



SOUTH ASIA QUARTERLY UPDATE

Update on shipbreaking in South Asia from
the NGO Shipbreaking Platform

16 October 2015 | #7

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 edition you can read about the Pakistan government's plans to clean up Gadani; that two Indian yards have received certification from a Japanese classification society for being compliant with the requirements of the Hong Kong Convention; and that the Norwegian Shipowners' Association has adopted a position against substandard shipbreaking practices. 166 large commercial vessels were sold for breaking in the third quarter of 2015, 78 of these were beached in South Asia. Three major accidents due to gas explosions killed five workers and severely injured ten, bringing the total death toll this year in Bangladesh to 12.

OPINION FROM SOUTH ASIA:

Editorial 7 September 2015 – The Daily Star, Bangladesh

The Daily Star

Another ship-breaking yard mishap Safety standards must be enforced

Eight workers of Shital Enterprise are fighting for their lives in hospital after being critically injured when a gas cylinder exploded at the ship-breaking yard in Sitakunda Upazila where they worked. These men in their prime, were getting ready for work when the accident occurred. The extent of their injuries points out once again the total disregard on the employers' part for workers safety. Ship-breaking yards in Chittagong are notorious for terrible work conditions and frequent accidents. Just this year, five workers have been killed in accidents and many have been severely injured at various shipyards in the district. Lack of protective gear and proper supervision to ensure safety are causes of such terrible loss of life and limb.

It is unacceptable that an industry as huge and risk-prone as ship-breaking should still be in such a primitive state that allows these horrible accidents to occur. The apathy and negligence demonstrated by employers violate basic labour laws that make it mandatory for workplaces to maintain minimum safety standards.

In this particular accident it is believed that someone with a lit cigarette entered the scrap yard where there may have been a leaky gas cylinder, which caused the explosion and subsequent fire. If that is so, there should have been proper monitoring and dissemination of information regarding safety rules that would have prevented such carelessness and its disastrous consequences.

With regard to the injured, Shital Enterprise must take responsibility of taking care of their treatment and paying them adequate compensation. Companies at these shipyards must be required to provide safety gear to the workers and also have awareness programmes regarding precautionary steps to avoid these mishaps that take away precious lives and livelihoods.

OFF THE BEACH !

Out of 166 vessels sold for breaking during this third quarter, 78 ended their operational life on the beaches of South Asia, according to the data collected and analysed by the NGO Shipbreaking Platform (38 ships in India; 26 ships in Bangladesh; and 14 ships in Pakistan). The data clearly shows a downturn within the ship breaking sector if compared to previous quarters' statistics.

16 of the ships broken in South Asia were owned by European ship owners, including one from Norway. Greek owners topped the list selling alone 9 ships for beaching this quarter. Ranking second, German owners sold 3 ships to South Asian breakers, which means that so far 11 German ships have been beached this year. Italian owners rank third, with 2 vessels sold to India.

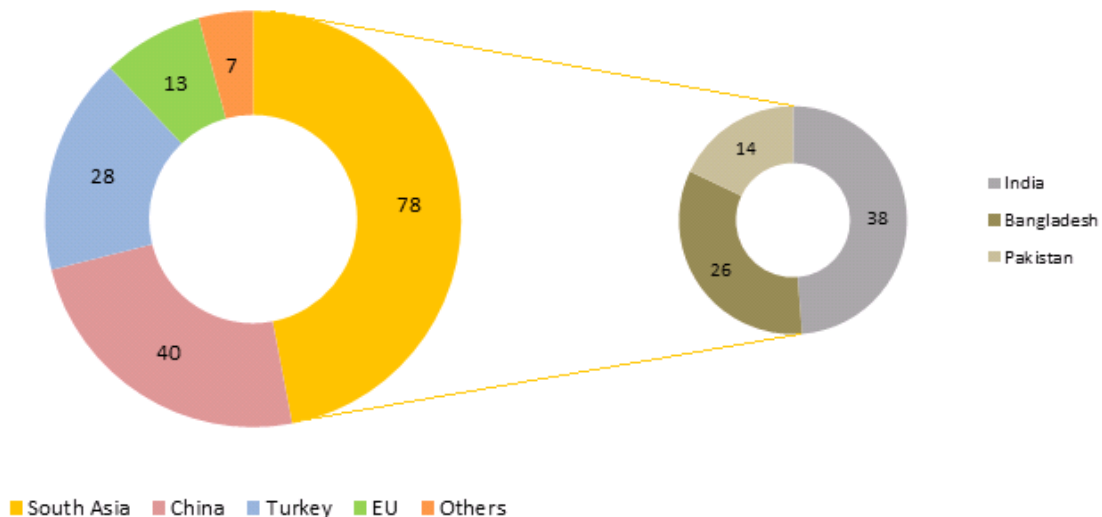
Most European shipping companies continue choosing profit above the environment and workers' rights. The Italian company **Grimaldi Group S.p.A.** (1 ship to India) again features on our list of worst dumpers. German ship owners **Ost-West-Handel und Schifffahrt GmbH** and **F.H. Bertling Reederei GmbH** also sold vessels to Bangladesh and India this quarter.

