

An aerial photograph of the NHH building, a large, modern, multi-story structure with a prominent clock tower. The building is situated on a hillside overlooking a large body of water, with mountains in the background. The foreground shows a courtyard with trees and a paved area where several people are walking. The sky is clear and blue.

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Shipping impact on the 2030  
Agenda for SDG and Human  
Rights

Gabriel Fuentes

[gabriel.fuentes@nhh.no](mailto:gabriel.fuentes@nhh.no)

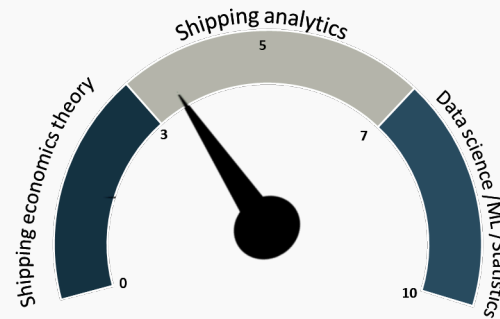
# This lecture

Before break (45 min)

- Intro
- UN 2030 agenda for the SDG's
- UN SDG'S
- Shipping alignment to the UN 2030 agenda
- Digitalization and the UNSDG's

After break (45 min).

- Shipping policies (international conventions)
- Shipping and the human rights
- Case study



# Case for today

Your company has conducted a Net Present Value (NPV) analysis to assess the feasibility of continuing to operate a 30-year-old Suezmax tanker, which requires significant engine maintenance and costly retrofitting to comply with new climate regulations.

The decision has been made to scrap the vessel in Chittagong, Bangladesh, a practice you have undertaken multiple times before. Since your company operates out of Norway, it is required that you conduct a human rights and United Nations Sustainable Development Goals (UNSDGs) assessment to better understand the potential impacts of this decision.

Questions:

- 1) What are the potential human rights implications of scrapping the vessel in Chittagong, and how can these be mitigated?
- 2) What UNSDG's are relevant to this activity?
- 3) What mechanisms can be put in place to monitor the adherence to human rights and environmental standards during the scrapping process?
- 4) How does the decision to scrap the vessel impact different stakeholders, including employees, local communities in Bangladesh, and global consumers?

[Where Ships Go to Die, Workers Risk Everything | National Geographic \(youtube.com\)](#)

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# Learning outcomes

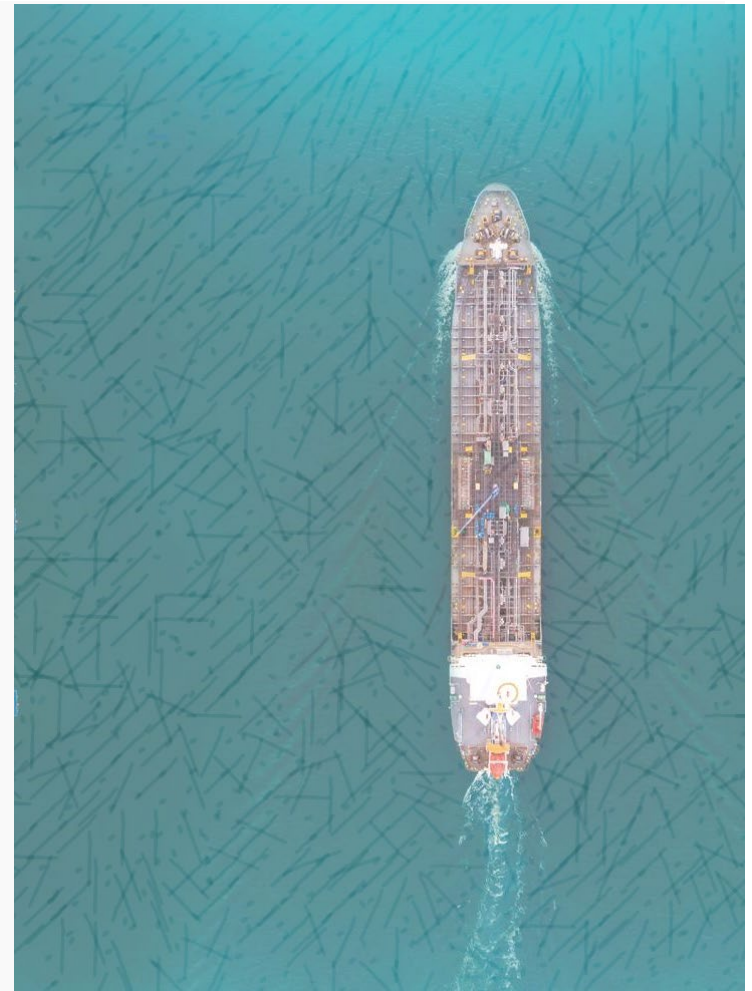
This lecture will help with the following learning outcomes:

