



International
Transport Workers'
Federation



Ethical
Trading
Initiative

For workers' rights. For better business.

Member briefing

March 2021

Event report: Sea and road freight human rights due diligence, and the launch of an Expert Support Network

This briefing note is a summary of the member event in late 2020. It outlines the discussion, introduces the Expert Support Network (ESN) and provides some initial steps members can take to begin mapping the shipping part of the supply chain.

Context

In collaboration with the International Workers Transport Federation and committed ETI members the meeting was convened to learn and progress plans for access and remedy, and to develop a shared vision and purpose to collectively begin to address the human and labour rights risks in the shipping industry.

Ruwan Subasinghe, Legal Director and Liz Blackshaw, Director of Global Campaigns outlined the ITFs experience and work in the sector. As a Global Union Federation, ITF represents transport workers' interests in international bodies such as UN specialised agencies and works with the World Economic Forum, the G20 and the OECD. (The full presentation link can be found by clicking this link).

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presentation*



Pandemic exposure

ITF shared that the pandemic exposed the harsh reality of challenges for workers in the sector but with global impact of COVID19 at unprecedented scale. 95% of freight arrives by ship, and 5% by air, but over this period seafarers have been facing the greatest challenges. Fragmentation of logistics supply chains make it hard for workers to assert their fundamental rights. Many do not have forms of employment that give access to social security from government if they cannot work due to Covid. Large numbers of logistics workers lack access to PPE, sanitation, toilets, and hand washing facilities.

The Seafarers crises in May 2020 brought to light the human rights abuses and challenges faced by workers in the overall logistics sector that moves goods and produce around the world. With 80% of all goods imported into the United Kingdom arriving via sea freight. Despite transport and logistics being necessary in almost every product supply chain it remains a Human Rights Due Diligence (HRDD) blind spot.

During Covid, many sailors have been unable to come ashore because crew change ground to a halt. It is a humanitarian and safety crisis. Some sailors are now refusing to work and blank sailings are happening. Those factors, along with equipment shortages and price rises for cargo movement, are increasing at a rate unprecedented in living memory. Shipping owners and investors are exploiting the opportunity to increase profit while sailors are fighting daily fatigue. International maritime labour conventions being flouted, and crews fear they will be blacklisted for future work if they refuse to agree to demands.

Systematic rights violations are prevalent in multiple global supply chains, with transport at the centre of all of them. The United Nations Guiding Principles for Business and Human Rights framework needs to be applied in these hidden sectors – to identify risks but importantly to contribute toward discharging duties with remedy action plans implemented with trade unions.

The crisis is most severe among ship crews and the seafaring community. But similar challenges exist on the roads and in warehouses.

Human Rights Due Diligence support

As a Global Union Federation, Liz Blackshaw explained the solutions the Organisation can offer help Companies discharge their HRDD obligations:

- **Global Collective Bargaining Agreement (CBA) for seafarers**
 - ITF holds the world's only Collective Bargaining Agreement (CBA) for seafarers negotiated at international level.
 - Seafarers working on vessels covered by this agreement are guaranteed protections around working time, leave, compensation for disability, maternity pay and grievance mechanisms.
 - Any charter carrying goods on a ship carried by an ITF agreement should be able to provide you with reassurance that human rights are being respected.
- **Global inspectorate**
 - The agreement is enforced by 140 ITF inspectors based in 60 countries around the world. There is a similar resource in the fisheries sector.
- **EU road transport project**
 - Since 2018, FNV's VNB Foundation, the International Union of Food Workers and ITF have been working on a bottom-up model in EU road transport. This is based on minimum standards on sector specific issues such as driving and break time, and a remediation of systemic issues in the supply chain.
 - There is also a Sanitation Charter outlining best practice for ensuring access to toilets and sanitation facilities for transport workers.

What can we do as ETI members?

Francesca Mangano CSR and Sustainability Executive, TFG Brands shared the journey they had taken since reading about the Seafarers crises ([June 2020 ETI briefing on the crises](#))

We realised how little we knew about this issue after speaking to ITF. I could not comprehend how we had spent time and effort mapping our supply chain but missed a

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When we are so diligent about HRDD in other parts of our supply chains why are we not doing anything about this part of the supply chain, which allows us to profit from the goods that we sell? This is a true humanitarian crisis akin to the Uyghurs.

