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Substandard shipbreaking: a global challenge

This document will provide you with a short **overview** of the **concerns** related to **dirty and dangerous shipbreaking** and the **challenges** of finding sustainable solutions for **clean and safe ship recycling**. The overview touches upon the current practices in South Asia, China, Turkey and ship recycling facilities in the rest of the world, business practices and the legal framework under international and European law.

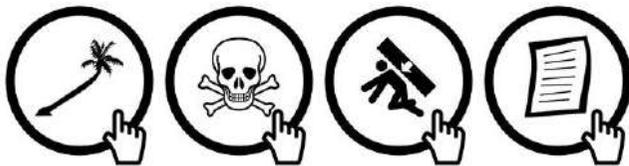
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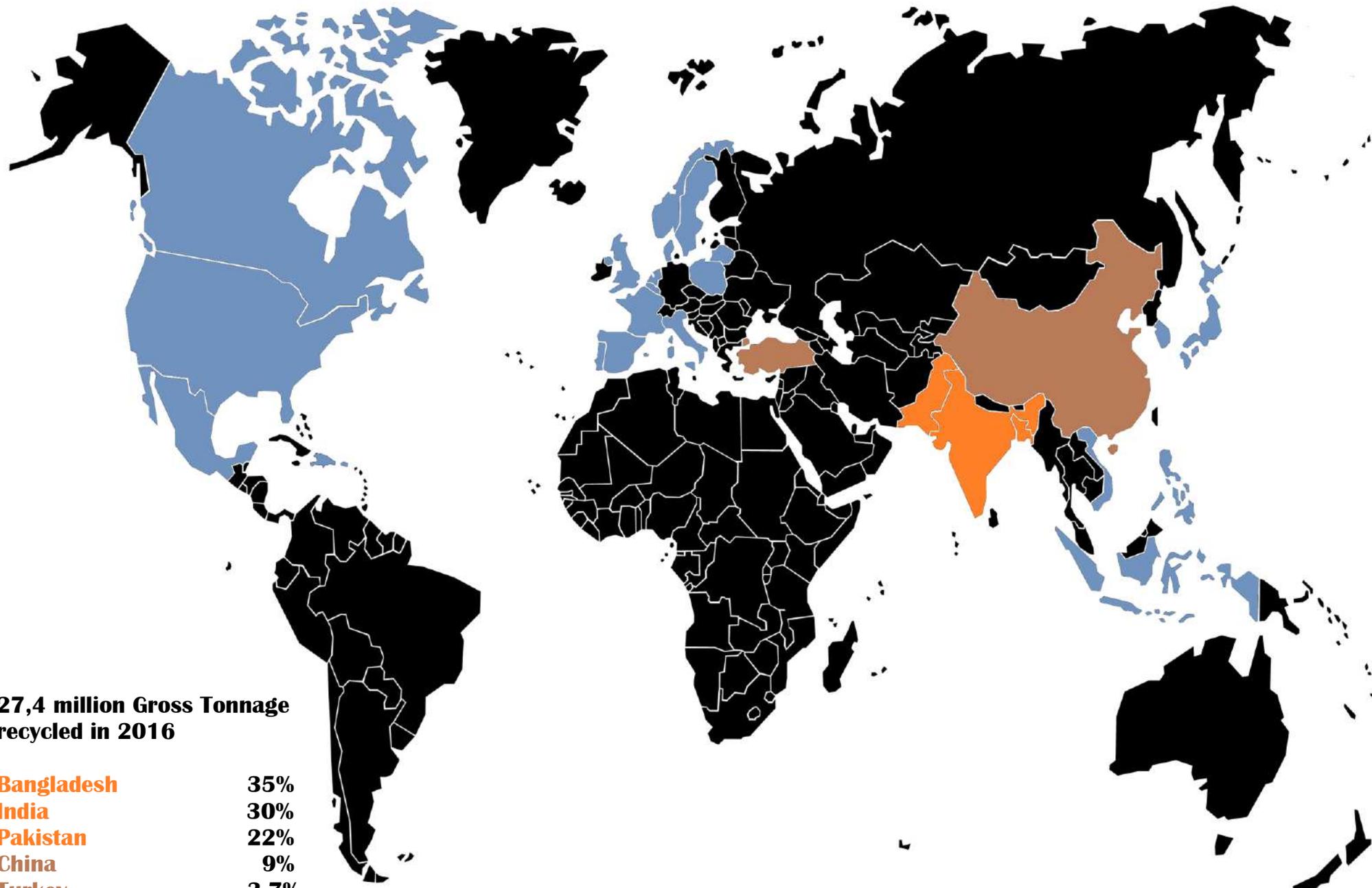
After an average life of thirty years at sea, large commercial vessels – bulkers and general cargo ships, container ships, oil and gas tankers, and passenger ships such as cruise ships and ferries – are sold to shipbreaking yards for demolition. In recent years, an average of around 1000 ships annually reached the end of their service life and were broken down in order to recover steel and other valuable materials. Due to low market prices, only **862** ocean ships were dismantled in 2016.