## Skills

- considers the economic, political, and **ethical** issues relevant to the shipping industries
- can communicate with industry practitioners using correct terminology

## Competency

- exchanges opinions and experiences with others with a background in the field



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# Background

- The 80's brought the debate of economic growth at the expense of environmental sustainability
- In the year 2000, the UN established the Millennium Development Goals (MDG's)
- The goals aimed to 2015
- In 2015, the final report suggested a more ambitious plan by balancing:
  - Protection of the environment
  - Economic transformation

And by realizing peace and human rights for **all**

**\*\*Sustainability** defined by the UN in 1987 as: meeting the needs of the present without compromising the ability of future generations to meet their own needs



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# The Agenda 2030 for Sustainable Development



Aim at eradicating poverty in all forms and

“seek to realize the human rights of all and achieve gender equality”

... LEAVING NO ONE BEHIND

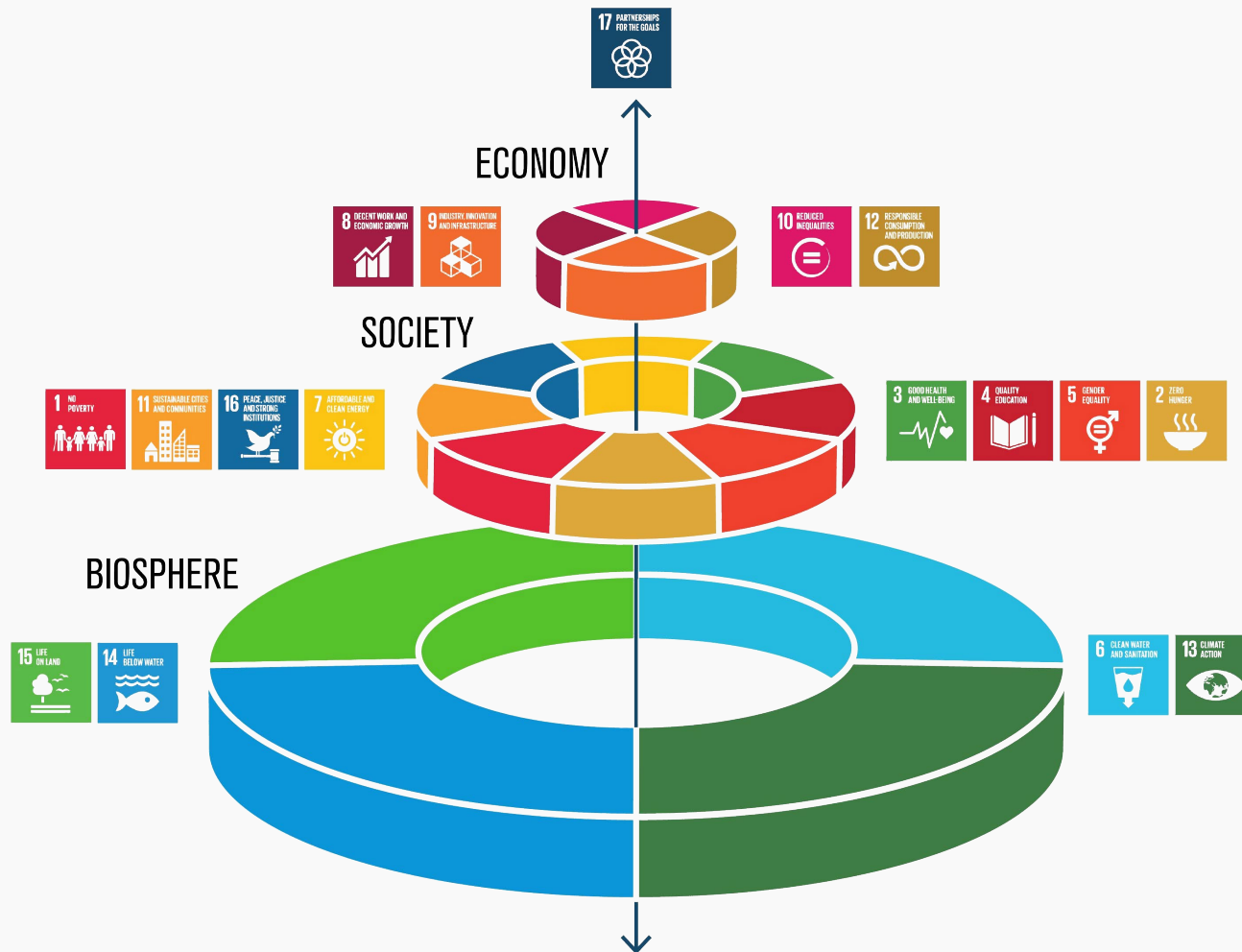
- Focus on human well being and sustainability, while meeting the other development roles
- Adopted unanimously in 2016 by member states of the UN



