

SHIP BREAKING:

A Background Paper

Background

The history of ship breaking is as nearly old as ship building. As we know that a ship is relatively a large vessel capable of operating in the deep ocean. The term **vessels** applies to vessels of over 5000 tons and that can navigate in open seas. In Bangladesh, ship breaking is popularly known as **beaching**. Ship breaking started as a business in Bangladesh in 1972. Prior to that, 2/3 ships were scrapped during Pakistan period. It started automatically when a 20,000 D.W.T. vessel was driven ashore by the devastating tidalbore of 1965. That was the first ship scrapped on the Chittagong Sea beach. At present ship-breaking is conducted by 20 Ship breaking Yards in an area of about 8 km² starting from a point near **Baro Awlia** under police station Sitakundu of Chittagong. All the yards are located on the beach of the bay of Bengal. There are 20 Shipbreaking yards at present in Kattoly-Kumira ship breaking areas. More than one company operate in a yard.

The number of shipbreaking enterprises is approximately seventy as shown in Annex-A - Shipbreaking, scraping and scrap handling are done simultaneously in the yards almost round the year. All the 70 companies are registered as commercial enterprises under the Companies Act, 1913. Only 8 (eight) shipbreaking yards are registered as **Factories** with the Department of Inspection for Factories and Establishment of the Government of Bangladesh. The over all conditions of all the ship breaking yards are almost the same. Ship breaking is done in open yards on the beach of the Bay of Bengal. They are not scientifically or technically organized and the management is also primitive. The Ship-breaking yards look like temporary arrangements to conduct some seasonal activities, though ship-breaking continues round the year. Workers are not protected by sheds and are required to work under open sky round the year in very difficult working conditions exposing themselves to various hazards.

Though the **Ministry of Port and Shipping** and **Ministry of Industries** are the two Ministries directly responsible for monitoring and supervising the ship-breaking enterprises, the following Government and non-government bodies are also involved in ship-breaking activities:

1. Ministry of Ports and Shipping
2. Ministry of Industries & Commerce
3. Ministry of Labour and Employment
4. Department of Customs
5. Bangladesh Navy
6. Inland Water Transport Authority
7. Chittagong Port Authority

8. Radio Communication and Wireless Control Authority of the Government of Bangladesh
9. Shipping Masters Office
10. Importers (Who import vessels for breaking)
11. The Breaking Yard Owners and Breakers
12. Survey Authority
13. Survey companies
14. Banks & financial Institutions
15. Shipping Agents
16. Steel Re-Rolling Mills Owners
17. Traders

Initially, beaching permission was not necessary. The Breakers had to maintain only the import formalities and pay Customs duties and taxes. The number of ships imported for scraping during the period 1972-1982 was very limited. It was observed that the marine stores, life saving and fire fighting equipment of scraped vessels which were either obsolete, sub-standard or not in proper condition, were sold on the market and re-used in the ships in service, which may cause serious problems any time during voyage on deep sea. So, the Mercantile Marine Department issued circulars to all ship breakers restricting the sale and re-use of the above items . (Annex : B-I, B-II and B-IV)

In the Merchant Shipping Act 1884, procedures are laid down with regards to marine stores, cables, anchors and marine engine etc. Instructions are also laid down in the above Act with regards to breaking of vessels. But it was observed that ships are brought for breaking without maintaining such formalities, safety measures and legal provisions.

The life of a steel vessel is usually 20 years. Whatever conversion or modifications might have been carried out, it cannot be extended beyond 25 years. Steel used for building a vessel must sustain fatigue due to rolling and other reaction during voyage. The International Maritime Organization, therefore, has fixed 25 years as lifetime for a vessel. The ship owners find it profitable to declare a vessel unfit for service on the expiry of 20 years life span than repairing and modifying the vessel for further voyages. Starting from the second world war, steel body vessels are the main means of transport of goods internationally. Insurance coverage of cargo is a very important factor for the consignees. Insurance Companies hesitates to provide insurance coverage to Cargo booked on a ship of over 20 years of age. So, procuring cargo or business for the over aged vessels becomes difficult. At this state ships are declared, Aunfit and unserviceable@, and are sold for scraping. Parking of unserviceable vessels in harbour area is also costly and tedious.

The scrapping work needs huge labour and capital; scrapping operations involve high risks and problems. So, the owners of the vessels prefer to sell out the unserviceable vessels to the countries where there is demand for scrapped steel and other items of old ships, where labour cost is relatively low and where there is less concern about hazards, toxicity and environmental pollution. Thus, ship owners who want to get rid of their unserviceable vessels contact the concerned business community of nations who look for cheaper steel and other items of the ships. These two parties transact a good business of selling and buying of unserviceable vessels at a point.

Unserviceable vessels are sold on the basis of lightweight Tonnage (LDT) of the vessel. A ship is measured mainly on the basis of its Dead Weight capacity. Dead weight of a ship is defined as >weight of cargo plus fuel and consumable stores= while light weight of a vessel is the >weight of the hull including, machinery and equipment=. The length, breath, depth, and displacement are also very important factors for buying and selling of an unserviceable ship. Present international rate for sell of vessel is US\$120 per lightweight tonnage (LDT).

Generally 95% of a ship's body is made of mild steel (M.S.), 2% of stainless steel and 3% of miscellaneous metals, such as brass, aluminium, copper, gun metal and other alloys which are important factors of ship breaking. Stores and other materials that may be available from a ship purchased for beaching are also considered very important. In fixing the price of a ship, consideration is given to the factor of whether it is a dead ship or a running one. Ships store ranges from foodstuff to clothing, from electrical to electronics, machinery of most type, life saving equipment, drugs, communication equipment etc.

