

THE 'INTERNATIONAL SEAFARERS' UNION' (ISU) AND 'LANIBRA':

A SHAM TRADE UNION

UNDERMINING THE

MARITIME INDUSTRY



INTERNATIONAL
TRANSPORT
WORKERS'
FEDERATION



ITF

**Moving the
World Forward**

THE INTERNATIONAL TRANSPORT WORKERS' FEDERATION (ITF) IS A DEMOCRATIC, AFFILIATE-LED FEDERATION RECOGNISED AS THE WORLD'S LEADING TRANSPORT AUTHORITY. WE FIGHT PASSIONATELY TO IMPROVE WORKERS' LIVES, CONNECTING MORE THAN 730 AFFILIATED TRADE UNIONS FROM OVER 150 COUNTRIES TO SECURE RIGHTS, EQUALITY AND JUSTICE FOR WORKERS' GLOBALLY. WE ARE THE VOICE FOR MORE THAN 16.5 MILLION TRANSPORT WORKERS ACROSS THE WORLD.

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INTRODUCTION

The International Transport Workers' Federation (ITF) is a democratic trade union federation founded in 1896. It represents more than 16.5 million transport workers across the world, connecting more than 730 affiliated trade unions from more than 150 countries.

The ITF has been a maritime union federation representing seafarers and dockers since its foundation. Today, it represents over 1 million seafarers from more than 200 seafarers' unions in 106 countries, with a long legacy of winning improved pay and conditions for seafarers worldwide.¹

However, in recent years, these hard-won gains have come under threat. A sham trade union is, via maritime consultancy deals, selling 'agreements' on merchant ships to shipping companies that undermine seafarers' wages, conditions and protections in order to boost the profits of rogue shipping companies.

This arrangement involves two entities working in concert: the business, Lanibra, on one side, and the sham union, the International Seafarers' Union (ISU), on the other.

These ISU-Lanibra agreements categorically fail to protect the very people they claim to represent, jeopardising the lives and livelihoods of seafarers and risking the reputation of the maritime industry. This has, in turn, provoked principled resistance and opposition in support of seafarers' rights from maritime unions

worldwide. The result is lawful blockades and boycotts, and legal challenges that place ships, cargo, and companies at risk.

A SHAM UNION BREACHING INTERNATIONAL LAW

The ISU is symbiotically linked to the company, Lanibra, which acts as an agent for shipowners. This connection amounts to employer interference in a trade union organisation, a practice explicitly prohibited under Article 2 of the International Labour Organization's (ILO) Right to Organise and Collective Bargaining Convention (No. 98).

FAILING TO PROTECT SEAFARERS WHEN THEY NEED IT MOST

By systematically undermining seafarers' pay and conditions, ISU-Lanibra increases rogue shipping company profits. They also fail to safeguard seafarers facing abandonment or other serious human and labour rights violations. In case after case, the ITF has had to intervene to protect seafarers sailing under ISU-Lanibra agreements.

THE SAFETY, DIGNITY AND FAIR TREATMENT OF SEAFARERS MUST NOT BE COMPROMISED BY SHAM UNIONS AND UNSCRUPULOUS BUSINESS INTERESTS.

COMPANIES AND CARGO AT RISK

Vessels operating under ISU-Lanibra agreements face rising risks including lawful boycotts, blockades and court challenges in several jurisdictions, leading to costly delays and forcing some companies to terminate these sham agreements and enter into genuine collective bargaining with ITF affiliate unions. These escalating challenges highlight the risk that ISU-Lanibra agreements pose for companies, specifically considering the norms, regulations and laws around human rights due diligence (HRDD), Environmental,

Social and Governance (ESG) investment principles, and developing maritime-specific responsible finance frameworks such as the Poseidon Principles that must be analysed by stakeholders.

The ITF's stance is unequivocal: the safety, dignity and fair treatment of seafarers must not be compromised by sham unions and unscrupulous business interests. The maritime industry must take a decisive stand against ISU-Lanibra's extractive and exploitative practices that risk not only eroding hard-fought seafarers' rights but also destabilising the global supply chain that underpins international trade.

RECOMMENDATIONS

FOR SHIP OWNERS, CHARTERERS, MANAGERS AND CARGO OWNERS

01. Transition to legitimate agreements

Terminate ISU-Lanibra agreements and negotiate genuine ITF Collective Bargaining Agreements that ensure robust protection for seafarers and full compliance with international and national legal requirements.

02. Implement rigorous HRDD

Conduct comprehensive, risk-based Human Rights Due Diligence (HRDD) to scrutinise every element of your supply chain. Verify that all union agreements are legitimate and align with international labour standards.

03. Request an ITF Rights Check

Request a confidential ITF Rights check for seafarers. By sharing information on ships carrying your cargo, the ITF can provide an assessment of human rights risks to seafarers on board those vessels over a specified period.

FOR BANKS AND INVESTORS

01. Strengthen compliance with due diligence, ESG and Poseidon Principles

Reassess financing arrangements with companies with ISU-Lanibra agreements and condition any future funding on the adoption of legitimate union agreements.

02. Leverage financial influence

Mandate corrective actions for any company found to be perpetuating sham agreements, thereby mitigating both reputational and regulatory risks.

FOR P&I CLUBS

01. Refine underwriting practices

Exclude vessels operating under ISU-Lanibra agreements from insurance coverage or impose stringent conditions to ensure they transition to valid, ITF-sanctioned agreements. This will protect both members and the broader maritime industry from the fallout of exploitative labour practices.

FOR THE GOVERNMENT OF SLOVENIA

01. Investigate ISU operations

Assess the ISU's legitimacy to act as a trade union under Slovenian law.

02. Financial reporting obligations

Audit the accounts of ISU and Lanibra to provide full transparency for seafarers on the use of funds collected from shipping companies.

FOR TRADE UNIONS

01. Mobilise collective action and advocacy

Unite in denouncing ISU-Lanibra agreements and launch lawful industrial actions – such as blockades, boycotts, and legal challenges – to force shipowners and charterers to adopt legitimate agreements.

02. Provide support for affected seafarers

Support seafarers operating on vessels with ISU-Lanibra agreements to ensure that these workers have access to legal, financial, and welfare assistance to secure their rights.

FOR SEAFARERS:

01. Contact an ITF inspector

Reach out to an ITF inspector and let them know if you're on a ship sailing under an ISU-Lanibra agreement and if you're experiencing any difficulties:

www.itfseafarers.org/en/contact-us



ISU-LANIBRA

A SHAM UNION

BREACHING THE LAW

A conflict of interest

	ISU	LANIBRA
Branko Krznaric:	Co-Founder and Executive Board President of the ISU	Founder and Owner/Director of Lanibra
Lana Krznaric: Daughter of Branko Krznaric	Executive Board member of the ISU	Director of Legal and General Affairs / Authorised Assistant Manager of Lanibra
Nina Krznaric: Daughter of Branko Krznaric		Director of Operations for Lanibra
Ludvik Jesenicnik:	President of the ISU	

On 31 August 2017, Branko Krznaric (a former ITF employee) established Lanibra as a private company – using the ITF’s London address for its registration – in Slovenia. The company’s name, ‘Lanibra’, appears to be drawn from the Krznaric family names: ‘Lana’, ‘Nina’ and ‘Branko’. The ISU was founded a year later on 10 September 2018. The ISU website states that it was founded at the “initiative of Branko Krznaric”. It also references its legal registration in Slovenia.

While the ISU’s website is minimal, it is heavily focused on claiming the organisation’s supposed legitimacy as a ‘bona fide’ trade union. In contrast, Lanibra’s website is markedly broader in scope. Beyond luxury car and motorbike rentals and sales, and real estate listings, Lanibra prominently advertises its “maritime services”, boasting the company’s supposed in-depth knowledge

of ITF operations and its ability to assist in “issues” with ITF inspectors – union officials whose role is to inspect ships to ensure seafarers’ rights are being upheld.

Lanibra’s own words underline its intensions:

“We have extensive knowledge of [sic] functioning of the International Transport Workers’ Federation (ITF)... We are experts on the legality of industrial actions by trade unions against ships”.

