

# **SEWA'S Suggestions on DRAFT REGULATIONS FOR RECYCLING OF SHIPS, 20XX**

## **Background and Statement of Object:**

Alang is the world's largest ship breaking/recycling port, spread along 14 kilometers of the coast in Bhavnagar district in Gujarat. It is well equipped to handle very large supertankers, medium to large ferries, containerships and even ocean liners. At 183, it has the highest number of yards in the world, and more than 90 yards are Hong Kong International Convention (HKIC) compliant yards. The Alang yard caters to 98% of the ship recycling in India.

Though the figures of the shipbreaking/recycling workers working outside the ship breaking yards, ie. 'Downstream Workers', are still ambiguous, but they are in thousands. ILO considers the ship breaking work as one of the most dangerous jobs in the world, but very little is known about the downstream industry and the precariousness of work involved there.

Over 20,000 women workers in Bhavnagar city are involved in the downstream ship breaking industry. Their work is extremely important as they are the active participants of the circular economy that aims at creating sustainable development. Even though they work at the lowest levels of waste management in this industry, their role is very vital as they promote optimum usage of the material by recycling it, resulting in reduction of wastage and decreased reliance on virgin resources. They are also continuously exposed to poisonous gases, harmful substances, injuries from hammers, screwdrivers, blow torches, and so on and are also exploited.

## **Informal women workers in Downstream shipbreaking**

The women workers of the downstream shipbreaking (outside the ship breaking yards) are involved in two activities:

1. Discarded anchor ropes
2. Scrap materials & E-waste

### **1. Discarded anchor ropes:**

This is the best example of circular economy. The large anchor ropes weighing in tons are purchased by the traders and transported to Bhavnagar city for further process. These ropes are then brought in small

units, where majorly the women work to first cut the rope, unwind it, clean it, wash it, dry it, colour sort it and then it is melted to form dough in small units/sheds engaged in this work. This dough is then processed further and yarn is produced from it. The yarn is the raw material for making plastic fabric used in different items like lounge chairs, strips and so on.

The women working in these units are paid Rs. 5,000 to 6,000 (USD 60-72) per month for this work. They work from 9:00 am to 5:00 pm each day with an hour's break. This work requires much physical effort and the women are exposed to occupational risks, which include standing in dirty water for hours to wash the anchor ropes and even sustaining major injuries while handling the heavy and sharp axe for cutting the ropes. Moreover, they end up inhaling poisonous gas when the plastic is burned to make dough out of it. They work in areas that are either open or insufficiently covered to give them shade at work making them extremely vulnerable to heat stress.

## **2. Scrap materials & E-waste:**

This is the last stage of the ship breaking/recycling process. Some of the materials, like switch boards, wires, mother boards, transformers, etc, that cannot be sold, reused or repaired as they are, are then bought by scrap shop traders which are further purchased by the women workers to sort and break to extract precious materials/metals from it. This work is done at their homes by the women workers. They use very basic tools like hammers, screwdrivers, and sometimes even burn the items to extract copper and other valuable metals from it. They earn from selling these items to the local scrap shops.

These women workers put in 7 to 8 hours of work in a day and usually entire family is involved in this work. Their average income is Rs. 200 to 300 per day. These workers too are exposed to hazardous chemicals and gases while processing the scrap & the e-waste. They also get injured while using hammers and screwdrivers, their hands are blackened from the chemicals that come out of transformers and such objects. Incidents of blasts while breaking open the electronic objects are very common and sometimes they also suffer from burns while burning the wires/ other objects to extract

precious metals from it and they also inhale fumes that causes respiratory issues. Since these workers sit at one place for very long time, they often complain of gynaecology issues, urine problems as well as joint and back pains. Skin allergies and body aches are quite regular among these workers. In such cases they lose out on work for that day or even more days, as a result of which they lose their incomes. The injuries and other health and occupational hazards are as a result of these workers being unable to afford the most basic safety equipment.

For these workers their home is their workplace. They live in highly congested houses, so it becomes difficult for them to keep such hazardous material separate within their homes due to limited storage spaces and hence it is not possible to ensure that their children are also not exposed to these hazards.