The Ministry of Ports, Shipping and Inland Water Transport Authority and the Ministry of Industries and Commerce of the Government of the People's Republic of Bangladesh, control the import and beaching of ships. The Department of Inspection for Factories & Establishmen of the Ministry of Labour and Employment, is responsible for according registration to the yards as factories (industries). The Department of Inspection is also responsible for ensuring occupational health & safety, safe-working conditions, working hours, leave with pay, holiday etc. of the shipbreaking enterprises. The Department of Labour is responsible for workers welfare, trade union rights and industrial relations etc.

In Shipbreaking Yards, employers employ **two major categories of employees** and workers. They are:

- I) regular employees and workers;**
- II) casual workers supplied by the Labour Supply Contractors.**

The regular employees and workers are paid monthly wages, including house rent allowance, medical allowance and conveyance allowance. This category is also paid an extra allowance for overtime work. This **first category** includes skilled workers like:

1. Foremen/Supervisors
2. Fitters (they are engaged to dismantle important parts, pipes, hardware, metal etc. of the vessel).
3. Gas cutters (highly skilled)
4. Crane operators
5. Truck drivers
6. Rhythmic callers/singers. (He goes on singing to synchronize steps of the group of casual workers while carrying heavy steel plates and pipes etc. from one place to another; their role is highly important).

The **second category** includes Semi skilled & unskilled workers like:

1. Truck helpers
2. Semi skilled gas cutters
3. Semi skilled Fitters
4. Lifters
5. Loaders
6. Wire pullers
7. Cutter, loading & wire pulling helpers.

The second category of workers is mostly engaged through Labour Supply Contractors, and paid on a daily rate basis. Service records of all types of workers under the first category

should be maintained by the employers, while records of the workers supplied by the Labour Supply Contractors are not maintained by the employers. Casual workers work under the contractors supervision. There are **two types** of security guards in Shipbreaking yards, such as those:

- I) Engaged on regular basis by the enterprise;**
- II) Deployed by the Department of Ansar (Para-military forces), Government of Bangladesh on demand and on payment.**

Shipbreaking is a regular production process but not in conformity of normal manufacturing processes. The number of workers engaged in the shipbreaking yards depends on the availability of work, size of the ship to be scraped and market value.

The number of skilled workers and security guards remain static while the number of semi- skilled and unskilled workers vary as per need. In twenty shipbreaking yards approximately 2000 regular workers (skilled-clerical-commercial and security personnel) are working on monthly wage basis; about 25,000 workers of semi and unskilled categories, work in the above-mentioned shipbreaking yards round the year, on a daily wage basis. Workers even migrate from one yard to another when a yard owner changes the labour contractors or the labour contractors change the yards. This normally happens when the demand for workers increases. Yard owners even allure skilled hands from other yards by offering better wages and service conditions. Mainly gas cutters are considered to be the most valuable workers in shipbreaking enterprises.

The unskilled workers are divided into gangs of 25 including one supervisor, one singer/synchronizer and one on-looker.

When a ship is toed from the sea to the beaching ground, it is inspected, checked and made gas free. Then, fitters start opening the important parts and removable items from the vessel. These include furniture, beds, bunks, cabin materials, utensils, crockeries, removable electrical items, electronic appliances, sanitary wires, insulators, food items and cosmetics, glass wire, refrigerators and pipes and fittings, as these may be damaged during beaching operation of the vessel.

No sound technical system is used to recover valuable stores, spares, metals and other items from the ships. On arrival of ships at outer anchor of the Chittagong Port, agents of shipping companies book a toeing vessel from the Chittagong Port Authority for toeing the vessel to the shore. The Port officials before toeing the vessel verify the import documents, document on payment of duties/ taxes and certificates issued by the concerned Government authorities. One Deck Officer and one Certified Engineer, in addition to the Master of the vessel need to be present during beaching operation of a ship. Then Bangladesh Navy comes for inspection of the ships and prepares a complete inventory of communication equipment, radios, wireless sets, walkie-talkies, transceivers, engines etc.

As per law of the land, the walkie-talkies and wireless sets are subject to be handed over to the Wireless Board of the Government immediately after completion of beaching of the ships. Meanwhile, the Mercantile Marine Department conducts surveys to check the safety measures taken and also checks the marine stores and a list is prepared. The Mercantile Marine Department surveyors also verify all the documents of the vessels. First of all, valuable metal furniture, fixtures, electrical and electronic items, engines, boilers etc. are removed from the vessel. Then the ships are filled up with water up to deck level and later the water is discharged through the sea corks or through other means to clean the ships and make the vessels ready for scrapping. This cleaning process is not sufficient to make the vessel free from dangerous gases, fumes, chemicals and contaminants. The water so discharged, contains a mixture of hazardous chemicals and contaminants. Thus, sea-water is contaminated which causes harmful effects to sea lives and also pollutes the environment. Risks of the asbestosis, chemicals, hydrocarbons, toxic items and radiation remain there all the time.

During the second phase, cutters and their helpers start cutting the vessel into parts. The breaking operation is undertaken based on the structural design of the vessel. The larger parts are dragged to the dry part of the shore with the help of motorized pulley. A large number of workers are also engaged in this operation. Though the motor does the main job, workers need to help the pulley driver in dragging the part to the dry area of the shore.

Another group of cutters, helpers and workers start cutting the dragged parts of the ship into truckable parts as per order of the purchasers. Heavy equipment like boilers, motors, capstan

stocking etc. are carried to stack yards by moving crane.

The unskilled workers carry metal plates, metal bars or pipes on their heads or shoulders, start walking in synchronized steps with the rhythm of the singers call up to a definite destination and then pile up metal plates in stacks yards or load them on trucks. The supervisors control the group of workers, the on-looker guides them and help them in piling up the heavy metal plates in stack or loading on truck. Though these workers are called unskilled, it was observed that a considerable skill is required to perform these tasks.