Francesca Mangano CSR and Sustainability Executive

hidden part of the supply chain despite it moving over 90% of the world's goods. We were facing a humanitarian crisis and I felt it was my duty to bring this issue to the Board.

We held an urgent meeting with them and with the CFOs in the UK, South Africa and Australia. But the difficulty was that with all our staff furloughed, we had zero team.

We contacted our Procurement Director, and started working with our business partners to address it as a business risk. The Procurement Director put us in touch with our Logistics

Partner – and we started mapping from 1 Jan to 1 June 2020.

What came back was hard to untangle as we didn't understand the vocabulary behind it. It was too big a task to do on my own. We approached ETI and asked for ITF support and advice on how to manoeuvre in this unknown territory.

We found that some crews had received no shore leave since March due to Covid, that some seafarers had no medical cover in isolation, and that some who had been asked to terminate agreements had had their requests denied because of Covid. But we had no direct contact or leverage. We went back to our logistics partners and asked them to cascade maritime protocols to their freight operators based on a template supplied by Liz and Ruwan from ITF.

This issue affects all categories at ETI – A&T, food, farming and fisheries, general merchandise, all. We need to come together and develop a framework that sets guidelines for HRDD, accountability and remediation. I am stuck at this point. I know I have issues in my sea freight supply chain but I don't know how to deal with it and don't have connections with unions. So thank you to ETI for getting us all together, and bringing in ITF to help us deal with this issue.

Expert Support Network

The Expert Support Network will pilot and model a new collective approach, bringing ETI members and experts together to map and understand this part of the supply chain. The Network will provide advice and support to members, share insights, recommendations, and guidance to help identify risk and establish protocols and guidance. Building on the discussion, there is a need to collectively:

- develop a set of initial exploratory questions to discuss with internal Logistics/Procurement teams, and
- what we should be asking Logistics partners so we can begin to uncover the challenges within our supply chains. This would include explicit guidance on sorts of questions to ask service providers.
- Establish a 'heat map' with detail into where (country/channel etc.) The greatest risks are and how they are manifesting. This will enable Companies to prioritize due diligence appropriately.
- Share explicit guidance on sorts of criteria that should / could be added into logistics contract and practical guidance on how to conduct the mapping exercise. (for example, the [Maritime Labour Convention 2006](#))
- Identify recommendations of factsheets and/or briefing docs about the human rights risks that we might see in shipping (that we can use to raise awareness internally)

- Better understanding of labour & human rights risk related to road freight would be useful. There are already known issues about regular employment, wages and working hours. Europe and Africa coverage on road haulage would be of use.

Initial steps members can take

1. Revisit HRDD priorities with a view to including logistics.
2. Revisit and review supplier codes of conduct and/or labour rights policies to establish if they support or address your logistic providers. Apart from transport related providers, this can also include warehousing or distribution provision. Standard ETI guidance applies to all parts of the supply chain.
3. Familiarise yourself and colleagues with the [seafarers collective bargaining agreement](#) (CBA)
4. Discuss the logistics services with commercial or contractual teams to establish usage of and split between road, air, rail, and sea freight.
5. Establish who your service and logistic providers are.
6. Develop internal knowledge of routes and labour rights risks across geographies.
7. Specific to the sea freight industry:
 - a. share the [maritime protocols with providers](#)
 - b. share your policy and legal commitments to labour and human rights with service providers
 - c. establish providers in the chain from factory/farm to port(s) and port to point of sale.
 - d. Using the CBA, prepare an initial questionnaire on conditions on vessels and if vessels used are covered by the CBA.

Conclusion – closing remarks from ETI members

The story will be largely unknown to ETI members and those we supply goods to. As members it is our responsibility to map our supply chains and logistics providers are integral to every part of the chain and will be found in all tiers.

There is widespread lack of information on this vital yet hidden part of the supply chain. As seafarers maintain the import-export trade of our nations(s), we can collectively call for all seafarers to be classified as key workers. Importantly though, they too need recognition as workers intrinsically linked to our supply chains and deserve to work in safe and humane conditions underpinned by core labour rights.