MACN
MARITIME ANTI-CORRUPTION NETWORK

October 23-24, 2024

MACN Fall Meeting
| Summary Notes

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This brief provides a high-level overview of the activities and outcomes of the MACN Fall Members Meeting. The brief can be shared with Member company management, colleagues, and peers.

MACN welcomed 139 participants to our **MACN's Fall Members Meeting** in Kuala Lumpur on October 23–24, 2024. This meeting brought together industry leaders, anti-corruption experts, and member companies to engage in plenary sessions and interactive workshops focused on advancing anti-corruption initiatives within the maritime industry. On day one, members engaged in breakout sessions on MACN's compliance tools and industry segment working groups. In plenary, members joined an interactive best practice sharing exercise, exploring real-world scenarios and insights from a Fleet Captain. The day also included a presentation on the new Local Associate Membership, highlighting key value propositions and opportunities for involvement, followed by an update from the MACN Board.

On day two, members heard from MACN's local partners and participated in workshops covering PSC challenges and risks to seafarers and vessel operations. The day concluded with a presentation by Therry van Vreden (Ben Lines), outlining key takeaways from the Malaysia seminar on October 22 and next steps for the Port Klang Integrity Campaign.

Key speakers included:

- **Dr. Muhammad Mohan** (President, Transparency International Malaysia) shared his insights on anti-corruption efforts in Malaysia and his experience as a key witness in a high-profile corruption trial. The discussion focused on the challenges of maintaining compliance in complex regulatory environments.
- **Daniel Levison** (Managing Partner, Singapore, Morrison Foerster) presented on compliance trends and strategies for incorporating governance metrics into ESG reporting.
- **Mats Sæther** (CEO, Nordisk Defence Club) led a session on the growing "dark fleet" and its impact on compliance, and the implications for maritime trade.

MACN Is Growing!

MACN now has **219 Members**, with **14 new companies** being welcomed into the Network since the last Members Meeting. Visit **MACN website** for the complete list of Members.

Key Governance Decisions

In the General Assembly, MACN's Chair presented the work of the Board since the last Members' meeting, and led the session on nominations and voting for the vacant Board position. MACN's Cashier then gave a financial overview of the 2025 budget and membership fees.

Members voted on the following motions which were approved by a voting majority:
- Captain Anwar Farah as a new Board appointment.
- 2025 Budget and Membership Fees.
- 2025 Workplan.
- Beierholm to be appointed as MACN Auditors for the financial year of 2024.

At this Meeting, we thanked Martin Krafft for his time served on the MACN Board and for his longstanding commitment to MACN. By a voting majority, MACN is delighted to welcome Captain Anwar Farah, Vice President, Sustainability, from Bahri to the Board.

Capability Building Sessions

MACN Compliance Workshops
In a series of workshops, members gained insights into MACN's tools and resources to enhance members' compliance programs. Participants discussed practical applications, identified challenges, and shared best practices for implementing effective anti-corruption measures.

Key highlights of the **Compliance Workshops** included:
- **Compliance Tools & Discussions on Members' Needs**: MACN presented its portfolio of tools covering the implementation of anti-corruption policies, risk assessment, staff training, and building a reporting culture. Members shared insights on their compliance programs and identified potential gaps.
- **HelpDesk & Frontline Resources**: Members were introduced to the MACN HelpDesk, which provides advice and assistance for vessels facing unethical demands at ports. The session emphasized how frontline resources can support risk-adjusted measures to mitigate corruption.
- **MACN's Third-Party Risk Management System – 3SeaDiligence**: This session highlighted the capabilities of the 3SeaDiligence platform, inviting member feedback on current due diligence challenges to enhance the system's effectiveness for their needs.
- **MACN's Incident Reporting and the Global Port Integrity Platform (GPIP)**: Participants learned how to use MACN's Incident Reporting System and GPIP to assess integrity risks in ports. The session focused on setting up internal reporting mechanisms and improving current practices.

MACN Workshops

Key highlights of the workshops included:

- **Exploring Port State Control - Industry Challenges and Opportunities**: The session revisited challenges identified at the Copenhagen 2024 Members Meeting, including the lack of standardized practices and the need for transparency in Port State Control inspections. MACN introduced a new PSC Reporting Form for members to report unethical demands during inspections.
- **Is the Contractual Landscape Fostering the Right Industry Behavior?**: Participants were introduced to the working group's proposed revisions to the BIMCO Anti-Corruption Clause and were invited to provide input on its commercial viability and potential challenges. Member companies, Hafnia and Cargill, also announced their commitment to implementing the final version of the Amended Clause, underscoring an exciting and important step for the MACN community in driving meaningful change.
- **Evolving ESG Landscape: New Trends and Developments**: This session examined the relationship between corruption and the UN Sustainable Development Goals (SDGs), along with challenges in ESG reporting. MACN introduced a resource guide to assist members with metrics and questions related to business ethics.
- **Seafarers' Risks in Recruitment and Beyond – Mapping Exercise**: Members engaged in discussions about the corruption risks seafarers face during recruitment. TURTLE presented findings from a survey, and participants explored strategies for MACN to address these challenges and protect seafarers from illegal recruitment practices.

Industry Working Groups

These parallel sessions covered four MACN Working Groups: (1) Cargo Owners/ Traders, (2) Carriers/ Ship Managers – Containers, (3) Port Agents/ P&I Group, and (4) Shipowners/ Ship Managers – Dry and Wet Cargo Group. Each group sought to address the sector-specific challenges of operationalizing effective anti-corruption measures amid persistent outdated practices.

Members discussed previous work and how to encourage anti-corruption best practices. Group representatives shared insights on the gap between legal compliance and reality, fostering an interactive workshop that identified concrete next steps and best practices for corruption risk mitigation. The outcomes informed a comprehensive value chain assessment, which is scheduled for presentation at the Spring Members Meeting in Copenhagen 2025, highlighting responsibilities, solutions, and mitigation strategies across the value chain.

> **Thank you for your participation and engagement with MACN! We hope to see you at the Spring Members Meeting in Copenhagen on 9-10 April, 2025!**