Its services offered worldwide include:

“... advice and assistance in cases of issues with ITF Inspectors / trade union representatives or local authorities”.²

On 23 December 2024, Shipping Watch published the article, [Is the man with red Ferraris helping seafarers or ship owners?](#), highlighting that while Krznaric occupies a senior position in the ISU, he also advises shipowners via Lanibra. It notes:

“In addition to his [Krznaric’s] role in the union... through his own company, Lanibra, he advises the other party – shipowners – on strategy for bargaining with employees. And Lanibra, whose website is split in two parts, even offers leasing of red Ferraris and Lamborghinis.”³

What is concerning for the maritime industry is the conflict of interest between the sales pitch that Lanibra makes to shipowners, promoting anti-union services, while simultaneously recommending the ISU – the “union” that owner and director Krznaric founded. The two come together to form the contradictory ISU-Lanibra one-stop solution to deal with “labour issues”, while falsely purporting to [“protect the interest \[sic\] of seafarers”](#).⁴

An email obtained by the ITF and published by Shipping Watch shows Krznaric writing to a shipowner:

“I would like to propose you cooperation with my company Lanibra to assist you with any matter related to the [sic] labour issues, including with potential issues related either to the ITF or local ITF affiliate or any ITF Inspector worldwide.”

“As it has shown to be a good alternative to the ITF, many companies which are cooperating with my company LANIBRA decided to cooperate with the International Seafarers’ Union (ISU).”

When challenged by [Shipping Watch](#) about these conflicting interests, Krznaric admitted: “On paper, it may look like a conflict of

interest.”⁵ In practice, it is exactly that – a blatant conflict that jeopardises seafarers’ rights and exposes shipowners to reputational risks.

INTERNATIONAL LAW

The ITF asserts that the ISU-Lanibra arrangement constitutes a direct breach of international law due to both entities sharing the same leadership.

The fact that Lanibra acts as an agent for employers while the ISU claims to represent seafarers amounts to clear employer influence in a union, which is strictly prohibited by Article 2 of [ILO Convention 98](#):

01

Workers’ and employers’ organisations shall enjoy adequate protection against any acts of interference by each other or each other’s agents or members in their establishment, functioning or administration.

02

In particular, acts which are designed to promote the establishment of workers’ organisations under the domination of employers or employers’ organisations, or to support workers’ organisations by financial or other means, with the object of placing such organisations under the control of employers or employers’ organisations, shall be deemed to constitute acts of interference within the meaning of this Article.⁶

THE ISU-LANIBRA ARRANGEMENT CONSTITUTES A DIRECT BREACH OF INTERNATIONAL LAW DUE TO BOTH ENTITIES SHARING THE SAME LEADERSHIP.

In his attempt to portray a separation between the ISU and Lanibra, Krznaric stressed to Shipping Watch that ISU is governed by retired seafarer, Ludvik Jesenicnik. However, as Shipping Watch observed, Jesenicnik has “apparently has no experience with trade unions” and does not speak English.

Shipping Watch also observed the administrative oversight role played by Krznaric in media handling for ISU, and that many of the remarks attributed to Jesenicnik match Krznaric’s own words – highlighting the lack of genuine separation between the ISU and Lanibra.

“All communication Shipping Watch has had with ISU has been through Krznaric, who flew to Copenhagen to conduct the first of several interviews.

“However, ShippingWatch has received a number of written responses to the ITF’s criticism from Jesenicnik, which have also passed through Krznaric, as the ISU president, says Krznaric, does not speak English.

“Many of the quotes are identical to Krznaric’s.” ⁷

Shipping Watch: ITF accuses Slovenian labor union of breaking international law

NATIONAL LAW - SLOVENIA

The Republic of Slovenia places strict requirements on trade unions to ensure genuine independence from employers.

Under Slovenian domestic law, the functioning of trade unions is governed by the national Constitution. In 1993, Slovenia enacted the 'Act on the Representativeness of Trade Unions' ([Zakon o reprezentativnosti sindikatov \(ZRSin\)](#)). It sets out the conditions that need to be met for trade unions to be considered to have acquired 'representativeness'.

A key criterion is that a representative trade union must be "independent... of any employer".

It is clear that the ISU and Lanibra are led by the same people and are functionally and operationally the same. Given that Lanibra explicitly acts as an agent for employers, it is not feasible to claim on any reasonable grounds that ISU is independent of employers.

Consequently, the ITF believes that the ISU fails to meet the standards for trade unions stipulated under Slovenian law.

The ITF is preparing a complaint to be tabled against Slovenia at the ILO's Committee on Freedom of Association. It is also considering legal action in Slovenia to ensure that the sham union, ISU-Lanibra is deregistered in line with its breaching of Slovenian domestic law.

Slovenian law requires that a trade union must demonstrate that:

it is democratic and embodies the freedom to join a trade union, to operate and to exercise the rights of membership;

it has been in operation continuously for at least the last 6 months;

the national law of the Republic of it is independent of state authorities and any employer;

it is financed mainly from membership fees and other resources of the trade union; and

it has a certain number of members, as evidenced by the trade union's signed declarations of membership by its members.^{[8](#)}



Prime Minister Robert Golob addresses the Slovenian national parliament in Ljubljana.



ISU-LANIBRA

FAILING TO PROTECT

SEAFARERS WHEN

THEY NEED IT MOST



An ITF Inspector prepares to board a ship for inspection.

The ITF operates a global network of ship inspectors, union officials dedicated to helping seafarers and defending and protect their rights. The ITF currently has 130 inspectors, based in over 110 ports in 55 countries worldwide. ITF inspectors are vital in the reporting and resolution of cases of seafarer abandonments, wage theft and seafarer complaints round the world – this includes recovering staggering amounts of money owed to seafarers. In 2023, the ITF recovered USD 57 million.

WHAT IS SEAFARER ABANDONMENT?

The Maritime Labour Convention, 2006 (MLC) states that abandonment occurs when a shipowner:

01

fails to cover the cost of the seafarer's repatriation; or

02

has left the seafarer without the necessary maintenance and support; or

03

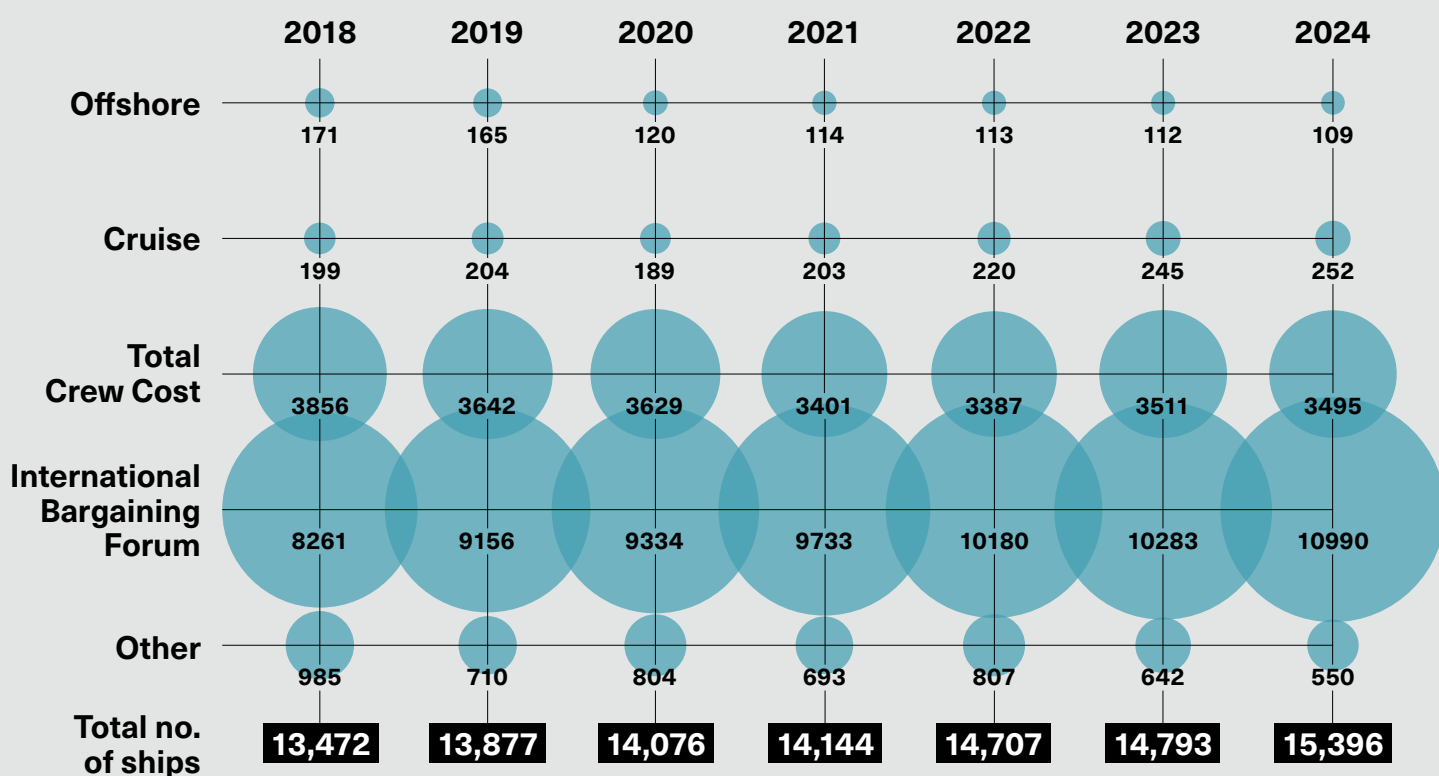
has otherwise unilaterally severed their ties with the seafarer including failure to pay contractual wages for a period of at least two months'⁹

