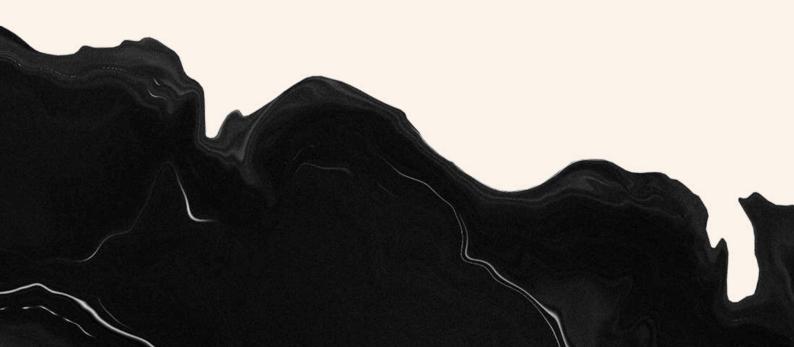


SOUTH ASIA QUARTERLY UPDATE

#39



VISION & MISSION

Vessels are recycled in facilities that ensure clean, safe, and just practices that provide workers with decent jobs. Vessels will be toxic-free and no longer cause harm to workers, local communities, or the environment at end-of-life.

To act as a catalyst for change by effectively advocating for clean, safe, and just ship recycling globally. This necessitates denouncing dirty and dangerous practices, such as the dumping of end-of-life vessels on the beaches of developing countries. Our commitment to finding sustainable global solutions is based on the respect of human and workers' rights and the principles of environmental justice, producer responsibility, 'polluter pays', and clean production.

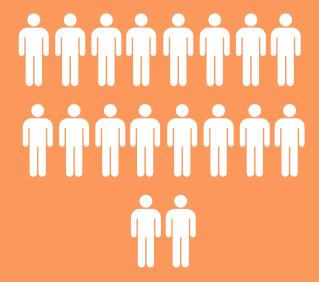
OCTOBER 2024 SAQU#39

In this quarterly publication, we inform about the shipbreaking practices in South Asia, providing an overview of accidents that took place on the beaches of Bangladesh, India and Pakistan, relevant press media as well as research. We aim to raise public awareness about the many negative impacts of shipbreaking in South Asia as well as developments aimed at the protection of workers' rights and the environment.

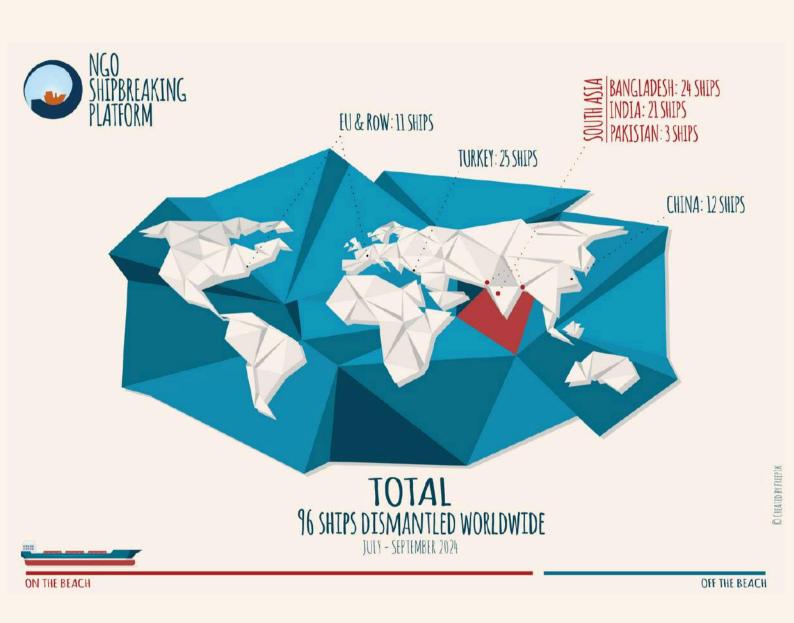
at least

18

workers suffered an accident while scrapping ships on South Asian beaches



SHIPBREAKING RECORDS



ACCIDENTS

Improving safety and transparency in the shipbreaking sector is crucial to prevent accidents and protect workers' well-being. Currently, accidents are reported by the Platform based on local sources and media reports. However, as the sector suffers from a serious lack of transparency, many incidents likely go unreported, particularly in Bangladesh, India and Pakistan, where authorities and industry fail to publish data. Moreover, the absence of data on occupational diseases, including cancer, further exacerbates the lack of accountability towards workers and leads to the workers being exposed to toxics unknowingly on a daily basis.

