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REPORT

on the Green Paper on better ship dismantling
(2007/2279(INI))

Committee on the Environment, Public Health and Food Safety

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the Green Paper on better ship dismantling (2007/2279(INI))

The European Parliament,

- having regard to the communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions, 'Green Paper on Better Ship Dismantling' (COM(2007)0269),
 - having regard to Articles 2 and 6 of the EC Treaty, which lay down that environmental protection requirements must be integrated into the various sectors of Community policy in order to promote environmentally sustainable development of economic activity,
 - having regard to the ILO's Guidelines for Asian countries and Turkey on Safety and Health in Shipbreaking , adopted in March 2004;
 - having regard to Article 175 of the EC Treaty,
 - having regard to Regulation (EC) No 1013/2006 of the European Parliament and of the Council of 14 June 2006 on shipments of waste¹ (hereinafter referred to as 'the Waste Shipments Regulation');
 - having regard to the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, which the United Nations approved on 22 March 1989 as a framework for the regulation of international shipments of hazardous wastes,
 - having regard to Rule 45 of its Rules of Procedure,
 - having regard to the report of the Committee on the Environment, Public Health and Food Safety and the opinions of the Committee on Industry, Research and Energy and the Committee on Transport and Tourism (A6-0156/2008),
- A. whereas on various shores in Southern Asia and elsewhere enormous seagoing ships are dismantled under working conditions which are environmentally damaging and humanly degrading; whereas some of these ships originate in the European Union,
- B. whereas due to very low labour costs, totally inadequate safety regulations and the complete absence of environmental regulations applicable to ship dismantling, relatively high scrap prices are offered in countries such as Bangladesh, India, Pakistan, which persuade many ship owners to opt for those countries,
- C. whereas, in a 2000 study², the Commission looked into the economics of ship scrapping, but refrained from any action because the study considered it to be extremely difficult to

¹ OJ L 190, 12.7.2006, p. 1. Corrigendum in OJ L 249, 13.9.2006, p.19.

² Det Norske Veritas / Appledore International, Technological and Economic Feasibility Study of Ship Scrapping in Europe. Final Report (No 2000-3527), 13.2.2001

make ship recycling economically viable while at the same time respecting sound environmental standards; whereas this primacy of short-term profits over human lives and environmental pollution is unacceptable,

- D. whereas it is regrettable that possible action is discussed only after high-profile cases, such as the attempt by the French government to dispose of its aircraft carrier “Clémenceau” outside the EU created public awareness of the issue,
- E. whereas this situation is bound to deteriorate further because in the next few years all single-hull oil tankers will be withdrawn from operation, with a massive peak in 2010, while there is at the same time insufficient dismantling capacity within the EU to deal with them, let alone environmentally sound dismantling capacity,
- F. whereas the International Maritime Organization (IMO) is drafting a convention designed to solve this problem worldwide; whereas however it is anticipated that it could take years to adopt such an IMO convention, after which it could again be years before it enters into force due to a protracted ratification process,
- G. whereas the political concern both in industrialised and developing countries regarding the growing quantities of hazardous waste which industrialised countries exported to developing countries for treatment there in an unsupervised and hazardous manner led to an amendment of 1995 to the Basel Convention strictly prohibiting the transfer of hazardous waste from Organisation for Economic Co-operation and Development (OECD) countries to non-OECD countries; whereas although this amendment has been fully incorporated in the Waste Shipments Regulation, it has regrettably not yet come into force at international level;
- H. whereas it is possible for a ship to become waste as defined in Article 2 of the Basel Convention and at the same time may be defined as a ship under other international rules, whereas this loophole is systematically exploited, leading to most EU ships being scrapped in Asia in full circumvention of the Basel ban and the corresponding provisions of the Waste Shipments Regulation,
- I. whereas the Parliament previously, in 2003, called for guidelines to be developed by the Commission to close this loophole during the revision of the Waste Shipments Regulation, but the Council refused to accept this, instead deferring further action to the joint work by three international bodies (Basel Convention, the International Labour Organization (ILO) and the IMO) to establish mandatory requirements at the global level;
- J. whereas any vessel that contains substantial quantities of hazardous substances or from which these substances have not been properly removed according to the formulation of OECD Waste Code CG 030 and according to the listing of the Basel Convention constitutes hazardous waste, and therefore the transfer of such a vessel from the EU to a non-OECD country for dismantling is banned under the Waste Shipments Regulation, that transposed the Basel Convention into Community law,
- K. whereas ships which are regarded as hazardous waste must be dismantled under environmentally correct conditions in an OECD country or, after decontamination (so that they no longer constitute hazardous waste), may be transferred to non-OECD countries;

