

2024

Fighting Corruption in the Maritime Industry - Are we Winning or Losing?

Vivek Menon, Chief Operating Officer



Why Fight Corruption?

01

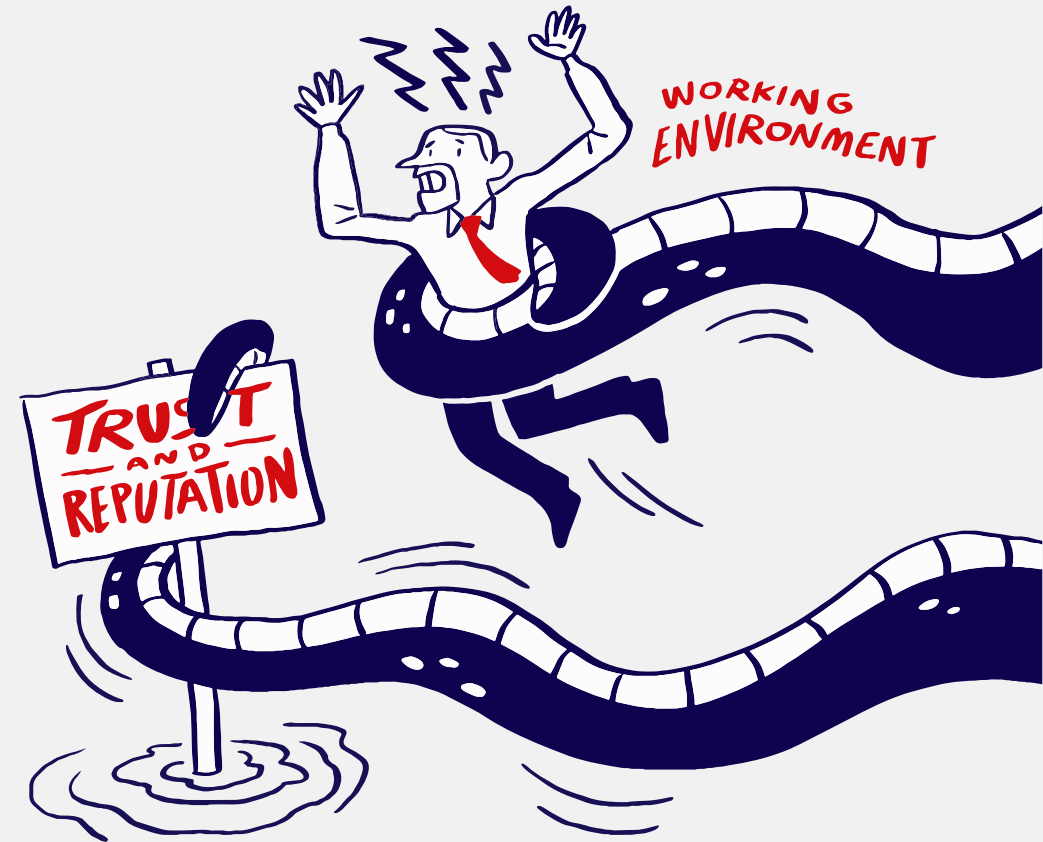
Comply with the Law

02

Improve the Work Environment

03

Be a Responsible Corporate Citizen



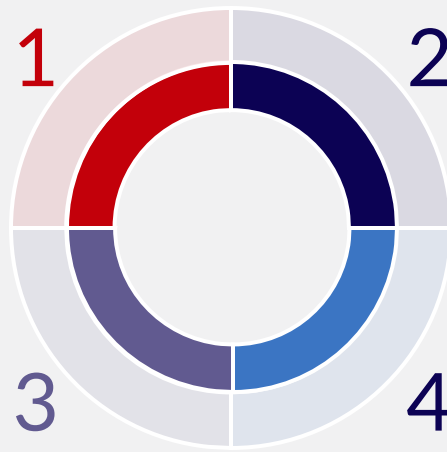
Trends

COMPLEX LEGAL LANDSCAPE

- Shipping is on the map
- 360 compliance focus
- No market is "safe"

GENUINE COMPLIANCE PROGRAM

- Do you have a speak up culture?
- Is the program well designed?
- Will the program work in practice?
- Is the program adequately resourced?



FOCUS ON SUPPLY CHAINS

- More regulation on supply chain control
- Delegate responsibility for high-risk transactions in volatile markets will not work

BUSINESS OR COMPLIANCE?

