

SEA EUROPE SEES SHIP RECYCLING OPPORTUNITIES FOR EUROPE

May 2016

On 3 May 2016, SEA Europe – the Ships and Maritime Equipment Association of Europe – presented its views on ship recycling opportunities for Europe in the European Economic and Social Committee.

This presentation was made at the occasion of the public hearing entitled "*Shipbreaking and the recycling society*". The hearing was part of the preparation of an own-initiative opinion on shipbreaking, which will be submitted to the European Commission later this year.

European shipyards are still very active in various segments of the market, including in the recycling business with small-scale recycling facilities for ships as well as for offshore platforms. However, if there is a clear demand, there are most certainly also very interesting opportunities for new and existing shipyards in Europe to start a recycling business. To that end, the European Union needs to develop a clear and dedicated policy that supports innovation and research and developments (R&D) within European shipyards. Innovation and R&D are two drivers for stimulating European shipyards and allow them to win competition from outside Europe.

The benefits from stimulating ships' and offshore platforms' recycling facilities in Europe are obvious. Firstly, it will stimulate employment and economic growth, and create opportunities for low-skilled labour in low developing areas. Secondly, European shipyards have high standards, including in terms of health and safety, and stimulating a recycling of ships and offshore platforms in Europe will thus contribute to improving the environment and well-being of workers as well as of the wider society. Finally, recycling facilities in Europe are easier to inspect for European inspectors than third country facilities and even enforcement is possible within Europe. Increasing recycling activities in Europe can thus contribute to a better enforcement of Regulation (EU) No 1257/2013 of 20 November 2013 on ship recycling, which aims at reducing the negative impacts linked to the recycling of EU-flagged ships.

European shipyards also contribute to a better environment by integrating the concept of "cradle-to-cradle" in their business model. When designing and building a new ship or offshore platform, European shipyards already take into consideration the future dismantling process of the vessel or offshore platform. However, a dedicated European policy, supported by innovation, research and development, can further stimulate European shipyards in developing a real European circular economy.

In SEA Europe's view, stimulating recycling facilities in Europe does not only create interesting opportunities for existing and new shipyards. It is also a matter of corporate social responsibility, thus taking responsibility for the impact on society. Europe will never have the capacity to recycle all ships worldwide so there will remain a need to develop third country facilities. However SEA Europe sees ample opportunities for an industry on the verge of a breakthrough within Europe, with all benefits as described in this document.

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