

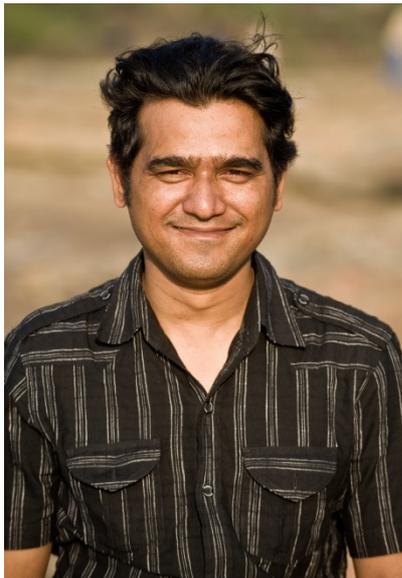


SOUTH ASIA – QUARTERLY UPDATE NUMBER 2 / 7 JULY 2014



In this quarterly publication, the NGO Shipbreaking Platform informs about the shipbreaking industry in *Bangladesh, India and Pakistan*. Providing an overview of *vessels broken on the beaches of South Asia, accidents, recent on-the-ground, legislative and political developments including our activities in South Asia* we aim to inform the public about the negative impacts of substandard shipbreaking practices as well as positive steps aimed at the realisation of environmental justice and the protection of workers' rights. In this second edition of the update we inform about our report on the conditions in Pakistan, protests in India, our members' work in Bangladesh and international development projects. So far this year *369 ships* have ended up on the beaches of South Asia causing this second quarter the *death of at least 10 workers – bringing the total death toll so far this year to 17 workers*.

OPINION FROM SOUTH ASIA:



“My organisation YPSA has been an active member of the NGO Shipbreaking Platform since it was first established in 2005. For almost a decade I have worked as the Platform’s Bangladesh Coordinator and called upon both relevant policy makers and the shipbreaking industry to ensure environmental justice and the respect of worker’s rights.

There is no other way of wording the problem - the beaches of South Asian countries are treated as the trash can for the world’s obsolete ships. Violating environmental and worker safety laws – both national and international – is common practice and generates profits for the business men involved in shipbreaking on the beaches of South Asia. Whilst claiming to be “green” and boosting themselves with various certificates, including ISO 30.000, on-the ground the reality is quite different and issues of pollution and poorly enforced workers’ rights remain major concerns. Children still make up a large proportion of the labourers at the Chittagong shipbreaking yards. No child should be employed in a job that has one of the countries worst death tolls per worker. At least 13 workers died in Chittagong in 2013, 22 died in 2012.

So far this year nine workers have already lost their life whilst breaking ships in Bangladesh. Not enough has been done to prevent the dangerous working conditions, nor to prevent the employment of children. Ship owners also continue to sell their ships to Bangladesh despite being aware of the very hazardous conditions.

The pollution and dangerous working practices on the South Asian shipbreaking beaches has been exposed in many international and national media – most recently in National Geographic’s issue of May’14. Both ship owners and shipbreaking yard owners should take note that public awareness is growing, also in Bangladesh, and that it is high time that respect is paid to environmental justice and human rights.”

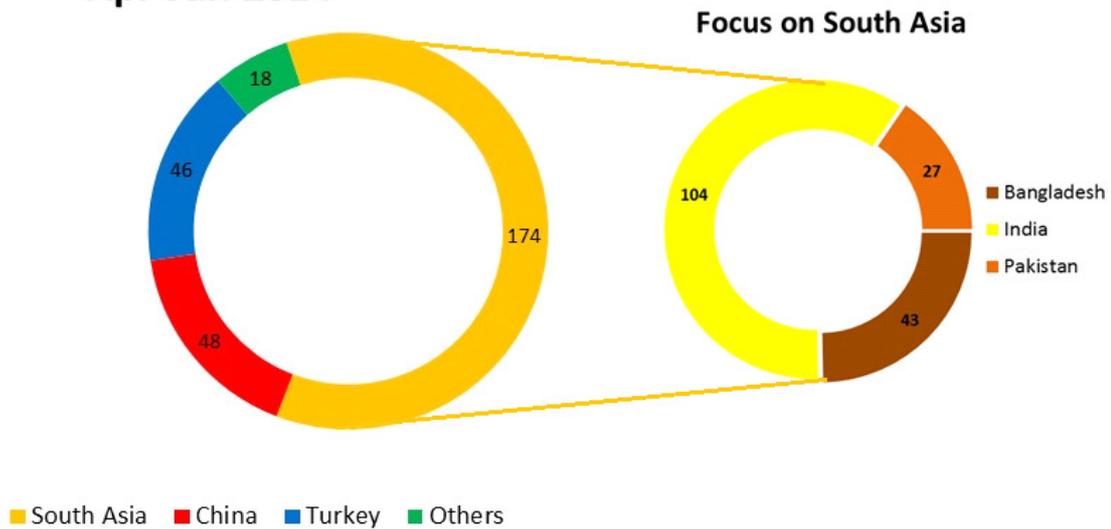
Shahin Muhammed ALI
YPSA (Young Power in Social Action)
NGO Shipbreaking Platform coordinator, Bangladesh

OFF THE BEACH !

