

Current Status and Future Development of Draft Ship Recycling Convention

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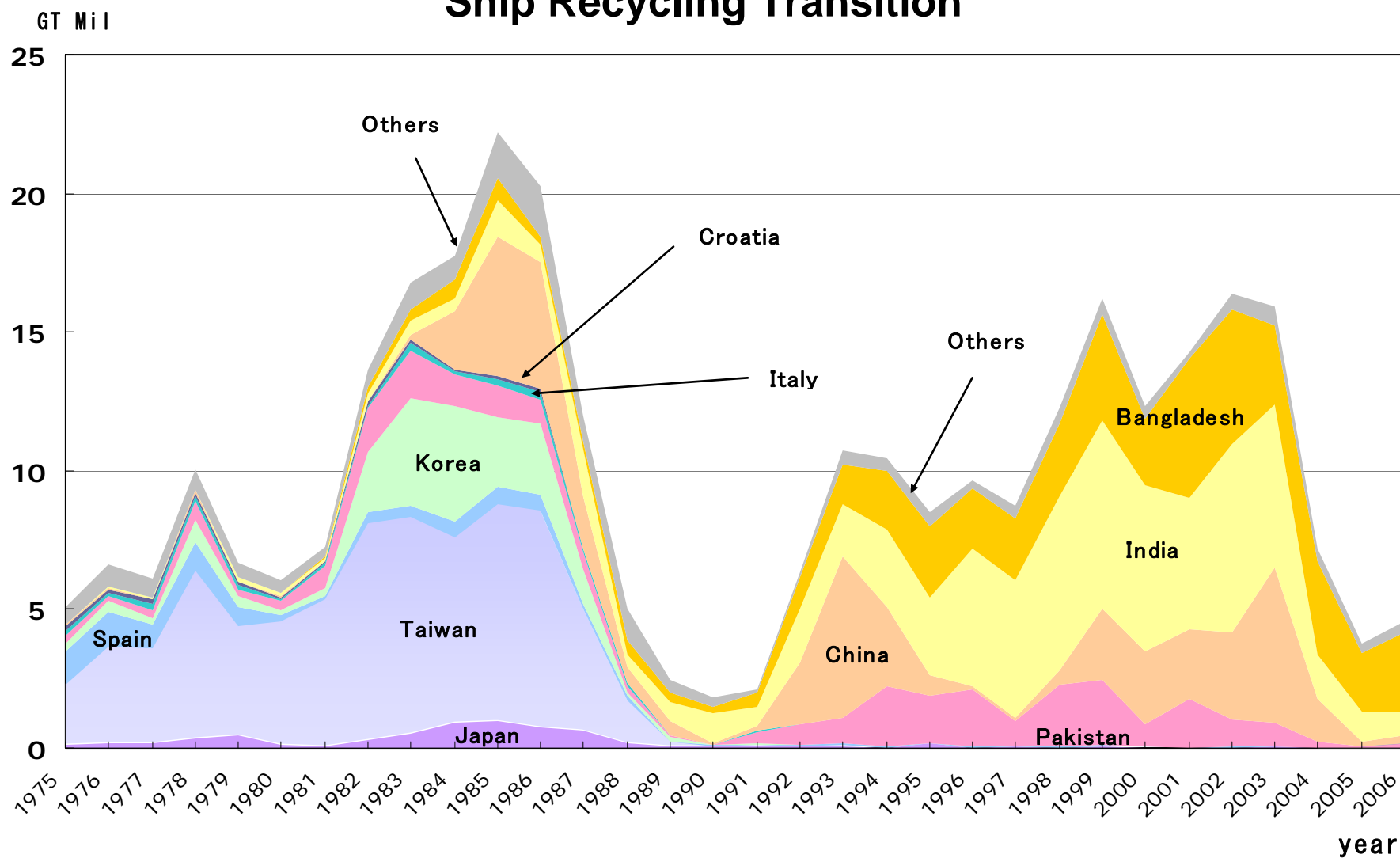
Background



