



**Joint ILO/IMO/BC Working Group on Ship Scrapping  
Third Session  
Agenda item 6**

**ILO/IMO/BC WG 3/6  
31 October 2008  
English only**

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## **Final report**

### **1. Opening of the session, election of Chairperson, adoption of the agenda**

#### **Opening of the session**

1. The Joint ILO/IMO/BC Working Group on Ship Scrapping, referred to below as “JWG”, held its Third Session from 29 to 31 October 2008 at the International Labour Office, Geneva, having held its First Session from 15 to 17 February 2005 at the London headquarters of the International Maritime Organization (IMO), and its Second Session from 12 to 14 December 2005 at the United Nations Office at Geneva. The list of participants is attached to this report as Appendix I.
2. Ms Elizabeth Tinoco, Chief, ILO Sectoral Activities Branch, welcomed the participants to the meeting. Ms Tinoco noted that significant developments had been made on shipbreaking issues since the Working Group last met three years previously. The 58th Session of the IMO Marine Environment Protection Committee (MEPC 58) had recently reached the final stages of negotiations on the draft International Convention for the Safe and Environmentally Sound Recycling of Ships. The Convention, to be adopted at a diplomatic conference in Hong Kong in May 2009, would be accompanied by guidelines, and Ms Tinoco noted that the ILO would be following the drafting of these with interest. Ms Tinoco observed that the present meeting of the Working Group would discuss the many valuable initiatives aimed at improving working conditions and environmental issues related to shipbreaking, and identify best practices.
3. The ILO strove to improve the working conditions of workers in the shipbreaking industry and to ensure the protection of the safety and health of workers, through the application of international standards. The most recent expression of the Organization’s mission came with the adoption, by the 97th Session of the International Labour Conference (June 2008), of the ILO Declaration on Social Justice for a Fair Globalization, a statement of the four inseparable and mutually supportive strategic objectives of the ILO: promoting employment by creating a sustainable institutional and economic environment; developing and enhancing social protection, social security and labour protection; promoting social

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dialogue and tripartism; and respecting, promoting and realizing fundamental principles and rights at work. The Declaration recognized that these objectives could only be achieved on the basis of the principles and provisions of international standards, including those relating to safety and health. Ms Tinoco further stressed that social dialogue, with the full involvement of employers, workers and governments, was a critical tool for addressing these issues, and its promotion, along with discussion with other stakeholders, was essential to progress in the field. Indeed, social dialogue had an important role to play in tackling many of the current global challenges.

4. One of the greatest of these was climate change. The ILO recognized that close coordination with other international agencies was crucial in providing a common front to face such global issues. Ms Tinoco cited the Green Jobs Initiative, comprising the United Nations Environment Programme (UNEP), the ILO, the International Organisation of Employers (IOE) and the International Trade Union Confederation (ITUC), as a recent example of such cooperation. Ms Tinoco noted that, while the ship recycling industry was a major source of steel and other materials, the jobs in the industry were not green, as they posed a threat to human health and to the environment. Ms Tinoco expressed the hope that the combined efforts of the agencies involved in the JWG would transform ship recycling into a model activity for green jobs.
5. Mr Nikos Mikelis, IMO Senior Implementation Officer (Marine Environment Division) welcomed the participants on behalf of the Secretary-General of the IMO. He confirmed that the drafting of the International Convention for the Safe and Environmentally Sound Recycling of Ships had been completed by MEPC 58, and the text had been submitted for adoption at the diplomatic conference to be held in May 2009 in Hong Kong. The Convention would provide wide-ranging regulations in three broad fields of activity: firstly, in the design, construction, operation and preparation of ships for recycling, with the aim to facilitate safe and environmentally sound recycling without compromising the safety and operational efficiency of ships; secondly, in the operation of ship recycling facilities in a safe and environmentally sound manner; and thirdly, in the establishment of an appropriate enforcement mechanism for ship recycling, including surveys, inspections, audits, certification and reporting requirements. Mr Mikelis noted that, under the present draft Convention, it was envisaged that ships would be required to carry an inventory of hazardous materials, and appropriate certification issued by, or on behalf of, the flag State. Ship recycling yards would have to provide a “ship recycling plan”, specifying the manner in which each ship would be recycled, depending on its inventory and particulars. A series of associated guidelines were also being developed by the MEPC to assist implementation of the Convention. Two of these guidelines might be finalized by MEPC 59 in July 2009.
6. Mr Mikelis further noted that the Hong Kong diplomatic conference would be expected to decide on conditions to be met before entry into force of the Convention, but swift ratification was hoped for, to allow for its rapid entry into force.
7. Mr Mikelis observed that, over the past ten years, five countries had recycled 97 per cent of all tonnage recycled globally. Were these five countries to ratify the IMO Convention, virtually all the world’s commercial ships of over 500 gross tonnage (GT) would be regulated by the IMO Convention. This would provide an international regulatory platform to address safety, health and environmental matters in ship recycling.
8. Mr Mikelis observed that, for this reason, technical cooperation, one of the subjects to be discussed by the JWG, was of critical importance. The three organizations should immediately begin cooperation with recycling States that requested technical assistance in their preparations for ratification, by training personnel, capacity building and developing national legislation for implementation.

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9. Mr Mikelis further noted that the JWG was also to address interim measures prior to entry into force of the Convention. The Convention and its guidelines would provide administrations, the ship recycling industry and the shipowning industry with a complete structure which could be applied on a voluntary and interim basis. Mr Mikelis considered that the application of the Convention on this basis would make for a smooth transition after entry into force, avoiding confusion within the industry and duplication of effort.
  10. Ms Donata Rugarabamu, Senior Legal Officer, Secretariat of the Basel Convention, on behalf of the Executive Secretary, drew the attention of the meeting to the Bali Declaration on Waste Management for Human Health and Livelihood, adopted at the ninth meeting of the Conference of the Parties in June 2008, by which ministers stated their conviction that, if actions were taken to manage wastes in an environmentally sound manner, there would be a high potential to improve the health and livelihood of all citizens and to provide economic opportunities through the safe and efficient reduction, reuse, recycling, recovery, treatment and disposal of waste. It was noted that, in many countries, ship recycling had a direct impact on human health and livelihood, the environment and sustainable development. It was this that made the JWG so important a forum for the exchange of views, experience and concerns.
  11. Ms Rugarabamu, on behalf of the Executive Secretary, further noted that whilst significant progress had been made in recent years, particularly regarding the development of the IMO Convention, the need to introduce interim measures and joint technical cooperation activities was paramount. The JWG provided an opportunity to discuss this.
  12. The Secretariats of the ILO, IMO and the Basel Convention had been collaborating extensively in developing technical cooperation activities under the Global Programme for Sustainable Ship Recycling. This Programme drew on earlier recommendations of the JWG, and with its emphasis on international coordination in addressing the issues faced by the ship recycling industry, could play a significant role in facilitating implementation of the IMO Convention, as well as acting as a stopgap measure for the protection of human health and the environment in ship recycling activities.
  13. Ms Rugarabamu, on behalf of the Executive Secretary, drew delegates' attention to the request by Basel Convention Parties that the IMO should ensure that the IMO Convention established an equivalent level of control to that under the Basel Convention. Ms Rugarabamu invited the members of the JWG to present proposals on appropriate criteria for assessing whether such equivalence was met to allow a preliminary assessment to be made by the Open-ended Working Group of the Basel Convention to meet in May 2010.
  14. Finally, the Executive Secretary's statement noted that the JWG should be mindful of the enormity of the challenges to be faced in protecting the environment, the health and livelihoods of many citizens in ship recycling countries. The JWG could provide a framework to ensure that measures were adopted leading up to the entry into force of the IMO Convention both to facilitate its implementation, and to protect lives and the environment. It could also make recommendations for the respective governing bodies to make proposals on further collaboration. Ms Rugarabamu, on behalf of the Executive Secretary, stressed that the Basel Convention remained committed to future collaboration with the ILO, IMO and all relevant stakeholders.