whereas this requirement is however systematically disregarded,

- L. whereas both maritime law and IMO conventions lay down that coastal states have the right and the duty to enforce all relevant international legal provisions with the aim of protecting the environment; whereas, however, the Basel Convention is rarely complied with in respect of ships for scrapping, inter alia because of a lack of political will to close the loopholes and to tackle the structural hiding of responsibility in the shipping sector, best illustrated by the phenomenon of flag states,
- M. whereas at EU level the Waste Shipments Regulation is the regulatory framework for implementing the Basel Convention, including the export of ships at the end of their lives; whereas enforcement of this regulation is inadequate in respect of ships for scrapping, as ships owned by Europeans, or operating in European waters or flying an EU flag go for a final 'normal' voyage, and are only declared to be waste once they have left European waters, with no further control mechanisms or enforcement guidance to stop such violations of international and Community law,
- N. whereas the preamble to the Waste Shipments Regulation states that 'It is necessary to ensure the safe and environmentally sound management of ship dismantling in order to protect human health and the environment',
- O. whereas with a view to closing loopholes found in the Basel Convention regime, the IMO is drafting a convention designed to solve this problem worldwide;
- P. whereas at the Seventh Conference of the Parties to the Basel Convention, Parties including the Member States of the European Union, in order to apply more rigour with respect to preventing the export of toxic ships, have invited the IMO to continue to consider the establishment in its regulations of mandatory requirements, including a reporting system for ships destined for dismantling, that ensure a level of control equivalent to that established under the Basel Convention and to continue work aimed at establishing mandatory requirements to ensure the environmentally sound management of ship dismantling, which might include pre-decontamination within its scope,
- Q. whereas the draft IMO Convention on ship recycling in its current form has not put in place a level of control equivalent to that of the Basel Convention and the Waste Shipments Regulation, nor does the draft attempt to prevent the export of toxic wastes to developing countries, nor envisage mechanisms based on the polluter pays principle nor the substitution principle for green ship design, nor audited standards for ship recycling yards, among other concerns, and may in any case not be able to attract ratifications from current ship recycling states or prominent flag states,
- R. whereas in any case it is anticipated that it could take many years to adopt such an IMO convention, after which it could again be years before it enters into force because of a protracted ratification process,
- S. whereas the EU has insufficient capacity to dismantle its ships (those sailing under EU flags or owned by EU owners) cleanly and whereas this particularly applies to the merchant shipping fleet; whereas the lack of capacity will increase dramatically in 2010 because of the accelerated phasing out of single-hull tankers,

- T. whereas concrete regulatory action at EU level is therefore of the utmost urgency if those single-hull tankers are not to damage further the beaches and river banks of Southern Asia; whereas there is no excuse for failing to act, particularly since these single-hull tankers can clearly be identified,
- U. whereas the primary market for the dismantling of ships currently operates in most cases only under very poor conditions, which seriously violate the social, environmental and health principles accepted in the EU,
1. Considers it ethically unacceptable to permit the humanly degrading and environmentally destructive conditions involved in the dismantling of ships to continue any longer, thereby accepting that the health of thousands of employees in the Far East is put at risk;
 2. Recognises that the EU is partly responsible for the existing social and environmental problems in the field of ship dismantling; therefore calls for immediate, concrete action on the part of the EU, in co-operation with the IMO, to stop the practice of social and environmental dumping that stems from economic incentives and to reach a globally sustainable solution;
 3. Although some degree of child labour for the lighter work is common, considers it ethically unacceptable that children are used by some dismantling contractors to do hard and hazardous work and that such children are not provided with sufficient educational and recreational facilities;
 4. Welcomes the thorough analysis in the Green Paper of the principal social and environmental problems arising from operations involved in the dismantling of ships in Southern Asian countries; however, stresses that this initiative is at least ten years overdue;
 5. Welcomes the Green Paper's comprehensive analysis of the major social and environmental problems caused by ship dismantling activities in Southern Asian countries;
 6. Considers that practical measures must be taken quickly at European and international level, the main aim being to protect the environment and public health without simply displacing the problems to other countries; the most effective way of achieving that aim is to adopt and implement an international agreement laying down obligations incumbent upon all the parties involved in the process of dismantling ships;
 7. Considers that the dismantling of ships will continue to have a social and ecological impact even in the longer term, particularly because the number of ships under construction has been increasing for years; stresses therefore the continuing importance of European innovation and development in the shipbuilding industry in order to improve ships and make them less environmentally damaging; calls on the Commission therefore to proceed wholeheartedly with the LeaderSHIP 2015 programme;

