



FRAMING PAPER

Strengthening maritime governance

Addressing gaps and weaknesses in today's frameworks

Robust international maritime governance protects lives, assets, and the marine environment while ensuring orderly and lawful activities at sea. This involves the comprehensive management and regulatory supervision of the maritime value chain, encompassing port and vessel operations. Recently, however, significant vulnerabilities within international conventions and national legislation are increasingly being exploited, threatening maritime security and posing serious risks to safety and the environment. Current geopolitical tensions, including war and the risks of further escalation and spillover, have exposed clear gaps in existing maritime governance frameworks.

Dangers of sailing under the radar

Two large oil tankers burst into flames when they **collided near Singapore** in July of this year. One of the involved vessels, a São Tomé and Príncipe-flagged supertanker, fled the scene with its tracking system disabled. According to news reports, the vessel had previously carried sanctioned Iranian oil.

In December 2023, Indonesian salvage teams had to **rescue a 23-year-old Cameroon-flagged shadow vessel** carrying Venezuelan oil. Seven months prior, the Gabon-flagged tanker Pablo caught fire off the coast of Malaysia. Malaysian **authorities responded**, rescuing the crew – though three members remained unaccounted for – and extinguishing the fire.

On 20 February 2023, two shadow fleet tankers **encountered weather-related difficulties** within hours of each other in the Bay of Gibraltar, threatening nearby ships and requiring assistance. Both tankers had recently changed their names and flag registrations—one to Palau and the other to Gabon.

These incidents are just a few examples of how some shipping companies are operating under the radar to avoid sanctions and exploit gaps in today's maritime governance frameworks. This clandestine activity not only poses dangers to crews and the environment, but it also threatens to undermine the integrity of the shipping industry and the international conventions that regulate it.

Key governance frameworks

The International Maritime Organization (IMO) has established several key conventions to regulate maritime activities and set international standards. These conventions are implemented by IMO member states, which are required to incorporate international maritime laws into national legislation and ensure compliance through regular inspections and certifications.

IMO conventions include:

- **Safety of Life at Sea (SOLAS):** Sets minimum safety standards in the construction, equipment, and operation of merchant ships.
- **International Convention for the Prevention of Pollution from Ships (MARPOL):** Aims to prevent and minimise pollution from ships, both accidental and operational.

- **International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW):** Sets qualification standards for masters, officers, and watch personnel on merchant ships.
- **Maritime Labour Convention (MLC):** Adopted under the auspices of the International Labour Organization, this ensures comprehensive rights and protection at work for seafarers.

The IMO conventions are complemented by the **UN Convention on the Law of the Sea (UNCLOS)**. Sometimes referred to as the “Constitution for the Oceans”, it outlines the legal framework for maritime activities and promotes the peaceful use of seas, the equitable and efficient utilisation of marine resources, and the protection of the marine environment.

Ship registration

UNCLOS includes articles on ship registration that require vessels to meet the regulatory requirements of their flag states, including safety, environmental, and labour standards. The process involves registering a ship under a country’s flag, which gives the vessel its nationality and subjects it to the laws of that country.

Three key principles can be drawn from UNCLOS Articles 90-92:

- Ships must fly a state’s flag to access the high seas, ensuring they are subject to international laws and regulations.
- A ship gains its nationality from the flag it flies, which subjects it to the jurisdiction and laws of that flag state.
- Each country has the authority to determine the conditions for granting nationality to a ship and thereby allowing it to fly its flag. This includes establishing a ship registry under UNCLOS Article 94.

While every country has the right to establish a ship registry, this power is not unconditional or unrestricted. Countries must exercise effective jurisdiction and control over their registered ships, ensuring compliance with international standards.

Additionally, a country’s power to set conditions for ship registration is balanced by the jurisdiction of other countries over those ships when they enter their waters. Port states have the authority to inspect foreign ships to ensure compliance with international conventions, complementing the oversight role of flag states.

Roles of flag states, port states, and recognised organisations

Various entities play crucial roles in enforcing maritime regulations. These include flag states, port states, and recognised organisations, each contributing uniquely to maintaining compliance and standards within the global maritime industry.

- **Flag states** are responsible for ensuring that ships flying their flag comply with international regulations. They implement and enforce conventions like SOLAS, MARPOL, STCW, and MLC, conducting inspections, audits, and surveys to verify compliance and address deficiencies.
- **Port states** inspect foreign ships in their ports to verify that their condition and equipment comply with the requirements of international conventions. Port states examine safety equipment, crew qualifications, and environmental compliance, and have the authority to detain non-compliant ships.
- **Recognised organisations**, typically classification societies, inspect and certify ships on behalf of flag states. They conduct detailed surveys and audits to ensure ships meet

technical and regulatory standards and issue certificates that confirm compliance with international conventions.

- **Voluntary frameworks** encourage ethical practices beyond mandatory regulations, promoting higher standards of safety, environmental protection, and labour conditions in the maritime industry. These include the US Coast Guard's QUALSHIP 21 programme, which rewards vessels and their owners for quality operations, and efforts like Singapore's Green Port Programme, which offers lower port dues for ships running on zero- or low-carbon fuel.

