

ITF HUMAN RIGHTS DUE DILIGENCE

HOW COMPANIES CAN RESPECT THE HUMAN RIGHTS OF SEAFARERS SHIPPING YOUR CARGO



Seafarers – the hidden workers in global supply chains

Transport workers move the world and 90% of goods are transported by sea which connect global supply chains. Companies rely on hidden workers in supply chains who work in transport and logistics, many of these workers are seafarers.

Whether you're in retail or food and beverage, or shipping bulk commodities, your business is likely to use ships to move your goods, or their raw materials, around the world.

Human rights at sea can seem far from corporate in-house operations, and the routes your company goods are taking on vessels is an integral part of your global supply chain you may not feel very familiar with.

Collective bargaining in action - ITF Agreements on ships and a global network of inspectors

Unique to shipping is that a vessel owner can name the country under which national labour law seafarers onboard will be bound. A Flag of Convenience (FOC) means the ship owner has chosen to fly the flag of a country with low labour standards and little or no social protections for seafarers.

The ITF has developed a set of policies to establish improved labour standards for seafarers on ships registered under a FOC, and have ITF Agreements with shipping companies to make sure these are followed.

There are now 13,500 vessels covered by ITF Agreements.

Compliance with ITF Agreements is monitored by a global network of 130 ITF Inspectors in more than 111 ports in 56 countries.

Human rights risks to companies

Gross human rights violations occur daily at sea – on ships carrying your cargo. ITF Inspectors monitor seafarers' living and working conditions on ships globally, and the ITF maritime and legal team collects and analyses data from all inspections.

Unpaid Wages – ITF Inspectors recovered USD36.5 million in owed wages in 2022.

Abandoned Seafarers – Between 2020 and 2022 the ITF reported 262 vessels as 'abandoned' to the International Labour Organization (ILO). The abandonment of seafarers occurs when shipowners deny often entire crews their rights to repatriation, their pay, or basic necessities, leaving them stranded for months or even years in situations akin to forced labour.

Do you know the risks to seafarers in your global supply chain? Take the ITF Rights Check

By analysing your cargo data and your maritime shipping routes against ITF inspectorate data, the **ITF Rights Check** identifies risks to seafarers on ships moving cargo in your global supply chain.

The ITF can provide information on specific vessels as to whether there is an ITF Agreement on board, the flag state (both national flag and FOC), any onboard conditions agreed to between the operating company and the local union, and any other actors involved. The ITF may also be able to alert companies to vessels with a record of abandonment or a history of other abuses on board.

The ILO and the OECD recognise that engaging in a meaningful dialogue and involvement with global union federations – like the ITF – is a fundamental way for brands to identify, prevent and mitigate human rights risks in their transport and logistics supply chain.

Business practices that underpin human rights due diligence (HRDD)

Based on the findings of an ITF Rights Check for seafarers bespoke solutions to mitigate risks can be negotiated, as these examples highlight.

01. Seek, establish and maintain business relationships with logistics providers who commit to only engaging with vessels that have either an ITF Agreement on board, or national flag vessels with a national collective bargaining agreement on board
02. Require the above to be included as a contract term in a brand's own shipping or logistics supplier agreements and be cascaded into any agreements between a brand's logistics suppliers and any additional subcontractors/suppliers of shipping services.
03. Require charterers to agree with any crew managers and/or manning agents that the manning agent will provide engagement, training and information packages to seafarers concerning their human rights. These should include occupational health and safety, the role of the ITF, and seafarers' direct access to the ITF's global network of ITF Inspectors.
04. Require charterers to agree to ensure similar information is accessible in documents visible on board, and to the facilitation of ITF inspections.
05. Cease behaviours in their own business, management, pricing, and tender models that may be root causes of exploitative practices in transport services along the supply chain.

ITF Agreements

There is no equivalent to an ITF Agreement on board a FOC ship. Only the ITF – as the global union federation for transport workers negotiates these agreements. The ITF is formed by a democratic international network of affiliated transport workers' unions, including maritime unions which negotiate these ITF-approved

collective bargaining agreements. The ITF has a global network of inspectors with the powers to enforce the agreements.

Four reasons why HRDD in transport and logistics supply chains is important

01. Business has a responsibility to respect human rights. Mandatory human rights due diligence is expanding with legislation in the EU, Germany, France, the Netherlands, Norway, Australia, and the UK.

The [UN Guiding Principles on Business and Human Rights \(2011\)](#), the [ILO MNE Declaration \(2017\)](#), the [OECD Guidelines for Multinational Enterprises \(2023\)](#) are the foundations of human rights due diligence.
02. Pressure on companies and boards to identify and address human rights risks in supply chains is growing, including from investors.
03. Companies need to engage directly with workers impacted by their business activities.
04. Human rights and environmental due diligence is a way for companies to ensure long term stability.

