

Direction to Improving Ship Recycling Legal System

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A small, light-colored boat is beached on a wet, reflective surface, likely sand or a calm body of water. The boat is positioned on the left side of the frame, with its bow pointing towards the right. The hull of the boat features several logos, including a prominent one that reads "HOUSE" in reverse. The background is a dramatic sky at sunset or sunrise, with a bright sun partially obscured by large, dark, and textured clouds. The sky transitions from a deep blue at the top to a warm orange and yellow near the horizon. The water or sand in the foreground is dark and highly reflective, mirroring the boat and the vibrant colors of the sky. The overall mood is serene and atmospheric.

1. BACKGROUND

1. Hong Kong Convention

INTERNATIONAL MARITIME ORGANIZATION



E

INTERNATIONAL CONFERENCE ON THE
SAFE AND ENVIRONMENTALLY SOUND
RECYCLING OF SHIPS
Agenda item 8

SR/CONF/45
19 May 2009
Original: ENGLISH

**ADOPTION OF THE FINAL ACT AND ANY INSTRUMENTS, RECOMMENDATIONS
AND RESOLUTIONS RESULTING FROM THE WORK OF THE CONFERENCE**

**HONG KONG INTERNATIONAL CONVENTION FOR THE SAFE AND
ENVIRONMENTALLY SOUND RECYCLING OF SHIPS, 2009**

NOTING the growing concerns about safety, health, the environment and welfare matters in the ship recycling industry,

RECOGNIZING that recycling of ships contributes to sustainable development and, as such, is the best option for ships that have reached the end of their operating life,



**ENACTED IN MAY 2009
BUT NOT ENTER INTO FORCE YET**

1. Current Status of Ship Recycling



The Human Cost

- One of the world's most dangerous industries
- Accident rate lies at two in 1,000 people
- 16 percent of workers from asbestos-related diseases

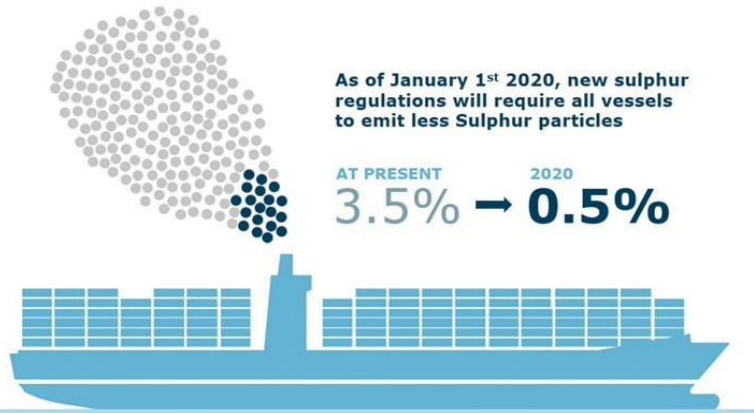


The Environmental Cost

- Steel waste, Oil from vessels
- Persistent organic pollutants enter waterways & pollute the air
- Killing valuable species and ecosystems

1. Global Environmental Trend

IMO 2020 Regulations



IMO 2020

SETTING CLEAR AMBITIONS FOR OUR TOP ESG ISSUES



Personal Safety



Human Rights



Workforce Diversity



Health and Wellness



Security



Business Ethics



Spills and Pollution



Climate Change




Ship Recycling

ESG

Need for
Entry into force
Hong Kong Convention



SDG GOAL 14

A small, light-colored boat is beached on a wet, reflective surface, likely sand or a shallow lagoon. The boat has some text and logos on its side, including "BOY" and "HOUSE". The background features a dramatic sunset with a bright sun low on the horizon, casting a warm glow over the scene. The sky is filled with soft, colorful clouds in shades of orange, pink, and blue. The water in the foreground is calm, creating a clear reflection of the boat and the sky.

2. PROBLEM ANALYSIS

2. HONG KONG CONVENTION ARTICLE 17. Entry into force

ARTICLE 17 **Entry into force**

1 This Convention shall enter into force 24 months after the date on which the following conditions are met:

- .1 not less than 15 States have either signed it without reservation as to ratification, acceptance or approval, or have deposited the requisite instrument of ratification, acceptance, approval or accession in accordance with Article 16;

- ➔ With the recent ratification of Spain, the requirements were met by a total of 17 countries.
- ➔ Belgium, Denmark, Republic of Congo, Serbia, Turkey, Norway, Japan, France, Germany, Panama, India, Croatia, Estonia, Ghana, Malta, Spain, the Netherlands.

