## **SPOTLIGHT**





## Recycling of Ships Act, 2019

A modern ship generally has a lifespan of 25 to 30 years before corrosion, metal fatigue or lack of parts renders it uneconomical to operate. After having faced rough seas and hundreds of voyages, a ship reaches the end of its life. Once the life of a ship ends, ship recycling starts. Ship recycling is a type of ship disposal involving extraction of its raw materials. This is also known as ship dismantling or ship breaking. Ship recycling allows the materials from a ship, especially steel to be extracted & transformed into various by-products. Fixtures and other equipment on board the vessels are reused as per the condition and size of the vessel. All types of household items like antique furniture for drawing/dining rooms, doors, cupboards, fans, washing machines, sanitary fittings etc are sold at a premium price after removal from ships. So rather than breaking the ship, we clear, clean and recycle the ships when their lives end. More than 90-95 per cent parts of the ships are properly treated and reutilised and there is hardly any scrap left behind. The recycled steel from ships continues to play an important role in the economic growth & development of the country. In India, the recycled steel recovered from the scrapping units amounts to almost 10 per cent of total consumption of

secondary steel. It is a well-known fact that for extraction of every one tonne of steel from iron ore, about 6 to 10 tons of coal is required during the normal process. Hence, the production of steel from recycling of ships, without exploiting natural resources like iron ore, coal etc., in comparison to steel produced by integrated steel plants, is a green and eco-friendly method.

While ship recycling is a sustainable process, there are concerns regarding environmental hazards and impacts. It is labour intensive and one of the risky industries. The health risks in the presence of materials like asbestos, lead, polychlorinated biphenyls & heavy metals, particularly in older vessels, pose a danger to the workers. Burns from explosions, suffocation, mutilation from falling metal, cancer & diseases from toxins are regular occurrences in this industry. The dangerous vapour and fumes from the burning matter can be inhaled that could pose a major health hazard to the workers. When flammable gas is not fully removed from the fuel tanks, workers may get injured in explosions. Therefore, it is paramount that insurance and health risks of yard workers are taken care of on priority.



Ship Recycling in progress at Alang Ship Breaking Yard, Gujarat





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In the year 2012, nearly 1250 ocean ships were recycled in the world.

In the year 2013, the world's total demolished ships amounted to 29,052,000 tonnes, almost 92% of which were recycled in Asia.

Around 30% of the global ship recycling (around 250 to 280 ships) is carried out in India.

India, Bangladesh, China and Pakistan have the highest market share and are global centres for ship recycling. Alang in Gujarat is the world's biggest ship recycling yard. It provides direct employment to around 25,000 workers and indirectly to lakhs of workers. The employment generation for lakhs of individuals is one of the most positive aspects of this industry and very vital for a country like ours.

The Recycling of Ships Act 2019 has been notified by the Indian Government. It seeks to set global standards for a safe and sound environmentally-friendly recycling process and also to provide adequate safe working conditions for the yard workers. It is in consonance with international standards as laid down in the Hong Kong Convention 2009. The convention, once it comes into force, requires ship recycling facilities to obtain authorisation to operate and only authorised yards will be permitted to import ships for recycling. Ship-specific Ship Recycling Plans (SRPs) will need to be prepared for incoming vessels. The ships will need to obtain a "Ready for Recycling Certificate" in accordance with the HKC, prior to recycling. Inventory of Hazardous Materials (IHM) is also required to be prepared mandatorily. Ratification of HKC by India will encourage green ship recycling in India. It will draw the interest of developed countries like Norway and Japan to recycle more and more ships in India, which will enhance the economic growth and

development of this industry. Widening the global markets will also give a large scope of employment & job opportunities to our country. It will raise the brand value of ship recycling yards of India and increase the business, thus, consolidating India's position as a market leader. So, it is certainly going to result into tremendous growth of business activities in ship recycling industry, contributing to the country's GDP.

The instrument of India's accession to the Hong Kong Convention was recently handed over to the IMO General Secretary on 28<sup>th</sup> November 2019 during the 31st session of the IMO Assembly. The accession has been greatly appreciated by the IMO Secretary General Kitack Lim.

India's accession to the HKC 2009 and passing of Ship Recycling Act 2019 is a landmark achievement in India's maritime sector. With India's ship recycling volume considerably high, it is a significant step for the Hong Kong Convention, bringing it closer to entering into force globally. With passing of this landmark legislation, the Indian Government has ensured that this industry continues to operate while keeping yard workers' health and safety as well as addressing all environmental concerns interconnected with it. It is, therefore, a hallmark moment in the Indian maritime history. Undoubtedly, it is a part of ongoing major reforms and Modi Government's commitment towards making India a 5 trillion economy by 2025.

