7. Seafarer Abandonment - Economy

The current conflict in West Asia and the strategic bottleneck at the Strait of Hormuz have brought the humanitarian crisis of "Seafarer Abandonment" to the forefront of global maritime concerns. As a top supplier of maritime labour, India is particularly vulnerable to this growing trend.

1. Background

What is Seafarer Abandonment?

Seafarer abandonment is a critical human rights violation in the maritime industry. It occurs when a shipowner severs ties with the vessel and its crew, leaving them stranded without financial or logistical support.

The Legal Benchmark- MLC 2006

Under the Maritime Labour Convention (MLC), 2006 (often called the "Seafarers' Bill of Rights"), a crew is officially considered abandoned if the shipowner fails to-

Pay Wages- Non-payment of salaries for at least two months.

Provide Maintenance- Failure to provide essential supplies, including food, drinking water, and fuel for the vessel.

Repatriate- Failure to cover the costs of sending the crew back to their home countries.

2. Global Status of Abandonment (2025-2026)

The scale of the crisis has reached record highs, driven by geopolitical instability and economic shifts.

Human Cost- In 2025, data from the International Transport Workers' Federation (ITF) identified 6,223 seafarers abandoned across 410 different ships.

Geographic Hotspots- Cases are most frequent in busy maritime hubs like Turkey and the United Arab Emirates (UAE), specifically within the Persian Gulf region.

India's Vulnerability-

1. India is one of the top three global suppliers of seafarers.
2. In 2025, India recorded the highest number of abandoned seafarers (1,125), followed by the Philippines, Syria, Indonesia, and Ukraine.

3. Key Drivers of Abandonment

The reasons for abandonment are rarely singular; they usually involve a combination of financial failure and legal loopholes.

Financial and Geopolitical Stress

Market Volatility- Sudden drops in freight rates or high operational costs can lead to shipowner bankruptcy.

Conflict Zones- Stranded ships in high-risk areas like the Strait of Hormuz face rising insurance costs and physical danger, leading owners to cut losses by abandoning the asset.

The "Flag of Convenience" (FOC) System

A major systemic cause is the registration of ships in countries other than the owner's home country to save on taxes and bypass strict labour laws.

Feature	National Flag Registration	Flag of Convenience (FOC)
Regulation	Strict adherence to national labour & safety laws.	Lenient regulations and lower oversight.
Taxation	Higher corporate and maritime taxes.	Minimal taxes and registration fees.
Labour Protection	Stronger legal recourse for crew.	Weak protections; difficult to hold owners accountable.
Abandonment Risk	Significantly Lower.	High (90% of cases in 2024 involved FOCs).

Statistical Fact- About 30% of the global merchant fleet operates under FOCs, with Panama recording the highest abandonment cases among flag states in 2025.

4. Multi-Dimensional Impacts

On the Seafarer

Economic Ruin- Loss of months of wages and the burden of "recruitment debts" (loans taken to get the job).

Physical Deprivation- Severe shortages of food, fresh water, and fuel for electricity/heating on board.

Legal Limbo- Crews are often unable to leave the ship due to local visa restrictions or port authorities requiring a "skeleton crew" to stay on the vessel for safety.

On India's National Economy

Energy Security- Nearly one-fifth of global oil trade passes through the Strait of Hormuz. India imports 90% of its crude oil, with roughly half sourced from West Asia.

Current Account Deficit (CAD)- Disruptions in this region spike oil prices. A $10 increase in oil prices can widen India's CAD by approximately 0.36 percentage points.

5. Strategic Importance of the Strait of Hormuz

The Strait of Hormuz is a vital maritime artery. Any disruption here has a "domino effect" on the industry-

Stranded Vessels- Ships cannot exit or enter the Gulf safely.

Escalating Costs- Insurance premiums skyrocket, making the voyage unprofitable.

Final Resource- Small or debt-ridden shipowners choose to abandon the ship rather than pay for the escalating costs of a stranded vessel.

6. Way Forward and Mitigation

To protect the 1.8 million seafarers worldwide, stakeholders emphasize-

Strict MLC Enforcement- Ensuring all vessels carry mandatory financial security (insurance) to cover abandonment costs.

Port State Control- Countries like the UAE and Turkey must increase inspections of FOC vessels entering their waters.

Diplomatic Intervention- For India, proactive consular support is essential to facilitate the immediate repatriation of stranded nationals.

Digital Monitoring- Using global databases (like the ILO/IMO database) to "black-list" shipowners with a history of abandonment.

Source- https-//indianexpress.com/article/explained/explained-global/west-asia-war-indian-seafarers-strait-of-hormuz-risks-10576709/