

MEPC 53/24/Add.1

ANNEX 7

DRAFT ASSEMBLY RESOLUTION

NEW LEGALLY BINDING INSTRUMENT ON SHIP RECYCLING

THE ASSEMBLY,

RECALLING Article 15(j) of the Convention on the International Maritime Organization concerning the functions of the Assembly in relation to regulations and guidelines concerning maritime safety, the prevention and control of marine pollution from ships and other matters concerning the effect of shipping on the marine environment,

RECALLING ALSO resolution A.962(23) by which it adopted the IMO Guidelines on Ship Recycling with the aim of providing guidance to the involved stakeholders as to “best practice”, which takes into account the ship recycling process throughout the life cycle of the ship,

NOTING the roles of the International Labour Organization and the Basel Convention in matters related to ship recycling,

RECOGNIZING the urgent need for the Organization to contribute to the development of an effective solution to the issue of ship recycling, which will minimize, in the most effective, efficient and sustainable way, the environmental, occupational health and safety risks related to ship recycling, taking into account, at the same time, the particular characteristics of world maritime transport and the need for securing the smooth withdrawal of ships that have reached the end of their operating lives,

CONSIDERING that the above objective may be best achieved by establishing a new IMO instrument with a view to providing legally binding and globally applicable ship recycling regulations for international shipping and for ship recycling facilities,

RECOGNIZING ALSO the significant progress made by the Marine Environment Protection Committee, at its fifty-third session, in considering the development of the appropriate mandatory requirements on ship recycling, including a preliminary draft of a possible structure for the new instrument on ship recycling,

HAVING CONSIDERED the recommendation made by the Marine Environment Protection Committee at its fifty-third session,

1. REQUESTS the Marine Environment Protection Committee to develop a new legally binding instrument on ship recycling that would provide regulations for:

- .1 the design, construction, operation and preparation of ships so as to facilitate safe and environmentally sound recycling, without compromising the safety and operational efficiency of ships;

- .2 the operation of ship recycling facilities in a safe and environmentally sound manner; and
- .3 the establishment of an appropriate enforcement mechanism for ship recycling (certification/reporting requirements);

2. REQUESTS ALSO the Marine Environment Protection Committee to work towards completion of the above-mentioned draft instrument in time for its consideration and adoption in the biennium 2008-2009;

3. REQUESTS FURTHER the Marine Environment Protection Committee to continue co-operating with the International Labour Organization and the appropriate bodies of the Basel Convention in this field with the aim of avoiding duplication of work and overlapping of responsibilities and competencies between the three Organizations; and

4. URGES Governments and all involved stakeholders, in the meantime, to continue to apply the IMO Guidelines, without delay.



MARINE ENVIRONMENT PROTECTION
COMMITTEE
53rd session
Agenda item 3

MEPC 53/WP.2
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RECYCLING OF SHIPS

Report of the intersessional meeting of the Working Group on Ship Recycling

General

1 The intersessional meeting of the Working Group on Ship Recycling met from 13 to 15 July 2005 under the chairmanship of Mr. Jens Henning Koefoed (Norway).

2 The Working Group was attended by delegations from:

BAHAMAS	MARSHALL ISLANDS
BANGLADESH	NETHERLANDS
CHINA	NORWAY
DENMARK	PANAMA
FRANCE	REPUBLIC OF KOREA
GERMANY	SPAIN
GREECE	TURKEY
JAPAN	UNITED KINGDOM
MALTA	UNITED STATES

by observers from the following non-governmental organizations:

INTERNATIONAL CHAMBER OF SHIPPING (ICS)
BIMCO
INTERNATIONAL ASSOCIATION OF CLASSIFICATION SOCIETIES (IACS)
WORLD CONSERVATION UNION (IUCN)
GREENPEACE INTERNATIONAL
INTERNATIONAL ASSOCIATION OF INDEPENDENT TANKER OWNERS
(INTERTANKO)

Terms of reference

3 The Working Group recalled that MEPC 52, in approving its intersessional meeting, instructed it to consider the issues related to the terms of reference of the Correspondence Group, established at that session, which were the following:

- .1 to develop further the list of the elements of the IMO Guidelines on Ship Recycling (hereinafter referred to as the "Guidelines"), set out at annex 1 of MEPC 52/WP.8, and to consider issues associated with their possible mandatory application;

- .2 to develop further the reporting system for ships destined for recycling, using as a basis for its deliberations the outline contained in annex 2 of MEPC 52/WP.8;
- .3 to develop the “single list” of on board potentially hazardous materials, taking into account the clarifications and interpretations contained in annex 4 and using the layout set out in annex 5 of MEPC 52/WP.8;
- .4 to develop a preliminary action plan identifying priorities, achievable deadlines, and input required from other IMO committees and sub-committees regarding the promotion of the implementation of the Guidelines;
- .5 to prepare a draft text of the proposed amendments to the Guidelines (paragraphs 8.1 to 8.7 of MEPC 52/WP.8); and
- .6 to submit a report to MEPC 53.

4 The Working Group agreed that the Correspondence Group’s report, as well as any relevant documents submitted to MEPC 53 under agenda item 3, Recycling of ships, would be used as a basis for its discussions.

Report of the Correspondence Group on Ship Recycling and related submissions

5 The Chairman, in his capacity as the co-ordinator of the Correspondence Group, introduced the report of the Group (MEPC 53/3/1), stating that the Correspondence Group, in accordance with its terms of reference:

- .1 continued the consideration of the possible mandatory requirements on ship recycling, based on two base documents, which were developed and circulated within the Correspondence Group as questionnaires with the aim of obtaining feedback on a number of key issues;
- .2 developed further the ideas regarding the establishment of a reporting system for ships destined for recycling and developed, for ease of reference, a comparative table of various existing reporting and notification schemes;
- .3 progressed the preparation of a “single list” of the on board potentially hazardous materials;
- .4 developed further the mechanisms for the promotion of the implementation of the Guidelines and considered a preliminary action plan regarding the promotion of the implementation of the Guidelines within IMO; and
- .5 developed draft proposed amendments to the Guidelines, based on the outcome of the discussions at the Working Group established at MEPC 52.

