



SOUTH ASIA QUARTERLY UPDATE

Update on shipbreaking in South Asia from
the NGO Shipbreaking Platform

10 April 2015 | #5

In this quarterly publication, the NGO Shipbreaking Platform informs about the shipbreaking industry in Bangladesh, India and Pakistan. Providing an overview of vessels broken on the beaches of South Asia, accidents, recent on-the-ground legislative and political developments including our activities in South Asia, we aim to inform the public about the negative impacts of substandard shipbreaking practices as well as positive steps aimed at the realisation of environmental justice and the protection of workers' rights. So far, 262 large commercial vessels have been sold for breaking this year, including 151 end-of-life ships that were beached in South Asia, most of which ended up in Alang or Mumbai in India (69 ships) and Chittagong in Bangladesh (66 ships). Only 16 end-of-life vessels have been sold to Pakistan so far.

OPINION FROM SOUTH ASIA:



“One of the strengths of Indian environmental law is mandatory Environmental Impact Assessments (EIA) for industrial projects to ensure sustainable development. The project proponent has to provide detailed information which is then scrutinised by the Environment Ministry as well as Appraisal Committees. If needed, site visits and on-the-spot assessment can be undertaken. Before an environmental clearance is given, concerned communities and stakeholders are asked to share their opinion regarding possible environmental impacts. Afterwards, the Ministry monitors whether all safeguards are carried out.

So far, none of the Alang shipbreaking yards ever had to undergo an Environmental Impact Assessment. They were set up before EIAs became mandatory and therefore benefit from weaker regulation. New projects to set up shipbreaking yards, such as Adani's project in the port of Mundra, of course, have to follow the procedure and to provide detailed information (which in the Adani case, the project proponent so far has failed to do; the project is deferred). Whenever an industrial site is changed or enlarged, an EIA becomes obligatory. Thus, we ask the Gujarat Maritime Board to ensure that assessments are required whenever a new yard is set up or when existing structures are altered or enlarged. This would allow for a transparent assessment of the environmental safeguards actually taken by shipbreaking yards in Alang”.

Ritwick Dutta
Environmental lawyer at LIFE - New Delhi

OFF THE BEACH !

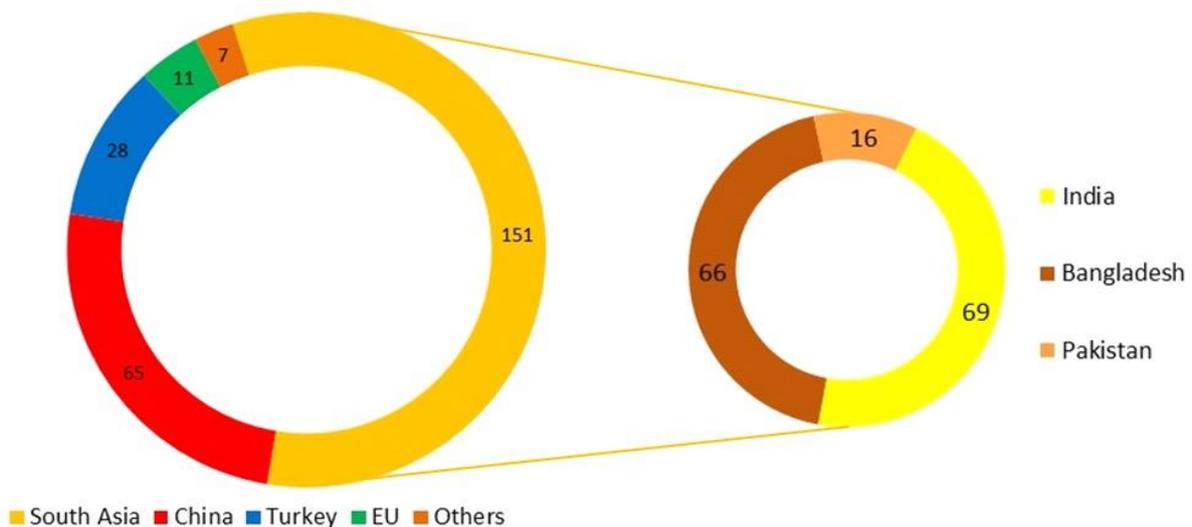
Out of 262 vessels sold for breaking during the first quarter in 2015, more than half (151 ships) ended up on the beaches of South Asia, according to the data collected and analysed by the NGO Shipbreaking Platform. 39 of these ships were owned by European ship owners, most of whom were Greek (30 ships beached in total this quarter). In comparison, German owners only sent 4 ships to South Asia so far. German ship-owning company Hapag-Lloyd reviewed its ship recycling policy in 2014 and decided to sell two of its end-of-life ships to cleaner and safer yards this quarter: one ship to a Turkish recycling yard (the “Bonn Express”) and another ship (the “Paris Express”) to a Chinese recycling yard.