The demolition of ships is a hazardous endeavour that requires adequate measures to protect the maritime environment, to ensure environmentally safe and sound management of hazardous waste, and to guarantee high health and safety standards for workers. Yet only a fraction of decommissioned ships is handled in a safe and sustainable manner.

More than 75% of the end-of-life ships sold for dismantling today end up in **South Asia**, the region that has served as the main destination for obsolete tonnage in the last two decades. The end-of-life vessels are run up on the tidal shores of **India, Bangladesh and Pakistan**, where they are dismantled mainly manually by a migrant work force. The beaching method is at the source of severe coastal pollution and dangerous working conditions. Moreover, shipbreaking takes place in a blatant violation of international hazardous waste management laws. These laws set out strict requirements for the transboundary movement and remediation of toxics.



China and **Turkey** are the two other main destinations for end-of-life ships. Concerns related to proper hazardous waste management, environmental protection as well as labour rights also exist in some yards located in these countries. Facilities operating in the **rest of the world** account for less than 1% of the gross tonnage scrapped globally every year.



**27,4 million Gross Tonnage
recycled in 2016**

Bangladesh	35%
India	30%
Pakistan	22%
China	9%
Turkey	3,7%
Rest of the world	0,3%



Bangladesh

Main Locations: Chittagong

N°. Yards: around 145 companies

N°. Workers: 15.000 (estimate as of February 2016)

Recycling methods: Beaching

The shipbreaking yards are located to the Southeast of the country, just outside the major port city of Chittagong. They stretch along the coastline of the Sitakund area for approximately 15 km. During the 1960s and 1970s, locals started breaking down vessels that were wrecked on their shores. Shipbreaking first grew into an industry in the 1980s; however, it was not officially recognized as an industry by the Government of Bangladesh (and thus not regulated) until 2011. Some of the shipbreaking yards are set up on privately owned land, while the majority of companies lease government-owned land. Many of the shipbreaking workers come from the Northwest of Bangladesh, a poverty-stricken area with very little industrial activity, others hail from the greater Chittagong area and neighbouring areas in the Southeast of the country. Many of the workers go back to their villages, for instance, during the harvest seasons, and there is a strong fluctuation of workers between the yards.

Dirty and dangerous shipbreaking practices in Bangladesh have been strongly criticized both by international and local NGOs for many years for the severe pollution caused to the marine environment, hazardous waste dumping, abysmal working conditions with many severe and fatal accidents, as well as for the wide-spread illegal exploitation of child workers. Local activists have filed cases in the **Supreme Court of Bangladesh**, which has given orders in 2009 to close down all yards after it found that none of them had been operating under license and in accordance with the law. The yard owners managed to obtain temporary licenses and re-open several months later; however, the Supreme Court has clearly given order that the Government regulate the industry and that end-of-life ships containing hazardous materials may not be imported into Bangladesh. The Court's orders have so far not led to the necessary change: investments in proper facilities have not been made, and a proper legal regime is still to be set up. The import ban on hazardous materials on board of end-of-life vessels is simply circumvented by fake certificates declaring a vessel free of toxic materials, which in turn is accepted without contestation by local authorities. Some yards have set up waste storage facilities, though many of them are not used at all. Even if waste is properly stored, the Chittagong area is still void of a waste treatment facility and a landfill for hazardous wastes such as asbestos. Therefore, proper downstream waste management is absent and hazardous materials are either dumped or re-sold.

