



भारत सरकार / GOVERNMENT OF INDIA
पत्तन, पोत परिवहन और जलमार्ग मंत्रालय
MINISTRY OF PORTS, SHIPPING AND WATERWAYS

नौवहन महानिदेशालय, मुंबई
DIRECTORATE GENERAL OF SHIPPING, MUMBAI

F. No. 23-CIR/1/2024-CREW-DGS (Comp. No.: 29100)

Date: 03.06.2024

MS NOTICE 11 OF 2024

Subject: Action against Recruitment & Placement Services (RPS) agencies and seafarers for utilizing deceitful practices - reg.

Whereas, Indian seafarers are recruited to serve onboard merchant shipping vessels either directly by the ship-owners themselves or through Indian registered Recruitment and Placement of Seafarers (RPS) agencies. The enactment of the Maritime Labour Convention (MLC) 2006 has significantly influenced the recruitment and placement processes of seafarers on vessels worldwide.

2. Whereas, with the MLC Convention in force, the recruitment and placement of seafarers have fallen within the purview of the Merchant Shipping (Recruitment and Placement of Seafarers) Rules, 2016. India, having ratified the MLC Convention 2006, has accordingly promulgated the Merchant Shipping (Maritime Labour) Rules, 2016 and the Merchant Shipping (Recruitment and Placement of Seafarers) Rules, 2016. These rules ensure that the recruitment and placement of seafarers adhere to international standards set forth by the MLC, thus safeguarding the rights and welfare of seafarers in the maritime industry.

3. Whereas, the Recruitment and Placement Services (RPS) are assigned with various obligations concerning payment of wages, abandonment, and repatriation of seafarers, as outlined in the Maritime Labour Convention (MLC), 2006 and its associated guidelines, such as:

1. Regulation 2.2 of the MLC 2006 mandates that the seafarers are entitled to be paid wages as agreed in their employment agreements and payment should be made regularly and directly to the seafarer. RPS agency must ensure that seafarers receive their wages promptly and without any unauthorized deductions.
2. Regulation 2.5 of the MLC 2006 mandates that shipowners are responsible for the repatriation of seafarers in the event of abandonment. However, if the shipowner fails to fulfill this obligation, RPS operating in a member's territory must ensure that seafarers are repatriated at the shipowner's expense, in accordance with Standard A2.5 MLC 2006.
3. Regulation 2.5 of MLC 2006 enshrines that Seafarers have the right to be repatriated at no cost to themselves if they are entitled to be repatriated under their employment agreements or applicable collective agreements. Further, RPS agency must facilitate the repatriation process for seafarers stranded abroad, ensuring that they return home safely and promptly.

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4. Standard A2.5 of MLC 2006 also requires RPS agency to ensure that seafarers receive financial security in the event of the shipowner's insolvency or abandonment. This may include providing access to financial security systems such as insurance or other equivalent measures to compensate seafarers for unpaid wages and repatriation expenses.
5. RPS Companies are obligated to cooperate with competent authorities in overseeing and enforcing regulations related to payment of wages, abandonment and repatriation. This includes providing necessary information and assistance during investigations or proceedings concerning these matters.

4. Whereas, the Merchant Shipping (Maritime Labour) Rules 2016 also outline various rules and provisions, in line with the Maritime Labour Convention, 2006, to protect the Rights and Interest of seafarers, such as:

1. Section 2 of the said Rules states that the ship owners must pay seafarers at least monthly, as per agreements. Seafarers should receive a monthly account of payments and amounts paid, including wages and additional payments. Ship owners must facilitate the transfer of earnings to seafarers' families, including allotment systems for remittance via bank transfers or similar means,
2. Section 4 of the said Rules states that the seafarers must have a signed original copy of the Employment Agreement. Ship owners or licensed recruitment services must submit signed agreements with the relevant authority. Copies of collective bargaining agreements must be on board and in English and seafarers must have access to repatriation provisions in English,
3. Section 5 of the said Rules states that the ship owners must provide financial security to ensure repatriation of seafarers. Seafarers are entitled to repatriation at no cost under certain conditions, including employment termination, inability to perform duties, compassionate grounds or abandonment. Abandonment includes failure to cover repatriation costs, lack of maintenance, or non-payment of wages for two months. Ship owners cannot charge seafarers for repatriation costs, except in default cases.
4. Section 8 states that the ship owners are responsible for making arrangements for the repatriation of seafarers.