Out of 286 vessels broken during the second quarter of 2014 almost two thirds ended up on the beaches of South Asia. 53 of the ships broken in South Asia were owned by European ship owners, 10 were also sailing under the flags of EU Member States when they hit the beaches of Alang, Chittagong and Gadani. Greek owners alone sold 23 ships to South Asia, German owners 11 ships. German ship owner *Conti* and Greek owner *Danaos* regularly feature on our list of worst dumpers having sold most ships to South Asia – both sold three ships each this second quarter. Italian owner *Ignazio Messina & C* also sold three vessels to India – the JOLLY

BIANCO, JOLLY ROSSO and JOLLY VERDE – each at a price of seven million USD. These ships were most likely illegally sold to India whilst operating in European waters. Whilst the imminent illegal export of *Mitsui O.S.K. Lines Limited* (MOL) owned GLOBAL SPIRIT to India was stopped by Belgian authorities (see box on page 5), MOL sold four other ships to Alang shipbreakers this second quarter. Maltese owned *ABY Group* are likely to have made a large profit when selling two bulk carriers to Pakistan and one to Bangladesh after having bought them reportedly under-priced from bankrupted Deiulemar.

286 ships broken worldwide Apr-Jun 2014



ACCIDENTS

Eight accidents have been reported in South Asia since April 2014. Five workers died in Bangladesh in five separate accidents. In India, a gas explosion killed at least five workers on the spot and sent more than 10 injured workers to the hospital, some of them remain in a critical condition. This accident is being investigated by Indian police. The Platform currently lacks information from Pakistan on possible accidents in the last six months.

On 7 April an accident occurred on the BBC Shipbreaking Yard in Chittagong, Bangladesh killing a 22 year old worker named Sultan. Our Platform coordinator was alerted only when Sultan’s body was being driven back to his village for funeral proceedings. The yard owner had tried to hide the accident and it has been difficult to find out more about the circumstances surrounding Sultan’s death.

Shipbreaking workers Shaju, Rakib and Babu were injured following an explosion in a tank on the FSO SHANGHAI on 6 May. The ship was sold by Monaco based *Sammy Ofer* to shipbreaking yard Peninsula Steel in Chittagong which is owned by former BSBA President Jafar ALAM. Shaju's condition remains critical.

On 7 May Amjad Hossen (40) was killed at the Golden Iron Shipbreaking yard. He was crushed by a big iron plate whilst breaking bulk carrier BARBADOS G sold to the Chittagong breaker by *Negmar Denizcilik Yatirim*.

A cylinder exploded on 14 May at S.Trading Corporation shipbreaking yard in Chittagong when worker Saidur Rahman (30) was offloading it from KIMA, a South Korean tanker. Saidur died on the way to hospital due to inhaling toxic gas. *Sunwoo Merchant Marine* earned 8 mill USD on selling KIMA for breaking in Bangladesh.

On 18 May Moshin died on the spot when an iron cable which was pulling the German bulk carrier MAGDALENE closer to the yard broke and smashed him. The MAGDALENE was bought by Bangladesh shipbreaking yard Legend Holding from ship owner *MK Blumenthal*.

22 year old Md Mohiuddin succumbed to his injuries in hospital after having fallen off the RACER EXPRESS on 1 June. He was breaking the ship at Chittagong shipbreaking yard SH Enterprise. The yard is owned by Kamal Uddin and his brother who also are owners of shipbreaking yard Aafin Enterprise where four workers died on 3 April inhaling toxic gas after the explosion of a carbon dioxide cylinder. *Nova Shipping & Logistics* earned approximately 4 mill USD selling the RACER EXPRESS for breaking in Chittagong.

On 28 June a major gas explosion killed at least five workers and injured at least 10 other workers at Paras Steel Corporation, plot nr 140 in Alang, India. Hiralal Chaudhary, Ajay Chaudhary, Ram Prasad, Sanjay Yadav and Subhash Yadav died on the spot. Ram Chandra and Dharmendra Kumar are amongst the injured workers. The explosion occurred on the PERIN (aka PERLA), a tanker sold by cruise ship company *Louis Plc* to the Indian breaker, and on which another fire severely injured three Filipino crew in June 2013. The accident is currently being investigated by Indian police.

On 29 June, another explosion injured an unknown number of workers when fire broke out on Greek owned MSC SOCOTRA at Shanti Ship Breakers, plot nr 41 in Alang. The vessel was sold by *Dragnis Group* to the Indian breakers.