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## **Election of the Chairperson**

15. Mr Roy Watkinson (United Kingdom) was elected Chairperson of the JWG.
16. Mr Watkinson thanked the JWG members for their confidence in electing him as Chairperson for the second time, which he considered to be an honour.
17. Mr Watkinson took the opportunity to remind the meeting that the holding of this Third Session of the JWG had been decided as a result of the eighth meeting of the Conference of the Parties to the Basel Convention in 2006; the MEPC 56 in 2007; and the 300th Session of the ILO Governing Body in November 2007; and he thanked the ILO for the preparation of this meeting. Mr Watkinson also reminded the meeting of the terms of reference of the JWG which had been approved by the governing bodies of each of the organizations.

## **Adoption of the Rules of Procedure**

18. The JWG agreed to continue to apply the draft Rules of Procedure provisionally, without adopting them, as it had done at its Second Session. It was further agreed to hold the meeting in private.

## **Adoption of the agenda**

19. The Chairperson proposed that items 3 and 4 could be more appropriately addressed in reverse order. The JWG agreed with this proposal.
20. The JWG adopted the provisional agenda contained in document ILO/IMO/BC WG 3/1.

## **2. Outcome of the Second Session of the JWG**

21. The representative of the IMO introduced document ILO/IMO/BC WG 3/2/1 which provided information on the work programme of the MEPC of the IMO on the issue of ship recycling since the last meeting of the JWG.
22. Mr Mikelis noted that following the adoption of resolution A.981 by the 24th Session of the IMO Assembly, which mandated the development of a new legally binding instrument on ship recycling, much progress had been made. The 58th Session of the MEPC, meeting in October 2008, approved the final text which will be circulated at least six months before the date of the diplomatic conference. Mr Mikelis informed the meeting that the 100th Session of the IMO Council, which met in June 2008, had endorsed the holding of the diplomatic conference to adopt the new Convention. The diplomatic conference will be hosted by the Government of Hong Kong, China, from 11 to 15 May 2009.
23. Mr Mikelis further observed that, in addition to the Convention, the IMO intends to develop six associated guidelines. MEPC 58 established a further correspondence group to develop two of these guidelines, with a view to their finalization, if possible, at MEPC 59.
24. Document ILO/IMO/BC WG 3/2/1 also addressed the Technical Cooperation Programme of the IMO, and the International Ship Recycling Trust Fund which was established in May 2006 as a dedicated source of financial support for technical cooperation activities

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related to the enhancement of safe and environmentally sound ship recycling capacity in developing countries.

- 25.** In introducing document ILO/IMO/BC WG 3/2/2, the representative of the Secretariat of the Basel Convention informed the meeting that the Secretariat had been actively involved in the negotiations in the MEPC to develop a new legally binding instrument on ship recycling. She noted that parties to the Basel Convention had followed the development of the IMO Convention with great interest, and had invited the IMO to ensure that the draft Convention establishes an equivalent level of control as that established under the Basel Convention, noting that the duplication of regulatory instruments that have the same objective should be avoided. The ninth meeting of the Conference of the Parties to the Basel Convention, which met in June 2008, established a process by which they may assess equivalency. The Open-ended Working Group of the Basel Convention is due to carry out a preliminary assessment of whether the ship recycling Convention establishes an equivalent level of control as that established under the Basel Convention. The results of this assessment will be transmitted to the tenth meeting of the Conference of the Parties, which is due to be held in 2011.
- 26.** Document ILO/IMO/BC WG 3/2/2 also outlined actions taken by the Secretariat of the Basel Convention on technical assistance. The Basel Convention Technical Guidelines for the Environmentally Sound Management of the Full and Partial Dismantling of Ships had been translated into the languages of the main ship recycling nations to facilitate their implementation. Furthermore, over the past year, the Secretariat had been in close collaboration with the Secretariats of the IMO and ILO to develop the Global Programme for Sustainable Ship Recycling which seeks to improve the occupational safety and health and environmental conditions in ship recycling countries by promoting the implementation of the guidelines of the three organizations and the draft Convention.
- 27.** The representative of the ILO presented document ILO/IMO/BC WG 3/2/3, which reported on the activities of the ILO on shipbreaking, following the last session of the JWG. The ILO Guidelines on Safety and Health in shipbreaking for Asian countries and Turkey, which was prepared following tripartite discussions between governments, employers and workers, had been translated into the local languages of the shipbreaking countries.
- 28.** Furthermore, the ILO gave technical assistance to the Safe and Environment Friendly Ship Recycling Project, which was funded by the UNDP, and implemented by the Government of Bangladesh. The Project reported that it had achieved a number of accomplishments: a baseline survey was completed; a group of trainers were trained; nearly 6,000 workers, supervisors and others received basic training; and some protective equipment had been acquired. Furthermore, a tripartite delegation conducted a study tour in China.
- 29.** Finally, document ILO/IMO/BC WG 3/2/4 was introduced by the Chairperson, which provided information on the activities taken by each of the three organizations on ship dismantling, between March 2006 and the present.
- 30.** The Worker member from India stressed that the workers were important stakeholders in this process. He described activities taking place in India with a shipbreakers' union comprised of nearly 5,000 members. Such workers were given training on basic first aid, leadership development and migrant workers' issues. He advised that ILO Guidelines which had been translated and published in Hindi had been helpful to workers in India. He further stressed that workers should be part of any workshops organized by the IMO.
- 31.** The representative of the Government of the United Kingdom requested further information on the outcome of workshops and seminars organized by the respective organizations.

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32. In reply, the representative of the Secretariat of the Basel Convention informed the meeting of a workshop organized in Bangladesh in January 2008. The workshop sought to bring stakeholders together to discuss proposals for the development of a Global Programme for Sustainable Ship Recycling. Feedback provided at this workshop was used to further develop and refine the project concept.
  33. The representative of the Secretariat of the IMO advised the meeting that two workshops had been held. The first meeting was a regional seminar and workshop held in Zhu Hai, China in February 2007, to discuss the draft Convention and guidelines. The second event was a national workshop held in Mumbai and Alang, India, in January 2008. The purpose of this meeting was to understand the views of Indian stakeholders with regard to the development of the draft Convention. Mr Mikelis noted that this national seminar was very timely, given the recent decision of the Supreme Court of India on the ship dismantling.
  34. The Chairperson drew the Working Group's attention to the following paragraphs for action: paragraph 23 of WG 3/2/1, paragraph 11 of WG 3/2/2, paragraph 13 of WG 3/2/3 and paragraph 3 of WG 3/2/4. The JWG agreed to proceed as proposed in the paragraphs for action, and to take into account the information provided in its deliberations.
  35. Mr Sveinung Oftedal (Norway) made a presentation on the development of the draft International Convention for the Safe and Environmentally Sound Recycling of Ships.
  36. Mr Oftedal reminded the meeting that the target date for the consideration and adoption of the draft Convention was set for the biennium 2008–09. He also recalled that the Instrument was intended to facilitate safe and environmentally sound recycling, the operation of ship recycling facilities in a safe and environmentally sound manner, and the establishment of appropriate enforcement mechanisms for ship recycling.
  37. Mr Oftedal further recalled that Norway had submitted a first draft of a new free-standing Convention to MEPC 54 in March 2006 and this is presently being negotiated upon to be completed for adoption at a diplomatic conference, 11–15 May 2009, Hong Kong, China.
  38. Mr Oftedal presented the structure, and some of the main provisions of the draft Convention. In particular, Mr Oftedal drew the attention of the meeting to elements of the preamble of the draft Convention in which reference was made to (i) the precautionary approach, as adopted by the MEPC in 1995; (ii) the need to promote the substitution of harmful materials in the construction and maintenance of ships by less harmful or preferably harmless materials; and (iii) the role of the ILO and the Basel Convention.
  39. Mr Oftedal pointed out that the articles of the draft Convention established the main legal mechanisms, and briefed the meeting on the significance of a number of these articles. He noted that article 17 on the entry into force of the Convention, will be decided at the diplomatic conference.
  40. Mr Oftedal then explained the role of the Regulations, as set out in the annex to the draft Convention. These include, inter alia, Regulation 3 which deals with the relationship of the Convention with other standards, recommendations and guidance. He also noted the appendices, which include controls of hazardous materials; and forms of relevant certificates and other documents. He further introduced the draft list of Guidelines to the Convention, in particular drawing the attention of the Guidelines for the inventory of hazardous materials and Guidelines for the authorization of ship recycling facilities.
  41. Mr Oftedal concluded by identifying possible follow-up actions to the diplomatic conference. He identified that a first priority would be the development of the Guidelines to the Convention, which would establish the procedures needed in order to enable

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compliance with the requirements in a uniform manner. He also highlighted that the Guidelines would not establish additional requirements.

