Mediterranean Shipping Company (MSC) response re allegations regarding a fire causing six deaths on MSC Jessica shipbreaking operation 17 October 2012

EJOLT partner Business & Human Rights Resource Centre invited MSC to respond to the policy briefing on Shipbreaking:

- Shipbreaking: European waste disposal causing conflicts, 20 Sep 2012, Environmental Justice Organisations, Liabilities and Trade, <a href="http://www.ejolt.org/wordpress/wp-content/uploads/2012/09/002">http://www.ejolt.org/wordpress/wp-content/uploads/2012/09/002</a> Shipbreaking-1.pdf

MSC's response is included below.

## **Explanation by Business & Human Rights Resource Centre**

Business & Human Rights Resource Centre invites companies to respond to concerns raised by civil society every week. When they respond, we include their full responses on our website alongside the original document raising the concerns, and briefly describe the concerns as well as the company response in our Weekly Update newsletter, with a link to the full documents. About 75% of companies that we invite to respond do so. For a record of all past invitations to respond and indications of whether the companies responded or not, click here.

<u>Timing</u>: We invited Mediterranean Shipping Company (MSC) to respond to this report by email, sent the afternoon of 11 October, with a deadline of 5 PM London time on 16 October, three business days later. On several occasions, we offered to MSC the option of delaying inclusion of the report in our Weekly Update so the company would have additional time to prepare its response. It declined.

<u>Author of the allegations</u>: Our Weekly Update does not include the quotation in the second paragraph of MSC's response above, beginning "In August 2009..." That quotation is drawn from EJOLT's case study. Our Weekly Update of 17 October 2012 includes a link to our website, where the EJOLT case study and MSC's response are linked to. Business & Human Rights Resource Centre did not contribute to the EJOLT report.

"MSC has been contacted by an organisation called the Business and Human Rights Resource Centre (BHRRC) and asked to respond within a relatively short period to "allegations regarding a fire during a shipbreaking operation causing six deaths" ...... "before we draw international attention to the allegations in a forthcoming issue of our Weekly Update newsletter".

The allegations reported by BHRRC in the newsletter are "In August 2009, a fire broke out aboard the European ship MSC Jessica killing six workers on the Indian ship-breaking beaches of Alang. The fire erupted as they were dismantling the cargoship's engine room. It took place as the ship had neither been decontaminated by the original owner nor made safe by the local enterprise."

MSC has no special knowledge of this tragic accident. MSC was the bareboat charterer of the MSC Jessica until early June 2009 and until then stood in the shoes of the owner for the management of the vessel, but MSC was not the actual owner of the vessel. Therefore MSC is unable to comment on whether the actual owners of the MSC Jessica at the time she was beached for scrapping did or did not perform any decontamination that might be required of an owner after the vessel left MSC's management and before a vessel is scrapped. The allegation does not say what decontamination the owner of the vessel was required to do, but did not do. While under bareboat charter the vessel was managed by MSC Ship Management based in Hong Kong and the requirements for all certificates including the Safety Certificate (fire fighting equipment) were properly maintained and the vessel left MSC's service with her certificates up to date. Our records show that the owner of the vessel was a Panamanian company and that the vessel was registered in Panama while under bareboat charter to

MSC. We understand that after the vessel left MSC's service she was sold to a Saint Vincent company.

On a general note hot work on any vessel can be hazardous at any time especially in an engine room during the many years while the vessel is in service. There are procedures and regulations to be followed by fully operational vessels such as a hot work certificate. We believe that the engine room of a vessel being delivered to a beach to be scrapped must contain sufficient oils, both fuel and lubricating oils, to operate the vessel's main engine and generator(s) to permit the vessel to be driven onto a beach under her own power. The tanks, machinery and pipelines in the engine room will contain flammable liquids at the start of demolition. Therefore, generally speaking, it is impossible to decontaminate an engine room of all flammable substances which might cause a fire prior to delivery of the vessel to be scrapped on a beach. We can only assume that some error or errors dealing with flammable liquids occurred during the demolition process leading to the awful tragedy in this case, about 2 months after the vessel left MSC's service and management. We do not know and do not wish to speculate whether an error was made by the scrapping company or organisation, or by the workers themselves."