

QUEENSLAND WAR ON WRECKS

The Queensland Government is going to war, a war to be waged against derelict vessels of Queensland waterways. The designated War on Wrecks taskforce is fraught with an enormous challenge. In a very short summary, their work will involve;

- The identification of wrecks in waterways across Queensland,
- Prioritising the most troublesome wrecks,
- Developing methods to deal with these wrecks most efficiently in terms of resources and cost,
- And vitally, educating the boating community toward improved future practices.

The Queensland Government has allocated a budget of \$20 million to the War on Wrecks fighting fund, not an insignificant amount, the Government is taking this issue seriously. In the coming years Queensland boat owners will need to be responsible for their vessels from the maiden to the final voyage and beyond.

Boaters from Cairns to Coolangatta, north, south and every canal in between have seen vessels, abandoned, littering the canals, obstacles to navigation and eyesores. At this time, the vessel is worth next to nothing, but is very expensive to remove, undoubtedly the vessel is no longer insured, and yet salvage costs must be paid for the raising and removal of the vessel. A cost that the abandoned vessel owner will not take responsibility for and will not pay.

Just one, rather notable, example is the tallship *Defender*. Bought for a fraction of its potential value, never quite revived to its previous splendor, with an owner unwilling to spend the money required, and then one morning, sunk. At a rather prominent location very near to the city centre of Townsville there was a depressing, sunken, wooden wreck. The Queensland Government made the decision to remove the wreck, as is right, and then to take the owner to court in payment of the costs of salvage and wreck removal. The Townsville District Court, in April 2018, made an order agreed between the parties by consent that the owner must pay more than \$750,000 for the wreck removal of the *Defender*.

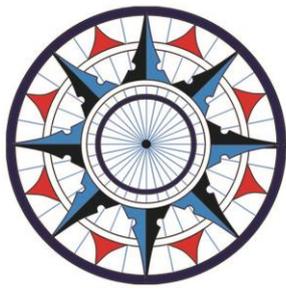
What happens next? Where did the *Defender* go? Well it is a wreck and so it would have been taken away, taken apart, and wasted. With the exception of the wheelhouse which has been donated to the Townsville Maritime Museum. This is the War on Wrecks part 2, as yet unmentioned by the Queensland Government or the War on Wrecks Taskforce, but an extremely necessary component.

Where does a wreck go?

How should it be handled?

Who does this work?





Pacific Maritime

LAWYERS & CONSULTANTS

How can it be conducted safely?

Well lucky for Queensland, we have an enormous trial from which we can take note: the European Ship Recycling Regulation (ESRR). The ESRR was adopted by the Council of the European Union on 20 October 2013. The ESRR requires that ships flagged to an EU state must inventory the hazard materials of the vessel, have the vessel surveyed, certificated and recycled in accordance with the ESRR. Further, the ship may only be broken down in approved shipyards known as the European List.

The concerns around ship recycling are only in part about the scrap, where it goes and what is done with it. Ship breaking is an exceptionally dangerous practice, particularly when done at beaching locations for very low cost. Hence, the European Commission have been opposed to the approval of any beaching yards to the European List. The European list is so named as it applies to vessels flagged to European States, however to this time, it only contains yards within the European Union.

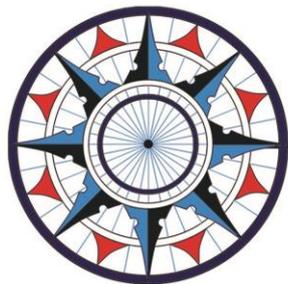
The ESRR is the European Union's response to the International Maritime Organisation's Hong Kong Ship Recycling Regulation (the IMO Regulation). The IMO Regulation is not yet in force, 6 countries have ratified so far, but the minimum requirement for entry into force is 15. Six of 15 is a small proportion, however with India, Japan and Turkey nearing ratification, perhaps we are about to see some momentum behind the IMO Regulation.

Australia has not ratified the Hong Kong Ship Recycling Regulation. Australian registered ships are a minute percentage of the international ship tonnage, and as such, Australian ratification would have little impact practically. However, with 15 signatories required, Australia could be number seven, a step closer to bringing the convention into force.

It is not only the ESRR that is forcing a change, commercial values are changing, economical analysis is not the only consideration anymore. Companies must be socially responsible also. In January the world's largest pension fund, Norway, withdrew investments in four shipping companies for scrapping vessels using the beaching method in Bangladesh and Pakistan. Further, the Dutch company, Seatrade, was prosecuted for violating the Waste Shipment Regulation (precursor to the EU Ship Recycling Regulation). The Seatrade executives are facing prison and up to 3 million Euro in fines for violations in scrapping of ships in 2012 and 2013.

The Hong Kong Convention applies only to internationally trading vessels of greater than 500 gross tonnage. As such, it will not even remotely apply to the ships that the Queensland Government War of Wrecks will target. The key take-away is that ship recycling is an internationally significant matter and it must be undertaken not only safely, but with regard for recycling the valuable resources.





Pacific Maritime

LAWYERS & CONSULTANTS

So what next for the War on Wrecks? If the list of things to-do for the War on Wrecks taskforce wasn't already long enough, it must, must, include consideration of how the wrecks are to be recycled.



Written by:

Kendall Messer
Pacific Maritime Lawyers
Trainee Solicitor

