The Ship Breaking Industry of Bangladesh: An Exploration of the Accountability of the Shipping Companies

Moriom Ferdousi and Craig Deegan
RMIT University

Abstract

The paper explores the social and environmental information disclosure practices of global shipping companies with specific reference to how they account for the lifecycle of ships under their control. The paper sheds light on the working conditions, violations of human rights, and damage of ecology within the ship breaking yards of Chittagong, Bangladesh. We have collected the annual reports of ten large shipping companies’ for the year 2010 to understand their disclosure practices relating to how they account for their end-of-life ships. We have found that the extent of disclosures is relatively high for some of the organisations and the nature of the disclosures are predominantly positive, therefore reflecting a positive perspective of the organisation. The disclosures appear to have been made with the intension of securing/ or maintaining the legitimacy of the organisation, and/or to meet community expectations. However, we find no information from the shipping companies about where the ships actually go at the end of their lifecycle.

Keywords: Ship breaking industry, Bangladesh, Human rights, Ship recycling, Social and environmental disclosure.