

**ClassNK**  
R & D PROJECT



# **ClassNK Ship Recycling Seminar**

***Impressions on SRFs  
in Pakistan and Bangladesh***

# ***General situation***

- Poor shipping markets
  - Overcapacity increasing further
    - New tonnage = 5 x recycled tonnage!
    - Economical pressure
  - High demand on ship recycling
- Price vs. standard of ship recycling
  - Bad standard = good price
  - Good standard = bad price
- Public pressure and no legally safe way (yet)
- Shipowners lacking recycling knowledge
  - Own judgement = own risk
  - Misleading certifications not helpful

# ***General situation***

- Corporate Social Responsibility
  - Does not end with selling of a ship
  - Demanded by shipping clients (major cargo owners)
- Two options
  1. Improvements and best practice
  2. “greenwashing”
- Select your partners carefully
  - Ship recyclers
  - Brokers & cash buyers
  - Consultants
  - Certifiers



# Ship Recycling Markets

- 5 major ship recycling countries (~98%)
  - Good image / low price
    - China
    - Turkey
  - Bad image / high price
    - Bangladesh
    - India
    - Pakistan





***Bangladesh or Pakistan  
can you guess?***















None









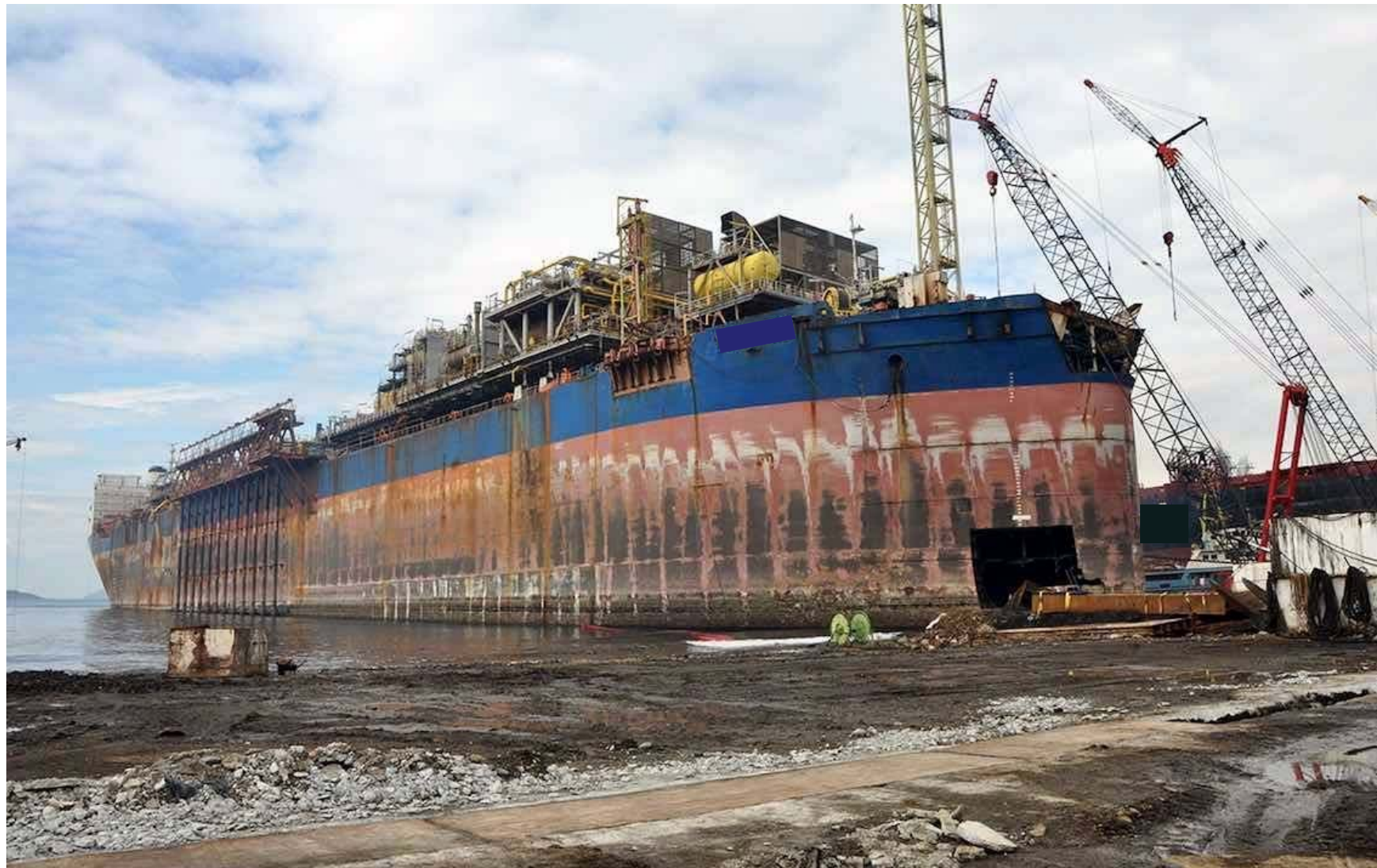




None











# Conclusions

- These conditions exist due to:
  - Lack of:
    - Responsibility
    - Awareness & demand
    - Control & enforcement
    - Quality of certifiers
- Don't sell ships without inspection of recycling facilities
  - Make sure you / your consultant knows the requirements
  - Many owners visit with different priorities  
= confusing for ship recyclers



# Conclusions

- How can it be changed?
  - Review HKC
  - Develop your (additional) criteria
  - Select business partners carefully
  - Accept costs for improved recycling practices
    - Compare China & Turkey with other HKC-compliant SRFs
  - Help creating / expanding the green ship recycling market
  - Don't trust certificates only
  - Involve knowledgeable experts

Can you trust (my) photos?



***We look forward to  
supporting you!***

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# Alternative approach

## Sustainable End of Life Ship Solutions - SELS<sup>2</sup>

economical, non-corruptive and sustainable CSR-compliant ship recycling solutions incl.

- Commercial services & execution
- Technical services
- Organizational services

### Project Flow SELS<sup>2</sup>



# Why GSR Services

- Our experience ensures:
  - Accuracy
  - Effective processing
  - No/limited disturbance of operations
  - Perfect guidance and services for all clients
- GSR is:
  - Dedicated to best practice
  - At the forefront of all SR-developments
  - Understanding all aspects and complexities
  - Providing support for effective compliance for all stakeholders and for entire life cycle of ships, from cradle to grave
  - Member of IHMA\*



\* [www.ihm-association.org](http://www.ihm-association.org)