**Other issues:**

1. These downstream shipbreaking workers, who are either self-employed, home-based, or daily wagers, have no social security at all.
2. There are no laws, policies or guidelines for these workers. There are laws existing for workers that work in shipbreaking/recycling yards, but nothing for these downstream industry workers.
3. Their work encircles around occupational health and safety issues as the objects/materials they work with are highly hazardous.
4. Moreover, most of the workers are not aware of the nature of items they are handling nor are they trained to understand various symbols on the electronic waste.
5. The climate and weather conditions of Bhavnagar city are highly unpredictable, with extreme heat and frequent torrential winds, cyclones and rains. These conditions also adversely affect the health and well-being of the workers. This hinders the work of the women and they lose on their incomes.
6. The value chain of the ship breaking industry is very stringent and that of downstream industry is very lengthy, leading to exploitation by the traders and contractors. As a result, the women workers' earnings, whether employed in small units or those who are self-employed, are very

meagre while the risk involved in their work is higher. In comparison to men, the women workers are paid less. The scarp shop trader degrades the value of the extracted materials and does undue deductions.

7. The women workers working with scrap are homebased workers, they are scattered and invisible. Therefore, their bargaining power is also diluted, which increases the chances of manipulation by the scrap trader.

#### **Needs of the workers of the downstream shipbreaking industry:**

1. Ensure that the rights of these informal economy workers are secured so as to improve their working as well as their living conditions.
2. Their identity as a workers should be acknowledged by providing them identity cards.
3. Improving the infrastructure and essential services for these workers.
4. A R&D (Research and Development) centre should be established that identifies the needs of these workers and develops tools/ equipment to make their work easier, increase their output as well as become less hazardous.
5. They should have access to basic safety supplies like protective gears and tools & equipment's. Like industrial gloves, goggles, masks, protective spread and so on.
6. Mapping of the value chain of the ship breaking to highlight the vital role of these women workers of the downstream in the circular economy.
7. These workers have no social security even though their work is so precarious. It is important that social security that includes health and insurance benefits should be extended to these workers. Child care is also very vital for these workers.
8. They should also be covered with pension and maternity benefits.

**Under the circumstances following suggestions be made/added to the Regulations so that downstream workers engaged in shipbreaking/recycling related activities can be included and are protected.**

#### **I Chapter I Preliminary Regulation 2 Application**

The Recycling of Ships Act, 2019, as well as the draft Regulations do not contain any provisions relating to the ship breaking/recycling activities undertaken

outside the ship breaking yards, i.e. downstream recycling, involving discarded anchor ropes, scrap materials and other e-waste.

### **Suggestion**

The Regulation 2 be amended so as to include the application of these provisions to the downstream areas involved in further recycling of the ship waste such as discarded anchor ropes, scrap materials & e-waste and any other such activities as may be specified.

## **II Regulation 3 – Definitions**

The definitions exclude activities relating to recycling of discarded anchor ropes, scrap materials and e-waste which are undertaken outside the shipbreaking/recycling yards, as well as the workers engaged in such activities. This work is undertaken either by self-employed workers, home-based workers or daily wagers contracted by small unit employers/contractors, all of whom are working outside the ship breaking/recycling yards. Their work is extremely important as they are the active participants of the circular economy that aims at creating sustainable development. Even though they work at the lowest levels of waste management in this industry, their role is very vital as they promote optimum usage of the materials, by recycling it and contributing towards reduction of wastage.

### **Suggestion**

**The following definitions be added/amended:**

- 1. “Downstream recycling activity”** means recycling activities performed outside the ship breaking/recycling yards involving discarded anchor ropes, scrap materials and e-wastes and any other such activities as may be specified.
- 2. “Ship Recycler”** shall mean and include a natural or legal person that employs one or more workers and is engaged in ship waste recycling activities outside the ship breaking/recycling yards, involving discarded anchor ropes, scrap materials & e-waste and any other such activities as may be specified.
- 3. “Ship recycling”** shall mean and include the downstream recycling activity undertaken outside the shipbreaking/recycling yards to reuse, reprocess and recover valuable components and materials that protect the environment including activities involving discarded anchor ropes, scrap materials & e-waste and any other such activities as may be specified.

**4. “Ship recycling facility”** shall mean and include any area, including the home of a worker, small plastic processing units, that undertake downstream recycling activity involving discarded anchor ropes, scarp materials and e-waste, outside of the shipbreaking/recycling yards, and any other such area as maybe specified.

**5. “Worker”** shall mean and include any person, including home-based worker, self-employed worker, daily wager and those working in small plastic recycling units, who performs work, either regularly or temporarily, in the context of an employment relationship including contractor personnel in downstream ship recycling activity outside the ship breaking/recycling yards and are engaged in activities involving discarded anchor ropes, scrap materials & e-waste and any other such activities as may be specified.