Polish state-owned **Polsteam** has been under the spotlight for having sent several ships to South Asia in the last years. The NGO Shipbreaking Platform and the European Environmental Bureau, and the more than 160 environmental, human and labour rights organisations they represent, together with two Polish NGOs, recently sent a letter to Polsteam asking the company, and the government, to change its bad practices. Polsteam has already sold three end-of-life vessels to South Asian beaching yards in 2015; the bulk carrier *Solidarnosc* was sold to Pakistan breakers during this quarter.

Despite the new EU Ship Recycling Regulation, which will out-rule the use of substandard beaching yards to dismantle EU-flagged vessels and which will soon become applicable, **ships registered under the flags of Malta (3), Italy (1), and Sweden (1) were sold in this quarter to substandard yards operating on beaches.**

Chinese ship owners sold 29 ships to Chinese yards, but another 4 ships owned by Chinese companies were sold to South Asian yards. Moreover, one Turkish company sent one of its ships to Alang yards instead of having it broken domestically at Aliaga.

**166 ships broken worldwide
July-September 2015**



ACCIDENTS

EXPLOSIONS KILL FIVE SHIPBREAKING WORKERS IN CHITTAGONG, SEVERELY INJURES TEN MORE

A recent gas cylinder explosion has **severely burnt three workers** at Shagorika shipbreaking yard in Chittagong,

Bangladesh. This is the third big accident in Chittagong since August causing the death of at least five workers. On 5 September 2015, **four shipbreaking workers died following a gas explosion** that took place at Shital Ship

Breaking yard in Chittagong. **Four more workers suffered severe injures in the blast.** Khokon, Moksedul, Alamin

and Shajahan succumbed to their injuries and died in hospital. Initially, three of the injured workers only received basic care and were sent back home. Later they were admitted to the Chittagong Medical College Hospital when their condition had deteriorated, joining Nadim, Pasha, Abdur Rouf and Mannan who were struggling for their survival.



Towards the end of September, Nadim and Pasha were released from the Chittagong Medical College Hospital and are now living in a rented hut nearby the

shipbreaking yard. Mannan is still being treated at the hospital, while Abdur Rouf has been moved to the Green Life Hospital in Dhaka for the treatment of his severe burn wounds. Our member organisation BILS reported that both Mannan's and Abdur Rouf's lives are still in danger.

On 25 August, a similar accident took place at SN Corporation, another yard in Chittagong. **A shipbreaking worker, 30-year-old Md Elias, was killed and another three were critically injured** and taken to hospital for treatment. A massive fire broke out on the ship.

Cases have been filed against the yard managements for negligence and the Platform member organisations in Bangladesh have provided support to the workers' and their families' in their struggle for compensation and support for adequate medical treatment.

Gas cylinder explosions have killed and severely burnt many shipbreaking workers in Bangladesh. These accidents could be easily avoided if proper procedures and equipment were made available, and both the foremen and the workers were adequately trained.