- Are companies putting **the same** resources and technology into gathering and leveraging data for compliance as in their business?
- Companies should make changes to their compliance programs in response to not only their own prior misconduct, but also **compliance issues faced by other companies**

Emerging Reporting and Due Diligence Standards

Developments in Europe and its effects on global reporting



EU CSRD

Corporate Sustainability Reporting Directive

EU DDD

Due Diligence Directive

- Global implications
- Indirectly affect companies outside the EU
- Significant business in the EU and/or supply chain of EU companies

Other trends

- Harmonization of standards – e.g. SASB/ISSB, among others
- Increased focus and enhanced reporting requirements on governance and anti-corruption
 - Likely to expand to other regions
- A need to collect more accurate data to meet new requirements

Regional trends in Southeast Asia

A quick overview of governance disclosure and enforcement in SEA



Philippines

- "Comply or explain"
- Active oversight and enforcement



Malaysia

- Corporate governance disclosure is mandatory for publicly listed companies.
- Tax-cut scheme, for investments in governance and anti-corruption training.



Singapore

- Ethics and compliance reporting requirements to address anti-corruption and other unethical behavior.
- Active oversight and enforcement "Comply or explain".



Indonesia

- Governance disclosure is a legal obligation for publicly listed companies.
- Significant increase in anti-corruption enforcement.





Our Vision

A maritime industry free of corruption that enables fair trade to the benefit of society at large.



Total Number of Reported Incidents by 2024

Incidents
(worldwide)

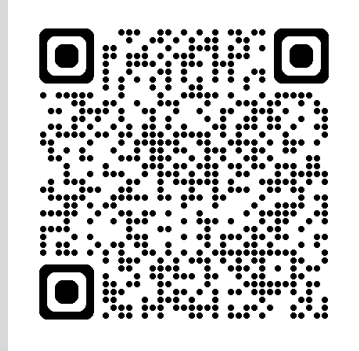
>62,000

Countries
(worldwide)

157

Ports
(worldwide)

+1300



Anonymously share
your corruption
incidents here!

Maritime Value Chain in the Membership

Charterers/
Cargo Owners/
Traders



Ship
Managers



Port &
Terminal
Operators



Ship
Owners



Port
Agents



Maritime Suppliers (e.g.
Bunker Providers)

Insurance Providers (e.g.
P&I Clubs)