Most of the large shipbreaking yards provide accommodation to the workers. Generally, skilled workers, supervisors and office staff live in rented houses near the yards. A large percentage of them live with their families. At least 50% of the semi-skilled and unskilled workers live in the labour sheds built by the owners. The accommodation provided by the owners are not suitable and hygienic, but it is safer for the workers to be accommodated in protected areas within the yards and this is also advantageous for the employers. A statement showing the name of the shipbreaking enterprises with number of skilled, semi-skilled and unskilled workers is attached herewith as (Annex:C). The yards are located away from the city area, so workers get drinking water from the tubewells and as tubewells are sunk in each shipbreaking yard. Bangladesh Factory Act 1965 provides that there should be sufficient supply of pure drinking water in a factory employing more than 250 workers; according to the above Act the employer must ensure supply of pure drinking water.

Wages and pay of the employees of Shipbreaking Yards as well as their working hours and overtime are not in full conformity with the law of the land. The employees, such as clerks, supervisors, foremen, master cutters are paid monthly wages ranging from Taka 3000 to 5000 (US\$60-100), inclusive house rent, medical allowance etc. Many of the skilled cutters, unskilled workers and general labourers are engaged on no work no pay= basis. They receive 70 to 80 Taka a day for every 8 hours of work. For overtime work, these workers receive extra wages on single rate basis, while the law prescribes double the rate of the normal wages for extra hours. Similarly, workers who work on weekly holidays are not entitled to any holiday pay or any benefits in lieu. Breaks for taking meals are allowed.

Since workers do not benefit from mandatory holidays as per law, they cannot expect any

employer to provide any welfare facilities for them. The workers are not provided with proper washing facilities and canteen facilities in the yards, so workers are compelled to go to the nearby shops and tea stalls. Availability of mess or rest room is out of question.

The Bangladeshi Traders and ship breakers purchase dead/unserviceable vessels or ships in running conditions from different parties at different points and bring those to Bangladesh for beaching. The ship breakers purchase the vessels of their choice. Nationality of the owners of the vessels or the country of origin of the ships is not a factor of consideration but they take into account the following points during purchase of the ships:

- A. Light weight tonnage of the vessels (LDT).
- B. Cost of the voyage to the beaching site of the ship.
- C. Probable toeing cost in the case of dead vessel.
- D. General stores that may be available.
- E. Miscellaneous materials that may be available.
- F. Position of the re-useable marine stores.

From various sources, such as the Ship Breakers Association, shipbreaking enterprises and the Govt. agencies, it is gathered that generally the following **three types** of vessels are demolished in the Chittagong Ship Breaking Yards.

- a. General cargo vessels.
- b. Tankers.
- c. Bulk carriers.

Bangladesh breakers prefer to demolish the above types of vessels for reasons, such as availability of profitable items, safe and easy breaking operation and safe journey of the vessels to beaching site. The main sources for purchase of unserviceable vessels are the former USSR, Bulgaria, Romania, Greece, Italy, Turkey, Japan, Singapore, South Korea, etc. Toeing of a dead ship for scrapping is costly, so the Bangladeshi ship Breakers and their agents generally prefer to buy ships on voyage or ships stranded at a port near to Chittagong, i.e., located at any port of India, Sri Lanka, Myanmar, Thailand or Singapore.

Hazards Involved

In Bangladesh, shipbreaking is carried out in an open space. As a matter of fact, provisions of the Factories Act and occupational safety measures with regard to doors, windows, stairs etc. of a factory premises are not taken into consideration. No young person or women are engaged in ship breaking yards. Limited amount of electricity is used for shipbreaking activities. Testing system of cranes, lifting machinery and motorized pulley is hardly done. The yards re-use ropes and chains recovered from the broken ships without testing and examining their strength. There is no marking system of loading capacity of the chains of cranes and other lifting machineries. Gas cutters and their helpers are cutting the steel plates almost round the clock without protection of eyes, so their eyes are always vulnerable to welding effects. They do not wear any uniform and never use handgloves and boots. The unskilled workers carry truckable pieces of iron sheets on their shoulders and they do not know the weight of the sheets they carry and the employers are also not aware of the legal limit of weights carried by workers. Usually, these workers carry weights far above the limit prescribed in the Factories Act and Factories Rules.

Ships are not properly cleaned before beaching. Generally, an eyewash test is carried out to certify that a ship is free from dangerous chemical and fumes. Workers enter into such areas without taking any precautionary measure or without wearing masks or aprons. Workers are not aware of hazards to which they are likely to be exposed. Consequently, workers suffer from suffocative injury and lung problems which causes temporary loss of working capacity. The hatches and pockets of vessel may contain explosive or inflammable gases. The cutters, if they understand from their experience, drill small holes in order to release gases or fumes. These types of crude attempts very often causes severe explosions. Shipbreaking is a hazardous occupation and entails life risk due to accident and fatal occupational diseases, as the employers do not provide any proper protective and precautionary gears. It is found that the beaches where shipbreaking is undertaken are full of chemicals and toxic substances, small pieces of pointed and sharp iron splinters pasted on the surface of the beach causing injuries; the workers usually work bare footed and without masks. Occupational health and safety is not important to the employers, they hardly maintain a First-aid Box. Most of the workers are illiterate, very poor and are not conscious about their health, safety and the dangerous effects of the poisonous chemicals. Accidents are not reported or recorded. If any worker is affected by occupational diseases, he is no more employed by any of the employers. The employers through adoption of various unfair

practices usually conceal information when any worker dies due to occupational accidents. In most cases, families of the victims are not informed, as contractors do not use proper names and addresses of the workers and there is no monitoring or inspection by the Inspection Department and the Labour Department.

