

JAPANESE SHIPOWNERS' ASSOCIATION

Kaiun Building, 2-6-4, Hirakawa-cho Chiyoda-ku,Tokyo 102-8603, Japan Tel: +81-3-3264-7177

Fax: +81-3-5226-9166 E-mail:mar-div@jsanet.or.jp

30 September, Tokyo

PRESS RELEASE

India Shows Yards in Alang are Hong Kong Convention-compliant.

In order to encourage implementing the smooth replacement of older vessels with safer and more efficient eco-ships in a timely manner, the Japanese Shipowners' Association (JSA) is of the view that it is essential to ensure that there is sufficient capacity of environment-friendly ship recycling yards in multiple countries in the light of demand for global recycling having continued to remain high for more than a decade. In this context, the JSA dispatched its delegations to India in 2012 and 2015, respectively, to have first-hand look at improvements of these recycling facilities as well as have direct dialogue with Indian authorities and recyclers. JSA also participated in a visit to the yard in Dalian, China in March 2014 as a member of the Asian Shipowners' Forum (ASF)

In response to ClassNK having recently granted a Statement of Compliance (SoC) with the Hong Kong Convention to some recyclers in India, following similar recognition of recyclers in China and Japan in the past, the ASF has made its press release as attached to welcome this important and key milestone.

The JSA, in line with the ASF's stance on ship recycling issues, welcomes the tremendous efforts made by ship recycling operators and the momentum that is currently gaining speed in India to follow HKC-compliant recyclers. At the same time, JSA is also highly appreciative that ClassNK is actively engaged in the strenuous evaluation work for the issuance of SoC to advanced recyclers in any country involved in ship recycling, including India.

The JSA, in cooperation with the Japanese government and international maritime associations such as the ASF, continues to take all necessary actions to encourage recyclers in major recycling countries for accelerating further improvements of their facilities in accordance with the Hong Kong Convention, as well as ensuring that the international community accurately recognises the current situation, particularly in India. It is also actively encouraging governments to ratify the Hong Kong Convention at the earliest opportunity.

For further information, please contact (Mr) Daijiro Mizushima at mar-div@jsanet.or.jp.

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The Japanese Shipowners' Association (JSA) is a nationwide maritime organisation of Japanese nationals who are owners, charterers and operators of ships with a capacity of 100 gross tons and over. The JSA consists of 119 Japanese shipping companies. The purpose of the JSA is to promote fair and free business activities in the shipping industry and to contribute to the healthy development of Japanese shipping. To accomplish this purpose, the JSA provides a forum to exchange views among members, undertakes various activities such as research, public relations, and the production of statistics and data, as well as to express its opinion to related parties concerned.

ASIAN SHIPOWNERS' FORUM



10 Anson Road #16-18, International Plaza, Singapore 079903 Tel: (65) 6325 4737 Fax: (65) 6325 4451 General Email: information@asf.com.sg Website: www.asianshipowners.org

29 September 2015

The ASF welcomes the certification of ship recycling yards in Alang, India

The Asian Shipowners' Forum (ASF) warmly welcomes the tremendous effort made by ship recyclers in Alang, India that have recently received Statements of Compliance (SoC) with the Hong Kong Convention from ClassNK, one of the world's leading classification societies.

The ASF consists of eight shipowner associations in Asia Pacific, i.e. Australia, China, Hong Kong, India, Japan, Korea, Chinese Taipei and the Federation of ASEAN Shipowner Associations (FASA).

The ASF strongly believes that the granting of SoC by ClassNK to recyclers in India is a small but key milestone that conveys an accurate message to the international community of safety and environmental protection that developments in India have been certified by objective assessment of ClassNK who has considerable experiences and skills through audits of recycling operations carried out in multiple countries.

Global demand for ship recycling is anticipated to remain high for more than a decade, therefore, ASF, whose membership is estimated controlling about 50% of the world's merchant fleet, repeatedly insists on every occasion by way of the ASF's position paper (see Annex 1), that assessment of each ship recycling facility should be implemented individually without any prejudice in order to ensure the availability of sustainable ship recycling capacity with environmentally sound and safe ship recycling manner.

