

Discussions on the Global Programme for Sustainable Ship Recycling

12th & 13th January 2008

Dhaka, Bangladesh

Meeting Report

Introduction

A diverse group of ship recycling stakeholders met in Dhaka, Bangladesh on 12th and 13th January to discuss the Global Programme for Sustainable Ship Recycling, an initiative developed by the Secretariats of the Basel Convention, the International Maritime Organisation and the International Labour Organisation.

The events in Dhaka, hosted by the Secretariat of the Basel Convention, with support provided by the Bangladesh Ministry of Environment and Forests, were intended to provide a forum for an initial consultation on the Global Programme by facilitating an exchange of views by Government Ministries and Departments, industry, IGOs, NGOs and international experts. Bangladesh, which currently has the largest ship recycling industry, was selected as an appropriate venue to initiate these discussions.

The Programme

Discussions took place over 2 days. The first set of discussions on 12th January, were attended by high ranking officials from Government of Bangladesh Ministries, Departments, Embassies and High Commissions as well as leading figures in industry and NGOs. Initial statements made by the three Secretariats (SBC, IMO and ILO) and presentations by the Ministries of Environment & Forests and Labour & Employment, the Departments of Shipping and the Environment and the Bangladesh Shipbreakers Association helped frame the discussions which were to take place on the second day. The substantive discussions on 13th January were preceded by presentations by international experts and key Bangladeshi stakeholders, outlining developments at the international level, the priorities of recycling States and what future action is required at the national and international level.

All available presentations are attached as an Annex to this report.

The substantive discussions on the afternoon of the 13th were structured around the current Global Programme concept (also attached as an Annex), as developed by the SBC, to obtain feedback on the proposed activities under the Programme (development of model facilities, certification schemes, policy development, establishing linkages and training and workshops), roles and responsibilities and how these might be assigned.

Many useful comments arose as part of the discussions, on both the Global Programme and issues related to the ship recycling industry in general, a summary of which is provided in the Highlights section below.

Highlights of discussions

The importance of the ship recycling industry to the countries in which it is based, particularly Bangladesh, was highlighted by both the Government and industry representatives alike. In Bangladesh, the industry employs 25,000 workers in approximately 25 yards, although it is estimated that 500,000 people are indirectly employed by the industry (in downstream sectors). Over 95% of a ship can be recycled, the majority of which is steel, which provides Bangladesh with 80% of its current steel requirements, mainly for construction.

While Government, NGOs and industry welcome efforts by international organisations to improve the state of ship recycling globally (both through the new Convention being negotiated under the auspices of the IMO and initiatives such as the Global Programme), several points need to be borne in mind:

- Standards must be improved in a phased manner and such improvements should be affordable so as to ensure the industry continues to be economically viable in the countries concerned. A key question in this regard is to what extent can facilities be upgraded without losing competitive advantage in the market?
- How realistic is it to have globally uniform standards for the industry?
- Any new programme should ensure the industry is economically, socially and environmentally sustainable.
- The programme must be country-driven, taking into account requirements at the international and national levels. Differing levels and types of assistance and input will be required depending on the in-country situation. Inter-ministerial coordination of any programme would be key in ensuring a balanced approach to achieving economic, social and environmental objectives.
- New regulations as defined in the new IMO Convention need to be transposed into national legislation as deemed appropriate by national policy makers and regulators. A defined set of rules and regulations needs to be developed to which enforcement is measurable, as opposed to a set of generalised policies.
- Linkages need to be established with other national sectors (e.g. in developing a model yard with waste reception facilities) and such developments should not be to the detriment of employment (i.e. improvements should ensure the labour intensity of the industry is maintained).
- Lessons from previous assistance projects, for example, SafeRec in Bangladesh, need to be borne in mind to assure both optimal usage of resources and expected outputs.
- Many ship recycling countries already have the necessary expertise in-country to achieve improvements. In this regard, financial, not technical, assistance is the greatest requirement. Most importantly, assistance should be given as, when and where it is required by each specific country, and not prescribed as felt appropriate by international donors.

- Initiatives developed by international organisations and foreign governments need to be coordinated to avoid duplications of effort.
- The voice of the workers' should not be forgotten, and they have a key role to play in future developments in the industry. The main concerns of the workers, as voiced by NGOs, include the opportunity for permanent employment, better enforcement of their rights, decent work, a minimum wage structure and improved worker health and safety at the yards.

There was some skepticism voiced about how effective the proposed Programme could be in bringing about change in the industry. Some Government representatives felt that the IMO should lead such technical assistance initiatives. It was explained, however, that this is a joint initiative between the three Secretariats – the Basel Convention has assumed the leading role as development of the new Convention is currently the focus of IMO efforts.

In terms of the proposed Programme activities, the development of a model facility was welcomed by all stakeholders, although the specifics with regard to the funding of such a project, the type and level of international assistance, would require further discussion.

Training was also deemed essential, although other educational mechanisms require exploration. Training should be needs-based as it is apparent that certain types of job functions (e.g. working at height) cause the most accidents. Permanent facilities need to be developed to address ongoing training requirements. Training should be provided free-of-charge to workers.

With regard to stakeholder roles and responsibilities in the industry, it was thought by many that shipowners need to play a greater role in ensuring a sustainable ship recycling industry moving forward, particularly in providing financial input to ensure their ships are recycled in an environmentally sound manner, and in ensuring ships are pre-cleaned prior to their arrival at a facility.

Next steps

In finalising the discussions, the Secretariats welcomed future comments on the Global Programme and committed to include comments obtained from the initial consultation in future proposals. All further comments should be forwarded via email to Susan Wingfield at susan.wingfield@unep.ch.