Mitigating HRDD risks in supply chains

Identifying risks to human rights is the first step in performing your human rights due diligence. This is followed by action to prevent or mitigate risks, and ongoing monitoring and cooperation in grievance and remedy.

The ITF stands alone in being able to offer a worker-centred analysis of human rights abuses at sea measured against international laws and standards.

Working in cooperation with the ITF, companies can collaborate on maritime HRDD, including developing and adopting risk mitigation processes, ongoing monitoring procedures, and grievance mechanisms.

A FOUR-STEP GUIDE TO COOPERATING WITH THE ITF ON HUMAN RIGHTS DUE DILIGENCE



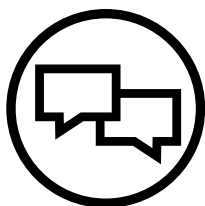
STEP ONE **AN INTRODUCTION TO COOPERATIVE MARITIME HUMAN RIGHTS DUE DILIGENCE**

An Introductory meeting with the ITF to discuss worker-centred HRDD approaches to your transport and logistics supply chains. The ITF can help support the effective communication of the risks to seafarers' rights and HRDD requirements across corporate teams. Shared principles and approaches to HRDD are agreed, including recognition that freedom of association and collective bargaining are enabling rights that make it possible to promote and realise decent work.



STEP TWO **ITF RIGHTS CHECK**

Request a confidential ITF Rights Check for seafarers. Agree to share information on ships carrying your cargo to inform an ITF assessment of human rights risks to seafarers on those vessels over a specified period.



STEP THREE **DIALOGUE ON RISKS AND MITIGATION**

Dialogue with the ITF on the risks identified within the ITF Rights Check for seafarers and suggested actions. Engage and update business policies related to HRDD.



STEP FOUR **ITF COOPERATION AGREEMENT**

- a. Cooperate with the ITF to prevent or remedy actual or potential human rights violations in maritime logistics, early, directly and in a manner acceptable to the affected seafarers – in line with the UN Guiding Principles.
- b. Undertake regular Rights Checks for seafarers.
- c. Map your whole transport and logistics supply chain, with the possibility of expanding ITF Rights Checks to other parts of your supply chain.
- d. Recognise the ITF and its affiliates as representatives of transport workers, and collaborate to address actual and potential impacts on transport workers' rights, including labour rights.

CASE STUDY: THE COVID PANDEMIC AND THE CREW CHANGE CRISIS

When the world stopped for the Covid pandemic seafarers became stranded on vessels worldwide. 400,000 were impacted at the worst point of the crisis.

In a normal month, 150,000 seafarers need to be changed over to ensure safety and crew health within the global shipping fleet. We know that Covid related border restrictions were the underlying cause for the crew change crisis, but some shipowners also used the pandemic as an excuse to keep seafarers working beyond their contracts.

Under the Maritime Labour Convention (2006) maximum contract periods are in place to safeguard seafarers from fatigue and undue pressure to extend their contract. Due to their extreme isolation, seafarers are particularly vulnerable to exploitation. The ILO recognised that the crew change crisis could give rise to situations akin to forced labour – that means a most egregious form of modern slavery.

With worldwide attention on the crisis, companies started to exercise their leverage where they could. This included agreeing to divert from what was agreed in the contract with logistics providers so seafarers could get off the ships.

The ITF, through its global inspectorate, repatriated thousands of seafarers home throughout this crisis with the help of companies in global supply chains, the UN Global Compact (UNGC) and the International Maritime Organisation (IMO). We showed you what companies could ask of logistics providers to stop a humanitarian crisis – and keep goods moving around the world.



ITF Supply Chain Principles 2023

The ITF Supply Chain Principles set out how governments, investors and especially multinational enterprises must act to ensure their business practices are safe, fair and sustainable.



ITF Human Rights Due Diligence Guidance 2023

ITF guidance supports brands and other cargo owners to fulfil their obligations to seafarers on human rights due diligence.



**INTERNATIONAL
TRANSPORT
WORKERS'
FEDERATION**

About the ITF

The International Transport Workers' Federation (ITF) represents transport and logistics workers across the global supply chain. Founded over 120 years ago, the ITF is a democratic, affiliate-led federation recognised as the world's leading transport authority.

We fight passionately to improve working lives; connecting trade unions from 153 countries to secure rights, equality and justice for their members. We are the voice of 20 million workers in the transport industry across the world including shipping, logistics, road and rail haulage, civil aviation, fisheries, tourism, and sea cargo terminal industries.

The ITF is a Board Member of both the UN Global Compact and the Ethical Trading Initiative.

www.itfglobal.org.uk

Contact the ITF to discuss your HRDD requirements: supplychains@itf.org.uk