Indian breakers’ green credentials on the rise

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Nearly 40% of India’s recycling yards have gained ISO certification

NEARLY 40% of Indian ship recycling yards have attained certification from the International Organisation for Standardisation showing they operate facilities that undertake safe and environmentally sound operations.

Of the total 175 breaking yards in operation in India, between 65-70 are ISO certified, according to the world’s largest cash buyer GMS.

And this number is set to increase as a handful of western and Japanese development banks, as well as non-governmental organisations, work towards growing India’s green recycling capacity.

The certification yards can gain is the ISO 30000:2008, a management system designed specifically for the ship recycling industry.

But the increase in green ship recycling facilities in India over the past couple of years has come to the detriment of China’s market share.

During the past few years, China has been hailed by many industry experts as the green destination for owners looking to keep their corporate reputation clean.

However, it now has just 15 ISO-certified yards, compared to India’s 65-70.

This has provided more choice for owners looking to dispose of their vessels in a safe and environmentally manner and in turn has increased competition between Indian and Chinese green facilities, and subsequently the scrap prices they offer to secure tonnage.

Increased competition had prompted “a massive decline” in the volume of ships sold for demolition in China during 2010, with GMS citing data from London broker Clarksons that showed all its yards, both green and non-green, bought just over 2m dwt of tonnage for recycling, compared with nearly 6m dwt in 2009.

In contrast, total Indian demolition volumes in 2010 were around 8m dwt.