6 The Working Group noted the report of the Correspondence Group and agreed to consider the issues raised by the Group once all the other documents, which were related to the work of the Correspondence Group, had been introduced.

7 In this regard, the Committee considered submissions by Japan (MEPC 53/3/2), India (MEPC 53/3/6), Denmark (MEPC 53/3/7 and MEPC 53/3/8), Greenpeace International (MEPC 53/3/9) and a joint submission by ICS, BIMCO, INTERCARGO, INTERTANKO, IPTA and WNTI (MEPC 53/3/5).

8 Japan (MEPC 53/3/2) proposed, as an analytical tool, a methodology for the consideration of the appropriate mandatory requirements on ship recycling. With the aim of facilitating the application of the proposed methodology, Japan identified for each item listed as a possible mandatory requirement in annex 1 of MEPC 52/WP.8 methodological options for its implementation, practical difficulties that might be encountered and other points for further consideration.

9 Document MEPC 53/3/6, submitted by India, stressed the need for mandatory requirements on ship recycling and identified areas where urgent action is needed for the introduction of mandatory provisions, such as the sale of a ship for recycling, the reporting system, partial decontamination prior to the final voyage to the recycling facility, the Green Passport and the institution of national regulations for the safe and environmentally sound operation of recycling facilities. Document MEPC 53/3/6 proposed that mandatory requirements should apply only to ships engaged in international voyages of 3000 tons gross tonnage and above and that the Committee should establish a dedicated sub-committee to monitor all vessels sent for recycling.

10 Denmark (MEPC 53/3/7) presented a proposal for an enforceable legally binding system for the recycling of ships with the aim of ensuring environmentally sound and safe ship recycling. Denmark was of the view that such a system should be based on the principles of prior informed consent, environmentally sound management, transparency, efficiency and uniformity, and that it should contain mandatory requirements, *inter alia*, on a reporting system for ships destined for recycling, documentation of the on board hazardous materials, "ready for recycling" conditions and certification of the recycling yards in accordance with the Basel Convention and ILO Guidelines. Having invited all concerned to speed up the work required for the establishment of the new legally binding system, Denmark was of the view that such a system could be included in the existing MARPOL regulations.

11 In its document MEPC 53/3/8, Denmark provided specific comments on some of the elements and questions in base document 1 of annex 1 of the report of the Correspondence Group (MEPC 53/3/1) and on the establishment of a reporting system for ships destined for recycling.

12 The observer from ICS, in introducing document MEPC 53/3/5 on behalf of the co-authors, provided the shipping industry's views on the work that needs to be undertaken, in the short-, medium- and long-term, in order to address in a practical and pragmatic way the problems which have been identified in relation to ship recycling. ICS also identified areas where enforceable regulations applicable throughout the recycling process might be developed and highlighted the contribution which could be made by the IMO and industry guidelines and other voluntary codes of practice.

13 In introducing document MEPC 53/3/9, the observer delegation of Greenpeace International presented its views on the development of a new IMO mandatory regime on ship recycling proposing that the IMO should develop a regime that will provide at least the equivalent level of control as that found in the Basel Convention and, in addition, will include

elements that serve to close identified loopholes and gaps found in the Basel Convention and expand the existing scope of action, such as creating provisions that impact the design and operational part of a ship's life cycle. Greenpeace International further provided an analysis of the most important elements that make up the "level of control" that the Basel Convention requires and stressed that Parties to the Basel Convention are legally obliged to assure an equivalent level of control in any alternate regime that might be created with respect to ship recycling. Greenpeace International stressed that the need for pre-decontamination of ships has been called for by different organizations/stakeholders (Basel Convention: COP VII/26 Decision and Basel Convention Guidelines; the United Nations High Commission on Human Rights; ship recycling States).

14 The Working Group, having noted that the report of the Correspondence Group and the related documents had identified a number of important issues for which further consideration was needed, took action as follows.

New mandatory regime on ship recycling

15 There was a general agreement in the Working Group that the IMO should contribute to the development of an effective solution to the issue of ship recycling, which will reduce, in the most effective and efficient way, the environmental, occupational health and safety risks related to ship recycling, taking into account, at the same time, the particular characteristics of world maritime transport and the need for securing the smooth withdrawal of ships that have reached the end of their operating lives.

16 The Working Group agreed that the IMO, in pursuit of the above objective, should develop, as a high priority, a new instrument with a view to providing legally binding and globally applicable ship recycling regulations for international shipping and for recycling facilities.

Basic areas to be covered by the new legally binding instrument

17 In considering the basic areas to be covered by a new legally binding instrument on ship recycling, the Working Group agreed that such an instrument should provide rules for:

- .1 the design, construction, operation and preparation of ships so as to facilitate safe and environmentally sound recycling, without compromising the safety and operational efficiency of ships;
- .2 the operation of recycling facilities in a safe and environmentally sound manner; and
- .3 the establishment of an appropriate enforcement mechanism for ship recycling (certification/reporting requirements).

18 Regarding the possible requirements applying to recycling facilities, the Working Group was of the view that the extent of application of land-based requirements in this new IMO mandatory instrument should be further considered.

Initial draft skeleton of the new instrument

19 The Working Group, in considering a first preliminary draft of a possible structure for the new instrument on ship recycling, agreed that the mandatory requirements to be developed could be grouped in accordance with the following layout:

- I - Requirements for ships
 - .1 Design and construction
 - .2 Operation and maintenance
 - .3 Preparation for recycling
- II - Requirements for recycling facilities
- III - Enforcement mechanisms (Certification/Reporting requirements)

20 The Working Group noted that the new instrument could be supplemented with a non-mandatory part providing guidance for the implementation of the various mandatory requirements (e.g., guidelines for the development of a Ship Recycling Plan, guidelines for the development of a Green Passport).

