



TradeWinds

Ship Recycling Forum

13 March 2012 / Singapore

Shiprecycling versus Shipbreaking - Which to use, why, where and how?

Have you ever wondered why people engaged in the commercial end of the business refer to scrapping, demolition, shipbreaking and vessels being 'torched' on the beaches, while others refer to ship recycling? A brief scan of the TradeWinds electronic archive reveals that both terms are used fairly evenly and depend, to some extent, on the nature of the article.

Demo brokers will report a scrap deal - for example, and yet there are a number of consultancies offering ship recycling services, not least the leading Classification Societies. So which is it?

Shashank Agrawal is the Group Legal Advisor to Wirana Shipping Corporation Singapore and offers some insight into the terminology.

"During the process of ship recycling the following items are recovered for re-use and re-circulation in the markets:

1. Ship steel - this is the primary material from the ship and is used by the steel re-rolling mills to convert into rods and bars, which are used in the infrastructural projects and in the ever growing construction and other allied industries in the Indian subcontinent.

2. Ropes and Chains - these are generally re-exported for re-use in the maritime industry or re-used by the ship recyclers themselves at their yards.

3. Generators - these are used in most major industrial concerns such as garment manufacturing and washing units or in the agricultural sectors where there is shortage of regular power supply or generation. Often major Owners seek these for their sister Vessels trading in other jurisdictions and therefore this may form an important item of export.

4. Boilers - these are used in rice and jute mills across the country. Again these sometimes form the bulk of the export orders due to their high re-use value.

5. Furniture, beds, cots, bunks, cabin materials - these are either purchased by mid-tier households and / or by public hospitals, emergency camps, hotels, motels, hostels, Red Cross and YMCA etc.

6. Utensils, crockeries - these are purchased by households, emergency camps, hospitals and hotels.

7. Electrical items, electronic appliances, irons, heaters, Insulators - these are re-used by Industrial concerns and agricultural houses.

8. Sanitary wares, bathroom mirrors - Mid-tier households and hotels are the biggest purchasers.

9. Food items, bottled water, packed non perishable food stocks, biscuits, tinned food - Households and small hotels are potential buyers.

10. Glassware - Industries and showroom owners are the biggest Buyers.

11. Fridges - these are purchased by households, small hotels, Industrial houses, mid tier purchasers and factories.

12. Pipes and Fittings, wires, coils, rubber - Agricultural and domestic use for most pipes and fittings and other items.

13. Paintings / Sofas / Desks / Chairs - Households, hotels and factories hold the biggest shopping bags.

In short, the recycling markets have developed a 'reuse' market for every nut, bolt and the kitchen sink found on board the vessel. In our opinion no other industry is so well placed as the ship recycling industry. This industry is entirely 'self dependant and reliant' and in fact it supplies all the essential items to the world at large and is the backbone for many indirect industries in the Indian subcontinent."