

What does **Green Growth** mean for **Workers**?



**“the need for a cooperative linkage between
shipbuilding and shipbreaking”**

Kan Matsuzaki, IMF

OECD WP6 Workshop on Green Growth in Shipbuilding
Paris, 7-8 July 2011



Green Growth means



Environmental Protection

Sustainable job creation

“Life-cycle” thinking



Environmental Protection

World Orderbook at Year-End (in share)

	2004		2010
Japan	34.0%		16.3%
S. Korea	37.2%		34.3%
China	14.0%		39.5%
Europe total	5.2%		1.6%
USA	0.4%		0.1%
Brazil	0.2%		0.9%
Taiwan	1.4%		0.7%
India	0.2%		0.9%
Philippines	0.5%		2.7%
Vietnam	0.4%		0.9%
World total('000GT)	146,213		261,016

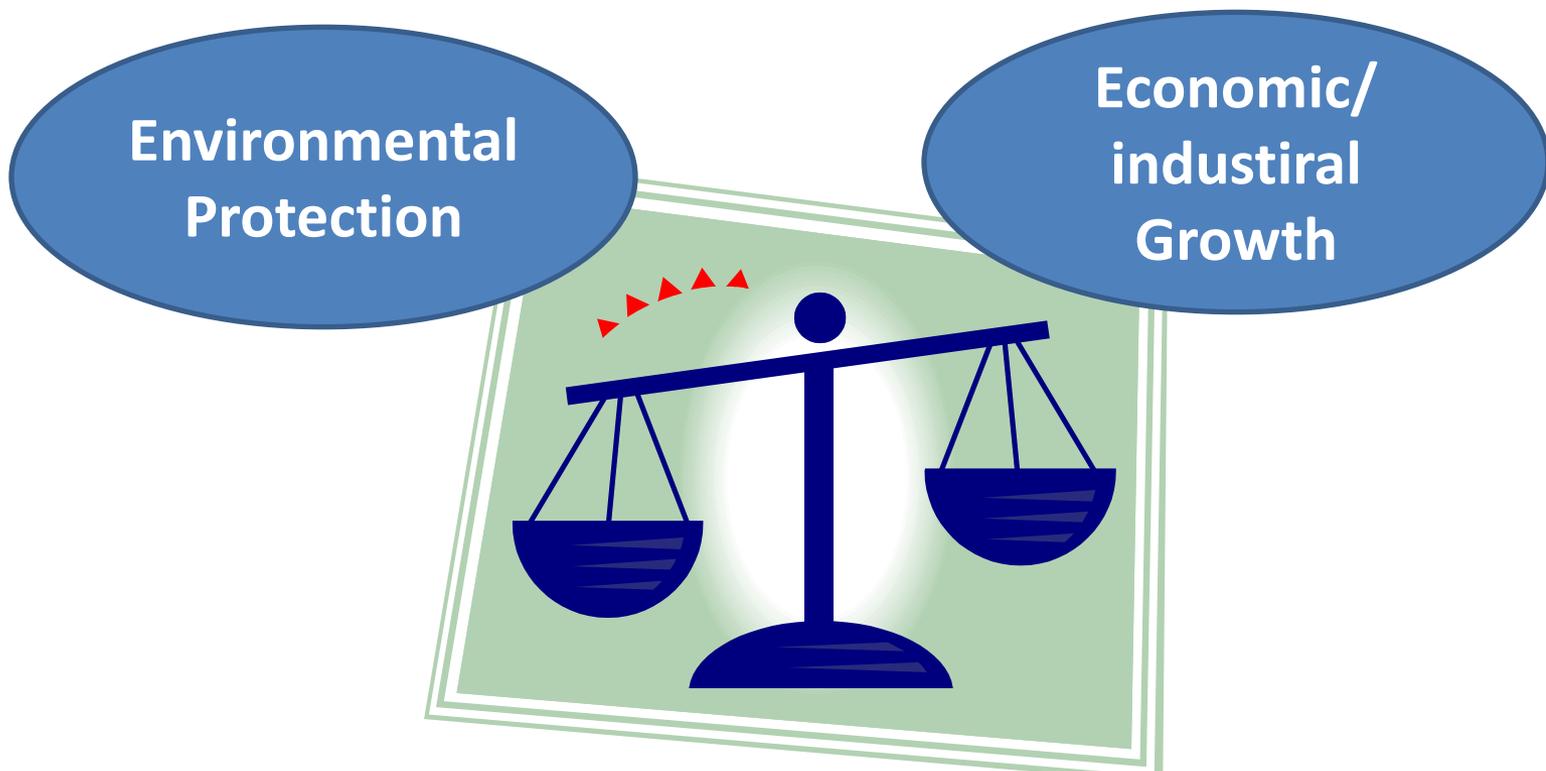
The share is increasing in the countries where the environmental regulations are relatively weak/flexible.

e.g. NON-Annex I party of Kyoto Protocol (countries which are not required to reduce GHGs)