However, other ship owners continue selling their end-of-life vessels to substandard yards without considering the potential impacts for the workers or the environment. Greek owners continued selling most of their ships to South Asia: Star Bulk Carriers Corporation and Technomar Shipping Incorporated, both based in Athens, each sold three end-of-life ships to the beaching yards in 2015. Despite the new EU law out-ruling the use of substandard

beaching yards to dismantle EU-flagged vessels and which will soon become applicable, ships registered under the flags of Malta, Cyprus and France hit the beaches. Some ships also changed their flag from an EU to a non-EU flag just weeks before reaching South Asia. Two bulkers sold to Bangladeshi yards by another Greek company, The Angelicoussis Group, swapped their Greek flags just days before breaking, one for Palau and the other for Comoros, most probably when a cash buyer registered the ship for the last voyage. Flags of convenience (FOCs), which are grey- or black-listed by the Paris Memorandum of Understanding for their weak enforcement of international maritime law, such as Saint Kitts-Nevis, Comoros and Tuvalu, were excessively popular flags for the end-of-life ships broken in South Asia. These flags are hardly used during the operational life of a vessel.

Comparatively, Chinese owners continued to sell more ships to Chinese yards than to South Asian yards this quarter. China is thus becoming the only leading shipping nation which so far ensures the clean and safe dismantling of a substantial part of its end-of-life fleet in modern ship recycling facilities.

262 ships broken worldwide Jan-Apr 2015



ACCIDENTS

LONG FIGHT FOR THE WIDOW OF A KILLED SHIPBREAKING WORKER

On 25 July 2013, a shipbreaking worker named Muhammed Selim was severely injured while working at Ziri Subedar shipbreaking yard in Chittagong, Bangladesh. A heavy iron piece hit his back when it crashed down on to

the beach as no adequate safety measures had been taken. The piece broke his back upon impact.

The owner of the shipbreaking yard did not assist Selim in receiving the necessary treatment for his serious injuries. Instead, Selim was left with no other choice but to leave the shipbreaking yard. He was brought to his native home in Noakhali in the Chittagong district.

On 10 November 2014, Selim died from the injuries he suffered in the shipbreaking yard.

In early January, Selim's wife contacted the Platform's local coordinator in Bangladesh, Muhammed Ali Shahin, in her search for help. As a result, the Platform contacted the owner of the shipbreaking yard about the accident and the subsequent death of the young man. Ziri Subedar refused to acknowledge that Selim had worked for them. The Platform's member organisation YPSA arranged for a meeting between Selim's wife, accompanied by some of the victim's fellow workers, and the yard owners at their office. Furthermore, we informed the concerned governmental authorities – but without any result. It was only once the Platform told the owner that we would take the matter to court and to the media that he agreed to deposit the compensation payment at the labour court. Selim's wife finally received 100.000 Taka (approx. 1200 EUR) on 15 March 2015.

Selim had three small kids and his widow had been left alone with no support. Although she was grateful for the help she received, the amount received cannot replace the loss of her husband.

“Selim's case shows how little the shipbreaking industry cares about the workers. His death could probably have been prevented if the yard owner had fulfilled his legal duty and helped Selim to cover his medical expenses. What is more, it is very difficult for the families to prove that a worker had been employed with a particular shipbreaking yard: the men are not registered so that the employer can easily deny any relationship with a killed worker,” explains Muhammed Ali Shahin, the Platform's local coordinator. *“It is only after long struggles such as the one Selim's widow had to go through and with the help of external pressure by the media and NGO that victims can enjoy their rights.”*

YOUNG FATHER KILLED IN SHIPBREAKING YARD IN ALANG: COMPENSATION PAID OFF AFTER JOURNALISTS FIND HIS FAMILY

On 22 September 2014, 27-year old worker Prasant Dakua was killed while working on the beached vessel “King Justus” in Alang, India. The Platform [has reported his case in the South Asia Quarterly Update #3](#). The official explanation was that Prasant had fallen from a ladder. Apparently he had worked without any safety harness on the ship, which had been bought by Malwi Ship Breaking. Another colleague was severely injured. The Platform researched the case together with German broadcasting channel ARD/NDR in India and in Hamburg, where the former ship owners are based.

