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San Marino Policy Letter

SMPL - 2022-MLC-009

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Terms and Conditions for employment of seafarers under the Maritime Labour Convention (MLC), 2006

TO: Recognised Organisations, Shipowners (Company), Managers, Masters, Seafarers, SMSR partners, SMSR brokers, Surveyors, and the general public.



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- 0. INTRODUCTION AND REFERENCES
- a. Maritime Labour Convention (MLC), 2006, as amended
- b. Art. 12 San Marino law no. 120 dated August, 2nd 2019:

The employment contracts of the master and crew shall be governed by the law agreed upon by the parties or, in the absence of such designation, by the law of the State in which the shipowner has his/her habitual residence, if a natural person, or its principal place of business, if a legal person, in any case without prejudice to compliance with the International Labour Organization (ILO) Conventions ratified and implemented by the Republic of San Marino.

- c. San Marino Policy Letter "Implementation, Inspections and Certification under the Maritime Labour Convention (MLC), 2006"
- d. San Marino Policy Letter "Standards of accommodation, recreational facilities, food, water and catering under the Maritime Labour Convention (MLC), 2006"
- e. San Marino Policy Letter "Health and safety protection, accident prevention, medical care, welfare and social security protection of seafarers under the Maritime Labour Convention (MLC), 2006"
- f. San Marino Policy Letter "Principles of Minimum Safe Manning"
- g. San Marino Policy Letter "Hours of Work and Hours of Rest"
- h. San Marino Policy Letter "MLC Complaint Procedure"

This Policy Letter states the principles the employment contracts referred to in the San Marino Law no. 120 must comply with.

In addition, it provides the basis for a San Marino Seafarers' Employment Agreement that can be adopted for ships flying San Marino Flag, with the solely exclusion of San Marino Resident seafarers, following the principles set in art. 12 of San Marino Law no. 120, when agreed by the parties. The text Template is in the Annex 1 of this Policy Letter.

Purpose

This Policy Letter sets forth the Administration's terms and conditions for seafarers to work on a ship under the Maritime Labour Convention (MLC), 2006, having due regard to seafarers' rights to fair terms of



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employment, decent working and living conditions, elimination of fatigue amongst seafarers and the safety of life, ship and cargo and protection of the environment.

Applicability

This notice applies to any person who is employed or engaged or works in any capacity on board ships to which MLC, 2006 applies, except where provided otherwise.

1. CONDITIONS OF EMPLOYMENT

All the provisions set by MLC 2006 Convention as ratified are applicable and must be adopted for all the contracts of the seafarers working on board of ships flying with San Marino Flag.

1.1 Minimum age

No person below the minimum age of 16 years shall be employed or engaged or work on a ship. Refer to the San Marino Policy Letter "Hours of Work and Hours of Rest".

1.2 Medical Certificate

Every seafarer shall, prior to beginning work on a ship, hold a valid medical certificate issued by a duly qualified medical practitioner licensed at the place of examination and/or recognized by the competent authority at the place of examination, attesting that the seafarer is medically fit to perform the duties that they are to carry out at sea.

The medical examination shall be conducted and certificate issued in accordance with the current joint ILO/IMO Guidelines on the medical examination of seafarers.

The Medical certificates issued in accordance with the requirements of STCW 1978, as amended will be accepted.

Medical certificates shall state in particular that the seafarer concerned:

- a) has satisfactory hearing and sight, as well as color vision
- b) is medically fit to perform the duties they are to carry out; and
- c) is not suffering from any medical condition that is likely to be aggravated by service at sea or to render the seafarer unfit for such service or to endanger the health of other persons on board.

All medical certificates shall be issued in English for ships engaged in international voyages and shall be valid for a maximum period of two years, except that for seafarers under the age of 18 years, the maximum period of validity shall be one year and certificates of color vision shall be valid for a maximum period of six years. In urgent cases, the Administration may issue a dispensation to a seafarer joining a ship, to work without a valid medical certificate until the next port of call where a medical certificate can be obtained provided that:

- (a) the period of such permission does not exceed three months; and
- (b) the seafarer concerned is in possession of an expired medical certificate of recent date (max 90 days).



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Refer to the San Marino Policy Letter "Directions on Exemptions, equivalence and Single voyage". If the period of validity of a medical certificate expires in the course of a voyage, the certificate shall continue in force until the next port of call where the seafarer can obtain a medical certificate from a qualified medical practitioner, provided that the period shall not exceed three months.

1.3 Training and qualifications of seafarers

Seafarers shall not work on a ship unless they are trained or certified as competent or otherwise qualified to perform their duties.

Seafarers shall not be permitted to work on a ship unless they have successfully completed training for personal safety on board ship, such as that contained in Section A-VI/1 of the STCW Code.