DEVELOPMENTS

NGOs CALL ON NEW INDIAN PRIME MINISTER TO ENSURE SUSTAINABLE DEVELOPMENT

On 26 May 2014, Narendra Modi assumed office as the new Indian Prime Minister. Since 2001, Modi had served as the Chief Minister of Gujarat, the state where most of India's shipbreaking activities take place. During his tenure, the shipbreaking business was thriving, but little improvements were made to ensure safe, environmentally sound and just shipbreaking. The state and local authorities have not been willing to implement the environmental and labour rights standards applicable to the sector and as called upon by the High Court in 2003, and again in 2007. Modi has promised in the run up to the elections to rejuvenate India's economy. The Platform and its members call upon the new government to ensure that India's economic growth is sustainable and oriented towards a fair use of resources, the respect

of labour rights and a more equal distribution of wealth to ensure development for all.

The shipbreaking industry in Alang continues to face serious problems which hinder real improvements: informal employment, poor implementation of health and safety measures resulting in occupational diseases and fatal accidents, pollution of coastal zones, inadequate management of hazardous waste, and the destruction of local livelihoods. The business of the yard owners flourishes, but as poverty structures are perpetuated, workers and their families do not benefit from economic growth and local communities see their livelihoods destroyed. Meanwhile, local resistance against shipbreaking projects, which only benefit few and harm many, is growing. In the southern state of Kerala, the local population has strongly criticised the practices of a shipbreaking yard which scraps smaller domestic vessels. The protesters argue that the shipbreaking activities are harmful and polluting, and should be shut down to be replaced by cleaner and safer activities. Back in Gujarat, the local community and fishermen around Mundra port, where the industrial conglomerate Adani intends to set up a new shipbreaking yard, strongly oppose the project. They argue that it will have a negative impact on their livelihoods. Adani, one of the sponsors of Modi's election campaign, is currently undergoing an Environmental Impact Assessment for the project. The new Government needs to insist on a strict and impartial assessment.

IMO/NORAD PROJECT – CONCERNS RAISED

On 10 April 2014, the International Maritime Organisation (IMO) signed an agreement with the Government of Bangladesh to launch the project *Safe and Environmentally Sound Ship Recycling in Bangladesh – Phase I*. The project is meant to improve conditions in shipbreaking yards in Bangladesh. It is implemented by the IMO in cooperation with the Bangladesh Ministry of Industry, and is mainly funded by NORAD, the Norwegian Agency for Development Cooperation. The Platform has sent an open letter to NORAD raising several concerns. The NGOs have requested that the project involves civil society actors from Bangladesh in order to seek their expertise and to balance the arguments of the shipbreaking industry. More specifically, the Platform asks for their inclusion in an Advisory Committee. It is a basic principle of NORAD to include civil society partners from the South in all their projects. Moreover, a project aimed at sustainable development should – on the long term – aim at reforming the industry to ensure a transition towards modern ship recycling in facilities that do not operate directly on the beach. The letter has also been sent to the Secretary General of the IMO and Basel Secretariat.

OUR INITIATIVES

MEETING OF BANGLADESH PLATFORM MEMBERS – SEVERE CONCERNS REGARDING SITUATION ON-THE-GROUND

On 5 May 2014, representatives of the Bangladesh members of the Platform – Bangladesh Environmental Lawyers Association (BELA), Bangladesh Institute for Labour Studies (BILS), Bangladesh Occupational Safety, Health and Environment Foundation (OSHE) and Young Power in Social Action (YPSA) – met in Dhaka to discuss and coordinate the Platform’s activities in their country.

The Bangladesh member organisations of the Platform help the workers on-the-ground to improve their working, health and living conditions. OSHE and BILS offer trainings and workshops in order to improve the workers’ awareness of their rights and the potential hazards of their occupation. The members also organise health camps and provide regular visits and medical check-ups by a doctor. BELA has sent legal notice to yard owners for compensation after workers were killed in accidents and has filed cases against the yards where these accidents happened. YPSA collects information from the yards on incidents and accidents. This information is crucial for the families that have a right to compensation and helps to create more transparency.



Picture from 1st national strategy meeting of the Platform members in Bangladesh, December 2013.

On 5 May the members expressed their concern with the lack of proper inspections and controls by the authorities to monitor the implementation of existing rules on environmental protection and workers’ rights. Several fatal accidents have occurred in the last months, a sad reminder that the working conditions are still unsafe. Members also informed that the yard owners still try to hide fatal accidents and that injuries are not officially documented at all. It was also noted that the “hospital” opened by the Bangladesh Ship Breakers’ Association (BSBA) is not functional and is only open when the yards receive official visits from national and especially international stakeholders. The field staff of several

member organisation were also particularly concerned about the continued and widespread use of child workers in the shipbreaking yards – a blatant case of worst forms of child labour. Public awareness is however growing and the yard owners encounter more and more attention from the local population and the press for their misdeeds.