42. Mr Oftedal closed his presentation by thanking everybody for their attention, and observed that the international community was on course to completing the development of the International Convention on the Safe and Environmentally Sound Recycling of Ships.
43. The Chairperson thanked Mr Oftedal for his presentation and opened the floor for comments.
44. The Worker member from India asked for clarifications on the role of the “cash buyer” under the draft Convention.
45. Mr Oftedal commented that this matter had been discussed in the drafting stages of the Convention, and noted that “cash buyers” might be considered to become shipowners as soon as they buy the ship and therefore they have to fulfil the obligations as stipulated in the draft Convention.

### **3. Joint technical cooperation projects**

46. In turning to the next item on the agenda, the Chairperson invited the representative of the Secretariat of the Basel Convention to introduce document ILO/IMO/BC WG 3/3/1.
47. The representative of the Basel Convention noted that the document outlined the development of the Global Programme for Sustainable Ship Recycling, which was an initiative developed by the Secretariats of the IMO, ILO and Basel Convention. She stressed the draft nature of the document and urged participants to provide guidance and recommendations on how it might be enhanced. She recalled that the first two meetings of the JWG recommended that the three Secretariats make efforts to enhance coordination and cooperation in developing technical assistance programmes for ship recycling. The document attempts to respond to that request and is consistent with the “One UN” approach, which called for a coherent and integrated approach when addressing the needs and priorities of countries.
48. She further noted that the Programme’s ultimate objective was to facilitate implementation of the International Convention for the Safe and Environmentally Sound Recycling of Ships and related guidance, with a view to improving the occupational safety and health and environmental conditions in the industry. She stated that this proposal encouraged collaboration amongst a wide array of stakeholders, to move towards the common goal of improving standards. Referring to the potential activities which might be undertaken under the Programme, she highlighted the development of model facilities, encouraging dialogue on policy development to facilitate compliance with the new Convention and practical actions such as training and workshops.
49. The representative of the Secretariat of the Basel Convention underscored that consultations, held earlier this year in Bangladesh and India, helped the Secretariats further refine the concept of the Global Programme. On the basis of stakeholder feedback, the Secretariats developed an organizational structure for the Global Programme, based on the premise that activities undertaken through the Programme should be country-driven and coordinated with planned and ongoing initiatives sponsored by other entities.
50. She noted that the approach of the Programme was based on four fundamental principles: (i) a life-cycle approach; (ii) inclusion; (iii) collaboration; and (iv) continuity, recognizing that the Programme should build on the work done so far. She stated that the five

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suggested activities were not to be considered as prescriptive, but rather as ideas of the type of activities that could be promoted at the country level.

51. The representative of the Secretariat of the Basel Convention added that the Global Programme was intended to establish a platform for exchange of experiences and activities promoted by the stakeholders. It should be seen as a mechanism to avoid the risk of duplication and as an instrument for the Secretariats to facilitate coordination, cooperation and exchange of good practices.
52. Referring to Annex 1 of document ILO/IMO/BC WG 3/3/1, she further explained that the proposed organizational structure was divided into two levels, on one side national implementation, where responsibilities were assumed by the participant country, and, on the other, a global advice and coordination level which was envisaged rather as an advisory mechanism. She highlighted that the decision-making powers and the responsibility for the implementation of activities would reside within the national implementation arm of the Programme. It was proposed that a governing committee oversee work undertaken at the national level, assuming responsibility for strategic decision-making and policy formulation, and that a national implementation team be responsible for development and execution of the work programme.
53. Referring to Annex 3 of document ILO/IMO/BC WG 3/3/1, she called the attention of the meeting to the list of proposed stakeholder consultations. She concluded by encouraging participants to provide feedback for the further development of the Programme, in particular with respect to the proposed organizational structure, the value of the document, and how it might be improved.
54. The representative of the IMO stressed the importance of this Programme. He stressed that the Programme might serve as one of the main instruments to keep the collaboration and activities of the JWG going.
55. The Chairperson then invited presentations from two Employer members on their activities in respect of the issue of ship recycling.
56. The Employer member from the ICS informed the meeting that the Industry Working Group on Ship Recycling had published an Industry Code of Practice 2001 which served as a guidance document to encourage improved practices when selling ships for scrap and remains valid even today.
57. He stressed the necessity of taking interim measures before the Convention enters into force and identified some principles for such measures. Firstly, he stressed that the IMO Convention must be the focus of the efforts. Secondly, he stated that unilateral efforts were unlikely to succeed and could only perpetuate current practices by making stakeholders suspicious of declaring their proper intentions through fear of liability. Thirdly, he stated that there was a need to be practical and reasonable in whatever interim measures were undertaken, to allow the Convention's provisions to be enforced in good time.
58. He further noted that the Industry Working Group on Ship Recycling agreed to develop provisional interim measures immediately from which further best practice guidance could be developed at a later stage and presented a list of five interim measures that shipowners could realistically carry out.
59. He also identified the development of best practice guidance on how to sell ships and development of inventories of hazardous materials and their application in recycling facilities as possible next steps.

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60. The Employer member from BIMCO continued with a second presentation. He emphasized that his organization, BIMCO, supported the draft Convention on ship recycling and the interim measures should be focused on the draft Convention.
  61. He then introduced the DEMOLISHCON, a standard contract for sale of vessels for demolition and recycling. This document was drafted in broad consultation with the industry and it was a workable document that the commercial parties can safely rely upon. He furthermore stated that BIMCO would consider the revision of the standard contract on ship demolition and recycling, when the ship recycling Convention was adopted.
  62. The Chairperson then invited a presentation from a Worker member on his organization's activities relating to ship dismantling.
  63. The Worker member from the IMF provided an overview of the conditions of ship dismantling in India and Bangladesh. He noted that nearly two-thirds or more of ships, weighing over 2,000 deadweight tons, were being dismantled on the beaches of the Indian subcontinent and that shipbreaking is an important source of raw materials in South Asia.
  64. He reminded the meeting that the shipbreaking industry is a dangerous one. Due to the nature of the industry there are no accurate figures on the number of deaths or injuries. Workers are often recruited from poor agricultural areas and are unskilled to work in the industry. The yards do not have the capacity to deal with hazardous materials.
  65. He continued that workers are employed through contractors or subcontractors on a day-by-day ad hoc basis, and thus did not have any bargaining power. They also suffered from harassment from anti-social elements. He also stated that there is a failure to apply and enforce national laws.
  66. He informed the meeting that an International Metalworkers' Federation (IMF) project had recently been completed, and unions had been established in Mumbai and in Alang. There were plans to start organizing a union in Bangladesh. The union in Mumbai has been providing a clean water supply and limited first aid.
  67. A representative of the Government of the Bahamas commented that the presentation showed the real situation. He inquired if any changes were anticipated on the ground following the adoption of the draft Convention.
  68. The Worker member from the IMF replied that if the draft Convention is mandatory there will be some improvements.
  69. The Government member from Norway inquired into the changes witnessed in India following the Supreme Court decision.
  70. The Worker member from India informed the meeting that some changes had been witnessed. In particular, he noted that a union had been established in Alang, and all employees were now required to have basic training.
  71. The representative of the NGO Platform on Shipbreaking was then invited to provide an overview of the platform and its work. The platform was finalizing a report on downstream waste management in Aliaga, Turkey, which followed up on an earlier Greenpeace report, and developing green standards for ship recycling. In this regard, she stressed that these green standards were being developed in a realistic way that would allow current existing facilities to eventually comply with them. She pointed out that NGOs involved had experienced problems in accessing the shipbreaking yards in India.