All Seafarers covered under STCW 1978, as amended, including those in positions listed in the minimum safe manning certificate shall be trained and certified as competent, in accordance with STCW and shall possess appropriate and valid certification and any additional special qualifications equivalent to the duties they are required to undertake on the ship.

Refer also to the San Marino Policy Letter "Principles of Safe Manning"

1.4 Recruitment and placement of seafarers

The principle is to ensure that seafarers have access to an efficient and well-regulated seafarer recruitment and placement system without charge to the seafarers.

Seafarer recruitment and placement services (SRPS) operating in San Marino territory shall conform to the standards set out in the Code.

Where a private or public SRPS located in a country which has ratified the Convention, is used by a shipowner to supply seafarers to a San Marino registered ship, such a SRPS shall operate only in conformity with a standardized system of licensing or certification or other form of regulation, issued by the competent authority in that country. It is shipowner responsibility to ensure that the SRPS is approved by the local authority and/or meet the requirements of the standard.

San Marino Administration requires, in respect of seafarers who work on ships that fly San Marino Flag, that shipowners who use seafarer recruitment and placement services that are based in countries or territories in which this Convention does not apply, ensure that those services conform to the requirements set out in the Code.

Standard provisions

1. In case of San Marino public SRPS, the service shall be operated in an orderly manner that protects and promotes seafarers' employment rights as provided in the MLC 2006 convention.

Guidelines that should be considered:



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- (a) taking the necessary measures to promote effective cooperation among seafarer recruitment and placement services, whether public or private;
- (b) the needs of the maritime industry at both the national and international levels, when developing training programmes for seafarers that form the part of the ship's crew that is responsible for the ship's safe navigation and pollution prevention operations, with the participation of shipowners, seafarers and the relevant training institutions;
- (c) making suitable arrangements for the cooperation of representative shipowners' and seafarers' organizations in the organization and operation of the public seafarer recruitment and placement services, where they exist;
- (d) determining, with due regard to the right to privacy and the need to protect confidentiality, the conditions under which seafarers' personal data may be processed by seafarer recruitment and placement services, including the collection, storage, combination and communication of such data to third parties;
- (e) maintaining an arrangement for the collection and analysis of all relevant information on the maritime labour market, including the current and prospective supply of seafarers that work as crew classified by age, sex, rank and qualifications, and the industry's requirements, the collection of data on age or sex being admissible only for statistical purposes or if used in the framework of a programme to prevent discrimination based on age or sex;
- (f) ensuring that the staff responsible for the supervision of public and private seafarer recruitment and placement services for ship's crew with responsibility for the ship's safe navigation and pollution prevention operations have had adequate training, including approved sea-service experience, and have relevant knowledge of the maritime industry, including the relevant maritime international instruments on training, certification and labour standards;
- (g) prescribing operational standards and adopting codes of conduct and ethical practices for seafarer recruitment and placement services; and
- (h) exercising supervision of the licensing or certification system on the basis of a system of quality standards.
- In case of private SRPS operating in the San Marino territory whose primary purpose is the recruitment and placement of seafarers or which recruit and place a significant number of seafarers, they shall be operated only in conformity with a standardized system of licensing or certification compliant with the provisions of the MLC 2006 convention. Undue proliferation of private seafarer recruitment and placement services shall not be encouraged.

The following guidelines should be considered:

Requiring seafarer recruitment and placement services, to develop and maintain verifiable operational practices. These operational practices for private seafarer recruitment and placement services and, to the extent that they are applicable, for public seafarer recruitment and placement services should address the following matters:

(a) medical examinations, seafarers' identity documents and such other items as may be required for the seafarer to gain employment;