The story revealed illustrates the lack of occupational health and safety measures for workers in Alang. It

shows that managers sometimes seek to cover up the real reasons behind accidents to shift the blame on to the worker, and to deny the compensation payment that should go to the victim's family.



(picture: Prasant's parents, by Jürgen Webermann, NDR)

Prashant had married in his home village three months before his death. His father had taken a loan to pay for the wedding – a loan meant to be paid back with the help of Prashant's wage from the Alang shipbreaking yard. When Prasant died, his young wife was pregnant. The yard management did not contact the family in order to at least pay the legal compensation that was due. The safety manager of Malwi shipbreaking was quoted by ARD/NDR as saying that the yard did not know where the worker came from. They had not been able to identify his family. The manager added that if the family could be found, they would pay the compensation to them. By simply asking Prasant's fellow workers, the team of German journalists found Prasant's parents in a village in Orissa after a couple of days.

Although Prasant's father is old and sick he decided to cross all of North India by train to demand his legal right from Malwi Ship Breaking. The old man had to hold out for two weeks in front of the shipbreaking yard before he finally received a payment of approximately 2500 Euro. The amount helps him to pay back the debts – but it will not cover the fact that the old couple, Prasant's widow and baby have lost their source of income.

Not only had the yard tried to deny the family's right to compensation, they had also tried to cover up the real reason behind the accident. Fellow workers reported that the victim's face was burnt and disfigured. One colleague who had shared a room with Prasant in Alang said: *“This must have been a gas explosion”*.

The Platform has witnessed before that yard managers had tried to cover up explosions – obvious signs of bad working practices, the lack of safety measures and inadequate training of the workers – and to explain that a worker had not been careful enough. Malwi Ship

Breaking is member of SRIA, the association of Indian shipbreakers. The Platform asks SRIA to ensure that the rights of families to receive compensation after a worker's death is guaranteed in all cases. Moreover, the

Platform demands that a transparent and truthful record of all severe and fatal accidents is kept in order to be able to identify all risks and implement better safety measures in the future.

BARELY SURVIVING: HOW SHIPBREAKING RUINS A WHOLE LIFE CASE STUDY OF THE WORKER NEZAMUDDIN, PERMANENTLY DISABLED IN A SHIPBREAKING YARD

**By Muhammed Ali Shahin, Coordinator of the NGO Shipbreaking Platform in Bangladesh
Based on interviews with family members, workers and government officials**

Nezam regularly suffers from skin diseases and infections as he has to lie on the bed for most of the time in a humid climate. Also sitting in a wheelchair has become painful. *"Money cannot give back my mobility. But I want justice and I want enough support from the owners. I would never advise anyone to work in the shipbreaking yards",* he says. *"I had a girlfriend and we were about to get married. But after the accident everything changed. Her family decided to marry her to someone else. I understand that I am not making a living. I lost everything. Nobody comes near me because of my skin infections, except for my mother."*

An accident in the shipbreaking yards has ruined the young man's life. Without the support of local NGOs he would not even have received the small compensation to start the shop. But without a proper system allowing for adequate medical treatment and long-time support as well as a disability pension, the shipbreaking industry does not even try to make up for the harm caused *"All I can do is watching me rot everyday. I know I am dying. I am alive by the mercy of Allah. I feel nobody else in this world is in such a terrible situation. My mother cries all day. She has no other choice except watching me die today or tomorrow,"* says Nezamuddin, a former shipbreaking worker, who was permanently paralyzed after an accident in a shipbreaking yard.