2. HONG KONG CONVENTION ARTICLE 17. Entry into force

ARTICLE 17 Entry into force

1 This Convention shall enter into force 24 months after the date on which the following conditions are met:

.2 the combined merchant fleets of the States mentioned in paragraph 1.1 constitute not less than 40 per cent of the gross tonnage of the world's merchant shipping; and

→ It did not meet the requirements at 29.77% of the volume of the merchant ship.

ARTICLE 3 Application

1 Unless expressly provided otherwise in this Convention, this Convention shall apply to:

→ 1 ships entitled to fly the flag of a Party or operating under its authority;

.2 Ship Recycling Facilities operating under the jurisdiction of a Party.

2. HONG KONG CONVENTION ARTICLE 17. Entry into force

Figure 2 | Fleet market size by region of beneficial ownership, 2020
(Millions of dead-weight tons)

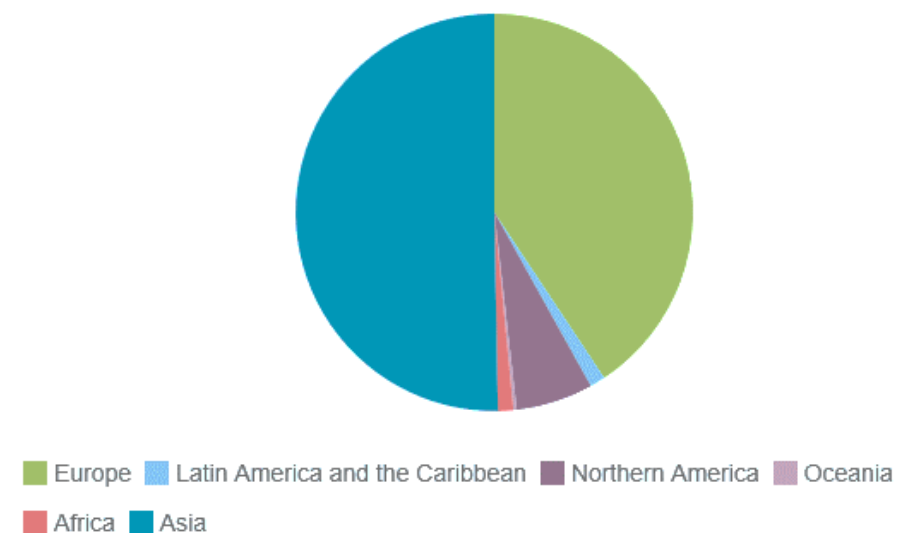
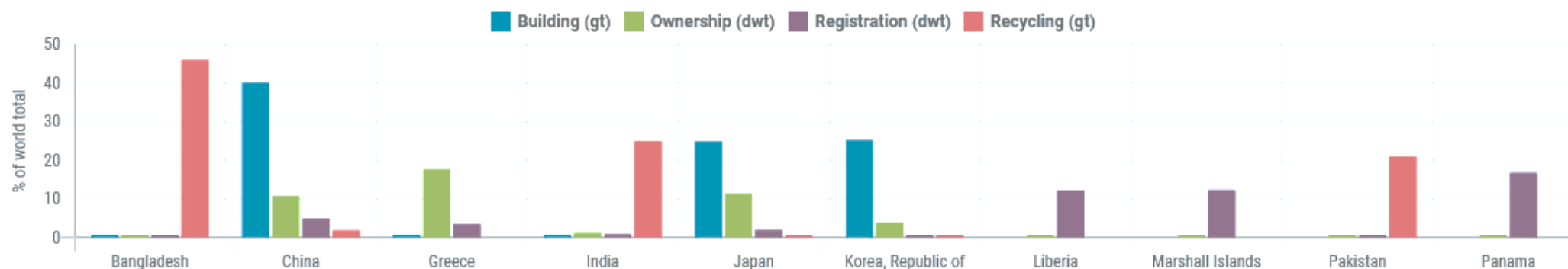
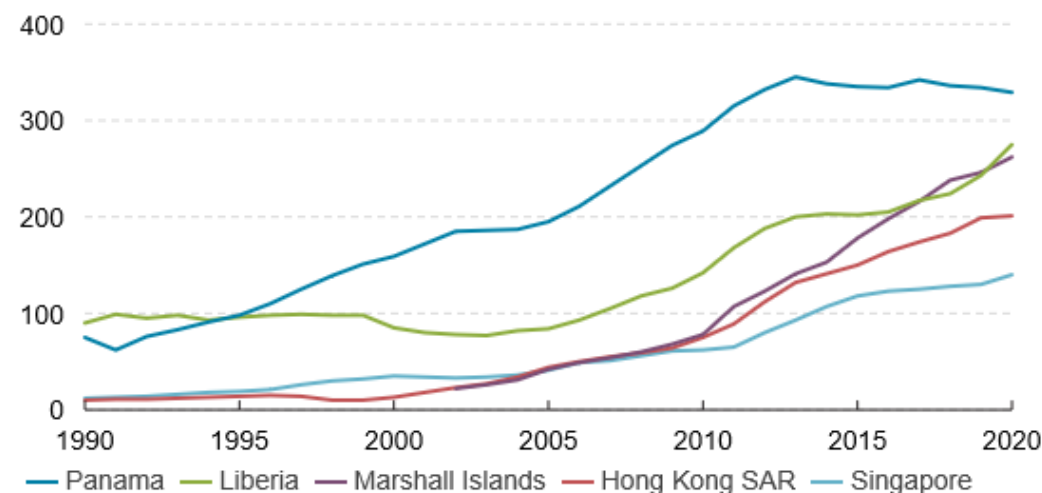