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- (b) maintaining, with due regard to the right to privacy and the need to protect confidentiality, full and complete records of the seafarers covered by their recruitment and placement system, which should include but not be limited to:
 - (i) the seafarers' qualifications;
 - (ii) record of employment;
 - (iii) personal data relevant to employment; and
 - (iv) medical data relevant to employment;
- (c) maintaining up-to-date lists of the ships for which the seafarer recruitment and placement services provide seafarers and ensuring that there is a means by which the services can be contacted in an emergency at all hours;
- (d) procedures to ensure that seafarers are not subject to exploitation by the seafarer recruitment and placement services or their personnel with regard to the offer of engagement on particular ships or by particular companies;
- (e) procedures to prevent the opportunities for exploitation of seafarers arising from the issue of joining advances or any other financial transaction between the shipowner and the seafarers which are handled by the seafarer recruitment and placement services;
- (f) clearly publicizing costs, if any, which the seafarer will be expected to bear in the recruitment process;
- (g) ensuring that seafarers are advised of any particular conditions applicable to the job for which they are to be engaged and of the particular shipowner's policies relating to their employment;
- (h) procedures which are in accordance with the principles of natural justice for dealing with cases of incompetence or indiscipline consistent with national laws and practice and, where applicable, with collective agreements;
- (i) procedures to ensure, as far as practicable, that all mandatory certificates and documents submitted for employment are up to date and have not been fraudulently obtained and that employment references are verified;
- (j) procedures to ensure that requests for information or advice by families of seafarers while the seafarers are at sea are dealt with promptly and sympathetically and at no cost; and
- (k) verifying that labour conditions on ships where seafarers are placed are in conformity with applicable collective bargaining agreements concluded between a shipowner and a representative seafarers' organization and, as a matter of policy, supplying seafarers only to shipowners that offer terms and conditions of employment to seafarers which comply with applicable laws or regulations or collective agreements.
- 3. The provisions of paragraph 2 of this Standard shall also apply in the context of recruitment and placement services operated by a seafarers' organization in the territory of the San Marino for the supply of San Marino seafarers to ships flying San Marino Flag. The services covered by this paragraph are those fulfilling the following conditions:
 - (a) the recruitment and placement service is operated pursuant to a collective bargaining agreement between that organization and a shipowner;
 - (b) both the seafarers' organization and the shipowner are based in San Marino;
 - (c) San Marino has approved a national law to authorize the collective bargaining agreement permitting the operation of the recruitment and placement service; and



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- (d) the recruitment and placement service is operated in an orderly manner and measures are in place to protect and promote seafarers' employment rights comparable to those provided in paragraph 5 of this Standard.
- 4. Nothing in this standard:
 - (a) prevents San Marino from having a free public seafarer recruitment and placement service for seafarers in the framework of a policy to meet the needs of seafarers and shipowners, whether the service forms part of or is coordinated with a public employment service for all workers and employers; or
 - (b) imposes on San Marino the obligation to establish a system for the operation of private seafarer recruitment or placement services in its territory.
- 5. With reference to paragraph 2 of this Standard, the San Marino Administration provides as follows:
 - (a) prohibit seafarer recruitment and placement services from using means, mechanisms or lists intended to prevent or deter seafarers from gaining employment for which they are qualified;
 - (b) require that no fees or other charges for seafarer recruitment or placement or for providing employment to seafarers are borne directly or indirectly, in whole or in part, by the seafarer, other than the cost of the seafarer obtaining a national statutory medical certificate, the national seafarer's book and a passport or other similar personal travel documents, not including, however, the cost of visas, which shall be borne by the shipowner; and
 - (c) the seafarer recruitment and placement services operating in San Marino:
 - (i) maintain an up-to-date register of all seafarers recruited or placed through them, to be available for inspection by the Authority;
 - (ii) make sure that seafarers are informed of their rights and duties under their employment agreements prior to or in the process of engagement and that proper arrangements are made for seafarers to examine their employment agreements before and after they are signed and for them to receive a copy of the agreements;
 - (iii) verify that seafarers recruited or placed by them are qualified and hold the documents necessary for the job concerned, and that the seafarers' employment agreements are in accordance with applicable laws and regulations and any collective bargaining agreement that forms part of the employment agreement;
 - (iv) make sure, as far as practicable, that the shipowner has the means to protect seafarers from being stranded in a foreign port;
 - (v) examine and respond to any complaint concerning their activities and advise the competent authority of any unresolved complaint;
 - (vi) establish a system of protection, by way of insurance or an equivalent appropriate measure, to compensate seafarers for monetary loss that they may incur as a result of the failure of a recruitment and placement service or the relevant shipowner under the seafarers' employment agreement to meet its obligations to them.
- 6. San Marino Administration shall closely supervise and control all seafarer recruitment and placement services operating in its territory. Any licences or certificates or similar authorizations for the operation of private services in the territory are granted or renewed only after verification that the seafarer recruitment and placement service concerned meets the requirements of the regulatory framework.



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- 7. Investigation shall be carried out , if necessary, in case of complaints concerning the activities of seafarer recruitment and placement services, involving, as appropriate, representatives of shipowners and seafarers.
- 8. San Marino Administration shall, in so far as practicable, advise its nationals on the possible problems of signing on a ship that flies the flag of a State which has not ratified the Convention, until it is satisfied that standards equivalent to those fixed by this Convention are being applied. Measures taken to this effect by San Marino shall not be in contradiction with the principle of free movement of workers stipulated by the treaties to which the two States concerned may be parties.
- 9. San Marino Administration requires that shipowners of ships that fly its flag, who use seafarer recruitment and placement services based in countries or territories in which the MLC 2006 Convention does not apply, ensure, as far as practicable, that those services meet the requirements of this Standard.
- 10. Nothing in this Standard shall be understood as diminishing the obligations and responsibilities of shipowners or of San Marino Administration with respect to ships that fly its flag.

