

Palau International Ship Registry



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MARINE NOTICE 198.3

To: ALL SHIPOWNERS, MANAGERS, MASTERS, and REGISTRATION OFFICERS OF MERCHANT SHIPS AND RECOGNIZED ORGANIZATION.

Subject: SEAFARER'S EMPLOYMENT AGREEMENT

1. Purpose

- 1.1 This Marine Notice provides guidelines to the Palau'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 employment, decent working and living conditions, elimination of fatigue amongst seafarers and the safety of life, ship and cargo and protection to the environment.

2. Reference

- 2.1 The Maritime Labour Convention 2006 (MLC 2006) Regulation 2.1

3. Applicability

- 3.1 This Marine Notice is applicable to all vessels registered with the Republic of Palau except for fishing vessels and non-commercial yachts.

4. Definitions

- 4.1 *Wage*: is the payment for normal hours of work and does not include payments for working overtime, bonus, allowances, paid leave or any other additional compensation.
- 4.2 *Hours of rest*: means any time not related to hours of work
- 4.3 *Hours of work*: means any period when the seafarer is engaged in any work on the ship or is required to be done elsewhere because of the ship.
- 4.4 *Overtime*: means the period of work more than the normal of working hours
- 4.5 *Seafarer's Employment Agreement (SEA)*: It is a contract of employment duly signed by both sides the seafarer and the shipowner
- 4.6 *Shipowner*: means the owner of the ship or another organization or person, such as the manager, agent or bareboat charter, who has assumed the responsibility for the operation of the ship from the owner and, on assuming such responsibility, has agreed to take over the duties and responsibilities imposed on shipowners in accordance with MLC 2006, regardless of whether



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any other organization or persons fulfill certain of the duties or responsibilities on behalf of the shipowner.

- 4.7 *Master*: the person designated by the Company as having overall responsibility for the ship.
- 4.8 *Piracy*. Has the same meaning as in the United Nations Convention on the Law of the Sea, 1982.
- 4.9 *Armed robbery against ships*. means any illegal act of violence or detention or any act of depredation, or threat thereof, other than an act of piracy, committed for private ends and directed against a ship or against persons or property on board such a ship, within the Republic of Palau internal waters, archipelagic waters and territorial sea, or any act of inciting or of intentionally facilitating an act described above.

5. General Requirements

- 5.1 The shipowner shall ensure that every seafarer employed or engaged in regular working activities onboard his ship shall hold a seafarer employment agreement which should be signed by both the seafarer and the owner or a representative of the owner.
- 5.2 The shipowner and the seafarer concerned shall each hold all the times an original of the seafarer's employment agreement, dully signed.
- 5.3 A seafarer before signing the SEA shall be given the opportunity to examine and seek advice on the contain of the agreement, as well as such other facilities as are necessary to ensure that they have freely entered into an agreement with a sufficient understanding of his (her) rights and responsibilities.
- 5.4 Measures shall be taken to ensure that clear information as to the conditions of his employment can be easily obtained on board by a Seafarer, including the vessel's Master, and that such information, including a copy of the SEA, is also accessible for review by Maritime Labor Inspectors authorized by the Ship Registry Administration and authorized officers in ports that the vessel visits.
- 5.5 Where a Collective Bargaining Agreement (CBA) forms all or part of the SEA, the CBA must be onboard to the ship with relevant provisions in English.
- 5.6 A seafarer and an owner shall provide for minimum notice period for the early termination of a SEA. The duration of these minimum periods shall be determined after consultation with the ship owner's and seafarer's organizations concerned but shall not be shorter than 7 days. However, a Seafarer may terminate the SEA without penalty but with immediate notice on reasonable and important fact.



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- 5.7 The SEA 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.
- 5.8 The seafarer's employment agreement shall contain at least the following particulars:
- The seafarer's full name, date of birth or age, and birthplace;
 - The owner's name and address;
 - The place where and date when the SEA is entered into force;
 - The capacity in which the Seafarer is to be employed;
 - The amount of the Seafarer's wages or, where applicable, the formula used for calculating them;
 - The amount of paid annual leave or, if based on a formula, shall be calculated on the basis of a minimum 2.5 calendar days per month of employment as per Republic of Palau Maritime Regulations, Chapter 7, Section 7.10;
 - The termination of the agreement and the conditions thereof;
 - The health and social security protection benefit to be provided to the Seafarers by owner;
 - The Seafarer's entitlement to repatriation; and
 - Reference to the collective bargaining agreement, if applicable
6. Recommendations for payment of wages and seafarers' entitlement in war-like / high risk zones
- 6.1 Palau International Ship Registry, following the respective [ITF IMEC IBF INTERNATIONAL COLLECTIVE BARGAINING AGREEMENT 2022 - 2023](#) (hereinafter "Agreement" or "CBA"), recommends the guidelines provided for the war-like and high-risk areas and the computation of applicable benefits for seafarers sailing into war-like and high-risk areas, providing that such agreement has been signed.
- 6.2 This CBA is applicable only to seafarers serving on any ship owned or operated by a company in membership with the Joint Negotiating group in respect of which there is in existence an IBF Special Agreement. This Agreement is deemed to be incorporated into and to obtain the terms and conditions of the contract of employment of any seafarer to whom this Agreement applies; the incorporation into each seafarer's individual contract of employment shall be explicitly made.



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6.3 The International Bargaining Forum (IBF) does not claim to be an authority in defining the risk that specific areas around the world pose but uses experts' recommendations to assign an appropriate level of compensation applicable to each area. The List of IBF Risk Areas is a negotiated outcome between employers and employees' representatives. The authority to amend the agreed list is delegated to the IBF Warlike Operations Committee (WOAC) which meets once a year or upon request of one of the constituent parties (JNG and ITF).

6.4 Seafarers' Entitlement information

There are currently 3 levels of designation which depend on the nature and gravity of the risk. The most current Warlike Operations Areas List, as amended, is provided by the IBF& ITF [here](#).

6.4.1 For all vessels covered by IBF and TCC agreements, seafarers are entitled to be informed at the time of assignment if the vessel is bound for or may enter any Warlike Operations or High-Risk area; or if the information becomes known at sea – immediately.

Entitlements will vary depending on the area.

(a) Designation War-like Operation Area

Seafarers sailing in these areas are entitled to the following:

- Bonus equal to basic wage, payable for 5 days minimum + per day if longer;
- Doubled compensations for death and disability; and
- Right to refuse sailing, with repatriation at company's cost and compensation equal to 2 months basic wage.

(b) Designation High-Risk Area

Seafarers sailing in these areas are entitled to the following:

- Bonus equal to basic pay, payable for the actual duration of stay/transit;
- Doubled compensation for death and disability;
- Right to refuse sailing, with repatriation at company's cost; and
- Increase Best Management Practice (BMP) level.

(c) Designation Extended Risk Zone



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Seafarers sailing in these areas are entitled to the following:

- a. Bonus equal to basic wage, payable only on the day the vessel is attacked;
- b. Double compensation for death and disability if occurred on the day the vessel is attacked; and
- c. Increase Best Management Practice (BMP) level.

NOTE: In Areas in item numbers 2 and 3, bonuses and compensation are not payable when the vessel is anchored or berthed in secure ports, except in Somalia.

7. Effective date and actions

This Marine Notice is effective immediately.

8. Contact

8.1 For further questions, please do not hesitate to contact the PISR Seafarer Department at seafarer@palaureg.com

****This Marine Notice supersedes
Marine Notice 198.2**

Click [here](#) or use the below QR Code for the list of the last updated Marine Notices