Nezamuddin worked for Mahin Enterprise Shipbreaking in 2007, when he was 27 years old. On 2 April 2007, the workers were pulling a broken part of a beached ship further up with the help of a winch. The wire suddenly tore and slashed his back. The young man was taken to the hospital and received some basic treatment. Later, the doctors explained that his backbone was severely injured and it was impossible to fix it in Chittagong. In the beginning, the yard owner had given financial support for some initial treatment. When it became clear that Nezam would stay paralyzed, they stopped the support. The worker and his family asked for help, but there was no further response. Nezam gradually lost his ability to walk and even to move his legs. He became dependent on a wheelchair for every small movement. Being the eldest son, Nezam had been the main earner of the family. Now he spends most of the time lying on his bed. He can hardly move his hands and his mother feeds him.

The Platform's local member organization in Chittagong, YPSA, contacted the owner to provide support after the accident. First, they refused to pay the compensation and argued they had done enough. YPSA also informed the local authorities and the media about Nezam's case. With the support of the Factory Inspection Department and pressure from different sides, the owner finally paid the compensation of 125,000 Taka (around 1500 Euro) as foreseen in the Labour Act of 2006. With the compensation paid, the family set up a small shack to sell groceries

near their village. Nezam lies on a bed in his shop the whole day. He even sleeps at the shop at night. The customers take what they need and Nezam puts the money in a small box. He cannot do more. The meagre income from the shop cannot make up for the loss of his wage and the family has increasingly become poorer and poorer over time. They had to sell a small piece of land in order to cover his medical treatment and medicines.



(pictured: Nezam, 35, lying in his shop)

WORKERS LEFT TO DIE IN TANK FILLED WITH NOXIOUS GAS CASE STUDY OF THE WORKER ARIF, KILLED IN AREFIN SHIPBREAKING YARD

By Muhammed Ali Shahin, Coordinator of the NGO Shipbreaking Platform in Bangladesh

Based on interviews with family members and government officials, and on documents from the Labour Court



"My second son Arif started working in a shipbreaking yard where he risked his life every day to sustain the lives of his family. Today, we are alive, but my dearest son Arif is no longer with us," Firoza Begum, says with tears in her eyes. She adds, *"I had three sons and two daughters. My elder son died in a road accident and then my second son Arif, the main earner in the family, returned to Bangladesh from the Middle East to get married. He was attracted to work in the shipbreaking yard through a relative who is connected with the local scrap businesses. Arif had never worked in a shipbreaking yard before."*

Arif was 27 years old when he died with three of his fellow workers on 4 April 2014 while working inside a tank of the ship "Kapitan Lyashenko" (IMO 8617976) beached for demolition in Bangladesh. The accident occurred when a cylinder full of carbon dioxide burst inside a storage tank of the ship dismantled at Arefin Enterprise in Sitakund, Chittagong. Four men, including Arif, were working inside the tank. After the explosion, the workers tried to climb up from the bottom of the tank. Arif's younger brother, Munir, worked at the yard as well and was on the deck of the same ship. He was also injured by the toxic gas released from the cylinder.

The workers caught in the tank used their mobile phones to call their families and the yard authorities for help. They knew that they were going to die from inhaling the toxic gas. Nobody from the yard came to their rescue.

There were other workers on the yards, but they could not help their colleagues. Jonny, a fellow worker who survived the accident, later said that the workers had screamed for oxygen masks and had appealed to fellow workers to help them leave the tank. However, nobody could go in and save them as gas mask were not available. A survivor later reported that he could have saved at least two of the workers if the yard authorities had provided him with an oxygen mask. Some of the relatives rushed to the yard, but they found that all of the yard entrances had been locked by the yard authorities. Also Arif's mother rushed to the yard, but there was no information about the accident and the victims. She later found her dead son at the hospital.

The inspector of the Department of Factory Inspection for Safety of Shops and Establishment confirmed that *"a cylinder full of carbon dioxide suddenly blasted in a lower chamber of an old ship at the shipbreaking yard of Arefin Enterprise at Kadam Rasul. The cause of death of the four men who died in the attack was determined to be toxic gas"*. He could not confirm the reason behind the blast. According to Ramjan Mia, president of the Association of Winch Machine Operators, *"it often happens that cylinders with carbon dioxide explode if they are not handled in an appropriate manner, in particular by unskilled workers."* According to some senior workers, the contractors who bring in the labour force into yards often force unskilled workers to go down and clean oil or flammable substances from the bottom of the tank or some lower chambers of the ships. This is a particularly dangerous job.