1.5 Seafarers' Employment Agreement

A seafarers' employment agreement is a legally enforceable agreement setting out the terms and conditions for employment of a seafarer and includes both the contract of employment and the articles of agreement and may incorporate any applicable collective bargaining agreement ("CBA").

Prior to commencing work on a San Marino registered ship, every seafarer shall have a seafarers' employment agreement signed by both the seafarer and the shipowner or a representative of the shipowner, where they are not employees, there shall be evidence of contractual or similar arrangements providing them with decent working and living conditions on board ship as per MLC2006 provisions. The shipowner and seafarer concerned shall each have a signed original of the seafarers' employment agreement.

Seafarers shall be given an opportunity to examine and seek advice on the agreement, including any collective bargaining agreement that forms part of it, before signing, as well as other facilities as necessary to ensure that they have freely entered into an agreement with sufficient understanding of their rights and responsibilities. The agreement may include a provision stating that the seafarer has the opportunity to examine and seek advice on the agreement before signing.

The shipowner shall ensure that clear information as to conditions of seafarers' employment can be easily obtained on board by seafarers, including the ships master, and that such information including a copy of the seafarer's employment agreement and any applicable CBA that forms all or part of it, is also accessible for review by a San Marino Flag State Inspector or an authorized Recognized Organization ("RO") inspector and authorized officers in the ports to be visited.

Where a CBA forms all or part of the seafarers' employment agreement, a copy of the applicable CBA shall be available on board for seafarers to review their conditions of employment.

For ships engaged in international voyages, where the language of the seafarers' employment agreement and any applicable CBA is not in English, then a copy of the standard form of the seafarers' employment



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agreement and those portions of the applicable CBA that are subject to a port state inspection, shall also be available in English.

Each seafarer provided with a seafarer's identification and record book ("SIRB") shall have their record of employment entered in this document. The SIRB or other document shall not contain any statement as to the quality of the seafarers' work or as to their wages

Seafarers shall have the opportunity to terminate the seafarers' employment agreement without penalty at a shorter notice or without notice for valid compassionate or urgent reasons.

Seafarer's employment agreements shall continue to have effect while a seafarer is held captive on or off the ship as a result of acts of piracy or armed robbery against ships, regardless of whether the date fixed for its expiry has passed or either party has given notice to suspend or terminate it

The seafarers' employment agreement shall contain at least the following particulars:

- a the seafarer's full name, date of birth or age, and birthplace;
- b the shipowner's name and address;
- c the place where and date when the seafarers' employment agreement is entered into;
- d the capacity in which the seafarer is to be employed;
- e the amount of the seafarer's wages or, where applicable, the formula used for calculating it;
- f the amount of paid annual leave, or where applicable, the formula used for calculating it;
- g the termination of the agreement and the conditions thereof, including:
 - if the agreement is for an indefinite period, the conditions entitling either party to terminate it, as well as the required notice period which shall not be less for the shipowner than for the seafarer. The notice period cannot be less than 30 days.
 - If the agreement is for a definite period, the date fixed for its expiry. In lieu of the date fixed for its expiry, the period of engagement may be included with provision to extend or reduce the period of engagement by thirty days for operational reasons, by mutual consent between the shipowner and the seafarer and always consistent with the entitlement to repatriation after a period of less than 12 months;
 - If the agreement is for a voyage, the port of destination and the time which has to expire after arrival before the seafarer should be discharged
- h The health, medical care and social security protection benefits to be provided to the seafarer by the shipowner, in accordance with the San Marino Policy Letter "Health and safety protection, accident prevention, medical care, welfare and social security protection of seafarers under the Maritime Labour Convention (MLC), 2006"
- i The seafarer's entitlement to repatriation in accordance with the relevant section of this document
- j Reference to the CBA, if applicable; and
- k The number of hours of work for the corresponding wage and any additional allowances.

1.6 Complaint procedure

Refer to the San Marino Policy Letter "MLC Complaint Procedure"



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1.7 Wages and payment of wages

Seafarers shall be paid in full at no greater than monthly intervals and in accordance with their employment agreements.

Seafarers shall be given a monthly account of the payments due and the amounts paid, including wages, any additional payments, and the rate of exchange used if applicable.

Seafarers are entitled to receive, on demand, from the master wages actually earned, less any valid deductions, and payable at every intermediate port where the vessel shall load or discharge cargo before the voyage is ended, but not more than once in any fifteen-day period.