BANGLADESH

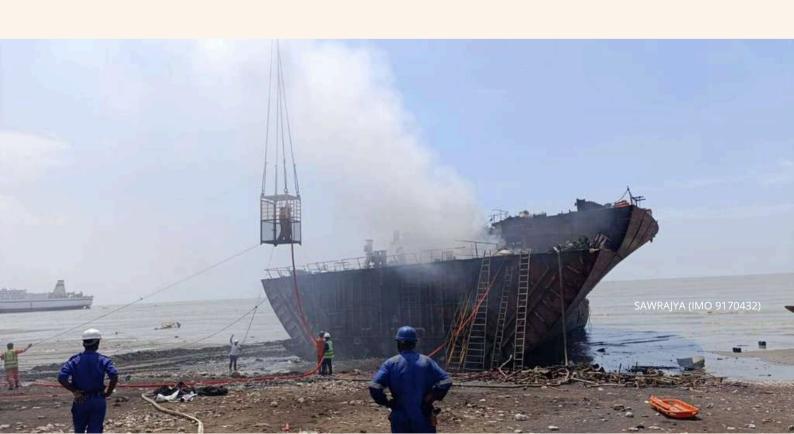
On 3 July, a pipe explosion in the engine room of the vessel YILDIZLAR 2 (IMO 9145695), owned by the Turkish shipping company Pasifik Lojistik Grubu, resulted in burn injuries to four workers at the Four Star shipbreaking yard. The injured workers were identified as Aminul (32), Bodujaman (37), Jahingir Alom (43), and Haibur Rahman. Following the incident, the workers were taken to a medical centre in Chittagong for treatment, with all medical expenses covered by the yard's owner.

On 21 August, Ifteker Uddin (47), a cutter supervisor, was injured while working on the vessel JAL GAMINI (IMO 9188788), beached at SN Corporation shipbreaking yard in Madambibir. Uddin sustained a leg injury from a fall while supervising cutting operations on the ship.



On 22 August, Zabed (60), a business man, sustained injuries when chemicals he had purchased from SN Corporation yard (Lalbag plot) suddenly exploded. Zabed had visited the yard specifically to buy these materials when the accident occurred. The chemicals originated from the decommissioned vessel GRACE ENERGY (IMO 8702941), owned by South Korean company Sinokor.

On 7 September, a devastating explosion in a shipbreaking yard in Chattogram caused burn injuries to twelve workers. The explosion occurred in the pump room while workers were cutting pipes on board the SAWRAJYA (IMO 9170432), previously owned by the Shipping Corporation of India, then sold in March 2023 to last Voyage DMCC, a subsidiary of cash buyer Best Oasis. IndustriALL affiliates reported that, just days before the explosion, a fire had broken out aboard the ship during pipe-cutting operations. Although management initially halted work in that section, it was resumed shortly before the tragic incident occurred. Six of the twelve workers have died, and four others remain in critical condition. The workers injured by the accident suffered critical burns covering to 80 % to 90% of their bodies. The incident occurred at SN Corporation Unit-2, a facility that received a Statement of Compliance with the Hong Kong Convention (HKC), with at least 14 deaths and 22 injuries reported at the yards owned by this company since 2010.



DEVELOPMENTS IN BANGLADESH

NGO SHIPBREAKING PLATFORM AND HUMAN RIGHTS WATCH ISSUE JOINT PRESS RELEASE AFTER EXPLOSION AT HKC COMPLIANT YARD

Human Rights Watch and the NGO Shipbreaking Platform <u>condemn</u> the explosion on the oil tanker SAWRAJYA (IMO 9170432), which occurred on 7 September, 2024, at S.N. Corporation Unit-2. In response to the accident, the Department of Environment and the Ministry of Industries (MoI) <u>suspended</u> SN Corporation's Environmental Clearance Certificate and established an eight-member committee to investigate the incident, which has <u>identified</u> both technical and management failures as causes of the explosion. As a result, the MoI imposed a fine of Tk26 lakh (around €22,400), halted the yard operations for three months, demanded the payment of compensation of Tk7 lakh (around €6000) to each family of the deceased workers and to compensate the injured workers with 12 months' salary.

