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Nikos Mikelis at TradeWinds Ship Recycling Forum 2019 in Hong Kong Photo: Catwalk Productions/TradeWinds

## Mikelis fears plurality of standards for global shiprecycling

Consultant and Hong Kong Convention architect concerned at consequence of Alang recyclers chasing European list 'carrot'

15 May 2019 7:09 GMT *UPDATED 15 May 2019 8:25 GMT*by [Geoff Garfield](#) in London

An outspoken critic of the European Regulation on Ship Recycling (SRR) has raised concerns over competition among recyclers in their bid to be included on the European Union list of approved facilities.

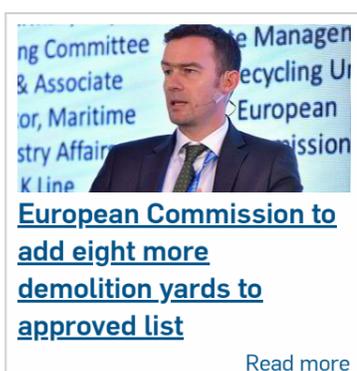
Nikos Mikelis told the Industry Working Group on Ship Recycling, which includes organisations such as Intercargo and the International Association of Classification Societies, that he feared for the economic sustainability of yards in Alang investing aggressively to secure the “elusive carrot” of inclusion on the list.

Some recyclers were competing to exceed standards of the IMO's Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships (HKC) — which he dubbed HKC Plus.

Some shipping companies that now recycle regularly in Alang were responsible for fuelling this competition, Mikelis alleged.

The consultant and non-executive director of cash buyer GMS, who is attributed with being the architect of the HKC, told the working group gathered at the International Chamber of Shipping in London that the potential European Commission approval of only a few yards in Alang could muddy the waters.

He said it could result in a plurality of standards instead of one global standard for international recycling, and a three-tiered market could include HKC-compliant yards and "HKC Plus" yards.

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Mikelis claimed formal establishment of a HKC Plus standard could derail progress already being made.

He said he was concerned that the HKC may have to wait indefinitely for entry into force and urged Indian facilities to withdraw their applications for EU list approval and simply maintain their HKC compliance.

“However, we need to recognise that those facilities that have invested in expensive infrastructure beyond the requirements of HKC may not be willing to adopt this advice,” he said.

The consequence of operating under different standards and without an international convention is not attractive for either the shiprecycling or shipping industry, he told the working group.

Mikelis said he had visited recently nine recycling yards in Alang and was impressed by further improvements, including the purchase of expensive cranes to lift blocks of 100 and 200 tonnes from recycled ships to deposit on concrete, impermeable areas.

“These are certainly not requirements of HKC but are the result of aggressive investments by leading shiprecyclers who want for themselves the advantages of being in the EU list,” he said.

“My expectation is that the commission will eventually approve [beaching] yards that use floating barges and large





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My expectation is that the Commission will eventually approve [beaching] yards that use floating barges and large cranes to lift blocks from the aft part of a beached ship directly to the impermeable floor on the shore.”

The EC has said it will publish an updated list of approved scrapping facilities for EU-flagged vessels that will include the addition of eight yards in Norway, Denmark and Turkey.

“Owners will have wider range of facilities to have vessels to have their vessels dismantled,” said Peter Koller, European Commission policy officer for waste management in the Environment directorate.

Yards in India have been inspected but so far not approved, but as TradeWinds reported on Monday, Koller said a further 25 applications are pending for addition to the European list, including 14 yards in India, six in Turkey, four in China and one in the US.

He added that more applications are “in the pipeline”.

It is exactly 10 years this week since the HKC was adopted at a conference in Hong Kong, but conditions for its entry into force have still to be fulfilled.

Ratification by India “holds the key to unlock HKC,” Mikelis said of the convention’s ship scrapping capacity requirement.

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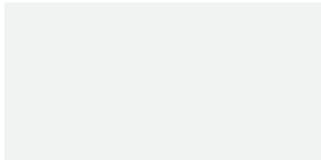
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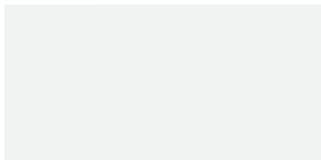
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