Hours worked in excess of the normal working hours as stated in the contract shall be considered overtime. The rate of compensation for overtime should not be less than one and one-quarter times the basic wage per hour

Where hourly overtime is payable for hours worked in excess of those covered by the consolidated wage, overtime records shall be maintained at least monthly on board and endorsed by the seafarer. The records of overtime shall be consistent with the record of rest hours

Seafarers shall be provided by the ship owner with a means to transmit all or part of their earnings to their families or dependants or legal beneficiaries.

The shipowner shall have a system for enabling seafarers, at the time of their entering employment or during it, to allot, if they so desire, by bank transfers or similar means, all or a proportion of their wages for remittance at regular intervals and in due time and directly to the person or persons nominated by the seafarers.

Where a seafarer is held captive on or off the ship as a result of acts of piracy or armed robbery against ships, wages and other entitlements under the seafarers' employment agreement, relevant collective bargaining agreement or applicable national laws, including the remittance of any allotments as provided this Policy Letter, shall continue to be paid during the entire period of captivity and until the seafarer is released and duly repatriated in accordance with Standard A2.5.1 or, where the seafarer dies while in captivity, until the date of death as determined in accordance with applicable national laws or regulations.

1.8 Hours of work and hours of rest

See San Marino Policy Letter "Hours of Work and Hours of Rest"

1.9 Entitlement to leave

All seafarers shall be granted shore leave to benefit their health and wellbeing, whenever and wherever possible and with the operational requirements of their positions



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All seafarers shall receive annual leave, as applicable, with pay calculated on the basis of a minimum of 2.5 calendar days per month of employment.

Justified absences from work shall not be considered as annual leave.

Any absence from work to attend an approved maritime vocational training course or for such reasons as illness or injury or for maternity should be counted as part of the period of service

The following should not be counted as part of annual leave with pay:

- a) public and customary holidays recognized as such in the country in which the seafarer is ordinarily resident and/or as indicated in the seafarer's employment agreement, whether or not these fall during the annual leave with pay;
- b) periods of incapacity for work resulting from illness or injury or from maternity;
- c) temporary shore leave granted to a seafarer while under an employment agreement; and
- d) compensatory leave of any kind.

Any agreement to forgo the minimum annual leave with pay shall be prohibited, except in cases provided by the Administration. The maximum period that a seafarer can serve on board a ship is eleven (11) months before taking minimum paid annual leave. This is also linked to the requirement in Standard A2.5, paragraph 2(b), regarding the entitlement to repatriation in a period of less than 12 months. The Administration will take into consideration the following when permitting a seafarer to forego the minimum annual leave with pay and continue being engaged under the seafarers' employment agreement for a period not exceeding 14 months:

- a) the reason for foregoing minimum annual leave with pay;
- b) the shipowner or operator can satisfactorily demonstrate that all possible efforts have been expended to repatriate the seafarer without success;
- c) the seafarer has provided written confirmation accepting the extension of the seafarers' employment agreement;
- d) the shipowner or operator provides a repatriation plan for approval and which will result in the repatriation of the seafarer; and
- e) a proper risk assessment carried out by the shipowner taking into account the ships trading pattern, the seafarers' record of rest hours, fatigue and other identified hazards.

A seafarer taking annual leave should be recalled only in cases of extreme emergency and with the seafarers' consent.

1.10 Repatriation

All seafarers shall be entitled to repatriation:



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- 1. Upon termination of the period of employment by reason of completion of the voyage for which the seafarer was engaged or of expiration of the seafarers' contract period of employment, to the port at which the seafarer was engaged, or to such other port as may be agreed upon;
- 2. Under the following cases:
 - a) In the event of shipwreck;
 - b) In the event of the shipowner not being able to continue to fulfill their legal or contractual obligations as an employer of the seafarers by reason of insolvency or abandonment, sale of ship, change of ship's registration or any other similar reason;
 - c) In the event of a ship being bound for a war zone, as defined by seafarer's employment agreements, to which a seafarer does not consent to go; and
 - d) In the event of termination or interruption of employment in accordance with an industrial award or collective agreement, or termination of employment or for any similar reason.

And shall be returned as a seafarer or otherwise, but without expense to the seafarer:

at the ship owner's option, to the port in which the seafarer was engaged or where the voyage commenced or a port in such seafarers' own country; or to another port agreed upon between the seafarer and the shipowner or master

However, in the event such seafarers' contract period of service has not expired, the shipowner shall have the right to transfer the seafarer to another of the shipowners' vessels, to serve thereon for the balance of the contract period of service, unless otherwise provided;

In the event of disabling sickness or injury, while a seafarer is on board a ship under signed Shipping Articles (Seafarers Employment Agreement) or off the vessel pursuant to an actual mission assigned to the seafarer, by the master or by the authority of the master, to the port at which the seafarer was engaged, or to such other port as may be agreed upon; and

Upon being abandoned by the master or shipowner in a foreign port or place without being brought back to the place as required under the Shipping Articles (Seafarers Employment Agreement).