21 Following a proposal to list the issue of abandonment of ships as a separate part of the new instrument, the Working Group was of the view that, although this issue is linked to ship recycling, it was premature to take such a decision at this stage since the issue of abandonment of ships is still under initial consideration in other forums such as the Joint IMO/ILO/BC Working Group on Ship Scrapping and the Open-ended Working Group of the Basel Convention.

Development of the mandatory requirements

22 The Working Group, using the annex of document MEPC 53/3/2 as a basis for its deliberations, had an initial consideration on the development of the appropriate mandatory requirements on ship recycling. The outcome of the Working Group's work on this issue is reported in the following paragraphs.

Requirements applying to ships during the design and construction phase

23 The Working Group, having considered that some of the problems associated with ship recycling might be best addressed at the design and construction stage, agreed that mandatory provisions for the prohibition of the use of certain hazardous materials in new ships should be included in the new instrument.

24 Regarding the identification of the hazardous materials to be prohibited from being used in the construction of ships, the Working Group considered that, initially, the most practicable option would be to consider banning substances already prohibited or restricted by international conventions such as SOLAS, MARPOL, the Stockholm Convention on Persistent Organic Pollutants (POPs), the Montreal Protocol on Substances that Deplete the Ozone Layer, and the International Convention on the Control of Harmful Anti-fouling Systems on Ships (AFS Convention).

25 In considering the possible prohibition of other materials which are currently prohibited/restricted through regional legislation for products other than ships (e.g., electric, medical appliances) or have been identified as potentially hazardous on board ships (Appendices 1 to 3 of the Guidelines), the Working Group agreed that a careful technical examination would be needed prior to taking any decision, giving particular attention to the need for ensuring the safety and operational efficiency of ships. To this effect, the Working Group was of the view that an appropriate mechanism could be instituted in the new instrument with the aim of providing the necessary arrangements and procedures for the proper examination of any relevant proposal. The Technical Group provided for in Articles 6 and 7 of the AFS Convention was proposed as a possible example of such a mechanism.

26 The Working Group agreed that the design of ships and ships' equipment to facilitate recycling and removal of hazardous materials (e.g., structural designs that could facilitate ship recycling, equipment designs that facilitate easy removal from ships) could be considered as a possible means of reducing the environmental, occupational, health and safety risks related to ship recycling.

27 In this respect, the Working Group noted that in accordance with the basic principles and goals for goal-based standards (GBS) for new ship construction, which were agreed in principle by IMO's Maritime Safety Committee (MSC), at its 80th session (May 2005), new ships are to be designed and constructed for a specified design life and to be safe and environmentally-friendly, when properly operated and maintained under the specified operating and environmental conditions, in intact and specified damage conditions, throughout their life. MSC 80 further agreed, *inter alia*, that:

- .1 safe and environmentally friendly means the ship shall have adequate strength, integrity and stability to minimize the risk of loss of the ship or pollution to the marine environment due to structural failure, including collapse, resulting in flooding or loss of watertight integrity; and
- .2 environmentally friendly also includes the ship being constructed of materials for environmentally acceptable dismantling and recycling.

28 Regarding the provisions of paragraph 6.1.6 of the Guidelines stipulating that shipbuilders should be seeking advice on limiting the use of identified potentially hazardous materials in ships, the Working Group agreed that such a provision is a recommendation by its nature and, therefore, should not be included in a mandatory regime.

29 The Working Group also agreed that the preparation of Part 1 of the Inventory of potentially hazardous materials at the construction stage should be included in the new instrument as a mandatory requirement.

30 In this regard, the Working Group considered that verification of Part 1 of the Inventory could be included in the scope of a survey and certification system, most likely as part of the initial survey during the construction process, by checking the ship plans and the specifications of onboard equipment and by on-site check of equipment. It was proposed that such a survey could also be used for the purpose of verifying the non-use of any prohibited materials in the construction of the ship.

31 However, some delegations were of the view that the need for a survey and certification system has yet to be determined since by having instituted in the new instrument a provision for requiring a comprehensive and updated Green Passport any such survey would only add an additional layer of paperwork. Other delegations considered that the Green Passport should be regarded as one of the ship's documents that could be subject to a ship recycling-related survey and certification scheme to be undertaken either by the flag State or by an organization authorized by it. It was also pointed out that, prior to taking any decision to include the Green Passport in a survey and certification scheme, further development of its format and contents as well as careful consideration on any associated liability regarding its accuracy should take place.

32 The Working Group concluded that if a survey and certification system would be required, then such a system should be developed with a view to being a practicable enforcement tool avoiding unnecessary cost and burden both to the industry and to the authorities involved.

Requirements applying to ships during their operating life

33 The Working Group, in considering the requirements to be applied to ships during their operating life, agreed that:

- .1 with respect to prohibited materials, an approach could be to prohibit, during major repair or conversions, the addition of such materials, where the amount of such materials used in a ship increases. Refilling up to the original amount could be allowed. However, other control mechanisms for such cases could be established;
- .2 shipowners should be required to maintain and update the Ship Details and Part 1 of the Inventory of the Green Passport and that, at periodical surveys, the up-dated Part 1 of the Inventory could be verified by confirming that any added material since the last periodical survey had been included in the Inventory; and
- .3 shipowners should be required, for existing ships, to develop Part 1 of the Inventory of the Green Passport as far as it is practicable and reasonable, taking into account guidelines to be developed by the IMO.

34 A number of delegations pointed out that for some hazardous materials a substitution and a phase-out requirement could be foreseen, however, any such decision should be taken only after thorough technical examination in accordance with the arrangements and procedures mentioned in above paragraph 25.

35 Regarding the development for existing ships of Part 1 of the Inventory of the Green Passport, the Working Group agreed that such a requirement should be imposed at an appropriate time period after the entry into force of the new instrument and, most probably, at the first scheduled dry-docking after that date.