【Recycle Yard】

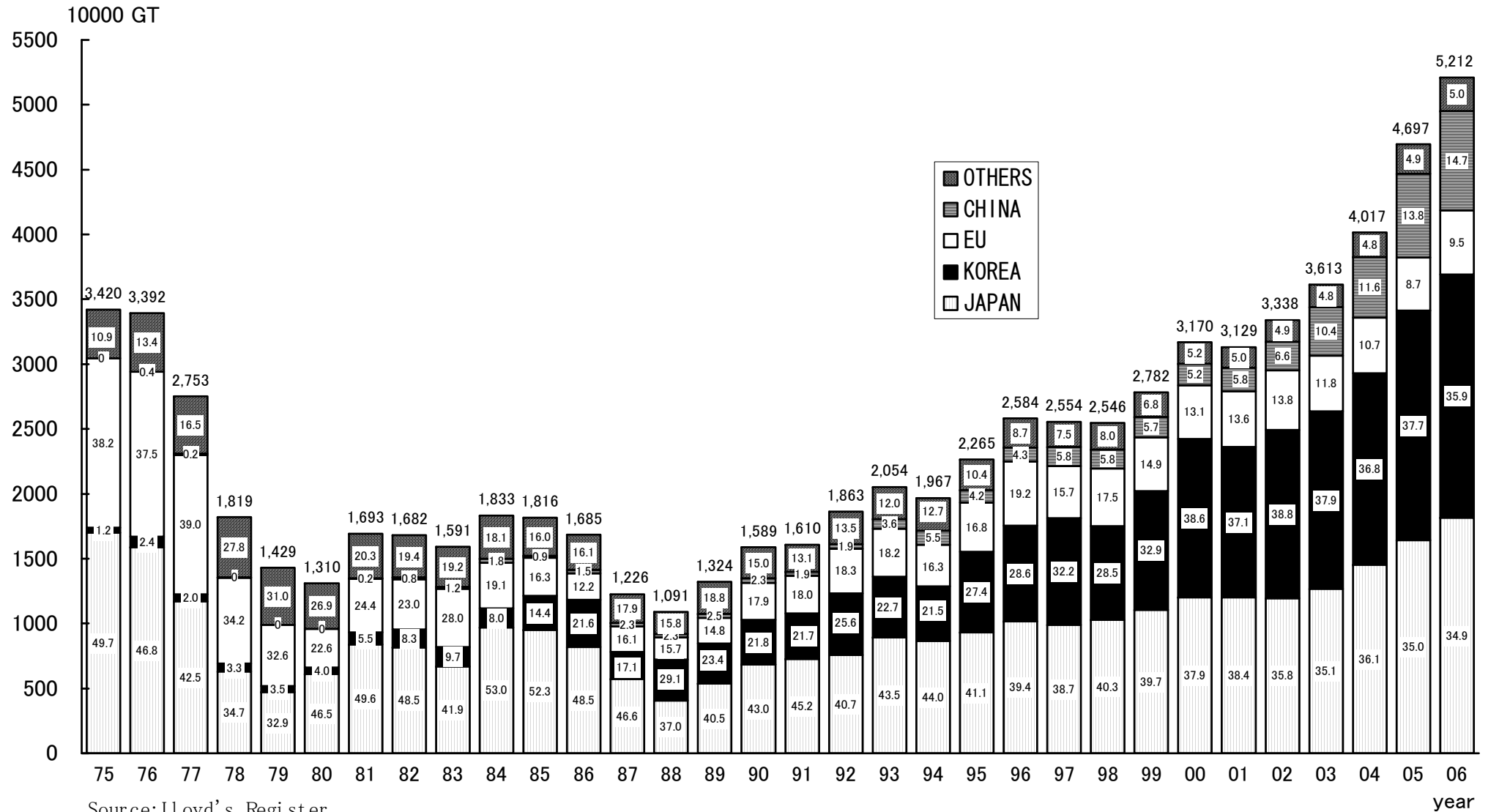


Ship Recycling Transition



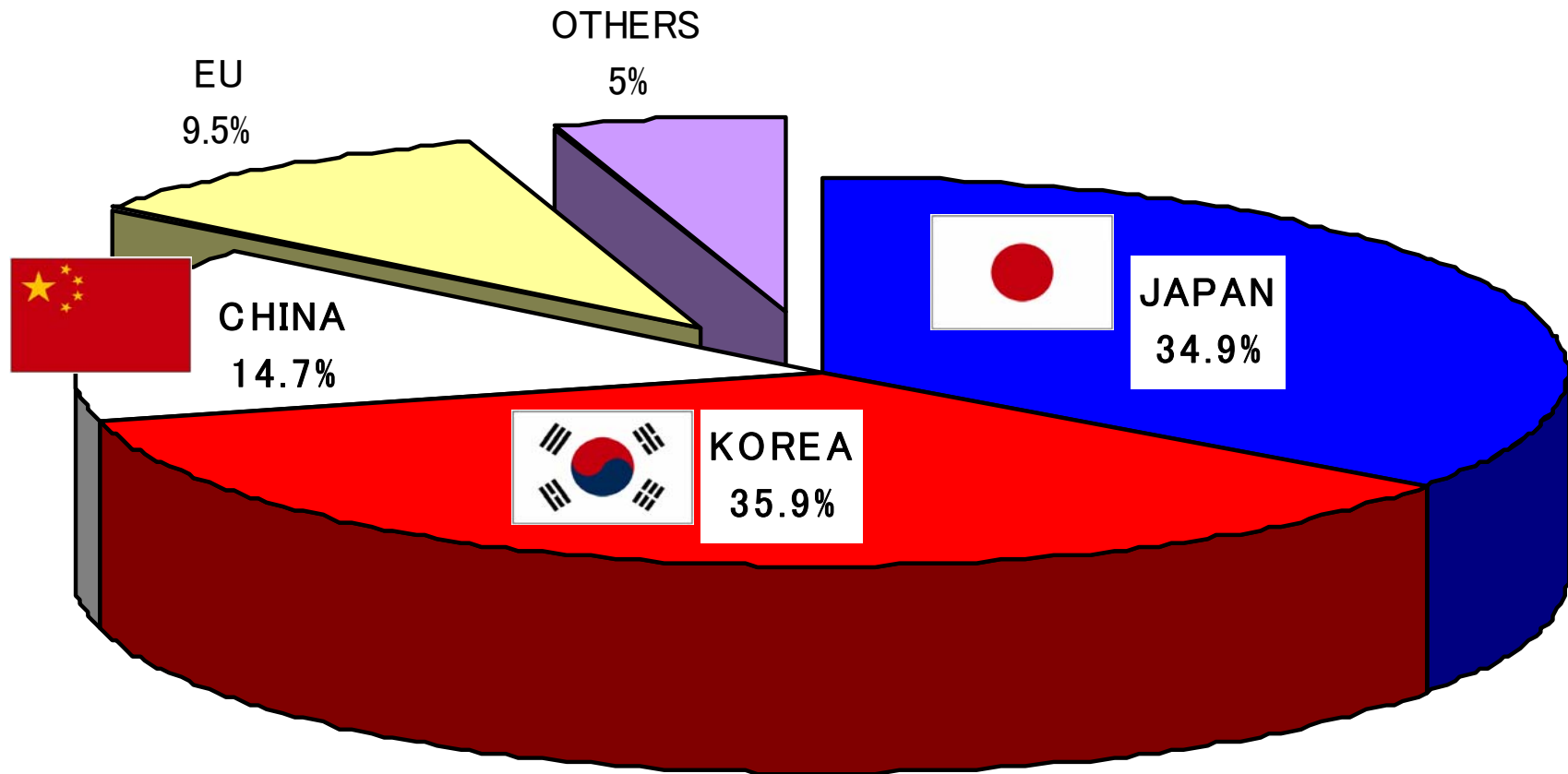
Background

Completion