The costs for repatriation to the destination selected shall be borne by the shipowner.

Time spent awaiting repatriation and repatriation travel time shall not be deducted from paid leave accrued to the seafarers.

Shipowners shall take responsibility for repatriation arrangements by appropriate and expeditious means, which should normally be by air transport.

Shipowners shall maintain financial security to ensure that seafarers are duly repatriated in the event of their abandonment.

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 or operator:

- a) fails to cover the cost of the seafarers' repatriation; or
- b) has left the seafarer without the necessary maintenance and support (adequate food, accommodation, drinking water supplies, essential fuel for survival on board the ship and necessary medical care); or



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c) has otherwise unilaterally severed their ties with the seafarer including failure to pay contractual wages for a period of at least two months.

The financial security maintained by the shipowner shall provide direct access, sufficient coverage and expedited financial assistance to any abandoned seafarer.

Ships shall carry on board a certificate or other documentary evidence of financial security issued by a financial security provider acceptable to the Administration. A copy shall be posted in a conspicuous place on boards where it is available to seafarers and a copy shall be provided annually to the Administration. When more than one financial security provider provides cover, the document provided by each provider shall be carried on board.

The certificate or other documentary evidence of financial security shall contain the information required as follows:

The certificate or other documentary evidence referred above, 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 on whose behalf financial security has been provided;
- (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

It shall be in English or accompanied by an English translation. The Administration may accept a certificate or other documentary evidence of financial security issued to the shipowner, which could be the owner, if the owner is the one on whose behalf financial security is provided by a financial security provider acceptable to the Administration.

Assistance provided by the financial security maintained by the shipowner shall be granted promptly upon request made by the seafarer or the seafarers' nominated representative and supported by the necessary justification of entitlement.

Having regard to payment of wages and repatriation, assistance provided by the financial security maintained by the shipowner shall be sufficient to cover the following:

- a) outstanding wages and other entitlements due from the shipowner or operator to the seafarer under their employment agreement or the relevant collective bargaining agreement
- b) all expenses reasonably incurred by the seafarer, including the cost of repatriation
- 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



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medical care and any other reasonable costs or charges from the act or omission constituting the abandonment until the seafarer's arrival at home.

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.

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 Administration.

The maximum duration of service periods on board following which a seafarer is entitled to repatriation shall be less than 12 months

No shipowner shall require that seafarers make an advance payment towards the cost of repatriation at the beginning of their employment, and also from recovering the cost of repatriation from the seafarers' wages.

Seafarers shall not lose their entitlement to repatriation where they are held captive on or off the ship as a result of acts of piracy or armed robbery against ships.

Young seafarers under the age of 18 years should not be required to serve more than 6 months without the ship having called their country of residence, and will not return in the subsequent three months of the voyage. In such cases, repatriation to their country of residence should be at no expense to the seafarer. If, after young seafarers under the age of 18 years have served on a ship for at least four months during their first foreign-going voyage, it becomes apparent that they are unsuited to a life at sea, they should be given the opportunity of being repatriated at no expense to themselves

1.11 Seafarer compensation for the ship's loss or foundering

Shipowners shall provide for adequate compensation to each seafarer in the case of unemployment arising from the ship's loss or foundering, which shall not be less than 15 days basic wage or the basic wages until the expiration of the period for which the seafarer was engaged, whichever shall be least; provided the seafarer is not employed as a seafarer during this period or has not refused substantially equivalent seagoing employment. However, the seafarers' employment agreement or any applicable CBA may provide for more favourable terms than those provided for above

Shipowners shall provide adequate compensation for injury or loss arising from the ship's loss or foundering

1.12 Manning Levels

See San Marino Policy Letter "Principles of Minimum Safe Manning"

1.13 Shipboard living conditions



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It is a shipowner obligation to guarantee the standards of shipboard living conditions, recreational facilities, food, drinking water and catering as per the Maritime Labour Convention (MLC), 2006, having due regard to seafarers' rights to decent working and living conditions, consistent with promoting the seafarers' health, safety and well-being.

See San Marino Policy Letter: "Standards of accommodation, recreational facilities, food, water and catering under the Maritime Labour Convention (MLC), 2006"

1.14 Implementation, Inspections and Certification under the Maritime Labour Convention (MLC), 2006

General guidance on implementing the requirements of the Maritime Labour Convention (MLC), 2006, including the inspection and certification of ships.