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72. In response to a question by the representative of the Government of the United Kingdom, the representative of the NGO Platform on Shipbreaking clarified that their suggestion that only shipowners should pay into the ship recycling fund, followed the “polluter pays” and “producer responsibility” principles.
73. In response to a question by the representative of the Government of Norway, the representative of the NGO Platform on Shipbreaking explained that child labour was a general problem in Bangladesh. Shipbreaking was, however, an extremely hazardous industry and no person under 16 was allowed to work in the yards under existing Bangladeshi law. She added that the existence of international registers such as “Flags of Convenience” had created a loophole that prevented the markets from complying without regulatory intervention.
74. The Worker member from the IMF informed the meeting that a conference on shipbreaking was due to be organized by the IMF in 2009, and invited participation therein. The Conference would aim to develop a checklist of basic minimum standards that recyclers should adhere to for the IMF to recognize them as responsible employers.
75. The Chairperson then invited the meeting to provide comments on the proposals on the Global Programme as contained in document ILO/IMO/BC WG 3/3/1.
76. In response to the question by an Employer member from BIMCO on the amount of resources required for the Global Programme to be carried out, a representative of the Secretariat of the Basel Convention explained that expected contributions were not always of a financial nature but could, for example, take the form of knowledge transfer. The Global Programme outlined did not constitute a call for funds, but provided an opportunity for organizations to commit themselves to working together on the issue.
77. The Chairperson recalled the Global Programme was an umbrella under which any work coming from the Working Group’s mandate could be conducted in the future and would not replace each organization’s respective technical cooperation system.
78. The Government member from Norway said that his delegation gave great importance to technical cooperation to achieve the Working Group’s goals. It was important that the Secretariat would coordinate between potential donors and recipients and the proposed Global Programme was a good basis for this effort. The speaker endorsed the paper, but suggested that paragraph 9(iii) of the document might be amended to also include reference to capacity building. He observed that the part dealing with organizational details seemed too ambitious and complicated and needed to include examples.
79. The Government member from the United Kingdom supported the Global Programme in general and considered that it was important that work was not duplicated. She pointed out that the proposed stakeholder advisory committee might become too large. Alternatively, an advisory group that would report to the Secretariat should be considered.
80. The Government member from the United States thanked the Secretariat for the comprehensive document and supported the proposal in principle. He supported capacity-building efforts for shipyards, but wondered whether the proposed organizational structure appeared too complex. Finally, he suggested that countries that had experience in safe and environmentally protective shipbreaking should be encouraged to share their know-how with others.
81. The Worker member from the United Kingdom supported the paper, but wondered why no mention was made of the ship dismantling industry in Turkey. He also suggested that a further possible activity be included, by which governments would establish a list of ship recyclers that complied with minimum standards. He also suggested that the ship

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dismantling fund should be used for technical cooperation as well as broader information exchange. Finally, worker representatives should be included in the national implementation teams, and Global Union federations under the stakeholder advisory committee.

- 82.** The Government member from the Netherlands thanked the Secretariat for a very thorough job, but cautioned that the JWG needed to be careful not to create an overly bureaucratic machinery.
- 83.** The representative of the IMO added that the Secretariats had tried to give continuity to its mandate to participate, if possible, in other organizations' work. The paper represented an improved, more integrated approach. It was a request to the JWG on whether it deemed it appropriate for each organization's governing bodies to be asked whether the three organizations should work on a programme together, while giving donors the discretion in relation to which organization would be involved.
- 84.** A representative of the ILO said that the current exercise was about bringing together the world of the intergovernmental organizations, which was characterized by orderly procedures, and the world of shipbreaking, in which informality was the rule, rather than the exception. The Global Programme was proposed to demonstrate that collaboration was possible (between international organizations) and encourage it on all levels (including between different ministries). While not every single action needed to be coordinated, it was important for the three organizations to be aware of each other's activities.
- 85.** The Worker member from the United Kingdom deemed the paper a good foundation to build on and endorsed it.
- 86.** The Government member from Norway said that the proposal would benefit from a more open and generic approach. Since it had as its purpose to trigger activities, he suggested that, in the section on activities, the elements of the Convention be included and that an annex to the document should be added that would contain descriptions of typical projects which might be conducted by each organization.
- 87.** The Government member from France supported the previous speakers' statements and favoured coordination between the three Secretariats. In relation to the target participant countries, she suggested that the programme needed to be open to address new facilities that might be established in the future in other countries.
- 88.** A representative of the Secretariat of the Basel Convention explained that the target participant countries mentioned were the three countries which had faced considerable difficulties, and in which most of the work was being carried out.
- 89.** The Government member from China endorsed the Global Programme but wanted to include China in the list of participant countries. He did not support the reference to certification of standards as a possible activity under the programme, since there was no need for such schemes. Finally, he thought that the organizational structure proposed would be too complicated.
- 90.** The Chairperson suggested the following decision point to the JWG:

The Joint Working Group:

- (1) agreed to support the general approach of the three Secretariats regarding the development of the Global Programme for Sustainable Ship Recycling, as set out in document ILO/IMO/BC WG 3/3/1;

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- (2) encouraged members and observers participating in the Working Group to submit further comments to the Secretariats in writing, before 31 December 2008, to assist them in developing the Programme further;
  - (3) called on Secretariats to continue to report to their respective governing bodies on progress made.

91. The Joint Working Group adopted the decision as formulated.

#### **4. Interim measures to be taken prior to the entry into force of the Convention**

92. Turning to agenda item 4, the Chairperson drew the attention of the meeting to the two documents (WG 3/4/1 and WG 3/4/2) submitted by France and the European Commission, respectively. The Chairperson gave the floor to the respective representatives to present their submissions.
93. A representative of the Government of France indicated that her Government considered it appropriate to draw the attention of the JWG to a proposal for a coordinated approach during the interim period prior to the entry into force of the IMO Convention on ship recycling. She noted that this was an important subject and that this meeting provided the first opportunity to discuss it.
94. A representative of the Government of France observed that the sooner the ship recycling activities improve in safety and in environmental performance, the better. France thus suggested the implementation of the requirements of the Convention for the provision of the inventory of hazardous materials to all existing ships prior to recycling. It was then suggested that the most efficient way of implementing such a requirement in the interim period would be for some of the major recycling countries, on a regional or international basis, to agree to require that all ships, prior to being recycled in these countries, should have a valid inventory of hazardous materials.
95. The representative of the European Commission stated that it attaches great importance to the improvement of global standards in the ship recycling industry and recalled the major steps taken by the Commission in this respect. In May 2007, the European Commission adopted a Green Paper on better ship dismantling. This paper sets out a range of possible measures to contribute to safer and more environmentally sound treatment of end-of-life ships worldwide. An EU ship dismantling strategy was envisaged to be adopted by the end of 2008. The Commission had also undertaken a study on ship dismantling and pre-cleaning of ships and would launch a study of possible options for a Community ship dismantling legislative initiative, and the possible establishment of a shipbreaking fund by the end of 2008.
96. The Chairperson then opened the floor for discussion.
97. The Employer member from the ICS noted that the proposal from France could be developed into a more workable one. He observed that the Industry Working Group on Ship Recycling had urged shipowners to make inventories of hazardous materials.
98. The Government member from Norway stated that all requirements should be based on the Convention. He further emphasized that the Government should pursue an active dialogue, especially with the industry.