The **beaching method** applied in Bangladesh raises serious concerns regarding the ineffective containment of pollutants and the contamination of the coast when dismantling a vessel on the tidal mudflat. Moreover, the use of heavy lifting equipment or basic protective equipment such as safety boots in the mudflat is often impossible which results in dangerous working conditions.

Very serious concerns relate to workers' **health and safety** and the enjoyment of basic **labour rights**. Workers are usually not provided with proper and hygienic accommodation. They work long hours without extra pay or paid holidays and usually do not have any contractual arrangement with the yard management. In 2016, at least 22 workers died and more than 30 were severely injured. The injured do not receive financial support for urgently needed medical treatment. The closest specialised hospital is in the centre of Chittagong, too far for emergencies. The hospital building set up by the Bangladesh Shipbreakers Association (BSBA) many years ago has not been operated so far – no doctors, no patients. News about its recent inauguration has to be verified.

The yards do not employ the workers themselves but work with contractors that bring in the work force and deal with all related matters including the payment of wages. The yard owners do not control the influx of child workers: in Bangladesh, it is illegal for **children** under 18 to work in a hazardous industry such as shipbreaking; however, a study and follow-up research by the NGO Shipbreaking Platform have shown that up to 20% of the total work force is under 18. Most workers are untrained migrant workers, unskilled to work safely in a hazardous industry – a dangerous source of accidents. The BSBA has set up a basic training facility; however, there is no proof of trainings provided and the workers do not receive certificates. According to IndustriAll Global Trade Union, the workers earn between 1,50 - 4,20 Euros a day, which amounts to a monthly wage of about 45 – 126 Euro if they work every day. The living wage in Bangladesh is estimated at around 260 Euro per month.

Main concerns:

- **Shipbreaking in the unprotected intertidal mudflat which results in pollution and unsafe working conditions**
- **Lack of sufficient PPE and its adequate use as well as lack of proper training**
- **Full absence of any adequate downstream hazardous waste management (facilities not available)**
- **Poor living conditions, lack of proper medical facilities, wages lower than living wage, long working hours**
- **Illegal child labour in a hazardous industry**
- **No strict law enforcement**





India

Main Locations: Alang

N°. Yards: around 50 active companies (estimate as of February 2016), 170 plots

N°. Workers: 10.000 (estimate as of February 2016), max 40.000 at peak periods

Recycling methods: Beaching

The shipbreaking yards in Alang are located in the state of Gujarat around 50 km by road from the port city of Bhavnagar. They were initially set up in 1983 and stretch on a 10 km long tidal beach. Alang is the world's largest shipbreaking site. The Gujarat Maritime Board (GMB), a semi-public institution running all ports in Gujarat, is the main regulatory authority of the shipbreaking yards of Alang. GMB leases out shipbreaking plots to the shipbreakers on a 10-year lease basis. Most of the workers are migrant workers coming from poorer, less industrialized areas such as Uttar Pradesh, Orissa and Bihar. Many go back to their villages for three to four months a year, usually during the monsoon season, to work in agriculture, or whenever the yard owners have no work for them.