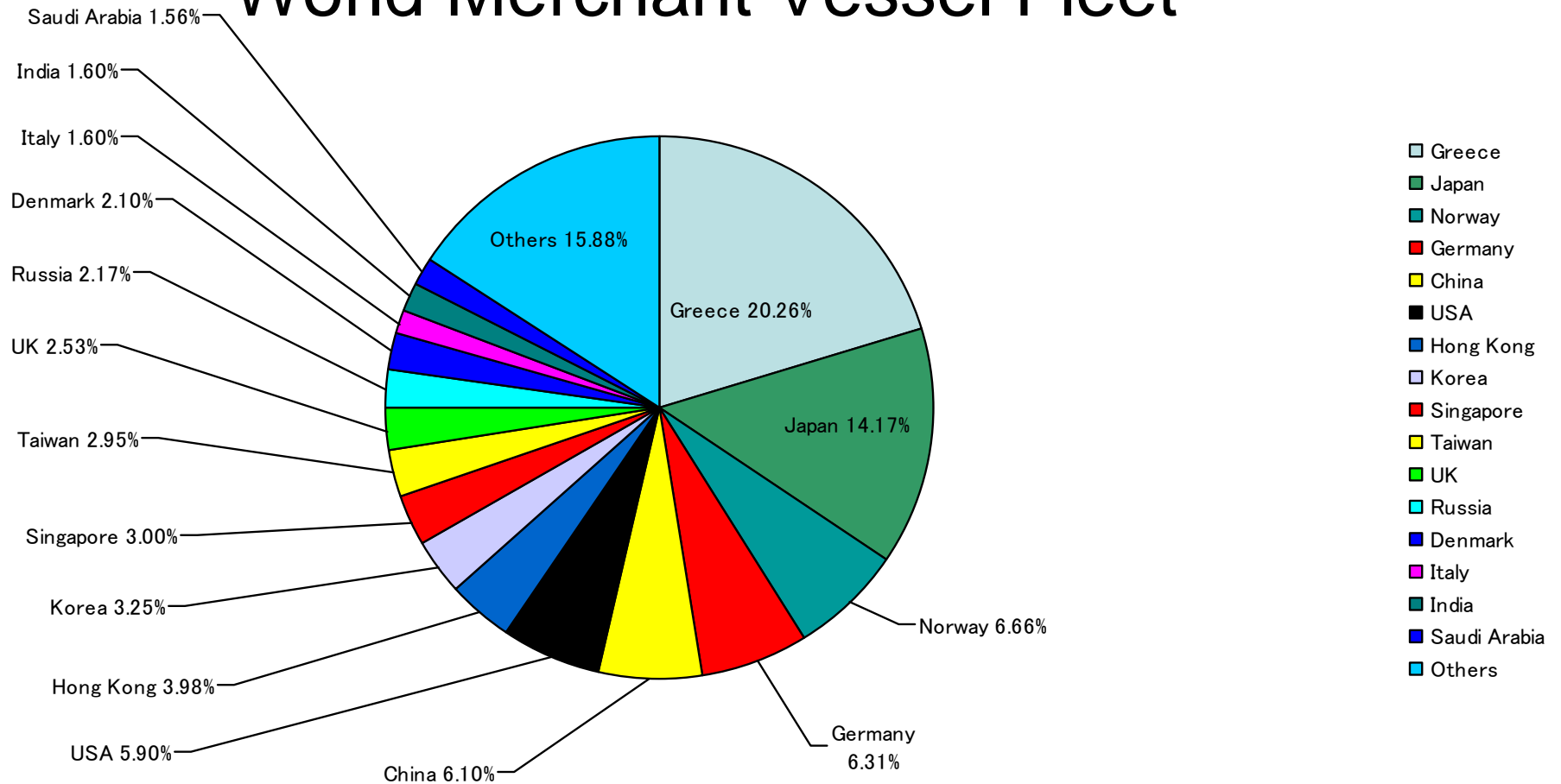


Background

2006 Newbuilding Completion



World Merchant Vessel Fleet



Background



【Recycle Yard (Pipavav)】
Cooperated by JAPAN



What is the issue of “Ship Recycling” ?

“Ship Recycling” is valuable source of materials such as steel, equipment and wood

Several issues

For example;