8. Stresses that there is little time to spare, as it is predicted that in 2010 nearly 800 single-hull tankers will have to be dismantled¹; notes that a future convention of the IMO will address the issue but is not likely to enter into force before 2012;
9. Calls upon the Commission to draft the requisite guidelines and mechanisms in the sense that every ship due to be scrapped and which does not fulfil all the requirements of international conventions, and consequently does not have valid certification issued by EU-recognised registers, to be regarded as 'waste', pursuant to the definition in Directive 2006/12/EC of the European Parliament and of the Council of 5 April 2006 on waste², in order to prevent evasion of the provisions of the Waste Shipments Regulation, and to ensure the smooth and safe withdrawal from the market of those ships which have reached the limit of their operational 'life';
10. Stresses that the preamble to the Waste Shipments Regulation states that 'It is necessary to ensure the safe and environmentally sound management of ship dismantling in order to protect human health and the environment'; emphasises that this is a core issue which should be strictly adhered to by all concerned.
11. Supports initiatives at international level to achieve binding minimum standards on ship recycling and promote the establishment of clean recycling facilities with due consideration for working conditions and the associated health and safety issues, especially in the scrap yards of Southern Asia, so as to protect workers and the environment from the adverse impacts of hazardous waste and dangerous working practices;
12. Calls upon the Commission to compile and maintain a list of seagoing ships which are likely to be scrapped within a few years and to envisage mechanisms whereby such ships are considered as 'pre-waste ships' for which a disposal plan needs to be drawn up prior to selling for scrapping; calls on the Member States and port authorities, which must have the power to identify 'end-of-life' ships, to use this list to step up their monitoring of those ships, which could potentially be scrapped. considers that, in this connection, speedy adoption of the proposed revision of the Directive on port state control³ would be desirable;
13. Calls upon the Commission and Member States to negotiate an IMO convention that incorporates extensive requirements and regulations which:
 - ensures a level of control at least equivalent to that of the Basel Convention,
 - provides for a high global safety and environmental standard of ship recycling that is third party audited and certified,
 - disqualifies beaching from being an appropriate dismantling methodology,

¹ European Commission, DG Energy and Transport: *Oil Tanker Phase Out and the Ship Scrapping Industry*, COWI final report, June 2004.

² OJ L 114, 27.4.2006, p. 9–21

³ Council Directive 95/21/EC of 19 June 1995 concerning the enforcement, in respect of shipping using Community ports and sailing in the waters under the jurisdiction of the Member States, of international standards for ship safety, pollution prevention and shipboard living and working conditions (OJ L 157, 7.7.1995, p. 1).

- will not allow ship dismantling by non-parties;
 - establishes the substitution principle for eliminating the current use of hazardous materials in the construction of new ships;
 - considers that this future convention should impose a requirement either to remove all hazardous materials from end-of-life ships before sending them for dismantling to non-OECD countries or to send them to specially authorised recycling facilities in OECD or EU countries which comply with clearly defined safety and environmental standards;
14. Calls on the Commission to consider possible measures to reduce the potential financial implications of ship dismantling by setting more stringent production standards, such as a restriction on the use of certain hazardous substances;
 15. Calls on the Commission to negotiate within the IMO with a view to standardising the materials used in the building and fitting-out of vessels and to tightening up the environmental requirements relating thereto;
 16. Strongly recommends that EU efforts aim at safeguarding minimum standards ensuring the highest environmental, health and safety protection and comprising in particular regulations for the design and construction of ships, their operation, the preparation of ships for recycling, the operation of ship recycling facilities and the establishment of an appropriate enforcement mechanism for ship recycling, incorporating certification and reporting requirements;
 17. Calls on the Commission to implement as a matter of urgency a reliable system of checks on the application of the Basel Convention on ships destined for scrapping;
 18. Considers that monitoring of the implementation of the future IMO convention should be just as stringent as in the case of the Basel Convention: all relevant standards of the ILO must be incorporated in the instrument, no exceptions may be permitted, serious deficiencies in the interpretation and enforcement of the existing regulatory framework must be eliminated and measures must be taken to prevent end-of-life ships which contain hazardous waste from departing for countries with inadequate installations and which are not contracting parties to that convention;
 19. Emphasises the need to reinforce the actions taken by the Commission and the Member States, at EU and international level, aimed at safeguarding the minimum standards that ensure the highest levels of environmental, health and safety protection and at adherence to the principle enshrined in Articles 34 and 36 of Regulation (EC) No 1013/2006 of the European Parliament and of the Council of 14 June 2006 on shipments of waste¹ ('the Basel Ban Amendment'), which is to ban the export of hazardous wastes to developing countries; to this end calls on the Commission to propose a regulation on the design and construction of ships, their operation throughout their life-cycle and their preparation for recycling, the operation of ship recycling facilities and the establishment of an appropriate enforcement mechanism for ship recycling, incorporating certification and reporting requirements;

¹ OJ L 190, 12.7.2006, p. 1.