A number of fatal incidents occurred in the past due to explosions and fall of heavy metal plates from the upper part of the ships. As ships are not properly inspected prior to beaching, inflammable substance or gas pockets still remain there. As a result, during cutting operation of the ships, fire breaks out accompanied by explosions. Minor fire incidents happen off and on and workers control the fire by spraying water and sand. Two major accidents were reported in 1998 in which a supervisory staff was killed due to sudden fall of a heavy steel sheet from the upper deck of a vessel and in another incident, a gas cutter died due to an explosion. (A list of accident is enclosed herewith as (Annex: E).

The Ministry of Labour and Employment and its subordinate officers are responsible for the enforcement of labour laws and ensure welfare of the workers. The Department of Inspection is responsible for ensuring the implementation of the Provisions of the Factories Act 1965 and the rules made thereunder. The Department of Labour is responsible for the implementation of the provisions of the Labour Law relating to labour welfare, trade unionism and Industrial relations. While the other aspect such as OSH, working conditions are the subjects of the Inspection Department. The level of enforcement of the Factories Act and Labour Laws in the above enterprises is not at all satisfactory. During the last three years, Inspectors of the Inspection Department conducted only 16 inspection visits, which were as follows:

Inspection Visits undertaken by the Inspection Department

Sl.No.	Name of the Enterprises	Date of Inspection	Court case, if any	Remarks
1.	Z N Enterprise, Jahanabad	6.2.1995	---	---
2.	Sigma Ship Breakers Ltd., Jahanabad	6.2.1995	---	---
3.	Kabir Steel Ltd., Jahanabad	6.2.1995	---	---
4.	Ambia Ship Breakers Pvt. Jahanabad	6.2.1995	---	---
5.	Brothers Associates,	6.2.1995	---	---

Madambibirhat

6.	Bismillah Ship Breaking Bhatiary	6.2.1995	---	---
7.	S S Steel Ltd.	29.5.1996	472/96	---
8.	Seasons Steel Ltd., Jahanabad	20.5.1996	478/96	---
9.	Ocean Steel, Jahanabad	20.5.1996	477/96	---
10.	Padma Ship Breaking Ltd.	20.5.1996	481/96	---
11.	Karnaphuly Shipbreakers Jahanabad	20.5.1996	482/96	---
12.	M.R. Enterpsise	20.5.1996	479/96	---
13.	East Wind Shipping Ltd. Madambibirhat	20.5.1996	471/96	---
14.	Paragon Steel Ltd., Bhatiary	20.5.1996	475/96	---
15.	Moon Steel, Bhatiary	20.5.1996	473/96	---
16.	S. Trading Corporation	20.5.1996	474/96	---

The labour inspectors detected the following major violations of the Factories Act in shipbreaking Enterprises during their visits:

- No proper fire fighting equipment are maintained, if there is a fire extinguisher, no one knows how to operate it in cases of emergency.
- Safety belts are not provided. There is no safe stair ladder for climbing up and getting down from a vessel.
- As per law, adult workers are allowed to carry a maximum weight of 65 pounds, whereas in the shipbreaking yards, workers are required to carry a load of even double the weight of the legal standard.
- Safety glass for protection of eyes, keds for protection of legs and gloves for protection of hands are either not provided or the workers do not use these.
- No weekly holiday with pay is granted to the workers.
- Approval of working hours from the Inspection Department is a legal requirement, but Employers do not apply the law. Workers have to work beyond eight hours without overtime allowance as per law.
- No records of workers are maintained. No token or card is given to the workers.
- Workers on regular pay are entitled to enjoy paid casual leave, earned leave, sick leave and holidays as per law but nothing is provided to the workers supplied by the contractors.

- There are no rest rooms, proper toilets, supply of drinking water and arrangements to take meals at the work place.

Inspectors reported the above violations of the Provisions of the Factories Act to the concerned management in writing with suggestion for remedies but they did not pay any attention to it. As a result, the inspectors had to institute criminal cases in the courts. Courts penalized management but violations did not stop. (Labour relations are very weak, and trade unions are absent in the shipbreaking yards).

Labour contractors who supply daily rated casual workers and paid on no work no pay basis are not entitled to form trade unions. The main hurdle is the employers who are against the trade unions or associations of any kind. They threaten workers of cancelling the contract of the contractors and closing down the yards. Most of the workers are illiterate and non-local which is another drawback. Labour supply contractors also frequently change yards and change workers. Fake name and addresses are used for enrollment of the workers to protect the interests of the management. The shipbreaking enterprises and the scrap users are well organized under the:

23. >Bangladesh Ship Breakers Association=
>Bangladesh Scrap Buyers Association=

The above Associations work like Syndicates and are very strong and influential. They even threaten the Government Authorities on different issues. They do not pay taxes due to the Government and do not enforce the laws concerning employment, safety, public health, toxicity, environmental pollution and hazards.

No trade unions and collective bargaining agents exist in the Ship-Breaking Yards. There are disputes but they are never reported or brought to the attention of the Labour Department. Most of the ship-breaking yards pay workers wages through their contractors, this very often causes displeasure among the workers and there were number of disputes regarding non-payment of wages or payment of wages less than the wages agreed upon to the individual workers by the labour supply contractors. There is rivalry between loader and the casual workers which sometimes leads to agitation and work stoppage by the casual workers. In such cases, the management as the principal employers settle disputes in order to keep their work uninterrupted.

