



SHIPPING, LNG AND OFFSHORE OIL AND GAS NEWSLETTER

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INTRODUCTION

Welcome to the latest edition of the Shipping, LNG and Offshore Oil and Gas Newsletter from the London office of Haynes and Boone. Below, I set out details of the articles and alerts that have been written by us, as well as a podcast, that you may find of interest.

This newsletter includes an article by Mark Johnson and Chrysa Kitsou considering the practical implications for non-EU flagged ships calling at EU ports and anchorages who, from 31 December 2020, will have to comply with the [European Ship Recycling Regulation](#). If you are interested in finding out more about what actions need to be taken by the end of the year, Mark would be happy to provide you with further details including information about his webinar on this topic.

Also, if you want to learn more about consequential loss, a phrase that is commonly used in contracts, particularly in the context of exclusion clauses, but can often be misconstrued, I recommend listening to Andreas Dracoulis' podcast for the Society of Under Technology on ['A Common-Sense Approach to Consequential Loss'](#).

We also have pieces considering current issues and recent judgments from the English courts concerning:

- the duty of care owed by a shipowner after it sells a vessel for demolition;
- interpretation of indirect and consequential loss exclusion clauses;
- net zero including the EU Innovation Fund and the UK Oil & Gas Authority's plans;
- whether it is permissible for a consent-provider to pre-condition the giving of a consent;
- the use of illustrations and worked examples to aid contractual interpretation;
- the extent that contractual rights can be limited by good faith or duties to act "rationally"; and
- the updated 2020 LCIA International Arbitration Rules.

I hope you enjoy reading this edition of the newsletter and I would love to hear from you if you have any questions about the issues covered.

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SHIPPING AND MARINE

In [With the Benefit comes the Burden: Does the Duty of Care owed by a Shipowner extend to the Vessel's Demolition even after Sale?](#) Mark Johnson and Phoebe Anderson consider the decision in *Bergum (on behalf of Mollah) v Maran (UK) Limited* [2020].

Mark Johnson and Chrysa Kitsou review the European Ship Recycling Regulation, which comes into force at the end of 2020, in [A Timely Reminder for Non-EU Flagged Ships for Inside Marine](#)



OFFSHORE OIL AND GAS

Andreas Dracoulis spoke to the Society of Underwater Technology about consequential loss. His interview can be heard on their podcast: [A Common-Sense Approach to Consequential Loss](#).

One of the cases discussed in the podcast is *2 Entertain Video Ltd & Ors v Sony DADC Europe Ltd* [2020]. In [Pay Heed to the Drafting or Pay for the Consequences for Insurance Day](#), Glenn Kangisser, Teena Grewal, and Shu Shu Wong consider the court's approach to the construction of indirect and consequential loss exclusion clauses.



Maren Strandevold looks at the impact the EU Innovation Fund will have on new energy technologies aimed at reducing emissions ahead of net zero in her article, [Industry View: Energy Businesses Will Need to Adopt a New Approach to Reach EU Net-Zero Targets for NS Energy](#). While in an article published in *Offshore Energy Today*, Myles Mantle and Shu Shu Wong review the UK Oil & Gas Authority's plans to help the UK become carbon neutral in the next 30 years: [Green Energy Transition: Vital Role of Oil & Gas Industry in Achieving Net-Zero by 2050](#).

In [Impermissible Grounds for Withholding Consent](#), Anna Nerush and Shu Shu Wong examine the decision in *Apache North Sea Limited v INEOS FPS Limited* [2020], relating to the Forties pipeline, and whether it is permissible for a consent-provider to pre-condition the giving of a consent.

Amanda Larrington considers the decision in *Altera Voyageur Production Limited v Premier Oil E&P UK Ltd 1* [2020] in [Inconsistent Contract Terms: Illustrations and Worked Examples](#) where worked examples, in addition to the narrative, were used to determine the hire due under a charterparty.

In [Energy and Resources Arbitration: What you need to know about the Updated 2020 LCIA International Arbitration Rules](#), Helen Conybeare Williams provides a comprehensive review of the new LCIA rules.

OTHER ALERTS AND PUBLICATIONS

James Brown looks at the decision of *Cathay Pacific Airways Limited v. Lufthansa Technik AG* and considers [To what extent might contractual rights be limited by considerations of good faith or duties to act “rationally”?](#)

Finally, as I wrote in [First Class: Litigation and Arbitration in London](#), it was encouraging to find that London is the most popular forum for international disputes, with English law remaining the top choice for the resolution international disputes.

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