Shipbreaking practices in Alang have been under the spotlight of NGOs for more than 20 years. Appalling working conditions and pollution was first documented by Greenpeace in 1998. Following cases filed by NGOs, the **Indian Supreme Court has issued several rulings demanding improvement of the industry in line with national and international requirements for safe working conditions and environmental protection. GMB has set up a waste reception facility and an elementary training program exists for workers.**

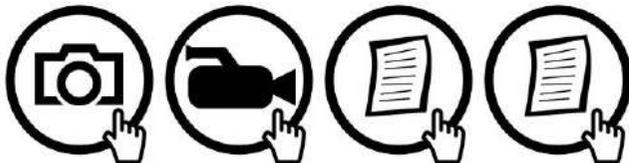
Four yards in Alang have received a Statement of Compliance with the requirements of the International Maritime Organisation's Hong Kong Convention from Japanese classification society ClassNK. Whilst these yards are the only ones in Alang to have cemented the secondary cutting zone, installed drainage systems and improved hazardous waste storage procedures at the facility level, environmental concerns persist related to the continued operations in unprotected tidal waters; the lack of proper accommodation and medical facilities for workers; and the lack of proper downstream waste management. Asbestos contaminated materials are still resold on the second hand market in India and there is currently no proper disposal site for Polychlorinated Biphenyls.

Local trade unions reported that at least six workers died in **accidents** at shipbreaking yards in India in 2015; however, the authorities do not publically disclose the accident record, and many more workers have suffered from injuries and occupational diseases. Yard owners have never been held responsible for the death of workers and have managed to put pressure on the law enforcers to drop their charges. According to IndustriAll Global Trade Union, the workers earn between 59 Euro (unskilled) and 119 Euro (skilled workers) while the living wage in India is around 195 Euro per month.

In the second half of 2015, the Indian shipbreaking industry in particular experienced a major downturn regarding the number of vessels dismantled due to depreciation of the rupee combined with cheap steel imports from China. The number of active yards in Alang fell to below 50 in 2015 from more than 100 in 2014, according to the Ship Recycling Industries Association of India (SRIA). India has thus currently lost its position as number one shipbreaking destination and many workers were laid off.

Main concerns:

- **Dismantling of ships in the unprotected intertidal zone**
- **No adequate environmental impact assessment regarding pollution caused by toxics paints, slag and debris released in the intertidal zone, the adequacy of oil spill remediation and air pollution with toxic fumes**
- **Lack of sufficient Personal Protective Equipment (PPE) and its adequate use as well as lack of proper training**
- **Unsound hazardous waste management (in particular, re-sale of asbestos-containing materials and lack of PCB-destruction facility)**
- **Poor living conditions, lack of proper medical facilities, wages lower than living wage**
- **No strict law enforcement**



Pakistan

Main Locations: Gadani

N°. Yards: around 40 companies operating 130 plots

N°. Workers: 10.000 (estimate as of February 2016), max 20.000 at peak periods

Recycling methods: Beaching



The Pakistani shipbreaking yards are located on the Arabian Gulf, 50 km to the West from the country's largest city Karachi. They stretch out on several kilometres of coast. Most of the plots are leased from private land owners, while a few others are operated on government-owned land. Most of the shipbreaking workers are migrant workers from the poorest parts of Pakistan, mainly from Khyber Pakhtunkhwa (the violence-stricken North-West Frontier Province). Most of the workers have to leave their families behind, as the Gadani yards do not offer appropriate housing and other social amenities for family members.

For many years, shipbreaking practices in Pakistan have not been prominent on the radars of international media. In the last years, both international and local NGOs as well as trade unions have been campaigning for better working conditions and environmental protection. The shipbreaking yards operate directly on the beach without any impermeable and drained working areas protecting the sea and sand from pollution. Gadani and the region do not have access to any kind of hazardous waste management system resulting in hazardous waste, such as asbestos, simply being dumped behind the shipbreaking area.

Local activists have filed a complaint under the **Balochistan Environmental Protection Act which clearly demands that shipbreaking must be in line with the requirements of environmentally sound management of hazardous waste as defined by the Basel Convention. So far, the Government has not demanded or initiated the necessary changes: investments in proper facilities, downstream waste management and a proper legal regime. The **beaching method** applied in Pakistan raises serious concerns regarding the containment of pollutants and the contamination of the coast. Moreover, the use of cranes to lift blocks directly to drained working areas is not possible without further investment in infrastructure.**

There are very serious concerns related to workers' **health and safety and the enjoyment of basic **labour rights**. Workers are usually not provided with proper accommodation. They work very long hours without extra pay or paid holidays and usually do not have any contractual arrangement with the yard management. Workers are killed in fires and explosions, by falling from great heights or when hit by large steel blocks. The injured have to be brought to hospitals in Karachi, which is very far away in case of**

a severe accident. The yards do not employ the workers themselves but work with contractors bringing in the work force and dealing with all related matters including the payment of wages.