The explosion took place just months after Nippon Kaiji Kyokai certified the yard against the International Maritime Organization's HKC, which is set to take effect on 26 June, 2025. This tragic incident highlights the ongoing failures of both international and national regulations, inadequate oversight, and weak labour rights protections in the shipbreaking industry. Human Rights Watch, the NGO Shipbreaking Platform, and other rights and environmental organisations have consistently criticised the HKC for its weak environmental and safety standards. They urged countries attending the International Maritime Organization's Marine Environment Protection Committee meeting on 30 September, including Bangladesh, to affirm that the HKC can not replace the more stringent Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal, which applies to end-of-life ships and provides stronger regulatory control. In response to this tragedy, Bangladesh's interim government should enforce the 2009 High Court orders that halted the import of ships for recycling until proper safety measures for workers were in place. The Mol must immediately close any shipbreaking yards that employ child labour, operate at night, or violate workers' rights. Additionally, the Ministry should set a time-bound directive for all yards to move ship recycling operations OFF THE BEACH, as the beaching method of dismantling obsolete vessels poses significant risks to workers, the environment and surrounding communities.

CRISIS IN THE SHIPBREAKING INDUSTRY IN CHATTOGRAM

The shipbreaking industry is facing unprecedented challenges, marked by its lowest import volume of end-of-life ships in a decade as of 2023. While there was a slight rise in the first half of 2024, the industry's outlook remains uncertain. Key factors contributing to this crisis include the high cost of the dollar, discrepancies between international and local markets, and a reduced number of ships available for scrapping due to rising shipping freight costs. Further complicating were stringent central bank regulations requiring approval for opening Letters of Credit exceeding \$3 million. Geopolitical tensions, such as the ongoing Russia-Ukraine war, the Israel-Palestine conflict, and the Houthi attack on a merchant ship in the Red Sea, have further exacerbated the industry's challenges. These factors have made shipbreakers in Chattogram increasingly cautious of importing end-oflife vessels. Consequently, over 50 shipyards have shut down in recent years, with another 20 ceasing operations in the past 18 months. The remaining yards face significant uncertainties, and industry stakeholders fear the sector may not survive without government intervention. The recent developments of Bangladeshi politics and the tragic accident of 7 September at a yard with a Statement of Compliance with the HKC opens an unprecedented opportunity for the industry to move OFF THE BEACH.

PLATFORM BOARD MEMBER, SYEDA RIZWANA HASAN, PART OF THE INTERIM GOVERNMENT OF BANGLADESH

In July 2024, nationwide unrest erupted in Bangladesh following the implementation of a controversial job-quota system by Prime Minister Sheikh Hasina's government, which reserved one-third of government jobs for descendants of veterans from the 1971 Bangladesh Liberation War. This decision sparked mass student protests against to the government, leading to violent clashes that resulted in the deaths of around 300 people, including students, and the arrest of over 1,000 individuals. In response, the government shut down universities, cut off internet access, and imposed a nationwide curfew in an attempt to mitigate the unrest. On 5 August, thousands of protesters gathered in Dhaka, demanding Prime Minister Sheikh Hasina's resignation. The protests reached a critical point, forcing Hasina to resign and flee the country by helicopter from her residence. As a result, an interim government was formed under the leadership of Nobel Peace laureate Muhammad Yunus. Syeda Rizwana Hasan, a renowned environmental lawyer, Executive Director of Bangladesh Environmental Lawyers Association (BELA), and Board member of the NGO Shipbreaking Platform, was invited to join the new administration.

