Having recognised the problems and dangers caused to workers and the environment by ship recycling yards based in southern Asia, EU environment commissioner Janez Potočnik and transport commissioner Siim Kallas have launched new proposals to reduce negative impacts from recycling EU-flagged ships. The proposals are based mainly on the Hong Kong international convention which lays out standards and practices for ship dismantling, and requires signatories to dismantle their large commercial ships only in countries party to the convention. Parliament’s rapporteur on the commission’s proposals Carl Schlyter criticised the convention and told this magazine, “Without economic incentives [to make ship yard facilities safer] the Hong Kong convention would be just another agreement the shipping industry would ignore. The commission’s proposals are not good enough and can be easily circumvented as well as not putting an end to the beaching of EU-owned ships.”

Schlyter’s views were also backed by Patrizia Heidegger, executive director of the Shipbreaking Platform NGO. She said, “We particularly support the idea of a financial mechanism, we are happy to see the parliament agrees on the explicit banning of ship cemeteries which is the root cause for environmental pollution and dangerous working conditions in ship breaking.” However, the shipping industry are more enthusiastic about the new commission proposals. Non-executive director of shipping giant GMS Nikos Mikelis told this magazine, “The proposed regulation is a bold and positive step forward,” but he said he saw the banning of the beaching of European flagged ships as “a retrograde step” that will remove all European influence to improve safety and environmental standards.

S&D shadow rapporteur for ship recycling Vittorio Prodi, also criticised the commission’s proposals as he felt they were inconsistent with international and EU environmental legislation. They were “in contradiction with our commitments for jobs and growth: in fact it condemns European shipyards to inactivity”. Instead of a financial mechanism, Prodi called for mandatory insurance applicable to all ships, which could help stop owners switching registration to circumnavigate EU ship breaking rules. EPP shadow Christofer Fjellner welcomed Schlyter’s report, particularly on stopping the exploitation of workers, especially children, but he wanted a more thorough assessment of the different options for financial mechanisms. However, ALDE shadow Chris Davies said that although ideally he would like to see European ships dismantled within the EU “in practice it may be impossible for us to compete on the basis of cost with operations in Asia, but at least we can push to raise standards.”

Despite Schlyter’s criticisms, the commission’s DG environment spokesperson Joe Hennon said, “The rapporteur shares the main gist of the commission’s proposal, which is to adopt effective rules to make the recycling of EU ships sustainable. The commission is therefore optimistic that the talks to be held soon with parliament and council can take place in a constructive spirit, and may even lead to an agreement in its first reading in plenary. The commission will thoroughly assess the parliament’s proposal which may emerge from this debate, in particular to check compliance with international obligations and to prevent disproportionate administrative burdens. However, given our joint objective to make ship recycling sustainable, we will work hard and constructively with the parliament and the council, and are optimistic that we can find a solution,” he said.