

# Shiprecycling convention may unearth legal minefield

## Shipowners fear loss of employment and revenue

Liz McCARTHY — DUBAI

THE International Maritime Organization's Hong Kong Convention for the safe and environmentally sound recycling of ships has the potential to unearth a legal minefield that could ripple through the shipping industry.

Experts are calling for greater efforts to raise awareness along the marine equipment supply chain from manufacturers but also their sub-suppliers, for increased quality certification of the absence of hazardous materials such as asbestos.

"The supply chain is highly uncontrolled," Green Ship Recycling Services director Henning Gramman told the Tradewinds Ship Recycling Forum in Dubai.

With thousands of suppliers feeding equipment and parts into shipbuilding and repair yards, and despite asbestos and other hazardous materials being banned in many countries, "quite often asbestos finds its way into vessels".

For the shiprecycling industry, this could open up a can of worms if and when the Hong Kong

convention enters force, as one of its requirements will be for owners to hold an inventory of hazardous materials for both new and existing ships greater than 500 gt — documents that some companies are already having prepared by classification societies.

Problems could arise if supposed asbestos and hazardous-free products supplied by equipment manufacturers — and therefore shipyards, once a vessel is delivered to owners — turn out to have hazardous materials onboard.

Mr Gramman referred to a newbuilding chemical tanker delivered from a Turkish yard last year that was found to have Chinese-built equipment onboard containing asbestos, an exclusive story this paper broke in June last year ('Chemtanker newbuilding loaded with asbestos', Lloyd's List June 21, 2010)

It has cost around 10% of the newbuilding cost to have this material removed — and it was the shipbuilding yard which had to pay, he told Lloyd's List.

But this was not, and will not, be an isolated case.

Suppliers from developing countries, with China of particular concern, are still producing equipment and construction parts with asbestos.

Despite asbestos use technically having been banned



Removing asbestos: despite its use technically having been banned since 2009, only five of the six types are covered by law.

since 2009, only five of the six types of asbestos are covered by law. Consequently, many legal cases may arise between different parties involved with the building, owning and dismantling chain of a ship as they chase the people they believe are responsible for inaccurate certification.

Risks for owners include port state controls that could deem a vessel not inspectable and ban it from territorial waters, which could consequently lead to loss of employment and revenue.

As well as the cost of decontamination, there is a risk of paying out large sums of money in

the form of compensation to crew members and repair yard workers unaware they are being exposed to hazardous materials, but who subsequently become ill.

This could lead to crews suing owners, owners suing yards, yards suing suppliers and so on. ■