The local police station explained that they were informed about the accident by the yard authorities and they recovered the dead bodies from a lower chamber of the ship where a huge amount of toxic gas had spread. As a direct witness, Muhammed Ali Shahin, the Bangladesh Coordinator of the NGO Shipbreaking Platform, was informed that the bodies were sent to a private clinic owned by businessmen involved in the shipbreaking industry. The owner of Arefin Enterprise gave 10,000 Taka (approximately 120 EUR) to the families of the killed workers for their funerals. As a member of the executive committee of the Bangladesh Ship Breakers' Association (BSBA), the owner had been under serious pressure from the local media -who reported about the accident-, NGOs, and family members. After the local coordinator of the Platform informed journalists of the incident, it was widely published in national and international media. In May, civil society members from different organisation formed a human chain in front of the National Press Club in Dhaka in protest and demanded that existing laws for the shipbreaking industry be enforced and more efforts be made to put an end to such accidents.

In this case, the external pressure on the yard owner was successful and a few days after the funerals, the families of the dead workers were called for an arbitration meeting about the compensation for the death of their loved ones. The police, yard authorities and a few trade union leaders were present. It was decided to give 500.000 Taka (approx. 5960 EUR) to each family. The legal minimum is 100.000 Taka. However, nobody was held responsible beyond a compensation payment, although the yard management had been negligent in employing unskilled and unprotected workers in confined spaces and had not reacted adequately to save their lives.



(photo: NGO Shipbreaking Platform/Muhammed Ali Shahin)

In Arif's case, the relative who first brought him to the yard received the money and refused to pay the full amount to his parents. His family was also the victim of local criminals who extorted money from them and threatened to chase them from their home in Chittagong. This shows the vulnerability of poor families who often face even more trouble once they lose the bread-earner of the family. Arif's parents were later able to buy a tiny piece of land and set up a simple dwelling; however, after losing Arif, they had to generate income. Munir is still not healthy enough after the intoxication to work hard, so he helps out in a tea stall. Arif's young wife gave birth to a baby boy after his death. She is not staying with her in-laws but returned to her family home. Arif's mother (pictured) went to see her grandson. She wonders what they will tell him when he asks them why they sent his father to work a job where he was risking his life every day.

Arif's sad fate illustrates the risks shipbreaking workers face in Bangladesh every day. The unskilled workers are not properly trained and protected against severe health threats. The lack of proper infrastructure and procedures leads to regular fatal accidents, which could be avoided otherwise. The yard management does obviously not implement any emergency plan and was unable to save the workers' lives. The compensation payment does save the victims' families from falling into extreme poverty after losing their main source of income. Last but not least, the industry enjoys impunity as nobody is ever held legally responsible for negligent behaviour leading to the death of their employees.

DEVELOPMENTS

JAPANESE INVESTMENT: REAL IMPROVEMENT OR DOUBLE STANDARD?

In January, the Japanese Government announced that it was willing to give a US\$ 180 million loan to the shipbreaking industry in Alang in order to upgrade 70 yards. The funds would be provided by the Japan International Cooperation Agency (JICA) and the loan has to be paid back over 40 years. The objective is to construct a dry dock for the treatment of ships raising "special concerns" containing particularly high amounts of hazardous materials and to expand the waste treatment and disposal facility. Moreover, the project intends to construct housing for 1000 workers, and up to 5000 workers at a later stage.

The Japanese Government is obviously looking into creating legal solutions for Japanese-owned end-of-life vessels. Many Japanese owners do not sell their end-of-life vessels to China, as they seek higher profits than the

prices offered by their neighbouring country. In the last years, many Japanese vessels have been broken in substandard beaching yards in India. In 2015, Japanese companies including Mitsui OSK Lines (MOL) and Kawasaki Kisen Kaisha (K Line) already sold 6 ships to Indian and Bangladeshi yards.

Japan now pushes India to ratify the Hong Kong Convention (HKC) and the Alang yards to become Hong Kong-compliant. The Platform has raised concerns that Statements of Compliance (SOCs) with the HKC may be given out too easily to Indian shipbreaking yards in order to incentivise the Indian Government to ratify the HKC.

The Platform welcomes the fact that the Japanese Government intends to make sure that Japanese-owned vessels are recycled in a clean and safe way. However, the Government has to make sure that the environmental and social conditions demanded in India are not less strict than standards in Japan. It would be an unacceptable double standard if Japan officially promoted the sale of end-of-life vessels to Indian yards whose practices would never be allowed inside Japan.

