

**BIMCO
Documentary Committee Meeting
Hamburg**

22 March 2024

In the chair: Mr Nick Fell, Singapore

Attendance List

Executive Committee

Member of the Executive Committee

Mr Keiichiro Nakanishi, Tokyo

Chairperson of the Documentary Committee

Mr Nick Fell, Singapore

Vice-Chairpersons of the Documentary Committee

Mr Ajay Hazari, Hong Kong

Mr Daniel Carr, Houston

Ms Nicola Ioannou, Marousi (online)

BELGIUM

Owner Members

Mr Peter Laurijssen, Antwerp (online)

Mr Gregory Fossion, Antwerp

BRAZIL

Owner Members

Mr Luís Resano Fernando, Rio de Janeiro

CANADA

Owner Members

Ms Lisa-Marie Perrella, Montreal

CHINA

Owner Members

Mr Lin Huoping, Guangzhou (online)

DENMARK

Owner Members

Mr Glenn Bennigsen, Copenhagen

Club Members

Ms Henriette Ingvarlsen, Danish Shipping

Mr Jesper Sebbelin, Danish Shipbrokers and Port Operators (online)

FRANCE**Owner Members**

Ms Charlotte Grandjean, Marseille (online)

GERMANY**Club Members**

Mr Michael Wester, Schutzverein Deutscher Rheder

Mr Martin Kroeger, Verband Deutscher Reeder e.V.

GREECE**Owner Members**

Ms Nicola Ioannou, Marousi (online)

HONG KONG**Owner Members**

Mr Ajay Hazari, Hong Kong

INDIA**Owners Members**

Mr Kuppan Rajasekaran, Chennai

ITALY**Owner Members**

Mr Federico Viti, Rome

Mr Filippo Gavarone, Genoa (online)

JAPAN**Owner Members**

Mr Tadanori Okada, Tokyo

MONACO**Owner Members**

Mr Luca Forgione, Monaco

THE NETHERLANDS**Owner Members**

Mr Michiel Starmans, Rotterdam

Club Members

Mr Lodewijk Wisse, Royal Association of Netherlands Shipowners

Mr Johan de Haan, Noord Nederlandsche P&I Club (online)

NORWAY

Owner Members

Ms Elsebeth Guttormsen, Bergen

Club Members

Mr Viggo Bondi, Norwegian Shipowners' Association

Mr Hans Nicolai Edbo, Norwegian Shipbrokers' Association

Mr Magne Andersen, Nordisk Skibsrederforening

Mr Kristian Valevatn, Skuld

Mr Tim Howse, GARD (online)

POLAND

Owner Members

Mr Marcin Dziewa, Szczecin

SINGAPORE

Owner Members

Mr Andrew Hoare, Fortescue Metals Group Limited

SOUTH KOREA

Owner Members

Mr Myeong-Su Ha, Seoul

SPAIN

Owner Members

Mr Juan Jose Fernández-Ricoy, Madrid

SWEDEN

Club Members

Mr Martyn Hughes, Swedish Club (online)

TURKEY

Owner Members

Mr Fehmi Ülgener, Istanbul

Club Members

Mr Bahadır Tonguc, Turkish Shipbrokers Association (online)

UNITED KINGDOM

Owner Members

Mr Roderick White, Sunbury on Thames

Club Members

Ms Andrea Skeoch, NorthStandard

Mr Alan Mackinnon, Thomas Miller P&I Limited

Mr Sacha Patel, Steamship Insurance Management Services Limited
Ms Judy Binnendijk, Britannia P&I Club
Mr Konrad Keene, The London P&I Club (online)
Ms Hannah Gilbert, UK Chamber of Shipping
Mr Tim Springett, UK Chamber of Shipping (online)
Mr Paul Kaye, West of England P&I Club

UNITED STATES

Owner Members

Mr Daniel Carr, Houston

Club Members

Mr Søren Wolmar, Association of Ship Brokers & Agents (USA) INC.