Requirements applying to ships during preparation for recycling

36 The Working Group agreed that shipowners should be required to use only approved/licensed or properly regulated recycling facilities and that information on those facilities should be required to be made readily available. A reporting system was proposed as a suitable control mechanism to ensure compliance with this requirement.

37 Recognizing that there could be a number of different types of recycling facilities capable of handling various types of ships and different volumes and types of wastes, the Working Group acknowledged that a system of categorization of the recycling facilities in accordance with their capabilities could be developed.

38 In considering the provisions of paragraph 8.1.5 of the IMO Guidelines concerning the prior removal from the ship of materials that the recycling facility cannot handle, the Working Group agreed that such a provision should not be made mandatory and that any arrangements for prior material removal should be stipulated in the individual ship recycling plan.

39 Regarding the reporting system for ships destined for recycling, the Working Group agreed that although such a system is not a self-sustained objective, it should be developed and included in the mandatory requirements with the aim of facilitating the control and enforcement of the other mandatory provisions on ship recycling, as well as promoting transparency in their implementation. The Working Group, having considered that the reporting system could be a useful tool in ensuring the safe and environmentally sound ship recycling, agreed that it should be developed in parallel and in harmony with the other mandatory requirements, ensuring in that way, its maximum efficiency and effectiveness. A number of delegations were of the view that in the development of a reporting system the principle of prior informed consent should be taken into account.

40 The Working Group agreed that shipowners should be required to provide an updated inventory of potentially hazardous materials on board on arrival at the recycling facility. Regarding the Inventories of operationally generated wastes (Part 2 of the Inventory) and potentially hazardous items carried as stores (Part 3 of the Inventory), it was agreed that the shipowner should be required to prepare the Inventories prior to or during the final voyage to the recycling facility and hand them to the recycling facility on delivery of the ship, as part of the Green Passport.

41 Regarding the marking by the shipowner of the potentially hazardous materials and spaces on board, the Working Group, having considered that such arrangements should be part of the individual ship recycling plan, agreed that such a provision should not be made mandatory.

42 The Working Group in considering the issue of "gas-free-for-hot-work" certification in connection with the delivery of a ship at the recycling facility, agreed that such a certification should become part of the mandatory requirements. However, the Working Group, recognizing the time limitations of the "gas-free-for-hot-work" certification and that continued monitoring of enclosed spaces during the recycling process, in accordance with proper procedures, is essential to maintain safe working conditions, agreed that such a requirement should be included in the ship recycling plan as one of its mandatory elements.

43 The Working Group, having considered that:

- .1 reports of explosions at recycling facilities during cutting operations are all too frequent with life threatening consequences;

- .2 the requirement for a "gas-free-for-hot-work" certification is the single measure with the greatest impact on safety in recycling facilities and that its implementation would greatly contribute in reducing the safety risks involved in recycling operations;
- .3 the implementation of the amendments to MARPOL Annex I, adopted by resolution MEPC.111(50) (amendments to regulation 13G and a new regulation 13H), is expected to increase the number of the vessels to be recycled within a specific period of time;
- .4 the estimated increase in the recycling of single hull oil tankers should not necessarily increase the environmental and safety risks involved;

agreed to recommend to the Committee that an MEPC circular should be issued urging all the involved parties to take appropriate action to implement the Guidelines giving particular emphasis to the "gas-free-for-hot-work" certification.

44 The Working Group, in noting that, for ships subject to regulation 5 of SOLAS chapter XI-1, the Continuous Synopsis Record could form part of the ship's documentation to be handed to the recycling facility, agreed that, in this procedure, the duplication of the information to be required from the ship should be avoided.

Requirements applying to recycling facilities

45 Recognizing that the provision of, access to, and proper utilization of adequate reception facilities for shipboard wastes and other wastes by the recycling facilities would enhance the protection of the environment, the Working Group agreed that such a requirement should be included in the new instrument. The Working Group agreed that the mandatory requirements should cover not only the reception of wastes but also their environmentally sound management.

46 The Working Group had a lengthy discussion on the requirement for the recycling facilities to be approved/licenced or properly regulated by the recycling States. With the aim of ensuring a level-playing field and uniformity in the implementation, it was acknowledged that any such control by the recycling States should be based on internationally developed and globally applied standards. International environmental, occupational health and safety management system specifications, such as ISO 14001 and OHSAS 18001, the relevant Basel Convention and ILO guidelines, or even a new ISO standard to be specifically developed for the safe and environmentally sound operation of the recycling facilities, were proposed as possible standards to be applied for approving/licensing/regulating the recycling facilities. It was also proposed that a third party auditing and certification could be established and a number of possible options were offered, including the use of international certifying organizations or even an IMO controlled procedure (e.g., a "white list"). The implementation of the Voluntary IMO Member State Audit Scheme was also proposed as a possible mean to ensure the effective implementation of these requirements by the recycling States. The Working Group, in considering that a gradual phased in approach might be required for the introduction of these requirements to the recycling facilities, agreed that, in the interim period and until the final development and entry into force of the new instrument, practical measures should be taken to improve the existing situation, especially the assessment of the capabilities of the recycling facilities by the recycling States and making the results publicly available.

47 The Working Group agreed that the development of a ship recycling plan by the recycling facility, in consultation with the shipowner, should become a mandatory requirement and that this plan should consist of a number of mandatory elements, such as the arrangements for “gas-free-for-hot-work” certification (see paragraph 42). It was also noted that a reporting system could offer an effective tool to ensure compliance with these requirements.

48 In considering whether shipowners and recycling facilities should be required to include elements of the Guidelines, such as the ship recycling plan, in the recycling contracts, the Working Group was of the view that the contract between two parties is a commercial transaction, thus such a provision is not appropriate for a mandatory application. However, the Working Group acknowledged that some elements of the recycling contract could be utilised for the purpose of controlling the implementation of the mandatory requirements on ship recycling, respecting, however, confidential business information.

