Guidance to Hong Kong Registered Ships for preparing of the Concentrated Inspection Campaign on Crew Wages and Seafarer Employment Agreement (Period from 1 September to 30 November 2024)

Introduction

A Concentrated Inspection Campaign (CIC) on Crew Wages and Seafarer Employment Agreement will be launched from 1 September to 30 November 2024 in the Tokyo Memoranda of Understanding (MOU) region in conjunction with Paris MOU region. A ship will be subject to one inspection under this CIC during this period, and the inspection will be carried out in conjunction with the normal PSC inspection. Hence, a copy of the PSC inspection report (Form A and B) with the completed CIC questionnaire shall be kept onboard for record.

Purpose

The CIC intends to assess the seafarers' employment conditions across ships of various flags. The Seafarer's Employment Agreements (SEA) and applicable Collective Bargaining Agreement (CBA) will be inspected by Port State Control Officers (PSCO) to ensure compliance with the Maritime Labour Convention, 2006 (MLC) and applicable flag State requirements. PSCO will also verify that seafarers are paid according to their SEAs and applicable CBAs, and confirm that shipowners have the appropriate financial security instruments in place for seafarer death, long-term disability, and repatriation. PSCOs will use a list of 10 questions to assess that ships are complied with the MLC requirements.

Questionnaire Guidance

Question No.1*

<u>Is the seafarer given a SEA signed by both the seafarers and the shipowner or a representative of the shipowner?</u>

1. Ship Manager, Master and responsible officer shall ensure that:

- (a) signed original version or copy of the SEA signed by both the seafarer and the shipowner or the shipowner representative is provided onboard for all seafarers.
- (b) seafarers are given the opportunity to review and seek advice before signing the SEA willingly.
- (c) the SEA signed and held by the seafarer is same as the SEA provided by the master.
- (d) all SEAs are valid for the period in which the seafarer is on board.
- (e) all SEAs are consistent with the seafarer's current position.

2. Requirements:

- (a) Signed SEA by both the seafarer and the shipowner or the shipowner's representative (or other evidence of contractual arrangements or similar arrangements) must be provided to all seafarers (seafarer means a person who works on board a ship in any capacity on the business of the ship, but does not include a person specified in Schedule 1A of Merchant Shipping (Seafarers) Ordinance (Cap. 478)).
- (b) Seafarers must be given the opportunity to examine and seek advice on the SEA before signing, then each SEA has been willingly signed by the seafarer.

3. Convention Reference:

(a) MLC 2006 / Std.A2.1.1

^{*} Ship may be considered for detention if the answer is "No" for questions.

Question No.2*

<u>Is the seafarer able to access information regarding their employment conditions on board?</u>

1. Ship Manager, Master and responsible officer shall ensure that:

- (a) clear information on employment conditions can be obtained by all seafarers.
- (b) original or copy of the SEA signed by the seafarer, shipowner or shipowner representative is available for possession by the crew and inspection on board.
- (c) where a CBA form all or part of the SEA, a copy of that agreement is available on board.
- (d) the Maritime Labour Certificate (ML Certificate) and Declaration of Maritime Labour Compliance (DMLC) parts I and II are displayed in a conspicuous place, e.g. mess room, ship officer, etc., and an English translation is available if the documents are not in English.
- (e) DMLC mentioned Hong Kong legislation to be provided for PSC inspection.

2. Requirements:

(a) Measures shall be taken to ensure that clear information as to the conditions of the seafarers' employment can easily be obtained onboard by the seafarers, including the ship's master. This may include CBAs stipulated in the SEA.

3. Convention Reference:

- (a) MLC 2006 / Std.A2.1.1(d)
- (b) MLC 2006 / Std.A2.1.3
- (c) MLC 2006 / Std.A5.1.3.12

^{*} Ship may be considered for detention if the answer is "No" for questions.

Question No.3*

Are standard form of seafarers' employment agreements and parts of any applicable collective bargaining agreements subject to port State control under Reg.5.2, available in English?