Responding to this latest development, Dr Frank Lu, Chairman of the Ship Recycling Committee of the ASF, said, "I sincerely desire that ship recyclers all around the world demonstrate capable development and maintenance of safe and environment-friendly recycling operations in compliance with the spirit and requirements of the Hong Kong Convention. Such action would give examples that could to be followed by developing ship recyclers for their further improvement. The ASF members will, in the meantime, continue to urge their governments to ratify the Hong Kong Convention at the earliest opportunity."

The ASF is scheduled to visit Alang in October 2015 to observe the current situation of ship recycling facilities, including the certified yards.

For media enquiries, kindly contact: Mr. Harry Shin Secretary General Asian Shipowners' Forum (ASF)

 Tel
 : (+65) 6325 4737

 Email
 : harryshin@asf.com.sg

 Website
 : www.asianshipowners.org

The Asian Shipowners' Forum (ASF) is a voluntary organisation of the shipowners' associations of Australia, China, Chinase Taipei, Hong Kong, India, Japan, Korea and the Federation of ASEAN Shipowners' Associations comprising shipping associations of ASEAN countries.

The aim of the ASF is to promote the interests of the Asian shipowning industries. It has been estimated that ASF owners and managers control and operate nearly 50% of the world's cargo carrying fleet.



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19 May 2015 Jeju, Korea

ASF's position paper on ship recycling

Adopted

at the 24th Annual Meeting of the Asian Shipowners' Forum (ASF)

Towards ensuring smooth replacements with safe, environment-friendly and more energy-efficient eco-ships, the ASF firmly believes that it is inevitable to develop environment-friendly ship recycling yards in multiple countries to address the globally high demand for demolition which is forecasted to remain in the coming years. If such recycling yards were only located in a certain country, this could result in demurrage for vessels to be recycled and prolong the lifetime of older vessels as well as longer distance navigation for vessels incurring huge additional bunker consumption to reach the yard, which would not be in reality preferable for the world environment or from the standpoint of economy.

The ASF's stances on respective issues are as follows:

The International 2009 Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships (hereinafter referred to as "the Convention")

The ASF is of the view that any unilateral regional regulation cannot be a final solution towards the improvement of recycling yards all over the world, as long as it does not present practically feasible ways to upgrade facilities which take into account practices for ship recycling methods subject to topographic conditions in major ship recycling countries. In this context, the Convention, which has been adopted after careful consideration by all concerned parties such as governments, the shipping industry, the recycling industry and the shipbuilding industry, is the only, best and final solution to enhance safety and environment protection for recycling. The ASF continues to call for early ratification of the Convention to governments.

The European Regulation on Ship Recycling (Regulation 1257/2013)

The ASF recognises that as long as the EU regulation imposes more stringent requirements on recyclers than the Convention to practically prohibit ship recycling in the particular method commonly used in South Asia, which would undermine the Convention, the regulation is not suitable to be de-facto standardisation. In order to ensure smooth replacements with ecoships, the ASF emphasizes that it is, no doubt, practical to incentivize recyclers in the area as well to upgrade their facilities towards safe and environment-friendly yards harmonised with the Convention in light of the fact that South Asia produces 70% of the world's ship recycling volume.

The ship recycling method commonly used in South Asian countries

In light of the necessity of ensuring sufficient capacity of environment-friendly ship recycling yards in multiple countries for stable and economic recycling in a timely manner, each recycling facility should be assessed not in respect of ship recycling methods but on a case-by-case basis on whether requirements pertaining to safety and environmental protection are met. In this regard, there are advanced, safe and environment-friendly yards upgraded, with consultation of third parties, in harmony with the Convention even in South Asia where these recyclers have no alternative to use a certain ship recycling method subject to geographical constraints. The ASF therefore believes that it is essential to encourage others in South Asia to follow the advanced recyclers through necessary actions such as the monitoring of developments and regular dialogue with recyclers.

Shipowners should also be recommended to continue the assessment of facilities and operations of recycling yards respectively to select recyclers for the demolition of their fleets, taking into account verification of third parties.

For media enquiries, kindly contact: Mr. Kwang-Ho (Harry) SHIN Asian Shipowners' Forum (ASF)

 Tel
 : (+65) 6325 4737

 Email
 : harryshin@asf.com.sg

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