The Yard Managements also handle a large number of disputes which arises due to non-payment or less than the agreed wages. The Syndicate of Employers and of the ship yards control everything in such a way that the inspecting officers of different Government Agencies cannot interfere in their activities. Upto now, no stoppage of work due to industrial unrest was referred to the conciliation authorities. The Managements handle the disputes in their own way. Sometimes, workers and the labour supply contractors are rejected together by the shipbreaking enterprises. The same labour supply contractor with the same workers is again engaged by another management.

The employers are united and their Association is very strong. In the past, some killings had happened in the shipbreaking yards for challenging the Syndicate on various issues but no one was able to prove the killings.

Bangladesh does not have iron, as such, has to depend on the scrapped iron to feed the rolling mills and steel factories. Other items of the ship such as engines, generators, boilers, electrical items, furniture, plumbing items, refrigerators, air-conditioners, etc. have a good market in Bangladesh. The main users of scrapped irons are the local steel re-rolling mills producing MS rods, MS bars, angles and steel sheets for domestic market. The engines and generators are used by the garment manufacturing factories, boilers are used mainly in rice mills, garments washing plants, knitting plants and other industries. There is a great demand for the wooden planks/bars and furniture which are sold on the markets located in Chittagong and Dhaka.

Workers' rights in the ship-breaking industries should be established and Government should take immediate steps to streamline the shipbreaking industries. The shipbreaking yards are at present beyond control of any Government authority.

Annex - AList of Ship-breaking Enterprises

1. M/s. R. M. Shipbreaking Industries Ltd, Sitakunda Chittagong
2. R. M. Shipscrapers Ltd Industries Ltd., Sitakunda Chittagong
3. R. M. Engineering Works Ltd Industries Ltd., Sitakunda Chittagong
4. Ambia Shipbreaking Bhatiary, Chittagong
5. Ocean Steel Ltd Bhatiary, Chittagong
6. Z. N. Enterprise, Sitalpur Sitakunda, Chittagong
7. Namreen Enterprise, Lalbagh Sitakunda, Chittagong
8. Bangladesh Shipbreaking Sitakunda, Chittagong
9. Taher & Company Ltd., Sitalpur Sitakunda, Chittagong
10. Golden Iron Works Ltd., Sitakunda, Chittagong
11. Kabir Steel Ltd., Bhatiary Sitakunda, Chittagong
12. Khaza Ajmir Steel Ltd Sitakunda, Chittagong
13. Kabir Oxygen Ltd Chittagong
14. Pacific Steel Industries Bhatiary, Sitakunda, Chittagong
15. Janata Steel Industries Bhatiary, Sitakunda, Chittagong
16. Kabir Shipbreaking Ltd., Bhatiary, Sitakunda, Chittagong
17. Brother Associates

- Bhatiary, Sitakunda, Chittagong
18. Aajmain Ispat Association
Bhatiary, Sitakunda, Chittagong
 19. N. Z. Shipbreaking Industries
Bhatiary, Sitakunda, Chittagong
 20. General Iron & Steel Co., Ctg. Ltd
Bhatiary, Sitakunda, Chittagong
 21. Rahamania Transport & Trading Ltd
Bhatiary, Sitakunda, Chittagong
 22. Super Steel Ltd., Sitalpur
Sitakunda, Chittagong
 23. K. Z. Enterprise Sitalpur
Sitakunda, Chittagong
 24. Habib Steel Ltd., Madambibir Hat
Chittagong
 25. Karnafully Shipbreaking Industries Ltd
Sitakunda, Chittagong
 26. Shah Amanat Shipbreakers, Madambibir Hat
Chittagong
 27. Diamond Steel Products Co. (PVT) Ltd
Chittagong
 28. Rahmim Steel Co (Pvt.) Ltd
Bhatiary, Chittagong
 29. S. Trading Corporation
Madambibir Hat, Sitakunda
Chittagong
 30. Sime Steel
Madambibir Hat, Sitakunda
Chittagong
 31. Fahad Steel Industry
Madambibir Hat, Sitakunda
Chittagong
 32. Ahmed Mustaba Steel Industry
Madambibir Hat, Sitakunda
Chittagong
 33. Jiri Mustaba Steel Industry
Madambibir Hat, Sitakunda
Chittagong
 34. Rahman Shipbreakers Ltd
Bhatiary, Chittagong

35. M. M. Shipbreakers
Bhatiary, Chittagong
36. Mannan Steel Ltd
Bhatiary, Chittagong
37. East Quine Shipping Ltd
Madambibir Hat, Sitakunda
Chittagong
38. H. Steel Sitalpur
Sitakunda, Chittagong
39. Royal Steel Ltd, Sitalpur
Sitakunda, Chittagong
40. Crystel Shipping Co. Ltd Sitalpur
Sitakunda, Chittagong
41. Bismillah Shipbreaking Industries Ltd
Sitalpur, Sitakunda, Chittagong
42. J. L. Enterprise,
Bhatiary, Chittagong
43. Golden Shipbreaking Industries
Bhatiary, Chittagong
44. Diamond Shipbreaking Industries
Bhatiary, Chittagong
45. Paninesula Traders Ltd
Bhatiary, Chittagong
46. Arafin Enterprise
Bhatiary, Chittagong
47. Evergreen Shipbreaking Industries Ltd
Bhatiary, Chittagong
48. Aziz Steel Corporation Ltd
Bhatiary, Chittagong
49. Seasons Steel Ltd
Bhatiary, Chittagong
50. Majid Steel Corporation Ltd
Bhatiary, Chittagong
51. Allaher Den Traders
Bhatiary, Chittagong
52. M. Rahaman Steel Ltd
Bhatiary, Chittagong
53. Ratanpur Steel Ltd
Bhatiary, Chittagong
54. Moon Steel Ltd