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- 99.** The Government member from the United Kingdom stated that interim measures should not detract from the work of developing the Convention. She suggested a resolution on voluntary implementation to be adopted by the diplomatic conference; furthermore, she suggested that the Group could give guidance to the secretariats on technical cooperation activities: what, where and how?
- 100.** The Government member from Japan pointed out that MEPC 58 established a correspondence group to further develop the two guidelines on inventory of hazardous materials and on ship recycling facilities. He supported the suggestion that a resolution could be adopted at the diplomatic conference on voluntary implementation of the requirements of the Convention pending entry into force.
- 101.** The Government member from the United States supported France's concept of early application of shipboard provisions, if applied to all parties in a balanced manner, and stressed that any two-stage implementation should be done in line with the requirements of the draft Convention.
- 102.** The Government member from the Netherlands stated his support to the proposals submitted by France. He added that the interim measures should not conflict with the draft Convention.
- 103.** A representative of the Government of Denmark supported the Netherlands' comments and considered that requiring the inventory of hazardous materials could be a step forward. She further suggested that another interim measure could be the upgrading of ship recycling facilities. To achieve this, guidance and technical cooperation would be needed. She pointed out that there were already useful guidelines developed by the ILO and the Basel Convention.
- 104.** A representative of the NGO Platform echoed the views expressed by Denmark on the need to upgrade ship recycling facilities. She also urged the shipping industry to be more transparent, as keeping track of ships proved very difficult. She suggested that the IMO should supply data on all old vessels with the name of the previous and current owners, the year the ship was built, and the name of the flag State.
- 105.** A representative of the Government of Malta concurred with the Government of Denmark's comments with regard to the need to upgrade ship recycling facilities. He emphasized that steps should be taken by both flag States and recycling States. He further supported the adoption of a resolution by the diplomatic conference to invite voluntary compliance pending entry into force and requested the IMO secretariat's guidance thereon.
- 106.** The Government member from Norway inquired as to how the requirement of the inventory of hazardous materials as an interim measure might be put in place. What, for example, would the recycling yard do with the inventory? He stressed the need for industry-to-industry consultations and industry partnerships.
- 107.** A representative of the NGO Platform on Shipbreaking stated that workers, their trade unions as well as NGOs should be involved in the discussions on interim measures.
- 108.** The Government member from China raised five issues. Firstly, he observed that the volume of ship recycling was anticipated to peak in the year 2010 in light of the phase out of single hull oil tankers. Thus, interim measures should be introduced as a matter of urgency, and should be efficient and effective. Secondly, interim measures should not be in conflict with the draft Convention. Thirdly, the suggested resolution could encourage transparency with the flag State and the recycling State. Fourthly, the existing Guidelines are beneficial to ship recycling and they should be used in the interim measures. Finally, he stated that technical cooperation should be complementary to any interim measures.

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- 109.** The Worker member from India observed that the workforce in ship dismantling yards had shrunk. He noted that while previously the workers were exploited, they now were starving due to loss of jobs. He urged the application of the ILO Guidelines, relevant national laws and relevant decisions of the Supreme Court of India in the yards.
- 110.** At the request of the Chairperson, the representative of the European Commission briefly explained the proposals for possible interim measures, as appearing in the annex of document ILO/IMO/BC WG 3/4/2.
- 111.** The Government member from Norway emphasized the importance of avoiding confusion with the different guidelines. He commended the ILO Guidelines, as these had been translated into the local languages of recycling States. However, he stressed that these guidelines should be taken over by the IMO Convention and its Guidelines; and that the other guidelines could be used as appropriate.
- 112.** The Government member from the United Kingdom supported China's proposals as a way forward. She also underlined the importance of technical assistance in upgrading facilities, research and early ratification of the Convention.
- 113.** The Employer member from the ICS believed that the IMO Convention would take primacy and be the regime for ship recycling. He observed that the issue of ISO standards remained a thorny issue, but that they could prove useful in the future, if they properly reflected the Convention. He further emphasized that of every measure to be taken an analysis should be made on the effects on the industry.
- 114.** The Government member from Japan observed that many of suggestions made by the European Commission in the annex of the document presented by the European Commission would be useful. In respect of the issue of standards he referred to the concerns expressed at MEPC 58 about ISO standards, as they duplicate work and were only business-to-business standards.
- 115.** The Government member from the United States stated that the application of the Basel Convention and technical guidelines, even temporarily, would be of concern, as it might create legal issues to those States not party to the Basel Convention.
- 116.** A representative of the Government of the Bahamas recalled that 97 per cent of the world ship recycling volume was recycled by five countries. He therefore considered that efforts to implement interim measures should be concentrated in these States.
- 117.** The representative of the ILO sought to address comments as to whether everything relating to ship dismantling should be dealt with by the IMO. He pointed out that the ILO had had a lot to say on this topic throughout the process. He noted that Article 15 of the draft Convention stated that the Convention would be without prejudice to other international obligations. Accordingly he stressed that other standards, including ILO standards, would remain applicable after the entry into force of the draft Convention.
- 118.** The Worker member from the United Kingdom supported the application of the ILO Guidelines. He stressed that it was important to implement the outcomes of the previous two meetings of the JWG as soon as possible so as to ensure that the recommendations were not diluted.
- 119.** The Chairperson invited comments from the participants as to whether a distinction should be drawn between the notion of "interim" and "short-term" measures.

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120. The Government member from Norway explained his understanding, in that “interim” and “short-term” measures were to be applied prior to the entry into force of the Convention. He noted that when the Convention entered into force, the period of improvement would continue. Such improvement activities could be considered to be “short-term” measures.
  121. The Government member from the Netherlands considered that by defining the terms on the basis of a timeline would serve to distract from the primary emphasis which should be to ensure that people took their responsibility and that action was taken. He stated that it was more relevant to emphasize the responsibility of what needed to be done, rather than to discuss whether it should be done prior or after entry into force of the Convention.
  122. The Employer member from the ICS shared the views expressed by the Governments of Norway and the Netherlands. He considered that it was first necessary to identify the measures that needed to be taken, prior to determining the time frame for implementation.
  123. The Government member from the United Kingdom added that the very nature of the recommendations would dictate the timescale for their implementation. There was thus no need to pinpoint a specific date for each measure.
  124. The Government member from Norway pointed out that once the Convention was adopted, all States would have a better sense of what might need to be done in the interim period. He thus considered that the interim term covered the period between the present time and the entry into force of the Convention.
  125. The Chairperson invited comments on how inclusive any recommendations of the JWG should be. Referring to an intervention by the Government representative of the Bahamas, he inquired as to whether interim measures should be available to all, rather than the five key ship recycling States.
  126. The Government member from the United Kingdom noted that, while at the present time, only a few States recycled a large proportion of the volume, the current economic climate might induce changes in the market. She considered that interim measures should be available to anyone requiring assistance.
  127. The Chairperson confirmed that interim measures were to facilitate entry into force without a timeline and would be available to all.
  128. At the request of the Chairperson, the representative of the IMO explained that there had been numerous occasions where the IMO provided for voluntary implementation prior to entry into force. He cited, as an example, the call for implementation in respect of the phase-out of single-hull tankers.
  129. The representative of the IMO also clarified that when the Government representative of the Bahamas was speaking of the five main ship recycling countries, he was referring to volume based on tonnage. If consideration was given to the number of ships recycled, this would include many smaller ships and the list of countries would be different.
  130. The Government member from the Netherlands emphasized that the current financial situation might serve to change the availability of ships for recycling, and may serve to open up opportunities for green recycling.
  131. The Government member from Norway drew the attention of the JWG to the fact that it would be reporting to the governing bodies of each of the three organizations. It would thus be difficult for the JWG to report directly to the diplomatic conference.

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- 132.** The Chairperson confirmed that any proposed recommendations from the JWG directed to the IMO, ILO or Basel Convention would go to the next relevant of those meetings. This would entail that there was insufficient time to inform the process of the diplomatic conference. He also reminded the Group that the terms of reference of the JWG were to make recommendations, not substantive decisions. If there were proposals for resolutions to be made at the diplomatic conference, they would have to come from parties present at the Conference participating in the adoption process.
- 133.** The Government member from Norway stressed that, while the diplomatic conference was very important, there were several other opportunities to take decisions and decide on interim measures in a uniformed approach through different forums.
- 134.** The Chairperson sought to categorize the meeting's discussions on interim measures, as addressing (a) the criteria for such interim measures; and (b) recommendations for practical action for the implementation of interim measures.
- 135.** The Chairperson noted that ten points had been raised which might be classified as criteria for interim measures. These were: (i) the basis of interim measures should be the requirements of the Convention, and other instruments could be taken into consideration as appropriate; (ii) it was preferable that any such measure should be implemented jointly by parties and other stakeholders, to ensure they acted in a concerted manner; (iii) governments should engage in active dialogue with all groups, and dialogue should also be held between groups; (iv) efforts should be made to avoid conflict with progress towards the full implementation of the new ship recycling Convention; (v) any proposals should be clear, straightforward, efficient and effective in nature; (vi) where appropriate, proposals should be supported through resolutions of the diplomatic conference; (vii) it might be appropriate to provide guidance, through the appropriate bodies, to the secretariats for fulfilling their role and function; (viii) account should be taken of existing guidelines that could be of assistance; (ix) the urgency of the impact of programmes, such as the time line for the phase-out of single-hull tankers should be taken into account; and (x) any guidance or information should be available in the relevant languages.
- 136.** The Chairperson further sought to summarize points raised by the meetings which might constitute recommendations for practical action for the implementation of interim measures. The Chairperson identified seven points which had been raised by the meeting: (i) the voluntary application of the requirement for the inventory of hazardous materials; (ii) the possibility of holding workshops and discussion forums to improve the understanding of the Convention and means of implementation; (iii) the possible development and implementation of incentive schemes; (iv) the development of awareness campaigns; (v) the development of research programmes that would enhance knowledge and understanding and the development of technology; (vi) the development of standards; and (vii) the elaboration of how existing guidelines might be taken into account.
- 137.** The Chairperson invited the participants to comment on these elements for possible recommendations from the Group.
- 138.** A representative of the Government of France pointed out that in respect of the sixth point under the criteria for interim measures, such proposals could be also supported by resolutions of other conferences, such as the MEPC.
- 139.** The Government member from the United Kingdom expressed concern that some of the points for the proposed action for interim measures might overlap with the Global Programme which would be latterly discussed by the meeting.
- 140.** The Government member from Norway stated that the first point on the criteria for interim measures was that they should be based on the standards established in the Convention. He

