Brussels, October 2026

European Shipowners | ECSA position regarding the update of the EU list of approved ship recycling facilities under the EU Ship Recycling Regulation

Executive summary

European Shipowners | ECSA (ES|ECSA) supports:

- The addition of non-OECD ship recycling facilities on the EU SRR list as soon as they meet the EU SRR requirements. The two Indian yards proposed by the Commission fulfil these criteria and should thus be added to the EU SRR list;
- Discussions based on facts and evidence and the legal requirements of the EU SRR;
- A viable solution to help address the capacity challenge currently facing yards of the European list;
- A clear and unique legal framework for ship recycling globally to achieve an international level playing field;
- Working on the improvement of the Hong Kong Convention for an ambitious, consistently implemented global framework.

European Shipowners | ECSA (ES|ECSA) is committed to promoting safe, environmentally sound, and responsible ship recycling practices. ES|ECSA welcomes the Commission proposal to add two Indian ship recycling facilities to the updated European List of Ship Recycling Facilities under the EU Ship Recycling Regulation (EU SRR). These two yards have been evaluated individually during an intensive inspection period and were found compliant with the Regulation. This represents a major breakthrough in ensuring high-level environmental and safety standards for ship recycling.

The Commission presented its proposal to update the EU list to include these yards to Member States during the Ship Recycling Regulation Committee meeting of 21 September 2026. Following the comitology procedure, the Committee should vote to approve the updated list in the coming weeks.

Compliance with EU legislation

Inclusion on the European List should be determined solely on whether a facility meets the EU Ship Recycling Regulation safety and environmental requirements, based on objective assessment and inspection. Any decision should be based on facts and evidence and the requirements of the EU SRR. Two Indian yards have been evaluated individually during an intensive inspection period and were found compliant with the Regulation. The Commission has answered the Member States' questions, confirming both Indian yards meet the EU SRR criteria, based on the evidence gathered over a multi-year independent audit process.

These yards concerned have made considerable capital investments to upgrade their infrastructure, safety systems, and environmental management to meet the HKC and EU SRR standards. These efforts embody the very purpose of the EU SRR: to raise global workplace health and safety and environmental standards.

In every previous edition of the European List, Member States have endorsed the requirements set out in the EU SRR and its Technical Guidance Note. The two Indian yards meet those same

requirements, as demonstrated in the inspection reports (publicly available). Objecting to the inclusion of facilities that objectively meet the standards co-legislators have themselves agreed would be inconsistent and would undermine the recognition and credibility of the EU's own legislation.

Capacity of recycling facilities

A recent report of BIMCO found that roughly 16,000 ships will need recycling over the next decade. Extending the EU list to non-OECD yards that are compliant with the EU standards can help address the capacity challenge. This is why the inclusion of compliant Indian yards in the EU list is needed and the proposal of the Commission to add two Indian yards is welcome. The EU Ship Recycling Regulation continues to drive improvement in third countries through the European List of approved ship recycling facilities.

Another BIMCO report also highlighted that European facilities are dedicated mainly to local and offshore markets, by number and by size. Much of the new investment in Europe is going into offshore decommissioning, which is potentially far more profitable than ship recycling, so that capacity is not fully directed at larger merchant tonnage. Absorbing large, ocean-going vessels at that scale would require space and workflows that European yards do not currently have, resulting in significant waiting times.

ES|ECSA hopes to see more compliant non-OECD yards making the EU List in the future. Addressing the capacity challenge is essential if the European List is to work as an incentive for safe and environmentally sound ship recycling worldwide.

International level playing field

The entry into force of the Hong Kong Convention (HKC) in June 2025 and the introduction, for the first time, of a global set of rules is delivering real progress and better safety and environmental standards internationally. Importantly, the HKC was ratified by, and therefore applies to countries where most of the world's tonnage is recycled (India, Bangladesh, Pakistan, Turkey), resulting in real progress on the ground.

The EU Industrial Maritime Strategy, published in March by the Commission, also stressed the importance of maintaining a global level playing field. The Strategy acknowledges the need to expand domestic EU recycling capacity by making it more competitive, while stressing the need to achieve an international level playing field by aligning EU and global standards.

Improvement of global standards

Following the entry into force of the HKC in June 2025, the International Maritime Organization (IMO) had launched an experience-building phase to monitor and evaluate the practical implementation of the Convention. This experience-building phase is a timely opportunity to consolidate progress and improve the HKC. The aim is to have one ambitious, consistently

implemented global framework. The European Commission is fully committed to improve global standards.

On 18 June 2026, ES|ECSA/ICS published a joint independent study, written by CE Delft, which identifies the key areas of divergence between the EU SRR and the HKC and the main gaps that needs to be addressed. It underlines that the HKC's far wider global scope is a major strength, not a weakness. Addressing these gaps would strengthen HKC, raise global standards, and ensure consistent implementation worldwide.

The three key areas that could be addressed are the following:

1. **Authorisation of ship recycling facilities:** HKC Parties should communicate their mechanisms for authorising facilities, including the mandatory criteria applied and the form and frequency of inspections, with clearer rules on the organisations to which authorisation may be delegated.
2. **Downstream waste management:** the international standards applicable to downstream waste management under the HKC should be specified, and Parties should communicate which standards they consider mandatory when authorising facilities.
3. **Inventory of Hazardous Materials:** the scope of the inventory under the HKC should be updated to cover the larger number of materials included under the EU SRR.

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