SRTI webinar 1: Data and transparency
0900-1000 BST, 30 April 2020
Summary

Following the postponement of the Ship Recycling Transparency Initiative (SRTI) in-person roundtable event (March 2020) due to COVID-19, the SRTI community is instead meeting at a series of themed webinars between April and June 2020. Each webinar covers a theme of relevance to the SRTI's vision and responsible ship recycling: data and transparency, circular economy, and the role of financial stakeholders.

The webinar series forms an important part of the SRTI's further development, identifying areas for expansion of the disclosure criteria against which shipowners are currently disclosing, and stakeholders' use of this data. They will also explore common themes and concerns for the potential development of disclosure criteria for ship building yards and ship recycling facilities, to be shared in a final online roundtable event, scheduled to take place later this year.

30 April Webinar 1: Data and Transparency	**28 May** Webinar 2: Circular Economy	**18 June** Webinar 3: Financial stakeholders	**September** Online Roundtable event	**Q4 2020** Expanded SRTI criteria	**Q1 2021** 2021 SRTI report

About the SRTI

An independent initiative hosted by the Sustainable Shipping Initiative, the SRTI provides a platform through which shipowners can publicly disclose their ship recycling policies, practices and progress, thereby holding themselves to account before key stakeholders – including customers, investors, governments, NGOs and their peers – and for the benefit of the wider public.

25 signatories have joined the SRTI since its launch in 2018, with 10 shipowners[1] voluntarily disclosing data to enable stakeholders to make informed decisions and reward good practice through the market. Recent signatories include heavy equipment manufacturer and shipper, John Deere and the P&I Club, Gard.
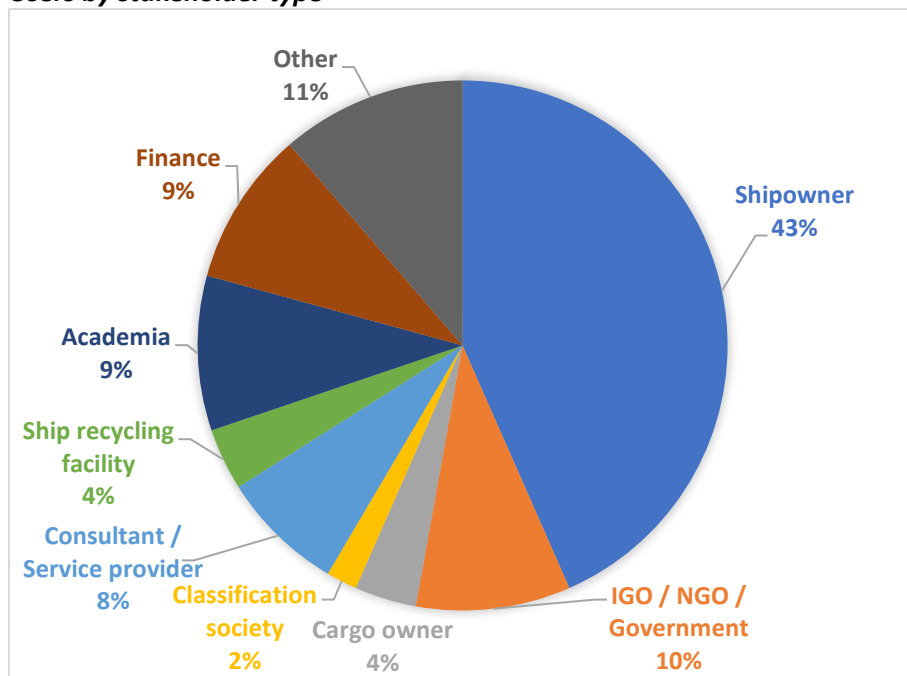
Who's using SRTI data?

8,856 users of the SRTI online platform since 10 December 2018

Top 10 countries of users of SRTI data

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1. USA	3. Germany	5. Netherlands	7. Denmark	9. France
2. UK	4. India	6. Norway	8. Singapore	10. Canada

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[1] Shipowners disclosing via the SRTI online platform are: Altera Infrastructure, The China Navigation Compnay, CMA CGM, Hapag-Lloyd, Maersk, NORDEN, Stolt Tankers, Swire Pacific Offshore, Teekay and Wallenius Wilhelmsen.