CO-OPTED

Mr Ian R. Perrott, Independent OSV Consultancy

OBSERVERS

Mr Fulvio Carlini, FONASBA
Ms Kiran Khosla, ICS - International Chamber of Shipping
Ms Selena Challacombe, INTERTANKO
Ms Camilla Slater, International Group of P&I Clubs
Mr Nick Shaw, International Group of P&I Clubs (online)

BIMCO SECRETARIAT

Mr David Loosley, Secretary General & CEO
Ms Stinne Taiger Ivø, Deputy Secretary General
Mr Søren Larsen, Deputy Secretary General
Mr Lars Robert Pedersen, Deputy Secretary General
Mr Grant Hunter, Director, Standards, Innovation & Research
Ms Mai Vedel, Chief Finance Officer/HR (online)
Ms Charlotte Lord, Chief Communications Officer (online)
Mr Christian Hoppe, General Counsel
Mr Carl W Lindahl, Project Manager, Contracts & Clauses
Ms Natalie Wong, Project Manager, Contracts & Clauses
Ms Zehra Göknaz Engin, Project Manager, Contracts & Clauses
Ms Merete L. Greisen, Head of Support & Advice (online)
Mr Peter Storm, Manager, Support & Advice (online)
Mr Asger Mariegaard, Manager, Support & Advice (online)
Ms Nancy Bishop, Team Coordinator

Minutes of Documentary Committee Meeting 22 March 2024 – Hamburg – 13:00 – 17:00

The Chairperson, Mr Nicholas Fell welcomed the Documentary Committee (DC) members to the meeting in Hamburg, welcoming both those attending in-person and online. He expressed gratitude to BIMCO President, Mr Nikolaus Schües, for the invitation to hold the meeting in Hamburg, coinciding with the 200th anniversary celebrations of F. Laeisz. Although Mr Schües could not attend the DC meeting, the Chairperson extended thanks on behalf of the DC.

No new members were present, so the Chairperson welcomed regular attendees and observers, namely Ms Selena Challacombe of INTERTANKO, Ms Kiran Khosla of the International Chamber of Shipping (ICS), Mr Fulvio Carlini of FONASBA and Ms Camilla Slater of the International Group of P&I Clubs.

The day's agenda was highlighted, with topics including autonomous ships, low carbon fuels, new emissions control regulations, green energy, and war and sanctions. The Chairperson emphasised the importance of the documentary work in keeping up with these industry challenges and developments.

This meeting was the last for some participants, including Mr Søren Larsen, who has been with BIMCO for the past 39 years. The Chairperson reminded everyone that the meeting would be conducted in accordance with the BIMCO Competition Law Policy.

Approval of Minutes of the Documentary Committee meeting held on 11 October 2023

The Chairperson referred to the prior in-person/hybrid and online DC meetings, stating that two sets of minutes were pending approval. The first was from the meeting held in Copenhagen on 11 October 2023, distributed on 17 November 2023. The second was from the online meeting on 6 December, distributed on 2 January 2024. Since no comments had been received on these minutes, the Chairperson proceeded to authorise them as an accurate record of those meetings.

1. BIMCO Updates

I. Update by the Secretary General

Mr David Loosley, BIMCO expressed his pleasure in seeing everyone in Hamburg and online. He shared that BIMCO ended 2023 with a one million Euros increase in income, marking the third consecutive year of growth. The net result before financing slightly exceeded 250,000 Euros. Membership has reached a record high of 2,052 members from more than 130 countries. The BIMCO fleet within this membership was 1.37 billion deadweight tons, accounting for 62% of the global fleet.

Tonnage allocation was distributed between Europe (55%), Asia Pacific (36%), the Americas (5%), and Middle East and Africa (4%). BIMCO has been working to support current and

prospective international members, with Mr Søren Larsen achieving excellent results in Singapore.

Mr Loosley shared that BIMCO had successfully opened an office in Houston last year, which had led to an increase in US and South American memberships.