1. Ship Manager, Master and responsible officer shall ensure that:

- (a) SEA provided to seafarer is also be available in English.
- (b) relevant areas of any applicable CBA are also available in English.
- (c) a copy of the applicable CBA is available on board when the applicable CBA form all or part of the SEA.

2. Requirements:

(a) Where the SEA and the relevant areas of any applicable CBA is not in English, a copy of a standard form of the agreement and the portions of the applicable CBA that are subject to a port State inspection under Regulation 5.2 shall be available in English.

3. Convention Reference:

(a) MLC 2006 / Std.A2.1.2

^{*} Ship may be considered for detention if the answer is "No" for questions.

Ouestion No.4*

Does the seafarers' employment agreement include all the required elements specified in the MLC 2006?

1. Ship Manager, Master and responsible officer shall ensure that:

- (a) the SEA is required to contain all the particulars specified in paragraph 4 of MLC 2006 / Standard A2.1. (see below 2(a)i. to xi.).
- (b) the SEA is consistent with the DMLC parts I and II.
- (c) the SEA does not contain any clauses that violates seafarers' rights, e.g. The payment for the injured seafarers after repatriated is less than 80% of the wages, or less than 16 weeks from the commencement of sickness or the date of injury, etc.

2. Requirements:

- (a) The SEA must incorporate the following information, at a minimum:
 - i. the seafarer's full name, date of birth or age, and birthplace;
 - ii. the shipowner's name and address;
 - iii. the place where and date when the SEA is entered into;
 - iv. the capacity in which the seafarer is to be employed;
 - v. the amount of the seafarer's wages or formula used for calculating them;
 - vi. the amount of paid annual leave or formula used for calculating it;
 - vii. the termination conditions of the agreement, including notice period, etc.;
 - viii. the health and social security protection benefit to be provided;
 - ix. the seafarer's entitlement to repatriation;
 - x. reference to any applicable collective bargaining agreement; and
 - xi. any other particulars required by national law.

3. Convention Reference:

(a) MLC 2006 / Std.A2.1.4 (a-k)

^{*} Ship may be considered for detention if the answer is "No" for questions.

Ouestion No.5*

Do particulars included in the seafarers' employment agreement comply with MLC, 2006 requirements?

1. Ship Manager, Master and responsible officer shall ensure that:

- (a) the SEA includes the following particulars that comply with MLC, 2006 requirements:
 - i. shipowner's details are consistent with the ML Certificate;
 - ii. amount of paid annual leave, e.g. calculated base of a minimum of 2.5 calendar days per month, etc.;
 - iii. seafarer's entitlement to repatriation, e.g. require the seafarer to make an advance payment towards the cost of repatriation at the beginning of seafarer's employment, etc; and
 - iv. any applicable CBA.

2. Requirements:

- (a) The SEA must include the name and address of the MLC shipowner consistent with the one as defined per the MLC 2006 and recorded on the ML Certificate.
- (b) The SEA must specify the annual leave with pay entitlement that calculated on the basis of a minimum of 2.5 calendar days per month.
- (c) The SEA must specify the circumstances where the seafarer is entitled to repatriation, including:
 - i. SEA expired while abroad;
 - ii. SEA terminated by shipowner or by seafarer for justified reasons; and
 - iii. Seafarer no longer able to carry out duties.
- (d) The CBA which referred to in the SEA shall be the correct one, if applicable.

3. Convention Reference:

- (a) MLC 2006 / Std.A2.4.2
- (b) MLC 2006 / Std.A2.5.1
- (c) MLC 2006 / appendix A5-II ML Certificate

^{*} Ship may be considered for detention if the answer is "No" for questions.

Question No.6*

Are wage or salary payments made to the seafarer at no greater than monthly intervals?

1. Ship Manager, Master and responsible officer shall ensure that:

- (a) seafarers' wages are paid in full at not more than monthly intervals in accordance with their SEA and any applicable CBA.
- (b) only one set of wage payment accounts are used.

