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**Open-ended Working Group of the Basel Convention
on the Control of Transboundary Movements of
Hazardous Wastes and Their Disposal**

Fourth session

Geneva, 4–8 July 2005

Item 5 (d) and (e) of the provisional agenda*

**Implementation of the decisions adopted by the Conference of the
Parties at its seventh meeting: Joint Working Group of the International
Labour Organization (ILO), the International Maritime Organization (IMO)
and the Basel Convention on Ship Scrapping (decision VII/25) and environmentally
sound management of ship dismantling (decision VII/26)**

Environmentally sound management of ship dismantling

Note by Greenpeace International

The attached note was prepared by Greenpeace International and is circulated at their request. Greenpeace International indicated that this document is for the consideration of the Parties in the context of decision VII/26 adopted by the seventh meeting of the Conference of the Parties.

* UNEP/CHW/OEWG/4/1.

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Environmentally sound management of dismantling of single hull oil tankers

Call for national &/or regional enforcement projects on single hull oil tankers

Greenpeace International

1. Introduction

This document refers to Decision VII/26 last paragraph but specified for single hull oil tankers: *"Requests the Open Ended Working group to consider the practical, legal and technical aspects of the dismantling of **single hull oil tankers** in the context of achieving a practical approach to the issue of ship dismantling for single hull oil tankers, to report on developments and to present any proposals for single hull oil tankers, as appropriate, to the Conference of the Parties at its eight meeting on a legally binding solution, taking into consideration the work of the International Maritime Organization and the work of the joint working group"*.

This document provides information on the imminent human and environmental crisis associated with current shipping and shipbreaking practises in relation with the accelerated phasing out of single hull oil tankers. This document also indicates the urgent need **to accelerate work within the Basel Convention** itself on closing the loopholes in the Basel Regime for end-of-life-ships and **to set out national &/or regional enforcement projects** to avoid the imminent increase of illegal traffic of thousands upon thousands tons of waste (between 900.000 and 34 million ton) to southern shipbreaking countries.

2. Single hull oil tankers

2.1 Without urgent action from the Parties to the Basel Convention itself the human and environmental tragedy of shipbreaking is about to get much worse. In the wake of the Prestige and Erika disasters the world moved to ban single hull oil tankers in order to reduce the risk of accidental oil pollution. This global phase-out regulation¹ entered into force on the 5th of April 2005. This will result that over the next years more than 2,000 tankers are to be taken out of the water and will have to be scrapped in the near future. The question remains where will they go and who will take responsibility?

2.2 It gains an advantage that the new global phase-out regulation clarifies the clear point in time from when these single hull oil tankers also can become waste (by law) and it gives an opportunity to authorities to more easily enforce existing Basel Convention provisions onto that well-defined category of end-of-life-ships. To give an example: all category 1 oil tankers (the oldest and dirtiest tankers) will have to leave the oil market worldwide before the end of 2005. Only very limited but legally clearly defined escape clauses exist.

2.3 New Greenpeace findings in that context confirm the imminent increase in human and environmental problems associated with current shipping and shipbreaking practises. The Greenpeace report *"Destination unknown – European single hull oil tanker: no place to go"* reveals the staggering quantities of oil and hazardous waste² that the shipping industry is about to dump at Asian (and other?) shipbreaking beaches through the export of single hull oil tankers. If the hundreds of oil tankers identified in this report will –as required by regulation - leave the oil market over the next months it will create an insatiable demand for recycling facilities.

¹ Regulation 20 of Annex I of MARPOL (formerly MARPOL Regulation 13G). MARPOL is the International Convention for the Prevention of Pollution from ships, 1973, as modified by the Protocol of 1978.

² The staggering amount of waste oil and toxic waste that will be dumped at Asian beaches can be found in the report Destination Unknown on page 13.

2.4 The oil tanker phase out will increase the pressure on the existing shipbreaking beaches and lead to more deaths and pollution. It will also increase the danger that southern countries, where most of the existing global shipbreaking by beaching occurs, could resort to new unsustainable scrapping facilities of the vessels.