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# UN Sustainable Development Goals (SDG's)





# SUSTAINABLE DEVELOPMENT GOALS

<b>1</b> NO POVERTY 	<b>2</b> ZERO HUNGER 	<b>3</b> GOOD HEALTH AND WELL BEING 	<b>4</b> QUALITY EDUCATION 	<b>5</b> GENDER EQUALITY 	<b>6</b> CLEAN WATER AND SANITATION 
<b>7</b> AFFORDABLE AND CLEAN ENERGY 	<b>8</b> DECENT WORK AND ECONOMIC GROWTH 	<b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE 	<b>10</b> REDUCED INEQUALITIES 	<b>11</b> SUSTAINABLE CITIES AND COMMUNITIES 	<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 
<b>13</b> CLIMATE ACTION 	<b>14</b> LIFE BELOW WATER 	<b>15</b> LIFE ON LAND 	<b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS 	<b>17</b> PARTNERSHIPS FOR THE GOALS 	 SUSTAINABLE DEVELOPMENT GOALS

SUSTAINABLE DEVELOPMENT GOALS NHH



# Digitalization and UNSDG's

- Del Rio Castro et al, 2020
  - Link between digital paradigms (Big data, AI, Blockchain, IoT) and UNSDG's still on early stages
  - New issues unveiled with big data such as ethical, social and environmental controversies
- Big data can enhance transparency and accountability and could help to assess Environmental, Social and Governance (ESG) performance
- Counterarguments for digitalization as an enabler
  - Higher production of electronic waste
  - Growing energy and power use
  - Mineral extraction in conflicting zones

# IMO integration with UNSDG's

World Maritime day 2020 slogan



Check how IMO touches upon all UNSDG's in [here](#)

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# How is shipping affecting the UNSDG's?

A review inspired on this report



DNV-GL

SUSTAINABLE DEVELOPMENT GOALS:  
EXPLORING MARITIME OPPORTUNITIES

Report commissioned by:  
Norges Rederiforbund  
Norwegian Shipowners' Association

# What is the impact of shipping?

## Biosphere

- Protecting the environment is precondition to the other goal levels (society and economy)
- Shipping has a direct impact through air emissions and discharges to sea (ballast, oil waters)
  - 3% of global anthropogenic CO<sub>2</sub>
  - 18 million tonnes NO<sub>x</sub>, 10 million tonnes SO<sub>x</sub>
  - Major contributor to introduce alien species across ecosystems



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# What is the impact of shipping?

## Society

- Societal issues and calls for the eradication of poverty, good health and peace
- Shipping main influence is towards global health and providing affordable access to global markets for food
  - 80% of goods (by volume) transported by ships
  - 7% transport cost relative to value of goods (efficient) for developed countries and from 8 to 11% developing countries
  - NO<sub>x</sub>, SO<sub>x</sub> and PM from ships are a source of pollution in coastal areas and cities



# What is the impact of shipping?

## Economy

- Attention towards industry, innovation and infrastructure; reduced inequalities; responsible consumption and production
- Shipping can impact by
  - providing decent and safe working environment on ships and throughout the value chain
  - Facilitate economic growth through affordable shipping (not at the expense of biosphere)
  - 90% of ships are recycled, but many still on beaches
  - 6 fatalities per 100 million work hours on board ships per year. 10x OECD average across industries