>>Local Correspondents

Classification Bodies

Flag Registries

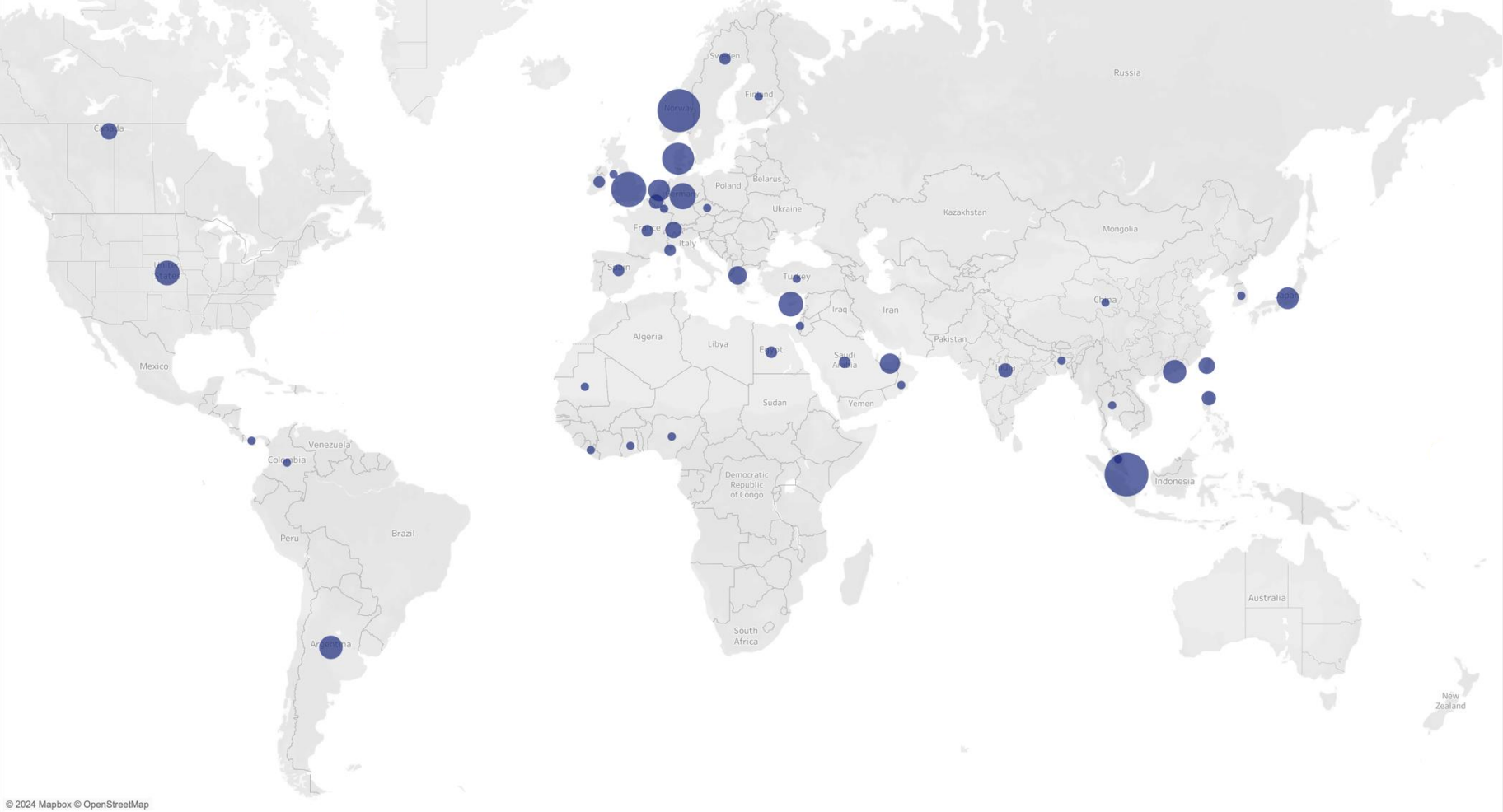
Our Members

Members
(worldwide)

+215

Countries
(worldwide)

46



© 2024 Mapbox © OpenStreetMap



We find mentioning our membership does appear to carry some weight with our charterers in supporting our refusals.