Figure 3 | Vessels capacity in top 5 registries
(Millions of dead-weight tons)



Sources: UNCTADstat (UNCTAD, 2020a), Clarksons Research.

Note: Top three countries in each segment are shown in the default selection. Building and recycling are estimated deliveries and demolitions during 2019. Registration and ownership figures refer to the beginning of the year 2020.

2. HONG KONG CONVENTION ARTICLE 17. Entry into force

ARTICLE 17 Entry into force

1 This Convention shall enter into force 24 months after the date on which the following conditions are met:

.3 the combined maximum annual ship recycling volume of the States mentioned in paragraph 1.1 during the preceding 10 years constitutes not less than 3 per cent of the gross tonnage of the combined merchant shipping of the same States.

- ➔ It did not meet the requirements at 2.44% of the required recycling volume of 40% of the gross tonnage of the world's merchant shipping which are 13,967,260 gross tonnages.
- ➔ . In order to meet the No. 3 entry requirements, it is necessary to find out whether India, Turkey, and Bangladesh, which are countries where ship recycling is activated, have any reason to ratify the agreement.

2. No Reason for Ratifying The Agreement

In order to meet the entry requirements of No. 2 and No. 3, there is no reason for convenience countries and ship recycling countries to ratify the agreement.

For the agreement to take effect, the IMO will have to create a flow so that the countries can recognize that the issue they voluntarily saw is important. In addition, most importantly, the current issue is not just a problem in developing countries, but also **'Common Concern of Mankind'** and requires global attention.

A small, light-colored boat is beached on a wet, reflective surface, likely sand or a shallow lagoon. The boat is angled towards the right. The sky is filled with dramatic, dark clouds, and a bright sun is visible on the left, casting a long, shimmering reflection across the water. The overall mood is serene and contemplative.

