

GOVERNMENT OF INDIA
MINISTRY OF PORTS, SHIPPING AND WATERWAYS
LOK SABHA
STARRED QUESTION NO. *148
TO BE ANSWERED ON 29TH JULY, 2021

SHIP RECYCLING BUSINESS

*148. SHRI JAGDAMBIKA PAL

Will the Minister of PORTS, SHIPPING AND WATERWAYS be pleased to state:

पत्तन, पोत परिवहन और जलमार्ग मंत्री

- (a) whether India has the potential to become the leader of global ship recycling business and if so, the details thereof;
- (b) the details of ship recycling units in the country, State-wise;
- (c) the details of the ships recycled in the country during the last five years, year-wise;
- (d) the steps being taken by the Government to establish India as the ship recycling hub of the world;
- (e) whether the Government has come up with a law for this purpose and if so, the details along with prominent features thereof; and
- (f) whether there are any estimates on the potential to boost the economic activities as a result of establishing ship recycling units in the country and if so, the details thereof?

ANSWER

MINISTER FOR PORTS, SHIPPING AND WATERWAYS
(SHRI SARBANANDA SONOWAL)

- (a) to (f) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF LOK SABHA STARRED QUESTION NO.*148 TO BE ANSWERED ON 29.07.2021 RAISED BY SHRI JAGDAMBIKA PAL REGARDING "SHIP RECYCLING BUSINESS".

(a) Yes, Sir. India has potential to become the leader of global ship recycling business. This is proposed to be achieved by augmenting the existing ship recycling capacity in the country. Implementation of Recycling of Ships Act, 2019, on coming into force of Hong Kong International Convention for Safe and Environmentally Sound Ship Recycling, will also attract more ships from around the world for recycling in India.

(b) (i) Ship recycling takes place mainly in Gujarat. Ship recycling on a very small scale also takes place in Kerala, West Bengal and Maharashtra.

(ii) In Gujarat, ship recycling plots are located mainly in Alang-Sosiya Ship Recycling yard. Alang Ship Recycling yard under Gujarat Maritime Board [Government of Gujarat] contributes to around 95% of India's ship recycling volume. There are total 153 plots at Alang ship recycling yard, which has been in operation since 1982.

(iii) In Kerala, ship recycling is carried out on a very small scale by Steel Industrials Kerala Limited, an undertaking of Government of Kerala.

(iv) In West Bengal, ship recycling takes place at Shyama Prasad Mukherjee Port Kolkata. At Shyama Prasad Mukherjee Port, Kolkata, ship breaking is undertaken in a very limited manner inside its impounded dock system at Khidderpore Dock. The ship breaking facility is owned by SMPK, but is leased out to a licensed ship breaker. During last 7 years, 46 vessels have been recycled.

(v) In Maharashtra, ship recycling takes place at Mumbai Port. There are 12 plots at Lakri Bunder in Mumbai Port Trust where minimal ship braking activities take place. Smaller vessels are provided plots there for beaching.

(c)

Year	No. of ships recycled	Total LDT* in MT
2016-2017	283	2811502
2017-2018	273	2453409
2018-2019	245	1798962
2019-2020	223	1646321
2020-2021	205	1785986

*LDT=Light Displacement Tonnage

(d)

- India has acceded to the Hong Kong International Convention for Safe and Environmentally Sound Ship Recycling, 2009 on 28.11.2019. This has improved the brand image of the country as a preferred destination for green ship recycling.
- Efforts are being made to bring more ships to India by upgrading existing infrastructure.
- Shyama Prasad Mukherjee Port, Kolkata has communicated approval in principle to Bengal Shipyard Limited for setting up of a green field ship recycling facility at Kulpi. Further, a piece of land owned by SMPK at Jellingham has also been earmarked for ship recycling facility in future.
- Considering the geographical location advantage, Steel Industries Limited Kerala has planned for expansion by way of constructing a 90 m slipway and a full fledged drydock along with augmentation of ship breaking facilities.

(e) Yes Sir.

(i) The Recycling of Ships Act, 2019 has been enacted on 13.12.2019. The Act provides legal framework for implementation of the provisions of the Hong Kong International Convention for Safe and Environmentally Sound Ship Recycling, 2009. Prominent features of the Act are as follows:

- restrictions on use of hazardous material during construction and repair of ships
- recycling of ships only in authorised ship recycling facilities
- ship specific approved ship recycling plans

- ships to be in possession of certificate of inventory of hazardous material and certificate of ready for recycling.
- survey and inspection of the ships to ensure that they comply with the requirements of certificates of inventory of hazardous material and ready for recycling certificate
- safe and environmentally sound removal and management of hazardous materials from a ship

(f) While there are no specific estimates, ship recycling industry is a major source of secondary steel besides providing employment to large number of semi-skilled/unskilled workers. Steel scrap constitutes around 90-95% of the LDT of a ship. A study conducted by the Gujarat Maritime Board shows that production of secondary steel through ship recycling route saves considerable natural resources compared to steel production through primary route [from iron ore].