Legal framework options for international regulations on ship recycling

49 The Working Group had a preliminary discussion on the possible legal framework options for the new instrument on ship recycling. Taking into account the particular characteristics and the complicated nature of the ship recycling operations and procedures as well as the need for uniformity, simplicity and clarity in the implementation of the new requirements, the Working Group was of the view that a free-standing new instrument, possibly a new Convention, would be the best option. However, it was recognized that such a decision could be made at a later stage when the development of the new instrument would have further progressed.

Draft Assembly resolution

50 The Working Group, in considering the way forward, agreed to recommend to the Committee that a draft Assembly resolution should be prepared setting out the Organization’s commitment to develop, on a high priority basis, a new IMO instrument providing legally binding and globally applicable ship recycling regulations for international shipping and for recycling facilities.

51 Recognizing that the development of the new instrument on ship recycling should be considered as a matter of urgency, the Working Group was of the view that appropriate consideration should be given by the Committee to the possible timeline of this process, taking into account the workload of the Organization and the available recourses.

Preliminary action plan regarding the promotion of the implementation of the Guidelines

52 The Working Group, taking into account the progress made towards the development of mandatory requirements on ship recycling at this session, noted that the preliminary action plan on the promotion of the implementation of the Guidelines within IMO, set out at annex 4 of document MEPC 53/3/1, might need a thorough re-consideration and review with the view to being properly adjusted in the framework of the new developments.

53 Having agreed to keep annex 4 of document MEPC 53/3/1 as a reference document for the additional work that might be needed in the future, the Working Group was of the view that the progress towards the development of a new legally binding instrument on ship recycling should not shift the attention of the involved stakeholders away from the important work that is needed for the implementation of the Guidelines, since any experience gained in their implementation would be a useful tool for the development of the new instrument and significantly enable its eventual implementation and success.

54 In this respect, the Working Group, having noted that the Committee was invited to consider the recommendations of the Joint ILO/IMO/BC Working Group on Ship Scrapping on the promotion of the implementation of the Guidelines, agreed to invite additional proposals for the next session of the Committee on practical measures that could be taken in the intermediate period, until the finalization and entry into force of the new instrument, to promote the implementation of the Guidelines. The Working Group also noted that the Secretariat intends to develop and submit to MEPC 54 a draft questionnaire to be circulated to the Member States and industry organizations with the aim of collecting available information on the implementation of the Guidelines.

The “single list” of on board potentially hazardous materials

55 The Working Group, in considering the draft “single list” of the on board potentially hazardous materials, as developed by the Correspondence Group (MEPC 53/3/1, annex 3), agreed to the following clarifications:

- .1 the “single list” should serve as a guidance document providing information on the potentially hazardous materials that could be found on board ships, assisting, in that way, in the development of the Inventory of potentially hazardous materials;
- .2 the Inventory of potentially hazardous materials forms part of the Green Passport and provides ship-specific information on the actual potentially hazardous material on board the ship, and contains the location and the approximate quantity/volume of each identified material.

56 Noting that verification of the accuracy of the Inventory could be included in the scope of a survey and certification system, the Working Group agreed that there might be a need for the development of:

- .1 a standard format of the Inventory of potentially hazardous materials;
- .2 common survey and inspection guidelines to check the Inventory; and
- .3 criteria for the selection of the materials to be listed in the Inventory.

57 The Working Group noted that Japan indicated its intention to submit an appropriate proposal on these issues at the next session of the Committee.

Draft text of the proposed amendments to the Guidelines

58 The Working Group considered the draft amendments to the Guidelines proposed by the Correspondence Group (MEPC 53/3/1, annex 5) and made a number of editorial amendments and adjustments. The text of the proposed amendments to the Guidelines, as agreed by the Working Group, is set out at annex.

Action requested of the Committee

59 The Committee is invited to approve the report in general and, in particular, to:

- .1 endorse the Working Group's recommendation that IMO should develop, as a high priority, a new instrument with a view to providing legally binding and globally applicable ship recycling regulations for international shipping and for recycling facilities (paragraph 16);
- .2 endorse the Working Group's views on the basic areas that should be covered by the new legally binding instrument on ship recycling (paragraph 17);
- .3 note the preliminary draft structure for the new instrument on ship recycling, as developed by the Working Group (paragraph 19);
- .4 note the outcome of the Working Group's deliberations on the development of the new mandatory requirements on ship recycling (paragraphs 22 to 48);
- .5 concur with the Working Group's recommendation that an MEPC circular on the implementation of the Guidelines should be issued giving particular emphasis to the "gas-free-for-hot-work" certification and instruct the Working Group on Ship Recycling to develop such a draft circular with the view to its approval by the Committee (paragraph 43);
- .6 note the Working Group's views regarding the best legal framework option for the new instrument on ship recycling (paragraph 49);
- .7 consider the Working Group's recommendation that a draft Assembly resolution should be prepared setting out the Organization's commitment to develop, on a high priority basis, a new IMO instrument on ship recycling (paragraph 50);
- .8 consider a possible timeline of the development of the new IMO instrument on ship recycling taking into account the urgency of the matter, the workload of the Organization and available resources (paragraph 51);
- .9 concur with the Working Group's view that the progress towards the development of a new legally binding instrument on ship recycling should not shift the attention of the involved stakeholders away from the important work that is needed for the implementation of the Guidelines (paragraph 53);
- .10 endorse the Working Group's invitation for the submission of proposals to MEPC 54 on practical measures for the promotion of the implementation of the Guidelines (paragraph 54);
- .11 note the outcome of the Working Group's consideration on the development of the "single list" of the on board potentially hazardous materials (paragraphs 55 to 57); and
- .12 approve the draft amendments to the Guidelines, as set out in the annex, with the view to their submission to the twenty-fourth session of the Assembly for adoption and to instruct the Working Group on Ship Recycling to prepare the relevant draft Assembly resolution on the adoption of the amendments to the Guidelines;

ANNEX

**PROPOSED DRAFT AMENDMENTS TO THE IMO GUIDELINES
ON SHIP RECYCLING**

Draft amendments to the Guidelines*

- 1 In Section 3 - Definitions, the definition of "Ship" is amended as follows:

"Ship means a vessel of any type whatsoever operating in the marine environment and includes hydrofoil boats, air-cushion vehicles, submersibles, floating craft and fixed or floating platforms. ~~and a vessel that has been stripped of equipment or is towed.~~"

- 2 The following text is added at the end of paragraph 5.2.1:

"Any changes relating to these "ship details" should be recorded. In the case of ships subject to SOLAS chapter XI-1, regulation 5, this requirement should be satisfied by the surrender, to the recycling facility, of a copy of the Continuous Synopsis Record (CSR) and the Certificate of Build produced by the ship builder."

