

Breakers take steps to improve standards

Industry leaders look at ways to encourage take-up of the Hong Kong Convention



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WHETHER you loathe or love Dubai, seeing the Burj Khalifa, the world's tallest building, on the city's skyline is quite spectacular, almost as if it has been superimposed on to the view.

In a place where hotels under construction appear to have a minimum requirement of 50 floors, this 828 m tall residential and leisure building is what everyone in Dubai is talking about.

"You must go see the light show at its fountains," the taxi drivers insist. "It is the best in the world."

The landscape of this glamorous city was in complete

The majority of attendees appeared to agree that arguments by the NGO Platform on Shipbreaking were not constructive in improving standards

contrast to the topic members of the shipping industry were in town to discuss.

Around 150 shipbreakers, brokers, cash buyers and regulatory figures came together at the two-day Tradewinds Ship Recycling Forum earlier this month for an update on attempts to raise standards at shipbreaking yards in the Indian subcontinent; and to shrug off its dirty image.

The International Maritime Organization's Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships was adopted in May 2009

but so far has only been signed by five countries. With only one shipbreaking nation, Turkey, having signed, ratification and entry into force still seems a long way off.

The hope is that more countries will come forward and sign the convention, particularly as the European Commission is now encouraging its member states to participate.

With almost 60% of European Union-flagged ships sold for recycling in 2009 heading to India, Bangladesh and Pakistan, where the beaching method is used and perceived as bad for the environment and workers, the commission sees its objective as ensuring all EU ships are dismantled in green and safe facilities only.

Its support for green recycling comes after a period of confusion over Europe's take on the 2009 IMO convention, because although it encouraged its adoption some of its components clash with the existing Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal.

The latter has been a source of frustration for many in the industry as it classes a ship being sold for recycling as waste, which opens up a can of regulatory worms that a lot of people manage to circumvent.

Equivalency studies are being carried out as to how the two conventions could work together to ensure change comes about sooner rather than later in this industry.

The majority of attendees in Dubai appeared to agree that arguments by the NGO Platform on Shipbreaking, which wants the beaching method to be banned and all ships sold for demolition pre-cleaned of toxic materials before they arrive for dismantling, were not constructive in moving forward with improving industry standards.

Those who voiced this opinion



The imposing Burj Khalifa: the building in Dubai everyone is talking about. *Bloomberg*

seemed to get the loudest cheers at the two-day event.

But improvements are slowly coming about.

After almost 10 months out of the market and lengthy debate between its environmental lawyers and owners of shipbreaking yards, Bangladesh's High Court announced earlier this month that the country's demolition industry could reopen for business if it followed a number of caveats that would bring about improved standards for yard workers.

Ensuring tanks and holds are

clean of toxic gases before cutting and compulsory training at a new institute to be set up under the supervision from the Bangladesh Marine Academy were two of the most welcomed conditions of the ruling.

Although it is understood that breakers have received documentation from the High Court, the full implication is not known, and there is a positive atmosphere within the industry including the yards which seem to understand that if they do not improve standards they could lose out on business.

The reopening of Bangladesh under these new regulations will not only be good for workers, around 100,000 of which are thought to have lost their jobs since the scrap ship import ban, but the wider shipping industry.

In the over-tonnaged capesize sector that will have a fleet of around 1,375 ships by the end of the year, of which 51% were built less than four years ago, around 180 capesize vessels are 20 years old or more – which means that there was scope for all of these ships to be scrapped this year and next, according to Compass Maritime Services founding partner Bart Lawrence.

Additional breaking capacity is needed for all this tonnage, along with the biggest tankers, and Bangladesh is capable of handling ships of this size.

Although whether yards can successfully re-open in accordance with new regulations remains to be seen, but positive developments from the European Commission will hopefully create a more pro-active atmosphere in the ship recycling industry that could see significant changes come about sooner rather than later.

So, after two days of debate, delegates left Dubai with an encouraging outcome, which gave many good reason for a cocktail or two under the twinkling lights of the city's impressive skyline. ■