INTRODUCING THE MARITIME ANTI-CORRUPTION NETWORK (MACN)

ESTABLISHED IN 2011, THE MARITIME ANTI-CORRUPTION NETWORK (MACN) IS A GLOBAL NETWORK OF SHIPPING COMPANIES WORKING TOGETHER TO TACKLE CORRUPTION IN THE MARITIME INDUSTRY. MACN REPRESENTS 50% OF GLOBAL TONNAGE, WITH MORE THAN 140 MEMBERS ACROSS THE WORLD. BY TACKLING CORRUPTION, MACN AIMS TO:

- CREATE A BETTER AND SAFER WORK ENVIRONMENT
- REDUCE OPERATIONAL COSTS
- AVOID DELAYS ACROSS THE MARITIME INDUSTRY

MACN and its members are aiming to eliminate all forms of maritime corruption in a number of ways, including raising awareness of the challenges faced and implementing the MACN Anti-Corruption Principles*, as well as co-developing and sharing best practices. They are also aiming to identify and mitigate the root causes of corruption by collaborating with governments, non-governmental organisations and civil society in order to create a culture of integrity within the maritime community.

THE 3 Cs

HOW MACN AIMS TO TACKLE MARITIME CORRUPTION

- CAPABILITY BUILDING
  Providing industry-leading innovative solutions to its members
- COLLECTIVE ACTION
  Driving and leading sustainable change in the operating environment and in-country projects in high corruption areas
- COLLABORATION
  Working in partnerships to raise the integrity standard for maritime trade, working alongside maritime universities, regional partners, industry associations and maritime authorities.

BRITANNIA AND MACN

SINCE JOINING MACN IN 2019, BRITANNIA P&I CLUB HAS BEEN ACTIVELY SUPPORTING MACN'S VISION OF A CORRUPTION AND BRIBE-FREE MARITIME INDUSTRY.

Britannia is firmly committed to the aspirations of MACN and feel it has a vital role to play in the global fight against corruption in shipping. Our view is that for corruption in shipping to be eliminated, there needs to be a unified approach to rejecting and resisting corrupt demands across the whole industry.

In the first instance we are looking to increase awareness of MACN and its aims and initiatives among Britannia’s Members. We will proactively support our Members by sharing information on the latest issues and trends as well as potential solutions and best practice approaches about how to deal with maritime corruption. As tackling this urgent and pressing issue will require industry-wide support, we encourage our Members to consider the benefits of joining MACN themselves.

* 7 MACN ANTI-CORRUPTION PRINCIPLES
BRITANNIA BRIEFING No1

WITH THE COVID-19 PANDEMIC RESULTING IN TRAVEL RESTRICTIONS AND LOCKDOWNS IN MANY COUNTRIES, MACN TOOK THE DECISION TO HOLD ITS LAST MEMBERS’ MEETING ONLINE RATHER THAN IN PERSON.

MACN MEMBERS’ MEETING

OCTOBER 2020

The discussions focused around developments in capability building as well as collective action undertaken in different countries. Some of the highlights of this twice-yearly meeting are provided below.

HELP DESK

Members and MACN’s local partners shared insights and experiences on using MACN’s HelpDesk facility which is currently available in Nigeria and Ukraine. Based on these experiences, there were discussions about how the HelpDesk model can evolve. The HelpDesk facility in the Ukraine is described in more detail on the next page.

INCIDENT REPORTING SYSTEM

MACN provided an overview of the incident reporting system and a summary of key data trends. MACN advised that it plans to develop a Global Port Integrity Platform, thereby improving the incident reporting system to increase the ease of reporting and to make real-time data more easily available to members. This will help to enhance their internal risk assessment and decision-making processes.

LOCAL ACTIVITIES

MACN’s local partner in Argentina warned of the increased potential for corruption risks considering the economic volatility in Argentina, coupled with unforeseen consequences of post-lockdown realities.

MACN members operating in Bangladesh shared some of the challenges they face and it was agreed to map these challenges, focusing on the container trade, and to also map the local and international parties involved in port operations.

If you are interested in attending future MACN Member Meetings as an observer or for more information on MACN, please visit www.macn.dk or email macn@bsr.org

eLEARNING

MACN also provided an overview of the new eLearning platform for its members, which was launched in September 2020. MACN members can choose between two versions of the course which is available in six languages with each course containing 4-5 case studies.