### **III Regulation 11. Workers safety, training and medical aid**

The work undertaken by the downstream workers contributes tremendously towards a circular and sustainable economy. Their work is extremely precarious, involving serious health hazards, including exposure to toxic chemicals, burns, injuries from use of hammers, screw drivers, blow torches, etc and yet neither is their work recognized, nor are they offered any basic protection also.

#### **Suggestion**

Sub-regulation (4) be added to Regulation 11 as; “All the provisions of the Regulation 4 sub-regulation (1), (2) and (3) shall be applicable to the downstream recycling activities undertaken outside the ship breaking yards involving discarded anchor ropes, scrap materials & e-waste and any other such activities as may be specified.

### **IV Regulation 13. Obligations of ship recyclers towards workers and environmental damages**

#### **Suggestion**

The provisions of this Regulation be amended so as to also be applicable to the downstream recycling activities undertaken outside the ship breaking/recycling yards involving discarded anchor ropes, scrap materials & e-waste and any other such activities as may be specified.

### **V Suggestion**

**Chapter III-A for the Welfare and Social Security of the downstream workers working outside the ship breaking/recycling yards and involved in activities**

**such as discarded anchor ropes, scrap materials & e-waste and any other such activities as may be specified be added as follows:**

- (1) Constitution of State Welfare Boards for the downstream workers working outside shipbreaking/recycling yards. (i) The Gujarat Government shall, with effect from such date as it may, by notification, appoint and constitute a Board to be known as the Gujarat Downstream Recycling Workers Board to exercise the powers conferred on, and perform the functions assigned to, it under the Act.  
(ii) The Deputy Commissioner of Labour, Bhavnagar shall be the Chairman of the Board and the following other members:
  - (a) A representative of the head Gujarat Maritime Board as nominated by State Government
  - (b) Two representatives of the downstream workers representative as nominated by State Government
  - (c) Assistant Director of Factories, Bhavnagar
  - (d) Two such expert members as the State Government may consider appropriate; and
  - (e) Two representatives of Ship recyclers.Provided that at least 1/3 of the Board members should be women.  
(iii) The function of the Board shall be to ensure the compliance of Welfare and Social Security Schemes framed by State as well as Central Government for downstream workers.
- (2) The Central Government shall frame and notify, from time to time, suitable welfare schemes for the downstream workers working outside shipbreaking/recycling yards in the downstream recycling activities and matters relating to—
  - (i) life and disability cover;
  - (ii) health and maternity benefits;
  - (iii) old age protection;
  - (iv) education; and
  - (v) any other benefit as may be determined by the Central Government.
- (3) The State Governments shall frame and notify, from time to time, suitable welfare schemes for the downstream workers working outside shipbreaking/recycling yards in the downstream recycling activities, including schemes relating to—
  - (i) provident fund;
  - (ii) employment injury benefit;
  - (iii) housing;

- (iv) educational schemes for children;
- (v) skill up-gradation of workers;
- (vi) dispensaries;
- (vii) funeral assistance; and
- (viii) old age homes.

(4) The Schemes may be;

- a. Wholly funded by Central Government,
- b. Partly funded by Central Government and State Government,
- c. Partly funded by Central Government, State Government and Contribution from the ship recyclers/yard owners, or
- d. funded from any source including corporate social responsibility fund within the meaning of the Companies Act, 2013 or any other such source as may be specified in the scheme.

(5) Registration of downstream workers working outside shipbreaking/recycling yards

- (i) Every downstream worker engaged in recycling activities outside the shipbreaking/recycling yards shall be required to be registered for the purposes of this Chapter, subject to the fulfillment of the following conditions, namely: —

- (a) he has completed sixteen years of age or such age as may be prescribed by the Central Government;

- (b) he has submitted a self-declaration electronically or otherwise in such form and in such manner containing such information as may be prescribed by the Central Government.

Every downstream worker engaged in recycling activities outside the shipbreaking/recycling yards shall make an application for registration in such form along with such documents including Aadhaar number as may be prescribed by the Central Government and such worker shall be assigned a distinguishable number to his application.

Provided that the system of electronic registration maintained by the appropriate Government shall also provide for self-registration by any such worker in such manner as may be prescribed by the Central Government.