ITF inspectors track and support seafarers in almost every known abandonment case worldwide, feeding cases into the ILO and International Maritime Organization (IMO) joint database. As abandonment cases have surged – 2024 was the worst year on record – media reportage and awareness of the issue around the world has rapidly increased. This coverage of seafarer abandonment, including in the [Associated Press](#)¹⁰, the [Guardian](#)¹¹, the [Times of India](#)¹², the [Times of London](#)¹³, the [BBC](#)¹⁴, the [Wall Street Journal](#)¹⁵, the and many other national, regional and maritime trade publications was secured by the ITF to raise awareness of the problems seafarers face within the industry.

of which is generated from ITF CBAs with shipping companies. ITF CBAs cover wages, working hours, and other entitlements, and span a range of shipping sectors, including : offshore vessels primarily servicing the offshore oil and gas industry; cruise passenger ships; ‘total crew cost’ (TCC) agreements primarily for seafarers on ‘Flag of Convenience’ ships; International Bargaining Forum (IBF) agreements, negotiated every two years for seafarers working on ships owned or operated by the major companies that are members of the Joint Negotiating Group (JNG) within the IBF, including the International Maritime Employers’ Council (IMEC), the International Mariners Management Association of Japan (IMMAJ) and the Korean Shipowners Association (KSA), and Evergreen).

The ITF Global Inspectorate is funded by the ITF Seafarers’ International Assistance Welfare and Protection Fund (ITF Welfare Fund), the funding

Ships with ITF collective bargaining agreements



ITF CBAs with shipping companies are signed by the trade union based in the state where a ship's "beneficial owner" is located: for the ITF, a "beneficial owner" is the person or entity that ultimately controls and benefits from the ownership of a vessel, rather than just the registered owner. The ITF strongly encourages "bilateral agreements" wherein the union representing the country the seafarers are from – the labour-providing country – are also party to the agreement.

The ITF works with multiple trade unions from around the world in securing its CBAs, these include:

Beneficial ownership country unions:

- All Japan Seamen's Union (JSU)
- Confédération Française Démocratique du Travail (CFDT – France)
- Federation of Korean Seafarers' Unions
- Force Ouvrière (FO – France)
- Hong Kong Seafarers' Coordination Committee (HSCC)
- Italian Transport Workers' Federation (FIT CISL – Italy)
- Norwegian Maritime Union (NMU)
- Nautilus International – UK
- Nautilus International – Netherlands
- Nautilus International – Switzerland
- National Chinese Seamen's Union (NCSU – Taiwan)
- Pan-Hellenic Seamen's Federation (PNO)
- Seafarers International Union (SIU – USA)
- Vereinte Dienstleistungsgewerkschaft (Ver.di – Germany)

Labour-providing country unions:

- Associated Marine Officers' and Seamen's Union of the Philippines (AMOSUP)
- Associated Philippine Seafarer Union (APSU)
- Bangladesh Seamen's Association (BSA)
- Bangladesh Merchant Marine Officers' Association (BMMOA)
- Independent Federation of Myanmar Seafarers (IFOMS)
- National Union of Seafarers of India (NUSI)
- Maritime Union of India (MUI)
- National Union of Seafarers Sri Lanka (NUSS)
- Marine Transport Workers' Trade Union of Ukraine (MTWTU)
- Kesatuan Pelaut Indonesia (KPI)

In stark contrast, ISU-Lanibra agreements are not undertaken in conjunction with any legitimate trade unions. The ISU does not maintain its own network of inspectors, and while trumpeting Lanibra's ability to deal with "labour issues", including those linked to ITF inspectors, ISU-Lanibra founder, Krznaric, is on the record decrying the need for trade union ship inspectors.

In public statements to Shipping Watch, Krznaric has said the ISU does not inspect ships it signs agreements on because it doesn't make sense, suggesting "... seafarers can always call on their cell phones if there are problems."¹⁶

ISU-Lanibra agreements:

Slashing seafarers' pay and conditions

The below are differences between an ISU-Lanibra agreement seen by the ITF and used for a specific fleet of ships, and ITF-approved

International Bargaining Forum and Total Crew Cost (TCC) agreements used on tens of thousands of vessels around the world:

Under an ITF-approved IBF and TCC agreement, when a seafarer dies, their next of kin receives USD 114,000 in compensation, with an additional USD 22,805 for each dependent. Under this ISU-Lanibra agreement, when a seafarer dies, their next of kin receives USD 50,000 in compensation, with an additional USD 7,000 for each dependent.

Under an ITF-approved IBF and TCC agreement, for 100% disability a seafarer receives USD 114,000 - USD 190,000, dependent on rank, in compensation. Under this ISU-Lanibra agreement, for 100% disability, a seafarer receives USD 60,000 in compensation.

Under an ITF-approved IBF and TCC agreement, maternity pay is the full duration of the contract ('Seafarer Employment Agreement') plus 100 days' basic pay. Under this ISU-Lanibra agreement, this is Seafarers' Employment Agreement (SEA) only.

Under an ITF-approved IBF and TCC agreement, sick pay covers 130 days. Under this ISU-Lanibra agreement, sick pay covers 112 days.

Under an ITF-approved IBF and TCC agreement, working hours are Mon-Fri covering 40 hours. Under this ISU-Lanibra agreement, working hours are Mon-Sat covering 48 hours.

Under an ITF-approved IBF and TCC agreement, duration of work is nine months, plus or minus one month. Under this ISU-Lanibra agreement, duration of work is 10 months, plus or minus one month, with an extension to 11 months allowed.

MYTH

According to Branko Krznaric, the power the ITF has gained over the years is one of the reasons for him to create an alternative. There needs to be another choice to what he sees as a monopoly, a bureaucratic colossus with too high salaries.¹⁷

REALITY

Again, the salary claim stands in contradiction with the claim that seafarers are better off under ISU-Lanibra agreements. The use of 'monopoly' is highly

inaccurate: the ITF is a federation of trade unions from around the world, representing a total of nearly 16.5 million transport workers. Each ITF affiliate union negotiates its terms within a specific framework. As [ILO Convention 87 Article 5](#) outlines, unions are free to associate together and join federations and confederations. It is therefore an attack on workers' established rights to call the ITF a 'monopoly' as the alternative would be to prevent workers from exercising these rights. Genuine unions can and do exist outside the ITF system and are free to sign CBAs. The ITF has no desire to undermine genuine unions which are acting in the interests of seafarers.

ISU-LANIBRA: ABANDONMENTS, WAGE THEFT AND ARRESTS

There have been a number of seafarer abandonment and wage theft cases on ships sailing under ISU-Lanibra agreements. Despite proof that ISU-Lanibra has been made aware of these abandonments – seafarers have turned to the ITF and its inspectorate to step in to support them and resolve their cases. Additionally, there have been other instances of seafarers under ISU-Lanibra agreements facing rights abuses and needing support not offered by ISU-Lanibra despite seafarers reaching out to them. The following incidents demonstrate this.

UK P&O Ferries Illegally low wages

MARCH 2022

On 17 March 2022, 786 seafarers were summarily dismissed by British company P&O Ferries to be replaced by a far cheaper agency crew. The news provoked outrage and condemnation across the political spectrum, in the UK media and among the public, with the event labelled "[gangster practice](#)", "[savage](#)" and one of the "[most shameful acts in the history of British industrial relations](#)".

Two years on, a Guardian [investigation](#) found workers in the replacement crew – provided by Malta-based crewing agency, Philcrew

Management Ltd, subsequently renamed, Philtech – were being paid less than half the UK minimum wage, working 17 weeks of 12-hour days. Shockingly, these wages and conditions were detailed in documents, seen by the ITF, prepared for Philcrew and signed by ISU-Lanibra in 2023.