20. Calls on the Commission to take into consideration the decisions of the forthcoming third session of the Joint ILO/IMO/BC (Basel Convention) Working Group on Ship Scrapping on joint technical cooperation activities and a coordinated approach to interim measures to be taken pending entry into force of the new IMO Convention on ship recycling;
21. Urges that immediate measures be taken to support the development of a competitive and clean ship dismantling and remediation (pre-cleaning) industry in the EU; urges the Member States in this connection to require pre-cleaning and clean recycling of all ships which are State property, including warships, and to dismantle them in a safe and environmentally sound manner in EU facilities which should be carried out through public tenders with strict public procurement rules in full respect of Regulation (EC) No 1013/2006; considers moreover that the development of recycling activities at European shipyards should be supported as part of EU industrial, structural and cohesion policy;
22. Takes the view that all vessels flying the flag of a Member State and all ships that call at EU ports should be obliged to carry lists of the materials and products used in their building and fitting-out;
23. Calls on the Commission to develop a list of preferred ship recycling facilities which comply with recognised international human rights and health and safety standards; welcomes the suggestion by the Commission that certification and labelling systems should be established for safe and clean recycling facilities and considers that Community subsidies should be granted to the shipping industry only on condition that they adhere to the Waste Shipments Regulation and to other EU requirements, such as the use of certified and regularly audited facilities ; stresses that it cannot be the intention to destroy the ship dismantling market in Southern Asia but that on the contrary the aim should be to preserve it by promoting environmentally sound dismantling;
24. Considers that the EU needs to lead the way and encourage global action, with a clear objective of gradually ending the current practices of ship dismantling in Southern Asia, and move towards the adoption and implementation of an international convention setting environmental and social standards for all parties involved;
25. Calls for a global strategy which ensures that ship recycling is carried out in such a way that all those involved in the process (including shipowners, recycling/scrapping facilities, the flag state of the ship, the state in which the ship's recycling will take place) are coordinated and assume their due share of responsibility;
26. Calls on the Commission to propose specific measures to promote the transfer of know-how and technology in order to help dismantling yards in Southern Asia to comply with international safety and environmental requirements; considers that this aim should also be taken into account in the wider framework of the EU's development aid policy for these countries; considers that, in this context, use should also be made of the possible expertise of trade unions and nongovernmental organisations;
27. Welcomes the results already obtained by the SHIPDISMANTL project funded by the Framework Programme for Research and Development, under which support systems are being developed that will be made available free of charge to the ship-breaking industry worldwide; is convinced that further improvements will be possible as a result of new

- calls for proposals which specifically concentrate on end-of-life strategies for vessels;
28. Calls on the Commission to further study and carefully evaluate the benefits of enhanced financial co-operation with and direct investment in selected Southern Asian dismantling sites, and thereby assist in forming a network of certified, EU-approved dismantling sites that may generate greater returns on investment in economic, environmental and social terms.
 29. Considers that the polluter pays principle and the principle of producer liability should be applied extensively and effectively in order to attain a lasting solution to this problem;
 30. Takes the view that the ship's operator/owner is always responsible for any harmful effects of the dismantling on workers, public health or the environment, regardless of where the dismantling takes place (whether inside or outside the EU);
 31. Believes that efforts must be made by the Member States and the Commission to create a mandatory ship recycling fund jointly funded by shipyards and shipowners (for example by means of taxes levied on new ships, port fees and annual taxes linked to IMO registration) and with shared responsibility, which would facilitate the pre-cleaning of vessels of hazardous materials and the development of ship recycling yards in the Union;
 32. Welcomes the proposal to establish a fund for ship dismantling and calls upon the Commission and Member States to pursue with determination the aim of establishing such a fund simultaneously at IMO and EU levels; calls on the Commission in this connection also to investigate the financial mechanism available, including a compulsory insurance requirement and the use of port fees, in order to ensure environmentally sound recycling from the moment when a ship first starts to operate, bearing in mind that a vessel may have more than one owner in the course of its useful life;
 33. Instructs its President to forward this resolution to the Council, the Commission, the governments and parliaments of the Member States, the governments of Turkey, Bangladesh, China, Pakistan and India, and the IMO.

