



# MEDIA RELEASE

## ATTENTION: NEWS EDITORS

For immediate release

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### **New UNDP project aims at cleaner and safer ship-breaking**

Workers and owners operating ship-breaking yards in Bangladesh may soon benefit from safer working environments, following the signing earlier today of a landmark agreement between the Government of Bangladesh and the United Nations Development (UNDP) programme.

During a brief ceremony today, the Secretary of the Economic Relations Division (ERD), Mr. Mirza Tasadduq Hossain Beg and UNDP Resident Representative, Mr. Jorgen Lissner, officially launched the new initiative, which is primarily aimed at improving conditions within the ship-breaking industry.

At the end of their lives, most of the world's big sea-faring ships are sailed to one of four Asian countries (Bangladesh, China, India, and Pakistan) where they are dismantled and recycled. This industry -- commonly known as the 'ship-breaking' or 'ship-recycling' business -- is an important source of income for Bangladesh.

A number of industries in Bangladesh, particularly those requiring steel products, rely on the ship-breaking yards to supply them with raw materials. In Bangladesh, the ship-breaking industry is the main source of raw material for the steel industry, as the nation has no domestic sources of iron ore and is faced with high prices for "new" steel in the international markets.



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However, the ship-breaking industry has never been regulated and falls short in many respects of national and international standards. At present, a total of 32 ship-breaking yards are operating regularly on the beaches north of Chittagong, and they dismantle and recycle around 60-80 large ocean-going ships every year. Few of these recycling yards are registered under the national Factories Act of 1965, and existing labour laws do not cover their workers.

Ship-breaking is generally done manually and with very little protection for the workers dismantling huge vessels directly on the open beach. For the workers, it is dangerous, and accidents causing either injury, disability or death are not uncommon. In addition, such work is very poorly paid (US\$ 20–60 per month) and mostly accepted only by men from poverty-stricken areas in northern Bangladesh. Most workers are employed on a day-to-day basis, and their wages, hours of work, and overtime payment fail to meet minimum labour standards. Moreover, the improper disposal of harmful chemicals around ship-breaking yards is not only hazardous for the workers, but also a serious source of pollution in the surrounding environment.

The new UNDP-funded project will bring together all concerned parties -- the relevant ministries, the Bangladesh Navy, importers, the Ship-Breakers Association, survey companies, banks, traders, related industries, and workers in an effort to improve the conditions of the labour force involved and to reduce environmental pollution. The project will draw extensively on technical expertise from the International Labour Organization (ILO), and it will seek -- through a comprehensive approach based on policy dialogue, safety training and public awareness -- to align current work practices in the ship-breaking industry with international and national rules and regulations.



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**Project details in brief:** Safe and Environment-friendly Ship-Recycling

Start Date: November 2003

Estimated end date: June 2006

National Implementing Agency: Department of Inspections for Factories and Establishments

Implementing Agencies: The International Labour Organization (ILO)

Executing Agency: Ministry of Labour and Employment

Budget: USD 1. 29 million

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