This prompted ITF affiliates, UK trade unions, the National Union of Rail, Maritime and Transport Workers (RMT) and Nautilus, to write to government [stating](#) that:

“... ISU has been created to give a veneer that P&O Ferries is committed to working with trade unions when in reality it exists to rubber stamp P&O Ferries’ exploitative crewing model.”¹⁸

Time after time, ISU-Lanibra has neither prevented nor resolved critical cases of wage theft, abandonment, and other serious human and labour rights violations. Seafarers under their agreements rely on the ITF to uphold their basic rights – demonstrating that, despite ISU-Lanibra’s claims of “assistance,” real protection for seafarers on vessels with ISU-Lanibra agreements is coming from elsewhere.

MYTH

According to him [Branko Krznaric], the ITF has raised wages unwarrantably [sic] high compared to the UN International Labor Organization’s (ILO) minimum requirements.¹⁹

REALITY

ITF wages covering more than 11,000 vessels are negotiated under the International Bargaining Forum, the world’s largest collective bargaining process

that includes the ITF alongside major companies that are members of the Joint Negotiating Group within the IBF, including the International Maritime Employers’ Council (IMEC), the International Mariners Management Association of Japan (IMMAJ) and the Korean Shipowners Association (KSA), and Evergreen). Arguments that seafarers are overpaid are few and far between – especially in the context of an ongoing recruitment and retention crisis in the maritime industry, and amidst ongoing dangers from war and conflict, seafarer criminalisation and the spiralling practice of seafarer abandonment. However, this critique is to be expected, given that ISU-Lanibra prepared an agreement for ferry workers in the UK to be illegally paid at a level less than half that of the UK minimum wage.



An Australian Border Patrol boat.

Australia

Eleen Sofia (IMO 9407512)
Arrest by Border Force,
allegations of wage theft

APRIL 2024

After a legacy of troubling allegations and engagement by ITF inspectors and maritime authorities, it is believed that the Eleen Sofia's owners 'purchased' an ISU-Lanibra agreement around April 2024 – around the same time that the ship was arrested by the Australian federal law enforcement agency, the Australian Border Force, in Queensland, where it was held until mid-May.

At that time, an ITF inspector informed the Australian Maritime Safety Authority of a past anonymous complaint from a crew member on the vessel. As the Maritime Executive [reported](#) at the time:

“In late April, the ITF contends it discovered that provisions aboard the ship had been depleted leaving the crew with no access to food. They are contending the ship's owner repeatedly failed to reprovision the ship and that the ship has a track record

of poor maintenance and unbearable living conditions for its crew. They allege while at anchor in Bangladesh, the ship was reportedly without air-conditioning in the crew cabin areas for over three months.”²⁰

The Maritime Executive's own research showed that in 2022, prior to its adoption of an ISU-Lanibra agreement, the ship was detained by the US Coast Guard in New Orleans for 10 days due to safety deficiencies.

Australia

Pacific Wave (IMO 9801275),
Union Mark (IMO 9775153):
Fair Work Australia complaints,
failure to pay seafarers wage
entitlements

MAY AND JUNE 2024

The Fair Work Ombudsman is investigating two vessels sailing under ISU-Lanibra agreements which the ITF Australian Inspectorate believes have failed to pay seafarers a total of more than USD 240,900 in owed wages – both cases have been filed in complaints made to Australia's Fair Work Ombudsman, the country's workplace regulator, in May and June 2024, respectively. Should the complaints be upheld, companies could be subjected to heavy fines, compliance notices or litigation.

Under Australia's Coastal Trading Act, foreign vessels operating under temporary coastal trading licenses are obliged to pay seafarers 'Seagoing Industry Award entitlements' on every voyage once they have taken part in three coastal trading journeys within 12 months.

The Pacific Wave is operated by Union Commercial Inc., with Tri-Marine SA listed as its beneficial owner – however, the ITF believes that Union Commercial Inc is directly responsible

MYTH

“Considering total crew cost (...) the ISU CBAs are much more financially beneficial for seafarers (total cash payment) than the ITF collective agreements,” says ISU President Ludvik Jesenicnik.²¹

REALITY

Given the separate claim from Branko Krznaric that ITF wages are too high, it is strange that Jesenicnik claims that ISU-Lanibra agreements are somehow more beneficial for seafarers. Both cannot be true. The reality is that ITF CBAs are more beneficial for seafarers, but that these benefits also extend to companies. As one example, research demonstrates that lack of adequate rest and resulting fatigue affects seafarers’ ability to perform their jobs safely, with an estimated 25 percent of marine casualties attributable to crew fatigue.

MYTH

“At the same time, he [Branko Krznaric] says that the officers on board, who work under an ITF agreement, earn far too little. John Canias, head of maritime operations at the ITF, does not deny that wages for officers may be higher at the ISU.”²²

REALITY

Officers under ITF CBAs may actually be paid higher than under ISU-Lanibra agreements. Officers command a market rate wage, with the ITF CBA wage scale only establishing and protecting a minimum pay rate – an ISU-Lanibra CBA does not protect wages in this way.

for employing its seafarers. Due to the ship embarking on three voyages in 2024 from Townsville to Devonport, Adelaide and Port Lincoln, respectively, the ITF is calling for 22 days of Seagoing Industry entitlement to be paid to the ship’s crew, totalling more than USD 72,600.

The Union Mark is owned and operated by Union Commercial Inc. In 2020, it sailed on three voyages from Brisbane to Geelong, Adelaide and Port Lincoln respectively. It then re-loaded

and sailed another voyage from Thevenard to Bundaberg, before re-loading again in Gladstone for a final voyage. In total, the ITF and MUA are calling for a total of 51 days of Seagoing Industry entitlement to be paid to the ship’s crew, totalling more than USD 168,300.

Türkiye

Navi Vega (IMO 9481099)

Non-payment of salary

NOVEMBER 2024

A seafarer from the Navi Vega was forced to leave the vessel after his wife fell ill and was hospitalised. He was not paid his wages of more than USD 2,000 by the company and was informed by the ship's captain that he was the only crew member who was not paid.

The seafarer emailed ISU-Lanibra but never received a reply. He subsequently reached out to the ITF in November 2024. The case is ongoing at the time of writing.

Gibraltar

Gulf Fanatir (IMO 9359868):

Non-payment of salary

NOVEMBER 2024

A sick seafarer on the Gulf Fanatir was denied medical attention by the ship owner. Around the same time, the seafarer's father suffered a heart attack, leading the seafarer to request to go home to see his father and to seek medical assistance for himself.

The seafarer departed the ship in Gibraltar. He was instructed by the company to list his "sign-off" as due to "family reasons". The seafarer, along with the crewing agent, visited a doctor in Gibraltar, where they were informed that the seafarer was suffering from pneumonia. He did not receive his full salary and was subsequently told by the company that he was signed-off due to failure to work combined with "bad reports" filed by the captain – which the seafarer says the captain did not do.

The seafarer contacted ISU-Lanibra but received no reply. After contacting the ITF, an ITF inspector reached out to the company and the seafarer received the wages he was previously denied.

Brazil

Eleen Eva (IMO 9527415)

Abandonment

DECEMBER 2024

The bulk carrier, Eleen Eva, was abandoned in Paranaguá, Brazil, en route to San Lorenzo, Argentina. It was sailing under a Liberia flag and an ISU-Lanibra agreement, with a crew of 20 seafarers from India (7), Ukraine (5), Indonesia (3) Bulgaria (2), Türkiye (2) and Russia (1).

The ship was abandoned on 1 December 2024, and despite the crew trying to contact ISU, they received no reply.

On 2 December, the ITF recorded the abandonment and notified the flag state, and by the end of January, the ITF recovered a total of USD 178,000 in wages owed to the crew.



Eleen Sofia

Kenya

Eleen Sofia (IMO 9407512)

Detention and warrant of arrest

DECEMBER 2024

While not a case of seafarer abandonment or wage theft, the detention of the Eleen Sofia in the Port of Mombasa is indicative of the type of rogue shipping company that buys agreements from ISU-Lanibra. Eight months after the ship was arrested by authorities in Australia, the Eleen Sofia was detained after a warrant of

arrest was issued by Kenyan courts due to an unpaid debt of KSh 6.5 million (circa USD 52,000): the warrant was issued after Hong Kong Eastern Marine Engineering Company complained that the ship's owner failed to pay for repairs, supplies and ship chandlers (a retail dealer providing ship equipment and supplies).

Thailand

Eleen Neptune (IMO 9430844)

Non-payment of salary

JANUARY 2025

After failing to receive their December salary, an engineer from the Eleen Neptune emailed the ship owner, copying in the ITF, on 16 January 2025. The engineer said they had contacted the ship owner via WhatsApp but received no reply.