EXPLANATORY STATEMENT

1. Introduction

In various places on the shores of Southern Asia lie enormous seagoing ships, which are dismantled in ways which damage not only the environment but human beings as well. A whole range of polluting substances enter the soil, the sand and the sea, and burning of paint and plastic coatings pollutes the atmosphere. Many children are used in this work because it is easy for them to get into small spaces. They are expected to remove toxic substances without any protection for themselves. Deadly explosions are commonplace, many accidents occur and safety measures are considered totally inadequate. Workers contract incurable chronic diseases - 16% of the workers in the Indian shipyard Alang who come into contact with asbestos are suffering from asbestosis. In Bangladesh, more than 400 workers have died in accidents in the past 20 years, and more than 6000 have been seriously injured over the same period.¹

This, in brief, is the problem that we must solve, as we intend to do, since we do not consider it ethically acceptable to allow these practices to continue any longer. Regrettably, many ships from Europe also end up on the shores of India, Pakistan and Bangladesh, for example, in this way. Low labour costs (very low wages and totally inadequate safety regulations) and the complete absence of environmental measures are financially attractive. They make it possible to offer high prices for steel on the second-hand market. The consequence is that ship owners can sell ships which they wish to scrap there, obtaining the highest price for the steel they contain.

On 22 May 2007, the Commission published a Green Paper on better ship dismantling. It contains a clear account of the problem, covering all aspects. However, it is a problem with a longer history.

2. Background

Shipping plays an important role in the world. The world merchant shipping fleet comprises some 50 000 seagoing ships and is an indispensable factor in international trade. Seagoing ships have to comply with stringent requirements, but as they age, the cost of continuing to comply with them also rises. After 25 years, on average, most ships are ready for dismantling.

In the 1970s, most ships were dismantled in Europe, where dismantling was highly mechanised and carried out in docks. Because of rising costs and environmental, health and safety requirements, the ship dismantling industry moved to the poorer Asian countries.

Each year, between 200 and 600 large ships are dismantled in order to be able to reuse the

¹ Report by YPSA (Young Power in Social Action) on workers and ship dismantling yards, 2005.

steel and other materials they contain. Following the disasters involving, inter alia, the Exxon Valdez (Canada, 1989), the Erika (France, 1999) and the Prestige (Spain, 2002), the United States and the European Union adopted strict rules on oil tankers. Ultimately, in 2003, both the EU and IMO banned single hull oil tankers as a result.

In response to these developments, the European Parliament urged the Council and Commission in 2005, at the time of the second reading of the proposal for a regulation on waste shipments, to adopt clear provisions on the subject and improve enforcement. Regrettably, the Council and Commission did not accept these proposals, claiming that a solution to this problem would soon come from IMO.

3. Substance of the Green Paper

Fortunately, the Commission has now taken a first step with a view, pending a possible IMO convention, to making a start on solving the problem. The principal aim is to protect the environment and human health. There is no intention of artificially bringing ship recycling operations back to the EU, thereby depriving the countries of Southern Asia of a major source of revenue and necessary materials. The ultimate aim is to arrive at sustainable global solutions. In addition to the aforementioned social, economic, ecological and safety aspects, the following aspects are also considered in the Green Paper:

3.1 Legal situation

The Basel Convention of 1989 provides a framework for the regulation of international transport of hazardous wastes. An absolute ban (the 'Basel ban') on exports of hazardous waste from OECD countries to non-OECD countries became part of European law in 1997 and is binding on Member States. However it is difficult to police the export ban once a ship has left European waters.

3.2 International context

Since 2005 IMO has been cooperating with the ILO and UNEP (the United Nations Environment Program) to draw up binding international rules on the clean dismantling of ships. Negotiations are now proceeding on a draft convention, which, if all goes to plan, would be adopted by 2009 but would then only enter into force a few years later. According to the current draft, the convention would not apply to warships or other ships which are the property of the State. No agreement has yet been reached on standards outside the framework of IMO, basic standards for ship-recycling businesses, reporting obligations (including inter-state notification) and enforcement instruments.

3.3 Better enforcement of EU rules on the transfer of waste

In addition to better cooperation among Member States and guidelines on the definition of waste and a list of acceptable recycling companies, this requires more inspections by waste transportation authorities and port authorities at European ports, particularly focusing on older

ships (e.g. those which are 25 years old) or ships which are likely to be dismantled. In addition, the identification of possible end-of-life ships must be improved and there must be more cooperation with relevant third countries (e.g. Egypt, on account of the Suez Canal).

3.4 Increasing dismantling capacity in the EU

As dismantling capacity in the EU and other OECD countries (particularly Turkey) is hardly sufficient for the warships and other State-owned ships which will be withdrawn from operation in the next ten years, a considerable shortfall of acceptable dismantling capacity will arise in the near future. However, 'green' dismantling yards cannot compete with dismantlers in Southern Asia. The EU Member States should set a good example and ensure that use is made of 'green' dismantling yards to dismantle warships. By including in contracts relating to the sale of warships to third countries a clause on dismantling, this responsibility can be extended.