Governance gaps and weaknesses

Despite the comprehensive frameworks laid out above, the governance of international shipping has certain gaps that undermine effectiveness and require comprehensive solutions. Key areas include:

- **Lack of transparency:** Insufficient transparency makes it difficult to track ship ownership and compliance records accurately. This hampers efforts to hold parties accountable and enforce regulations effectively.
- **Lack of enforcement:** Many flag states and port states fail to rigorously enforce maritime laws, allowing non-compliant vessels to operate with minimal or no repercussions to operators.
- **Weak link between vessels and flag states:** There is sometimes a minimal connection between ships and their flag states, undermining accountability and allowing ships to exploit regulatory loopholes and avoid stringent oversight.
- **Minimal consequences for non-compliance:** Flag states and port states frequently face little to no consequences for failing to enforce regulations. This perpetuates non-compliance and undermines the integrity of international maritime governance.
- **Ease of flag change:** Ships can easily change their flag states. The practice known as "flag hopping" makes it challenging to maintain high regulatory standards and exercise effective jurisdiction and control over ships.

The expanding dark fleet

The concept of a so-called "dark fleet" – vessels that conceal their actions to avoid restrictions and sanctions – dates back at least two decades but has become a bigger issue in recent years. The dark fleet is significant not only because of the risks associated with approximately 70 percent of them being older than 15 years but also because they operate outside the established maritime regulations. Lacking quality protection and indemnity insurance, many of these tankers are instead insured through insufficient alternative schemes. Furthermore, the true owners often remain hidden behind complex business arrangements, sometimes with no physical address. These older vessels engage in dangerous practices such as ship-to-ship transfers of sanctioned cargo and frequently turn off their automatic identification systems (AIS) to avoid detection. Operating outside the regulatory framework compromises the safety of the crew, the vessel, the cargo, and the environment.

The problem is growing. Since Russia invaded Ukraine over two years ago, there has been a surge in vessels engaged in dark fleet operations. Although the size of this fleet has proven highly variable – particularly in response to new regulatory measures, the Russian oil embargo, and the introduction of price controls – a report from the US Congressional Research Service estimated that over 1,600 of the world's roughly 7,500 oil tankers have carried sanctioned oil, similar to findings of Allianz, which estimated that the dark fleet encompasses as much as one-fifth of all global tankers.

These developments have exposed significant vulnerabilities within the current shipping governance framework. As a result, considerable environmental and safety risks have emerged, challenging the effectiveness of existing regulations and oversight mechanisms. The operation of a dark fleet also poses serious risks to the physical health and mental well-being of the crews on these clandestinely

operated vessels. Dark fleet operators face little to no accountability for their treatment of workers, leaving these seafarers vulnerable to the whims of those who have already shown a willingness to flout laws and norms.

The exposed governance gaps also raise legitimate concerns about the industry's ability to track compliance with the emissions reductions and alternative fuel uptake targets of the IMO's revised greenhouse gas strategy.

As more ships sail without adequate insurance coverage, coastal states and the International Oil Pollution Compensation (IOPC) Funds may increasingly bear the burden of multi-year anti-pollution efforts. The IOPC Funds are obligated to compensate for third-party losses and cleanup expenses along member-state coastlines, even in cases where the vessel is transporting sanctioned cargo and lacks proper insurance.

The dark fleet's operations threaten maritime security, increase the potential for ecological disasters, and undermine the integrity of international shipping regulations and standards.

Fraudulent flagging

Geopolitical tensions have also exacerbated the problem of vessels sailing under false flags.¹ Fraudulent registration, in which vessels are falsely claimed to be in the registries of certain states, compromises safety, environmental standards, and labour conditions. If not duly and swiftly addressed, fraudulent registration poses a significant threat to the IMO's global regulatory system.

Another issue associated with the dark fleet and fraudulent flagging relates to ship abandonment. This not only poses significant environmental hazards and safety risks but can also leave crew members stranded on abandoned ships without pay for months or even years, facing dire living conditions and lacking essential support.

The long-standing issue of the lack of a genuine link between ships and their flag states has taken on a different dimension with the rise of the dark fleet and the increase of false flags, intensifying concerns and prompting action from governments to address potential safety disasters.

Key questions

- What are the risks of the current maritime governance framework and which gaps need to be filled?
- How can the maritime sector ensure compliance and accountability, including on future sustainability and emissions requirements, in the face of such gaps?
- How can the maritime industry reduce the risks associated with the dark fleet?
- How can transparency in ship registration and operation be improved?
- What are the risks of vessels sailing under false flags and how can these be mitigated?
- What role, if any, should the Global Maritime Forum community play in maritime governance?

Further reading

- [Tackling corruption in the maritime industry](#) (Global Maritime Forum, 2022)
- [Safety should trump geopolitics as shadow fleet oil spill risk looms](#) (TradeWinds, 2024)
- [Shifty Shades of Grey: The different risk profiles of the dark fleet explained](#) (Lloyd's List Intelligence, 2023)

¹ A ship's flag designation is listed as "false" in the Global Integrated Shipping Information System (GISIS) when it "transmits, broadcasts, displays, or otherwise engages in the misuse of flag details"

- [The Cost of Maritime Corruption to the Industry and Society](#)
(Maritime Anti-Corruption Network, 2024)
- [How a burnt out, abandoned ship reveals the secrets of a shadow tanker network](#)
(The Guardian, 2023)