AFTER LOOSING HIS LEG: EDRIS STILL WAITING FOR COMPENSATION FROM HIS EMPLOYER

We reported in our previous South Asia Quarterly Update that shipbreaking worker Edris suffered a severe injury on 11 April while he was dismantling a ship formerly owned by British-Monegasque company Zodiac, the "Eurus London" (IMO 9015321). After his leg was cut by the sharp steel of the vessel's propeller, he had to wait for days at the Chittagong Medical College Hospital where he was laying on the floor. It was only after the Platform and its local coordinator, Muhammed Ali Shahin, intervened on Edris' behalf that a spokesperson of the Bangladesh Shipbreakers Association (BSBA) contacted the hospital to ensure an operation. The owner of the yard ignored the fate of Edris who had been serving the same employer for several years.

Today, Edris has lost a leg and can no longer work in the shipbreaking yard. He has decided to fight for his rights in order to receive the compensation due from his former employer. Ferdous Steel told Edris that they had already paid the legally required amount of 125.000 BDT (about 1.600 USD) to the Labour Court as compensation. Edris has asked his former employer to pay him 500.000 BDT (about 6.400 USD) instead, so that he can set up a shop and start his life over. He fears that if he accepts the money paid to the Labour Court, he will not be able to receive more financial support from his former employer.

The ship on which Edris was working at the time of the accident, was owned by the British-Monegasque ship-owning company Zodiac Group, formerly known as Sammy Ofer Group. Even though the Platform contacted the company after the accident to inform them about Edris' case, Zodiac never responded. It was not the first accident caused by Zodiac's irresponsible dumping practices. The company clearly refuses to conduct a proper risk assessment and to remediate the human rights violations it is directly linked to via its substandard end-of-life management.

DEVELOPMENTS

ONGOING TENSIONS IN KERALA

Residents living close to a small shipbreaking yard in Azzhikal, Kerala (south of India) have been opposing for months the shipbreaking activities taking place there, complaining that it is polluting the area and being illegally

operated. The local court forbid the yard, Steel Industries Kerala Ltd (SILK), to continue dismantling ships at least until the end of August. However, recent press articles by the [Times of India](#) show that the yard owner has chosen to ignore the court and to continue polluting the area. The residents say that the police is helping the yard owner by opposing the residents' actions.

RELOCATION OF YARD IN MUMBAI

In Mumbai, India's second beaching site after Alang, authorities are talking about possibly relocating the shipbreaking activities to redevelop the port area. According to newspaper [Mumbai Mirror](#), out of the 19 shipbreaking yards that exist in Mumbai, only four or five are being used, whilst the rest of the end-of-life ships are sold to Alang, in the state of Gujarat. The developers appear to be concerned by the pollution caused by shipbreaking activities and would prefer to see the business moving elsewhere.

Whilst it is good news to learn that authorities are considering the pollution caused by shipbreaking as an issue, simply relocating the industry elsewhere does not solve the problem. The authorities should ensure that eventual new ship recycling yards are fully compliant with international standards. Apart from that, the authorities have to make sure that the workers employed in the industry are not just evicted from the Mumbai Port area in order to make space for expensive real estate projects.

BANGLADESH GOVERNMENT PUBLISHES DRAFT SHIP RECYCLING LAW

The Platform has received a copy of the draft ship recycling law put forward by the Bangladesh Ministry of Industry. The draft is currently being analysed.

PAKISTANI GOVERNMENT COMMITS TO CLEAN UP SHIPBREAKING IN GADANI

During a public discussion [organised in August](#) in Islamabad, the Pakistani Climate Change Ministry said that efforts were being made in collaboration with the United Nations Environment Programme (UNEP) to improve the management of hazardous waste of the

shipbreaking industry in Gadani and also the working conditions of the shipbreaking workers. The experts present agreed that urgent steps are needed to make the industry compliant with international standards. [According to Pakistani newspaper, The Express Tribune](#), Sajjad Ahmed Butta, the Ministry representative who coordinates the project, said that the project with UNEP is about developing "inventories of hazardous waste and other waste at Gadani". Once the information about the waste management issues will be compiled, "plans will be developed to assist the government and industry to establish the requisite infrastructure for environmentally safe ship recycling".