Bhatiary, Chittagong

55. S.Y.S. Steel Ltd
Bhatiary, Chittagong
56. Padma Shipbreaking Ltd
Bhatiary, Chittagong
57. Shahin Enterprise
Bhatiary, Chittagong
58. Pragoan Steel Ltd
Bhatiary, Chittagong
59. Capital Shipbreakers
Bhatiary, Chittagong
60. Hassan Enterprise
Bhatiary, Chittagong
61. K.S.M. Steel Re-rolling Mills Ltd
Bhatiary, Chittagong
62. Shaiful Islam & Brothers
Bhatiary, Chittagong
63. Mubarok Re-rolling Mills Ltd
Bhatiary, Chittagong
64. Khelil Steel
Bhatiary, Chittagong
65. Amenat Shah Shipbreaking Industry
Bhatiary, Chittagong
66. Haramine Shipbreakers
Bhatiary, Chittagong
67. Syedpur Steels Ltd
Bhatiary, Chittagong
68. N. R. Enterprise
Bhatiary, Chittagong

Annex - B1

GOVERNMENT OF THE PEOPLE-S
REPUBLIC OF BANGLADESH
MERCANTILE MARINE DEPARTMENT

No. M. 12/7

Dated, Chittagong, the July 1982

CIRCULAR

To

All Shipping Cos/Agents

It has been observed that the Marine Stores including Life Saving & Fire Fighting Appliances from Scrapped Vessels are finding its way to vessels in service. These equipments either obsolete, sub-standard or unserviceable use of which on board ships is an offence under the law. Merchant Shipping Act 1894 Section 538 to 543 dealing with Marine Stores Dealers laid down certain procedures with regard to Marine Stores including Cables, Anchors etc. and Section 129(C) of Instruction to Registrar of ships deals with vessels broken up. It is further observed that ships laying in hazardous condition at the beach fro breaking up may sometime pose danger to navigation.

In view of the above, it has been decided that benceforth no ships shall be permitted to beach for breaking up without obtaining prior permission from this Department similarly no person or Firm shall break up a ship or deal with Marine Stores without obtaining proper licence from Mercantile Marine Department and observe formalities as laid down in the Merchant Shipping Act, Offenders will be prosecuted as per law.

Sd/- Principal Officer
Mercantile Marine Department
Chittagong
Phones; 504140/501902

Annex-B2GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH
MERCANTILE MARINE DEPARTMENT

No. M.12/8/

Dated, Chittagong, the 9th March 1983

C I R C U L A R

In order to streamline the requirements for issuance of Beaching permission for a Vessel intended to be scrapped so that no permission regarding ownership, etc. exists and to ensure safety of navigation, the following procedure will have to be followed for obtaining beaching permission for breaking up of a Vessel:-

- 1) The application for beaching, permission will have to be made by a licenced Shipping Agent appointed by the Owner/Buyer of the Vessel.
- 2) Following documents are to be submitted alongwith the application:
 - a) Copy of Memorandum of Agreement.
 - b) Copy of Delection Certificate.
 - c) Copy of all Safety Certificates.
 - d) Copy of Custom Entry (Inward)
 - e) Copy of permission letter from Director General of Industry
 - f) Copy of permission letter from the C C I & E
- 3) The beaching ground is to be clearly and accurately shown on BIWTA Chart No. BD HATIA 82 100 01 and Certified by a Surveyor approved by this Department
- 4) Memo and No. of Certificate of competency of the Master of the Vessel under whose commend the beaching would be performed.
- 5) List of the Officers and Crew who will be on board during the beaching operation.
- 5) One Certificated official and Certificated Engineer beside the master to be provided at the time of beaching.

Principal Officer
Mercantile Marine Department
Chittagong

Copy to:

- 1) The Director General, Department of Shipping, Commissioner's Bldg. Segunbagicha, Dhaka
- 2) The Sub-Zonal Martial Law Administrator, CPA. Rest House, Chittagong
- 3) The Chairman, Chittagong Port Authority, Chittagong
- 4) The Collector of Customs, Custom House, Chittagong
- 5) The Deputy Commissioner, Chittagong
- 6) The Chairman, Steamers Agents Group, Chittagong

Principal Officer
Mercantile Marine Department

Chittagong

Annex - B3GOVERNMENT OF THE PEOPLE-S REPUBLIC OF BANGLADESH
MERCANTILE MARINE DEPARTMENT

No. M 12/9

Dated, Chittagong, the 24th Oct. 1985

REQUIREMENTS FOR ENLISTMENT OF DISMENTLING/
CUTTING CONTRACTOR FOR SCRAP VESSEL

The following requirements are to be fulfilled for enlistment to this Department as Discentling/Cutting Contractors for Scrap Vessels.

1. The Contractors should have atleast 3 (three) persons at the Supervisory capacity who should have minimum 2 (two) years experience in ship cutting. One of the supervisors out of the three should have Diploma in Mechanical/Electrical Metallurgical Engineering from a recognised Polytechnics.
2. The Supervisors must possess a certificate of attendance of a short training course conducted by the Fire Brigade.
3. The Contracing firm should possess the following minimum equipments:-
 - i) Helmets, Hand Gloves, Goggles, Gumboots for each of their workers.
 - ii) Approved type of Fire Extinguishers.
 - iii) Sand Boxes, First Aid Outfit, Fire Buckets etc.
 - iv) Robertson=s Stretcher
 - v) Breathing apparatus
 - vi) Firemen=s out fit.
 - vii) Explosion Meter
 - viii) A portable fire pump with hoses and combined Jet/Spray Nozzles.
 - ix) Safety belt
 - x) Two Portable Blower
 - xi) Two Safety Lamps.
4. An inspection report of the Contractors= Yard will be required, which will be done by the Mercantile Marine Department=s Surveyor.

