Jessika ROSWALL

Commissioner for Environment, Water Resilience and a Competitive Circular Economy

Stéphane SÉJOURNÉ

Executive Vice-President for Prosperity and Industrial Strategy

Dear Commissioner Jessika ROSWALL and Commissioner Stéphane SÉJOURNÉ,

We are writing to express our serious concerns regarding the Commission's proposal to approve two beaching yards in the 16th list of ship recycling facilities. As reflected in the numerous responses to the Commission's consultation on the matter[1] and in this letter, a diverse range of stakeholders, from NGOs and steel companies to ship recycling yards and unions are calling for the immediate withdrawal of the proposal, citing the risks associated with the beaching method as well as the economic consequences of approving substandard yards in third countries.

Shree Ram and YSI Recyclers, the two yards proposed to be approved, alike the entire Indian shipbreaking industry, rely on the beaching method whereby vessels are dismantled directly on the intertidal mudflat. **This method is not allowed in any EU Member State and directly prevents compliance with the EU Ship Recycling Regulation's Article 13(1) which requires controlling all leakages and conducting all operations on impermeable floors**. A substantial body of environmental and toxicological research from Alang-Sosiya and other beaching regions have documented contamination of soil, coastal waters, sediments and marine ecosystems associated with dismantling ships directly on tidal beaches. Recently, a heavy fuel spill occurred in a neighboring yard[2], contaminating vast parts of the Gujarati coast and demonstrating the fundamental inability to contain pollutants when dismantling occurs on tidal mudflats. In addition, Indian shipbreaking facilities in Alang-Sosiya are exempted from an Environmental Impact Assessment and notification under the Indian Coastal Zone Regulation. They are furthermore allowed to resell for reuse recovered and usable Asbestos Containing Materials.

While individual yards can commit to go beyond their national legal framework, **it remains unclear how the Commission intends to ensure compliance in third countries without strong public enforcement and environmental governance at national level.** As reported by multiple

[1] https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/16573-Ship-recycling-European-list-of-ship-recycling-facilities-16th-edition-_en

[2] https://shipbreakingplatform.org/massive-oil-spill-at-indias-best-shipbreaking-yard-raises-serious-concerns-over-hong-kong-convention-certification/

government and independent studies, including from the Comptroller and Auditor General of India[3], governance and environmental monitoring of Indian shipbreaking yards is fragmented and insufficient. The Gujarat Pollution Control Board, in charge of monitoring Shree Ram and YSI Recyclers, is undermined by chronic understaffing, inadequate technical capacity, insufficient monitoring and sampling, delayed institutional capacity-building, and weak transparency, all of which adversely affects its monitoring and regulatory functions. These issues impact the entire sector and raise concern over the Commission's capacity to ensure compliance with EU SRR requirements in India in-between inspections.

EU/EFTA based ship recycling facilities approved on the EU list have the capacity to recycle the EU-flagged fleet[4] and are calling for a level-playing field5. Any rubberstamping by the EU of the beaching method would only worsen unfair competition already faced by the European ship recycling sector.

In addition, this proposal runs counter to the **Industrial Maritime Strategy** which has called upon expansion of the European ship recycling sector[6], as well as the **Clean Industrial Deal**'s objectives to accelerate the circular transition and ensure the EU's material strategic autonomy. As recognized by the European steel industry, ship steel is a valuable source of high-quality secondary material[7]. Between 70% and 95% of a ship's weight can be recovered and transformed into high-quality secondary raw materials. With the number of ships reaching end-of-life expected to increase fivefold in the next decade, the European fleet represents a strategic opportunity for the European steel industry to access predictable and significant volumes of secondary raw materials, especially as demand for these materials is expected to rise significantly with electric arc furnaces replacing part of primary capacity. The fate of the recovered steel matters as well. Much of the ship plate from Alang shipbreaking yards is re-rolled directly into construction bar, a practice that both EN 10080 (clause 6.4) and India's own IS 1786:2008 (clause 1.6) prohibit for reinforcing steel. This material compromises quality and safety in construction use and undermines the level playing field in international trade.

In addition to steel, recycling ships in the EU will also provide copper, aluminum and the alloying elements they contain to European industries. Moreover, this would maintain and create additional jobs in Europe, where the materials are recovered and processed under high EU environmental, health and safety and social standards.