The dry dock facility could, of course, only handle a small fraction of all vessels coming to Alang every year. The Japanese Government would have to make sure that Japanese vessels only go to the fully upgraded yards.

Earlier attempts by the Japanese Government to “green” the Indian ship recycling industry have failed. The Pipavav semi dry dock constructed to recycle four large vessels at a time was developed with private Indian funds and financial assistance from Japan. It was never used for ship recycling as it could not compete with the higher prices offered by beach breaking yards. It was later transformed into a shipbuilding yard. Also for the current project, the Alang shipbreakers’ community has not yet endorsed the project. They seem to be reluctant to welcome projects which would lift the industry to the next level.

KERALA: THE STRUGGLE AGAINST ILLEGAL SHIPBREAKING CONTINUES

As reported in our previous [Update #3](#) and [#4](#), Steel Industries Kerala (SILK) met strong criticism in 2014, when local communities protested against dangerous dismantling activities in two SILK shipbreaking units at Beypore and Azhikkal, both located on India’s South-western coast. Local authorities had halted SILK’s operations at both sites as the units had been run without the necessary clearances.

OUR INITIATIVES

MINISTER CRITICISES NORDLB FOR COMPLICITY IN DIRTY AND DANGEROUS SHIPBREAKING – PLATFORM ASKS GOVERNMENT OF LOWER SAXONY TO ENSURE SHIP RECYCLING POLICY FOR LEADING SHIPPING BANK

In the case of the killed worker Prasant Dakua (see above), the vessel involved, the “King Justus”, was owned by the share holders of a ship fund offered by Hamburg-based König & Cie, an asset management firm offering private investment in shipping. The fund “Schiffahrts Investment I” went bankrupt in 2014, forcing insolvency administrators to sell the ships including the “King Justus”. Two end-of-life vessels were illegally exported to India in a breach of the European Waste Shipment Regulation, the “King Justus” from the Canary Islands (Spain) and the “King Julius” from Malta as reported in the [South Asia Quarterly Update #3](#).

The Platform had informed König & Cie, the manager of the ship fund, about the fatal accident. The company emphasised that they were not in charge of the sale as the ship was under the administration of the liquidator. The latter, appointed by a Hamburg court, refused to disclose any information about the sales process. Also the bank financing the fund, NordLB, a public institution bank based in the German State of Lower Saxony, refused any responsibility for the sale.

According to Indian media, the yard at Beypore is now facing significant opposition of a people’s action council, which decided to fight the issue in court. Despite the fact that the Kerala State Pollution Control Board had issued a stop memo to SILK, the operations at Beypore were hardly affected. Leaders of the action committee consider suing government officials who have allegedly authorized breaking activities without the mandatory clearances from other competent government agencies.

Also the controversial shipbreaking unit of SILK in Azhikkal remains under pressure. After being shut down in July 2014, the yard resumed operations following the withdrawal of the closure order. The unit manager stated that the yard had received an establishment licence from the Pollution Control Board (PCB) and a clearance from the district medical officer. Nevertheless, the action committee, which had launched the campaign against the unit, alleged foul play. Lawyer Hareesh Vasudevan served a legal notice to the district collector. The Azhikkode panchayat, the community’s council, has to give a final licence to the ship breaking site. To date, no permit in order to resume operations has been issued to SILK. The collector clarified that the yard had only obtained a licence that allowed equipment installation, not shipbreaking. As a consequence, operations at Azhikkal remain illegal.

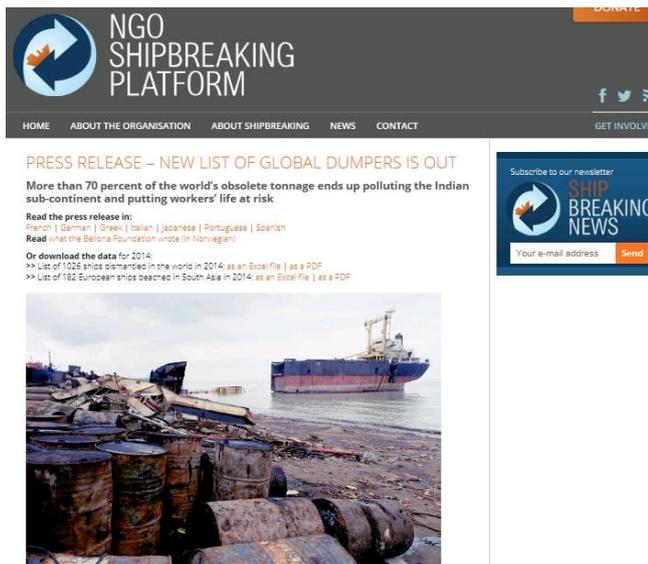


(Photo: Manuel Hernández Lafuente)

The story is another example of the ping pong game between stakeholders: nobody wants to be responsible.

