



ST. VINCENT AND THE GRENADINES

MARITIME ADMINISTRATION

CIRCULAR N° MLC 008

AMENDMENTS OF 2014 TO THE MARITIME LABOUR CONVENTION, 2006

TO: RECOGNIZED ORGANIZATIONS (RO), FLAG STATE INSPECTORS, SHIPOWNERS, MASTERS AND SEAFARERS

APPLICABLE TO: ALL SHIPS AND SEAFARERS AS DEFINED UNDER ARTICLE II OF THE MARITIME LABOUR CONVENTION, 2006

EFFECTIVE AS FROM: 18th January 2017

28th September 2016

1. General

The ILO adopted amendments to the Maritime Labour Convention on 11th June 2014. These amendments will be effective as from **18th January 2017**.

These amendments concern:

- The financial security for seafarers in the event of an abandonment (Standard A2.5.2)
- The financial security to assure compensation in the event of a contractual claim involving death or long-term disability (Standard 4.2).

2. Regulation 2.5 - Repatriation and related costs

This amendment requires that a financial security system is in place which covers the following:

- Up to four (4) months outstanding wages and entitlements;
- All expenses reasonably incurred by the seafarer, including the cost of repatriation which should cover travel by appropriate and expeditious means; and
- Essential needs such as food, clothing where necessary, travel, accommodation and medical care.

This Administration requires that the certificate or other documentary evidence of financial security contains the information required in **Appendix A2-I** of the Annex (Text of the Amendments of 2014 to the Maritime Labour Convention, 2006).

The financial security should provide that:

- The seafarers may assert their claims directly to the insurer or the financial security provider;

- The insurance cover or protection provided by the other financial security does not cease before the end of the contract period unless the insurer has given prior notification of at least thirty (30) days to this Administration.

A copy of a certificate or other documentary evidence of financial security should be posted in a conspicuous place on board where it is available to the seafarers. When more than one financial security provides cover, the document provided by each provider should be carried on board.

As from 18th January 2017, the Shipowners should ensure that their ships, 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, in accordance with Regulation 2.5 of the Convention.

3. Regulation 4.2 - Shipowners' liability

The amendment requires a financial security system to be in place which should cover that:

- A contractual compensation should be paid in full and without delay;
- There should be no pressure to accept a payment less than the contractual amount;
- If the extent of disability is difficult to assess a full compensation, an interim payment should be made;
- A payment to the seafarer without prejudice to other legal rights;
- A claim may be brought directly by the seafarer, next of kin or representative; and
- A financial security should not cease before the end of the period of validity of the insurance, unless the Flag State is given at least thirty (30) days' notice.

This Administration requires that the certificate or other documentary evidence of financial security should contain the information as required in **Appendix A4-I** of the Annex (Text of the Amendments of 2014 to the Maritime Labour Convention, 2006).

A copy of a certificate or other documentary evidence of financial security should be posted in a conspicuous place on board where it is available to the seafarers. When more than one financial security provides cover, the document provided by each provider should be carried on board.

As from 18th January 2017, the Shipowners should ensure that their ships carry on board a certificate or other documentary evidence of financial security, issued by the financial security provider, in accordance with Regulation 4.2 of the Convention.

4. Maritime Labour Certificate and Declaration of Maritime Labour Compliance (DMLC) - Transitional Measures

This Administration will implement the Resolution on transitional measures adopted by the Special Tripartite Committee annexed to this Circular.

Maritime Labour Certificates and Declarations of Maritime Labour Compliance issued prior 18th January 2017 remain valid until the next renewal inspection after 18th January 2017.

This Administration requires that shipowners keep a copy of this Circular on board in order to notify PSC authorities of the ILO transitional measures accepted.

Annex

- Text of the Amendments of 2014 to the Maritime Labour Convention, 2006
- Resolution on the transitional measures relating to the entry into force of the amendments to the Maritime Labour Convention, 2006, concerning financial security requirements in respect of abandonment of seafarers and for ship owners' liability

**TEXT OF THE AMENDMENTS OF 2014
TO THE MARITIME LABOUR CONVENTION, 2006**

**Amendments to the Code implementing Regulations 2.5
and 4.2 and appendices of the Maritime Labour Convention,
2006 (MLC, 2006), adopted by the Special Tripartite Committee
on 11 April 2014**

**I. Amendments to the Code implementing Regulation 2.5
– Repatriation of the MLC, 2006 (and appendices)**

A. Amendments relating to Standard A2.5

In the present heading, “Standard A2.5 – Repatriation”, replace “A2.5” by “A2.5.1”.