Most workers are untrained migrant workers, unskilled to work safely in a hazardous industry. According to IndustriAll Global Trade Union, the workers currently earn between 2,70 – 6,00 EUR per day, that is, between 80-180 Euro per month if they work every day, whereas the living wage is estimated at around 218 Euro.

Main concerns:

- **Shipbreaking on the unprotected beach which results in pollution and unsafe working conditions.**
- **Lack of sufficient PPE and its adequate use as well as lack of proper training**
- **Full absence of any adequate downstream hazardous waste management (facilities not available)**
- **Poor living conditions, lack of proper medical facilities, low wages, long working hours**
- **No strict law enforcement**





China

Main Locations: around Shanghai along the Yangtze River and on Zhoushan Island; in Xinhui (in the South Chinese Province of Guangdong) along the Pearl River; Dalian (in the North Chinese Province of Liaoning)

N°. Yards: around 60 companies (not all of which have an import license)

N°. Workers: no figures

Recycling methods: quay-side/slip ways or dry docks

The Chinese ship recycling yards are located in three different areas of the country. The two main ship recycling clusters are to be found along the Pearl River in Xinhui and around Shanghai (both along the Yangtze River and on Zhoushan island). Also Dalian in the North of China hosts a ship recycling facility. Most of the companies are privately operated. The total number of the work force directly employed in Chinese ship recycling yards is not known to the Platform. Parts of the work force are made up of local workers – for instance in the yards along the Yangtze River – other yards such as those on Zhoushan Island also use migrant workers.

Shipbreaking practices in China first came under the radar of environmental organisations in the late 1990s. Shipbreaking yards had been active and had grown in China since the early 1980s and by the mid-1990s, around half of the world's obsolete tonnage was broken in China every year. Greenpeace and the Basel Action Network (BAN), members of the NGO Shipbreaking Platform, found during a fact-finding mission to China in 1998, that workers only wore minimal personal protection equipment such as towels to protect their lungs from toxic fumes. Workers were not protected when removing **asbestos, which was also found lying around in the yards. Moreover, the researchers found that explosions and fires regularly injured workers.**

In later years, the Chinese yards were not able to compete with the very high prices offered by shipbreaking yards in South Asia, where wages were even lower and environmental and social standards even weaker. The Chinese government introduced stricter environmental protection laws and banned the beaching method. In the early 2000s, Chinese companies invested in modern ship recycling facilities. In particular during the negotiations of the International Hong Kong Convention, ship recycling facilities hoped that more ship owners would be obliged to use modern facilities off the beach; however, the Convention's weak requirements which have been interpreted as allowing the beaching method, have not driven many more vessels to Chinese yards. Currently, the Chinese government **subsidizes the demolition of Chinese flagged vessels in China thereby retaining domestic end-of-life vessels for its own dismantling industry. In the last 10 years, China has developed into one of the preferred destinations for ship owners mainly from Europe seeking clean and safe recycling. Chinese ship recycling yards have joined the International Ship Recycler's**

Association (ISRA) which guarantees the quality of its members, and have actively engaged with researchers seeking to improve for instance hazardous waste handling and disposal as well as waste tracking.

However, Chinese yards do not stand exempt from persisting concerns. Not all yards are adequately equipped and trained for the fully adequate removal of hazardous wastes, in particular asbestos. Asbestos is widely used in China, and yards do not necessarily guarantee that all asbestos-containing materials will be adequately disposed of. Also the fate of other waste streams is not easy to track. Last but not least, there are no publicly available data on environmental impact assessments and environmental controls, for instance, regarding the possible contamination of the sea or river water, air or sediments. Amongst all the operating Chinese yards there are differences between, for instance, state-of-the-art yards cooperating with world leading ship recycling experts, and yards only recycling Chinese or 'anonymous' vessels without active engagement by the ship owner.