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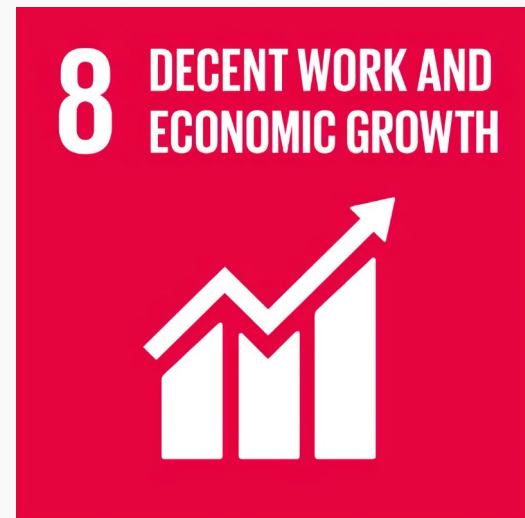


# What is the impact of shipping?



# Highest impact

- Goal
  - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
- Type of effect
  - Influence of employment conditions in its own operations, and can facilitate growth in the ocean economy
- Magnitude of effect
  - The main facilitator of ocean activities and provide access to markets. Potentially the only access to small island developing states.



# Highest impact

- Goal
  - Aims to ensure access to affordable, reliable sustainable and modern energy for all
- Type of effect
  - Direct effect as shipping can choose their energy sources and provide services for energy harvesting at sea
- Magnitude of effect
  - Shipping can facilitate energy distribution and harvesting



# Highest impact

- Goal
  - Take urgent action to combat climate change and its impact
- Type of effect
  - Can directly influence GHG emissions and has a dedicated organization (IMO) for developing international policies
- Magnitude of effect
  - Shipping produces about 3% of global emissions.
  - Can also influence other transportation modes



# Wrap it all

- Goal
  - Revitalize the global partnership for sustainable development
- Type of effect
  - Shipping is international and can be an important contributor of partnerships
  - People speaks the same technical language
- Magnitude of effect
  - Operates on both developed and developing countries. Partnerships can be created across national and regional boundaries



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# BREAK



## The policy mechanism of shipping (A brief intro)

- Shipping is regulated via international conventions. More than 50 conventions.
- For operating, vessels must be registered by a flag state.
- The flag state of the vessel, usually adopts the convention as a local legislation, after being ratified.
- ...therefore, vessels under their flag must comply with their law, vis-à-vis the international convention.

# IMO 4 pillars

Convention	Covering
International Convention for the Safety of Life at Sea ( <b>SOLAS</b> )	Safety for construction, equipment and operations
International Convention on Standards of Training, Certification and Watchkeeping for Seafarers ( <b>STCW</b> )	Seafarers professional standards
International Convention for the Prevention of Pollution from Ships ( <b>MARPOL</b> )	Environmental protection
Maritime Labour Convention ( <b>MLC</b> )	Labor standards and seafarers protection

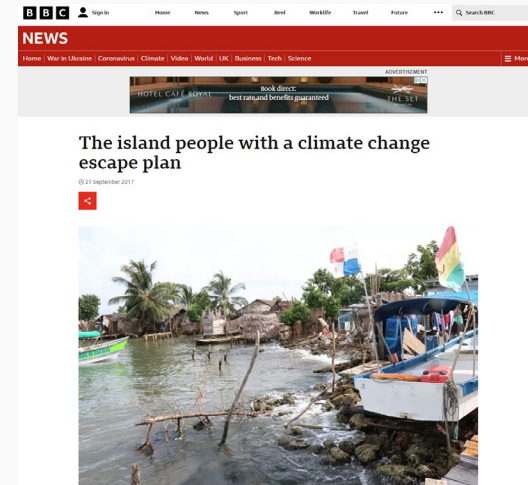


# Maritime transport and its impact on human rights

## Climate change

- Shipping contributes to 2.89% of global anthropogenic emissions
- Despite a plan for reducing emissions to net zero in 2050, it might be too late for some people
- UN declaration on the rights of indigenous people

“Indigenous peoples have the right to the lands, territories and resources which they have traditionally owned, occupied or otherwise used or acquired”