Following paragraph 9 of the present Standard A2.5, add the following heading and text:

Standard A2.5.2 – Financial security

1. In implementation of Regulation 2.5, paragraph 2, this Standard establishes requirements to ensure the provision of an expeditious and effective financial security system to assist seafarers in the event of their abandonment.

2. For the purposes of this Standard, a seafarer shall be deemed to have been abandoned where, in violation of the requirements of this Convention or the terms of the seafarers’ employment agreement, the shipowner:

- (a) fails to cover the cost of the seafarer’s repatriation; or
- (b) has left the seafarer without the necessary maintenance and support; or
- (c) has otherwise unilaterally severed their ties with the seafarer including failure to pay contractual wages for a period of at least two months.

3. Each Member shall ensure that a financial security system meeting the requirements of this Standard is in place for ships flying its flag. The financial security system may be in the form of a social security scheme or insurance or a national fund or other similar arrangements. Its form shall be determined by the Member after consultation with the shipowners’ and seafarers’ organizations concerned.

4. The financial security system shall provide direct access, sufficient coverage and expedited financial assistance, in accordance with this Standard, to any abandoned seafarer on a ship flying the flag of the Member.

5. For the purposes of paragraph 2(b) of this Standard, necessary maintenance and support of seafarers shall include: adequate food, accommodation, drinking water supplies, essential fuel for survival on board the ship and necessary medical care.

6. Each Member shall require that 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. A copy shall be posted in a conspicuous place on board where it is available to the seafarers. Where more than one financial security provider provides cover, the document provided by each provider shall be carried on board.

7. The certificate or other documentary evidence of financial security shall contain the information required in Appendix A2-I. It shall be in English or accompanied by an English translation.

8. Assistance provided by the financial security system shall be granted promptly upon request made by the seafarer or the seafarer's nominated representative and supported by the necessary justification of entitlement in accordance with paragraph 2 above.

9. Having regard to Regulations 2.2 and 2.5, assistance provided by the financial security system shall be sufficient to cover the following:

- (a) outstanding wages and other entitlements due from the shipowner to the seafarer under their employment agreement, the relevant collective bargaining agreement or the national law of the flag State, limited to four months of any such outstanding wages and four months of any such outstanding entitlements;
- (b) all expenses reasonably incurred by the seafarer, including the cost of repatriation referred to in paragraph 10; and
- (c) the essential needs of the seafarer including such items as: adequate food, clothing where necessary, accommodation, drinking water supplies, essential fuel for survival on board the ship, necessary medical care and any other reasonable costs or charges from the act or omission constituting the abandonment until the seafarer's arrival at home.

10. The cost of repatriation shall cover travel by appropriate and expeditious means, normally by air, and include provision for food and accommodation of the seafarer from the time of leaving the ship until arrival at the seafarer's home, necessary medical care, passage and transport of personal effects and any other reasonable costs or charges arising from the abandonment.

11. The financial security shall not cease before the end of the period of validity of the financial security unless the financial security provider has given prior notification of at least 30 days to the competent authority of the flag State.

12. If the provider of insurance or other financial security has made any payment to any seafarer in accordance with this Standard, such provider shall, up to the amount it has paid and in accordance with the applicable law, acquire by subrogation, assignment or otherwise, the rights which the seafarer would have enjoyed.

13. Nothing in this Standard shall prejudice any right of recourse of the insurer or provider of financial security against third parties.

14. The provisions in this Standard are not intended to be exclusive or to prejudice any other rights, claims or remedies that may also be available to compensate seafarers who are abandoned. National laws and regulations may provide that any amounts payable under this Standard can be offset against amounts received from other sources arising from any rights, claims or remedies that may be the subject of compensation under the present Standard.

B. Amendments relating to Guideline B2.5

At the end of the present Guideline B2.5, add the following heading and text:

Guideline B2.5.3 – Financial security

1. In implementation of paragraph 8 of Standard A2.5.2, if time is needed to check the validity of certain aspects of the request of the seafarer or the seafarer's nominated representative, this should not prevent the seafarer from immediately receiving such part of the assistance requested as is recognized as justified.

C. Amendment to include a new appendix

Before Appendix A5-I, add the following appendix:

APPENDIX A2-I

Evidence of financial security under Regulation 2.5, paragraph 2

The certificate or other documentary evidence referred to in Standard A2.5.2, paragraph 7, shall include the following information:

- (a) name of the ship;
- (b) port of registry of the ship;
- (c) call sign of the ship;
- (d) IMO number of the ship;
- (e) name and address of the provider or providers of the financial security;
- (f) contact details of the persons or entity responsible for handling seafarers' requests for relief;
- (g) name of the shipowner;
- (h) period of validity of the financial security; and
- (i) an attestation from the financial security provider that the financial security meets the requirements of Standard A2.5.2.