In the case of the far larger merchant fleet, there is a need for initiatives to set in train changes in the shipping industry. These could include a financing system under which ship owners and other parties worldwide would contribute to safe and environmentally sound dismantling of ships. In its Green Paper, the Commission advocates that it should be standard practice to include the costs of sustainable dismantling in ships' operating costs. Setting up a fund for sustainable ship dismantling as a compulsory part of the new international provisions on ship dismantling to be adopted by IMO could be a step in the right direction. A similar fund to pay compensation for damage caused by oil pollution already exists under the MARPOL Convention.

3.5 Support for third countries

Despite the social and ecological disadvantages, the ship dismantling industry makes a crucial contribution to the economic development of some countries in Southern Asia. Consideration should therefore be given to improving facilities there by means of technical support and better regulation. However, it cannot be denied that structural poverty and other social and legal issues are a large part of the problem. In order to bring about lasting change, the support will have to be placed in a broader framework.

3.6 Encouraging voluntary measures

It is the owner who is responsible for ensuring that disposal is performed safely. There are examples of voluntary agreements whereby European ship owners help dismantling yards to improve their facilities. On the basis of corporate social responsibility, a contribution can be made in the short term by means of voluntary codes and agreements linked to awards and a certification system.¹ This approach can only work well if the agreements are framed appropriately. If, however, a voluntary agreement is not adhered to, legislation may become necessary after all.

¹ E.g. those of Marisec (www.marisec.org/recycling) and the European Community Shipowners Association.

4. Assessment of the Green Paper

As observed above, the Green Paper gives a very complete picture of the problem and of the possible measures which could help to solve it. The principal aim should always be to protect the environment and human health, avoiding any displacement of the problems onto other countries. The question which now has to be resolved is this: how are we to achieve it? The efforts of an individual Member State or of the European Union alone will not suffice. Whatever we may do in the years ahead, a global solution to the problem of ship dismantling is still urgently needed. Unfortunately, however, it has to be said that not much has so far been achieved at global level. This, indeed, is precisely the reason why the Commission has taken the initiative to shoulder responsibility at least for our own fleet. This development is to be applauded. It is true that this places us in a position of doing the splits, but to wait until every country in the world agrees to cooperate is an even worse option. After all, it is not sufficient for us to bewail how terrible the situation is in the coastal regions of Asia. Action is urgently needed, and the EU can take the first step here by accepting its responsibility. This is also the message of the resolution, which, for the sake of brevity, should speak for itself in indicating the desired response by the European Parliament to the Commission's Green Paper.

27.3.2008

OPINION OF THE COMMITTEE ON INDUSTRY, RESEARCH AND ENERGY

for the Committee on the Environment, Public Health and Food Safety

on the Green Paper on better ship dismantling
(2007/2279(INI))

Draftsman: David Hammerstein

SUGGESTIONS

The Committee on Industry, Research and Energy calls on the Committee on the Environment, Public Health and Food Safety, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Recognises that the European Union is partly responsible for the existing social and environmental problems in the field of ship dismantling; therefore calls for immediate, concrete action on the part of the Union, in co-operation with the International Maritime Organisation (IMO), to stop the practice of social and environmental dumping that stems from economic incentives and reach a globally sustainable solution;
2. Calls on the Commission to consider possible measures to reduce the potential financial implications of ship dismantling by setting more stringent production standards, such as a restriction on the use of certain hazardous substances;
3. Emphasises the need to reinforce the actions taken by the Commission and the Member States, at European and international level, aimed at safeguarding the minimum standards that ensure the highest levels of environmental, health and safety protection and at adherence to the principle enshrined in Articles 34 and 36 of Regulation (EC) No 1013/2006 of the European Parliament and of the Council of 14 June 2006 on shipments of waste¹ ('the Basel Ban Amendment'), which is to ban the export of hazardous wastes to developing countries; to this end calls on the Commission to propose a regulation on the design and construction of ships, their operation throughout their life-cycle and their preparation for recycling, the operation of ship recycling facilities and the establishment of an appropriate enforcement mechanism for ship recycling, incorporating certification

¹ OJ L 190, 12.7.2006, p. 1.

and reporting requirements;