See San Marino Policy Letter "Implementation, Inspections and Certification under the Maritime Labour Convention (MLC), 2006"



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ANNEX I – Template of San Marino Seafarers' Employment Agreement

[PLACE]

[DATE]
This Seafarer's Employment Agreement (hereinafter the "Agreement") is entered into by and between the following parties (hereinafter together the "Parties"):
THE SEAFARER
FULL NAME:
DATE OF BIRTH:
PLACE OF BIRTH:
Nationality:
RESIDENCE ADDRESS:
PASSPORT DETAILS:
PORT OF REPATRIATION:
THE SHIPOWNER
[INSERT DETAILS OF LEGAL ENTITY OR INDIVIDUAL ACTING AS SHIPOWNER / EMPLOYER]
CAPACITY IN WHICH THE SEAFARER IS TO BE EMPLOYED:
(INSERT SEAFARER'S ROLE)
PLACE OF WORK:
(INSERT NAME OF VESSEL OR OF ANY VESSEL OWNED, MANAGED OR CHARTERED BY THE SHIPOWNER)
EMPLOYMENT TERM:
(INSERT TERM OF THE EMPLOYMENT RELATIONSHIP, EITHER FOR AN INDEFINITE PERIOD, FOR A DEFINITE PERIOD OR FOR A SPECIFIC VOYAGE. IN CASE OF A SPECIFIC VOYAGE, TO INDICATE THE PORT OF DESTINATION)
1. CONDITIONS OF EMPLOYMENT

agreement 2019-2022 (the "CBA"); as applicable from time to time.

The Seafarer shall be employed under the terms and conditions laid down in: (i) the laws and regulations of the Republic of San Marino (hereinafter "San Marino"), including the national collective employment agreement (services) dated 19 January 2015 and the national flag regulations issued by the San Marino Maritime Navigation Authority (the "San Marino Flag Regulations"); and/or (iii) the IBF collective bargaining



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2. WAGES

[TO INSERT THE APPLICABLE WAGES OR FORMULA USED FOR CALCULATING THEM, ON THE BASIS OF THE ROLE OF THE SEAFARER]

3. ANNUAL LEAVE

- **3.1.** The Seafarer shall be entitled to take one (1) month as paid leave for each year of employment. If the employment commences or terminates part way through the calendar year, the Seafarer will be entitled to get paid the annual leave on a pro rata basis.
- **3.2.** Deductions from final salary due to the Seafarer on termination of employment will be made in respect of any paid annual leave taken in excess of your entitlement.
- **3.3.** There is no provision for the transfer of paid annual leave from one year to the next. All paid annual leave must be taken in the year in which it accrues. There is also no provision for payment to be made in lieu of untaken leave, except where paid annual leave has accrued but has not been taken at the date of termination of employment.

4. TERMINATION OF EMPLOYMENT

- **4.1.** This Agreement shall terminate: (i) upon the expiry of the agreed period of service; or (ii) when signing off due to sickness or injury in accordance with the provisions of the San Marino Flag Regulations.
- **4.2.** The Shipowner may terminate the employment of a seafarer:
- (a) by giving one (1) month's prior written notice to the seafarer;
- (b) if the seafarer has been found to be in serious default of his employment obligations in accordance with the San Marino Flag Regulations;
- (c) upon the total loss of the ship, or when the ship has been laid up for a continuous period of at least one (1) month or upon the sale of the ship.
- **4.3.** A Seafarer to whom this Agreement applies may terminate employment:
- (a) for justified reasons by giving one (1) month's prior written notice to the Shipowner;
- (b) when, during the course of a voyage it is confirmed that the spouse partner (when nominated by the seafarer as the next of kin), parent or dependent child has fallen dangerously ill or died;
- (c) if the ship is about to sail into a warlike operations area or a high risk area in accordance with the San Marino Flag Regulations;
- (d) if the Seafarer was employed for a specified voyage on a specified ship, and the voyage is subsequently altered substantially, either with regard to duration or trading pattern;



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- (e) if the ship is certified substandard in relation to the applicable provisions of the SOLAS Convention 1974, the International Convention on Loadlines (LL) 1966, the Standards of Training Certification and Watchkeeping Convention (STCW) 1995, the International Convention for the Prevention of Pollution from Ships 1973, as modified by the Protocol of 1978 (MARPOL) or substandard in relation to ILO Convention No. 147, 1976, Minimum Standards in Merchant Ships as supplemented by the Protocol of 1996, and remains so for a period of thirty (30) consecutive days provided that adequate living conditions and provisions are provided on board or ashore. In any event, a ship shall be regarded as substandard if it is not in possession of the certificates required under either applicable national laws and regulations or international instruments;
- (f) if the ship has been arrested and has remained under arrest for thirty (30) days;
- (g) if after any agreed complaint procedure has been invoked, the Shipowner has not complied with the terms of this Agreement.
- **4.4.** In case of a specific voyage the employment will expiry upon arrival at the port of destination, unless it is terminated for justified reasons in advance of this point.
- **4.5.** A seafarer shall be entitled to receive compensation of two months' basic pay on termination of his/her employment in accordance with paragraphs 4.2.(a), 4.3.(c), 4.3.(d), 4.3.(e), 4.3.(f), 4.3.(g) above.
- **4.6.** There shall not be grounds for termination if, during the period of this Agreement, the Shipowner transfers the Seafarer to another vessel belonging or related to the same owner/manager, on the same rank and wages and all other terms, if the second vessel is engaged on the same or similar voyage patterns. There shall be no loss of earnings or entitlements during the transfer and the Shipowner shall be liable for all costs and subsistence for and during the transfer.