- 3 Paragraph 5.5 is renumbered as 5.3 and is amended as follows:

"Part 1 of the inventory of potentially hazardous materials present in the ship's structure and equipment should be prepared:

- .1 for new ships by the shipbuilder, in consultation with the equipment manufacturers, at the construction stage, and passed to the shipowner;
- .2 for existing ships by the shipowner, as far as is practicable and reasonable, by reference to the ship's plans, drawings, manuals, technical specifications and ship stores manifests, in consultation with the shipbuilder, equipment manufacturers and others as appropriate."

- 4 Paragraph 5.3 is renumbered as 5.4 and is amended as follows:

"Any changes relating to ~~the entries referred to in paragraph 5.2~~ Part 1 of the inventory should be recorded in the Green Passport so as to provide updated and current information together with a history of the changes."

- 5 Paragraph 5.4 is renumbered as 5.5.

- 6 Paragraph 5.6 is amended as follows:

~~"Parts 2 and 3 should be prepared by the shipowner prior to the final voyage to the recycling facility. Inventories of operationally generated wastes (Part 2 of the inventory) and potentially hazardous items carried as stores (Part 3 of the inventory) should be prepared by the shipowner prior to or during the final voyage to the recycling facility and handed to the recycling facility on delivery of the ship, as part of the Green Passport."~~

* Proposed deletions are shown in strikeout and new text in bold.

7 Paragraph 9.4.1.2 is amended as follows:

“The recycling State should introduce national regulations in relation to the condition of ships purchased for recycling, both at the time of purchase and at the time of delivery. In effect, the recycling State should lay down any conditions it considers necessary ~~before a ship is accepted for recycling~~ **prior to finalization of the contract.**”

8 Paragraph 9.4.1.3 is amended as follows:

“The Green Passport, including its inventory of potentially hazardous materials, which should be delivered to the recycling facility by the last owner of the ship, gives information which might be demanded by the recycling State as to the materials on the ship. The recycling State should **ensure that recycling facilities can safely and legally manage** ~~check that any potentially hazardous wastes which might be generated during the recycling operation can be safely handled before it accepts the ship for recycling~~ **prior to finalization of the contract.**”

9 Paragraph 9.4.3.1 is amended as follows:

“Recycling States should, in their national legislation, lay down the conditions under which ships may be **imported** ~~accepted~~ into their State as ~~imports~~ for recycling and, equally, define and enforce appropriate worker health and safety requirements.”

10 Paragraph 9.4.3.4 is amended as follows:

~~“The recycling facility should be required by the~~ Recycling States to ~~check~~ **should require recycling facilities to verify the Green Passport of every ship before it accepts it for recycling prior to finalization of the contract to ensure that any potentially hazardous materials identified as being on board the ship can be safely and legally managed in an environmentally sound manner.** ~~This check should ensure~~ **The verification process should specify** that the actual condition of the ship is consistent with these and other relevant international guidelines, ~~the purchase contract,~~ and that national requirements are fulfilled. ~~From the moment the recycling facility accepts the ownership of the ship for recycling,~~ **the recycling facility is responsible** ~~responsibility~~ for the proper ~~handling~~ **management** of any **materials declared in the Green Passport, covered by the Recycling Plan or** ~~wastes generated during the recycling operation lies with the facility.~~”

11 Paragraph 9.4.4.3 is amended as follows:

“The recycling ~~facility~~ State should seek **appropriate guidance from the recycling State on relevant legislation and standards. This may assist the facility in determining whether to conclude any contract.** ~~also be prepared to give support to their facilities in the decision to accept or not to accept a ship for recycling.~~ The facilities themselves are responsible for handling the ship and ensuring that the recycling operation is in compliance with national legislation and other national requirements.”

12 Paragraph 9.8.2 is amended as follows:

“At the end of a ship’s operating life the shipowner is responsible for delivery of the ship as described in the contract, including all the documents in accordance with these

Guidelines and the recycling facility is responsible for accepting the ship if it meets the terms and conditions outlined in the contract. Although contractual matters are the purview of the parties involved, it is recommended that sellers (shipowners) and purchasers (recycling facilities) use a standard contract that deals with all the relevant issues. BIMCO has revised its standard contract covering the sale of ships for recycling, DEMOLISHCON, to incorporate, in the standard terms and conditions, reference to the aforementioned "~~Industry Code of Practice on Ship Recycling~~". BIMCO is invited to consider revising DEMOLISHCON, taking into account these Guidelines."



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MARINE ENVIRONMENT PROTECTION
COMMITTEE
53rd session
Agenda item 3

MEPC 53/WP.17
12 July 2005
Original: ENGLISH

RECYCLING OF SHIPS

Outcome of the fourth session of the Open-ended Working Group of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal on the issue of ship recycling

Note by the Secretariat

- 1 The Open-ended Working Group of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal held its fourth session in Geneva from 4 to 8 July 2005.
- 2 Amongst other matters, the Open-ended Working Group considered the abandonment of ships on land or in ports, the environmentally sound management of ship dismantling and the report of the first session of the Joint ILO/IMO/BC Working Group on Ship Scrapping.
- 3 Attached hereto are the decisions adopted by the Open-ended Working Group in respect of the above-mentioned issues.

Action requested of the Committee

- 4 The Committee is invited to note the information provided.