4. Calls on the Commission and the Member States to actively participate in the negotiations within the IMO to ensure the adoption, in the forthcoming convention, of an equivalent level of independent control and enforcement to that adopted in the Basel Convention of 1992 on the Control of Transboundary Movements of Hazardous Wastes and their Disposal and in the Basel Ban Amendment and also the incorporation, with due consideration to labour conditions and the associated health and safety issues, of the aforementioned minimum standards that ensure the highest level of environmental protection;
5. Calls on the Commission to negotiate within the IMO with a view to standardising the materials used in the building and fitting-out of vessels and to tightening up the environmental requirements relating thereto;
6. Calls on the Commission and the Member States in the context of the IMO negotiations to propose the establishment of a sustainable funding mechanism that ensures clean, safe ship dismantling, especially in scrap yards in south Asia;
7. Takes the view that all vessels flying the flag of a Member State and all ships that call at Union ports should be obliged to carry lists of the materials and products used in their building and fitting-out;
8. In order to prevent the transfer of hazardous waste to developing countries calls on the Commission to encourage the building up of sufficient ship dismantling capacity in the Union and to publish a list of dismantling sites that fulfil the minimum environmental, health and safety requirements;
9. Insists that all ships flying the flag of a Member State and leaving from a port within the Union, or whose owners are under the jurisdiction of a Member State, be required to be pre-cleaned of all hazardous waste prior to any final delivery to a non-OECD country;
10. Believes that efforts must be made by the Member States and the Commission to create a mandatory ship recycling fund jointly funded by shipyards and shipowners (for example by means of taxes levied on new ships, port fees and annual taxes linked to IMO registration) and with shared responsibility, which would facilitate the pre-cleaning of vessels of hazardous materials and the development of ship recycling yards in the Union;
11. Calls for all subsidies to the shipping industry to be conditional on the use of 'green' shipbreaking or the pre-cleaning of all ships flying the flag of a Member State and leaving from a port within the Union, or whose owners are under the jurisdiction of a Member State;
12. Calls on the Member States to ensure that government ships are recycled within the Union and strongly encourages them to do likewise with warships; is of the opinion, however, that if 'green' dismantling and pre-cleaning services capacity is to be increased in the Union, that should be done through public tenders with strict public procurement rules in full respect of Regulation (EC) No 1013/2006;

13. Calls on the Member States to promote the viability of their dismantling facilities by insisting on increased transparency in the decommissioning of government ships and by better coordinating their actions as far as time-schedules and the harmonised quality standards of dismantling contracts are concerned;
14. Noting the large number of single-hull tankers that will become ready for dismantling in 2010, strongly urges the Commission to take appropriate and timely action in order to cope with this peak;
15. Welcomes the results already obtained by the SHIPDISMANTL project funded by the Framework Programme for Research and Development, under which support systems are being developed that will be made available free of charge to the ship-breaking industry worldwide; is convinced that further improvements will be possible as a result of new calls for proposals which specifically concentrate on end-of-life strategies for vessels;
16. Insists there is a need for greater scientific cooperation between the Union and Asia in further investigating other options to ship dismantling and their implications in a more integrated way, including environmental, social, economic and institutional aspects; believes that, in this connection, the Union should promote the transfer of relevant technologies and best practices;
17. Calls on the Commission to further study and carefully evaluate the benefits of enhanced financial co-operation with and direct investment in selected South Asian dismantling sites, and thereby assist in forming a network of certified, EU-approved dismantling sites that may generate greater returns on investment in economic, environmental and social terms.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	27.3.2008
Result of final vote	+: 26 -: 0 0: 0
Members present for the final vote	Jan Březina, Jorgo Chatzimarkakis, Giles Chichester, Dragoş Florin David, Adam Gierek, András Gyürk, Erna Hennicot-Schoepges, Mary Honeyball, Ján Hudacký, Werner Langen, Anne Laperrouze, Eugenijus Maldeikis, Angelika Niebler, Reino Paasilinna, Anni Podimata, Herbert Reul, Teresa Riera Madurell, Paul Rübig, Patrizia Toia, Catherine Trautmann, Claude Turmes, Alejo Vidal-Quadras
Substitute(s) present for the final vote	Danutė Budreikaitė, Eija-Riitta Korhola, Esko Seppänen, Vladimir Urutchev

27.2.2008

OPINION OF THE COMMITTEE ON TRANSPORT AND TOURISM

for the Committee on the Environment, Public Health and Food Safety

on Green Paper on better ship dismantling
(2007/2279(INI))

Draftsman: Robert Evans

SUGGESTIONS

The Committee on Transport and Tourism calls on the Committee on the Environment, Public Health and Food Safety, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Welcomes the Green Paper's comprehensive analysis of the major social and environmental problems caused by ship dismantling activities in South Asian countries;
2. Notes that a future convention of the International Maritime Organisation (IMO) will address the issue but is not likely to enter into force before 2012, whereas demand for ship dismantling will peak in 2010, when hundreds of single hull tankers will have to be phased out; notes moreover that there are serious deficiencies in the interpretation and enforcement of the existing regulatory framework under the Basel Convention in relation to end-of-life ships;
3. Considers that there is a need for the EU to lead the way and encourage global action, with a clear objective of gradually ending the current practices of ship dismantling in South Asia, and move towards the adoption and implementation of an international Convention setting environmental and social standards for all parties involved;
4. Calls for better enforcement of the Waste Shipments Regulation through tighter controls and monitoring by port authorities in Member States and invites the Commission to present guidelines in this respect;
5. Calls for a global strategy which ensures that ship recycling is carried out in such a way that all those involved in the process (shipowners, recycling/scraping facilities, the flag state of the ship, the state in which the ship's recycling will take place, etc.) are

coordinated and assume their due share of responsibility;