In an email sent on 24 January 2024, the seafarer copied in the ITF and, as instructed by the ship-owning company, Branko Krznaric, Lana Krznaric and Nina Krznaric as well. Notably, Nina Krznaric has no stated role with ISU – she only has a role with Lanibra, highlighting that from the company's perspective, ISU and Lanibra are one and the same.

Then, in a further attempt to receive support, on 12 February 2025, he emailed the ISU's "protection" email address, which supposedly enables ISU-Lanibra to support and protect seafarers. He said:

"I have a problem with the company Eleen Marine regarding my December wage. I email the company every day, but they doesn't [sic] pay me my salary for December and doesn't [sic] even answer my letters. Can you help me please."

At no point did any ISU-Lanibra representative reply. After the ITF intervened, the seafarer finally received his owed wages of more than USD 2,000 at the end of February.

Israel

Princess Jia Jia (IMO 9189926)

Non-payment of salary

JANUARY 2025

A seafarer on the bulk carrier Princess Jia Jia was owed wages of more than USD 10,000 when the ship arrived in Haifa, Israel. The seafarer had no knowledge that he was sailing under an agreement sold by ISU-Lanibra.

After boarding the ship, an ITF inspector raised the seafarer's case with the captain, who initially refused to cooperate with the inspector, stating that the crew is covered by a non-ITF agreement.

After establishing the facts, an admission of non-payment was made by the company, and the debts were paid to the seafarer who shared his proof of payment with the ITF.

Israel

Eleen Neptune (IMO 9430844)

Abandonment

APRIL 2025

Only three months after the ITF intervened to return stolen wages to a seafarer on the Eleen Neptune in Thailand, the ship was abandoned again, this time in Israel, with deficiencies found on the ship affecting two sets of crews: the 'sign-off' crew (the crew departing a ship at the end of a contract), and the crew on board at the time of the inspection.

At no point did any crew contact ISU-Lanibra. Moreover, while the crew was happy to see the local ITF inspector, knowing this meant the likely resolution of their problems, the crew was unaware of being under an ISU-Lanibra agreement.

After the ITF's intervention, by mid-April, USD 30,000 was wired to crew members as

payment for February salaries. However, this payment did not include the captain's owed salary of USD 9,300, which was subsequently sent with claims of a "misunderstanding" – after the ITF again intervened, while also ensuring the ship's insurers were made aware of the situation.

Australia

**MV Leto (IMO 9311880),
Myrsini (IMO 9422940),
Desert Grace (IMO 9849502)
Stolen wages, charterer protest**

APRIL 2025

ITF Inspectors in Australia encountered three ships all with ISU-Lanibra agreements and all owned by Greek companies in March and April 2025. Diana Shipping Inc own both the MV Leto and Myrsini, with Atlantic Bulk Carriers the owner of the Desert Grace. The ITF recovered

USD 17,743 in stolen wages from the Myrsini in Portland, Australia, after boarding the ship and confirming it as under an ISU-Lanibra agreement. The Desert Grace was also boarded in March.

However, in April, inspectors encountered difficulties in accessing crew quarters on the MV Leto, leading to the engagement of Port State Control on issues including shore access and provisions. Inspectors were able to engage crew members and discuss the significant differences between sham ISU-Lanibra agreements and ITF agreements.

Australian trade unionists from the ITF and allied unions then staged a protest outside the office of the dry bulk shipping, Oldendorff Carriers, in Melbourne, Australia. The company had chartered the Desert Grace and, despite outreach, refused to meet trade unionists around their concerns on seafarers' rights on ships covered by ISU-Lanibra agreements.

Netherlands

Samskip Skaftafell Seafarer safety at risk (IMO 9164562)

MARCH 2025

The Dutch-flagged, ISU-Lanibra-covered Samskip Skaftafell regularly calls at the Port of Rotterdam, where ITF inspectors and ITF affiliate, Nautilus International-Netherlands, learned of its non-compliance with the 'Non-Seafarers' Work Clause' (NSWC): the NSWC is a fundamental safety clause in ITF CBAs which mandates that the lashing and unlashings of cargo should be undertaken by trained dock workers, due to the dangers associated with the task, not seafarers. Nautilus also believes that the vessel is in breach of several regulations required to be met under the Dutch flag and, as such, risks lowering standards across Dutch-flagged ships.

After a March 12 inspection of the ship by Dutch Port State Control, the ship was issued a 'deficiency notice' due to its failure to meet safety regulations. Specifically, that it is not possible to work safely at height on the ship - including on container lashing - on the exterior sides of the ship or the outermost rows of containers. Nautilus subsequently wrote to the Netherlands Labour Authority in May 2025 to explain that this constitutes a breach of Article 3 of the Dutch Working Conditions Act. Nautilus requested enforcement of the Act via the imposition of fines. At the time of writing, the Netherlands Labour Authority's position on the case is unknown.



ISU-LANIBRA

COMPANIES AND

CARGO AT RISK

PORT REFUSALS, LENGTHY DELAYS, CANCELLATION OF ISU-LANIBRA AGREEMENTS AND LAWSUITS.

The ITF has investigated multiple legal and industrial cases in which legitimate trade unions have taken lawful action against ships with ISU-Lanibra agreements. Consequences have included port refusals, lengthy delays, cancellation of ISU-Lanibra agreements, and lawsuits.

These escalating challenges demonstrate the direct commercial, legal, and reputational risks that shipowners, charterers, and investors incur by involving themselves with ISU-Lanibra.

“SEE YOU IN COURT”: UNIONS TAKE LEGAL AND INDUSTRIAL ACTION TO STOP ISU-LANIBRA

Ships sailing under ISU-Lanibra agreements have encountered problems docking and unloading in various jurisdictions – where

unions, acting in solidarity with seafarers, have taken industrial and legal action against ships which have bought ISU-Lanibra agreements.

This is despite the Lanibra “maritime services” offer claiming that it has:

“... extensive knowledge of [sic] functioning of the International Transport Workers’ Federation (ITF)... We are experts on the legality of industrial actions by trade unions against ships.”

These actions – which will continue to take place and lead to further court action and delays for ship owners and charterers – have variously led to ships being turned away, lengthy delays, scrapping their ISU-Lanibra agreements, or unions taking shipping companies to court to assert their rights to take such action and the grounds for it: that ISU-Lanibra is an illegitimate, sham union. In one case, the ISU’s president, Ludvic Jesenicnik, is facing a civil lawsuit.

COMPANIES FACE LOSSES, DISRUPTIONS AND DELAYS

FINLAND

Finland is a hot spot for trade union action against ships sailing under ISU-Lanibra agreements, with ITF affiliate, the [Finnish Seafarers' Union](#) (Suomen Merimies-Unioni, SMU), taking action against ships from 2018 through to today. In one instance, this included flagrant miscommunication by ISU-Lanibra of the ramifications of a court judgement, intended to mislead shipping companies into believing their cargo is safe on vessels that have bought ISU-Lanibra agreements.

MV Asturcon (IMO 9646730)

JULY 2018

The vessel was unable to access cargo operations from 9 July 2018 until 21 July 2018. The District Court of Helsinki ruled on an interim injunction stopping the action on 10 July, however, due to it being holiday season in Finland the court bailiff could not reach the SMU leadership in order to sign the injunction. ISU Co-Founder and Executive Board President, and Founder and Owner/Director of Lanibra, Branko Krznaric, admitted that the delay cost his client in excess of USD 10,000 per day, and he also filed a complaint with the police:

“We find particularly [sic] your demand for payment to [sic] welfare fund criminally [sic]. However please also be aware that the daily loss for my principal is far above 10.000 USD and in the event of further continuing [sic] of

MYTH

“... the ISU, which came into existence in 2018, has had to excel to get the attention of shipping companies.”²³

REALITY

ISU-Lanibra intentionally undercuts legitimate CBAs via selling its agreements to unscrupulous operators who are unwilling to defend their engagement with

ISU-Lanibra. It does this by ensuring longer working hours, less holiday, and lower wages for seafarers, as well as lower death and disability compensation, while not pricing in any support services for seafarers, such as the ITF Global Inspectorate. ISU-Lanibra also makes false claims about its knowledge of and ability to deal with industrial action and legal issues faced by shipping companies; on the contrary, ISU-Lanibra ships are more likely to encounter industrial and legal action than any other.

your illegal boycott the vessel will miss her next charter which will cause substantial losses.”

The National Police Board of Finland confirmed that there would be no further investigation. While Krznaric promised to follow up and claim damages, he never did.

MV Anemone (IMO 9320324)

APRIL 2020

After the MV Anemone successfully unloaded cargo, SMU engaged in negotiations with terminal management. This led to an agreement that the terminal would contact SMU to determine whether or not arriving vessels are covered by ISU-Lanibra agreements: soon after, two ISU-Lanibra vessels were denied access to the port. Cooperation remains ongoing to this day, with denial of vessels lacking ITF CBAs continuing.

