

Ship Recycling: The Relevance of the Basel Convention



file photo

BY [KANU PRIYA JAIN](#) 2018-02-20 18:22:11

The Basel Convention on the Control of Transboundary Movements of Hazardous Waste and Their Disposal, also known as the Basel Convention was adopted in 1989 and came into force in 1992. The Convention was aimed at controlling the movement and disposal of hazardous wastes from the developed countries to the developing countries, so that the illegal dumping of wastes by the operating companies could be prevented. The Convention does not prohibit the export of hazardous waste within the member states. However, it requires parties to follow a notice and consent system known as “prior informed consent.”

An amendment to the Convention was subsequently agreed, known as the Basel Ban Amendment, which prohibits the transportation of hazardous wastes from an OECD country to a non-OECD country.

Although the Ban Amendment isn't in force yet, the provisions of both the Basel Convention and the Basel Ban Amendment are effectively applicable at a European level by means of the European Waste Shipment Regulation. Effectively, in absence of a legally-binding instrument applicable to end-of-life ships and offshore assets, European Waste Shipment Regulation is considered to be applicable to ships and offshore assets. This assertion means ships (and offshore structures) cannot be exported from an E.U. country to any of the major ship recycling countries (India, Pakistan, Bangladesh, China) except Turkey because it is a member of the OECD group.

The Hong Kong International Convention, adopted by the IMO in 2009 in response to the demands for a legally-binding instrument regulating the global ship recycling industry isn't in force yet. However, it has managed to propel the developments in the industry. Several ship recycling yards in India, China and Turkey have developed their infrastructure in line with the Hong Kong Convention to obtain Statements of Compliance with Hong Kong Convention awarded by IACS-member classification societies.

These Statements of Compliance refute the claims that safe and environmentally sound ship recycling is not possible on yards in South Asia due to the use of the beaching method to dock end-of-life ships. These Statements of Compliance have brought the improvements made by yards in South Asia (in particular India) into the limelight, and now these yards are equivalent to others in terms of health, safety and environmental standards.

Presently, 50 percent of India's active yards have obtained Statements of Compliance with the Hong Kong Convention, Bangladesh has one, China has six and Turkey has seven such yards. In such a scenario, when safe and environmentally sound recycling of ships is possible outside the OECD member countries whilst India and China have enough capacity, a logical question to ask is: are the Basel Convention, the Basel Ban Amendment and the European Waste Shipment Regulation still relevant?

The European Waste Shipment Regulation forces shipowners who want to export a ship from a E.U. port to sell their end-of-life ships for recycling only to Turkey (and to other OECD countries) despite the fact that same standards of recycling are now available in other countries where ship owners can get a better deal in economic sense.

Although the above mentioned regulations were not drafted for intended application to the shipping industry, they continue to be applied to bring the shipping industry under its purview. The main aim of these regulations was to safeguard the interests of the developing countries against the dumping of hazardous wastes as these countries weren't equipped to deal with such wastes. However, now with the availability of yards in India equipped to recycle end-of-life ships in a way as safe and environmentally friendly as in yards in Turkey or elsewhere in the world, sending ships only to Turkey from the E.U. under the purview of European Waste Shipment Regulation sounds rather illogical. An important point to consider here is the fact that even in Turkey, only a few yards are HKC-compliant which effectively means it is difficult to ensure safe and environmentally friendly recycling even if a ship is transported to Turkey.

Another important point to support the idea of allowing ships and offshore structures from the E.U. to recycle in India on Hong Kong Convention-compliant yards is the fact that the recycling facilities in the E.U. do not have enough recycling capacity to dismantle large ocean-going vessels. Interestingly, some yards listed in the so-called E.U.-list that has been approved by the European Commission, weren't even operational in the recent past. However, the list will soon be updated by the European Commission to add more capacity.

Moreover, the fact that the yards in E.U. and Turkey are in no position to offer more than the yards in India for buying end-of-life ships due to the strong downstream market for second-hand goods and re-rollable scrap is also critical. This not only makes economic sense for the shipowners, but it is also environmentally friendlier than melting steel scrap and discarding reusable goods as waste – a practice followed in the Turkish ship recycling industry for instance.

In conclusion, more than eight years after the Hong Kong Convention was adopted, several yards in India have voluntarily upgraded themselves to undertake safe and environmentally sound recycling of ships. Such developments have led to question the rationale behind the sendover of end-of-life ships and offshore structures from the E.U. just to Turkey under the purview of the European Waste Shipment Regulation.

Now is the time to review these regulations which do not augur well for the ship owner's finances and sustainability in the shipping industry. Although the new European Regulation on Ship Recycling is due to replace the European Waste Shipment Regulation in 2018, there has not been a decision made on the future of the Basel Convention. One complication is that, in the E.U. after the full implementation of the new regulation, the European Waste Shipment Regulation will still apply to ships of non-EU flag departing from the E.U. for recycling.

Despite the fact that the European Regulation on Ship Recycling may approve yards from China and even India, the European Waste Shipment Regulation will still allow ships to be sent only to OECD countries. The extent of confusion and complexity in the existing regulations is such that requires immediate reviewing, to the best interest of the industry.

Dr. Kanu Priya Jain is Coordinator, Responsible Ship Recycling, GMS (Dubai).

The opinions expressed herein are the author's and not necessarily those of The Maritime Executive.

Source: <https://www.maritime-executive.com/editorials/ship-recycling-the-relevance-of-the-basel-convention>