Regarding **workers' rights, the absence of independent trade unions remains a concern for those seeking ship recycling in line with core international labour rights. All these concerns must be addressed for the yards to be accepted on the EU List of approved Ship Recycling Facilities.**

Main concerns:

- **Discrepancies between different yards, the method and technology used**
- **Lack of fully safe asbestos removal**
- **Tracking of hazardous wastes downstream**
- **Absence of independent trade unions and active environmental organisations working on ship recycling**



Turkey



Main Locations: Aliaga

N°. Yards: 25 companies

N°. Workers: around 900 (information as of February 2016)

Recycling methods: Landing

Ship recycling in Turkey is carried out in an organised industrial zone that is state-owned and leased out to private companies. The zone is located in Aliaga, around 50 km north of Izmir on the Aegean coast. The ship recycling facilities are located on a peninsula that hosts a large cluster of heavy industries. The ship recycling zone was first established by a government decree in 1976. Most of the workers are migrant workers from Eastern Turkey around Tokat and Sivas.

In 2002, Greenpeace reported that workers health and the environment are constantly put at risk in the Turkish shipbreaking yards. The researchers found that no adequate protection is provided for the workers and no proper measures were in place to prevent environmental contamination. Compared with other OECD countries, the working and environmental conditions were unacceptable. As a reaction to international criticism, the Government of Turkey introduced new procedures for the management of hazardous wastes. In 2009, the NGO Shipbreaking Platform followed up with a new report on downstream waste management. It identified significant progress; however, it was still concerned about certain waste streams such as heavy metals, paints and PCBs. Since then, the Turkish ship recyclers and the Government have continued to improve practices in Aliaga, both regarding environmental and social standards. The yards have opened their doors to independent researchers, consultants and experts. Moreover, the cooperation with European governments to dismantle obsolete navy vessels has further helped to improve practices. Some Turkish yards have joined the International Ship Recycler's Association (ISRA) which guarantees the quality of its members.

Despite these improvements, several concerns persist which need to be addressed for the yards' application to the EU List of Ship Recycling Facilities. A major concern for the NGO Shipbreaking Platform, which last visited the Turkish yards in 2015, is **workers' health and safety. The Turkish yards have seen at least 11 fatal accidents in the last 5 years – an accident rate which needs to be brought down urgently. Moreover, there is no independent trade union to represent the workers.**

The Turkish ship recycling yards apply the so-called **landing method. The bow of the vessel is grounded on the shore while the stern is still afloat. The blocks are then lifted by cranes onto a drained and impermeable working area. Therefore, the yard do not**

resort to the gravity method, that is, dropping blocks into the water or onto the beach; however, the environmental impact of the landing method has to be scrutinised closely.

Main concerns:

- **Discrepancies between different yards**
- **Tracking of hazardous wastes downstream**
- **Absence of independent trade unions**
- **Environmental monitoring of sea, sand and air pollution and scrutiny of landing method**
- **High accident rate**





Rest of the world

Main Locations: Belgium, Denmark, United Kingdom, Indonesia, South Korea, Sweden, United States, and others

Recycling methods: different variants of quay-side demolition/slip ways or dry docks

Outside the five main ship recycling countries, dismantling facilities can also be found in Europe, North America and other Asian countries (i.e. Indonesia, Japan, the Philippines, South Korea and Vietnam). In the last four years, facilities located outside the main shipbreaking destinations scrapped approximately 140 vessels.

In Europe, there are several state-of-the-art yards that are either exclusively or partially involved with ship recycling. Currently, the most active dismantling operators can be found in Belgium, Denmark and the United Kingdom. Other facilities are located, for instance, in Spain, France, Italy, Portugal, Lithuania, Norway, and Poland. European yards are commonly equipped with slipways and/or dry-docks and the peer-side breaking method is widely used. The majority of facilities recycle small and medium-sized vessels, while some deal with navy ships only. Despite the current market trends, several European yards have scrapped large commercial vessels as well. Not all recycling operators located in Europe however offer the same high quality service; and there have been cases of EU facilities that did not meet environmental standards. In this respect, the Platform is committed to monitor the industry's performance and raise concerns whenever necessary.