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stated that it was unclear what was intended by the phrase “development of standards” under the practical action points.

141. The Government member from Japan also expressed concern regarding the definition of the term “standards”, in the event that it might include the processes of the ISO. He indicated that this point should be deleted.
142. A representative of the Government of Malta agreed with the points raised by the Governments of Norway and Japan, that the reference to the development of standards should either be further elaborated, or then deleted. He also suggested that consideration should be given as to whom the practical actions were addressed. In particular, consideration should also be given as to who would be responsible for elaborating on how existing guidelines could be taken into account.
143. A representative of the Government of Denmark said that during the discussions the Chairperson had mentioned the possible inclusion of a further practical action point on upgrading recycling facilities. She stated that it was also important to elaborate on how existing guidelines might be taken into account, since it was important to use available knowledge that could be applicable in new circumstances.
144. A representative of the Government of the Bahamas expressed his concern over points (ii)–(vi) of the practical action points, as he considered that these required extra funding and entailed the extra human resources. All these points required practical proposals for implementation.
145. A representative of the NGO Platform on Shipbreaking said that reference should be made to upgrading existing recycling facilities in the practical action points. She considered that this action point should be classified as urgent, and efforts should be made before the Convention entered into force. She also considered that transparency in the shipping industry should also be enhanced. With regard to additional funding requirements, a recommendation could be made to the effect that funding should come from an eco-dismantling fund with contributions from shipowners.
146. A representative of the Government of Turkey suggested that the pilot projects were one of the most useful ways to understand the applicability of interim measures, and the new Convention, and should thus be included as a possible action point.
147. The Government member from Norway pointed out that the list being compiled constituted a set of recommendations, since very few States would be able to achieve full implementation of the Convention immediately upon its entry into force. Most States required updating activities of some kind to come into line with the standards of the Convention. On the issue of workshops, he said that the secretariat of the IMO had stated that workshops and discussion forums were useful, since they provided an opportunity to exchange experiences and actions undertaken to improve the implementation of the Convention. Such activities could be organized by organizations or parties. He supported the request of the Government of Turkey to include a reference to the experience gained through pilot projects.
148. The Government member from the Netherlands said that interim measures should be practicable and, in that regard, the use of the term “upgrade” was problematic, since it might not be practicable or appropriate to upgrade all recycling facilities. While it was important to hold workshops, consideration should also be given to what measures were taken to follow up on the outcome of those activities. He agreed that the reference to pilot projects was particularly relevant, and should be included in the list.

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- 149.** The Employer member from the ICS expressed his group's sympathy with the statement made by the Government representative of the Bahamas. He suggested that the list of criteria should be considered and weighed against the practical actions proposed for their implementation. Consideration should also be given to who were the key players in each action and what the limitations were on the scope of those actions, in order to establish whether they were feasible. While the discussion on upgrading facilities was interesting, he wondered whether it could be included in the criteria section, rather than practical action. He considered that the proposal for an eco-dismantling fund for which the shipping industry would be levied was unacceptable and beyond the competence of the JWG.
- 150.** The Government member from China emphasized the importance of transparency for the early implementation of some elements of the Ship Recycling Convention. Especially with a view to increasing transparency, consideration should be given to the communication of information, as envisaged by the Ship Recycling Convention.
- 151.** A representative of the Government of France stated that the point on the development of standards should be removed. On the issue of upgrading existing recycling facilities, she said that she agreed that all parties should be given the opportunity to upgrade their facilities. She supported the proposal made by China regarding transparency in the shipping industry as it was envisaged in the Ship Recycling Convention, noting that enhanced transparency did not entail further costs. She also supported the request of the Government of Turkey to include a reference to the experience gained through pilot projects.
- 152.** The representative of the Secretariat of the Basel Convention asked the JWG to provide specific guidance to the secretariats on the technical cooperation functions they should provide.
- 153.** The Chairperson submitted a revised draft recommendation for interim measures for the approval of the JWG.
- 154.** The representative of the NGO Platform was concerned to note that mention was no longer made in the new draft to the possible impact on the market of the phasing out of single-hull tankers.
- 155.** In an interchange of views the Employer member from the ICS pointed out that this phase-out had so far resulted in a large number of vessels undergoing change of use, rather than scrapping, and that it was if anything misleading to mention one particular factor as having an impact on the market. This point of view was supported by the Governments of Norway and of the United Kingdom. The JWG then agreed that the concern expressed in this connection, which was shared by the Government member from China, should be duly recorded in the report of the Working Group.
- 156.** The Government member from Denmark strongly urged that a paragraph be included in the "measures" section of the list as follows: "States take into account relevant guidelines when addressing ship recycling issues". Other members of the JWG felt that this issue had already been adequately covered in the recommendations. Other Government members felt that the inclusion of this paragraph would detract from the clarity of the text.
- 157.** The Government member from Denmark explained that existing guidelines could be of great assistance during the period leading up to entry into force of the Ship Recycling Convention. The ILO guidelines were of great relevance to protecting the safety and health of workers; the Basel Convention guidelines would likewise be useful in respect of disposing of hazardous waste, such as PCB containing oil. She pointed out that it was certainly a better idea to follow the Basel Convention guideline on disposal of this substance, rather than to try to invent a new method.

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- 158.** The JWG agreed to include a paragraph in the “measures” section to read: “States make reference to relevant guidelines”.
- 159.** The Government member from France expressed regret that a paragraph had been removed from the new draft recommendations. This paragraph, urging parties to incorporate the provisions of the Ship Recycling Convention, with specific reference to the relevant guidelines, into their domestic legislation as soon as possible, adapting their national legislation accordingly, was considered as a very useful positive signal. She agreed to this deletion if her concern was duly recorded in the report of the JWG.
- 160.** The Joint Working Group adopted the following recommendations:

**Recommendations for interim measures from the  
Joint ILO/IMO/Basel Convention Working Group  
on Ship Scrapping (Third Session)**

The Joint ILO/IMO/Basel Convention Working Group on Ship Scrapping at its Third Session held at the ILO, Geneva, from 29 to 31 October 2008 with respect to proposals for interim measures prior to the entry into force of the International Convention for the Safe and Environmentally Sound Recycling of Ships (the “Ship Recycling Convention”) recommends that interim measures should:

- (1) be based upon the requirements of the Ship Recycling Convention and relevant aspects of technical guidelines;
- (2) be implemented jointly by States and others;
- (3) recognize the urgency of improving the situation of workers in ship recycling yards;
- (4) encourage governments to engage in active dialogue with the social partners (employers’ and workers’ organizations) and other stakeholders;
- (5) not conflict with the work of States towards implementation of the Ship Recycling Convention;
- (6) be clear, concise, efficient and effective;
- (7) be supported by States through the adoption of resolutions in appropriate forums for the voluntary implementation of the Ship Recycling Convention;
- (8) include clear guidance to the Secretariats with regard to the technical cooperation functions they should perform;
- (9) recognize the continued value of existing guidelines;
- (10) take account of the need to communicate relevant and applicable guidelines and information in the appropriate languages;
- (11) take into account the numerous factors impacting on the market;
- (12) be acted upon without delay and not restricted by time limits;
- (13) be available on a global basis;
- (14) assist States in ratifying the Ship Recycling Convention as soon as possible;

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(15) with a view to increasing transparency, take into account communication of information, as envisaged by the Ship Recycling Convention.