He reported that he had been travelling globally to meet members in various locations such as Taiwan, China, Hong Kong, Greece, Belgium, and the US, with ETS being the primary concern for members worldwide.

BIMCO promoted GENCON through hosting panel discussions in Istanbul, Stamford and Athens. Mr Loosley expressed his appreciation for the support in executing these events.

The Red Sea situation has been a major concern, with BIMCO offering security and contractual advice, especially regarding VOYWAR and CONWARTIME. Mr Loosley expressed sympathy for the seafarers who lost their lives there. He also addressed the resurgence of Somali piracy and mentioned that the Maritime Safety and Security Committee have held discussions on this matter recently. BIMCO has been closely collaborating with the International Maritime Organization (IMO) Secretary General, ensuring it provides support from a BIMCO perspective. It has also been in contact with the command of the US Naval Forces Central Command based in Bahrain, ensuring BIMCO stays informed. BIMCO's efforts have attracted significant media attention.

BIMCO has also been active against drug smuggling, holding a symposium in Houston and submitting a proposal to revise guidelines on drug smuggling prevention and suppression to the IMO. Mr Loosley met with Belgium's Deputy Prime Minister to discuss seafarer welfare.

In addition, BIMCO has been advocating for shipping interests at the UN COP, hosting a side-event on Ship Recycling and participating in two panel debates.

On the staffing front, two new additions to the Contracts & Clauses/Support & Advice teams were announced, one to be based in Copenhagen and the other to be based in Singapore. BIMCO is also recruiting a technical resource in Athens.

II. Update from Deputy Secretary General, Mr Lars Robert Pedersen

Mr Lars Robert Pedersen, BIMCO began by discussing a paper submitted jointly by BIMCO, ICS, Pakistan, Norway, India, and Bangladesh to the IMO MEPC. The paper addressed the disconnect between the Hong Kong Convention and the Basel Convention in relation to ship recycling. It urged the IMO member states and the IMO Secretariat to scrutinise the issue and communicate with the Basel COP. The MEPC plenary showed support for the paper, and it was agreed that the IMO and MEPC should address the issue. However, the IMO member states must continue to liaise with their governments to ensure consensus at both the MEPC and the Basel COP regarding the benefits of the Hong Kong Convention.

Greenhouse gas reduction measures were a significant topic of discussion. The MEPC had previously adopted a revised strategy on greenhouse gas reduction, agreeing on the development of midterm measures. These measures are still being discussed and need to be finalised by autumn next year. It appears likely that a global fuel standard will be developed, but how this can be combined with an economic instrument remains unclear.

IMO is also reviewing the CII framework, but there were no updates as related matters have been postponed until MEPC 82 in the autumn. The meeting did approve two new ECAs, one in the Canadian Arctic regions and the other along the Norwegian coast. These are likely to be adopted at the autumn meeting and enforced 16 months later.

Minor issues were discussed at the MEPC, and more details will be shared in BIMCO's news reporting and a forthcoming webinar after Easter.

The Chairperson thanked both Mr Loosley and Mr Pedersen for their updates.

2. Regional Workshops

An update on the Secretariat's plans to organise regional workshops was detailed in the Agenda Notes under Agenda Item number 3. The first workshop is scheduled for June in Madrid, with a number of delegations expected to attend. This will serve as a pilot to gauge the effectiveness of the workshop format before planning similar events in other geographical locations. As there were no further comments on this, the Chairperson suggested the DC acknowledge the update and continue with the rest of the agenda.

3. Status on CII

The Chairperson updated the DC on a survey regarding CII and the BIMCO CII Operations Clause, pointing them to a report in the Agenda Notes. Before opening the floor for discussion, he invited Ms Stinne Taiger Ivø to provide a more detailed explanation of the survey results.

Ms Stinne Taiger Ivø, BIMCO mentioned the results of a first survey conducted in 2023, focusing on the use of the CII Operations Clause and other tools to reduce carbon emissions. More recently, a second survey was conducted to gather more data about fleet size and segmentation, but the response rate was low, indicating that the CII would seem not to be a current priority for the industry. On this basis, BIMCO suggests delaying major changes to the existing clause until further data is available. The Chairperson thanked Ms Ivø for her report. The DC had no additional comments on the survey results.