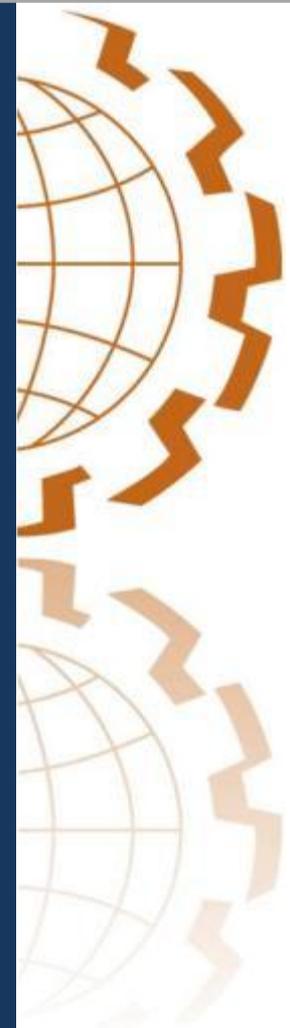
1. Data Source: The Shipbuilders' Association of Japan(SAJ)
2. Ship Size Coverage: 100 Gross Tonnage and over
3. Europe Total = Former AWES(present CESA)



Environmental Protection



Cost-cutting causes delay of achieving technological breakthroughs which are essential for sustainable future.





Environmental Protection

Green Growth should ensure a level playing field and eliminate the possibility of carbon leakage and environmental pollution.



We need long-term investment on R&D and a strong, legally-binding, comprehensive global agreement covering all maritime sectors.



Sustainable job creation

Trends of depressing global shipbuilding industry/market

- Massive over supply/capacity
- Pressure for cost competitiveness (race to the bottom)
- Layoffs/Creating precarious jobs including wide range of supply chain



Resources/finances/opportunities needed for **Green Growth** are being **heavily damaged** such as advanced green tech., environmentally friendly workplaces decent working conditions, etc.

e.g. Europe



Shipbuilding - that is us!

- SHIPBUILDING - providing solutions to 21st century challenges: Climate Change, Energy, Mobility & Security!
- SHIPBUILDING - providing good jobs in high-tech manufacturing!
- SHIPBUILDING - at the heart of Europe's maritime economy!
- SHIPBUILDING - a sector in crisis ignored by politicians!

Here is a last wake-up call for policy-makers in Brussels and the EU Member States: **Start a common European initiative! Save shipbuilding in Europe!**

1. Targeted stimulus measures
2. Incentives for innovation and environmentally friendly ships
3. Safeguarding ship financing in Europe
4. Creating fair global competitive conditions
5. Safeguarding jobs and know-how
6. Preventing industrial erosion



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Sustainable job creation

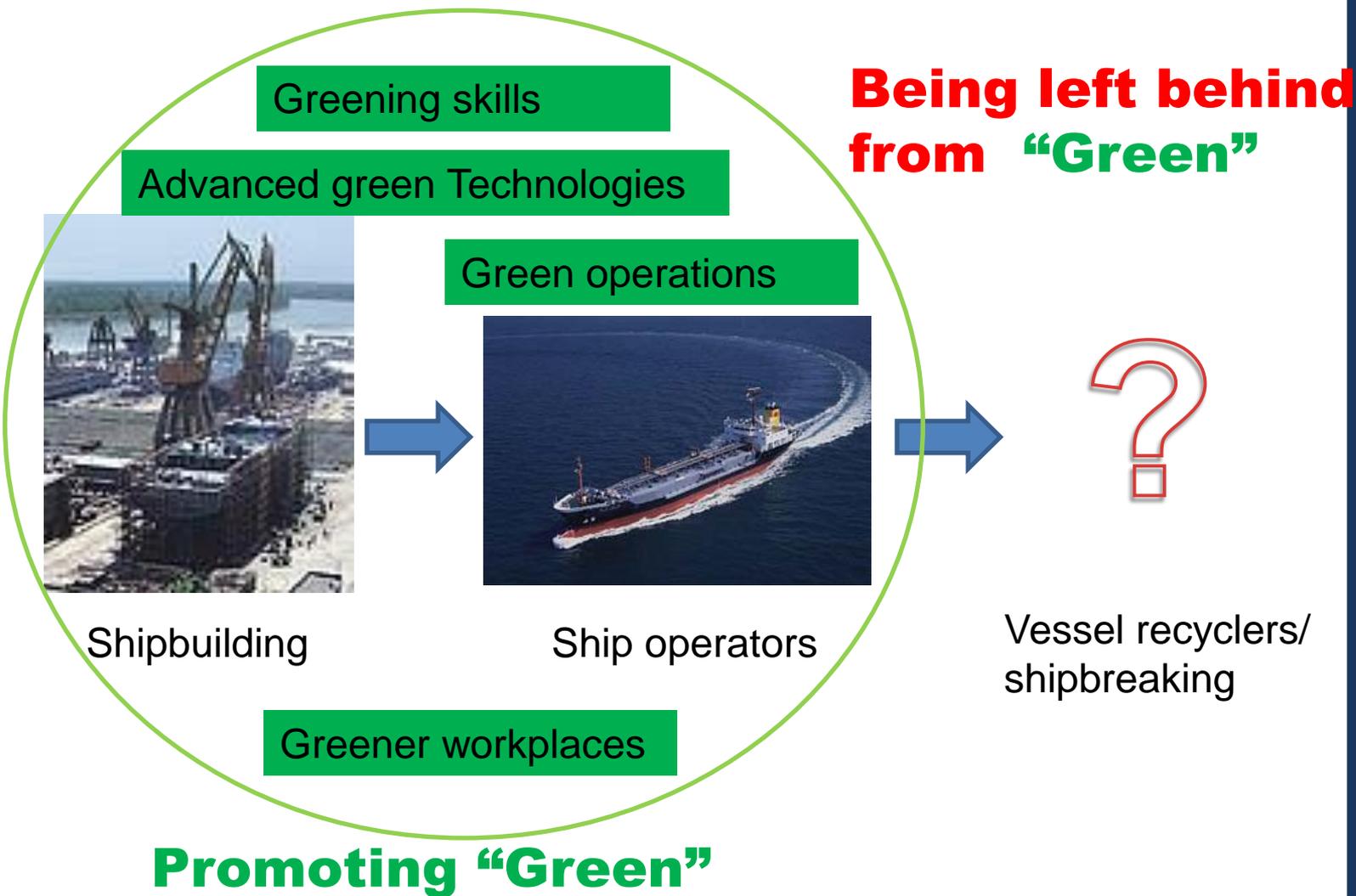
Green Growth should ensure social justice (together with decent work) and sustainable job creation/long-term employment.



