

# Putting shipbreaking on course for sustainability

With first-hand experience of the shipbreaking yards of Bangladesh, **Susan Wingfield** of the UN's Basel Convention is confident a raft of recent measures can encourage a more sustainable industry

**A** first visit to the shipbreaking yards located just outside Chittagong in Bangladesh can be difficult. Mine was in 2007. If ever there were a prime example of where the needs of industry meets the vulnerability of the environment, this was it. Stretches of what might otherwise be pristine coastal landscape were littered with ships from the far reaches of the globe. Groups of workers sang a rhythmic tune which I was later to find out helped them keep pace whilst they carried sheets of scrap steel from the ships bound for the re-rolling mills behind the beaches. Drums of oil – collected from ships – were dumped into makeshift storage pits on the beach. When asked why such a practice was carried out, the question was greeted with an ironic response: “We might actually succeed in making an oil

well!” I still wonder to this day if there was some measure of belief in that statement.

To recognise the important impact this industry has on the economies of these countries is not to discount the hazards it poses for worker health and safety and the negative impacts it can have on the environment. However, once one's understanding of the industry grows, the perception can change too. The concept of ‘shipbreaking’ is replaced by the notion of ‘ship recycling’ – as the activities that take place on the beaches of India, Bangladesh and Pakistan constitute one of the biggest recycling efforts on the planet today.

Take Bangladesh, for example. Ship recycling provides upwards of 60% of the country's steel demand. Coupled with this are the wider socioeconomic implications: the industry

provides jobs to many thousands of skilled and semi-skilled workers coming from across the country, estimated to amount to between 25,000 and 40,000 full-time equivalent jobs in 2015. It supports steel manufacturing, shipbuilding, equipment traders, furniture manufacturing, the electronic and electrical industries and many other national and local economic activities. Ship recycling is estimated to have an income multiplier effect of three, which is substantial when one considers its input to the Bangladesh economy has been worth approximately \$770m per annum in the five years up to 2015.

The purpose of my successive visits to Bangladesh over the past ten years has been to work with national stakeholders and other international partners to determine what might be done to raise the standards in the industry



towards a better outcome for workers and the environment. As representative of the UN Environment-administered Basel Convention, a global agreement put in place to control the movement of hazardous waste from developed to developing countries, my presence in Bangladesh and other ship recycling countries has understandably been met with a measure of suspicion at times: it was perceived that the Convention for which I worked could effectively spell the end of the industry as many of the ships being beached on the shores of these countries originated from developed countries.

Coupled with this were sentiments amongst some stakeholders that the Basel Convention was not the appropriate treaty to regulate this activity as it had not been developed with the complexities of the global shipping industry in mind. Recognising this, governments met in another UN forum, the International Maritime Organization (IMO), to negotiate a specific treaty on ship recycling. What resulted was the adoption in 2009 of the Hong Kong International Convention for the safe and environmentally sound recycling of ships.

While discussions ensued in international fora over the most appropriate instrument to regulate this activity, the Secretariats of the IMO and the Basel Convention recognised that considering the requirements of the two instruments together could provide an effective basis for their capacity building efforts on ship recycling. The Hong Kong Convention outlined what should be happening on the ships and at the facilities' level to control these activities and the Basel Convention provided controls for the downstream management of the waste from ship recycling.

Rolph Payet, the Executive Secretary of UN Environment's Basel, Rotterdam and Stockholm Conventions Secretariat is optimistic that the two organisations can make progress together: "With the adoption of the Hong Kong Convention and through our discussions with IMO, we realised early on that the two organisations could effectively work together to bring about improvements in the industry.

"Strides could be taken towards improving the standards in the industry at the facility level; but equally important were the steps taken downstream to manage the hazardous waste coming from the makeup of ships, for example, asbestos, heavy metals and other pollutants. This was where we could really add value."

Of the 'big 5' global ship recyclers, China,



**Bangladesh: Improvements to this ship recycling yard shows the initiatives are working**

Turkey and India had such downstream capacity, however, in Bangladesh and Pakistan there were no such facilities capable of managing hazardous waste from ship recycling or other industries. This effectively meant that more than 40% of the global ship recycling industry had no means of disposing of its hazardous waste.

Enter the first phase of a project on the safe and environmentally sound recycling of ships, a multi-year \$1.5m project supported by the Government of Norway and the European Union, designed to pave the way for real improvements in the industry in Bangladesh. Led by IMO, in collaboration with the Basel Convention, the project saw the implementation of work streams in multiple areas, including economic and environmental impact studies and the development of a comprehensive training package for workers. In addition, the waste from ship recycling and surrounding industrial areas was quantified and from there emerged a proposed design and price tag for the development of downstream infrastructure, along with a business case to attract donors and other financial partners – this part of the project was also extended to Pakistan.

With phase one now complete, the second phase of the project will focus on constructing a dedicated waste management facility for treating, storing and disposing of the hazardous waste, as well as rolling out a comprehensive training programme aimed at all workers in ship recycling yards, supervisors and government officials. Norway has already signaled its intention to provide some financial support, and the Government of Bangladesh is actively seeking international partners and additional finances to continue this important work.

### Signs of progress

Ten years on from my first visit and there are some promising signs for the industry in Bangladesh, but both government and industry have to maintain their momentum if sustainable improvements are to be realised. Phase one of the project on the safe and environmentally sound recycling of ships has established an economic and environmental baseline for the industry and provided a blueprint for action to develop waste management infrastructure and train workers. In phase two concrete, 'on-the-ground', improvements need to be made to ensure the long-term sustainability of the ship recycling industry in Bangladesh.

The good news is that there is a strong team of officials in government that recognises that maintaining the current momentum is crucial if concrete improvements are to be made. One ship recycler is at the forefront in making facility-level improvements that, depending on how successful they will be in attracting quality ship owner clients, may very well be replicated by peers in the industry. Other potential partners and donors are also sitting up and taking notice of the developments in Bangladesh.

Ship recycling also remains firmly on the agenda of the Basel Convention with governments discussing the issue and the outcomes of the project at a recent meeting of the Conference of the Parties in Geneva. All of which may signal greener prospects for the industry and a better outcome for workers and the environment.

### About the author

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### Further information

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