In North America and the Caribbean, most of the recycling yards are located in the US, Canada, the Dominican Republic, Mexico, and Puerto Rico. There are inactive facilities in Ecuador and Curaçao.

In Canada, the industry focuses predominantly on government-owned vessels and smaller vessels in the Great Lakes areas and has a significant underutilized capacity.

In Mexico, only in recent years has the industry been revived with the development of yards capable of dismantling medium or large sea-going vessels on both the Gulf Coast and the Pacific Coast; however, the environmental standards as well as downstream hazardous waste management in the Mexican yards needs to be scrutinized closely by all ship owners seeking to cooperate with a yard.

In the US, environmentally safe and sound practices have been developed and have been heavily influenced by the industry's primary client, the U.S. Federal Government. The U.S. ship recycling industry has focused primarily on the domestic inventory, but the current United States Maritime Administration (MARAD) and Navy inventory will likely be disposed of soon. This opens up significant capacity for foreign flagged ships seeking environmentally sound and safe recycling. The yards are located on all three coastlines of the continental U.S., with the facilities in Brownsville, Texas being the most active ones. Ship dismantling operations are either conducted in graving dry-docks or alongside in slipways.



Business practices: cash buyers

Ship owners rarely sell their old ships directly to dismantling facilities. They usually employ the services of third parties, such as **brokers** and **cash-buyers**, in order to sell the vessels to the yards. Cash-buyers are companies that specialize in the trade of end-of-life vessels. They often buy ships “as is, where is” and by that become the owners of the vessel for a short period of time just before demolition. Their service is very convenient for ship owners: the shipping companies are paid upfront for the end-of-life vessels (hence: “cash buyers”) and are free of any financial risk. But not only that: the use of a cash buyer also holds the promise of ridding the ship owner of any responsibility or liability. An end-of-life sale with the help of a cash buyers usually includes a change in flag to one of the typical last voyage flags (see below), and the registration of the vessel under a new name, an attempt to conceal the origin of the vessel.

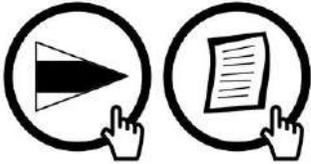
The cash buyers have close personal ties to the shipbreaking yards in South Asia and almost exclusively sell the old vessels to beaching yards in Bangladesh, Pakistan, and India. Leading ship-owning companies that stand by their responsibility, directly sign contracts with ship recycling facilities they have inspected and found adequate – by using intermediaries ship owners run the danger of losing control over a proper recycling process and over the standards they want to see applied.

Business practices: end-of-life flags

To avoid responsibility and exploit loopholes in international legislation, the shipping industry has recourse to “**flags of convenience**”: ship owners can register their vessel under the flag of a country that has nothing to do with him or his company. Many countries offer this kind of **low-cost registration** with **little regulatory control** and **reduced tax rates**. As a consequence, the Flag of Convenience (FOC) phenomenon has created a system whereby states compete for the ships with policies that promise lower costs and lower wages for sailors, and by keeping taxes, fees, and regulatory burdens light. Around 75% of all large commercial vessels therefore fall under the regulatory control of countries such as Panama, Liberia and the Marshall Islands while the world’s most powerful ship owners are headquartered in the EU and in East Asia – meaning that there is a total discrepancy between the world’s largest shipping nations and the flag states that exercise control over these vessels.

