European Shipowners dumped 365 Toxic Ships on South Asian Beaches Last Year

Need for financial mechanism to hold shipowners accountable and prevent reflagging is urgent

A record-breaking number of 365 toxic-ships were sent for breaking by European shipowners to the beaches of South Asia in 2012, according to a list released today by the NGO Shipbreaking Platform, a global coalition of environmental, human rights and labour rights organisations working for safe and sustainable ship recycling. This number represents a 75% increase from 2011, when 210 EU-owned ships were sent for breaking in India, Bangladesh and Pakistan[1]. “Despite the possibility of proper disposal in Europe or other developed countries, the vast majority of European shipping companies continue to profit by having their ships broken cheaply and dangerously on the beaches of South Asia. The EU must adopt mechanisms that will prevent European shipowners from exporting toxic ships for breaking in developing countries and instead recycle them according to the health, safety and environmental laws and standards of their own countries,” says Patrizia Heidegger, Executive Director of the NGO Shipbreaking Platform. Of the top 10 European “global dumpers” in 2012, Greek shipowners were number one, dumping 167 ships on South Asian beaches, or nearly half of all ships sent by European shipowners in 2012. German shipowners represented the second largest group of toxic ship dumpers (48 ships) followed by shipowners from the UK (30 ships), Norway (23 ships), Cyprus (13 ships), Bulgaria (8 ships), Denmark (6 ships) and the Netherlands (5 ships). Shipowners from all countries, except the Netherlands and Norway[2], increased the number of end-of-life ships exported to Asia, with Italian shipowners sending three times as many ships in 2012 compared to the year before and MSC, the main Swiss containership and cruise ship company[2], beaching 23 ships in 2012, compared to only 5 in 2011. The rest was sent by shipowners based in Estonia (3 ships), Sweden (3 ships), Lithuania (2 ships), Belgium (2 ships), Romania (2 ships), Latvia (1 ship) and Poland (1 ship). The Platform’s 2012 list shows that most of the end-of-life ships sent by European shipowners did not fly an EU flag[3]. In fact, 240 of them used what is commonly referred to as the “flags of convenience” phenomenon, using flags such as Panama, Liberia, the Bahamas or St Kitts-and-Nevis, which makes it more difficult for the EU to prevent their dismantling in substandard facilities. The NGO Shipbreaking Platform is currently working with the European Parliament to introduce a financial mechanism that would help shipowners internalize the costs of proper disposal of the hazardous materials found in end-of-life vessels. The Platform wants the mechanism to apply to all ships calling at European ports, instead of only addressing EU-flagged vessels. The financial mechanism could be a fund financed by fees paid by shipowners; an insurance; or a savings account guaranteeing that funds are put aside for safe and environmentally sound ship recycling. The EU Commission failed to introduce such a financial mechanism in its proposal for a European Regulation on ship recycling published in March 2012. Under the Cypriot Presidency, which ended in December, the EU Council failed to strengthen the Commission proposal. Coincidentally, in 2012, Cypriot shipowners sent 13 ships to the South Asian beaches. Also Greece and Germany, the two biggest European ship dumpers, do not show the political will to stop the export of end-of-life vessels. China is another major destination of concern for end-of-life ships sold by EU-based shipowners. Both China and the EU have ratified the Basel Ban Amendment that prohibits any transboundary movement of hazardous waste exported from OECD to non-OECD countries. While today’s list focuses on end-of-life ships sent to beaches in South Asia, and even though the Shipbreaking Platform welcomes the fact that China has outlawed beaching and uses a higher level of mechanization, it notes with continued concern, the absence of independent trade unions in China, the lack of proper downstream management of toxic residues such as PCBs as well as the fact that such exports are likely to violate the Basel Ban Amendment. CONTACT: Patrizia Heidegger Executive Director NGO Shipbreaking Platform Rue de la Linière 11 1106 Brussels patrizia@shipbreakingplatform.org +32 2 6094 419 NOTES: The 2012 list can be downloaded in PDF or Excel format [1] The 2011 list is available here: http://bit.ly/A89gAS [2] Although Norway and Switzerland are not amongst the 27 Member States of the European Union, both are part of EFTA (the European Free-Trade Association) and shipping companies based in these countries need to abide by certain EU laws, including the Waste Shipment Regulation. [3] In 2012, out of the 365 EU-owned ships sent for breaking to South Asia, only 83 flew European flags. 90 ships used the flag of Panama; 60 used Liberia; 30 used Saint Kitts-and-Nevis; 23 used the Marshall Islands; 15 used Comoros; 12 used Saint Vincent-and-Grenadines; and 10 used the Bahamas. Some shipping companies based outside of the European Union also used a European flag for their end-of-life ship, amongst whom: Japan (1 Dutch flag), Ukraine (1 Slovakian flag), the United Arab Emirates (1 Maltese flag), Croatia (1 Maltese flag), the USA (1 Greek flag), Singapore (1 Norwegian flag and 1 Cypriot flag), China (2 Cypriot flags), Monaco (2 British flags) and Russia (3 Cypriot flags). ABOUT THE LIST The European origin of the ships is determined either by their use of a European/EFTA flag (Iceland, Norway, Switzerland, and Liechtenstein) and/or because the last owner of the ship before the shipbreakers bought it was European-based. We have chosen to use the last beneficial owner of the ship as a reference in all previous reports. As defined by maritime database Lloyd’s List, the beneficial owner “may be the vessel’s management company or the trading name of a group, both of which are generally perceived to represent the ultimate owners of the vessel”. Therefore when looking at the report both these factors need to be taken into account when considering the data. The only destinations for end-of-life ships taken into account in this report, as for the Platform’s previous reports, are Gadani in Pakistan; Alang, Sachana, and Mumbai in India; and Chittagong in Bangladesh. Some ships may be missing from this list, which does not pretend to be exhaustive. Some data are provided by the industry on a voluntary basis. The list was compiled using Lloyd’s List, Intermodal, Robin des Bois reports, Equasis, and other relevant sources.