THE SITUATION SIX YEARS AFTER THE MINIMUM WAGE FOR SHIPBREAKING WORKERS WAS SET

In 2018, the Government of Bangladesh approved a wage board for the shipbreaking sector under Section 148 of the Labour Act, introducing a four-grade payment system. The minimum wage for grade-four workers was set at Tk16,000 (around €139), with grade-one workers earning up to Tk31,750 (around €276). However, six years later, none of the yard owners have complied with the wage board scheme. Workers are yet to receive the minimum wage of Tk16,000. Currently, a ship cutter earns between Tk12,000 - Tk13,000 (between €105-113) per month, while an assistant cutter is paid as little as Tk9,000-Tk10,000 (between €78-87).

"Shipbreaking yard owners have been exploiting workers for years, hiring labourers on contracts to avoid the wage board, maximising profits at the workers' expense." said Fazlul Kabir Mintu, coordinator of the Bangladesh Institute of Labour Studies. Despite repeated violations, none of the yard owners have faced legal consequences, nor have they adhered to warnings from the Department of Inspection for Factories and Establishments (DIFE) to implement the wage board.

A correspondent from The Daily Star interviewed 15 workers, all of whom confirmed they are not being paid according to the government-mandated wage board. "Our regular meals consist of lentils, vegetables, and eggs. It's hard to afford meat or fish more than twice a month after covering essentials." Mokbul Hossain said (48).

"Sometimes, it's hard to afford my medicine after paying for other essentials" Abdul Latif (58) <u>added</u>. Jamal Uddin, another worker, <u>explained</u>, "My doctor advised me to eat more protein because of my weakness, but I can't afford milk or eggs after covering my other expenses."

The government must enforce the immediate implementation of the wage board. In addition, adjustments should be made to the wage structure to account for current inflation, ensuring workers receive fair wages.

DEVELOPMENTS IN INDIA

ALANG SHIPBREAKING INDUSTRY FACES SEVERE DECLINE

Over 80% of the shipbreaking plots in Alang are currently in <u>decline</u>, and the predominantly migrant workforce has significantly diminished. "I have six plots, but only two currently have ships for recycling. In a month, even these two plots will run out of business. My revenue has decreased by 70%," says Mukesh Patel, chairman of Shree Ram Group. Industry insiders report that the workforce, primarily composed of migrants, has dropped from 40,000-60,000 to just 3,500. During the 2024 Vibrant Gujarat summit, Alang was promised over ₹1,600 crore (around €174.468.85) in investments, mainly from shipbreaking companies. However, these commitments have largely remained unfulfilled. The proposed plan aims to double Alang's shiprecycling capacity from 4.5 million LDT to 9 million LDT and create an additional 50 plots.

FREEDOM OF SPEECH AND ASSOCIATION IN THE SHIPBREAKING INDUSTRY IN SOUTH ASIA

The shipbreaking industry in South Asia—primarily located in Bangladesh, India, and Pakistan—operates under severe and exploitative conditions both for workers and for the environment. An aspect that characterises this exploitation is the workers' lack of freedom of speech, expression and association. These are fundamental human rights protected under various international and national frameworks, including under Article 19 and 20 of the Universal Declaration of Human Rights Freedom of Speech, which says:

"Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers. (Article 19)

"Everyone has the right to freedom of peaceful assembly and association. No one may be compelled to belong to an association." (Article 20)

In international law, access to information and freedom of expression are deeply <u>interconnected</u>, with the internet and digital communication serving as powerful accelerators of both. Yet, alongside this progress, there has been a surge in attempts to control speech and information, driven by governments and private entities. These efforts <u>include</u> censorship, restricted access, and even violence targeting individuals whose views or inquiries are perceived as threatening or undesirable.

Despite the recognition of freedom of expression and association as fundamental human rights, the shipbreaking industry functions in a way that suppresses workers' ability to speak out, criticise, or advocate for their rights, which further perpetuates their vulnerability. Two interconnected issues—the <u>lack of unionisation</u> and <u>restrictions on freedom of speech</u>—prevent workers from advocating for their rights and pushing for necessary reforms. Civil society organisations have played, and keep playing, a vital role in highlighting concerns related with violation of human and environmental rights, advocating for workers' rights, environmental safety, and stricter regulations within the industry. However, their efforts are often met with resistance from both state authorities and private industry players.