REPORT ON CONDITIONS IN PAKISTAN



The report *Pakistan Shipbreaking Outlook - The Way Forward for a Green Ship Recycling Industry – Environmental, Health and Safety Conditions*, which was first presented in a launching event in Islamabad in October 2013, has been revised and published by the Platform. The report shows clearly that the Government so far has only given very little attention to the shipbreaking sector. The study presents a short overview of the economic conditions and the international and domestic legal framework according to which the Pakistani shipbreaking sector needs to operate, and provides information about the current conditions in the shipbreaking yards in Gadani based on a survey conducted amongst workers, regular field visits and stakeholder interviews taken in 2012/2013. The report documents that the working conditions are dangerous and that there is hardly any infrastructure to ensure decent living conditions for the workers, in large part migrant workers coming from poorer regions. There is also no infrastructure, nor appropriate procedures, to manage the hazardous wastes generated by the shipbreaking activities. The local authorities are furthermore understaffed and therefore the industry often goes unregulated.

By publishing this report, the Platform and its Pakistani member organisation Sustainable Development Policy Institute (SDPI) seek to raise awareness about the severe problems the industry faces in Pakistan and call upon the Government and the authorities to enforce environmental law and labour rights on the sector. The report can be downloaded on our [website](#).

WHAT ELSE?

IMMINENT ILLEGAL EXPORT OF JAPANESE CAR CARRIER STOPPED IN BELGIUM: On 26 June Belgian authorities released the Japanese owned car-carrier GLOBAL SPIRIT that had been sitting in detention at the port of Antwerp for nearly a month. After having been alerted by the NGO Shipbreaking Platform that the ship had been sold for scrapping in India, the Flemish Environment Ministry seized the end-of-life car carrier. The ship was allowed to leave the port of Antwerp for recycling in Turkey, a destination permitted under European waste law. According to the European Union Waste Shipment Regulation, only if all hazardous materials, such as asbestos, residue oils and toxic paints, are removed from ships can they be allowed to be exported to South Asia. The Regulation was designed to prevent the environmental injustice caused when rich countries export their toxic wastes to impoverished countries that lack the technology and infrastructure to manage such wastes. Most ship owners however circumvent the Regulation by not declaring their intent to dispose their end-of-life ships to concerned authorities.

FURTHER READING

NATIONAL GEOGRAPHIC COVERS SHIPBREAKING IN BANGLADESH: The May 2014 issue of National Geographic Magazine featured a disturbing account of the shipbreaking activities in the yards of Chittagong, Bangladesh. The pictures and the video posted on the magazine's website, which includes an interview with Shahin Muhammed ALI, Platform coordinator in Bangladesh, witness of extremely dangerous and dirty conditions. The pictures show workers walking barefoot with no protection equipment and children working in the yards despite Bangladesh's Labour Act from 2006 prohibiting the employment of workers under the age of 18 in hazardous industries such as shipbreaking. The National Geographic article also shows that hazardous waste from the ships is polluting the local environment. In 2009 the Bangladeshi High Court prohibited the import of end-of-life vessels containing hazardous materials. The National Geographic article was written by Peter Gwin: <http://bit.ly/1h2QGQU> The video including the interview with Shahin: <http://bit.ly/1ioKcR3>

TAIWANESE STUDY EXAMINES CANCER AMONGST SHIPBREAKERS: A study published in July 2014 in scientific journal *Environmental Research* and led by researchers from several Taiwanese medical universities, found that former shipbreaking workers in Taiwan were more likely to have developed asbestos-related diseases, including mesothelioma

and lung cancer, than the rest of the Taiwanese population. The data was collected from the database of shipbreakers working in 1985 and compared over a 24-year period to the rates of cancer in the rest of the population. The types of cancer detected amongst former shipbreaking workers include overall cancer, oral cavity cancer, and trachea, bronchus, and lung cancers. Moreover, mesothelioma cases were especially found in those who had the occupation of flame cutter, the study noted. The study can be downloaded on our website: <http://bit.ly/1o25PZu>

PROTESTS AGAINST SHIPBREAKING IN KERALA, INDIA: Indian newspaper *The New Indian Express* has been covering the demonstrations led by civil society activists in Kerala against the shipbreaking yards located in Azhikkal. Protesters say shipbreaking is harmful, polluting and should be shut down to be replaced by more sustainable industries. You can read more here: <http://bit.ly/1nCqMbK>

ARTICLE IN NETZ MAGAZINE: Platform Executive Director Patrizia Heidegger wrote in the first 2014 issue of NETZ, a German magazine specialised in development issues in Bangladesh, an article about her work at the Platform and continued commitment to human rights issues in Bangladesh. The article can be read (in German) here: <http://bit.ly/1vRegev>