

# Stricter ship-recycling norms to kick in soon

**DHRUVAKSH SAHA**

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The Union government will soon release detailed, stricter norms to regulate recycling of vessels in terms of environmental hazards and worker safety, officials told *Business Standard*.

This will be in line with the Hong Kong Convention (HKC) on the Safe and Sound Recycling of Ships that came into force earlier this year.

The Ministry of Ports, Shipping and Waterways has notified several binding provisions of the Recycling of Ships Act 2019 as being enforced starting Wednesday. These broad guiding principles, announced in 2019, were kept in abeyance until the adoption of the HKC.

These include mandatory maintenance of an inventory of hazardous materials on vessels and their components, and powers that allow a government representative (of the

rank of joint secretary or above) to conduct surveys and issue compliance certifications.

“The provisions of the Act are completely aligned with the HKC and are poised to give India a competitive edge. The ministry will issue detailed regulations in a few days, and since they’re on the anvil, the provisions of the act have been enforced to ensure compliance with the regulations when they come,” a senior government official said.

The industry has been preparing for these for a long time and the government has continued its outreach to existing yards on what they would need for compliance. Since around 90 per cent of Indian yards are compliant with the HKC, these will gain from the new regulations, the official added. According to sector watchers, ship recycling and dismantling is in-

creasingly concentrated in South Asia, with countries such as India and Bangladesh emerging as major hubs.

However, ship recycling comes with several environmental, employee safety and other risks. Older ships typically carry hazardous chemicals, rusted material, and other substances that pose a safety and health concerns. Materials that can cause extensive environmental damage and were earlier largely un-

regulated include asbestos, heavy metals, hydrocarbons and ozone-depleting substances, according to the International Maritime Organization.

“Major yards like Alang are already Hong Kong Convention-compliant, and we expect the remaining yards to become compliant soon,” said the official quoted above.

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The HKC was adopted at a Diplomatic Conference held in Hong Kong, China, in May 2009. It was developed with inputs from IMO member states and non-governmental organisations, in cooperation with the International Labour Organization and parties to the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal.

The Indian rules propose detailed procedures and checks, both before and during ship recycling, to mitigate environmental risks and protect workers from occupational hazards inherent in the activity.

For example, a subsection dealing with oil spills states that the ship recyclers will be liable to pay such environmental damages and cleanup operation compensation in these cases.

The new regulations will deal with several other marine risks. "This will lead to an increase in the cost of operating such ship recycling facilities in India but it is expected that this cost may be offset by the wider accept-

ance of Indian ship recycling yards by global ship owners, leading to higher market share for India," said Kuljit Singh, partner at EY India.

According to the IMO, ships will be required to undergo an initial survey to verify the inventory of hazardous materials, periodic renewal surveys during their operational life, and a final survey prior to recycling.

Ship recycling yards will be required to provide a recycling plan, to specify the manner in which each individual ship will be recycled, depending on its particulars and its inventory.

Ultimately, India will have to take more steps to qualify as a green recycling hub for ships by doing away with practices that would still impact the environment, Singh added.

"For instance, Indian shipyards typically follow the beaching method (where the ship being recycled is not fully segregated from the sea). This method will have to be replaced with more environment-friendly measures such as dry docking," he added.