

# Palau International Ship Registry



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## MARINE NOTICE 201.3

**To: ALL SHIP-OWNERS, MANAGERS, MASTERS, AND REGISTRATION OFFICERS OF MERCHANT SHIPS AND RECOGNIZED ORGANIZATION.**

**Subject: PAYMENT OF WAGES**

### Reference:

- Maritime Labour Convention (MLC), 2006, TITLE 2.2 and 2.5;
- Republic of Palau Admiralty and Maritime, Title 7/Chapter 8;
- Republic of Palau Maritime Regulations / 26-june-2012.

### 1. Purpose

- 1.1 The present Marine Notice sets forth the Administration's minimum requirements for the payment of wages to seafarers, full and true accounting of wages, fixed salary plans and offshore based electronic accounting systems.

### 2. Applicability

- 2.1 All seafarers working onboard a Palau registered vessel to which the MLC 2006 is applicable.
- 2.2 All Shipowners, Managers & Masters of ships registered in Palau International Ship Registry (PISR)

### 3. Fixed Salary Plans

- 3.1 A Seafarer shall be paid at no greater than monthly intervals and in full for his (her) work in accordance with the Shipping Articles;
- 3.2 Wages shall commence on the day specified and agreed to in the Shipping Articles or at the time of presence on board the vessel for the purpose of commencing work, whichever first occurs, and shall terminate on the day of discharge or termination of the Shipping Articles;
- 3.3 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, continue to be paid during the entire period of captivity and until the seafarer is released and duly repatriated; where the seafarer dies while in captivity, continue to be paid until the date of death as determined in accordance with applicable national law of the Republic of Palau. The terms piracy and armed robbery against ships have the same meaning as in MARINE NOTICE 198 (SEAFARER'S EMPLOYMENT AGREEMENT), as amended.



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- 3.4 In the absence of any other agreement, the owner or the Master of the ship shall pay to every seafarer his (her) wage within two (2) days after the termination of the Shipping Articles, or at the time when the seafarer is discharged, whichever is first;
- 3.5 A seafarer shall receive a shipboard transaction statement before signing off the ship, which shall be followed by a final wage account slip to his(her) mailing address during the month following the date on which the sign-off occurred.

## 4. Calculation of Payments:

- 4.1 A shore-based accounting office is required, in order to perform the wage accounting function, utilize an electronic transfer of wage payments, and transmit individual wage accounts to the ship or the seafarer's mailing address by a specified date;
  - 4.2 A Seafarer shall be given an account statement each month indicating his monthly wage and any deductions due to advances or other payments, and the rate of exchange used where such advances and payments have been made in a currency other than the one agreed to;
  - 4.3 Calculating wages, the regular hours of work at sea and in port shall not exceed eight hours per day;
  - 4.4 In order to prevent fatigue, overtime work shall not exceed 35 hours per week. Compensation for overtime shall be agreed in the Shipping Articles (seafarer's Bargaining Agreement) and shall not be less than 125% of the basic payment per hour.
  - 4.5 The Shipping Articles shall specify, the number of working hours for the individual seafarer, any allowances which might be in addition to the agreed wage and under which circumstances;
  - 4.6 Records of overtime work shall be maintained by the master, or a person assigned by the master, and shall be undersigned by the seafarer at no greater than monthly intervals.
5. Ship-owners shall maintain financial security policy in order to ensure that assistance is provided to abandoned seafarers and which, in regard to Regulations 2.2 and 2.5 of MLC, shall cover the following:
- 5.1 Outstanding wages and other entitlements due from the ship-owner to the seafarer under their employment agreement, the relevant collective bargaining agreement or the national law of the Republic of Palau; this is limited to four months of any such outstanding wages and four months of any such outstanding entitlements;
  - 5.2 All expenses reasonably incurred by the seafarer, including the cost of repatriation and 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 medical care and any other reasonable costs or charges from the act or omission constituting the abandonment until the seafarer's arrival at home.



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6. The financial security system may be in the form of, inter alia, social security schemes, insurance, a national fund, or other forms of financial security.
  - 6.1 The ship-owner shall ensure that the financial security system provides for the expenses relating to the above entitlements, which shall be met without cost to the seafarer;
  - 6.2 Assistance provided by the financial security system shall be granted promptly upon request made by the seafarer or the seafarer's nominated representative and supported by the necessary justification of entitlement;
7. For the purposes of this Marine Notice, a seafarer shall be deemed to have been abandoned where, in violation of the requirements of the Maritime Labour Convention (MLC), 2006, TITLE 2.2 and 2.5, or the Republic of Palau Maritime Regulations / 26-june-2012 or the terms of the seafarers' employment agreement, the ship-owner:
  - 7.1 fails to cover the cost of the seafarer's repatriation; or
  - 7.2 has left the seafarer without the necessary maintenance and support; or
  - 7.3 fails to pay contractual wages for a period of at least two months.
8. Any document(s) of evidence of financial security system shall include:
  - 8.1 name of the ship;
  - 8.2 port of registry of the ship;
  - 8.3 IMO number or call sign of the ship;
  - 8.4 Name of the provider of the financial security;
  - 8.5 Place of business of the provider of the financial security;
  - 8.6 Name of the ship-owner;
  - 8.7 Period of validity of the financial security;
  - 8.8 A declaration from the Insurance Company that this policy meets the requirements of Standard A 2.5.2 to the MLC as amended should be provided in the English language.

A DMLC Part I, Interim MLC or Full-Term MLC Certificate will be issued after verification of the evidence of financial security towards abandonment of seafarers.

9. Recommendations for payment of wages and seafarers' entitlement in war-like / high risk zones
  - 9.1 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



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seafarers sailing into war-like and high-risk areas, providing that such agreement has been signed.

- 9.2 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.
- 9.3 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).
- 9.4 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](#).

- 9.4.1 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**



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Seafarers sailing in these areas are entitled to the following:

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

(c) Designation Extended Risk Zone

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.

## 10. Effective date and actions

This Marine Notice is effective immediately.

## 11. Contact

- 11.1 For further questions, please do not hesitate to contact the PISR Seafarer Department at [seafarer@palaureg.com](mailto:seafarer@palaureg.com)

**\*\*This Marine Notice supersedes Marine Notice 201.3**

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

