

SHIPBREAKING AND LIABILITY

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INTRODUCTION

Greenpeace is an international non-governmental organisation dedicated to preserving the treasures and resources of the globe for future generations and striving for a sustainable, toxics free future.

In 1999 Greenpeace shocked the shipping industry by releasing information about the exploitation of Asia's shores which were being used as a dumping ground for hazardous wastes and toxic chemicals. We exposed the appalling working conditions, environmental damage and health impacts of worker exposure to toxic materials. We delivered our first public speech at a shipping industry conference and demanded that the industry take responsibility for the appropriate disposal of their ships and to stop using Asia beaches as their toxic scrapyard.

In 2001 after a number of reports, media exposes and political pressure, the shipbreaking industry realized that our campaign was not a threat but an opportunity to improve the industry. We spoke about clean ships, liability, and environmentally sound dismantling in Asia.

Today, I am happy to say that we have encouraging signals of change and a clear indication that a liability framework will not hurt or penalize the responsible industry. On the contrary it will separate the wheat from the chaff. We have witnessed improvements in some Asian shipbreaking yards, some progressive ship owners have changed their attitude and committed to decontaminating their ships prior to scrapping, and others to scrap ships under an OECD regulatory framework.

But we have not won the campaign yet. Two weeks ago another vessel exploded in Alang killing many people. The Asian shipbreaking yards still need to see investment and clean technology transfer. Ship gas free certification is not yet a global mandatory requirement. All ships destined for Asia scrap yards are still not free of toxic materials.

We have seen so many encouraging examples, that we know that a sustainable shipbreaking industry is not a dream, but a realistic possibility for the future.

WHERE WE COME FROM

We have over a decade of history of campaigning against the export of toxic and hazardous wastes from the rich on earth to the poor, from OECD countries to the rest of the world. Once the ban on hazardous waste trade from OECD to non-OECD had been established under the Basel

Convention the world became aware of a gaping loophole: the scrapping of old vessels in Asia. This is one of the issues we have been focusing for the last four years.

Until recently the shipping industry had a free ride on the responsibility for the end of life of its vessels, while other industries had to undertake responsibility and liability for disposal and management of their products and wastes. The challenge is neither new nor unreasonable. A responsible industry would have addressed the problem. A responsive industry would have taken corrective action at the first expose. But as a whole, neither has happened yet and it is time for the shipping industry to do the responsible thing.

THE CAMPAIGN HISTORY

Greenpeace and its partner coalition of NGOs, including the Basel Action Network (BAN) have been bearing witness and documenting shipbreaking activity in Asia since 1997. We have produced several publications, videos, and papers including reports on our various protest actions around the globe that are available to you on our respective websites.

The shipbreaking yards in India, China, Pakistan, Philippines, Turkey and Bangladesh have already witnessed many years of full-scale shipbreaking. Many lives have already been lost, many others harmed, and the environment spoilt with the equivalent of more than a 100 years of industrialization worth of pollution.

The poisons contained within the ships' structures have exacted a severe toll on the environment and the workers at the Asian shipbreaking yards. At all these yards, the extent of damage to the environment, to the livelihoods of the fisherfolk and peasants that shared the environment and to the lives and health of the workers is not fully known to this day. But absence of data does not mean the absence of a problem. It just means that neither these communities nor workers nor the environment are serious enough priorities to feature in the economic scheme of things as they stand.

We initiated a process under the Basel Convention to develop mandatory guidelines on shipbreaking practices on shore and that process is now concluded. The guidelines are not perfect. They are not mandatory; but responsive shipbreaking yards and governments should obey them. We have also initiated a process under the IMO demanding a mandatory regulation to decontaminate ships prior to scrapping, to hold the shipping industry accountable and liable for the hazardous materials on board its end-of-life of a vessels, and ultimately, guidelines for the design and construction of clean ships.

