Championing sustainability in ship recycling

From safety training and guides to advocacy and investments in the R&D of green tech, GMS CEO reflects on his company's role in shaping a safer, more responsible industry—now and in the future.

The world's largest buyer of ships and floating offshore assets for recycling is the first to admit that the industry isn't perfect.

But at the same time, it has come a long way over the last several years—to the point where a recent characterisation by the BBC is far from accurate, according to Dr. Anil Sharma, president and CEO of GMS.

Sharma founded GMS in the US in 1982. Today, it's the largest buyer of scrap tonnage on the planet, acquiring as much as 30 to 35% of all the global inventory that's recycled on the Indian subcontinent. With operations in nine countries and an extensive network of exclusive agents in recycling centers all over the world, GMS is on the front line of the crusade for sustainability and meaningful, positive change.

Since its inception, GMS has invested hundreds of thousands of dollars to increase global awareness about the benefits of ship recycling while advocating for the development—and application—of responsible ship recycling practices.

"I'm a big believer in developing green recycling programmes," Sharma explains. "Consequently, we've invested in creating a highly qualified team that lends our expertise and guidance to help ship recycling firms transition to safe and responsible processes.

"In fact, as a buyer with no recycling yard of our own, we have an objective view of the existing standards and apply a more holistic approach to industry development, with a particular emphasis on the yards themselves and the standards that we help implement."

GMS first initiated efforts to 'go green' in the early 2000s—well before the movement was in vogue. Soon after, Sharma notes his company was among the first buyers of recycling tonnage to support initiatives that laid the foundation for what would become the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships (HKO). No other buyer, recycling yard or shipowner, he says, has played a more pivotal role in shaping this agenda.
The Green Team

As the green movement evolved, Sharma credits GMS with developing the shipping industry’s first Responsible Ship Recycling Program (RSRP). He says the programme was developed in collaboration with Germanischer Lloyd—the predecessor to classification giant DNV GL—well before other classification societies were actively auditing and monitoring ship recycling.

Today, the GMS “Green Team”, which is touted as a group of seasoned, highly qualified industry professionals, offers sellers of ageing tonnage responsible end-to-end recycling options—from the identification of the right yards, to monitoring, auditing, documenting and reporting the entire recycling process.

Members of the GMS Green Team document and oversee the green recycling of an oil rig in Alang, India. Photo: GMS

The Green Team also hosts training sessions for yard workers and their supervisors free of charge. In February alone, it led six workshops in which 132 participants learned about the importance of workplace safety, how to handle and process hazardous waste safely and effectively, tactics for fighting various types of fires, and more. To-date, GMS has educated more than 2,000 workers over the course of 90 sessions.

The company also teamed up with the Indian Register of Shipping to conduct nearly two dozen “train-the-trainer” seminars for health and safety officers. Subsequently, these same individuals shared key learnings with roughly 100 workers from each of their respective yards, which amounts to an additional 2,000 beneficiaries of this programme. More will follow in the months and years ahead.

“GMS is the only company providing such comprehensive and consistent training facilities on a complimentary basis to workers at yards in India and Bangladesh,” Sharma adds.

A step further

In addition to training yard workers and supervising responsible recycling initiatives on behalf of third parties, GMS is actively investing in other R&D activities aimed at creating safe and environmentally-friendly processes such as paint removal technologies and other forms of education under its in-house RSRP. Recent efforts on this front include what Sharma describes as the industry’s first and only ‘green handbook’ for ship recycling processes and a publication entitled The Recycling of Ships, which offers macro-level insights about the sector.

The company’s ongoing commitment to the development and application of more responsible ship recycling practices was recognised in 2018 when it received the Green Shipping Award from Seatrade Maritime. Lloyd’s List has included Sharma in its annual list of the 100 most influential people in shipping for ten years straight. Given these accolades, and others, it should come as no surprise that some of the biggest owners and operators of commercial ships and offshore assets in the world have turned to GMS for their recycling needs.

The way forward

Since its inception nearly 30 years ago, GMS has been a market leader at the forefront of the green, responsible recycling movement, Sharma says. Coupled with its size, reach and market share, he notes that this makes the company uniquely suited to help owners, lenders, underwriters and other industry stakeholders with the calculation of residual asset values, pricing and risk.
In addition, GMS is regularly engaged in deep sea towage and complex vessel reactivations. To accommodate this highly technical workload, the company maintains a broad network of seasoned staff that has expanded its knowledge base to include in-house decommissioning of FPSOs and other offshore assets. Furthermore, this expertise includes the development of its own “gas free for hot works” guidelines, raising the bar on worker safety and environmental standards, and additional unique service offerings that separate the company from others in the business.

While ship recycling is not the sexiest facet of the maritime industry, it is a critical part of the supply chain. Looking ahead, Sharma says GMS intends to double down on its commitment to excellence in the sector.

“The genuine efforts that GMS has made to improve the industry should be acknowledged,” he adds. “It would be encouraging to see activists and media outlets such as the BBC engage with the likes of GMS in pursuit of a common goal: the facilitation of meaningful, positive change that’s well informed and builds on the progress that has already been made.”

Connect with GMS

To learn more about what GMS is doing to optimise the ship recycling industry and help it become more sustainable, check this out or follow the company on LinkedIn. You can sign up for its complementary digital newsletter GMS Weekly, which provides real-time news, analysis and commentary about the trends and transactions that are shaping the scrap market, here (Copyright)