For reasons of economy, this document is printed in a limited number. Delegates are kindly asked to bring their copies to meetings and not to request additional copies.

ANNEX 1

DECISION ON THE ABANDONMENT OF SHIPS ON LAND OR IN PORTS

The Open-ended Working Group,

Recalling decision VII/27, adopted by the Conference of the Parties at its seventh meeting, on the abandonment of ships on land or in ports,

Recognizing the concern expressed by a number of Parties related to the abandonment of ships on land or in ports,

Concerned that the abandonment of ships on land or in ports could have effects on human health and the environment,

Recognizing the many legal and practical issues raised by the abandonment of ships on land or in ports,

Noting with appreciation the information provided by some Parties pursuant to decision VII/27,

1. *Invites* Parties, other States, shipowners and other stakeholders to submit to the Secretariat, by 31 October 2005, responses to the questionnaire contained in the annex to the present decision regarding the abandonment of ships on land or in ports;
2. *Directs* the Secretariat to compile the information received in response to the questionnaire for submission to the Joint Working Group of the International Labour Organization, the International Maritime Organization and the Basel Convention on ship scrapping at its second session and to the Open-ended Working Group at its fifth session;
3. *Requests* the Secretariat to consult the Secretariats of the International Labour Organization and of the International Maritime Organization on this issue;
4. *Invites* Parties to pursue appropriate means of investigation in providing any relevant information on abandoned ships found in their territory in order to gain a better understanding of the obstacles, difficulties and potential solutions.

ANNEX

**QUESTIONNAIRE REGARDING THE ABANDONMENT OF SHIPS
ON LAND OR IN PORTS**

1. Please provide any factual information that you may have on ships that have been abandoned on land or in port, including information on:

- (a) The nature of the ships in question (e.g., fishing boats, tankers, trawlers etc., including gross tonnage if known);
- (b) Their location;
- (c) The date of abandonment;
- (d) Whether they are domestically or internationally owned; any information including name of the ship, flag of the ship, ownership, insurer, etc., where available;
- (e) The reason for their abandonment if known, e.g., accident, cost avoidance, etc.;
- (f) The potential risk to human health or the environment by such abandoned ships, if any;
- (g) Steps that have been taken to mitigate the effects, if any, of such abandoned ships on human health and the environment, and the main obstacles or difficulties faced in taking such steps;
- (h) Efforts made to address the problem or to seek legal solutions and any obstacles encountered.

2. What domestic or regional rules, if any, apply to ships that have been abandoned on land or in ports? If legislation exists, please provide copies or relevant excerpts of such legislation.

ANNEX 2

**DECISION ON THE ENVIRONMENTALLY SOUND MANAGEMENT
OF SHIP DISMANTLING**

The Open-ended Working Group,

Recalling decision VII/25 on the Joint Working Group of the International Labour Organization, the International Maritime Organization and the Basel Convention on Ship Scrapping and decision VII/26 on the environmentally sound management of ship dismantling,

1. *Invites* Parties, other States, shipowners, and other stakeholders, through the appropriate channels, to submit to the Secretariat at the latest by 23 September 2005 comments on any gaps, overlaps or ambiguities between the notification procedure under the Basel Convention and the draft reporting system being developed by the Marine Environment Protection Committee of the International Maritime Organization and any recommended solutions to address such gaps, overlaps or ambiguities;

2. *Also invites* Parties, other States, shipowners, and other stakeholders, through the appropriate channels, to submit to the Secretariat by that date:

- (a) Views on how to enhance the capacity for the environmentally sound management of ship dismantling;
- (b) Views on the possible requirements applying to recycling facilities, such as licences, certification, investment plans for provisions to ensure the environmentally sound management of ship dismantling and the capability to carry out pre-decontamination;
- (c) Views on the benefit of having a transitional period during the development of sufficient capacity for the environmentally sound management of ship dismantling;
- (d) Views on the information that may be required to enable the competent authorities to make an informed decision about the proposed recycling of a ship at a recycling facility;
- (e) Any other relevant views;

3. *Requests* the Secretariat to inform the Marine Environment Protection Committee at its fifty-third session of the decisions taken at the seventh session of the Conference of the Parties to the Basel Convention on the issue of environmentally sound management of ship dismantling and on the work of the fourth session of the Open-ended Working Group, to enable the ship recycling working group at the fifty-third session of the Marine Environment Protection Committee to give adequate consideration to those decisions and to take them into account in the establishment in its regulations of mandatory requirements;

4. *Invites* the Joint Working Group of the International Labour Organization, the International Maritime Organization and the Basel Convention to take account of the comments,

recommended solutions and views received when considering relevant items on the agenda for its second session;

5. *Invites* Parties, other States, and shipowners, and other stakeholders to report any experiences of their use of the Basel guidelines, as appropriate, and to report through appropriate channels to the Open-ended Working Group at its fifth session;

6. *Requests* the Secretariat to report to the Open-ended Working Group at its fifth session on any relevant developments under the Marine Environment Protection Committee and the Joint Working Group of the International Labour Organization, the International Maritime Organization and the Basel Convention in the context of the development of mandatory requirements, including a reporting system for ships destined for recycling;

7. *Invites* Parties, other States, shipowners and other stakeholders to submit to the Secretariat, by 6 January 2006, comments and proposals on the practical, legal and technical aspects of the dismantling of ships;

8. *Requests* the Secretariat to compile the comments, recommended solutions and views received for submission to the Joint Working Group of the International Labour Organization, the International Maritime Organization and the Basel Convention on Ship Scrapping at its second session and to the Open-ended Working Group at its fifth session, as appropriate;

9. *Agrees* on the establishment of an open-ended intersessional working group to consider the issues regarding ship dismantling and to report on its work at the fifth session of the Open-ended Working Group.

