



Key Issues

Confronting Corruption

ICS continues to play a leading part in the Maritime Anti-Corruption Network (MACN), which now has an important role in demonstrating how corruption can present a serious safety risk for seafarers, as well as being an obstacle to efficient maritime trade and wider economic development.

A Cross Industry Working Group, jointly established by MACN and ICS, is actively working towards the vision of a maritime industry free of corruption, enabling fair trade to the benefit of society. The Group incorporates a wide range of industry organisations which collaborate, share ideas and address key issues that the shipping industry is currently facing with respect to bribery and corruption.

The shipping industry operates in a wide variety of ports under many different jurisdictions. Masters and seafarers therefore have frequent and multiple interactions with many government officials around the world, sometimes being exposed to corruption and demands for bribes. Rejecting and challenging corrupt demands, including so called 'facilitation payments', can lead to severe delays, place the safety of the crews and ships at risk, and have seriously damaging commercial consequences for shipping companies.

By acquiescing to demands to make potentially corrupt payments, companies and seafarers also expose themselves to the risk of criminal prosecution in their home state. ICS therefore believes that tackling instances of bribery and corruption must remain a key priority, which the industry's regulators, both internationally and nationally, must work very seriously to address, so that the integrity of shipping companies – and the safety of the seafarers they employ in the service of world trade – is adequately protected.

In order to promote wider awareness among maritime administrations about the impact of corruption, the ICS led-group made an important submission to the IMO Facilitation Committee (FAL) meeting in June 2018. This highlighted how corruption impedes social and economic development while undermining security, in ports and on board ships, as well as impacting negatively on the wellbeing and safety of seafarers. The submission also made suggestions on how anti-corruption measures might best be integrated into the current IMO work programme for governmental improvement, and addressed the risks frequently encountered by ships during Port State Control inspections. A presentation was also delivered to IMO FAL Committee delegates about the activities of MACN and the wider challenges in the maritime industry regarding anti-corruption.

In the context of problems experienced as part of the ship/shore interface, there is a need for IMO to mitigate the risk of corruption when new regulations are developed and implemented. In particular, the industry submission highlighted how shipping companies can be adversely affected by the improper use of the wide discretionary powers sometimes held by port officials, and that it is often difficult to plan ahead where requirements for port entry are not transparent, or else deliberately misapplied, allowing officials to invent non-existent violations.

Encouragingly, the industry submission was well received and the IMO Facilitation Committee agreed that corruption does indeed have a significant impact on the movement of maritime traffic and the security of port operations. The FAL Committee therefore requested the IMO secretariat, in co-ordination with the IMO Legal Affairs and External Relations Division, to provide advice on the possible way forward to further address the problem.

At the FAL Committee in April 2019, governments also considered a further ICS-led submission, co-sponsored by six Member States and 14 NGOs, which proposed that IMO should address maritime corruption through an amendment to the FAL Convention and the development of IMO Guidelines and/or a Code of Best Practice. IMO Member States agreed to include this issue within the FAL Committee's biennial agenda for 2020/2021.