TWO YARDS IN ALANG RECEIVE A HONG KONG COMPLIANCE CERTIFICATE

Japanese classification society, ClassNK, has issued a compliance status with the Hong Kong Convention to Kalthia and Priya Blue shipbreaking yards in Alang, India. These yards have undergone a gap analysis and invested in improvements to meet the requirements of the Hong Kong Convention. Whilst the cementing of the secondary cutting zones, installation of a drainage system, and improved sorting of hazardous materials are welcomed developments at these yards, concerns remain related to the dropping of blocks by the use of gravity in the still unprotected intertidal zone. Also, workers' rights issues and downstream waste management were most likely not subject to the Class NK certification as this remains outside the scope of the Hong Kong Convention. The real test for whether these two yards – with a capacity to break only 8 ships per year – offer truly sustainable ship recycling is if they will make it on the upcoming European Union list of approved ship recycling facilities.

OUR INITIATIVES

NGOS DENOUNCE DANGEROUS CONDITIONS IN YARDS AFTER FOUR WORKERS DIE



Even though eight shipbreaking workers were in hospital after a gas cylinder exploded in a shipbreaking yard in Bangladesh, the shipbreaking yard owners refused responsibility. It was only after local NGOs, trade union affiliates and member organisations of the NGO Shipbreaking Platform, contacted the Bangladesh Shipbreakers Association (BSBA) that the workers received appropriate treatment in the hospital. The Ship Breaking Workers Trade Union Forum and Platform member organisation, BILS, demanded that the yard owner pay for their treatment and reminded the yard owners about their obligation to provide compensation to the victims and their families.

On 10 September, after three of the injured workers had died in the hospital, activists and local citizens formed a human chain in Chittagong to protest against the lack of response from the yard owners. On 20 September, BILS and the Shipbreaking Workers Trade Union Forum wrote

to the Bangladesh Ship Breakers Association (BSBA) to claim 10 Lacks BDT as compensation for all the injured workers. In the case of the deceased workers, the compensation would go to their families.



LETTER SENT TO POLISH STATE-OWNED COMPANY POLSTEAM TO STOP BEACHING OF OLD VESSELS

The NGO Shipbreaking Platform, together with the European Environmental Bureau and the 160 member organisations it represents and two Polish NGOs, sent a letter to Polish state-owned company, POLSTEAM, to

protest against the company's practice of selling its end-of-life vessels to substandard yards. In 2015 alone, POLSTEAM has already sold three end-of-life ships to the South Asian shipbreaking yards. A copy of the letter was also sent to the Polish government and the European Commission. You can find all our letters on our website [here](#) and our press release [here](#). So far POLSTEAM has denied responsibility claiming that they sold the vessels to an "international company specialised in old tonnage" – e.g. a cash buyer. Selling via third party cash buyers does not discharge POLSTEAM from its responsibility to ensure the sustainable end-of-life management of their fleet.

WHAT ELSE?

NORWEGIAN SHIPOWNERS OPPOSE BEACHING

On 17 August 2015, Norwegian Shipowners' Association CEO, Sturla Henriksen, wrote an op-ed piece in Norwegian newspaper, Dagens Næringsliv, to declare that the association is opposed to the beaching of ships. "As an industry we can no longer defend that ships are broken in a way that puts health and the environment at risk. Therefore we say, as the first ship owners association in the world, no to the beaching of ship." Henriksen [wrote](#).

The Platform welcomes the declaration by the association. As more and more individual shipping companies are turning away from beaching, preferring cleaner, safer solutions for their old vessels, the Platform calls on other shipowners' associations, including ECSA, to mirror the Norwegian position.



FURTHER READING

DENMARK/NORWAY: The Danish (DR) and Norwegian (NRK) public televisions have produced a TV programme about human rights defenders called "A heart that never dies". The programme features [Rizwana Hasan](#), Chief Executive of BELA and board member of the NGO Shipbreaking Platform: www.ahearththatneverdies.tv



POLAND: following the letter we sent to Polish state-owned company, POLSTEAM, to denounce their substandard shipbreaking practices, we got some coverage in the Polish press, including in [Radio Szczecin](#) and [Teraz-srodowisko](#).

GERMANY: [Süddeutsche Zeitung](#), one of the biggest German newspapers published an article about the problems caused by shipbreaking in Pakistan.

NORWAY: We got quite some coverage in Norway following the Norwegian Shipowners' Association's declaration that they would no longer support beaching. You can find [all the coverage in our dedicated section](#).

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