BANGLADESH

The former Prime Minister of Bangladesh, Sheikh Hasina, ruled the country for 15 years, a period marked by economic growth alongside widespread violence, the arrest of political opponents, and continuous human rights abuses against civil society. In 2023, for example, Bangladesh witnessed a significant wave of mass arrests targeting opposition supporters involved in protests. CIVICUS, an organisation monitoring freedom of association, peaceful assembly, and expression in 198 countries and territories, classified Bangladesh as "closed," the most problematic category, reflecting severe restrictions on opposition figures, activists, and journalists. In the lead-up to the elections in January 2024, the government ordered the arrest of over 10,000 opposition leaders and supporters. Six months later, a new wave of protests <u>erupted</u> among students opposing government job quotas that reserved one-third of civil service positions for the descendants of individuals who fought in the 1971 war for independence. These protests escalated into violence following a brutal government crackdown and attacks by groups affiliated with the ruling party. This crisis marked an unprecedented shift in Bangladeshi politics, culminating in the establishment of a new interim government. The stark contrast between the oppressive measures of 2023 and the explosive protests of 2024 highlights the growing unrest and demand for change within Bangladesh, revealing deep-seated tensions and the urgent call for a more democratic society.

The former Bangladesh government's suppression of free speech and media freedom stands in fully contradiction to Article 39 (Freedom of thought and conscience, and of speech) of the country's constitution. This same oppression has been consistently evident in the shipbreaking industry in Chattogram, Bangladesh. Shipbreaking workers report that protesting unsafe working conditions or attempting to unionise often results in immediate dismissal, highlighting the persistent challenges to freedom of speech and labour rights in the country. This is in clear violation of Article 38 of the Constitution of Bangladesh protecting freedom of association. They further say that if they protest about working conditions or try to unionise, they say they are fired. Kamrul (39) revealed "If workers raise their voice, they will lose their jobs.". As Abul (31) said, "we don't protest as that might bring retaliation to us.". Moreover, activists complain that some of the ship recycling yards have created so-called "yellow unions" that are not genuinely independent, and instead are established by the yard owners to control workers and prevent them from establishing a union of their choice.

Workers also mention that increased scrutiny from journalists and NGOs of conditions in the yards over the past few years has <u>led</u> to a tightening of restrictions on communicating with people outside the yards or providing access to the worksites, and several said that they are not allowed to bring their phones into the yard. Dr. Shaheen Chowdhury, law professor at the University of Chittagong, <u>explained</u> that "employers increasingly employ people at night because it is easier to circumvent media and journalists. There is no watchdogging at night. It is a technique to avoid monitoring and surveillance". Bangladeshi authorities <u>have not yet amended</u> labour laws to safeguard workers' rights to freedom of association and collective bargaining, as outlined in ILO conventions and recommendations. This lack of reform has allowed anti-union tactics by yard owners and assaults on independent union organisers to persist.

66

"Freedom of speech is the cornerstone of social justice and progress, yet, in the shipbreaking yards of Bangladesh, this vital right often faces harsh currents. The voices advocating for safer working conditions, decent work, and environmental protections must rise above the clamour, as only through active social dialogue we can forge a path toward sustainable practices that honour workers' rights, ensure a just transition and a safe environment.

Repon Chowdhury, Director of Bangladesh Occupational Safety, Health and Environment Foundation (OSHE)

Given the recent and unprecedented political developments in Bangladesh, we are hopeful that the next government of Bangladesh will take meaningful steps to effectively enforce legislation on human rights, including the right to collective bargaining and freedom of speech. Ensuring these fundamental rights is crucial for safeguarding the dignity and welfare of all citizens, especially those in vulnerable sectors of society.

INDIA

Freedom of speech and association in India is an integrant part of its Constitution under Article 19(1)(a). However, authorities have increasingly intensified efforts to silence civil society activists and independent journalists through politically motivated criminal charges, including accusations of terrorism, aimed at those exposing or criticising government abuses. Under Prime Minister Narendra Modi and the Bharatiya Janata Party (BJP), the government has implemented policies that discriminate against and stigmatise religious and other minorities, further exacerbating the climate of fear among civil society. Moreover, the ruling BJP campaign has raised concerns about the shrinking space for civil society organisations working to empower vulnerable communities. Activists in India face intimidation from the National Investigating Agency, often labelled as security threats, while many have endured abductions and physical attacks. Human rights defenders continue to be detained without trial, sometimes for years on end.