ANNEX 3

**JOINT WORKING GROUP OF THE INTERNATIONAL LABOUR ORGANIZATION,
THE INTERNATIONAL MARITIME ORGANIZATION AND
THE BASEL CONVENTION**

The Open-ended Working Group,

Recalling decision VII/25 on the Joint Working Group of the International Labour Organization, the International Maritime Organization and the Basel Convention on ship scrapping,

Welcoming the progress made to date in facilitating inter-agency co-operation at both the national and international levels on the subject of ship dismantling,

Taking note of the report of the first session of the Joint Working Group of the International Labour Organization, the International Maritime Organization and the Basel Convention on ship scrapping, held from 15 to 17 February 2005 at the Headquarters of the International Maritime Organization,

Further noting that the report of the first session of the Joint Working Group was submitted to the Governing Body of the International Labour Office at its two-hundred and ninety-second session and will be submitted to the Marine Environment Protection Committee of the International Maritime Organization at its fifty-third session,

1. *Agrees* with the recommendation of the Joint Working Group that the second session of the Joint Working Group should be hosted by the Basel Convention in Geneva, Switzerland;
2. *Endorses* the decisions and the work programme of the Joint Working Group;
3. *Welcomes* the issues agreed by the Joint Working Group, to be placed on the agenda for the second session of the Joint Working Group, as reflected in the report of the first session of the Joint Working Group under paragraph 7.4;
4. *Encourages* Parties and others to ensure their full and effective participation in the deliberations of the second session of the Joint Working Group of the International Maritime Organization, the International Labour Organization and the Basel Convention, either through their representatives or as observers;
5. *Urges* Parties and others to submit written comments in advance for consideration by the Joint Working Group at its second session on the matters raised in the report of the first session, as appropriate, in accordance with the deadlines that will be indicated in the invitation to be issued for the second session of the Joint Working Group;
6. *Invites* Parties and others to consider providing technical and financial support for the proposed inter-agency technical assistance activities and for the promotion of the implementation of the International Maritime Organization, International Labour Organization and Basel Convention guidelines on ship scrapping, as described in the report of the first session of the Joint Working Group;

7. *Requests* the Secretariat to report to the Open-ended Working Group, at its fifth session, on progress, including the outcome of the second session of the Joint Working Group.



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Ref. T5/1.01

MEPC/Circ.466
25 July 2005

**IMPLEMENTATION OF THE IMO GUIDELINES ON SHIP RECYCLING
(Assembly resolution A.962(23))**

“Gas-free-for-hot-work” certification

1 The Assembly of the International Maritime Organization adopted on 5 December 2003, by resolution A.962(23), the IMO Guidelines on Ship Recycling with the aim of providing guidance to shipowners, ship recycling facilities, flag and recycling States and other involved stakeholders as to “best practice”, which takes into account the ship recycling process throughout the life cycle of the ship. This resolution invited Governments to take urgent action to apply the Guidelines, including the dissemination thereof to the shipping and ship recycling industries.

2 In considering the development of a new legally binding instrument on ship recycling, the Marine Environment Protection Committee, at its fifty-third session (18 to 22 July 2005), recognized that the progress towards the development of mandatory requirements should not shift the attention of the involved stakeholders away from the important work that is needed for the implementation of the IMO Guidelines on Ship Recycling.

3 MEPC 53, in noting that:

- .1 reports of explosions at recycling facilities during cutting operations are all too frequent with life threatening consequences;
- .2 the requirement for a “gas-free-for-hot-work” certification is the single measure with the greatest impact on safety in recycling facilities and that its implementation would greatly contribute to reducing the safety risks involved in recycling operations;
- .3 the implementation of the amendments to MARPOL Annex I, adopted by resolution MEPC.111(50) (amendments to regulation 13G and a new regulation 13H), is expected to increase the number of vessels to be recycled in the near future;
- .4 the estimated increase in the recycling of single hull oil tankers should not necessarily increase the environmental and safety risks involved;

agreed to urge all the involved parties to take appropriate action to implement the IMO Guidelines on Ship Recycling giving particular emphasis to the “gas-free-for-hot-work” certification. In this respect, MEPC 53 agreed to the following recommendations and guidance.

4 Recycling States are urged to introduce mandatory requirements on procedures to be followed regarding “gas-free-for-hot-work” certification in ship recycling operations and ensure that appropriate arrangements are in place to monitor and enforce these requirements.

5 Administrations are urged to provide appropriate guidance to ships flying their flag on the issue of “gas-free-for-hot-work” certification in connection with ship recycling.

6 Shipowners and recycling facilities are urged to arrange, in connection with the delivery of a ship at a recycling facility, for a “gas-free-for-hot-work” certification, to be carried out by a relevant and appropriate body, covering enclosed spaces, as defined in paragraph 2.1 of the Annex to Assembly resolution A.864(20), and, in particular, cargo spaces on board oil tankers. A general arrangement plan showing those enclosed spaces that are not certified as “gas-free-for-hot-work” should be provided.

7 It is recognized that any such certification has time limitations and, therefore, it is essential that recycling facilities ensure the continued monitoring of enclosed spaces during the recycling process, in accordance with proper procedures, to maintain safe working conditions. Shipowners are urged to enter into contracts with recycling facilities with the ability to maintain and monitor ships in “gas-free-for-hot-work” condition during the whole process of ship recycling.

8 The detailed arrangements for ensuring continuity of “gas-free-for-hot-work” certification should be included in the ship recycling plan to be developed by the recycling facility in consultation with the shipowner, in accordance with the Guidelines for the development of the ship recycling plan, which have been circulated by means of MEPC/Circ.419.

9 Recycling facilities are urged to keep their workers informed, during the recycling process, of the “gas-free-for-hot-work” status of the enclosed spaces. This information should be provided by suitable means in the working language of the workers.

10 Guidance with regard to safe working practices and procedures for hot work on board ships is provided in circular MSC/Circ.1084 “Principles for hot work on board all types of ships”. Further guidance on the safety measures related to this procedure is set out in the current edition of the “International Safety Guide for Oil Tankers and Terminals (ISGOTT)” (ICS, OCIMF and IAPH).

11 Member Governments are invited to bring this circular to the attention of all parties concerned.