4. Policy Papers on Documentary Work and Innovating Contracts to Optimise Supply Chain Efficiency

The Chairperson brought up the next agenda item: two BIMCO policy papers on documentary work and contract innovation for enhancing supply chain efficiency. These papers, found under Agenda Item 5, are intended to complement other such papers which summarise BIMCO's views

on various maritime safety, security, and environmental issues. While the DC had not had a documentary work policy paper before, its importance warranted one, reflecting the DC's current working methods without changing any rules or procedures. The paper on supply chain efficiency had been included as it relates to the DC's work. Both papers will be considered for approval by the Board of Directors in their meeting the following day and were presented for informational purposes. The Chairperson welcomed comments from DC members.

Mr Lodewijk Wisse, Netherlands on behalf of the Dutch delegation, commended the Secretariat for the reflective papers and expressed interest in the paper on world leading contracts and clauses. He suggested that BIMCO's aim of presenting balanced contractual standards should be mirrored in both the drafting subcommittee formation and DC discussions.

This could involve inviting other parties like charterers to share their views, helping the DC to maintain its role as a leading global body for contractual standards. The Chairperson thanked Mr Wisse for his comments and invited Ms Ivø to respond.

Ms Stinne Taiger Ivø thanked Mr Wisse for his comments, noting the shared goal of balanced industry clauses. She stated that the Secretariat has been working to ensure subcommittee members represent all interests and that drafts are circulated to sounding boards which include charterers, to incorporate wider industry perspectives. She emphasised the importance of having these discussions during the drafting phase and having owners and charterers share their experiences. She also noted that some delegations have pre-meetings prior to the DC which allow for more industry input. She confirmed the Secretariat would further consider these points.

The Chairperson assured Mr Wisse that his points would be brought up at the Board meeting scheduled for the following day.

5. Items for adoption

The Chairperson introduced this next item on the agenda. Though fewer than the previous year, he noted some high quality projects where BIMCO needed to show determination and leadership, particularly with the Russian Oil Price Cap Scheme Clause which was added to the agenda at short notice and the SHIPMAN agreement update. As stated in the message distributed by the Secretariat on 12 March, the AUTOSHIPMAN Contract was not ready for adoption and Mr Ajay Hazari, Chairperson of the responsible subcommittee, would provide more information during the SHIPMAN discussion. This led to a consideration of the first item for adoption.

6.1. SHIPMAN

The Chairperson directed the DC's attention to the revised version of SHIPMAN under item 6.1. in the Agenda Notes and Enclosures 6.1.A. and B., which included both a track-changed and clean version. The DC had seen several drafts, and the final version was shared on the Discussion Forum in January for final member input, with comments received addressed. The Chairperson

invited Mr Hazari, who has expertly navigated through all stages of this significant project, including the challenging ETS Allowances Clause for SHIPMAN, to introduce the contract for adoption.

Mr Ajay Hazari, Chairperson of the SHIPMAN Subcommittee detailed the process of further refining the contract, stating it was distributed at the last DC meeting in October with an updated version shared on the Discussion Forum in January. Comments received from the Discussion Forum were addressed at a February subcommittee meeting. Further feedback was received from the German, Danish, and Spanish delegations. He thanked Mr John Freytag for identifying a mistake in the ETS Clause's 'health warning' and acknowledged another drafting error to be corrected. He also noted a last-minute comment from Mr John Freytag, Germany, regarding Clause 6's provision for assistance with collection of EUAs, but there was insufficient time to respond before the meeting.

Mr Hazari clarified that Clause 6, which pertains to commercial management services, has always included a provision for managers to assist in collecting various payments. The phrase 'assisting and collecting' could mean shipmanagers directing charterers or shippers to make payments into the owner's account or actually collecting and transferring the funds themselves. The clause's only alteration is the expectation for managers handling commercial operations to assist in collecting EUAs. The provision for EUAs mirrors the previous one for funds, stipulating that EUAs will be held in trust for the owners in an account designated by them. Mr Hazari invited comments from the DC on this matter.