2.5 In fact this is happening already, such as at Kakinada beach in Eastern India. At this moment the Indian Government is planning a new shipbreaking facility at Kakinada beach, despite the fierce protests of fishermen and other local groups.

2.6 In some cases, as is already happening with other types of abandoned ships, oil tankers may end up being abandoned along the West African or South American coast line.

2.7 The reasons are the lack of green shiprecycling capacity, the lack of enforcement of the existing Basel legislation and the lack of control and liability regimes to make the intransparent shipping industry responsible for its waste ships.

2.8 The lack of a green shiprecycling capacity and of the need for the enforcement of existing legislation was also revealed by a EU study published in 2004. Following a request of the European Parliament the European Commission (DG TREN) commissioned a report on the implications of the accelerated phase out scheme of single hull tankers proposed by the EU for the world ship scrapping and recycling industry³.

Among its main conclusions were:

- The EU Waste Shipment Regulation 259/93/EEC – this is the Basel Regime as implemented in the EU - is systematically being evaded by shipowners despite case law confirming the application of these regulations;
- There is currently almost no green scrapping capacity for ships, neither in the EU, nor elsewhere.

The study also concludes that green scrapping capacity will only be possible if *legal* and *economic* incentives are created. Recommendations of the EU report on the creation of necessary legal and economic incentives include: development of mandatory regulation and the establishment of a Global Fund paid for by the shipping industry.

2.9 Greenpeace has submitted the report “Destination Unknown” also to the IMO, MEPC 53 (July 18-22, 2005) and proposes the IMO to develop a definitive and consolidated list of single hull oil tankers subject to phase out regulations. This issue could be an area in which urgent co-operation is needed. The OEWG could insist on such a definitive and consolidated list.

2.10 Greenpeace provides this information document to the Parties to the Basel Convention as an indication that *urgent* action is needed for this specific group of end-of-life-ships. An upcoming massive but well demarcated (and thus easily avoidable) illegal traffic in waste can be prevented but it needs to be done through short-term planning and short-term (enforcement) action. It cannot wait until one universal global solution is found, agreed upon and entered into force. Many will already have lost their life. And by doing this it also can help in gaining experience in the process of solution-definition for the broader group of end-of-life-ships. The phasing out of single hull oil tankers constitutes a clear point in time when a ship that is still able to sail also becomes “waste” under the Basel Convention Regime.

³ COWI/EC report “Oil tanker Phase-out and the Ship Scrapping Study”, June 2004.

See: http://europa.eu.int/comm/transport/maritime/safety/doc/prestige/2004_06_scrapping_study_en.pdf

2.11 A call for immediate (Basel regime) national and/or regional enforcement projects on this group of end-of-life-ships seems justifiable with the objective to stop the pending transfer of the enormous quantities of oil and hazardous waste (+- 900.000 tonnes)⁴ that the shipping industry is about to dump at Asian shipbreaking beaches through the export of these single hull oil tankers (34 million LDT⁵).

2.12 Because of the upcoming oil tanker/shipbreaking crises and the stuck international joint working process the Basel Parties should as a matter of priority work in closing loopholes in the Basel system. The enforcement projects on single hull oil tankers can help in collecting field experiences in order to even better identifying and clarifying these loopholes than what already is known.

2.13 The report “Destination Unknown” can be downloaded from www.greenpeaceweb.org/shipbreak/destination.pdf and sufficient copies will be made available during the meeting of the OEWG.

3. Action requested of the Parties to the Basel Convention

The Parties to the Convention are invited to:

- (a) Consider the facts, views and ideas raised in the report “Destination Unknown” and take action as appropriate;
- (b) Insist the development of a definitive and consolidated list of single hull oil tankers subject to phase out regulations by IMO;
- (c) Accelerate work within the Basel Convention itself in closing the loopholes of the Basel Regime;
- (d) Identify and kick of national &/or regional enforcement projects on the issue of single hull oil tankers phase-out.

⁴ Extrapolation of the figures of the wastes found on a specific oil tanker as described in the DNV report No 2000-352: ‘Technological and Economic Feasibility Study of Ship Scrapping in Europe’.

⁵ LDT is the light displacement tonnage representing the actual weight of a ship with stowage space and storage tanks empty.