

August 1, 2024  
Sojitz Corporation

Sojitz Contributes Funding to Start-up Developing Next-generation Shipbreaking Technology  
– Recycling Scrap Steel Recovered in the Shipbreaking Process to Contribute to the Realization  
of a Decarbonized and Circular Society –

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Sojitz Corporation (“Sojitz”), Circular Maritime Technologies International B.V. (“CMT”), a Netherlands-based start-up currently developing next-generation shipbreaking technology, and Jansen Recycling Group (“Jansen”), a ferrous and non-ferrous metals recycling company, have concluded a strategic partnership agreement for the joint development of a new technology that aims to automate, accelerate, and reduce labor needs in the shipbreaking process. In addition, Sojitz has contributed funding for verification testing of the new technology. By increasing the number of shipbreaking yards that comply with Europe’s strict environmental regulations and efficiently recovering high-quality scrap steel, Sojitz, CMT, and Jansen aim to contribute to the steel industry’s ongoing transition to the use of large-scale electric arc furnaces to achieve low-carbon manufacturing of steel products.



[Concept image of the shipbreaking facility under development]

A significant number of ocean-going vessels, including large-scale cargo vessels built in response to global economic growth of the 2000s, are expected to reach the end of their service life and require dismantling in the coming years. However, there is a lack of shipyards that meet the environmental standards required for ship recycling internationally. Most of the world’s shipbreaking is carried out in countries including India and Bangladesh, and the majority of ships are dismantled in compliance with

the IMO Guidelines on Ship Recycling, a regulation established to ensure labor safety and environmental protection in the shipbreaking industry. Additionally, Europe has also established its own set of regulations that require shipyards to implement more stringent environmental protection measures. The number of shipyards that meet these stricter guidelines worldwide is limited, and this shortage has raised concerns that the pace of shipbreaking may slow significantly in the future.

Meanwhile, the global steel industry has set a target of achieving carbon neutrality by 2050 and is working towards decarbonization of the steel manufacturing process. By the 2030s, the industry aims to transition from the conventional blast furnace method, which involves the reduction of iron ore with coal, to an alternative method that uses electric arc furnaces and relies on scrap steel as the key raw material, thereby reducing CO<sub>2</sub> emissions by roughly one-fourth. The quality of scrap steel used in this production process will have a major impact on the quality of the resulting steel products. Ensuring a stable supply of high-grade, low-impurity scrap steel is therefore emerging as a critical issue, and steel recovered from retired vessels constructed with high-quality materials could be utilized to address this demand. The technology under development by CMT is anticipated to provide a solution to these two societal challenges faced by the shipbreaking and steel manufacturing industries.

Co-funded by the European Union,\* CMT is developing a technology that aims to facilitate the efficient recovery of high-quality, low-impurity scrap steel in line with the strict European recycling standards. CMT's process to automate, accelerate, and reduce labor needs will make the shipbreaking process circular, safe, and competitive. Sojitz aims to contribute to the realization of a decarbonized and circular society through its involvement in funding and commercialization of CMT's next-generation shipbreaking technology.

\*Development of CMT's new technology is partially co-funded by the European Union.



Co-funded by the  
European Union

[Related Information]

[Company Overview – Circular Maritime Technologies International B.V.]

Established	2022
Location	Kamerlingh Onnesweg 10c, 2991 XL Barendrecht, The Netherlands
Representative Director	Frank G. Geerdink
Main Business	Repair and maintenance of ships and boats, engineering and other technical design and consultancy

[Company Overview – Jansen Recycling Group]

Established	2014
Location	Koggehaven 3, 3133 LA Vlaardingen, The Netherlands
Representative Director	Klaas Jansen
Main Business	Recycling of ferrous and non-ferrous metals