Swire Pacific LTD



MACN's Pillars: The Three C's



**Collective
Action**

02

**Capability
Building**

01



Collaboration

03



Capability Building

All members have access to



Self Assessment & Risk Assessment



e-Learnings - Captain's, Operations, Port Agents, and P&I Correspondents



Frontline Tools – Posters, Guides & HelpDesk



Crew Seminars, Train the Trainer



Capability Building

16.412

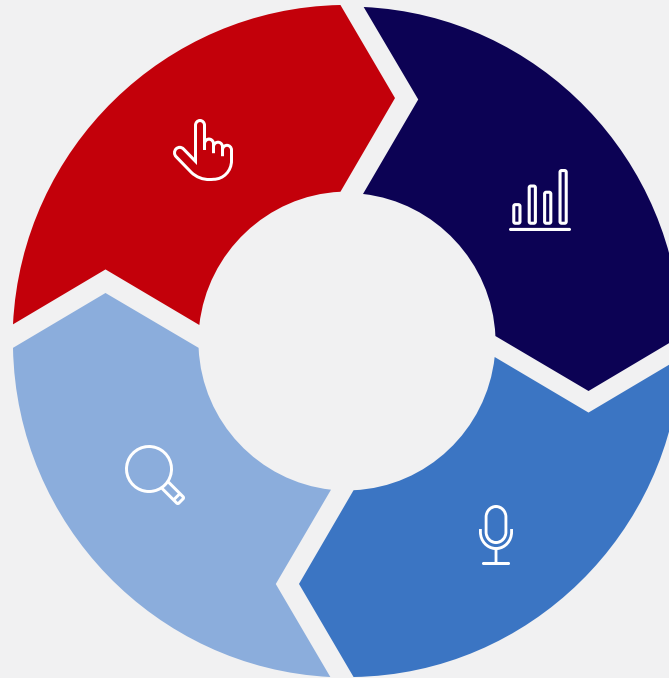
Seafarers completed MACN's e-Learning

61

Member companies have implemented MACN training

32

Crew seminars conducted



3989

Total HelpDesk PANs

206

Total Corruption Incidents

99%

Resolution rate all time

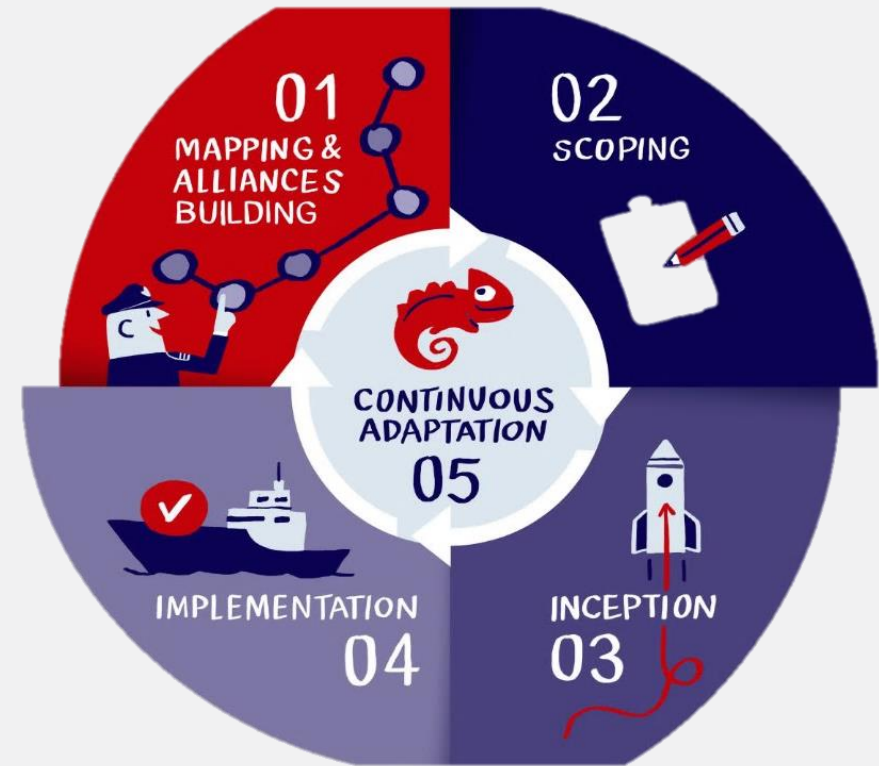