6. Calls on the Commission and Member States to insist on the inclusion, in the future IMO Convention, of substantial obligations and provisions that would ensure an adequate level of control; considers that the future Convention should contain a requirement either to remove all hazardous materials from end-of-life ships prior to sending them to be scrapped or send them to specially authorised upgraded recycling facilities - with appropriate infrastructure to deal with all the materials on the ship (fuel residues, hazardous materials) - that comply with specific safety standards, in order to ensure the safety of the workers in those facilities, and with the necessary environmental standards, in an environmentally sound way;
7. Calls, therefore, for every ship due to be scrapped which does not fulfil all the requirements of the international Conventions and, consequently does not have valid certification issued by EU-recognised registers, to be regarded as 'waste' in order to ensure the smooth and safe withdrawal from the market of those ships which have reached the limit of their operational 'life';
8. Insists that immediate support be given for the development of a competitive and clean EU ship recycling industry; in this context :
 - urges Member States to increase demand for clean recycling by committing themselves to ensure that state owned vessels and warships are dismantled in a safe and environmentally sound way;
 - believes that the development of recycling activities in European shipyards should be supported within the framework of the EU's industrial, structural and cohesion policies; considers that EU policy on the dismantling of ships should not be geared to removing these activities from the countries of Southern Asia, in view of their economic importance to the countries concerned;
9. Considers that the dismantling of ships will continue to have a social and ecological impact even in the longer term, particularly as the number of ships under construction has been increasing for years; stresses therefore the continuing importance of European innovation and development in the shipbuilding industry in order to make ships better and less environmentally damaging; calls on the Commission therefore to proceed wholeheartedly with the LeaderSHIP 2015 programme;
10. Calls on the Commission to propose concrete measures to promote the transfer of know-how and technology in order to help dismantling sites in South Asia comply with international safety and environmental standards, and in particular with the standards which will be set by the IMO Convention on ship dismantling; believes that this objective should also be taken into account in the wider framework of the EU's development aid policy towards these countries;
11. Welcomes the Commission's suggestion to establish certification and labelling schemes for safe and clean recycling facilities and considers that any Community funding of the shipping industry should be made conditional upon the beneficiary's use of such certified facilities;

12. Welcomes the proposal to establish a dismantling fund in accordance with the 'polluter pays principle' and calls on the Commission and Member States to pursue, in a determined way, the objective of creating such a fund at IMO level.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	26.2.2008
Result of final vote	+: 34 -: 0 0: 0
Members present for the final vote	Gabriele Albertini, Inés Ayala Sender, Paolo Costa, Michael Cramer, Luis de Grandes Pascual, Christine De Veyrac, Saïd El Khadraoui, Robert Evans, Emanuel Jardim Fernandes, Brigitte Fouré, Georg Jarzembowski, Stanisław Jałowiecki, Dieter-Lebrecht Koch, Sepp Kusstatscher, Bogusław Liberadzki, Marian-Jean Marinescu, Seán Ó Neachtain, Willi Piecyk, Reinhard Rack, Luca Romagnoli, Brian Simpson, Renate Sommer, Dirk Sterckx, Georgios Toussas, Yannick Vaugrenard, Roberts Zīle
Substitute(s) present for the final vote	Zsolt László Becsey, Philip Bradbourn, Anne E. Jensen, Helmuth Markov, Vladimír Remek, Leopold Józef Rutowicz, Ari Vatanen, Corien Wortmann-Kool

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	26.3.2008
Result of final vote	+: 39 -: 0 0: 1
Members present for the final vote	Adamos Adamou, Georgs Andrejevs, Margrete Auken, Johannes Blokland, John Bowis, Frieda Brepoels, Martin Callanan, Chris Davies, Avril Doyle, Mojca Drčar Murko, Jill Evans, Matthias Grootte, Françoise Grossetête, Gyula Hegyi, Jens Holm, Marie Anne Isler Béguin, Caroline Jackson, Dan Jørgensen, Eija-Riitta Korhola, Urszula Krupa, Aldis Kušķis, Peter Liese, Jules Maaten, Marios Matsakis, Linda McAvan, Roberto Musacchio, Riitta Myller, Vladko Todorov Panayotov, Vittorio Prodi, Guido Sacconi, Antonios Trakatellis, Evangelia Tzampazi, Åsa Westlund, Glenis Willmott
Substitute(s) present for the final vote	Christofer Fjellner, Johannes Lebech, Kartika Tamara Liotard, Miroslav Mikolášik, Justas Vincas Paleckis, Bart Staes