**161.** To facilitate the implementation of interim measures, the Third Session of the Joint ILO/IMO/Basel Convention Working Group on Ship Scrapping identified the following possible measures, subject to the availability of resources and appropriate coordination between stakeholders as described in paragraph 4 above:

- (i) the voluntary application of the provisions concerning the inventory of hazardous materials by flag States, shipowners, ship recycling States and ship recycling facilities;
- (ii) States make reference to relevant guidelines;
- (iii) workshops on the requirements of the Ship Recycling Convention and on relevant aspects of existing technical guidelines with all relevant stakeholders;
- (iv) consideration be given by stakeholders to incentive schemes;
- (v) awareness campaigns to inform the public, workers and industry;
- (vi) development of research programmes, for example on innovative technologies and processes;
- (vii) programmes for technology transfer and exchange of best practice information;
- (viii) promotion of pilot projects to facilitate the implementation of the Ship Recycling Convention;
- (ix) technical assistance to developing countries for the upgrading of ship recycling facilities in relation to workers' health and safety and environmental protection;
- (x) cooperation of stakeholders in joint projects to improve and ensure adequate ship recycling capacity and improve implementation of existing legislation and technical guidelines.

## **Videoconference with Mr Milen Dyoulgerov of the World Bank**

**162.** The Chairperson then invited Mr Milen Dyoulgerov of the World Bank, joining through videoconference, to give a presentation on the World Bank's involvement in activities relating to the ship recycling industry in South Asia. The World Bank's objective in the region was to assist the Governments of Bangladesh, India and Pakistan to become internationally competitive and profitable and to optimize the reduction of the significant pollution linked to the industry.

**163.** Mr Dyoulgerov noted that efforts to strengthen the industry should take place at the regional level, and the forthcoming IMO Convention could be used in that regard. At the same time, regional competitiveness should be preserved. While regulatory efforts were quite advanced, there remained a lack of empirical data on the socio-economic and environmental sides of the industry. The donor coordination to address spreading pollution had been exemplary, and it was hoped that the process would continue and expand.

**164.** The role of the World Bank was to contribute on the basis of its competitive advantages, and to recognize the economic aspects of the industry, as well as the social and

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environmental aspects. The Bank could contribute its convening powers, broad economic and cross-sectoral technical expertise, and access to critically needed financing. It hoped to work together with other organizations to achieve a market-based approach, which focused on sustaining the industry. Its initial focus was to build an adequate knowledge base in preparation for follow-up investment assistance. The first step was a government-supported analytical and technical assistance operation to analyse shipbreaking and recycling practices, and establish a partnership system to offer financial, economic and societal incentives to change work practices while preserving and increasing the financial and economic viability of the industry in the country where it was based, and keeping it there if possible, and disrupting the pattern of moving to pollution havens. He added that the situation in each of the countries in question (Bangladesh, India and Pakistan) was different.

- 165.** Further pollution audits were required to establish stable credible baseline data on handling practices, in order to assess environmental compliance with the draft Convention. A different approach was needed for assessing pollution loads, to assess the donor, operational and technical impacts of accession to the draft Convention once adopted. The Bank hoped to have the preliminary results of its economic analysis available by spring 2009, and the final results available by the end of that year. The analysis would form part of the foundation for any future possible financial investment operations, and for foreseeing client requirements from the government and industry perspectives.
- 166.** Donor coordination was essential to plan for the future, particularly in respect of activities to ensure that countries were able to implement the Convention effectively. Consideration was being given to the possibility of establishing facilities to spread the cost of improved compliance along the industry chain. In the medium term, a proposal had been made to establish a facility to jump start the required technical assistance at some national levels, and at the industry level. Regional counterparts and other banks had pioneered private sector financial assistance to cover incremental costs.
- 167.** The Employer member from the ICS inquired as to how much work was being done to investigate upstream reinvestment and its feasibility, and who would be expected to pay into that scheme.
- 168.** Mr Dyoulgerov stated that the mechanisms of that scheme had not been investigated as yet, since it would be a long-term project.
- 169.** The Worker member from Bangladesh sought information on the respective market share of the shipbreaking industry held by Bangladesh and India. Another Worker member from the United Kingdom referred to the opportunities for change in the industry and asked what practical steps were required to achieve this.
- 170.** Mr Dyoulgerov replied that these changes had been influenced by changes in the demand side and regulatory regimes. Practical drivers for change would be convincing governments that it was in their interest to improve standards and provide incentives for industry to meet them half way. Without changes a parallel market could be created and that would undermine the principle of the Convention.
- 171.** The Government member from Norway inquired as to what follow-up work was required to derive funding from the Global Environment Facility (GEF), and whether funding could be expected from this mechanism in the future.
- 172.** Mr Dyoulgerov explained that the GEF was the only source providing incremental funding for global environmental objectives. Funding was limited, highly competitive, and substantial national buy-in was required. The GEF was expanding its work to the private sector. It was also necessary to find a way to bring together bilateral, multilateral and

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national assistance to make the draft Convention a reality and to figure out how to bring efforts together. He suggested that something substantive could be on the ground by 2010.

173. The Government member from the United Kingdom inquired about the sort of needs assessment that was envisaged.
174. Mr Dyoulgerov said that assessment would be needed to get an in-depth understanding of pollution laws, current practices and compliance.
175. A representative of the NGO Platform on Shipbreaking asked whether the World Bank project would look at the problems of migrant workers in ship recycling. She suggested that improved practices could decrease the number of workers employed and asked whether the World Bank would be looking at solutions for these workers.
176. Mr Dyoulgerov said that the social, economic and environmental issues were interrelated and fitted within the broader picture of the World Bank's work. The weight of the World Bank's work was very different in each country and depended on the government's interest. It was an incremental process and part of the World Bank's focus on reducing poverty and improving living conditions.
177. The representative of the IMO asked whether project information would be made available to the Secretariats of the three organizations and members who were working on technical cooperation.
178. Mr Dyoulgerov said that it was their intention to share research results as much as possible. He noted that data and objective information could be easier to share than analytical research that needed to be of high quality to withstand a peer review process.
179. Mr Dyoulgerov thanked the Chairperson for the opportunity to address the meeting and looked forward to continued cooperation in this field.

## **5. Any other business**

180. The Chairperson invited the participants to comment on the possible future of the JWG.
181. The Worker member from the IMF said he believed that there would be a role for the body in future, and it should have the opportunity to meet. Given the Secretariats' proposal for the Global Programme, he observed that the JWG could be well placed to consider the progress made.
182. The Employer member from the ICS said that the Global Programme could serve as an overarching framework for future cooperation, and that the JWG could meet if a compelling need arose.
183. A Government member from Norway said that cooperation between the three Organizations was important however members should be mindful of limitations on resources. He observed that paragraph 3 of the Group's terms of reference could be considered to have been completed, while paragraph 4 might need to be adjusted in light of the future adoption of the Convention on ship recycling. The other elements would be robust over time.
184. The Government members from the Netherlands and the United Kingdom agreed that provisions should be made for the JWG to meet should a specific need arise. The

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Government representative of France agreed, and suggested that the terms of reference required revision.