Mr Magne Andersen, Norway noted two minor issues for the Explanatory Notes, as well as a possible point for fine-tuning. He questioned if Clause 13(a)(iii) is subject to the force majeure provision in Clause 19 and suggested addressing this in the Explanatory Notes. The second point, which potentially calls for fine-tuning, pertains to Clause 13(e), which essentially constitutes a hell or high-water payment or non-deduction clause. He queried whether it might be worth considering softening this clause slightly. For instance, if owners have clearly overpaid, typically by paying the same invoice twice, then they should probably be entitled to deduct under such circumstances. Apart from these points, he congratulated the subcommittee on finalising the document.

Mr Johan de Haan, Netherlands agreed with Mr Andersen's comments and thanked the subcommittee for the well-drafted contract. He suggested that the Explanatory Notes should explain the relationship between Clauses 1 and 8. He proposed moving the new drugs and alcohol policy reference to Clause 5 and recommended including wording in Clause 15 that insurance requirements would be reviewed if the trading area changes to avoid under or over-insurance. He asked if the omission of subclause (d) in Clause 27 was a typo or intentional. Lastly, he suggested that the Explanatory Notes clarify whether the manager is responsible for ISM and ISPS compliance in the event of a cyber security incident, as per Clause 4. He was interested in understanding the subcommittee's perspective on this matter.

Mr Alan Mackinnon, United Kingdom questioned the Law and Arbitration Clause, noting the unusual number of alternatives, including Hong Kong, likely due to the number of shipmanagers

based there. He was particularly interested in Clause 32, which states that the parties have been given a choice of law and arbitration alternatives in Box 22. He requested clarification on how this clause operates.

Mr Ajay Hazari clarified that the Force Majeure Clause was essentially adapted from the previously published freestanding BIMCO Force Majeure Clause. He explained that Clause 13(e) uses standard BIMCO wording, found in other contracts like SUPPLYTIME. In response to Mr Mackinnon's question, he mentioned that Hong Kong was added as a jurisdiction for arbitration in the freestanding BIMCO Law & Arbitration Clause 2020 three years ago. Regarding the confusion about Clause 32, he noted that while the printout may look confusing, the SmartCon platform provides a dropdown menu where one can select the desired option, eliminating any ambiguity.

Mr Hazari responded to the Dutch delegation's questions, confirming that the drug and alcohol policy is correctly placed under Clause 4 as it is implemented on-board the vessel by the technical manager or the ISM company. The subcommittee reinstated this policy due to requests from shipmanagers.

He explained that pre-joining drug and alcohol testing by crew managers falls correctly under Clause 5 as it is part of crew management services. Regarding Clause 8(b), he clarified that the manager does not have the freedom to appoint anyone as their nominee when the company is already named in Box 5. The phrase 'or nominee' was added to reflect common practice where the ship management company enters into contracts but appoints its affiliate to serve as the ISM manager.

Mr Hazari confirmed that subclause (d) of the BIMCO Cyber Security Clause was deliberately omitted. The standalone BIMCO Cyber Security Clause initially had a liability limitation of \$100,000, but after extensive subcommittee discussions, it was decided that separate sub-limits within the contract were inappropriate. The overarching liability clause in the contract, previously Clause 17 and now Clause 19, already specifies responsibilities and liability limits, so subclause (d) was removed to avoid uncertainty.

Mr Kuppan Rajasekaran, India questioned Box 8's Commercial Management Agreement, specifically who would be responsible for collecting emission allowances if 'Yes' is selected - the shipmanager or the commercial manager? This was particularly relevant under Clause 6, which states that allowances must be collected. He also asked about situations where the commercial manager or charterer is also working on the ship, emphasising the need to assign responsibility to one person.