Whereas around three quarters of all ships already register under FOCs during operational use, even more ships flag out from responsible registries, including European registries, with age and in particular for the last voyage. Cash buyers opt for end-of-life FOCs that offer last voyage discounts with little control, such as the registries of **Tuvalu**, **Comoros** or **St Kitts and Nevis** – flags that area hardly used while vessels transport goods. As a consequence, end-of-life ships are overrepresented amongst grey- and black-listed flag registries. These flags have a track-record of poorly implementing international legislation. The FOC system means that

any attempts to regulate ship recycling practices without legal obligations for ship owners beyond flag state jurisdiction is deemed to fail. If the shipping nations remain unwilling to hold ship owners legally responsible for substandard shipbreaking and do not create incentives for clean and safe recycling, ship owners and the cash buyers they work with will just continue to flag out to a non-party or a non-compliant end-of-life flag: an attractive solution for ship owners seeking to avoid stricter rules.



Business practices: responsible ship owners

Even if the large majority of ship owners remain indifferent to the human costs and environmental damage created by substandard shipbreaking, more and more ship owners, but also cargo owners who have their goods shipped by sea and banks investing in the maritime industry, take responsibility for the **clean and safe recycling** of end-of-life vessels. These ship owners have – either internally or publicly – embraced a **ship recycling policy**, and their recent ship recycling practices have shown that they live up to their own standard: they directly engage with modern ship recycling facilities and have exclusively sold end-of-life vessels to facilities which operate off the beach that allow for safe operation and the containment of pollutants. These ship-owning companies have also taken further steps such as the promotion of clean ship design and building; cooperation with external experts on ship recycling who supervise, monitor and document the recycling activities; provide Inventories of Hazardous Material (IHM) before recycling; partner with selected and trusted yards for several recycling projects to ensure the quality of the service delivered; and a dialogue with civil society regarding their ship recycling policy.



The legal framework

At the international level, three United Nations bodies deal with the issue of shipbreaking – UNEP, IMO and ILO.

The United Nations Environmental Program (UNEP) adopted the **Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal** in 1992 following numerous hazardous waste trafficking scandals in the late 1980's. The Basel Convention controls the international trade of hazardous wastes and is relevant for ship dismantling as a ship usually contains hazardous materials such as asbestos, PCBs, oil residues and other toxic substances. The Basel Convention has been ratified by 181 countries and remains the only international regulation that aims at protecting developing countries from the dumping of toxic wastes. Under existing regulations on waste trade, ships sold for breaking are considered to be waste. No state party is allowed to sell hazardous waste without Prior Informed Consent of the recipient country and without ensuring the environmentally safe and sound waste management. If shipbreaking countries cannot properly remediate hazardous waste, all toxic materials have to be removed before selling it to a developing country. Because of the high price tag of such cleaning operations, the shipping industry has exploited loopholes in Basel Convention and opted for more profitable substandard breaking on South Asian beaches.

In May 2009, the International Maritime Organisation (IMO) adopted the **Hong Kong Convention on the Safe and Environmentally Sound Recycling of Ships**. The Hong Kong Convention is not expected to enter into force before many years. To this date only Norway, France and the Congo have ratified the Convention. The NGO Shipbreaking Platform has been joined by the UN Special Rapporteur on Human Rights and Toxics, European policy makers and developing countries in denouncing the HKC for setting low standards, such as weak rules regarding the downstream management of hazardous waste, that risk rubberstamping current substandard practices.

At the European level, the **European Waste Shipment Regulation** prohibits any export of hazardous waste, including end-of-life ships, from the European Union to non-OECD countries. Due to the ease by which ship owners can circumvent this law, on 30 December 2013, a new **European Regulation on ship recycling** entered into force. The Regulation, which sets standards for EU-flagged end-of-life vessels, will be applicable at the latest in 2019 and will remove EU-flagged ships from the scope of the Waste Shipment Regulation. It also asks the European Commission to establish a global list of ship recycling facilities that comply with the requirements of the Regulation and requires that all ships entering EU ports have an Inventory of Hazardous Materials (IHM) on-board. The European Commission is asked by the Regulation to assess possible financial incentives and provide a legislative proposal by the end of 2016, if deemed appropriate.





OFF THE BEACH!



**SAFE WORK.
CLEAN ENVIRONMENT.**