Member Companies Using MACN HelpDesk

- Nigeria: **42**
- India: **49**
- Egypt: **46**

MACN Collective Action Countries



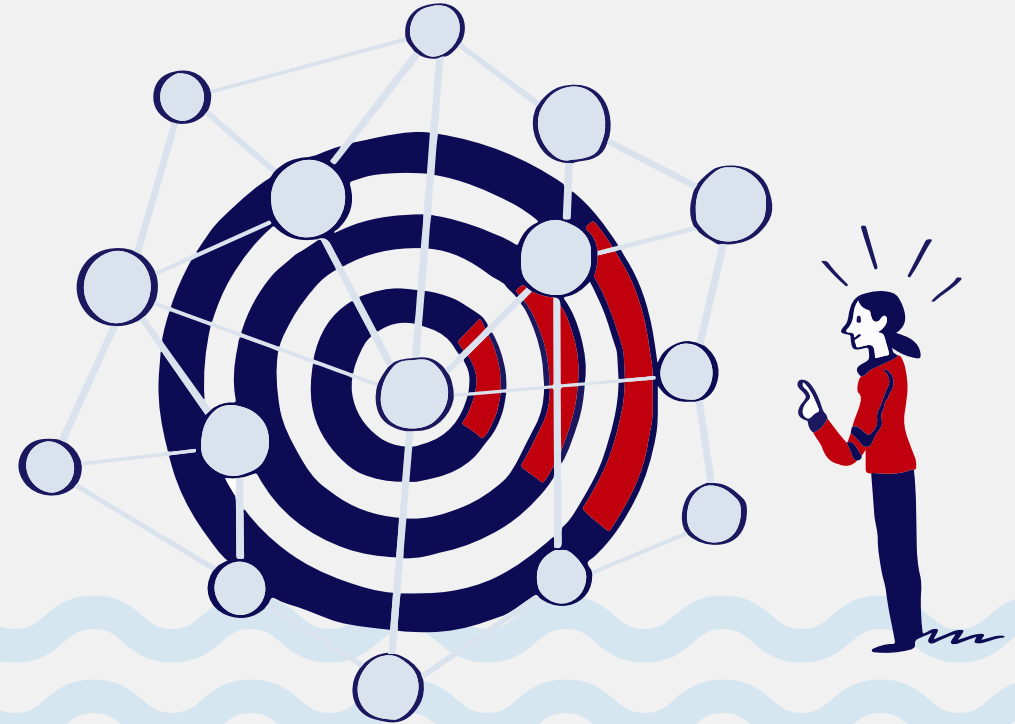
Collective Action Methodology



5 Steps





The Solution

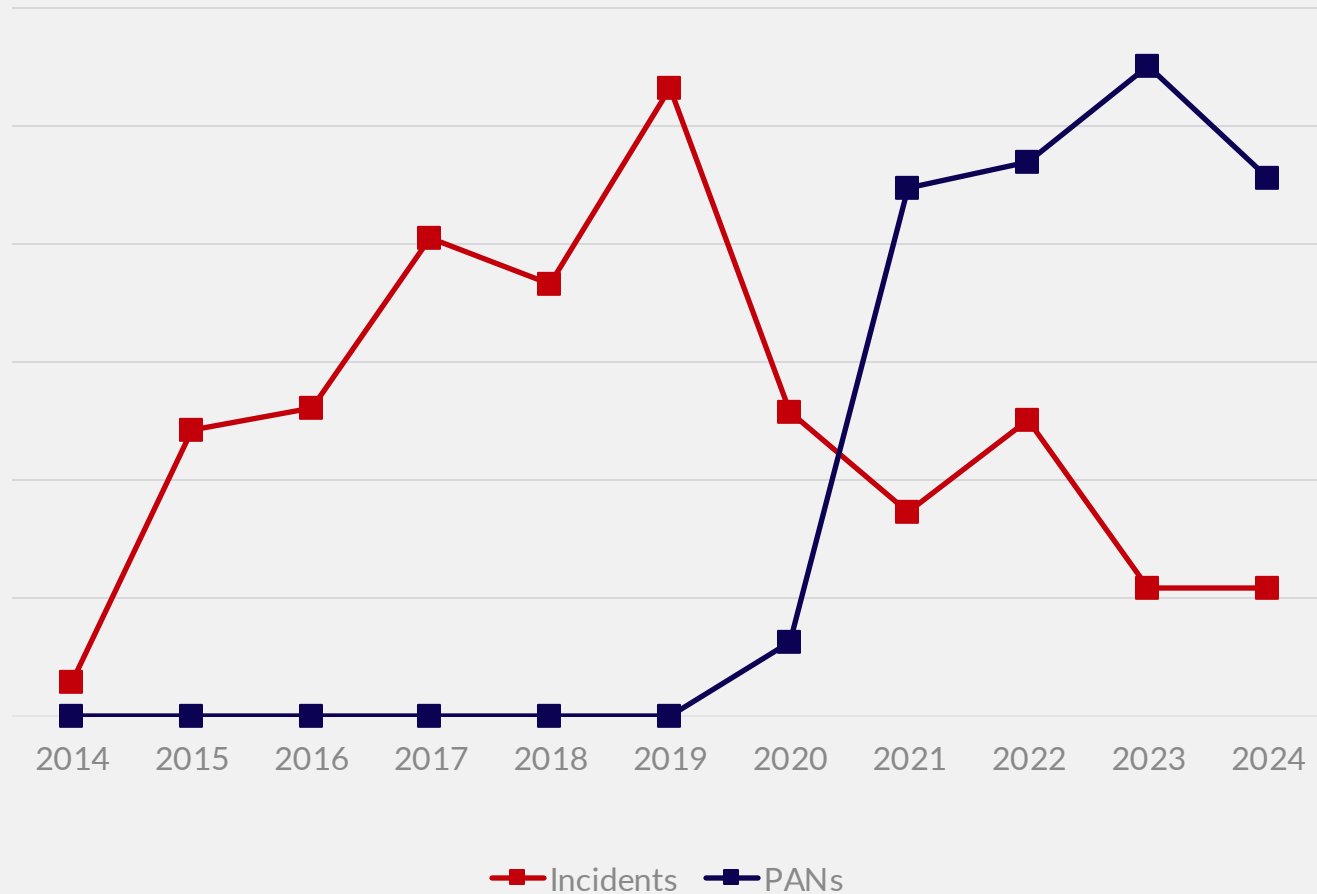


HelpDesk – Unique Value Proposition

- Pre-arrival notification (PAN) sent by the vessels
- Provide local advice
- 24/7
- High resolution rate

				
HelpDesk	Nigeria	Ukraine	Egypt	India
Started (Year)	2019	2020	2021	2022
Port Call Pre-Arrival Notices (PANs)	1325	77	760	1890
Incidents	248	22	13	25

HelpDesk - The NIGERIA Case



100% RESOLUTION RATE

on escalated cases that went from an average closing time of one week to 6 hours.

