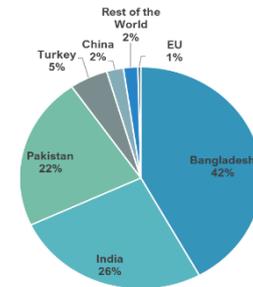


## A Green Compliant Ship Recycling Facility in South Africa

Growing environmental and labour concerns in the global ship breaking industry present a desperate need for green compliant ship recycling facilities.

The global ship recycling industry is dominated by ship breaking yards in South East Asia. In 2019, **approximately 90% of all obsolete ships** ended up on beaches in India, Pakistan or Bangladesh. These shipbreaking yards demolish obsolete vessels under rudimentary conditions through a practice termed “beaching”. Beaching inevitably pollutes the ocean and its surroundings and creates unsafe working conditions, as most of the work is done manually.

Scrapping destination of ocean-going commercial vessels: Percentage of gross tonnage scrapped, Global, 2019



The demolition of ships is a hazardous and labour-intensive process. It can present great risks to the maritime environment and to the labour rights of its employees if the vessel is not recycled in a safe and sustainable manner. With a combination of changing environmental legislation and increased stakeholder pressure, green compliant facilities that offer competitive vessel purchase prices are gaining increased prominence in the global ship breaking industry. The shift in the industry is further promoted by shipping companies implementing their own internal stringent ship recycling regulations that ensure that their *end-of-life* vessels are recycled in compliant facilities.

*“We have audited and selected specific shipyards to recycle vessels up to our standard and have our own team on the ground to check if they operate in line with our policies.”* – Vice President of Chartering, Global Shipping Company.

This changing market dynamic will continue to open opportunities for certified green ship recycling facilities in key locations. The planned ship recycling facility - **34South** - located along the West coast of South Africa in the Saldanha Bay Industrial Development Zone offers a prime location for *end-of-life* vessels passing through the Cape of Good Hope and bypassing the tolls of the Suez Canal.

The 34South facility will maintain state of the art equipment by making use of a ship lifting system, ensuring that vessels are decommissioned in an environmentally safe manner compared to the rudimentary method of beaching. The ship lifting system will support a common user philosophy and can create economies of scale by accommodating more than one vessel at a time.

The 34South planned facility is supported by the Industrial Development Corporation (IDC) of South Africa, as its largest shareholder.

### Ship Lifts



A ship lift is a controlled platform that lifts and launches a ship and transfers it onto land. The platform can be controlled from a control desk in a tower to provide the operator with a thorough view of the entire operation.