After being satisfied with the above, the Department may consider to enrol the Firm for Cutting of Scrap Vessels.

Sd/- Capt. M. Zakaria
Principal Officer
Mercantile Marine Department
Chittagong

- To: 1) M/s. Unimarine Shipping Line, Ctg.
2) M/s. Khalil & Sons Ltd. Ctg.
3) Karnafully Engg. Works, Steel House, Ctg.
4) M/s. Karnafuli Metal Works Ltd., Ctg.
5) M/s Saleh Zarina Ltd. Ctg.
6) M/s Ocean Trade Ltd., Ctg.
7) M/s. Amity Ship Cutter, Halishahar, Ctg.
8).....

Sd/- Illigible

2.11.85

Annex - B4

Copy
GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH
MERCANTILE MARINE DEPARTMENT
CHITTAGONG

No. M. 12/8

Dated, Chittagong the 29th May 1983

CIRCULAR

In supersession of Circular No. M. 12/8 dated 9.3.83 the following will be the procedure to be following before issuance of beaching permission by the Principal Officer, Mercantile Marine Department:-

- 1) The application for beaching permission will have to be made by a Licenced Shipping Agent appointed by the Owner/buyer of the vessel.
- 2) The vessel is to be inspected by Mercantile Marine Department Surveyor in respect of Safety Equipment and Radio/Wireless equipment:-
 - a) All safety equipment found in order will be listed and stamped by the Surveyor and those found not suitable for use are to be marked ~~ACONDEMNED~~ by a cut-in stamp or the equipment are to be destroyed.
 - b) A complete list of all Radio, Wireless equipment including VHF, Walkie Talkie Transceivers is to be prepared. The Wireless equipment are to be dismantled (without damage) before beaching and are to be handed over to the Wireless Board (other than the Walkie Talkie sets which may be used during the beaching operational). After the beaching the Walkie Talkie sets are also to be handed over to the wireless Board.
- 3) Following documents are to be submitted alongwith the application:-
 - a) Copy of Memorandum of Agreement
 - b) Copy of Deletion Certificate or in lieu an undertaking of Tk. 1/- (One) Lac for submission of the Deletion Certificate within one month.
 - c) Copy of all Safety Certificates
 - d) Copy of Custom entry (Inward)
 - e) Copy of permission letter from Director General of Industry
 - f) Copy of permission letter from the C C I & E
- 4) The beaching ground is to be clearly and accurately shown on BIWTA Chart Np. BD.HATIA 82 100 01 and certified by a Surveyor approved by this Department.
- 5) Name and No. of Certificate of competency of the Master of the Vessel under whose command the beaching would be performed.
- 6) List of the Officers and Crew who will be on board during the beaching operation.
- 7) Tk. 1000/- (Taka One thousand) only to be deposited in cash to this Department as fees for beaching permission to each vessel.

Sd/- CAPT. S.M.A. ISLAM
Principal Officer
Mercantile Marine Department
Chittagong

- cc: 1. The Sub-Zonal Martial Law Administrator, CPA Rest, House, Chittagong
2. The Director General, Department of Shipping, Dhaka
3. The Director General, Department of Industries, Dhaka
4. The Controller of Imports & Exports, Chittagong
5. The Secretary, Wireless Board, T&T Bldg. Shere Bangla Nagar, Dhaka
6. The Chairman, Chittagong Port Authority, Chittagong
7. The Collector of Customs, Custom House, Chittagong

8. The Deputy Commissioner, Court Building, Chittagong
9. The Chairman, Steamers Agents Group, Chittagong

Sd/- Capt. S.M.A. Islam
Principal Officer
Mercantile Marine Department
Chittagong

Annex - C

Statement on the Shipbreakers Enterprises
showing manpower employed and wagespaid to the workers

Sl.No	Name & Address of Shipbreaking Industry	Lincence/ Reg. No.	Number of workers				Total	Average daily wages		Remarks
			Skilled		Unskilled			Skilled	Unskilled	
			Regular	Casual	Regular	Casual				
1.	M/s. R.M.Shipbreaking Industries Ltd., Sitakunda, Chittagong			80		600	680	120	80	The enterprises at Sl.1-3 are located in the same premises
2.	R.M. Shipscrappers Ltd. Sitakunda, Chittagong			60		720	780	120	80	
3.	R.M.Engineering Works Ltd., Sitakunda, Chittagong			50		400	450	120	80	
4.	Ambia Shipbreakers Ltd., Bhatiary, Chittagong			100		600	700	125	80	The enterprises at Sl. 4-5 are located in the same premises
5.	Ocean Steel Ltd., Bhatiary, Chittagong			50		260	310	125	80	
6.	Z.N. Enterprises, Sitalpur,Sitakunda, Chittagong	2681/Ctg.		100		600	700	125	80	The enterprises at Sl. No. 6-8 are located in the same premises
7.	Namroon Enterprise, Lalbagh, Sitakunda Chittagong			70		560	630	125	80	
8.	Bangladesh Shipbreaking, Lalbagh, Sitakunda, Chittagong			80		599	580	120	80	
9.	Taher & Company Ltd., Sitalpur, Sitakunda, Chittagong	2005/Ctg.		100		700	800	125	80	The enterprises at Sl. No. 9-10 are located in the same premises
10.	Golden Iron works Ltd., Sitalpur, Sitakunda, Chittagong			60		700	760	125	80	