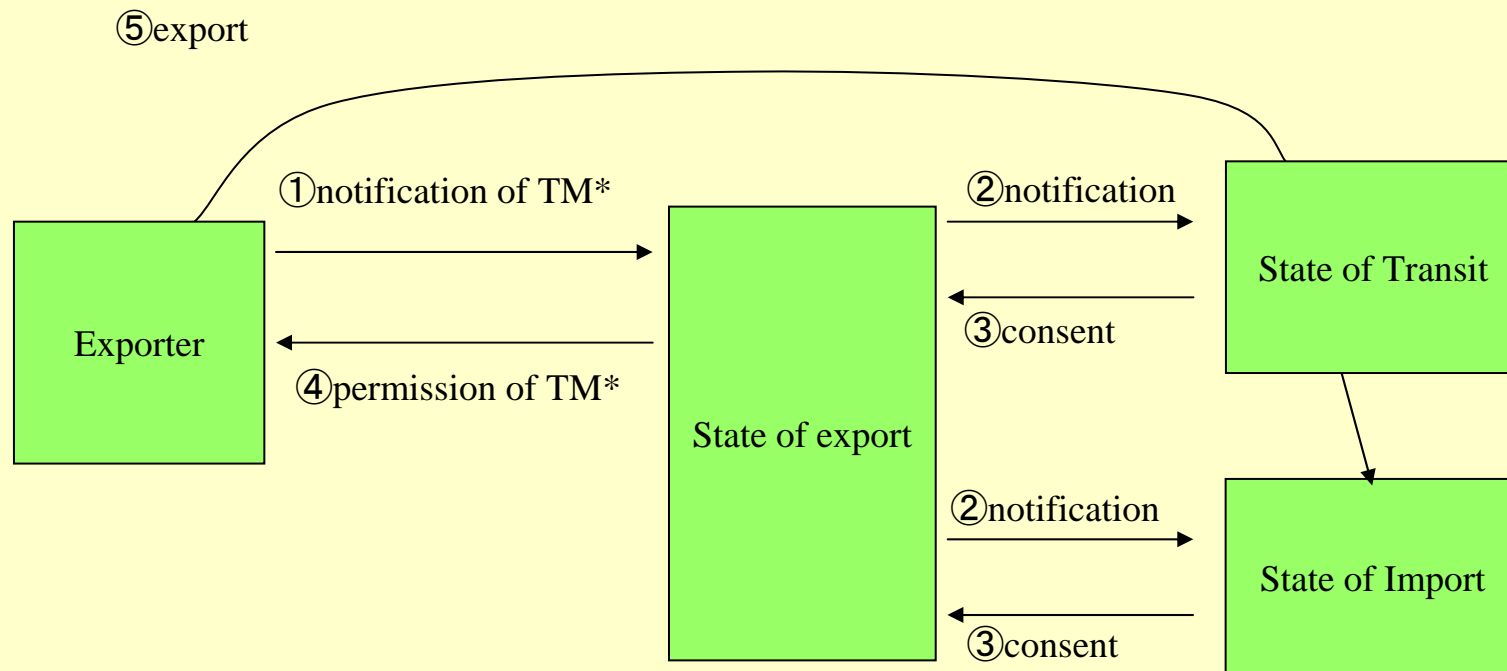
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal
- Marine Pollution by oil spill
- Occupational health and safety in recycling yards



Need International Approach

What is the Basel Convention?

Prior notification and consent scheme



* TM: Transboundary movement

Background

A case where the application of the Basel Convention face difficulties

Hypothetical
situation

Port State (previous call)
(e.g., Australia)

Cargoes Offloading



Ship

Port State (last call)
(e.g., Singapore)

Contract of dismantling



Ship

State of import (Recycling)
(e.g., India)

Flag State
(e.g., Panama)

Shipowner

(control)

State of substantial owner
(e.g., Japan)

Substantial
Shipowner

Q. Which is the state of export?

A. Unclear. If the contract of sales for recycling is made while the ship is in a port of last call, one might think that the State of Port (last call) would be the State of export.

However it would be inappropriate to compel such State of port to implement the obligations under the BC such as permitting the movements of the ship, since there is no 'exporter' within the territory of that State of port.

Q. Can the Flag State be the State of export?

A. There is no single reference to the Flag State in the BC. Imposing the responsibilities under the BC on the Flag State would necessitate the amendments to the BC.

Even so, how can the Flag State, in practical term, control the movement of its flagged ship, which is not in their territory, using the BC's instrument? (BC's instrument is the permit of export, i.e. permit to the exporter that the object at issue can be moved away from its territory.)

Background

IMO, UNEP, ILO developed the Guidelines each other

- **UNEP** : Status as the environmentally sound management of Recycling yards
 - Technical guidelines for the environmentally sound management of the full and partial dismantling of ships (Adoption date : Dec.2002)

- **ILO** : Status as safety and health of labor
 - Guidelines on safety and health in shipbreaking (Adoption date : Oct. 2003)

- **IMO** : Status as both of them (refer to Next Slide)
 - IMO GUIDELINES ON SHIP RECYCLING (A.962) (Adoption date: Dec.2003)
(Non-mandatory guidelines)



The IMO New Convention on Ship Recycling covers all stages (from Construction to Recycling of Ship).

