



Flanders
State of the Art

Safe & Environmentally Sound Ship Recycling

In the European Union & Worldwide

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Ship recycling in the EU & Worldwide

▶ Ship Recycling in the European Union

- Mainly domestic vessels, fishing vessels, smaller sea-going vessels
- EU largest ship recycling facility: Galloo Ghent (30,000 – 50,000 LDT)
- EU net exporter of steel
- Aim of the EU Ship Recycling Regulation

↳ Preamble 5 + article 1: Regulation aims at facilitating early ratification of the Hong Kong Convention both within the Union and in third countries by applying proportionate controls to Ships and Ship Recycling Facilities on the basis of that Convention

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- ▶ EU to facilitate ratification Hong Kong Convention, **how to?**
 - EU SRR similar requirements to Hong Kong Convention
 - Ships: IHM as per HKC + 2 additional elements
 - All Ship recycling Facilities
 1. Meet requirements safe & environmentally sound ship recycling
 2. Make it on the EU list

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1. *Requirements safe & environmentally sound recycling (1/2)*

HKC	EU SRR – EU list
<p>Applies to</p> <ol style="list-style-type: none"> 1. Ships entitled to fly the flag of a Party or operating under its authority (>500GT); 2 Ship Recycling Facilities (SRF) operating under the jurisdiction of a Party. 	<p>Applies to</p> <ol style="list-style-type: none"> 1. Ships flying flag of EU MS (>500GT) 2. Ships flying third country flag: only art 12 3. EU Ship Recycling Facilities fall under jurisdiction of resp EU MS / 4. Non-EU SRFs applying for EU list must meet requirements art 13 and 15
SRFS authorized by Competent Authority	Authorized by Competent Authority
Ensure safe ESM of Hazardous Materials and wastes	Safe and ESM and storage of HM and waste For non –EU SRFs: Standards broadly equivalent to EU and international standards – art 15
Waste transferred to authorized facilities	Waste and HM transferred to authorized facilities
Identify waste management & disposal sites	
SRFs shall establish management systems.. which do not pose health risks to the workers concerned or to the population in the vicinity of the Ship Recycling Facility and which will prevent, reduce, minimize and to the extent practicable eliminate adverse effects on the environment caused by Ship Recycling	Prevent adverse effects on health and environment, incl demonstration of control of any leakage in intertidal zones

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1. Requirements safe & environmentally sound recycling (2/2)

- Prevent adverse effects on health and the environment: *how to?*
 - *What is environmentally sound management* of hazardous materials and waste?
 - Demonstration of control of any leakage, in particular in intertidal zones
 - Handling of hazardous materials and waste on impermeable floors with drainage systems
 - Operate from build structures (road, access ways, ...)
 - Waste management facility: human health and environmental protection standards broadly equivalent to relevant international and EU standards
 - ...
- ↳ Similar requirements to the Hong Kong Conventions

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2. The EU list

- Facilities located in the EU: approved by their national competent authorities and included in the List
- Facilities located outside the EU: submit applications directly to the European Commission (see next slide)
- Hong Kong Convention = Party vs Non-Party
- Facilities located in a state which ratified the Hong Kong Convention must be approved by their national competent authorities and included in the “HKC List”
- Facilities located in a state which didn’t ratified the Hong Kong Convention cannot be included in the “HKC List”

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- ▶ Today EU list: only EU facilities
- ▶ Non-EU facilities have applied (EU COM)
 - US, India, China, Turkey
 - 2018: EU COM and Member States evaluate applications
 - When compliant: approval for EU list



EU regulation was not written to regulate EU ship recycling industry
Already meets existing EU regulations on waste and environment

Aim is to:

- Facilitate HKC ratification
- When non-EU facilities make it on the EU list: they comply to European Ship Recycling Regulation (cfr HKC): no technical reasons anymore for their respective States NOT to ratify HKC

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▶ Hong Kong Convention vs EU SRR

→ EU SRR, art 30 (Review) : Prior to the date of entry into force of the convention, the commission shall review the Regulation “**in order to avoid duplication of work & administrative burden, this review should consider inclusion of HKC facilities in the EU list**”

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► The following are extracts from the COM Explanatory Memorandum to the EU Regulation

- A significant recycling capacity exists outside the OECD in China, India, Pakistan and Bangladesh. It is expected that facilities located in the OECD, in China as well as some facilities located in India will be able to comply with the requirements of the Hong Kong Convention by 2015.
- The objective of the Ship Recycling Regulation is to reduce significantly the negative impacts linked to the recycling of EU-flagged ships, **especially in South Asia without creating unnecessary economic burdens. The proposed Regulation brings into force an early implementation of the requirements of the Hong Kong Convention, therefore hastening its entry into force globally.**
- While it is difficult to expect the current 'beaching' facilities to be able to meet these requirements, **it is possible that upgraded facilities might be able to fulfil these criteria in the future.**

Way forward: internationally

- ▶ Banning ALL South Asia's Ship Recycling Facilities from the EU list beforehand would be
 - **Not in line** with EU Ship Recycling Regulation, aim is to **facilitate Hong Kong Convention** and upgrade practices in third countries, (not in the EU)
 - **wrong**, as this is the **region most in need for improved standards** (and the chances are high it will choose the low road when denied access to EU fleet, including not even ratifying HKC);
 - **irresponsible**, as a **ban would deprive the workers and the environment** of the benefit of improved standards; and
 - **naïve** since the three South Asian countries control **three quarters of the world's ship recycling** capacity.
- ▶ Have a common goal of establishing safe and environmentally sound ship recycling worldwide

Way forward: Japan

- ▶ On 14 September, Shinzo Abe, Prime Minister of Japan and Narendra Modi, Prime Minister of India held a summit conference. The two Prime Ministers welcomed the agreement for the bilateral cooperation to be implemented through the Japan International Cooperation Agency (JICA) and reaffirmed their intention to achieve an early conclusion (ratification) of the Hong Kong Convention.
- ▶ Based on the agreement, JICA signed a loan agreement with the government of India to provide 8.52 billion yen loan for the project which aims to improve ship recycling yards in Alang and Sosiya in Gujarat.
- ▶ The project will improve 70 ship recycling yards and introduce ship recycling methods that conform to the Convention. These measures will improve environmental protection, labor safety and sanitation management in ship recycling, thereby contributing to environmental conservation and sustainable economic development.

Way forward: EU

- ▶ The EU can play a leading role, be a true facilitator for the safe and environmentally sound ship recycling worldwide
- ▶ Or the EU can stop progress worldwide by banning –in theory at least– the ESM recycling of (EU!) ships in all South–Asian yards
- ▶ All depends on the facilities that will be allowed on the EU list

Commissioner Karmenu Vella

“The applications for inclusion in the future European List of ship recycling facilities located in third countries will be assessed on a case-by-case basis, against the precise requirements set by the Regulation. No application will be rejected simply on the basis of the country where the facility is located or the recycling method used”



Thanks for your attention Are there any questions?

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