11.	Kabir Steel Ltd., Bhatiary, Sitakunda, Chittagong	2006/Ctg.		100		520	620	125	80	The Enterprises at Sl.No.11-16 are located in the same premises
12.	Haje Ajmir Steel Ltd., Bhatiary, Sitakunda, Chittagong			40		360	400	125	80	
13.	Zabir Oxygen Ltd., Bhatiary, Sitakukda, Chittagong			40		60	100	150	100	
14.	Pacific Steel Industries Bhatiary, Sitakunda, Chittagong			60		250	310	125	100	The enterprises at Sl.1-3 are located in the same premises
15.	Janata Steel Industries, Bhatiary, Sitakunda, Chittagong			50		250	300	125	80	
16.	Kabir Shipbreaking Ltd., Bhatiary, Sitakunda, Chittagong			80		340	420	125	80	
17.	Brother Associates, Bhatiary, Sitakunda, Chittagong			60		500	560	125	80	The enterprises at Sl. 17-19 are located in the same premises
18.	Ajmain Ispat Associated, Bhatiary, Sitakunda, Chittagong			40		400	440	125	80	
19.	A.B. Shipbreaking Industries, Bhatiary, Sitakunda, Chittagong			50		550	600	125	90	
20.	General Iron & Steel Co. Ctg. Ltd Bhatiary, Chittagong			60		550	610	125	80	The enterprises at Sl. No. 20-21 are located in the same premises
21.	Rahamania Transport & Trading Ltd., Bhatiary, Chittagong			40		380	420	140	80	
22.	Super Steel Ltd., Sitalpur, Sitakunda, Chittagong			60		600	660	125	80	The enterprises at Sl. 22-23 are located in the same premises
23.	K. Z. Enterprises, Sitalpur, Sitakunda, Chittagong			60		560	620	120	80	
24.	Habib Steel Ltd., Madambibir Hat, Sitakunda, Chittagong			80		600	680	125	80	The enterprises at Sl. 24-26 are located in the same premises.

25.	Karnaphuly Shipbreaking Industries Ltd, Sitalpur, Sitakunda, Chittagong			60		360	420	125	80	
26.	Shah Amanat Shipbreakers, Sitalpur, Sitakunda, Chittagong			80		320	400	125	80	

1	2	3	4	5	6	7	8	9	10	11	
27.	Dimond Steel Products Co. (Pvt.) Ltd. Bhatiary, Chittagong	2003/Ctg.		60		540	600	120	80	The enterprises at Sl. 27-28 are located in the same premises	
28.	Rahim Steel Co. (pvt.) Ltd., Bhatiary, Chittagong			60		400	460	120	80		
29.	St. Trading Corporation, Madambibir Hat, Sitakunda, Chittagong			80		540	620	125	80	The enterprises at Sl. 29-30 are located in the same premises	
30.	Sima Steel, Madambibir Hat, Sitakunda, Chittagong			100		518	618	125	80		
31.	Fahad Steel Industry, Madambibir Hat, Sitakunda, Chittagong			80		600	680	125	80	The enterprises at Sl. 31-32 are located in the same premises	
32.	Ahmed Mustaba Steel Indusry, Madambibir Hat, Sitakunda, Chittagong			60		520	580	125	80		
33.	Jiri Subadar Steel Re-rolling Mills Bhatiary, Chittagong			80		560	640	120	80		
34.	Rahman Shipbreakers Ltd., Bhatiary, Chittagong			100		680	780	120	80	The enterprises at S. 34-35 are located in the same premises	
35.	M. M. Shipbreakers, Bhatiary, Chittagong			40		500	540	120	80		
36.	Mannan Steel Ltd., Bhatiary, Sitakunda, Chittagong			100		700	800	120	80		
							20268				

Annex - D

Sl.No.	Name of Vessel	Country of origin	Year of building	LDT. M.T./L.T.
1.	M.V. IOLOOS	JAPAN	1976	10,292 M.T.
2.	M.V. ANURADHA	JAPAN	1972	7,553 M.T.
3.	M.T. SUNNETTA	JAPAN	1973	16,603 M.T.
4.	M.V. MOUNTAIN	UK	1973	27,253 M.T.
5.	M.V. HOKKMDO STAM	JAPAN	1973	26,143 M.T.
6.	M.V. FENG KING	JAPAN	1974	18,040 M.T.
7.	M.T. KOS	SWEDEN	1977	4,422 M.T.
8.	M.V. TORIO	RUSSIA	1973	11,411 M.T.
9.	MV. LIBANUS	UK	1973	5,625 M.T.
10.	MT. BAY-ONE	FRANCE	1976	15,722 M.T.
11.	M.V. SHADOWPANCE	YUGOSLAVIA	1975	27,545 M.T.
12.	M.V. KORRIGAN	GERMANY	1973	21,160 M.T.
13.	M.T. TRANSHERA	SWEDEN	1976	1,28,244 M.T.

14.	M.V. GEMBIRA	GERMANY	1972	1,632 MT.
15.	M.V. DALENEUOS TOCHNY	RUSIA	1960	2,600 M.T.
16.	M.T. LASINO	GERMANY	1973	15,778 L.T.
17.	M.V. ALAN	BULGERIA	1976	4,337 L.T.
18.	M.V. NET JLANS	W.GERMANY	1972	4,823 M.T.
19.	M.V. SUN LANS CHENG	DO	1970	4,774 L.T.
20.	M.V. HAI MAO	GERMANY	1972	5,850 MT.
21.	M.T. SUTOON	UKRINE	1972	32,673 M.T.
22.	T. T KUBAN	DO	1976	30,000 M.T.
23.	M.T. ALANDIA PEARL	JAPAN	1974	14,993 L.T.

List to be updated.

Statement of Accidents in Twenty Ship-Breaking Yards

Year	Minor Accidents	Major Accidents	Fatal accidents
1996	147	21	2
1997	201	10	5
1998	203	11	0
Total	551	42	7