In 2023, for example, Ritwick Dutta, the director of Legal Initiative for Forest and Environment (LIFE) and a board member of the NGO Shipbreaking Platform, along with LIFE and the U.S. based NGO Earth Justice, faced <u>accusations</u> from the Central Bureau of Investigation (CBI) for allegedly attempting to obstruct coal projects through litigation. Additionally, in September 2023, income tax officials <u>raided</u> the offices of Oxfam India, the Centre for Policy Research, and the Bengaluru-based Independent and Public Spirited Media Foundation, citing alleged violations of the Foreign Contribution (Regulation) Act (FCRA).

In the context of the shipbreaking industry in Alang, the industry has come under intense scrutiny for many decades, where workers have raised their voices for better conditions with support from international NGOs. The movement to organise shipbreaking workers in Alang began in 2003, leading to the official registration of the Alang Sosiya Ship Recycling and General Workers Association (ASSRGWA) in 2006. Since its formation, the association has advocated for workers' rights, pressing for measures such as safety equipment provision, compensation in cases of injury or death, and legal action against plot owners violating the Factories Act of 1948.

By 2021, the association had registered around <u>18.000 workers</u>, most of whom are migrants. However, this figure represents only a portion of the workforce, as the industry is estimated to employ an average of <u>40.000-60.000 workers</u> overall.

Yet, in Alang, significant challenges remain in addressing labour rights and environmental compliance. A lack of transparency continues to plague the industry, with bodies like the Gujarat Maritime Board and the Ship Breakers Association providing little to no visibility into their operations. Independent journalists, scientists, and civil society actors face barriers to accessing the site, making it difficult to report on the working conditions on the ground, environmental damage, and illegal practices. They often face legal threats, or have been attacked or silenced. In 2019, for example, a BBC journalist was arrested while visiting Alang.

PAKISTAN

Pakistan is no exception when it comes to guaranteeing fundamental rights in its Constitution. The Constitution of Pakistan (1973) has undoubtedly provided citizens right to assemble peacefully without arms (<u>Article 16</u>), the right to make union (<u>Article 17</u>) and the freedom of expression and the press (<u>Article 19</u>). Pakistan's political and economic crises deepened in 2023, facing one of the worst economic crisis in its history.

Government threats and attacks on media <u>continue</u> to contribute to a climate of fear among journalists and civil society groups, with many turning to self-censorship. Authorities have pressured or threatened media outlets not to criticise government institutions or the judiciary. In several cases in 2022, for example, government regulatory agencies blocked cable operators and television channels that aired critical programs. Non-governmental organizations reported intimidation, harassment, and surveillance by government authorities. The government used the regulation of NGOs in Pakistan policy to <u>avoid</u> the registration and functioning of international humanitarian and human rights groups in the country. Civil societies who attempt to expose human rights violations or environmental hazards keep facing <u>reprisals</u>. Workers who report safety violations, such as exposure to toxic materials (asbestos, heavy metals, etc.) or inadequate protective gear, are at risk of being fired and of retaliation.

The shipbreaking workers in Pakistan are represented by the **Shipbreaking** Workers Union, organised under the National Trade Union Federation (NTUF), and the **Ship Breaking Labour Union**, organised under Pakistan Mine Workers Federation and formed by contractors. The NTUF, affiliated with global union Industriall, has raised serious concerns about the persistent violations of basic labour rights, including occupational health and safety standards in the industry. Yet, there is a significant division among the working force in Pakistan:



The Pakistan Ship Breakers Association earlier recognised Labour Union as a collective bargaining agent to resolve any dispute, but later it also recognised Workers Union. As per labour law, it is mandatory for any union to get elected as a collective bargaining agent. Due to this division, the majority of workers are reluctant to become union members. The representation of workers, their active involvement in the bargaining of wages, the demand for labour rights and the improvement of working conditions are therefore weak. Currently the labour unions are providing only referral services in shipbreaking industry in Pakistan. Their roles need to be expanded through advocacy and training especially for forcing employers to provide safe working environment, facilitating member workers in getting registered with social services institutions and drawing benefits.

