(Translation. Only the Faroese version has legal validity)

## Executive order No. 43 of 14 May 2013 on the employer's obligation to conclude a written contract with the seafarer on the conditions of employment.

Under the provisions in section 3 and section 68 in Act No. 4 from 15th January 1988 on seafarers' conditions of employment, etc., as amended by Act No. 71 from 30th May 2011, the following shall be laid down:

**Section 1.** This executive order shall apply to the conditions of employment of employees on board ships, cf. section 1(1) and section 47 in Act on seafarers' conditions of employment etc., irrespective of the type and trade area of the ships, except for fishing vessels and pleasure vessels.

*Subsection 2.* In case of doubt whether the person concerned shall be considered as employed on board, the issue shall be decided by the Faroese Maritime Authority following previous consultation with the shipowner and seafarer organisations that the issue concerns.

**Section 2.** The shipowner or the employer or the one acting on behalf of the shipowner or the employer shall, prior to commencing service, conclude a written employment contract with the employee.

*Subsection 2.* The employment contract shall contain information about all important conditions of the employment relationship, including the following:

- 1) The employee's full name, date and year of birth or age and place of birth.
- 2) The employer's name and address.
- 3) The place and date of the conclusion of the employment contract.
- 4) The position for which the employee is hired.
- 5) The date of taking up the position.
- 6) The date from which the wages shall be calculated.
- 7) The amount of wages agreed.
- 8) Place of departure and terms of notice. If the employment is time-limited, it shall be stated when the contract will terminate.
- 9) Rights regarding holiday, holiday pay or wages during holidays.
- 10) Normal daily or weekly hours of work.
- 11) Right to be discharged.
- 12) The shipowner's and the employer's obligation to take out health protection and social security for the employee.
- 13) Information on what collective bargaining agreement or contract regulates the employment relationship. Information on the contracting parties or the agreement parties. If the collective bargaining agreement or contract has been concluded by parties outside the company, information shall be given about these parties' identity.

*Subsection 3*. Information according to subsection 2 shall be written in a standard agreement format between the seafarer and the owner approved by the Faroese Maritime Authority. The agreement

between seafarer and owner is available in the Faroese Maritime Authority's homepage – <u>www.fma.fo</u>

*Subsection 4.* The employee shall be provided with a copy of the employment contract signed by the employer.

*Subsection 5.* When the employment relationship is terminated, the date of dismissal and the date of discharge as well as the reason for the termination of the employment relationship shall be given in writing.

**Section 3.** In case of changes to the conditions mentioned in section 2(2) (i)-(xii), a new written employment contract or an addition to the employment contract shall be concluded with the employee. However, this shall not apply to amendments to the acts, executive orders or collective bargaining agreements applicable to the employment relationship.

**Section 4.** As regards the information of section 2 (2) (xi)-(xii), the obligation to conclude a written employment contract according to section 2 (2) shall be considered met if, in the employment contract, reference is made to acts, administrative provisions, statutory provisions or collective bargaining agreement applicable to the conditions concerned.

**Section 5.** All employees commencing service on board a ship shall, before the ship's departure, procure a copy of the employment contract for the master, who shall keep it on board for as long as the employee serves on board. The seafarer's signature shall be evident from the copy. For ships engaged on international voyages, the standard version of the employment contract shall be available on board in English.

*Subsection 2.* If a collective bargaining agreement constitutes the entire or a part of the employee's employment contract, the shipowner shall ensure that a copy of this collective bargaining agreement is available on board. For ships engaged in international voyages, the entire or a part of the collective bargaining agreement subject to Port State Control inspections and applicable to the employees on board shall be available in English.

**Section 6.** The provisions of this executive order shall not, by individual or collective bargaining agreement, be deviated from to the detriment of the rights of the employee.

**Section 7.** Upon request from the Faroese Maritime Authority, a copy of the seafarer's employment contract shall be forwarded to the authority.

Subsection 2. The master shall be responsible for the forwarding according to subsection 1

Section 8. Violation of sections 2, 3, 5 and 7 shall be punishable by a fine.

*Subsection 2.* Legal persons shall incur criminal liability according to the regulations in chapter 5 of the Faroese Penal Code.

*Subsection 3.* When determining criminal liability according to section 2, persons employed to carry out work on board the ship by others than the shipowner shall also be considered as being associated with the shipowner. If a document of compliance has been issued pursuant to the International Safety Management Code or a certificate has been issued according to the Maritime

Labour Convention to another organisation or person, the master of the vessel as well as the seafarers shall be considered to be associated with the person to whom the document has been issued.

Section 9 This executive order shall enter into force on 20th August 2013.

*Subsection 2.* Employment contracts concluded before this executive order enters into force shall meet the provisions of this executive order no later than three months after the date mentioned in subsection 1.

*Subsection 3.* All employment contracts concluded after the entry into force of this executive order shall be made in accordance herewith. The same shall apply to employment contracts that are renewed after the entry into force of this executive order.

Vinnumálaráðið, 14th May 2013 Johan Dahl Minister of Trade and Industry

/Bjørgfríð Ludvig

Permanent Secretary