We need a fair and level playing fields to create new/sustainable jobs which are vital for promoting advanced green tech.&skills. in maritime industries.



“Life-cycle” thinking



“Life-cycle” thinking

Facts in Shipbreaking/recycling



“Life-cycle” thinking

Facts in Shipbreaking/recycling





“Life-cycle” thinking

Facts in Shipbreaking/recycling

- one of the most hazardous occupations in the world, due to its heavy and destructive nature.
- significant environmental concerns, as ships are the source of many polluting materials.
- the amount of shipbreaking will be tripled in next 25 years with more toxic contained-bigger-sized ships.
- since shipbreaking is one of most labor intensive industries, this industry has been looking for/moving to cheap labor or/and non-organized workplaces where there is no safe and green technology.
- India, Bangladesh, and Pakistan account more than 65% of world shipbreaking in gross tonnage.



Major achievement of International rules

date	Types
May 1992	UNEP: “Basel Convention” into effect
Dec. 2002	UNEP: issued “Technical Guidelines for the Environmentally Sound Management of the Full and Partial Dismantling of Ships”
Oct. 2003	ILO: issued “Safety and Health in shipbreaking: Guidelines for Asian countries and Turkey”
Dec. 2003	IMO: issued “ Guideline on Ship Recycling”
2012?	<p>IMO : “the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships”</p> <p>Adaption: 11 May 2009</p> <p>Entry into force: 24 months after ratification by 15 states, representing 40 percent of world merchant shipping by gross tonnage, combined maximum annual ship recycling volume not less than 3 % of their combined tonnage.</p> <p>Ratified: France, Italy, Netherland, Turkey and St. Christopher and Nevis.</p> <p>Into force: when Japan, EU27, China, and India ratified.</p>



should be into force as soon as possible

“Life-cycle” thinking

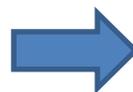
the need for a cooperative linkage between shipbuilding and shipbreaking(including ship operators) to **promote “Green Growth”**



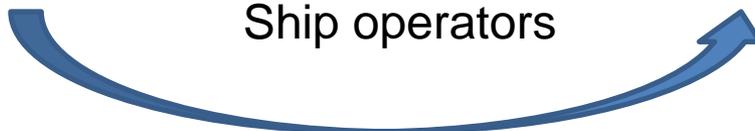
Shipbuilding



Ship operators



Vessel recyclers/
shipbreaking



Recycle-friendly shipbuilding and transfer know-how of safety, skills, green technology, greener workplace, etc.





“Life-cycle” thinking

Green Growth should promote “life-cycle” thinking and ensure “full” implementation of international rules/standards/guidelines at all the workplaces.



We need a constructive social dialogue scheme(workers’ unions and employers of all related industries, and the governments.) **promoting “life-cycle” strategies to drive Green Growth.**



IMF – EMF information on Shipbuilding-Shipbreaking



Website

International Metalworkers' Federation
<http://www.imfmetal.org/index.cfm?n=644&l=2>

European Metalworkers's Federation
<http://www.emf-fem.org/Industrial-Sectors/Shipbuilding>

THANK YOU