Dr. Irfan Khan, Professor of Environmental Sciences and NGO Shipbreaking Platform Board member

INTERNATIONAL PRESSURE

Freedom of speech and association are technically protected by international human rights laws, but the shipbreaking industry tells a different story. In countries where shipbreaking is a business economic activity, governments often suppress free speech to avoid economic fallout. Authorities frequently block investigations, fearing exposure of environmental and labour abuses could lead to sanctions or harm trade. With business ties to politically powerful figures, whistleblowers and workers face additional obstacles. Despite local restrictions, international advocacy groups like the NGO Shipbreaking Platform work to expose industry abuses. However, activists and local NGOs often encounter harassment, legal threats, and limited access to information.

RESEARCH & READINGS

24 July 2024

Paul Tullis and Zia Ur Rehman

This article highlights the harsh realities of working in the shipbreaking yard of Gadani, Pakistan, where labourers face unsafe and hazardous conditions as they dismantle decommissioned ships. It delves into the extreme risks these workers endure daily, often described as "dancing with death" due to the constant danger of accidents, exposure to hazardous materials, and lack of safety measures. The piece sheds light on the challenging working environment, inadequate safety protocols, and the physical toll on the workers, who are left vulnerable in an industry driven by high demand and low costs.

"Dancing with Death - What is like to dismantle a ship"

10 August 2024

Suman Barua, Rajesh Mutsuddi, Sabrina Sultana, Md. Samrat Mohay Menul Islam, Suman Das, Mohammad Mostafa, Dipankar Chakraborty, and Ismail M. M. Rahman

This article focuses on a study which investigated the concentration and distribution of 16 polycyclic aromatic hydrocarbons (PAH) in Sitakunda shipbreaking yard sediment. The study found that concentrations in sediment samples from the Sitakunda coastline exceeded both national and international standards, posing significant ecological risks. The research, based on 13 sediment samples collected in December 2022, also revealed the presence of heavy metals in the area. The toxicity evaluation indicated varying levels of cancer risk, with some stations showing moderate to high risk. Biological threshold assessments highlighted a substantial risk of adverse biological impacts, calling for urgent mitigation efforts.

<u>Polycyclic aromatic hydrocarbons in ship breaking area and associated</u> <u>ecological risk assessment: evidence from the Sitakund ship-breaking area in</u> <u>Bangladesh</u>

OUR REPORTS

NGO Shipbreaking Platform

"<u>Trading Lives for Profit: How the Shipping Industry Circumvents Regulations to Scrap Toxic Ships on Bangladesh's Beaches</u>" - In collaboration with Human Rights Watch (2023)

Breaking Out: Anchoring Circular Innovation for ship recycling (2022)

The Toxic Tide - Data and figures (2022)

<u>Contradiction in terms: European Union must align its waste ship exports</u> with international law and green deal (2020)

Study Report on Child Labour in the Shipbreaking Sector in Bangladesh (2019)

Behind the Hypocrisy of Better Beaches (2019)

Recycling Outlook. Decommissioning of North Sea Floating Oil & Gas Units. (2019)



To ensure that safe and clean ship recycling becomes the norm, and not the exception, the Platform will continue to inform policy makers, financial and corporate leaders, as well as researchers and journalists. With a broad base of support both in orientation and geographically, including membership in ship owning as well as shipbreaking countries, the Platform plays an important role in promoting solutions that encompass the respect of human rights, corporate responsibility and environmental justice.

WILL YOU JOIN US?

IF YOU SHARE OUR VISION PLEASE MAKE A DONATION TO SUPPORT OUR WORK OR CONTACT US TO FIND OUT HOW WE CAN WORK TOGETHER!



ABOUT THIS REPORT

Published by:

NGO Platform on Shipbreaking (asbl) Rue de la Linière 11, B - 1060 Brussels

Edited by:

Ingvild Jenssen, Nicola Mulinaris, Sara Costa, Benedetta Mantoan, Ekin Sakin

FIND US ONLINE

www.shipbreakingplatform.org

Twitter: @NGOShipbreaking

Facebook: /shipbreakingplatform

Linkedin: NGO Shipbreaking Platform

Instagram: @ngoshipbreakingplatform