Guna woman displaying her molos.  
Image by Johantheghost. Copyright-free

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Some of the San Blas Islands are as densely populated as Gardi Sugdub, but most are deserted spits of sand with coconut palms floating on azure waters. Most sit just 2 to 3 feet above sea level.  
Michael A. Adams

Island in San Blas. Photo: [The World Street Journal](#)

# Maritime transport and its impact on human rights

## Human migration by sea

**BBC**

Home News Sport Business Innovation Culture Travel Earth Video Live

### Greek coastguard threw migrants overboard to their deaths, witnesses say

17 June 2024 Share

Lucile Smith and Ben Steele  
BBC TV Current Affairs

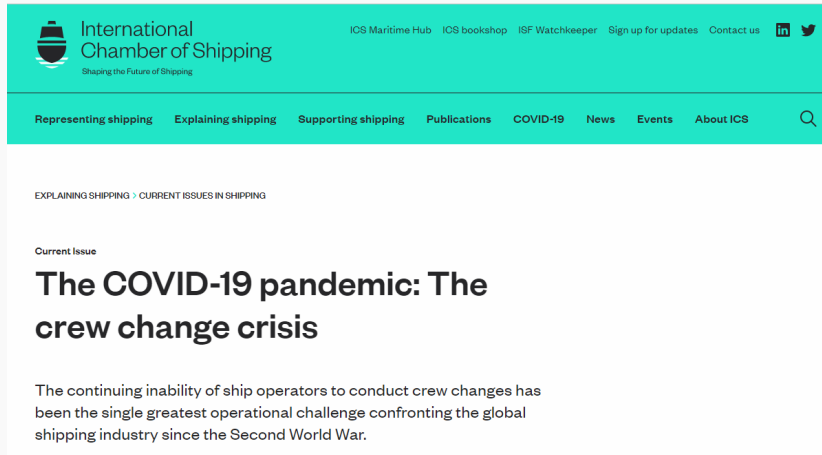


# Maritime transport and its impact on human rights

## Seafarers rights

- Labour rights are considered under the ILO Maritime Labour Convention (MLC) 2006
  - Ratified by 91% of IMO member states
- Seafarers are the invisible force moving our goods
  - 80% to 90% of goods by volume are moved by sea
- Enforceability is a challenge
  - The COVID pandemic displayed some systemic failures in the fair treatment of seafarers
  - Silver lining was the awareness of the importance of seafarers to world trade

# 19.5% of Thai male seafarers had depression symptoms



International Chamber of Shipping  
Shaping the Future of Shipping

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EXPLAINING SHIPPING > CURRENT ISSUES IN SHIPPING

Current Issue

## The COVID-19 pandemic: The crew change crisis

The continuing inability of ship operators to conduct crew changes has been the single greatest operational challenge confronting the global shipping industry since the Second World War.

Research | [Open Access](#) | [Published: 13 March 2023](#)

## Depressive symptoms among Thai male seafarers during the COVID-19 pandemic: a cross-sectional study

[Woraluk Jonglertmontree](#), [Orawan Kaewboonchoo](#), [Ikubaru Morioka](#) & [Plempit Boonyamalik](#)

*BMC Public Health* **23**, Article number: 475 (2023) | [Cite this article](#)

**23** Accesses | [Metrics](#)

### Abstract

#### Background

Prevalence of depressive symptoms among seafarers is higher than the general population because of their unique work conditions. Factors that can be changed must be considered and promptly addressed in order to decrease the prevalence of depression. This study aims to clarify the prevalence of depressive symptoms and its related factors among Thai seafarers in an effort to contribute to policies and to prevent depression among Thai seafarers.



IMO EVENTS

IMO 2021

SEAFARERS:  
AT THE CORE OF  
SHIPPING'S FUTURE

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# Maritime transport and its impact on human rights

## Seafarers' rights

- Failures might be led by operational decisions or an aim for efficiency
  - ... treating seafarers as commodities



# Norway and the human rights

- Norway's Transparency Act requires companies to carry out **due diligence** activities to ensure they are operating responsibly, respecting human rights and decent working conditions. (Gard, 2023) ... and be able to respond to any requests for information and to account for their due diligence work
- How much due diligence is enough? OECD Guidelines for Multinational Enterprises.
- Human rights due diligence report. Check an example of Odfjell [report](#).
- What happen to shipping where a shipowner in Norway, has a management from Greece, a crew from Phillipines, under a Panama flag?

