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Research Note

Importance of Compliance, Regulations, and Ethics in the wake of Korean Ferry accident

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Abstract: The sinking of the Korean ship MV Sewol resulted in the deaths of nearly 300 people, a majority of them high school students. This tragic incident brings attention to lack of government enforcement of international maritime laws and the negligence of regulations and standards by the captain, crew, and shipping company. The sinking highlights loopholes in the very successful South Korea's shipping industry and this research note discusses these issues in detail in the context of this maritime disaster.

Introduction

The sinking of the Korean Ferry MV Sewol on 16 April 2014 is one of the most tragic incidents in the history of South Korea with reported deaths of 275 people and 29 still missing. What makes this incident more tragic is most of the passengers onboard were high school students going on a day trip from Incheon to the nearby island Jeju. There have been compliance failures of magnitude proportions and this incident highlights the importance of compliance and regulatory standards. The primary reason for the ferry capsizing has been attributed to the ferry being overloaded beyond capacity, which was in direct violation of the ship safety act. The more concerning fact remains that this was not the first time the ferry was carrying excessive cargo but had made 139 trips overburdened during the period of one year¹ highlighting a consistent lack of oversight and violation of rules. It has been reported that the parent company Cheonghaejin Marine earned an extra 62 million for carrying the cargo on April 16 accident and have earned almost 3 billion in extra profits for all of the excess cargo that the ferry carried since March 2013.² Timely inspections and more stringent maritime checks in place could have prevented this tragedy. Below, this paper examines various aspects related to the accident, including reviewing the role of crew and captains, the lack of compliance and regulatory standards, the role of governments, cultural issues, and the importance of risk management.

Role of Crew and Captain

The role of a ship's crew and captain is always scrutinized in wake of such disasters, since they are entrusted with the responsibility of effectively managing any crisis and ensuring the safety of passengers. The captain of the MV Sewol was one of the first people to abandon the sinking ship, leaving behind hundreds of passengers. Captains are obligated to see to the safety of passengers and are expected to stay on the ship until the ship is safely evacuated, since "an international maritime convention on the safety of life at sea makes a captain responsible for the vessel and all the people on board."³ While the convention does not necessarily require a captain to die with a sinking ship but the captain should try to make the best efforts and save as many passengers on board as possible. The most disturbing fact about this crisis remains that the captain was one of the first few to abandon the ship. Similar behavior was exhibited by the captain of the Italian cruise ship back in 2012 that left 32 people dead. This kind of behavior creates a leadership vacuum and increases the crisis on board that leads to an impossible recovery⁴. U.S. law does not require a captain to stay on the ship but it has been a long-standing tradition that a captain is the last person the ship in the wake of such crisis. What makes the role of captain in the Korean ship more appalling is he failed to communicate the right information to the passengers as the ship started floundering that delayed evacuation and could have possible saved many lives when in this case each second counts. It is important for a captain to communicate timely and accurate information

to passengers. Hence, the importance of the role of captains and crew should be stressed, since they know the insides and out of the vessel and must act with prudence and judgment when carrying out the evacuation efforts.

Importance of Risk Management

The ferry sank because of being both overcrowded and carrying excessive cargo, but also because there was a communication failure between the passengers and the crew. Had it been avoided, it could have potentially saved more lives. This highlights a lack of effective risk management and the gaps in any existing disaster planning strategy. A risk management plan should be in place that includes physical maintenance of the vessel, crew selection, crew qualification and experience, and a disaster plan⁵. International maritime rules should be followed by all countries, since they consist of a comprehensive plan that includes best practices for operating vessels and can help avert such disasters. In addition to these rules, every country has conditions that are specific to them; these should be clearly evaluated and taken into context.

Cultural Issues

The Korean ferry accident resonates with so people around the world because of the number young high school students, people at an age who had so much of life ahead of them. South Korea is a developed nation

with a strong economy, leading in many critical infrastructure sectors. However, there have been far too many accidents in the last two decades that point towards to a society that has overlooked and traded safety standards for rising economic growth. Many believe the rapid rise to the economic growth has been enabled by taking shortcuts, and over time, it appears citizens are suffering the consequences⁶. This incident has unfortunately reiterated the fact that South Koreans have a tendency to overlook safety standards, based on previous incidents. Owing to a culture that values high-end technology, government jobs in field of security and public safety is not ranked very highly⁷. Also pervasive seems to be the sentiment that a competitive edge comes from being able to complete work quickly and cheaply with the least resources, time and money, even if it requires overlooking compliance and standards⁸.

Investigation so far into the tragedy also points to the fact that the ship had many contract workers that were not as aware of the ship as a regular crew would have been. This compounded the problem of failing to enforce other global safety norms. The ship was carrying three times the recommended cargo and the audit report on the company shows how it was dependent on that extra cargo for generating profits, compensating for declining passenger revenues. The ships designed was changed to add more sleeping cabins that undermined its ability to regain balance after tilting. While the design was approved the Korea Register of Shipping with some guidelines to make up for the lost balance, these were clearly overlooked by the company⁹.

This penchant for negligence has cost the Koreans dearly and this tragedy will serve as a reminder for enforcing stricter rules governing any form of infrastructure within the country and providing highest form of public safety.

Lack of Compliance and Regulatory standards

The lack of safety standards is the focus of the ongoing investigation into the sinking of the Korean Ferry MV Sewol. Questions regarding the ethical conduct of the company owners have told the story of a business that compromised the safety of the vessel and route in an effort to make up profit, including compromising cargo stowing procedures, emergency exit planning, and the training of the crew. The world continues to wait for more answers about what happened on the day of April 16, whenever the full report is released. While the companies that provide transportation services obviously want to be able to make a profit by providing services as economically as possible, this mindset might sometimes lead to cutting costs of administration and compliance as far as possible¹⁰. Unfortunately, minimizing costs by reducing regulations seems the most lucrative and public safety can take a back seat.

Governments can play a stronger role in enforcing existing rules and regulations across all businesses and industries and make sure no cuts are made at the expense of regulatory boards and departments. This will help prevent the loss of human lives and provide a better environment for the future.

Conclusion

While there is no scale of rating tragedies, the sinking of the MV Sewol is especially painful because of the number (and age) of innocent lives lost. It will take some time for the country to come to terms with dealing with this loss and make changes to what seem like a very lax system in terms of governance and public safety, which is in complete contrast to its stellar economic and technological growth. South Korea has progressed a lot and has come far from the days of Korean War, which shows this country has the strength, determination, and ability to make the best out of any adverse situation. Its character is being put to test and people are hopeful the country will show resiliency and move forward by making changes for the welfare of its citizens.

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