



Perspectives from private practice

- 1. The **tools** available to make changes in the Charterparty
- 2. The **proximate barrier** in Charterparty negotiations
- 3. Opportunities outside the Charterparty to effect change



Tools – standard clauses

Pros:

- Accepted
- Balanced
- Complete
- = savings (time and cost)

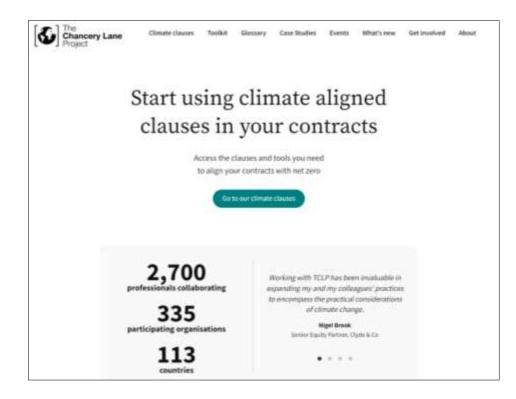
Cons:

- Awkward
- Too balanced
- (un)creative



Tools – standard clauses

- BIMCO
- Chancery Lane Project





Tools – standard clauses

Chancery Lane Project - examples

- Ariel's clause a clause for time charterparties to share between owners and charterers the costs / savings of upgrades which improve fuel efficiency (Nov 2021)
- Bradleigh's clause a clause for charterparties encouraging the parties to maximise the laden ratio of the vessel and minimise repositioning voyages and ballast (Nov 2021)
- **Levi's clause** a clause for shipping transportation agreements which allows a customer to exit without incurring liability if the incumbent carrier cannot match the 'green' improvements of a competitor (Aug 2022)



Tools – bespoke clauses

Pros:

- Strength
- Particularity
- Outcomes

Cons:

- Time and costs
- Untested
- Acceptable?



Proximate barrier

The market dial -> change of metrics -> empowerment to make new decisions





Opportunities outside the charterparty

Utilising shore power

Deploying alternative means of propulsion

Agreeing just in time arrival clauses

A strategy to achieve A or B CII ratings

Owned / Chartered vessels more efficient than the required EEXI

Compliance with EEXI & CII Regs



A strategy for zero GHG emissions by 2050

Participating in trials of alternative fuels.

Using influence in relationships to work towards the provision of shore power



Opportunities outside the charterparty

Contractual obligations to reduce GHGs

Contractual incentives to reduce GHGs

Ambitious targets for GHG reduction

Measurement of GHGs using internationally recognised metrics

Identification of significant sources of GHGs





Conclusion

- Change within the Charterparty still has to come from without
- Drafting and creative skills are important outside the contract as well as within



Thank you





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