Objective of the IMO on Ship Recycling

To reduce, in the most effective and efficient way, the environmental, occupational health and safety risks related to ship recycling,

taking into account, at the same time,

the particular characteristics of world maritime transport and the need for securing the smooth withdrawal of ships that have reached the end of their operating lives.

Background

Stance of JAPAN



If Ship cannot be recycled,

- No Ship breaking (Recycling Yards & Ship owner)
- Old Ships remain in the market (Ship owner)
- No order the New Ship Construction (Shipyard)

Confusion !!



***“Ship Recycling” is Maritime Industry Matter
and Maritime Safety and Environment matter***

IMO Ship Recycling Convention

Progress of Ship Recycling Discussion in IMO

- **MEPC 47** (March 2002)
Establishment of the Ship Recycling WG in MEPC
- **ASSEMBLY 23** (December 2003)
Adoption of the IMO Guidelines on Ship Recycling (A.962(23))
→ **Non-Mandatory guidelines**
- **MEPC 52** (October 2004)
Agreement of the New Ship Recycling Convention to be developed
- **MEPC 53** (July 2005)
Japan submitted **the framework of the new Convention** (MEPC53/3/2)
→ **This framework is based on the draft Convention**
- **MEPC 54** (March 2006)
Start development of the new legally binding instrument on ship recycling

IMO Ship Recycling Convention

Progress of Ship Recycling Discussion in IMO

- MEPC 55 (October 2006)

Japan and Germany submitted “**Draft Guidelines for the Development of the Inventory of Hazardous Materials**”

- MEPC 56 (July 2007)

- Japan and Germany submitted “**Draft Guidelines for the Development of the Inventory of Hazardous Materials**”

- Japan submitted “**Draft Guidelines for safe and environmentally sound ship recycling**”

- Japan submitted “ **Draft Guidelines for Survey and Certification of Ships** ”



IMO Ship Recycling Convention

The IMO documents submitted by JAPAN

MEPC49	
MEPC49/3/5	Comments on the Report of the Correspondence Group
MEPC51	
MEPC51/3/4	Comments on future work items on ship recycling: mechanisms to promote the implementation of the IMO Guidelines on Ship Recycling
MEPC52	
MEPC52/3/8	Research on a system to facilitate the preparation of the Green Passport
MEPC53	
MEPC53/3/2	Analysis on the mandatory requirements on ship recycling
MEPC54	
MEPC54/3	Proposal for a new legally-binding instrument on recycling of ships
MEPC54/3/1	Proposal for a standard format of the Inventory of Potentially Hazardous Materials and criteria for the selection of the materials to be listed in the Inventory
MEPC54/3/7	Proposal for the Guidelines for Survey and Inspection to verify the conformity of the Inventory of Potentially Hazardous Materials with the requirements of the new legally binding instrument on recycling of ships