D. Amendments relating to Appendices A5-I, A5-II and A5-III

At the end of Appendix A5-I, add the following item:

Financial security for repatriation

In Appendix A5-II, after item 14 under the heading Declaration of Maritime Labour Compliance – Part I, add the following item:

15. Financial security for repatriation (Regulation 2.5)

In Appendix A5-II, after item 14 under the heading Declaration of Maritime Labour Compliance – Part II, add the following item:

15. Financial security for repatriation (Regulation 2.5)

At the end of Appendix A5-III, add the following area:

Financial security for repatriation

II. Amendments to the Code implementing Regulation 4.2 – Shipowners' liability of the MLC, 2006 (and appendices)

A. Amendments relating to Standard A4.2

In the present heading, "Standard A4.2 – Shipowners' liability", replace "A4.2" by "A4.2.1".

Following paragraph 7 of the present Standard A4.2, add the following text:

8. National laws and regulations shall provide that the system of financial security to assure compensation as provided by paragraph 1(b) of this Standard for contractual claims, as defined in Standard A4.2.2, meet the following minimum requirements:

- (a) the contractual compensation, where set out in the seafarer's employment agreement and without prejudice to subparagraph (c) of this paragraph, shall be paid in full and without delay;

- (b) there shall be no pressure to accept a payment less than the contractual amount;
- (c) where the nature of the long-term disability of a seafarer makes it difficult to assess the full compensation to which the seafarer may be entitled, an interim payment or payments shall be made to the seafarer so as to avoid undue hardship;
- (d) in accordance with Regulation 4.2, paragraph 2, the seafarer shall receive payment without prejudice to other legal rights, but such payment may be offset by the shipowner against any damages resulting from any other claim made by the seafarer against the shipowner and arising from the same incident; and
- (e) the claim for contractual compensation may be brought directly by the seafarer concerned, or their next of kin, or a representative of the seafarer or designated beneficiary.

9. National laws and regulations shall ensure that seafarers receive prior notification if a shipowner's financial security is to be cancelled or terminated.

10. National laws and regulations shall ensure that the competent authority of the flag State is notified by the provider of the financial security if a shipowner's financial security is cancelled or terminated.

11. Each Member shall require that ships that fly its flag carry on board a certificate or other documentary evidence of financial security issued by the financial security provider. A copy shall be posted in a conspicuous place on board where it is available to the seafarers. Where more than one financial security provider provides cover, the document provided by each provider shall be carried on board.

12. The financial security shall not cease before the end of the period of validity of the financial security unless the financial security provider has given prior notification of at least 30 days to the competent authority of the flag State.

13. The financial security shall provide for the payment of all contractual claims covered by it which arise during the period for which the document is valid.

14. The certificate or other documentary evidence of financial security shall contain the information required in Appendix A4-I. It shall be in English or accompanied by an English translation.

Add the following heading and text following the present Standard A4.2:

Standard A4.2.2 – Treatment of contractual claims

1. For the purposes of Standard A4.2.1, paragraph 8, and the present Standard, the term "contractual claim" means any claim which relates to death or long-term disability of seafarers due to an occupational injury, illness or hazard as set out in national law, the seafarers' employment agreement or collective agreement.

2. The system of financial security, as provided for in Standard A4.2.1, paragraph 1(b), may be in the form of a social security scheme or insurance or fund or other similar arrangements. Its form shall be determined by the Member after consultation with the shipowners' and seafarers' organizations concerned.

3. National laws and regulations shall ensure that effective arrangements are in place to receive, deal with and impartially settle contractual claims relating to compensation referred to in Standard A4.2.1, paragraph 8, through expeditious and fair procedures.

B. Amendments relating to Guideline B4.2

In the present heading, “Guideline B4.2 – Shipowners’ liability”, replace “B4.2” by “B4.2.1”.

In paragraph 1 of the present Guideline B4.2, replace “Standard A4.2” by “Standard A4.2.1”.

Following paragraph 3 of the present Guideline B4.2, add the following heading and text:

Guideline B4.2.2 – Treatment of contractual claims

1. National laws or regulations should provide that the parties to the payment of a contractual claim may use the Model Receipt and Release Form set out in Appendix B4-I.