Mr Ajay Hazari responded by saying that if the shipmanager is entrusted with responsibility under box 8 and Clause 6 for the commercial management of the vessel, then it is the owner who entrusts the shipmanager to assist with collecting freight hire and EUAs, as provided for in the clause.

Mr Kuppan Rajasekaran then added a question, stating that while assisting is one aspect, he wanted to know whose responsibility it is to actually collect it, in this case, the manager or the commercial manager.

Mr Ajay Hazari confirmed that if the managers accept it, the manager and the commercial manager are the same entity, because the manager then assumes the role of the commercial manager.

The Chairperson thanked Mr Rajasekaran for raising that question. With no further comments, the Chairperson proposed the adoption of SHIPMAN 2024. He expressed his gratitude to Mr Ajay Hazari and all the members of the subcommittee for their outstanding work on producing the new edition of one of BIMCO's flagship contracts, and he also thanked the DC for its comments throughout the process.

Mr Fehmi Ülgener, Turkey expressed anticipation for the adoption of the SHIPMAN contract and thanked Mr Hazari and the subcommittee. He asked about the status of the Explanatory Notes.

Mr Ajay Hazari noted that when SHIPMAN 2009 was published, it did not include Explanatory Notes, causing confusion over how certain clauses should operate. To address this issue and the numerous questions raised over the years, substantial work has been done to create comprehensive Explanatory Notes. These will cover a range of matters that should have been addressed in 2009 but were not included at that time.

Mr Fehmi Ülgener further emphasised the need for the Explanatory Notes and recommended that these points be explained. He suggested that it would always be useful to have a summary at the end of the document or booklet that outlines the differences, accompanied by brief explanations.

The Chairperson asked if the Secretariat planned to include a comparison table in addition to the Explanatory Notes.

Mr Christian Hoppe, BIMCO confirmed that they are currently working on the Explanatory Notes and they are nearly complete. They will be similar to what is typically included for contracts, highlighting what the individual clauses state and focusing on the changes compared to the 2009 version. In response to Mr Ülgener's point, Mr Hoppe added that there will be an introductory section highlighting the main changes compared with the 2009 version.

6.2. AUTOSHIPMAN

The Chairperson explained that the next item for adoption was supposed to be AUTOSHIPMAN. However, as already explained, the contract was not ready at this stage but will soon be presented for adoption via the Discussion Forum. He thanked Mr Hazari for his ongoing efforts in bringing this project to completion.

6.3. Russian Oil Price Cap Scheme Clause

The Chairperson introduced the Russian Oil Price Cap Scheme Clause as the last item for adoption, directing the DC to Agenda Notes, Item 6.3. and enclosure item 6.3., distributed separately on 12 March. The Secretariat had received inquiries about revising the clause following the EU G7 Price Cap's February update on certain oil products from Russia. Despite the short notice, the Chairperson stressed the need for BIMCO to act swiftly and efficiently as the required amendments were technical and limited in nature. As the subcommittees' chairperson was absent, he invited Ms Zehra Göknaz Engin from the Secretariat to provide further comments on the Agenda Notes and the circulated draft clause.

Ms Zehra Göknaz Engin, BIMCO recalled that the initial clause was adopted in June 2023, with wording left flexible to accommodate any future amendments or regulations from the EU G7 coalition. However, updates to the price cap rules were issued by the coalition in February 2024. The subcommittee reconvened to discuss these updates and concluded that the previous wording may not fully cover the new price cap rules which came into effect in February 2024.

Key changes include requiring attestation on a per voyage basis and itemising ancillary costs. Furthermore, tier 3 entities are now split into 3.A. and 3.B., each with revised attestation requirements. The subcommittee carefully reviewed and amended the draft clause, especially subclause (c), to align with these updates and extended the compliance timeframe. A new Annex 2 was also created for itemising ancillary costs.