Union Fuji (IMO 9852690)

JULY 2022

The Union Fuji called at Kokkola on 15 July 2022. SMU boycotted the vessel and prevented its unloading for five days. On 20 July 2022, the ship's owners obtained an injunction to prevent the boycott. However, on appeal, it was found that the injunction should not have been granted as the court did not hear the union, SMU.

Phoenix J (IMO 9504047)

JULY 2022

Ahead of its arrival in Rauma on 11 July 2023, the Phoenix J was sent several warning notifications by SMU, leading to replies from

ISU-Lanibra and the vessel's owners. After arriving the vessels was immediately boycotted with no cargo able to be unloaded. The owners applied for an interim injunction to prevent the action – they were unsuccessful. Only one day later, on 12 July 2022, the vessel signed an ITF agreement with ITF affiliate, Ver.di (Vereinte Dienstleistungsgewerkschaft – Germany).

Arklow Wind (IMO 9818943)

OCTOBER 2022

Ahead of its arrival in the port of Pori, SMU sent a warning notice to the Arklow Wind on 24 October 2022: after its arrival, the vessel was subsequently boycotted with no cargo operations taking place from 1 November 2022 until 10 November 2022. In response, the vessel's owners successfully applied for an injunction stopping the action – there was no fine or any other penalty imposed by the court, while costs associated with the delay were borne by the owners. The injunction has no bearing on any future, lawfully initiated boycotts.

Without specifying the particular case, which the ITF believes is that of the Arklow Wind, Krznaric desperately sent emails around the shipping industry falsely claiming that the ITF “got a lesson it will never forget” – in reality, yet again, a vessel faced substantial delays and costs due to it holding a sham union agreement purchased from ISU-Lanibra.

Oceanic Praise (IMO 9687150)

DECEMBER 2024

The Oceanic Praise arrived at the port of Rauma on 9 December 2024 with no CBA whatsoever and was subjected to a boycott by SMU from 11 December 2024. At first, the vessel's owners sought to sign an ISU-Lanibra

agreement to end the boycott. However, SMU refused to accept this. The vessel's owners subsequently signed an ITF agreement on 19 December 2024, bringing the boycott to an end.

MV Edith (IMO 9328625)

FEBRUARY 2025

The MV Edith was en route to Helsingborg, Sweden, under an ISU-Lanibra agreement but was refused access to the port: SMU contacted fellow ITF affiliate, the [Swedish Transport Workers' Union](#) (Svenska Transportarbetareförbundet), in order that it could take action against the vessel. The port did not want the disruption, and the vessel was refused access. On 17 February 2025, with the vessel at anchor outside Helsingborg, letters were sent to ISU-Lanibra. After ISU-Lanibra's lawyer in Finland contacted SMU, it was agreed that the vessel would instead switch over to an ITF agreement, which was duly signed on 18 February 2025, enabling the vessel to dock in Helsingborg.

ES Venus (IMO 9672208): blockade forces payment of owed wages, new ITF CBA

SEPTEMBER 2020

In September 2020, the bulk carrier ES Venus docked in Rauma, Finland, under an ISU-Lanibra agreement. Its captain refused to let an ITF inspector aboard, despite crew complaints of wage inconsistencies and discrimination.

Soon after, the inspector received an email from non-English speaking ISU President Ludvic Jesenicnik stating that: "... we can assure you, [sic] that the Company [sic]

keep very high standards in relation to the employment of seafarers". The vessel's managers also emailed the inspector, referencing the vessel's agreement with the ISU, the ISU's supposed legitimacy and outlining multiple criteria to be met for an ITF inspector to board. They said of their agreement with ISU-Lanibra, and retention of an ILO Maritime Labour Convention (MLC) 2006 certificate was: "... proof that our good ship is in line with the [sic] international labour standards and all seafarers on board are employed in line with international requirements."

The ITF inspector maintained contact with the crew, who told him they faced discrimination from the captain and raised problems with their wages including that the ship's captain was enforcing unlawful "[double bookkeeping](#)": wherein every month the seafarers were forced to sign two payment lists, one to show they received the wages they were entitled to and one which showed the lower, incorrect wages they actually received. They shared the evidence of this with the ITF inspector.

When the inspector again tried to board, the captain once again refused, even preventing the crew from speaking to the inspector on the dock.

In response, on September 7, the [Finnish Seafarers' Union](#) (Suomen Merimies-Unioni, SMU) enacted a blockade to prevent the ship from unloading until the seafarers' rights were respected, including their receipt of their correct wages and their repatriation home and replacement with a new crew.

Only then, with the blockade in force, did communication from the ship's captain shift: "Of course, you and ITF representative [sic] are welcomed [sic] to embark to meet our



Port of Rotterdam, Netherlands.

crews. We understood that the earlier refusal by our master was due to precautionary measures of COVID-19.”

Soon after, with the presence of local police required to ensure the crew could safely disembark, the captain paid more than USD 80,000 in backpay to the crew, and the shipping company’s lawyer paid hotel and flight cost to repatriate the seafarers. Crucially, the company then scrapped its ISU-Lanibra agreement and signed a legitimate ITF agreement.

Before leaving the ship and returning to Myanmar, the crew filmed themselves ripping up their ISU-Lanibra agreements – a striking repudiation of the sham union.

NETHERLANDS

Caravos Liberty (IMO 9653795): Solidarity actions against ISU- Lanibra ships ruled as legal

JUNE 2024

In June 2024, the Caravos Liberty (IMO 9653795) entered the Port of Rotterdam to unload soy shipped from Brazil. The ship’s charter agreement stated that it must be covered either by an ITF agreement or an agreement acceptable to the ITF concluded with a bona fide trade union.

After an ITF inspector noted violations, including a lack of food and water, no free internet access and no collective bargaining agreement (CBA), the inspector recommended the ship secured a CBA. There was no response from the owner, leading dockers from the union the terminal to cease unloading the next day as part of a 'wildcat strike'.

The following day, the ship owner bought an ISU-Lanibra agreement, leading dockers to continue their boycott. The company then sought a court injunction against the terminal, the dockers' union and the ITF.

In July 2024, the Dutch court [upheld the legality](#) of the solidarity, ruling that the refusal to unload by the dockers was legitimate for seeking improved working conditions and could continue because the ISU-Lanibra agreement was not equivalent to an ITF agreement. The verdict underscored the legal standing of the fundamental right to strike to challenge ISU-Lanibra's sham agreements.

SWEDEN

Ships turned away until companies capitulate, case 1: Bonette (IMO 9605061)

MARCH 2023

In March 2023, Swedish ITF affiliate the [Service and Communications Union](#) (SEKO) took [industrial action](#) by blockading the bulk carrier Bonette after it sought to dock in Uddevalla on 12 March with an ISU-Lanibra agreement.

After initially threatening court action, by 14 March 2023, the ship's owners capitulated and signed an ITF agreement and continue operations without further delay.

SEKO President Gabriella Lavecchia, condemned ISU, stating:

"It is obvious that ISU representatives are using their background and CV as a former employee of the international trade union movement to exploit workers in the international maritime industry. It's all about exploiting already vulnerable people and deceiving authorities and the serious trade union movement to make as much money as possible."

Ships turned away until companies capitulate, case 2: Haato (IMO 9589786)

DECEMBER 2024

In December 2024, the Haato sought to dock in Halmstad under an ISU-Lanibra agreement. When the port was informed that the ship did not have a valid ITF agreement it did not allow the ship to dock.

The ship's owner initially sought to sue the [Swedish Transport Workers Union](#) for taking illegal industrial action, seeking an interim verdict to be given in two days – this was denied by the court.

Within two weeks, and facing mounting costs, the ship's owner reached out to, signed an agreement with the ITF, and withdrew its lawsuit – ultimately bearing court costs and potentially facing claims from the charterer over the delay incurred.



Greek Supreme Court, Athens.

GREECE

ISU President faces charges of defamation, illegal acquisition, accepting the products of crime

DECEMBER 2024

On 5 December 2024, Greek ITF affiliate the Panhellenic Seamen's Federation (PNO) filed a lawsuit against ISU President Ludvik Jesenicnik: "... for the offense of defamation which he committed against us and for the offense of illegal acquisition and use of the aforementioned information from our Federation's Archives, and for accepting products of crime."

PNO states that Jesenicnik claimed to have received complaints from seafarers serving

on a number of ships sailing under ITF-PNO agreements. He listed the names of a number of Greek-flagged ships that have signed CBAs with PNO. PNO says such details are not publicly accessible and are only retained in PNO archives.