5. HEALTH AND SOCIAL SECURITY PROTECTION BENEFITS

- 5.1. The Seafarer shall be entitled to medical attention in accordance with article 22 of the CBA.
- **5.2.** In case of sickness or injury of the Seafarer, article 23 of the CBA shall apply.
- **5.3.** In case a seafarer suffers permanent disability as a result of an accident whilst in the employment hereunder, including accidents occurring while travelling to or from the ship, article 25 of the CBA shall apply.
- **5.4.** In case a seafarer dies for any clause whilst in the employment hereunder, including accidents occurring while travelling to or from the ship, article 26 of the CBA shall apply.
- **5.5.** The Shipowner shall take out appropriate insurance to cover the social security protection benefits granted to the Seafarer hereunder, in compliance with the provisions set out by the San Marino Flag Regulations.

6. Repatriation



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- **6.1.** Repatriation shall take place in such a manner that it takes into account the needs and reasonable requirements for comfort of the Seafarer.
- **6.2.** During repatriation for normal reasons, the Shipowner shall be liable for the following costs until the Seafarer reaches the final agreed repatriation destination, which can be either a place of original engagement or home: (a) payment of basic wages; (b) the cost of accommodation and food; (c) reasonable personal travel and subsistence costs; (d) transportation of the seafarer's personal effects up to the amount agreed with the Shipowner.
- **6.3.** The Seafarer shall be entitled to repatriation at the Shipowner's expense on termination of employment as per article 4 above, except where such termination arises from the Seafarer being found to be in serious default of his employment obligations.

7. CERTIFICATES

The Seafarer shall have all the certificates required to be engaged on the vessel in accordance with the Standards of Training Certification and Watchkeeping Convention (STCW) 1995. Original STC and medical examination certificates shall be carried on board as prescribed by the international rules.

8. Law and Jurisdiction

- **8.1.** This Agreement shall be governed by, and construed in accordance with, the laws of San Marino.
- **8.2.** Any dispute arising out of, or in connection with, the existence, validity, enforcement or termination of this Agreement which cannot be amicably resolved between the Parties shall be finally settled by the Courts of San Marino.

9. MISCELLANEOUS

- **9.1.** Expenses. Each of the Parties hereby agrees to bear its own fees and expenses incurred in connection with the preparation and negotiation of this Agreement, including, without limitation, the fees and expenses of any attorneys, accountants, consultants or other advisors.
- **9.2.** Counterparts. This Agreement may be executed in any number of original versions, each of which shall be deemed an original.
- **9.3.** Force Majeure. Either Party shall not be liable for failing to or delay in performance of its obligations under this Agreement if such failure or delay is due to circumstances beyond its reasonable control, including, without limitation, acts of God, governmental actions, war or national emergency, acts of terrorism, protests, riot, civil commotion, fire, explosion, flood, epidemic, general lock-outs or strikes (not caused by the Party), provided that, if such event continues for a period exceeding fifteen (15) business days, each Party shall be entitled to give notice in writing to the other to early terminate this Agreement with immediate effect.
- **9.4.** <u>Severability</u>. In the event that any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby as long as the remaining provisions do not fundamentally alter the relations among the



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Parties. In the case the Parties shall negotiate and agree a fair revision of this Agreement so as to replace the invalid, illegal or unenforceable parts with similar provisions in terms of objective being otherwise valid, legal and enforceable.

- **9.5.** <u>Language</u>. The English language shall be the language used for the interpretation and construction of this Agreement.
- **9.6.** Waivers and Amendments. No modification of, waiver or amendment to, this Agreement shall be valid unless in writing and stating the Parties' intention to modify, waive or amend the same.
- **9.7.** <u>Assignment</u>. None of the Parties will be entitled to assign this Agreement, and any of the respective rights and obligations hereunder, to third parties without the prior consent of the other Party.
- **9.8.** Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter and supersedes any prior writings or verbal communications.

IN WITNESS WHEREOF, the Parties have executed this Agreement on [DATE].

Ву:		
Name:		
Title:		
Seafarer		
Ву:		
Name:		
Title:		

SHIPOWNER