Collaboration



Industry Associations

- ICS
- Regional Shipowners Associations
- BIMCO
- IG P&I
- FONASBA



Academia

- International Anti-Corruption Academy
- World Maritime University
- Researchers globally



International Organizations

- IMO
- UNCTAD
- UN Global Compact
- WCO

Port State Control (PSC) – the MACN Approach



1

Regional MoUs

- Abuja
- Paris
- Tokyo
- Riyadh
- Black Sea
- Viña del Mar Agreement
- Indian Ocean
- Mediterranean



2

IMO - 8th MOU PSC Workshop



3

New Non-Anonymous Reporting Form



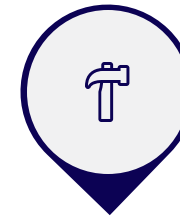
4

IMO and Regional MoUs invited to Spring Meeting 2024



5

Ethics and Integrity Leadership Training for PSCOs in West and Central African Region



6

Regional MoUs invited to Fall Meeting 2024

Port State Control (PSC) – the MACN Approach

Qualifying PSC Incident Reporting

- Specifically asking about PSC
- More extensive in scope and dept
- Requesting documentation

MACN News Our Work About MACN Members Area Log Out

Port State Control Incident Report Form

Dear Captain and Operation's Team,

As part of our ongoing efforts to mitigate the risk of potential misuse of power by PSC officials in ports and terminals, we are actively collaborating with port State control MoUs and their respective member states. To facilitate our collaboration effectively, it is essential for us to gain additional understanding and gather detailed evidence of incidents.

The form takes around 10 minutes to fill out. Your contribution will greatly assist us in our engagements with relevant authorities and stakeholders.

Thank you in advance.

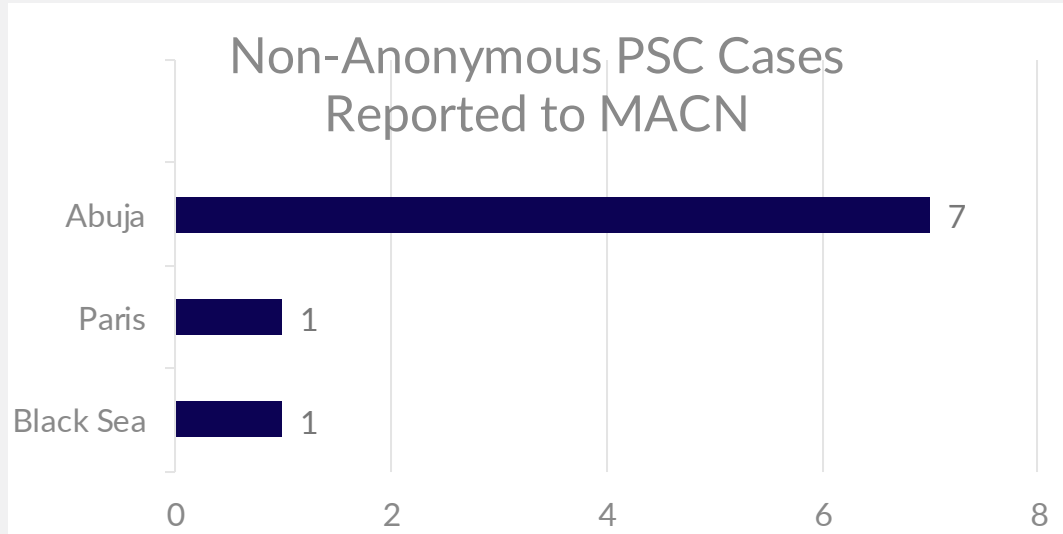
Best regards,
The Maritime Anti-Corruption Network Team

* Required

Vessel and stakeholder information

1. Name of Vessel *

2. IMO Number *





By actively fighting corruption, we can help restore confidence in ports and promote fair and transparent business practices.

Captain, Bernhard Schulte Shipmanagement (BSM)







Thank you!

Vivek Menon, Chief Operating Officer

E: vmenon@macn.dk

P: +45 2183 6906



Contact Us Here