

GADANI SHIP BREAKING OPERATIONS ARE SINKING FAST

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Gadani is located northwest of Karachi around 46-Kilometers. Since its inception in the 1970s, the shipbreaking sector in Gadani has grown to play a significant role in the economy of Pakistan. Shipbreaking yards at Alang in Gujarat, India, and Chittagong in Bangladesh have surpassed operations at Gadani in Pakistan. It is pertinent to mention that, during 1980s, Gadani yard was the largest with respect to Shipbreaking operations in South Asia. Noteworthy is the fact that Pakistan in action helped in the development of the shipbreaking industries in Bangladesh and India.

Gadani is ideal for ship breaking due to its topography and location. Ships may be easily carried to the beach area regardless of high or low tides due to the fast transition between shallow and deep waters. The yard has 132 shipbreaking plots. It is located on a 10 km long coastline in Gadani area. With a combined average LDT of 1 to 1.5 million tons, currently it handles 100-125 ships each year, including supertankers of any size. At Gadani, a ship with 5,000 LDT is broken within 30 to 45 days, whereas in India and Bangladesh it takes, on average, more than six months to break a vessel of the same size. Therefore, its efficiency is relatively better than other yards in South Asia.

This industry imports scrap ships and converts them into raw materials (rerolling material), mostly for the rerolling industry and small & medium enterprises including cottage companies that produce steel. A little fraction of the product, which also includes melted scrap iron and steel, goes to the re-melting industry. The shipbreaking business in Gadani supports 20,000–25,000 direct jobs and another 200,000–250,000 jobs indirectly. Along with providing millions of tons of steel to the nation's other industries each year, the Gadani shipbreaking business makes an annual tax contribution to the national coffers of over 20 billion Rupees.

But slowly and gradually Gadani Shipyard business is shrinking due to many reasons. Foremost is immediate ratification and compliance of the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships (HKC). HKC is aimed at ensuring that ships, when recycled after reaching the end of their operational lives, do not pose any unnecessary risk to human health and safety or to the environment. Ship recycling yards will be required to provide a "Ship Recycling Plan", specifying the way each ship will be recycled, depending on its particulars and its

inventory. Parties will be required to take effective measures to ensure that ship recycling facilities under their jurisdiction comply with the Convention. The HKC is open for accession by any State. It will enter into force 24 months after the date on which 15 States, representing 40 per cent of world merchant shipping by gross tonnage, have either signed it without reservation as to ratification. Although so far more than 15 countries including India have ratified and Bangladesh in process to ratify HKC, its enforcement still needs accession by more countries to meet described criteria for the convention to enter into force and become legally binding. Furthermore, the combined maximum annual ship recycling volume of those States must, during the preceding 10 years, constitute not less than 3 per cent of their combined merchant shipping tonnage.

The HKC sets out minimum safety standards for all aspects of ship recycling, including the design and construction of ship recycling facilities, the handling and storage of hazardous materials, and the training and protection of workers. It also requires ship recycling facilities to adopt environmentally sound practices to prevent and minimize pollution during the recycling process. The convention also requires the safe and environmentally sound management of hazardous materials, such as Asbestos and PCBs, found on board ships.

The HKC establishes a system of notification and authorization for ship recycling facilities. The convention requires ships to be surveyed and certified as complying with the convention's standards before they can be recycled at a facility.

Most importantly, the HKC requires ships to have a ship recycling plan in place before they can be recycled. The plan should include a list of hazardous materials on board the ship, procedures for the safe removal and disposal of these materials, and details of how the ship will be recycled. It also requires states to maintain a list of authorized ship recycling facilities and to report on the implementation of the convention. The convention also establishes a system for monitoring compliance and enforcing the convention's provisions.

It is pertinent to mention that Alang Ship breaking yard in India has 150 plots altogether, of which 120 plots are active and 78 facility areas have already been built in accordance with HKC standards, leaving only 42 facilities to be built in accordance with HKC standards which are also expected to be done by mid-2024.

Whereas, about 150 shipbreaking plots are located to the north of Chittagong in Bangladesh, and 50 to 60 of them are open all year. Bangladesh has upgraded two yards in accordance with HKC and put an HKC-following strategy into action.

The Gadani shipbreaking industry contributes significantly towards employment generation and economic activity. But it is essential that it operates in a safe and environmentally responsible manner to safeguard the

industry. The Pakistani government and the shipbreaking sector have been urged to act quickly to improve conditions and assure compliance with international standards considering the HKC's non-compliance as well as other environmental and safety rules. The fragile economic condition of Pakistan cannot bear the loss of Gadani Ship breaking due noncompliance of HKC.