Ship Recycling Transparency Initiative (SRTI)
Using transparency to drive progress on responsible ship recycling
www.shiprecyclingtransparency.org

Users by stakeholder type

SRTI Steering Group member **Simon Bennett, General Manager - Sustainable Development at The China Navigation Company** facilitated the first webinar that focused on the role of data and transparency in driving responsible ship recycling. 35 participants[2] attended the webinar, representing a diverse range of our stakeholder groups.

Webinar participants by stakeholder group

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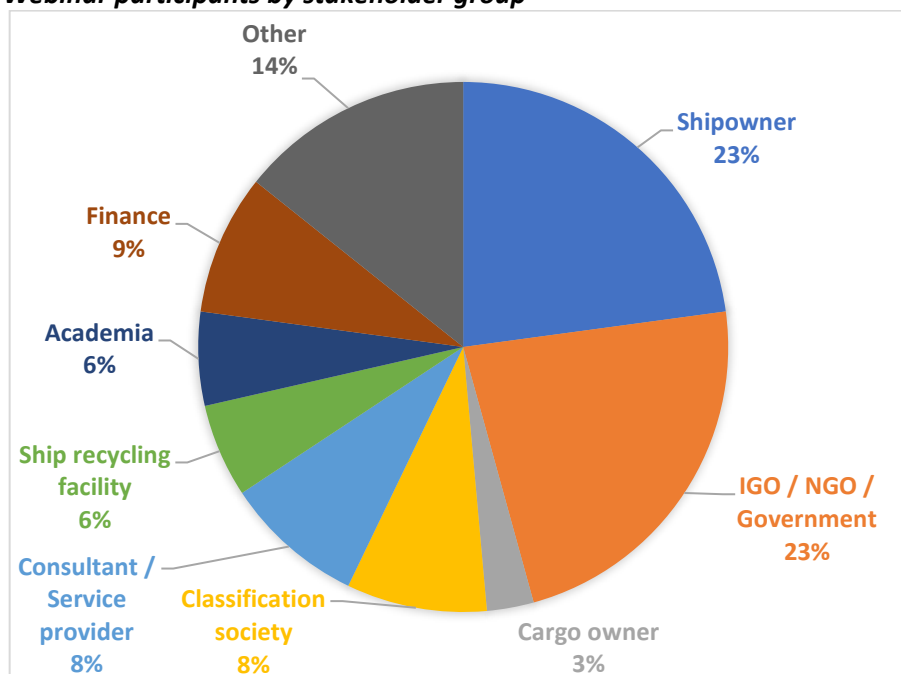
[2] List of participants not publicly available due to the Chatham House Rule.

Simon shared the story of the China Navigation Company's sustainability journey, its approach to ship recycling and how it sees transparency driving change. To warm up, participants were invited to answer the question: *What is the single greatest challenge to address in ship recycling today?* Almost half[3] of respondents selected ship recycling regulation[4] as the most challenging area – a challenge that applies at the global level (e.g. Hong Kong Convention – not yet in force), regional (e.g. EU Ship Recycling Regulation – in force since January 2019) or enshrined in national legislation.

Poll results: What is the single greatest challenge to address in ship recycling today?

Ship recycling regulation	(11) 48%
Safety / social issues e.g. training, housing, PPE, etc	(5) 22%
Waste management	(1) 4%
Environmental monitoring	(6) 26%

Participants were then invited to share their views on the criteria against which shipowners are currently disclosing on the SRTI online platform. The discussion centred around the problem statement:

> *The SRTI has a set of data it collects from shipowners and discloses transparently. What additional (or different) data would be useful for the SRTI to collect and disclose, clearly explaining WHAT it is; WHY it is useful; and WHO it is useful for*

Feedback on the current SRTI disclosure criteria
Participants were invited to provide feedback on the current **SRTI disclosure criteria**, consisting of six overarching sections: (1) Overall approach, (2) Ship recycling policy and standards, (3) Policy for selling owned vessels for further trading, (4) Ship recycling contract, (5) Inventory of Hazardous Materials (IHM) and Ship Recycling Documentation, and (6) Implementation of ship recycling policy and standard.