5. Whereas, this Directorate is in receipt of various incident reports of Indian seafarers abandoned / stranded at foreign ports on foreign-flagged ships, often without wages for months and lacking essential provisions and fresh water on board. Many of these incidents involve vessels flying Flags of Convenience (FoC) with regulatory lapses and are found to be in serious non-compliance with the mandatory provisions of MLC 2006. These reports also suggests that the seafarers are made to join substandard vessels then the ones they were initially recruited for.

6. Whereas, instances and complaint are also received in this Directorate regarding fraudulent activities being carried out by some Recruitment and Placement Service (RPS) agencies. These complaints were examined and these indicate that RPS agents are employing deceptive methods to lure seafarers by employing touts / agents to show seafarers a promising ship profile and generate Form 1 for a lucrative vessel. However, once the seafarer's e-migration is processed at the immigration check post, they are assigned to a different vessel which is often found to be substandard vessel.

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7. Whereas, the seafarers often do not report such incidents of being onboard a different vessel than the one which their form 1 is generated for and often such vessels are found to be substandard vessel. The seafarer reluctantly works on these inferior or substandard ships due to the pressing need to meet their sea service requirements.

8. Additionally, there are reports of RPS agents submitting fake documents, including fake Protection & Indemnity (P&I) certificates, fake employment agreements and fake copies of Collective Bargaining Agreements (CBAs) that are not genuinely signed between ship-owners and seafarers' unions. These fraudulent documents lead to seafarers being placed on substandard vessels with expired P&I certificates, compromising their safety and well-being.

9. Now therefore, in order to address the increasing reports of fraudulent practices by some RPS agencies, this Directorate office will implement a zero-tolerance policy towards any RPS agency found engaging in fraudulent practices such as mis-representing ship assignments, generating fake documents and submitting falsified documents including P&I Certificate; Collective Bargaining Agreements (CBAs) etc.

10. The Directorate is in the process of examining the authenticity of the online submitted documents such as MLC details, P&I Certificates, Collective Bargaining Agreements (CBAs) etc. in E-Governance portal by RPS agencies. If any RPS agency is found to be involved in fraudulent activities such **mis-representing ship assignments, generating fake documents and submitting falsified documents including P&I Certificate and Collective Bargaining Agreements (CBAs) etc. will face the following actions:**

1. Immediate blockage of online privileges in DG Shipping E-Governance portal
2. RPS agency will undergo thorough audits and investigations by DG Shipping to determine the full extent of their misconduct
3. Subsequent suspension / withdrawal of the agency's RPS license
4. Concerned Directors of RPS agencies would be debarred from carrying out any maritime related activities for a period of five (05) years
5. Recommendation of the matter to Ministry of Corporate Affairs (MoCA), Govt. of India for further necessary actions as per Company's Act such as blacklisting of RPS agency Directors DIN numbers and not to allow them to carry out any business activities in India for a period of five (05) years
6. Further necessary actions will be initiated as per provisions of MS Act 1958 and RPS Rules 2016

11. Further, the Indian seafarers are here by reminded to immediately report any such fraudulent activities and failure to report such incident and **utilizing fraudulent means to obtain sea service on ships not actually sailed on** will result in serious consequences, such as blocking of seafarers Indos No., including cancellation, withdrawal or suspension of their Continuous Discharge Certificate (CDC) under the provisions of MS CDC Rules 2017. Non-compliance with reporting requirements and engagement in fraudulent practices will be strictly penalized to uphold the integrity of the maritime profession.

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12. It is reiterated that this Directorate is committed to safeguarding the rights and well-being of seafarers and maintaining the integrity of the maritime recruitment process. All RPS agencies are hereby warned that any involvement in fraudulent activities will be dealt with severely and will not be tolerated under any circumstances.

13. This issues with the approval of the Director General of Shipping.



Capt. (Dr.) Daniel Joseph
Dy Director General of Shipping (Crew)