The Environment Minister of Lower Saxony, Stefan Wenzel, publicly criticized NordLB, one of the leading banks in ship finance with a portfolio of 17 billion Euro in the sector. He asked the bank to ensure that they will not be complicit in substandard shipbreaking in the future. NordLB is a public institution bank with the Lower Saxony Finance Minister Peter-Jürgen Schneider chairing the board of directors. The bank has committed itself to high standards of environmental protection, sustainability and good governance. The Platform has asked the Government of Lower Saxony to ensure that NordLB will make a ship recycling policy a precondition for any investment in the shipping sector.

PUBLICATION OF OUR ANNUAL LIST OF GLOBAL DUMPERS



The screenshot shows the website for the NGO Shipbreaking Platform. The header includes the logo and navigation links: HOME, ABOUT THE ORGANISATION, ABOUT SHIPBREAKING, NEWS, CONTACT, and GET INVOLVED. The main content area features a press release titled "PRESS RELEASE – NEW LIST OF GLOBAL DUMPERS IS OUT". The text states: "More than 70 percent of the world's obsolete tonnage ends up polluting the Indian sub-continent and putting workers' life at risk." It provides links to read the press release in various languages (French, German, Greek, Italian, Japanese, Portuguese, Spanish) and to download the data for 2014. A sidebar on the right contains a newsletter sign-up form for "SHIP BREAKING NEWS". Below the text is a photograph of a large ship being dismantled on a beach, with numerous rusted metal barrels in the foreground.

In January, the NGO Shipbreaking Platform published its annual list of ship owners who sold their ships for breaking last year. Out of a total of 1026 ships dismantled globally in 2014, 641 – representing 74% of the total gross tonnage (GT) scrapped – were sold to substandard facilities in India, Pakistan and Bangladesh.

First ranked German fund MPC which had 14 vessels beach – all of these were formerly part of the Maersk fleet and had been on a long-term charter with the Danish container ship giant. The latter follows, oppositely to MPC, a strict ship recycling policy for its own vessels. The vessels' ownership structure was scattered: the contracts had been taken over from Maersk by ship owner Ernst Komrowski, who later formed the Blue Star Holding together with E.R. Schiffahrt, responsible for crewing the ships. The vessels were financed through a ship fund offered by MPC and its private investors – a fragmented ownership structure which makes it difficult to hold anyone responsible for negative impacts.

Second ranked South Korea's largest container ship owner Hanjin Shipping with 11 ships. Being based in a leading ship building country and with a strong environmental profile, Hanjin should also be aware of issues related to safe and clean recycling, still, they chose profit over people and the environment. Third ranked Swiss-based Mediterranean Shipping Company (MSC) – the second largest container ship operator in the world whose shipbreaking activities in India have already cost the life of six workers in 2009 when a fire broke out on the MSC Jessica. Despite recurrent public criticism of MSC's deplorable management of their end-of-life fleet, MSC has not developed a ship recycling policy that can prevent such tragic accidents.

Hanjin and MSC's bad practice stands in sharp contrast to that of their competitors Maersk and Hapag-Lloyd, two leading containership companies that have committed themselves to the recycling of their vessels in modern facilities off the beach. Number four amongst the worst dumpers was Petrobras with six end-of-life vessels beached: the Brazilian oil giant is the largest company of the Southern Hemisphere, but in contrast to other major oil and gas companies unwilling to recycle its old tankers properly.

These "repeat offenders" were followed by a range of companies which have all sold five end-of-life vessels to the beaches, amongst them well-know dumpers such as Conti, one of the largest German ship owners offering private investment in ships, G-Bulk and Danaos from Greece and Ignazio Messina from Italy. Also American TBS International, Singapore-based Pacific International and Taiwanese owner Yang Ming each sold five ships to the beaches in South Asia.