Preliminary hearings on the case took place in Greece in February 2025.

Greek news outlets [New Money](#) and Skai reported on the case.²⁴ Soon after, a more than 7,500 word long email in English was sent to New Money by Ludvik Jesenicnik – Shipping Watch previously reported Krznaric explaining that Jesenicnik does not speak English – for the sole purpose of injuring the ISU [sic] good reputation". At the time of writing, New Money has not apologised or retracted any reporting. Court proceedings continue.

REGULATORY RISK: HRDD, ESG AND THE POSEIDON PRINCIPLES

In recent years, in line with the increased awareness and understanding of the interlinked role of global supply chains across economies, there has been a rapid evolution of new norms, regulations and laws on business responsibility and accountability for protecting human and labour rights.

These frameworks – Human Rights Due Diligence (HRDD), the Poseidon Principles, and ESG standards – require businesses, investors, and the wider maritime industry to identify, prevent, and remediate human rights and labour abuses and uphold core freedoms such as the right to freedom of association.

Human Rights Due Diligence (HRDD)

HRDD is the emerging consensus for how to legislate on protecting human and labour rights in supply chains – for mandating businesses, investors and the public sector to “[identify, prevent, mitigate and account for](#)” human rights abuses in their supply chains.

Since the unanimous adoption of the United Nations (UN) Guiding Principles on Business and Human Rights (UNGPs) by the UN Human Rights Council in 2011, responsible investors and businesses have adopted HRDD as part of their responsibility to prevent supply chain human rights abuses and, for investors, to realise their fiduciary duty.

At the same time, laws mandating HRDD are in force in [France](#), [Germany](#), [Norway](#), and are due to come in across the entire [European Union](#).

Similarly, the OECD Guidelines for Multinational Enterprises recommend that businesses and investors conduct due diligence in order to identify, prevent or mitigate and account for how actual and potential adverse impacts are addressed.

The ITF outlines the responsibilities companies have under HRDD in its publication [ITF Human Rights Due Diligence Guidance](#). Under HRDD, businesses and investors bear a clear responsibility to monitor their supply chains to identify potential abuses, and to use their leverage to prevent or mitigate them. An example of this would be a company, in the role of a charterer of a ship, engaging with a shipping company if it knew that seafarers were being exploited, or at risk of suffering rights abuses onboard. In this situation, the company should use its leverage in order to prevent or mitigate abuses.

By failing to address the presence of a sham union that colludes with employers, companies and investors risk complicity in violating a fundamental human right: freedom of association.

As the United Nations (UN) Office of the High Commissioner on Human Rights (OHCHR) [outlines](#):

“The right to freedom of association involves the right of individuals to interact and organize among themselves to collectively express, promote, pursue and defend common interests. This includes the right to form trade unions. Freedom of peaceful assembly and of association serve as a vehicle for the exercise of many other rights guaranteed under international law, including the rights to freedom of expression and to take part in the conduct of public affairs. The right to freedom of peaceful assembly and association is protected by article 20 of the Universal Declaration of Human Rights.”²⁵

Maritime rights regulators

HUMAN RIGHTS DUE DILIGENCE (HRDD)

GOVERNING BODY:



HRDD comes from the United Nations Guiding Principles on Business and Human Rights (UNGPs), adopted unanimously by the UN Human Rights Council in 2011.

FOCUS:

Protecting human and labour rights in supply chains.

ISU-LANIBRA COMPLIANCE:



By failing to address the presence of a sham union that colludes with employers, companies and investors risk complicity in violating a fundamental human right: freedom of association.

POSEIDON PRINCIPLES

GOVERNING BODY:



Poseidon Principles Association, comprising leading banks (including ABN Amro Bank N.V., BNP Paribas, Citi, Crédit Agricole CIB, ING Bank N.V. and UBS AG) and the maritime industry.

FOCUS:

Improving the role of maritime finance in addressing global environmental issues – and, soon, seafarer welfare.

ISU-LANIBRA COMPLIANCE:



For lenders committed to these principles, financing a ship with a sham union agreement – one that weakens seafarers' rights – could soon pose a compliance risk.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) FRAMEWORKS

RELEVANT BODIES:



There are various ESG frameworks. CWC (Committee for Workers' Capital) Baseline Expectations for Asset Managers on Fundamental Labour Rights are drawn from the ILO Fundamental Principles and Rights at Work, the OECD Guidelines for Multinational Enterprises and the UNGPs.

FOCUS:

Enabling the identification and management of risks impacting performance and reputation.

ISU-LANIBRA COMPLIANCE:



The Baseline Expectations document outlines what responsible investors expect from companies regarding human and labour rights compliance – and making deals with sham unions is a red flag.

Poseidon Principles

In 2019, leading banks came together with the maritime industry to launch the [Poseidon Principles](#) to “improve the role of maritime finance in addressing global environmental issues”.

In 2024, the [Financial Times](#) reported that the banks, spurred by attacks in the Red Sea, plan to further incorporate seafarers’ welfare into the Principles, noting that they: “... could insist that shipowners agreed to share a range of information before receiving loans, including the number of working days that staff lose to injury and the amount of support offered to families”.²⁶

As ITF President, Paddy Crumlin, told the FT: “There are shipowners who don’t feel they need to be held to account for human rights and they continue to be rewarded. [These] shipowners need to be placed at an economic disadvantage.” He explained that labour rights, “should be an obligation for all, with strong sanctions for failing to comply and with no space left for bad companies to be able to hide”.

To oversee this potential expansion, the Poseidon Principles Association [established](#) the ‘Future Principles Committee’ in September 2024, tasked with addressing issues including crew safety and welfare, as well as ship recycling, gender equality and biodiversity, spanning agreement on priorities, their benchmarking and performance measurement. For lenders committed to these principles, financing a ship with a sham union agreement – one that weakens seafarers’ rights – could soon pose a compliance risk.

Environmental, Social and Governance (ESG)

Investors use ESG responsible investment frameworks to assess business practices and performance through three pillars:

Environmental:

This factor evaluates a company’s impact on the environment. For example, it considers carbon emissions, waste management, pollution, and climate change.

Social:

This factor evaluates a company’s impact on society. This includes labour practices, human rights, community involvement, diversity, and customer satisfaction.

Governance:

This factor evaluates the company’s management and decision-making processes. It considers board composition, executive pay, shareholder rights, and transparency.²⁷

As such, ESG frameworks can enable the identification and management of risks impacting performance and reputation.

Trade unions act collectively to shape responsible investment practises via the [Committee on Workers’ Capital](#) (CWC), established in 1999 as a joint initiative of the International Trade Union Confederation (ITUC), global union federations and the Trade Union Advisory Committee to the OECD (TUAC).

INDUSTRY STAKEHOLDERS CAN NO LONGER AFFORD TO IGNORE **EXPLOITATIVE PRACTICES** IN THEIR OPERATIONS OR SUPPLY CHAINS.

In July 2022, the [CWC Baseline Expectations for Asset Managers on Fundamental Labour Rights](#) were released. They were collaboratively developed by groups including the Australian Council of Trade Unions, AFL-CIO (USA), Comisiones Obreras (Spain), FNV (Netherlands), the International Trade Union Confederation, UNI Global Union, the ITF and TUAC. The Baseline Expectations are drawn from the ILO Fundamental Principles and Rights at Work, the OECD Guidelines for Multinational Enterprises and the UNGPs. This document outlines what responsible investors expect from companies regarding human and labour rights compliance – and making deals with sham unions is a red flag.

Maritime businesses and investors that overlook blatant violations of workers' rights – such as those seen with ISU-Lanibra – expose themselves to mounting legal, regulatory and reputational risk. From HRDD laws to ESG metrics through to the evolving Poseidon Principles, industry stakeholders can no longer afford to ignore exploitative practices in their operations or supply chains. Failure to uphold labour standards will inevitably carry both reputational costs and financial consequences.

CASE STUDY: ELEN MARINE LTD AND OAKTREE CAPITAL MANAGEMENT

The ITF considers it to be of paramount importance that beneficial owners, charterers and investors question the agreements on ships and ensure that they do not hold sham trade union agreements. The case of Eleen Marine Ltd is illustrative of the complex relationships and ownership structures found in the maritime industry, and the implications and responsibilities for all parties involved.