IMO Ship Recycling Convention

The IMO documents submitted by JAPAN

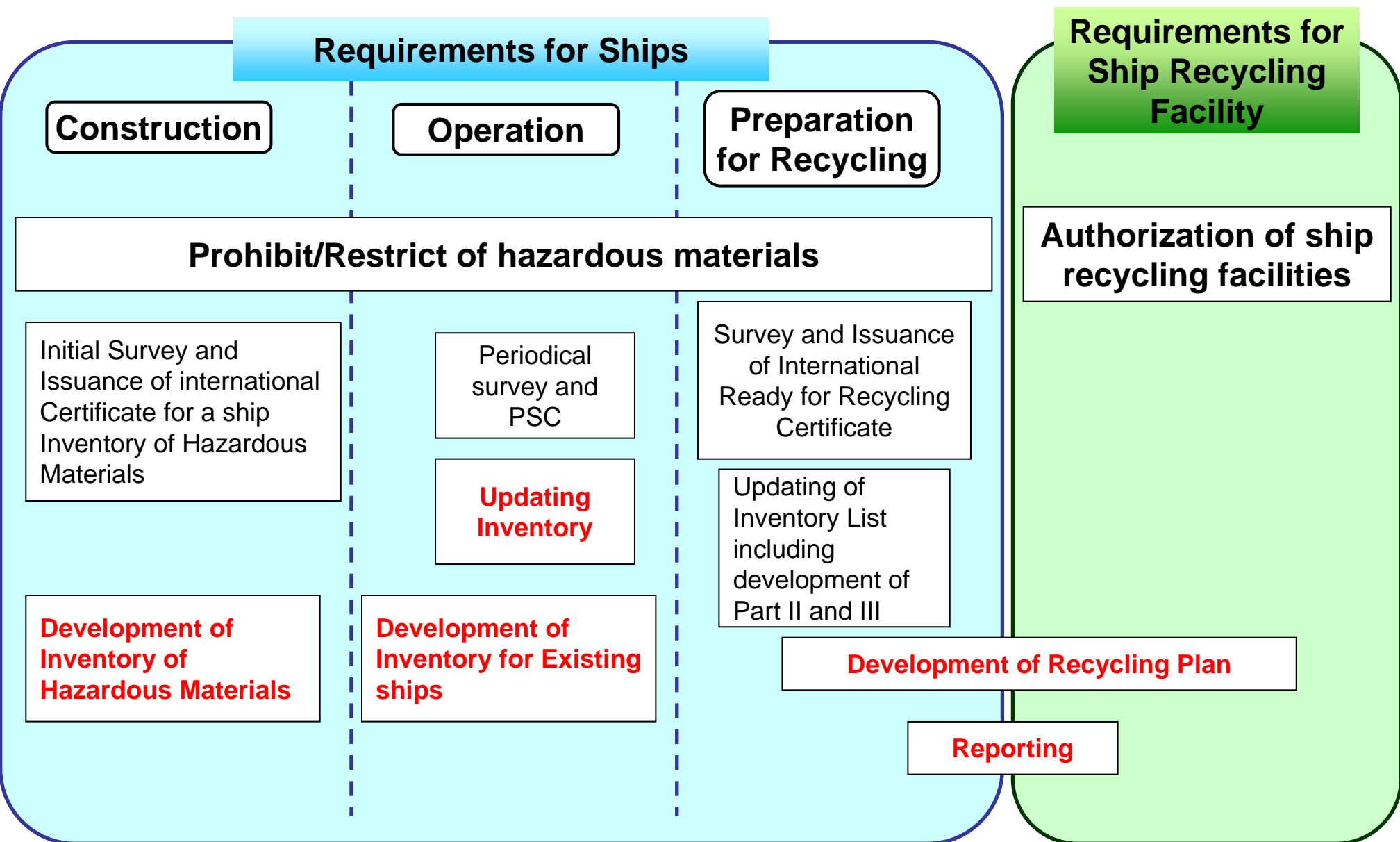
MEPC55	
MEPC55/3/1	Draft Guidelines for the development of the Inventory of Hazardous Materials
MEPC55/3/6	Basic Stance for Surveys of Recycling of Ships
MEPC55/3/8	Proposal for prohibited and restricted materials to be listed in Appendix 1 of the draft International Convention for the Safe and Environmentally Sound Recycling of Ships
MEPC55/3/9	Comments on regulation B-I-4 of the draft Convention regarding the Inventory of Hazardous Materials for existing ships
MEPC56	
MEPC56/3/1	Proposal on draft Appendices and revised text of the draft Convention
MEPC56/3/2	Draft Guidelines for the development of the Inventory of Hazardous Materials
MEPC56/3/3	Draft Guidelines for Survey and Certification of Ships under the International Convention for the Safe and Environmentally Sound Recycling of Ships
MEPC56/3/4	Draft Guidelines for safe and environmentally sound ship recycling – Part 1
MEPC56/3/5	Draft Guidelines for safe and environmentally sound ship recycling – Part 2
MEPC56/3/7	Outline of the Scheme on Survey and Certification of Ships under the draft International Convention for the Safe and Environmentally Sound Recycling of Ships
MEPC56/3/15	Explanatory Notes: Development of the Inventory of Hazardous Materials

IMO Ship Recycling Convention

Schedule of Ship Recycling Discussion in IMO

- **Intersessional WG** (January 2008)
Further develop the draft Convention
- **MEPC 57** (April 2008)
Article-by Article and regulation-by-regulation review of the draft Convention;
Recommendation on date for diplomatic conference
- **Council C100** (June 2008)
Endorse date for diplomatic conference
- **MEPC58** (October 2008)
Finalize the draft Convention;
Circulate the draft Convention for the diplomatic conference
- **Diplomatic Conference** (April 2009)
Adoption of the International Convention for the Safe and Environmentally
Sound Recycling of Ships