32 MULTINATIONAL COMPANIES OPPOSE DIRTY AND DANGEROUS SHIPBREAKING

Major companies such as H&M, Tetra Laval, ABB, Philips, Volvo and Volkswagen do not want to be associated with substandard shipbreaking practices in South Asia and have asked their forwarders, the shipping companies they use to transport their goods, to adopt sustainable ship recycling policies.

In the annual list published in January by the Platform, 641 ships were listed that were sold for substandard shipbreaking on the tidal beaches of India, Pakistan and Bangladesh. Several of these ships were owned by companies that the members of the Clean Shipping Network (CSN), a network of 32 multinationals, use to transport their products. MSC, Hanjin, MOL, Yang Ming, Conti, G Bulk and Danaos were some of the ship owners that last year made a deliberate choice to sell their end-of-life vessels to a substandard shipbreaking yard for the sake of higher profits – a choice of profits at the cost of people and the environment.



(Pictured: logo of the Clean Shipping Index, the online tool provided by the Clean Shipping Network)

CSN members [have now reacted to this irresponsible practice with a statement](#) condemning the breaking of ships on tidal beaches. In the statement, shipping companies mentioned on the Platform's list of dumpers are asked to review their policies and practices regarding the selling and recycling of end-of-life vessels. Ship owners are also asked to report on their ship recycling policy in the Clean Shipping Index questionnaire, a tool used by leading international cargo owners to evaluate the environmental performance of their providers of sea transports. With increasing pressure from their customers, many ship owners will have to seriously consider revising their ship recycling practices.

Currently thirteen large shipping companies follow sustainable ship recycling policies, including Royal Dutch Boskalis, Canadian CSL Group and Singapore-based China Navigation Company. More recently, German Hapag-Lloyd joined the group of ship owners that opt for ship recycling off the beach. They did so on principle even if they have to compromise on their profits. Other progressive ship owners have committed to the proper end-of-life management of their fleet as they simply do not want to be responsible for polluting sensitive coastal zones and putting workers lives at risk during dirty and dangerous shipbreaking on tidal beaches.

WHAT ELSE ?

The Platform secretariat has written a chapter about shipbreaking in South Asia for a book published in France by the Editions La Découverte. Titled "Les risques du travail – pour ne pas perdre sa vie à la gagner" (Risks at work – not to lose one's life while making a living), the book was coordinated by the European Trade Union Institute (ETUI) and Annie Thébaud-Mony, former Board member of the NGO Shipbreaking Platform and founder of Ban Asbestos France, and the Association Henri Pézerat, two French NGOs raising awareness about the health and environmental risks caused by asbestos. Ban Asbestos France is also a founding member of the Platform.

More information [can be found on the ETUI website](#).



FURTHER READING

ARTICLES REGARDING THE LOCAL PROTESTS AGAINST SHIPBREAKING IN KERALA: *The Hindu* covered the protests on two occasions, and so did *The Times of India*.

VICE BROADCASTS VIDEO ABOUT SHIPBREAKING YARDS OF BANGLADESH: American-based online media *VICE* produced a video on the shipbreaking yards of Bangladesh for which they met with Platform coordinator Shahin in Chittagong. They followed a young worker around the yards and interviewed his mother who declared she fears for her son's life when he leaves for the shipbreaking yards. The video titled "*Where Giant Cargo Ships Go to Die*" [can be watched here](#).

DIE ZEIT: The biggest German weekly published the story of Mohsin, a Bangladeshi shipbreaker who was killed on the job last year. The story (in German) [can be read here](#).

ARD/NDR: German broadcaster *NDR* (a regional affiliate of national TV channel *ARD*) broadcasted radio programmes and published online articles about the story of the ships "King Justus" and "King Julius" which were sold to breaking yards in Chittagong, causing the deaths of several workers. [Read the story of the King Justus here](#).

REUTERS: the press agency's [story about the EU ship recycling regulation](#) and its potential impact on shipbreaking in India was covered in several countries.

DE CORRESPONDENT: Dutch online media *De Correspondent* covered the announcement made by 32 multinationals that they will not accept that the companies they do business with have their obsolete vessels beached in South Asian yards.



INFO@SHIPBREAKINGPLATFORM.ORG
WWW.SHIPBREAKINGPLATFORM.ORG

We thank the European Commission for supporting this publication.