Press Releases

Maersk Group engages in the development of sustainable ship recycling in Alang, India

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With more vessels to recycle in the future, the current cost of sustainable ship recycling is not feasible. The Maersk Group is determined to use its leverages to create more responsible recycling options and to thus announcing, it is committed to help select ship recycling yards in Alang to upgrade facilities and practices to comply with the company’s standards.

The market for ship recycling is dominated by practices unchanged for decades. Out of the total 914 ships recycled globally in 2015, 439—representing 48% of the total gross tonnage scrapped—were sent to facilities in beaches in India, Pakistan and Bangladesh together with challenging to workers and the environment.

“The Maersk Group’s policy is to only recycle ships responsibly. There has, however, been no change in practices in this area and today, responsible recycling is only feasible in a limited number of yards in China and Turkey,” says the Head of Sustainability in Maersk Group, Annette Stoude.

Currently, the estimated extra cost for Maersk Group responsible recycling at existing yards is USD 1-2m for each vessel.

Significant improvements of conditions have been witnessed in ship recycling yards in Alang in the last couple of years and today a total of five yards in Alang are certified to the standards of the International Maritime Organisation and Hong Kong Convention. Following several workshops, upgraded facilities in Alang in 2017, the Maersk Group concluded that responsible recycling can be accelerated in the area, if the engagement is made now.

“We want to play a role in ensuring that responsible recycling becomes a reality in Alang, India. To find sustainable solutions, we are working on building a broader coalition with other ship owners and hope to have initiated engagement with a number of carefully selected yards in Alang. This includes improving local waste facilities and hospitalisation and upgrading the working conditions for the migrant workers in Alang,” says Annette Stoude.

The Maersk Group is engaging in the development of sustainable ship recycling on the long term and within the coming years work directly with selected verified yards in Alang to further upgrade their facilities and practices to comply with the company’s standards.

Read more about Sustainable Recycling in Maersk Group Sustainability Report.