C. Amendment to include new appendices

After Appendix A2-I, add the following appendix:

APPENDIX A4-I

Evidence of financial security under Regulation 4.2

The certificate or other documentary evidence of financial security required under Standard A4.2.1, paragraph 14, shall include the following information:

- (a) name of the ship;
- (b) port of registry of the ship;
- (c) call sign of the ship;
- (d) IMO number of the ship;
- (e) name and address of the provider or providers of the financial security;
- (f) contact details of the persons or entity responsible for handling seafarers’ contractual claims;
- (g) name of the shipowner;
- (h) period of validity of the financial security; and
- (i) an attestation from the financial security provider that the financial security meets the requirements of Standard A4.2.1.

After Appendix A4-I, add the following appendix:

APPENDIX B4-I

Model Receipt and Release Form

referred to in Guideline B4.2.2

Ship (name, port of registry and IMO number):

Incident (date and place):

Seafarer/legal heir and/or dependant:

Shipowner:

I, [Seafarer] [Seafarer’s legal heir and/or dependant]* hereby acknowledge receipt of the sum of [currency and amount] in satisfaction of the Shipowner’s obligation to pay contractual compensation for personal injury and/or death under the terms and conditions of [my] [the Seafarer’s]* employment and I hereby release the Shipowner from their obligations under the said terms and conditions.

The payment is made without admission of liability of any claims and is accepted without prejudice to [my] [the Seafarer's legal heir and/or dependant's]* right to pursue any claim at law in respect of negligence, tort, breach of statutory duty or any other legal redress available and arising out of the above incident.

Dated:

Seafarer/legal heir and/or dependant:

Signed:

For acknowledgement:

Shipowner/Shipowner representative:

Signed:

Financial security provider:

Signed:

* Delete as appropriate.

D. Amendments relating to Appendices A5-I, A5-II and A5-III

At the end of Appendix A5-I, add the following item:

Financial security relating to shipowners' liability

In Appendix A5-II, as the last item under the heading Declaration of Maritime Labour Compliance – Part I, add the following item:

16. Financial security relating to shipowners' liability (Regulation 4.2)

In Appendix A5-II, as the last item under the heading Declaration of Maritime Labour Compliance – Part II, add the following item:

16. Financial security relating to shipowners' liability (Regulation 4.2)

At the end of Appendix A5-III, add the following area:

Financial security relating to shipowners' liability



*First meeting of the Special Tripartite Committee established by the Governing Body
in accordance with Article XIII of the Maritime Labour Convention, 2006 (MLC, 2006)*

**Resolution on the transitional measures relating to the entry into force
of the amendments to the Maritime Labour Convention, 2006,
concerning financial security requirements in respect of
abandonment of seafarers and for shipowners' liability**

The Special Tripartite Committee established by the Governing Body
under Article XIII of the Maritime Labour Convention, 2006,

Having met in Geneva from 7 to 11 April 2014,

Having considered and adopted amendments to the Code of the Maritime
Labour Convention, 2006,

Recognizing that these amendments are to be submitted to the
International Labour Conference for approval in accordance with Article XV of
the Convention,

Noting that the amendments establish measures to ensure the provision of
an expeditious and effective financial security system to assist seafarers in the
event of their abandonment and that financial security is provided for seafarers'
claims for compensation in the event of death or long-term disability due to an
occupational injury, illness or hazard,

Noting also that the amendments will require important additions to the
existing documents provided for under the Maritime Labour Convention, 2006,
particularly Parts I and II of the declaration of maritime labour compliance,

Stressing that the amendments are not intended to affect the validity of
maritime labour certificates or declarations of maritime labour compliance
already issued at the time when the amendments enter into force;

1. Requests Members to recognize the need for a transitional period to
issue or renew maritime labour certificates and the related declarations of
maritime labour compliance in accordance with the requirements of the
Convention as amended;

2. Further requests Members to acknowledge that entry into force of the
amendments should not in any way serve to invalidate the maritime labour
certificates or declarations of maritime labour compliance that have been duly
issued previously in accordance with the Convention and which are still in
effect;

3. Urges Members to ensure that the maritime labour certificates and the declarations of maritime labour compliance are issued or renewed so as to comply with the requirements of the Convention as amended, on ships that fly their flag, no later than the date of the first renewal inspection following entry into force of the amendments;

4. Draws the attention of Members to the fact that the above transitional measures relate only to the maritime labour certificates and the declarations of maritime labour compliance and are not in any way intended to affect the rights and obligations of Members, seafarers or shipowners, including the obligation to ensure that all ships are covered by financial security in accordance with the Convention as amended, from the date when the amendments enter into force;

5. Requests Members, including in the exercise of port State control, to recognize maritime labour certificates and declarations of maritime labour compliance as remaining valid in accordance with the Convention, until the first renewal inspection following entry into force of the amendments.

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