



Key Issues

Fighting 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.

This can particularly occur during Port State Control inspections. Rejecting and challenging corrupt demands, including so called 'facilitation payments', can lead to severe delays, place the safety of the crew and ship 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 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.

The Maritime Anti-Corruption Network (MACN) was established in 2011 as an industry led initiative working towards the vision of a maritime industry free of corruption, enabling fair trade to the benefit of society at large. In 2017, ICS and MACN established a cross industry working group incorporating a number of industry organisations, in order to collaborate, share ideas and address key issues which the shipping industry is currently facing with respect to bribery and corruption.

ICS is actively involved with this working group, 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.

In order to promote wider awareness among maritime administrations about the impact of corruption, the group has made a submission to the IMO Facilitation Committee (FAL) meeting in June 2018. The paper comments on how anti-corruption measures might best be integrated into the current

IMO work programme for governmental improvement, and addresses risks frequently encountered during Port State Control inspections.

A presentation will also be delivered to IMO FAL delegates about the activities of MACN and the wider challenges regarding anti-corruption. It is hoped that this will encourage greater recognition of the problems encountered by ships and their crews. In the context of problems sometimes experienced during Port State Control inspection, this will also hopefully demonstrate the need for IMO to mitigate the risk of corruption when new regulations are developed and implemented.

The MACN working group, co-ordinated by ICS, intends to take collective action to address corruption wherever it occurs by leveraging the specific capabilities of the members of the group. This currently includes providing support to ongoing anti-corruption initiatives in the Suez Canal.

The group is also keen to share information about best practices and is developing an industry guide on how to tackle corruption, explaining the different forms which corruption can take and providing advice on the actions which can be taken by shipping companies and seafarers.