185. A Government member from the United States noted that the JWG was uniquely positioned to provide advice and direction on future cooperation, for example under the Global Programme.
186. A representative of the Government of the Bahamas stated that the future of the JWG would depend on the outcome of the diplomatic conference for the adoption of the Convention on ship recycling.
187. A representative of the Government of Denmark considered that although the value of future meetings of the JWG could not be assessed at present, since significant developments were likely. However, she noted that the JWG could play a role in addressing possible gaps in future international regulation. She stated that the Group should indicate that it recognized the potential value of future meetings.
188. The Worker member from the IMF said that although the Terms of Reference could not be revised before the diplomatic conference, the JWG should give a clear recommendation on the value of continued cooperation between the three Organizations.
189. The representative of the ILO stressed the added value in continuing cooperation between the three Secretariats in light of their respective competencies and areas of work. He considered that if the Global Programme proceeded as envisaged and the interim measures were put in place, the JWG would have specific items to address in the future.
190. The representative of the IMO said that while he recognized the JWG's considerable achievements thus far, he concurred with Denmark's assessment that a full consideration of the Group's future could not be undertaken at present.
191. The representative of the Basel Convention said that the JWG was a positive forum for the three Organizations to report on progress made under the Global Programme, and to seek guidance thereon. She recalled that the governing bodies of the three Organizations must approve any revisions to the terms of reference. The next meeting of the Conference of the Parties to the Basel Convention was due to meet in June 2011.
192. The Chairperson presented the following summary: while the third point of the terms of reference had been completed, largely owing to significant input from the Government of the United States, the remaining elements were largely fit for purpose and might be refined over time. There was consensus that the work of the JWG had proved beneficial in terms of cooperation and would be likely to do so in future, especially as the new Convention became a reality. There would therefore be future useful work for the JWG to do, although the timing of any such meetings would be regulated by actual needs.
193. The JWG agreed with the Chairperson's summary.

## **6. Adoption of the report**

194. The Worker member from Bangladesh pointed out some inconsistencies in paragraph 28 describing the ILO activities in Bangladesh.
195. The Government representative of the Bahamas inquired as to the inclusion in the report of a presentation on child labour in ship-breaking yards in Bangladesh by the International

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Federation for Human Rights (FIDH), an organization that was not listed as registered for the meeting.

196. The Chairperson confirmed that, while the FIDH was not on the list of registered members, it had been declared that a registration form had been sent. The Secretariat would check the organization's registration status. If the FIDH were considered part of the meeting, their statement would be retained in the report. If not, it would be deleted.
197. The representative of the NGO Platform hoped that the situation could be rectified, as these were important statements to keep in the report.
198. The Government representative of Denmark thought that, since the meeting had received a presentation, it should be reflected in the report.
199. The Worker member from the IMF also agreed that the FIDH presentation should be in the report.
200. The Government member of the Netherlands noted that the meeting had received an extensive presentation by the World Bank, also not listed among the participants.
201. The Worker member from the IMF added that the FIDH presentation contained a number of points that were similar to those made by the Worker members. If the FIDH statement were struck from the record, he wanted to re-address some of those points. He added that the presentation by the FIDH should be treated in the same way as the presentation from the World Bank.
202. The Chairperson explained that the World Bank presentation was a different situation as they had been invited to make a presentation to the meeting.
203. The representative of the NGO Platform stated that, in her view, the FIDH had also been invited to make a presentation and pointed out that the FIDH was a member of the NGO Platform, which was a registered participant. The presentation should be treated in the same way as the World Bank videoconference presentation. If the text were removed, a statement should be attached to the report which indicated that the FIDH was a member organization of the NGO Platform on Shipbreaking and as such had been invited to deliver a presentation to the meeting.
204. The Worker member from the IMF said that the report should reflect that this had been a contentious issue and that the Government representative of the Bahamas had made the suggestion to withdraw these paragraphs.
205. The Government representative of the Bahamas stated that the important point was that it was unacceptable for anyone who was not registered to come to a meeting and have their presentation recorded as part of that meeting. This was not about the presentation content.
206. The Government representative of Denmark indicated her surprise that a presentation delivered by a person invited to the meeting could not be recorded in the report.
207. The Government member of the Netherlands agreed with the comment made by the Government representative of Denmark.
208. The Chairperson suggested that the JWG provisionally adopt the text subject to clarification by the Secretariat of the FIDH question. If the FIDH comments were excised, the discussions that had taken place in respect of this question would be reflected in the report.

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- 209.** The JWG adopted its report, as amended, subject to clarification by the Office regarding the registration status of the FIDH. After verification by the Office in respect of the FIDH registration status, the paragraphs referring to the presentation delivered by that organization were deleted from the report.

## **Closing statements**

- 210.** Mr T. Fashoyin (ILO) congratulated the JWG on the completion of its agenda, which had been achieved through full debates and discussions punctuated by interesting presentations. The JWG had produced a clear set of recommendations on interim measures for preparing the entry into force of the forthcoming IMO convention on ship recycling, which would play a crucial role in joint efforts to improve the lives of those working in the ship recycling industry. He hoped that dialogue between the social partners would continue, and would extend to recycling States. The genuine progress achieved through the efforts of the JWG would protect those working in the shipbreaking industry. He thanked the Chairperson for his leadership and expertise, and noted the synergy that had been achieved between the participants.
- 211.** He expressed his gratitude for the preparatory work that had been done by the Joint Secretariat, and for the efforts of the professional and administrative staff to ensure the success of the meeting.
- 212.** The representative of the IMO said that it had been gratifying to witness the continued collaboration between the three organizations, and welcomed the support that the ILO and the Basel Convention had given to the development of the IMO international convention on ship recycling, in particular through the drafting of the guidelines on interim measures. He also welcomed the continuation of collaboration under the aegis of the Global Programme. He thanked all the participants for their contributions to the development of the ship recycling industry.
- 213.** The representative of the Basel Convention expressed her appreciation for the JWG's work, in particular the guidance that had been given in respect of interim measures and joint technical cooperation activities, which were a priority for Parties to the Basel Convention. She welcomed the support expressed for the Global Programme, and said that the JWG had formed a basis for future cooperation. She hoped that the Group would continue to meet to enable the organizations to learn from each other and share experiences.
- 214.** An Employer member from the ICS thanked all those who had been involved in the meeting, and expressed particular gratitude to the Chairperson.
- 215.** A Worker member from the IMF thanked the Joint Secretariat, and the participants. He welcomed the presence of three representatives of shipbreaking yards, who he hoped would benefit from the work of the JWG.
- 216.** The Chairperson applauded the efforts of the JWG, which was a small but dedicated group. It was important to continue the work of the Group since much more progress remained to be achieved. Collaboration on shipbreaking had only just begun, and he looked forward to following its future developments.



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**List of participants**  
**Liste des participants**  
**Lista de participantes**



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## Chairperson

Mr Roy Watkinson, Senior Policy Specialist, Department for Environment, Food and Rural Affairs, Hazardous Waste and International Unit, London, United Kingdom

## Member Governments nominated by the IMO

### JAPAN

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*Advisers:*

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Mr Hiroyuki Komatsu, Manager, Planning Division, The Japanese Shipowners' Association, Tokyo, Japan

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*Advisers:*

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*Adviser:*

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### UNITED STATES

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*Adviser:*

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## Member Governments nominated by the Basel Convention

### CHINA

Mr Sun Jun, Deputy Director, China Maritime Safety Administration, Beijing, China

*Adviser:*

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## **GAMBIA**

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Mr Aron Frank Sorensen, Marine Manager, BIMCO, Bagsvaerd, Denmark

Mr Bernard Veldhoven, Secretary, International Ship Recycling Association (ISRA), The Hague, Netherlands

## **Members of the Workers' group nominated by the ILO**

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Mr Keith Hazlewood, National Secretary, Manufacturing Section, GMB Trade Union, London, United Kingdom

Mr Robert D. Johnston, Director, IMF Shipbuilding and Shipbreaking Department, Carouge, Switzerland

Mr Vidyadhar Vasudeo Rane, Secretary, Mumbai Port Trust Dock and General Employees' Union, Mumbai, India

Mr A.M. Nazim Uddin, President, Bangladesh Shipbreaking Workers' Associations, Chittagong, Bangladesh

## **Government observers**

### **ARGENTINA**

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### **BAHAMAS**

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Ms Lone Schou, Deputy Head of Division, Danish EPA, Copenhagen, Denmark

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#### NGO Platform on Shipbreaking

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### Joint Secretariat of the meeting

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Mr T. Higgins, Official Relations Branch (RELOFF)