- On **section 2 Ship recycling policy and standards** It was mentioned that clarification is needed on the difference between "policy" in question 2.1 ("*Does the company have a written policy on ship recycling for its own vessels?*") and "standard" in question 2.8 ("*Does the company have a Responsible Ship Recycling Standard (or similarly named) in force?*")
  - Policy: An overarching statement on the approach to be taken to ship recycling
  - Standard: Internally agreed document (e.g. standard operating procedure, manual) against which compliance with the policy can be measured
- Also on **section 2**, a number of additional international conventions and principles requiring compliance[5] were suggested as additions to question 2.2 ("*What international conventions and principles does the policy adhere to?*"):

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[3] Data reflects webinar participants who voted in the poll (23 out of a total 35 participants)
[4] More on the state of play in ship recycling regulation in SRTI's 2020 Report:
https://www.shiprecyclingtransparency.org/ship-recycling-regulation-the-state-of-play/
[5] The international conventions and principles listed in the SRTI disclosure criteria relate to those which the ship recycling facility's host country has signed up to.

- o [EU Ship Recycling Regulation (EU SRR) (2013)](): Important regional instrument currently in force. Referred to in question 2.3 on % of fleet covered by EU SRR
  - o [ILO Declaration on Fundamental Principles and Rights at Work (1998)](): While covered under the UN Global Compact, ILO instruments go deeper into labour issues and are linked to the labour and human rights issues referred to in question 2.4
  - o [ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) – 5th Edition (2017)]()
  - o [ILO Safety and health in shipbreaking: Guidelines for Asian countries and Turkey (2004)]()
  - o [UN Guiding Principles for Business and Human Rights (2011)](): Complements ILO instruments, highlighting corporate responsibility on due diligence and access to remedy in the came of human rights abuses
- On **section 5 Inventory of hazardous materials (IHM) and ship recycling documentation**, a suggestion was made to consider addressing the specific requirements for tankers and tanker production units, given that the Hong Kong Convention (HKC) makes specific reference to them
- On **section 6 Implementation of ship recycling policy and standard**, the addition of the following information was proposed:
  - o Disclosure of reports on environmental monitoring during recycling process
  - o Disclosure of actions taken to address any issues reported in environmental monitoring reports
  - o Disclosure of data on safety-related issues including near misses and actions taken to address any issues to avoid recurrence and injuries in the future
  - o It was also noted that it may be challenging to request disclosure of reports on environmental monitoring during the recycling process as such monitoring reports (and their disclosure is incumbent on the ship recycling facility); however, this requirement could be included in the RECYCLECON contract
- Overall feedback was given that SRTI data must be used by key stakeholders in order to add value to the industry
- For many stakeholders, a key area of concern is how to do the right thing while remaining competitive

On the question of the SRTI expanding to include data from ship recycling facilities
- Some stakeholders believe that developing a separate section for SRFs – and possibly also for cash buyers – with their own separate set of disclosure criteria is a logical next step for the SRTI
- Reflecting on SRTI experience to date whereby responsible shipowners provided inputs into developing the current set of disclosure criteria, a similar process could be developed whereby the onus would be on leading and like-minded SRFs to help devise a set of criteria that effectively allows them to differentiate themselves
- It was commented that the SRTI must exercise caution to avoid conferring a level of undue credibility to SRFs which could be potentially used by unscrupulous SRFS (and shipowners)
- While there are risks around self/voluntary reporting, the SRTI is not a certification/standard and should be recognised as such in the context of disclosures of both shipowners and SRFs
- Key elements of the governance process around the development of disclosure criteria include identifying: (i) Who signs off on this?; (ii) Who contributes?; and (iii) Who should/must be consulted?