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# Better off is not always a feasible solution

	Year ended December 31		
	2005	2004	2003
	(In thousands, except per share data)		
Operating revenue .....	\$ 320,934	\$ 282,197	\$ 241,517
Operating expenses:			
Purchased transportation .....	132,912	118,425	102,063
Salaries, wages and employee benefits .....	68,086	62,728	54,267
Operating leases .....	13,486	12,791	13,102
Depreciation and amortization .....	8,947	6,817	7,263
Insurance and claims .....	5,202	5,382	5,153
Other operating expenses .....	24,864	22,456	19,487
Total operating expenses .....	<u>253,497</u>	<u>228,599</u>	<u>201,335</u>
Income from operations .....	67,437	53,598	40,182
Other income (expense):			
Interest expense .....	(104)	(55)	(71)
Other, net .....	3,904	1,127	600
Total other income .....	<u>3,800</u>	<u>1,072</u>	<u>529</u>
Income before income taxes .....	71,237	54,670	40,711
Income taxes .....	26,328	20,249	14,896
Net income .....	<u>\$ 44,909</u>	<u>\$ 34,421</u>	<u>\$ 25,815</u>
Income per share:			
Basic .....	<u>\$ 1.41</u>	<u>\$ 1.07</u>	<u>\$ 0.81</u>
Diluted .....	<u>\$ 1.39</u>	<u>\$ 1.05</u>	<u>\$ 0.79</u>
Dividends declared per share .....	<u>\$ 0.24</u>	<u>\$ --</u>	<u>\$ --</u>

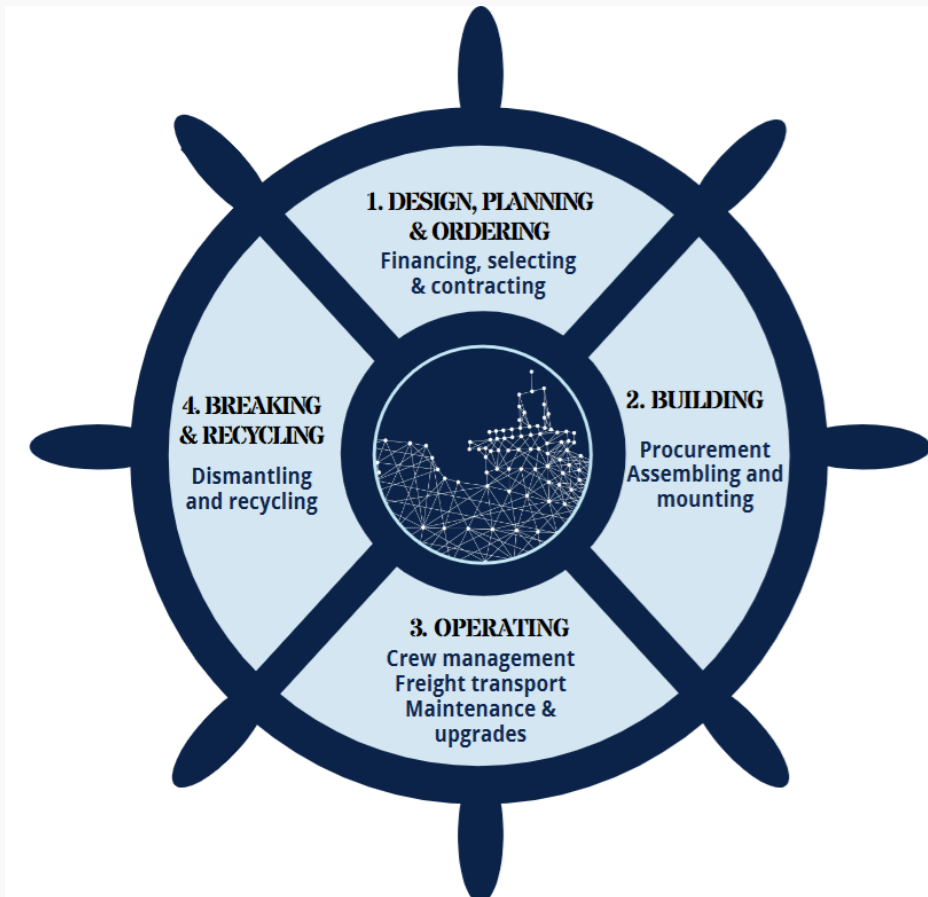
The screenshot shows the BBC News website interface. At the top, there are navigation links for Home, News, Sport, Reel, Worklife, and Travel. Below the navigation is a red 'NEWS' banner with sub-links for various regions: Home, War in Ukraine, Coronavirus, Climate, Video, World, UK, Business, Tech, Science, World, Africa, Asia, Australia, Europe, Latin America, Middle East, and US & Canada. The main article title is 'Stranded sailor allowed to leave abandoned ship after four years', dated 22 April 2021. Below the title is a red button with a left arrow. The article image shows a man, Mohammed Aisha, wearing a white surgical mask and a blue shirt, sitting in a chair. The caption below the image reads 'MOHAMMED AISHA | Mr Aisha is finally on his way home'.