2. Requirements:

(a) Seafarers must be paid at intervals not to exceed one month and in accordance with any collective agreement.

3. Convention Reference:

(a) MLC 2006 / Std.A2.2.1

^{*} Ship may be considered for detention if the answer is "No" for questions.

Question No.7*

Have seafarers been given a status of accounts and wages paid on at least a monthly basis?

1. Ship Manager, Master and responsible officer shall ensure that:

- (a) documents to confirm the individual wage payments including monthly account (such as wage slip) shall be provided to seafarers.
- (b) the rate of exchange used where payment has been made in a different currency or at a rate different from the one agreed is in the monthly account or a wage slip.

2. Requirements:

(a) Seafarers have the right to receive a monthly account record that clearly outlines their monthly wage, as well as any authorized deduction such as allotments.

3. Convention Reference:

(a) MLC 2006 / Std.A2.2.2

^{*} Ship may be considered for detention if the answer is "No" for questions.

Ouestion No.8*

Are wage or salary payments in accordance with any applicable CBA or SEA?

1. Ship Manager, Master and responsible officer shall ensure that:

- (a) seafarers are paid regularly and in full as per their SEA and/or applicable CBAs.
- (b) SEA, payroll records, and wage accounts (slips) are available to verify wage payments.
- (c) base and overtime wages were paid according to the recorded work/rest hours in consistent with the DMLC parts I, DMLC parts II and/or applicable CBAs.
- (d) evidence for correct wages payment (monthly accounts such as slips) is provided to seafarers.
- (e) Seafarer's monthly account should include wages, additional payments such as bonus, and specify the exchange rate when the payment is paid in a currency or at a rate different from the agreement.

2. Requirements:

- (a) Seafarer wages are paid in accordance with any applicable collective agreement.
- (a) Seafarers must be provided a monthly account record detailing the payments due and amounts paid, including wages, currency exchange rates and additional payments, if applicable.

3. Convention Reference:

- (a) MLC 2006 / Std.A2.2.1
- (b) MLC 2006 / Std.A2.2.2

* Ship may be considered for detention if the answer is "No" for questions.

Ouestion No.9*

If payments made to a seafarer include deductions, are they in accordance to MLC, 2006?

1. Ship Manager, Master and responsible officer shall ensure that:

- (a) a reliable system to transmit seafarer's wages to their families, e.g. bank statements, etc. No unauthorized deductions should be made and the charges for remittance services must be reasonable accordance with Hong Kong legislation and SEA.
- (b) evidence is available to clearly demonstrate any deduction, e.g. postage expenses, goods supplies, etc., made from the seafarer's wages, accompanied by confirmation from the seafarer.
- (c) wages are not deducted for the transportation costs associated with the seafarer's travel to and from the ship for the purpose of their employment.
- (d) any remittance of pay to a seafarer's family/dependent/legal beneficiary including service charges and exchange rates are recorded and available for inspection.

2. Requirements:

- (a) Deductions from seafarers' remuneration are only permitted according to national laws/regulations/CBA and the seafarer has been informed as per MLC 2006 / Std.A2.2.6 and Guideline B2.2.2.4 (h).
- (b) No deductions are allowed for seafarer's remuneration with regard to obtaining or retaining employment (such as travel costs) as per MLC 2006 / Std.A2.2.6 and Guideline B2.2.2.4 (i).
- (c) Seafarers must be able to transmit their earnings to families as per MLC 2006 / Std.A2.2.1, Std.A2.2.3 and Std.A2.2.4 that:
 - i. Allot wages (a portion if desire by seafarer) to their families at regular intervals; and
 - ii. Have allotments remitted directly to their nominated recipients in due time.
- (d) Any charges for the services in (c) must be reasonable and based on the prevailing market or official exchange rate as per MLC 2006 / Std.A2.2.5.
- (e) Monetary fines against seafarers are prohibited, except those authorized by national laws/CBA as per MLC 2006 / Std.A2.2.6.