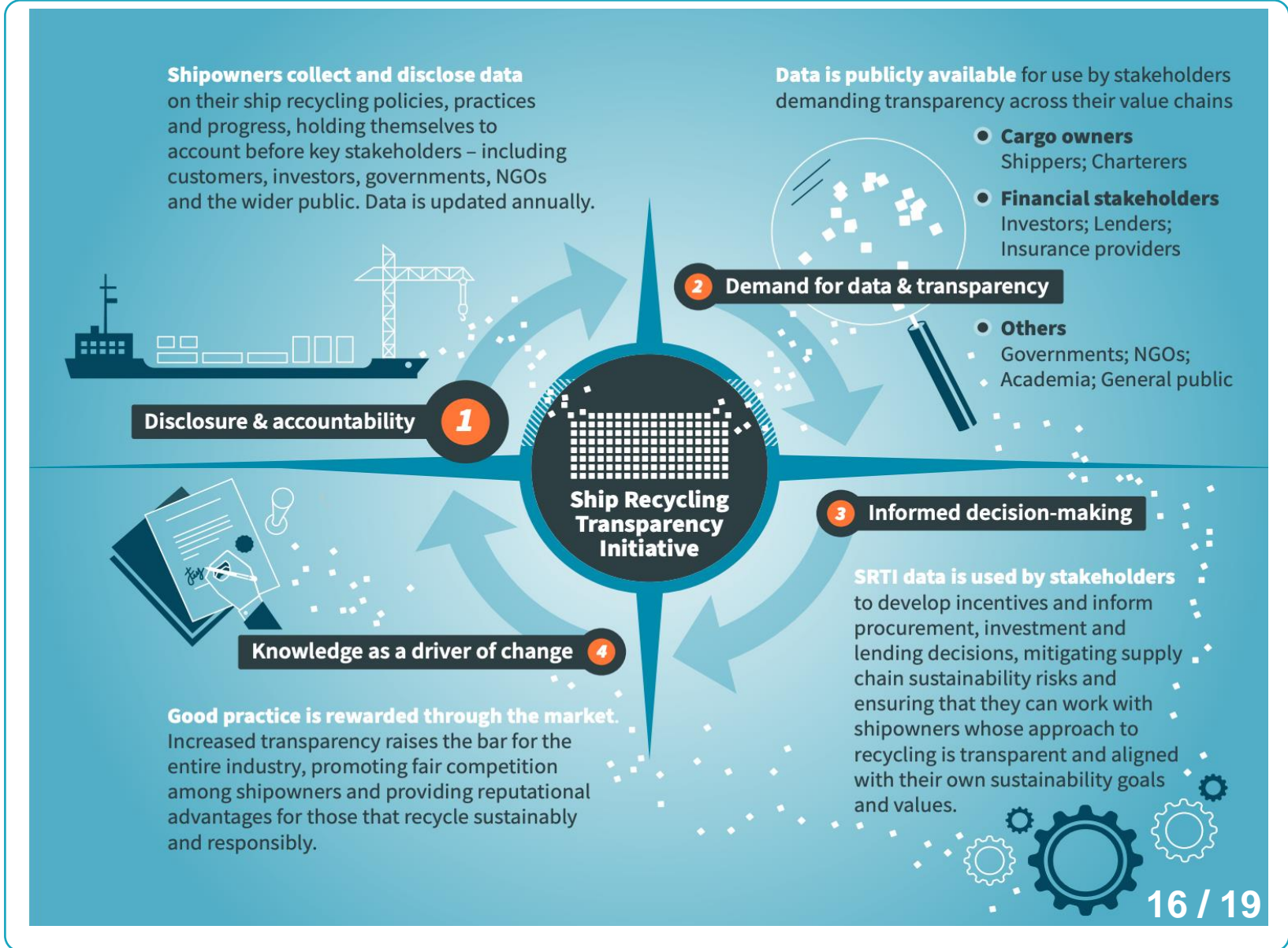
3. SOLUTION

3. Amendment Proposal to the Hong Kong Convention

- I. Level the playing field for states of different financial abilities
 - A. Amend Article 17 Entry into Force
 - 1. This Convention shall enter into force 24 months after the date on which the following conditions are met:
 - .1 Not less than 15 States have either signed it without reservation, save those explicitly allowed under this Convention, as to ratification acceptance or approval, or have deposited the requisite instrument of ratification, acceptance, approval or accession in accordance with Article 16;
 - B. Add Article 22 Reservation
 - 1. A State may, when signing, ratifying, accepting, approving, or acceding to the Convention, formulate a reservation to delay its enforcement of the Convention up to five years after the Convention enters into force.
 - 2. Reservation under paragraph 22.1 shall be accepted by not less than five other State Parties to the Convention to have effect.

3. Amendment Proposal to the Hong Kong Convention

- II. Create an environment where stakeholders have commercial incentives for environmentally sound ship recycling
 - A. Add Chapter 5 Transparency Requirements
 - B. Add Regulation 26 International Maritime Information Board
 - 1. The Organization shall establish an International Maritime Information Board (IMIB) to commission, coordinate and administer programs for sharing information on ship recycling by ship owners.
 - 2. The Organization shall establish a Charter for the establishment and governance of the IMIB, taking into account Guidelines adopted by the Organization.
 - 3. The Marine Environment Protection Committee shall oversee the activities and governance of the IMIB in accordance with the IMIB Charter, taking into account Guidelines adopted by the Organization.
 - C. Add Regulation 27 Obligation of State Parties
 - A. Parties shall cooperate with the Board to collect information on ship recycling from ship owners who are beneficiaries of operating the ship and under the jurisdiction of the Parties.
 - B. Parties shall invite cargo owners, insurers, financiers and other stakeholders to fully access information published by the Board.



A small, light-colored boat is beached on a wet, reflective surface, likely sand or a shallow lagoon. The boat is angled towards the right. The sky is filled with dramatic, dark clouds, and a bright sun is visible on the left, casting a long, low light across the scene. The boat's reflection is clearly visible in the wet surface. The overall mood is serene and contemplative.

4. CONCLUSION

Environmental Ship Recycling
=
Common Concern of Mankind

Reference

Slide 4. The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships

Slide 5. <https://borgenproject.org/shipbreaking-practices>

Slide 5. <https://www.marineinsight.com/guidelines/how-ship-dismantling-is-done>

Slide 6. Goal 14 LIFE BELOW WATER, The Sustainable Development Goals (SDGs)

Slide 6. MARPOL Annex VI-Regulations for the Prevention of Air Pollution from Ships

Slide 10. UNCTADstat(UNCTAD, 2020a), Clarksons Research

Slide 16. Ship Recycling Transparency Initiative Progress Report 2021, page 5