## An exercise of UNSDG'S and Human rights assessment



# Every step of the lifecycle of a ship needs to be assessed



Source: The Institute of Human Rights and Business(IHRB)

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# Every step of the lifecycle of a ship needs to be assessed

## The Ship Lifecycle: Salient Risks and Good Practice Steps



### POTENTIAL ADVERSE IMPACTS

### GOOD PRACTICE STEPS

#### 1. DESIGN, PLANNING & ORDERING

##### FINANCING

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>» Prioritising low cost ship yards / suppliers poses risks of substandard working conditions and weak regulatory compliance.</li> </ul> | <ul style="list-style-type: none"> <li>» Ensure human &amp; labour rights provisions in contracts from outset.</li> <li>» Require human rights due diligence as part of mortgage terms of ship yards and suppliers, including assessment of recruitment practices and working conditions.</li> </ul> |
|--|--|

##### SHIPYARD – SELECTING & CONTRACTING

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>» Employing large number of temporary /contract workers, increases risks of labour rights violations and exploitation.</li> <li>» Recruitment fees increases risk of debt bondage and forced labour.</li> </ul> | <ul style="list-style-type: none"> <li>» Require human and labour rights policies and guarantees, on recruitment &amp; ship yard selection.</li> <li>» Work with ethical &amp; regulated recruitment agency.</li> <li>» Prohibit recruitment fees, irrespective of where or how workers are recruited.</li> <li>» Include number of hours needed, expected overtime and related costs in quoting processes.</li> </ul> |
|--|--|

##### SUPPLY CHAIN – SELECTING & CONTRACTING

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>» Globalised and fragmented supply chain present challenges to monitoring and risk awareness</li> <li>» Lack of transparency and visibility in supply chain make difficult to identify and track responsibility</li> </ul> | <ul style="list-style-type: none"> <li>» Require human and labour rights policies and guarantees in supplier and contractor selection.</li> <li>» Communicate expectations in contracts that human rights, employment and recruitment standards are respected across the supply chain.</li> <li>» Carry out ongoing human rights due diligence of suppliers and contractors.</li> </ul> |
|---|---|

Full assessment

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## An exercise of UNSDG'S and Human rights assessment

- The Hong Kong Convention is aimed at ensuring that ships, when being recycled after reaching the end of their operational lives, do not pose any unnecessary risks to human health, safety and to the environment.
- Enter into force on June 26<sup>th</sup> 2025.

### Bangladesh ratifies Hong Kong Convention for Sustainable Ship Recycling

BUSINESS DEVELOPMENTS & PROJECTS

June 13, 2023, by Jasmina Ovcina Mandra

Bangladesh has granted approval for the implementation of the Hong Kong Convention on the safe recycling of ships and offshore assets. This landmark decision positions Bangladesh as the second sub-continent recycling destination, following India, to ratify the convention.



SN corporation Bangladesh; Image credit GMS

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[Where Ships Go to Die, Workers Risk Everything | National Geographic \(youtube.com\)](#)

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# References

- Castro, G. D. R., Fernandez, M. C. G., & Colso, Á. U. (2021). Unleashing the convergence amid digitalization and sustainability towards pursuing the Sustainable Development Goals (SDGs): A holistic review. *Journal of Cleaner Production*, 280, 122204.



## An exercise of UNSDG'S and Human rights assessment

- IMO-Norway GreenVoyage 2050
  - Support implementation of the Initial IMO GHG Strategy, in particular developing countries



[Detail](#)

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