3. Convention reference:

- (a) MLC 2006 / Std.A2.2.1
- (b) MLC 2006 / Std.A2.2.3
- (c) MLC 2006 / Std.A2.2.4
- (d) MLC 2006 / Std.A2.2.6

^{*} Ship may be considered for detention if the answer is "No" for questions.

Ouestion No.10a*

<u>Is a certificate or documentary evidence of financial security, issued by the financial security</u> provider, available on board in the event of compensation for death and long-term disability?

1. Ship Manager, Master and responsible officer shall ensure that:

- (a) a valid and unexpired certificate(s) or other documentary evidence of financial security for compensation in the event of death and long-term disability of seafarers is available on board.
- (b) the certificate of financial security is posted on board conspicuously and available to all seafarers.
- (c) the certificate(s) or other documentary evidence contains the information required in Appendix A4-I of the MLC. (see below 2(b)i. to vi.)
- (d) the certificate(s) or documentary evidence are in English or supported with English translation.

2. The requirements:

- (a) Shipowners must provide health protection and medical care, including liability for costs related to sickness, injury, burial expenses in case of death to all seafarers working for their ships between the date of commencing duty and repatriation.
- (b) Shipowners are required to provide financial security to assure compensation in the event of the death or long-term disability of seafarers due to an occupational injury, illness, or hazard.
- (c) Shipowners are liable to the expense of medical care (including treatment, medicines, therapeutic appliances and board/lodging away from home) until whichever is the earliest of the following:
 - i. The seafarer has recovered;
 - ii. The sickness or incapacity suffered by the seafarer has been declared to be of a permanent character;
 - iii. The expiry of 16 weeks from the commencement of sickness or the date of injury.
- (d) The certificate or other documentary evidence of financial security must include the following information as per MLC 2006 / Appendix A4-I:
 - i. Name / Port of registry / Call sign / IMO number of the ship;
 - ii. Name and address of the provider(s) of the financial security;
 - iii. Contact details of the responsible party for handling seafarers' contractual claims;
 - iv. Name of the shipowner, or registered owner if different from the shipowner;
 - v. Period of validity of the financial security; and
 - vi. Attestation from the financial security provider that the financial security meets the requirements of Standard A4.2.1.

3. Convention reference:

(a) MLC 2006 / Std. A4.2.1

^{*} Ship may be considered for detention if the answer is "No" for questions.

Ouestion No.10b*

<u>Is a certificate or documentary evidence of financial security, issued by the financial security</u> provider, available on board in the event of the repatriation?

1. Ship Manager, Master and responsible officer shall ensure that:

- (a) a valid certificate or other documentary evidence of financial security for the repatriation of seafarers is carried on board the ship.
- (b) the certificate or other documentary evidence of financial security is posted conspicuously on board and available to all seafarers.
- (c) the certificate or other documentary evidence of financial security contains all the information required in Appendix A2-I of the MLC 2006. (see below 2(b) i. to vi.)
- (d) the certificate or other documentary evidence of financial security is in English or accompanied by an English translation.
- (e) if more than one financial security provider provides cover, the document provided by each provider is carried on board.

2. The requirements:

- (a) Ships that fly its flag, and to which paragraph 1 or 2 of Regulation 5.1.3 applies, carry on board a certificate or other documentary evidence of financial security issued by the financial security provider.
- (b) The certificate or other documentary evidence referred to in MLC 2006 / Standard A2.5.2.7 and Appendix A2-I shall include the following information:
 - i. name / port of registry / call sign / IMO number of the ship;
 - ii. name and address of the provider or providers of the financial security;
 - iii. contact details of the persons or entity responsible for handling seafarers' requests for relief;
 - iv. name of the shipowner, or registered owner if different from the shipowner;
 - v. period of validity of the financial security; and
 - vi. an attestation from the financial security provider that the financial security meets the requirements of Standard A2.5.2.

3. Convention reference:

(a) MLC 2006, Std. A2.5.2.7	
end	

^{*} Ship may be considered for detention if the answer is "No" for questions.