A senior port professional in Indonesia, with vast experience of its port and tariff system, joined an interactive session focussing on the challenges relating to port entry procedures. MACN is developing a port call guide to help members prepare and effectively execute port calls in compliance with relevant regulations and standard operating procedures in Indonesia.
MACN has expanded its anti-corruption help desk concept to Ukraine’s ports and terminals. This development follows the successful implementation of similar support functions provided in conjunction with local partners in Nigeria, Argentina and India.

A recent survey conducted by MACN and its industry partners showed that Ukraine is perceived as a challenging country in the Black Sea region for port calls. Despite Ukraine’s recent efforts to tackle corruption and enforce a new maritime regulatory framework, challenges remain and the consequences of rejecting illicit demands can include long delays for vessels and the threat of fines for alleged non-compliance.

The primary objective of the helpdesk and the partnership with ANK is to make it easier for a ship’s master to reject and “Say No” to corrupt demands when calling at ports in Ukraine.

Vivek Menon, Head of Collective Action and Partnerships (EMEA) MACN said “The primary objective of the Help Desk and the partnership with ANK is to make it easier for a ship’s Master to reject and ‘Say No’ to corrupt demands when calling at ports in Ukraine. There is a strong demand from the industry to work collectively to share best practice and lessons learned and develop tools and strategies about how to reject demands in Ukraine. There is also an interest from the maritime industry to work in partnership with local authorities to tackle corruption in the maritime and port sectors.”
ANONYMOUS INCIDENT REPORTING

MACN’s ANONYMOUS INCIDENT REPORTING SYSTEM ENABLES MACN MEMBERS AND NON-MEMBERS TO SUBMIT INCIDENT REPORTS WHEN A VESSEL IS FACED WITH CORRUPT DEMANDS DURING PORT OPERATIONS. SINCE THE LAUNCH OF THE SYSTEM IN 2013, MACN HAS RECORDED MORE THAN 43,000 INCIDENT REPORTS. INCIDENTS HAVE BEEN REPORTED ACROSS 1,172 PORTS IN 149 COUNTRIES.

The results of anonymous incident reporting allow MACN members to learn from each other in order to try and avoid similar incidents in their own operations. MACN uses incident reporting data to analyse trends in the frequency of incidents, which allows it to target areas for collective action efforts.

To report an incident anonymously, please visit [https://macn.dk/incident-reporting/](https://macn.dk/incident-reporting/) and complete the simple online survey form. MACN invites both MACN members and non-members to share details of corrupt demands or threats.

WHILE THIS DATA WILL BECOME MORE USEFUL AND POWERFUL OVER TIME, WE CAN ALREADY SEE SOME TRENDS EMERGING.

All the top five ports are either in Asia or Africa and the only port to appear in the top five in both November and December is Colombo. Further analysis of the incidents in the top five ports has been carried out by MACN – details about incidents in the port of Alexandria in December can be seen right.

### TOP 5 PORTS

<table>
<thead>
<tr>
<th>Port</th>
<th>Incidents in November 2020</th>
<th>Incidents in December 2020</th>
<th>Total All Ports</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suez Canal</td>
<td>15</td>
<td>13</td>
<td>180</td>
</tr>
<tr>
<td>Fangcheng</td>
<td>12</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>Kandla</td>
<td>8</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Colombo</td>
<td>8</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Lumut</td>
<td>7</td>
<td>10</td>
<td></td>
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</tbody>
</table>

### INCIDENTS IN NOVEMBER 2020

<table>
<thead>
<tr>
<th>Port</th>
<th>Incidents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suez Canal</td>
<td>15</td>
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<tr>
<td>Fangcheng</td>
<td>12</td>
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<td>Lumut</td>
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</tbody>
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### INCIDENTS IN DECEMBER 2020

<table>
<thead>
<tr>
<th>Port</th>
<th>Incidents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alexandria</td>
<td>13</td>
</tr>
<tr>
<td>Mombasa</td>
<td>13</td>
</tr>
<tr>
<td>Chittagong</td>
<td>12</td>
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<tr>
<td>Colombo</td>
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<td>Go Dau</td>
<td>10</td>
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</tbody>
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ALEXANDRIA EGYPT INCIDENTS IN DECEMBER
92% of incidents reported in December involved demands for cigarettes
Customs were most commonly reported to be the source of demands
Delay of the vessel was threatened in all the reported incidents.