Finally, **the approval of beaching yards located in India would perpetuate the dumping of European hazardous waste in the Global South**. Article 39(1) of the Waste Shipment Regulation (EU) 2024/1157 prohibits exports from the Union of hazardous waste that are destined for recovery to non-OECD countries. Although this has been interpreted in the context of ship

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[3] Report of the Comptroller and Auditor General of India on Performance Audit of Air Pollution Control by Government of Gujarat, 2022

[4] https://www.transportenvironment.org/articles/most-eu-ships-are-being-scrapped-in-south-asia-despite-sufficient-domestic-recycling-capacity-confirms-new-study

[5] https://shipbreakingplatform.org/wp-content/uploads/2025/12/Final-Joint-Statement-Ship-Recycling.pdf

[6] European Commission (2026), *Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the EU Industrial Maritime Strategy*, COM(2026) 111 final, Brussels, 4 March 2026.

[7] https://shipbreakingplatform.org/wp-content/uploads/2025/11/NGO_ScrapSteel_FullReport.pdf

recycling to only apply to ships that become waste within EU waters, the underlying objective of the provision, which implements into EU law the Basel Ban Amendment, is to prevent the externalisation of environmental and safety risks associated with hazardous waste to countries lacking the capacity to ensure its environmentally sound management. Permitting EU-flagged vessels, which remain subject to regulatory responsibility of the Union, to be dismantled in non-OECD countries where equivalent standards cannot be guaranteed contradicts the policy rationale underpinning the Waste Shipment Regulation's export prohibition.

For the reasons listed above, we call the European Commission:

- To apply uniform standards across all listed facilities regardless of geographic location and remove the Indian beaching facilities from the proposed list as they do not ensure safe and environmentally sound recycling of vessels;
- To use the ongoing revision of the technical guidance note for ship recycling facilities in third countries as an opportunity to better align and update the guidance to reflect EU standards and make it clear that the Regulation bans beaching as a ship dismantling method as beaching does not ensure full containment and is not allowed in the EU;
- To take leadership on advocating higher standards and a clear ban on beaching at the international level, especially at the International Maritime Organization;
- To further strengthen the EU Ship Recycling Regulation by closing the re-flagging loopholes and ensure that all EU-owned vessels are recycled at facilities meeting EU regulatory requirements;
- To use policy opportunities such as the upcoming Circular Economy Act to implement concrete measures to support the expansion of European ship recycling capacity.

We hope that you will pay due account to these recommendations and remain at your disposal.

Best regards,

Isabelle Barthes, Deputy General Secretary, **IndustriAll Europe**

Aurelio Braconi, Director for Stainless and Specialty Steels and Raw Materials, **EUROFER**

Patrick ten Brink, Secretary General, **European Environmental Bureau**

Julia Ettinger, Secretary General, **Recycling Europe**

Ingvild Jenssen, Executive Director, **NGO Shipbreaking Platform**

William Todts, Executive Director, **T&E**

The NGO Shipbreaking Platform is a global coalition of environmental, human and labour rights organisations, including from Europe and South-Asia, working to reverse the environmental and human rights abuses of current shipbreaking practices and to ensure the safe and environmentally sound dismantling of end-of-life ships worldwide.

The European Environmental Bureau is Europe's largest network of environmental citizens' organisations with over 190 member organisations in 42 countries, representing some 30 million individual members and supporters.

T&E is Europe's leading advocates for clean transport and energy, supported by 57 organisations (49 members and 8 supporters) working to promote smarter, cleaner transport in 24 countries across Europe.

The European Steel Association (EUROFER) is the voice of the steel industry in Europe, representing steel companies and national steel federations across the EU. It has 57 members based across the EU, including 35 steel-producing members and 13 national association members representing the steel industry at EU Member State level.

Recycling Europe is the voice of Europe's recyclers, including 84 national federations and companies across 24 EU & EFTA countries, plus the UK. The Ship Recycling Working Group represents the EU ship recycling sector in the EU.

IndustriAll European Trade Union is a federation of independent and democratic trade unions representing manual and non-manual workers in the metal, chemical, energy, mining, textile, clothing and footwear sectors and related industries and activities, speaking for 7 million working men and women united within 200 national trade union affiliates in 39 European countries.