Framework of the draft convention



Requirements for Ships

Construction

Operation

**Preparation
for Recycling**

Prohibit/Restrict of hazardous materials

Initial Survey and
Issuance of international
Certificate for a ship
Inventory of Hazardous
Materials

Periodical
survey and
PSC

**Updating
Inventory**

**Development of
Inventory of
Hazardous Materials**

**Development of
Inventory for Existing
ships**

Survey and Issuance
of International
Ready for Recycling
Certificate

Updating of
Inventory List
including
development of
Part II and III

Development of Recycling Plan

Reporting

Requirements for Ship Recycling Facility

**Authorization of ship
recycling facilities**

Rapid development & coming into force of the IMO Convention on Ship Recycling

- **Gradual phase-in approach**

- ✓ If the facility standard were set too high, there would be little ratification. Support from Recycling States is essential.
- ✓ Appropriate conditions of the entry into force.
- ✓ When the Convention took effect without Recycling States, available Recycling yards would disappear.
- ✓ Based on the monitoring accident rate, the review of the Convention should start not later than [5] years after the entry into force of the Convention.

- **Avoid regional regulatory approach**

- ✓ This will distort competitive conditions of the industries, accelerate flagging-out, and give no effect.

- **Quick ratification**

- ✓ Agreement of Asian countries will be crucial.

Basic idea for the realistic solution

Promotion of international cooperation to recycling states

- **Pursue realistic approach**

- ✓ Subsidization cannot overcome the economic principle
- ✓ Location of the recycling is primarily determined by the demand of recycled materials, in addition to the Labour costs.
- ✓ The facility with massive capital investment cannot compete with others.
- ✓ It is better to support safety and ESM measures in developing country than trying to create recycling capabilities in developed economies.

ISO Standard for Ship Recycling



IMO Roll, establish of
“Requirement” and “Regulation”



ISO Roll, Transform into
International Standard
and maintain IS

INDUSTRY

Maritime Industry
Industry Roll
Shipbuilders, Ship owners,
Classification, Suppliers

ISO/TC 8 Ships and marine technology

Roll, Creation of international standard based on
the maritime industry opinion and IMO Regulation

Chairman: Capt. Charles H. Piersall (USA)

Secretary: Mr. Yanqing Li (China)

Life saving and fire protection (TC 8/SC 1)

Marine environment protection (TC 8/SC 2)

Piping and machinery (TC 8/SC 3)

Outfitting and deck machinery (TC 8/SC 4)

Navigation (TC 8/SC 6)

Inland navigation vessels (TC 8/SC 7)

Structures (TC 8/SC 8)

General requirements (TC 8/SC 9)

Computer applications (TC 8/SC 10)

Intermodal and short sea shipping (TC8/SC11)

Large Yachts (TC 8/SC 12)

ISO/TC 8/WG 1 Ship Recycling

Roll, Creation of international standard
related to Ship Recycling

Convener : Capt. Charles H. Piersall (USA)

Secretary: Mrs. Maja Buntrock(Germany)

ISO Standard for Ship Recycling

ISO/TC 8/WG 1 Ship Recycling



ISO 30000 Specification for management systems for safety and environmentally sound ship Project Leader : Mr. Robin Townsend



ISO 30000 = ISO 14000 + Ship Recycling matter

ISO 30001 Best practice for ship recycling facilities – Assessment and plans Project Leader: Mr. Emrah Erginer



ISO 30002 Guidelines for selection of ship recyclers (and pro forma contract) Project Leader: Mr. Bjarne Mortensen

BIMCO

ISO 30003 Requirements for bodies providing audit and certification of ship recycling management Project Leader: Henning Gramann



ISO 30004 Guidelines for implementing ISO 30000
Project Leader: Mr. Robin Townsend



ISO 30005 Information control for hazardous materials in the manufacturing chain of shipbuilding and ship operations
Project Leader: Henning Gramann



Conclusion

- Urgent development of practical IMO Convention on Ship Recycling and the related guidelines is important and first priority.
- Draft ISO Ship Recycling Management Systems might impose additional burden to the ship recycling yards.



The ISO standards should be based on the maritime industry's demands.

Asian countries should cooperate together to ensure the safe and environmentally sound ship recycling.

Thank you for your Attention!