One example of a shipping company where charterers and cargo owners must undertake rigorous risk-based HRDD, and banks and investors should be questioning seafarers' welfare is the company Eleen Marine, which is a ship manager, operator and – via Eleen Marine JSC – beneficial owner of ships under ISU-Lanibra agreements. Notably, Oaktree Capital Management, a global asset management powerhouse and shipping industry investor specialising in 'distressed assets', is the beneficial owner of four Eleen



Howard Marks, Co-Chairman of Oaktree Capital Management.

Marine vessels, all listed on the Eleen Marine [website](#).²⁸ It too must be subjected to rigorous HRDD, stringent application of ESG and the evolving Poseidon Principles criteria.

Eleen Marine Ltd is a Bulgarian company which originates from the state-owned, small dry bulk company, Struma Sea Transport Ltd. The company was privatised in 1999, before taking on the name Eleen Marine Ltd in 2016. According to its website, the Eleen Marine fleet comprises of the Eleen Sofia (IMO 9407512), the Eleen Eva (IMO 9527415), the Eleen Neptune (IMO 9430844) and the Eleen Armonia (IMO 9407495). While not mentioned on the website, the Princess Jia Jia (IMO 9189926) is managed and operated by Eleen Marine Ltd, but its beneficial owner is Eleen Marine JSC.

Eleen Marine proudly [states](#) that it promotes “meaningful employment for the good of society”.²⁹ However, all the above-mentioned vessels hold ISU-Lanibra agreements and have also been involved in a series of abandonment, wage theft and arrest outlined above. Seafarers’ rights have been repeatedly abused on multiple

journeys, spanning ports in Africa, Asia, South America, the Middle East and Europe.

Oaktree Capital Management holds USD 202 billion in assets under management, has more than 1,200 employees based in offices around the world, with clients including 65 out of 100 of the largest US pension plans, more than 550 corporations and 40 out of 50 US state retirement plans.³⁰ As the beneficial owner of four Eleen Marine ships, all cited above, Oaktree Capital Management has clear responsibilities and, in line with these, serious questions to answer around ensuring the protection of seafarers’ rights across all its vessels.

As part of its business strategy of investing in distressed assets, or as Oaktree puts it, looking for “[good companies with bad balance sheets](#)”,³¹ Oaktree has a history of investing in the shipping industry. These investments have included Danish shipping company, Torm,³² German heavy lift shipping company, Beluga Shipping,³³ OSM Thome (pre-merger, formerly OSM Maritime Group and Thome Ship Management³⁴), and Gener8 (pre-merger, formerly General Maritime Corporation and Navig8 Crude Tankers³⁵).

Oaktree claims to be “guided by a unified set of [business principles](#)”.³⁶ Among these principles are “commonality of interests”:

“In order to achieve commonality of interests with our clients, we pay strict attention to potential conflicts of interests, avoiding them if possible and dealing fairly with them if not... It is our fundamental operating principle that if all of our practices were to become known, there must be no one with grounds for complaint.”

Clearly, as documented above via the serial abuses that have taken place on Eleen Marine, Oaktree-owned vessels, there are many who may have “grounds” for complaint about the practises of Oaktree Capital Management.

Implications for charterers and investors

The decision to purchase sham union agreements from ISU-Lanibra for Eleen Marine ships not only undermines seafarers' rights but also expose their charterers and investors to heightened regulatory and reputational risks.

Oaktree charterers and investors include the following companies, which, if they are serious about their claims to protect human and labour rights, have a duty to undertake risk-based analysis in accordance with the above-mentioned frameworks. In doing so they must pay specific regard to the risk of their goods being transported on ships sailing under a sham union agreement from ISU-Lanibra that undermines the fundamental human right of freedom of association:

Bunge Global

Bunge Global is a more than 200-year-old agribusiness and food company which operates in four segments: agribusiness, refined and specialty oils, milling, and sugar and bioenergy. In 2024, its revenue was more than USD 53 billion.

Bunge's "[core principles](#)" include an explicit commitment focused on the right of freedom of association:

"We respect the freedom of expression and right to associate of our employees and contractors, including their right to establish and to join organizations of their own choosing to bargain collectively without our previous authorization or unreasonable interference."³⁷

If Bunge is genuine in its commitment, it must use its clear ability and responsibility to

identify any potential human and labour rights risks in its supply chain, using its leverage to mitigate those it may find: it must ensure that its chartering of Oaktree ships for its goods does not include transportation on any vessel under an ISU-Lanibra agreement that explicitly undermines freedom of association in contravention of ILO conventions.

Oil Majors: Shell, BP, Exxon Mobil

Shell, BP and Exxon Mobil, among the world's largest oil companies, known as "oil majors". The oil majors are responsible for the majority of the crude oil tanker chartering business and maritime transportation of their product is integral to their business. All three charter ships owned by Oaktree Capital Management, and all three are clear in their support for human and labour rights, including through companies they contract to. As such, all three have a clear responsibility in line with



Wael Sawan, CEO of Shell.



Darren Woods, Chairman and CEO, Exxon Mobil Corporation.

their stated commitments to ensure that the fundamental right of freedom of association is not undermined by transportation on vessels under ISU-Lanibra agreements.

Shell was originally founded as a shipping company in 1892 and, to this day, maintains its presence in the industry, managing a fleet of 23 vessels. It states that its approach to human rights is “informed” by the UN Guiding Principles on Business and Human Rights, and it is clear [in stating](#) that human rights due diligence is “embedded into our ways of working”, outlining that this is applicable to all contractors.³⁸

Notably, Shell also [says](#) it is “committed to respecting human rights” as set out in the ILO Declaration on Fundamental Principles and Rights at Work. In line with this, Shell has developed the “Shell Supplier Principles” which “include specific labour and human rights expectations for contractors and suppliers”.³⁹ One of these [Principles](#) is:

“Compliance with all applicable laws and regulations on freedom of association and collective bargaining.”⁴⁰

US company Exxon Mobil is the 13th-largest company in the world by revenue and claims to be “[unwavering](#)” in its commitment to respect human rights. As with Shell, it too states its support for both the UNGPs and the ILO Declaration on Fundamental Principles and Rights at Work. Exxon’s “Supplier, Vendor, and Contractor Expectations” it calls on the companies it works with to “operate consistent with the ILO Declaration” and “respect human rights consistent with UN Guiding Principles”.⁴¹

Exxon’s “statement on labor and the workplace” [outlines](#) the following:

“ExxonMobil recognizes and respects its employees’ right to join associations and choose representative organizations for the purpose of engaging in collective bargaining in a manner consistent with applicable laws, rules and regulations as well as local customs as appropriate.”⁴²

BP’s “Business and Human Rights Policy” is notable in [highlighting](#) the many ways that its business operations can intersect with human rights issues, including “workforce rights”. BP also clarifies its support for the UNGPs and ILO Declaration on Fundamental Principles and Rights at Work, developing its support for the latter into a “[commitment](#)” that specifies abiding by laws on non-interference in the right of its worker to form or join trade unions:

“We will abide by applicable domestic laws concerning non-interference in our workers’ right to form or join a trade union or to bargain collectively, as well as their right not to do so. Where our employees wish to be represented by trade unions or

works councils, we will co-operate in good faith with the bodies that our employees collectively choose to represent them. In situations where freedom of association is restricted or prohibited by law, we will be open to and supportive of alternative means of worker representation and engagement.”⁴³

Crucially, BP indicates that it expects business partners, suppliers and contractors to be aligned to its commitments, outlining that: “We will take appropriate measures where they do not meet those expectations or obligations.”⁴⁴

BP also operates a fleet of vessels, with shipping being the oldest continuously operating part of its business. BP [states](#) that alongside ensuring that BP-operated and third-party ships are “safe and compliant” and have been approved for use in line with “stringent” assurance standards.⁴⁵



Murray Auchincloss, CEO of BP.



Philippe Brassac, CEO of Crédit Agricole bank.

Crédit Agricole Corporate and Investment Bank (Crédit Agricole)

Crédit Agricole is a founding signatory to the Poseidon Principles. The bank has lent USD 239,600,000 to subsidiaries of funds managed by Oaktree Capital Management to finance the purchase of 10 new vessels.⁴⁶ It is unclear whether these vessels are under ISU-Lanibra or genuine trade union CBAs.

If the bank continues to be a signatory to the principles as they expand to incorporate elements of seafarer welfare, including crew safety and support for seafarers’ families, it has a duty to ensure its lending to Oaktree Capital Management is not tied to ships under agreements that undermine seafarer welfare and established human and labour rights.

ENDNOTES

- 1 For example, in 2023, [250,000 seafarers](#) working on 10,000 ships covered by the International Bargaining Forum (IBF) – within which the ITF represents seafarers' unions – received a 6% wage increase over two years, with a 4% increase from January 2024 and an additional 2% from January 2025.
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