This process is underway are we hope it will be adopted by the end of this year. We interacted with the ILO Safework Program to ensure worker health and safety at shipbreaking yards. We established a dialogue with academia, registration bodies and shipbuilders to avoid the use of hazardous materials in the construction of ships in the first place. And of course a dialogue or sometimes a confrontation with the ship-owners and operators, who ultimately are responsible for the fate of their vessels at the end of life.

Most important, we established a constructive dialogue with shipbreakers supporting the development of an environmentally sound shipbreaking industry in Asia

WHAT WE WANT

Let me reinforce again my message: Greenpeace is neither against the shipping industry nor shipbreaking. We support the important jobs created by this industry.

1. Clean Jobs and Clean Environment: Environment and health-damaging shipbreaking practices must come to an end world-wide. Global minimum standards must be enforced for occupational safety, environmental protection and workers' rights.

2. No Toxic Trade: Illegal exports of poisons must stop. The Basel Convention bans exports of ships containing hazardous substances from OECD countries to the rest of the world. Legal loopholes must be closed. The Basel Convention needs to be implemented in cooperation with the International Maritime Organisation (IMO) under the umbrella of the United Nations. Ships should be decontaminated prior to delivery to the shipbreaking yards.

3. Toxics Free Industry: Ships still in operation must be cleaned of hazardous substances when in dock for refitting, repairs, repainting etc. They must be as 'clean' as possible when scrapped.

4. Clean Production: The next generation of ships should be built with as few toxic materials as possible and be designed for easy dismantling so as to rule out health and environmental risks in scrapping. Dismantling and scrapping plans should be drawn up for new ships, stating those risk zones and hazardous materials which remain.

5 International rules: End of Life Vessels should be subject to a global regulatory regime, rather than being a matter of weak voluntary guidelines or unilateral measures.

LIABILITY

Now let me address briefly the issue of liability.

In addition to the initiatives which I have outlined from the Basel Convention, the ILO and the IMO, Greenpeace believes that an international liability regime may also be required as a driver towards clean production, corporate accountability and sustainable development.

At last years Earth Summit held in Johannesburg, there was international agreement on the need for some means of ensuring corporate liability on a global scale. It is still unclear how such a international regime would be implemented. It may take the form of a legally binding treaty negotiated under the umbrella of the United nations.

However, such a process of negotiation may take some time. So in the meantime other options should also be considered to ensure that the liability for the damage caused toxic materials on ships destined for shipbreaking is appropriately placed with the ship-owners and shipping industry.

A government or a regional organization (for example, the EU) could legislate to ensure that ship-owners who export ships for scrapping are held fully liable and responsible for the damage caused by toxic materials on their ships – no matter where in the world the ships are scrapped.

Countries in which shipbreaking yards exist could implement legislation to similarly hold the original ship-owner liable for not decontaminating the ships prior to export. Perhaps also engaging in bilateral or multilateral agreements with exporting nations to ensure accountability.

As an example, several countries have strong legislation on soil contamination, including the Netherlands. A company or person who causes contamination of soil is held financially liable for the clean up of the soil. In some cases this type of legislation also applies retrospectively, ensuring that the original polluter cannot escape their responsibility and the financial consequences of their actions. Another positive aspect of such a legislative approach, is that it changes attitudes since it is obviously more cost effective to prevent the pollution in the first place, than be penalized for it later.

Whatever the regimes or legislation that eventually comes into force, there is one thing that we do know – the pollution and damage caused by hazardous waste on ships must be stopped. The shipping industry should no longer be allowed to profit from pollution at the cost of lives, livelihood and environment.

Before I conclude this presentation, I would like to tell you that today Greenpeace launched a new internet based game (www.greenpeace.org/shipgame) that mirrors the ways in which the shipping industry currently avoids liability for the harm it is doing in Asia and elsewhere. I invite you to try out this game on the computers available here today, and see if you can play the “responsible ship owner.”

I hope that I have raised a few points that may assist in your discussions today and that we will come to some common understanding at the end of the day. The issue of liability and shipbreaking is a discussion that needs to be addressed urgently. I wish you well and thank you for your time today.

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