



**INTERNATIONAL
TRANSPORT
WORKERS'
FEDERATION**

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Jean Paul Prates
President of Petrobras
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Cc
Claudio Romeo Schlosser
Executive Officer for Logistics, Commercialization and Markets of Petrobras
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Dear Mr Jean Paul Prates,

RE: TANKERS OPERATED BY PETROBAS

Since 1948, the International Transport Workers' Federation (ITF) has campaigned against the “Flag of Convenience” (FOC) system and the deregistration of ships from traditional national flag States to tax havens flag States. The ITF designates vessels a FOC when there is no genuine link between the flag and owner of the ship or the workers. Instead of exercising effective jurisdiction and control over the ship, there is freedom and choice for shipowners to pick and choose whatever jurisdiction and regulatory oversight they are prepared to tolerate.

Basically, the FOC system is a global flag registration business that seeks to circumvent compliance with national standards that ensure workers’ rights, human rights, and environmental protection. It is a system that has left seafarers exposed to exploitation and abuse. Last year, ITF’s worldwide inspectorate recovered over US \$54 million, stolen from seafarers by shipowners operating predominantly under FOC.

We have been informed by our Brazilian maritime affiliate CONTTMAF, a vital union in the ITF FOC Campaign and a member of ITF Cabotage Task Force and ITF Offshore Task Force, that in the last decades, Brazil has adopted measures to control and discourage the use of FOC registers. Such measures include the creation of the Special Brazilian Register (REB), the adherence to IMO and ILO international conventions, the implementation of port inspection systems and the cooperation with other countries and regional organizations, such as Mercosur and the South Atlantic Peace and Cooperation Zone (Zopacas). We understand that one of the measures is the *Viña del Mar* Memorandum of Understanding, which verifies that ships arriving in Brazilian ports are in compliance with international standards and allows for sanctions to be applied when there are deficiencies or irregularities.

According to public data from the National Waterway Transport Agency (ANTAQ), Petrobras operates more than 120 tankers in Brazilian waters. Despite operating continuously in Brazilian water, **less than 10%** of these ships fly the Brazilian flag and primarily employ national seafarers.

It is extremely disappointing that state owned Petrobras is allowed to distort the legislation that applies to other shipowners in Brazil that have a significant number of ships registered in Brazil. In addition, we have been informed that the worst working conditions for seafarers are being found on the foreign flagged tankers chartered by Petrobras. Recent accidents involving seafarers onboard FOC vessels chartered by Petrobras have highlighted that the company is practicing two different HSE conditions in Brazilian waters, a higher standard for national flagged tankers and offshore vessels and a lower and inadequate standard for chartered foreign FOC flagged tankers.

Loss and injury to workers is always tragic, but it's unacceptable and disgraceful when losses and injuries could have been prevented. The recent accidents happened on the Petrobras' chartered tankers but are not included in the HSE results reported by the company, meaning that Petrobras safety indexes are not reflecting the reality of the fleet operated by Petrobras in Brazilian waters.

We urge you to discuss the issue regarding the foreign flagged tankers with CONTTMAF as soon as possible with the aim to improve the current situation. ITF is ready to assist if and when required and/or requested.

Kind regards,



Paddy Crumlin
ITF President



Stephen Cotton
ITF General Secretary