The competent authority shall ensure that adequate machinery and procedures exist for the investigation, if necessary, of complaints concerning the activities of seafarer recruitment and placement services, involving, as appropriate, representatives of shipowners and seafarers.

8. Each Member which has ratified this Convention shall, in so far as practicable, advise its nationals on the possible problems of signing on a ship that flies the flag of a State which has not ratified the Convention, until it is satisfied that standards equivalent to those fixed by this Convention are being applied. Measures taken to this effect by the Member that has ratified this Convention shall not be in contradiction with the principle of free movement of workers stipulated by the treaties to which the two States concerned may be parties.
9. Each Member which has ratified this Convention shall require that shipowners of ships that fly its flag, who use seafarer recruitment and placement services based in countries or territories in which this Convention does not apply, ensure, as far as practicable, that those services meet the requirements of this Standard.
10. Nothing in this Standard shall be understood as diminishing the obligations and responsibilities of shipowners or of a Member with respect to ships that fly its flag.

Guideline B1.4 – Recruitment and placement (NON MANDATORY GUIDELINES)

Guideline B1.4.1 – Organizational and operational guidelines

1. When fulfilling its obligations under Standard A1.4, paragraph 1, the competent authority should consider:
 - a. *taking the necessary measures to promote effective cooperation among seafarer recruitment and placement services, whether public or private;*
 - b. *the needs of the maritime industry at both the national and international levels, when developing training programmes for seafarers that form the part of the ship's crew that is responsible for the ship's safe navigation and pollution prevention operations, with the participation of shipowners, seafarers and the relevant training institutions;*
 - c. *making suitable arrangements for the cooperation of representative shipowners' and seafarers' organizations in the organization and operation of the public seafarer recruitment and placement services, where they exist;*
 - d. *determining, with due regard to the right to privacy and the need to protect confidentiality, the conditions under which seafarers' personal data may be processed by seafarer recruitment and placement services, including the collection, storage, combination and communication of such data to third parties;*
 - e. *maintaining an arrangement for the collection and analysis of all relevant information on the maritime labour market, including the current and prospective supply of seafarers that work as crew classified by age, sex, rank and qualifications, and the industry's requirements, the collection of data on age or sex being admissible only for statistical purposes or if used in the framework of a programme to prevent discrimination based on age or sex;*
 - f. *ensuring that the staff responsible for the supervision of public and private seafarer recruitment and placement services for ship's crew with responsibility for the ship's safe navigation and pollution prevention operations have had adequate training, including approved sea-service experience, and have relevant knowledge of the maritime industry, including the relevant maritime international instruments on training, certification and labour standards;*
 - g. *prescribing operational standards and adopting codes of conduct and ethical practices for seafarer recruitment and placement services; and*
 - h. *exercising supervision of the licensing or certification system on the basis of a system of quality standards.*
2. In establishing the system referred to in Standard A1.4, paragraph 2, each Member should consider requiring seafarer recruitment and placement services, established in its territory, to develop and maintain verifiable operational practices. These operational practices for private seafarer recruitment and placement services and, to the extent that they are applicable, for public seafarer recruitment and placement services should address the following matters:
 - a. *medical examinations, seafarers' identity documents and such other items as may be required for the seafarer to gain employment;*
 - b. *maintaining, with due regard to the right to privacy and the need to protect confidentiality, full and complete records of the seafarers covered by their recruitment and placement system, which should include but not be limited to:*
 - i. *the seafarers' qualifications;*
 - ii. *record of employment;*
 - iii. *personal data relevant to employment; and*
 - iv. *medical data relevant to employment;*

- c. *maintaining up-to-date lists of the ships for which the seafarer recruitment and placement services provide seafarers and ensuring that there is a means by which the services can be contacted in an emergency at all hours;*
 - d. *procedures to ensure that seafarers are not subject to exploitation by the seafarer recruitment and placement services or their personnel with regard to the offer of engagement on particular ships or by particular companies;*
 - e. *procedures to prevent the opportunities for exploitation of seafarers arising from the issue of joining advances or any other financial transaction between the shipowner and the seafarers which are handled by the seafarer recruitment and placement services;*
 - f. *clearly publicizing costs, if any, which the seafarer will be expected to bear in the recruitment process;*
 - g. *ensuring that seafarers are advised of any particular conditions applicable to the job for which they are to be engaged and of the particular shipowner's policies relating to their employment;*
 - h. *procedures which are in accordance with the principles of natural justice for dealing with cases of incompetence or indiscipline consistent with national laws and practice and, where applicable, with collective agreements;*
 - i. *procedures to ensure, as far as practicable, that all mandatory certificates and documents submitted for employment are up to date and have not been fraudulently obtained and that employment references are verified;*
 - j. *procedures to ensure that requests for information or advice by families of seafarers while the seafarers are at sea are dealt with promptly and sympathetically and at no cost; and*
 - k. *verifying that labour conditions on ships where seafarers are placed are in conformity with applicable collective bargaining agreements concluded between a shipowner and a representative seafarers' organization and, as a matter of policy, supplying seafarers only to shipowners that offer terms and conditions of employment to seafarers which comply with applicable laws or regulations or collective agreements.*
3. Consideration should be given to encouraging international cooperation between Members and relevant organizations, such as:
- a. *the systematic exchange of information on the maritime industry and labour market on a bilateral, regional and multilateral basis;*
 - b. *the exchange of information on maritime labour legislation;*
 - c. *the harmonization of policies, working methods and legislation governing recruitment and placement of seafarers;*
 - d. *the improvement of procedures and conditions for the international recruitment and placement of seafarers; and*
 - e. *workforce planning, taking account of the supply of and demand for seafarers and the requirements of the maritime industry.*

* Amendments of 2022 to the MLC, 2006

Note: The following amendments are expected to enter into force on 23 Dec 2024

Amendment to the Code relating to Regulation 1.4– Recruitment and placement

Standard A1.4 – Recruitment and placement

Replace paragraph 5(c)(vi) by the following:

(vi) establish a system of protection, by way of insurance or an equivalent appropriate measure, to compensate seafarers for monetary loss that they may incur as a result of the failure of a recruitment and placement service or the relevant shipowner under the seafarers' employment agreement to meet its obligations to them, and ensure that seafarers are informed, prior to or in the process of engagement, of their rights under that system.

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