In conclusion, Ms Engin invited members to consider the updated Russian Oil Price Cap Scheme Clause for immediate adoption, given that the updated regulations are already in force. She stated that both the Secretariat and Mr Sacha Patel, a subcommittee member, were available to provide insight into the clause's drafting process. She emphasised the clause's importance for ensuring compliance with price cap measures and promoting transparency in industry operations.

The Chairperson invited Mr Patel, member of the Russian Oil Price Cap Scheme Subcommittee to comment.

Mr Sacha Patel, member of the Russian Oil Price Cap Scheme Clause subcommittee thanked Ms Engin for her comprehensive explanation and noted the enforcement issues and the difference between pre and post 19 February positions. He mentioned that compliance with the price cap was easier pre 19 February and insurers could easily provide necessary proof. However, he anticipates stricter requirements and increased requests for proof of compliance from authorities. From Steamship Mutual's perspective, they have already received such requests. This will affect owners, who will need to demand proof of compliance from their charterers. If owners cannot provide this information due to no fault of their own, their insurance will not be affected. However, if it is due to a fault further down the line, the owners need protection. Hence, he agreed that the clause and its amendments are necessary.

The Chairperson thanked Ms Engin and Mr Patel for their explanations and, with no further comments from the DC, proposed adopting the revised Russian Oil Price Cap Scheme Clause.

He commended the subcommittee's rapid response to a quickly evolving situation, demonstrating BIMCO's adaptability in addressing serious regulatory concerns. He expressed gratitude to Ms Katerina Iliakopoulou, Chairperson of the Subcommittee, and other members for producing the clause at short notice and thanked the DC for endorsing a slight deviation from usual procedures to accommodate the need for immediate adoption of the clause.

7. Items for review

7.1. War Risk Clauses

The Chairperson introduced the revision of the War Risks and War Cancellation Clauses, referring the DC to Agenda Notes Item 7.1. and the four enclosure items, 7.1.A., 7.1.B., 7.1.C., and 7.1.D., which contain the tracked changes and clean versions of the draft CONWARTIME and VOYWAR Clauses. He invited the Chairperson of the subcommittee, Mr Michiel Starmans, to provide a status report.

Mr Michiel Starmans, Chairperson of the War Risks and War Cancellation Clauses Subcommittee updated the DC on CONWARTIME for Time Charter Parties and introduced the new VOYWAR draft for Voyage Charter Parties. The third draft, the War Cancellation Clause, has not been discussed yet due to extensive discussions on VOYWAR during the six subcommittee meetings since December 2023. While VOYWAR is nearly finished, some issues still need to be addressed. Several amendments were made to CONWARTIME and most comments from various delegations, including a proposal from the UK delegation regarding the insurance requirement from the owners' insurers, have been addressed.

The subcommittee has made progress in refining the VOYWAR Clause. Changes involve defining 'insurance cost' and extending the period for charterers to issue orders. A significant development is the introduction of the open book calculation method in response to charterers' concerns about the pro rata freight calculation. The subcommittee decided to include a definition for 'open book basis' in the clause although the phrase lacks a legal definition under English law. There was a discussion around using additional expenses and demurrage rate for delays from an owner's perspective, but the final decision was to circulate the draft clause reflecting the open book basis.

Mr Starmans stressed the need for clear clauses as they are typically accepted without negotiation during contract discussions. He assured that all feedback will be considered to make the clauses ready for the market. The subcommittee has consulted a sounding board of wider market participants and is awaiting feedback from the industry. An unresolved issue is the potential for cancellation by charterers, which is a contentious topic within the subcommittee. Mr Starmans asked the DC to consider the proposed amendments and thanked Ms Engin and Mr Lindahl for their contributions in ensuring the correct wording of the clauses.

The Chairperson thanked Mr Starmans for the update and opened the floor for comments and questions.

Mr Andrew Hoare, Singapore thanked Mr Starmans for his thorough explanation and asked for further clarification about the need for the insertion of “by Owners” under CONWARTIME/VOYWAR Clause (a)(i)(2), as he believes both the ship's and cargo's interests are at stake.

Ms Lisa-Marie Perrella, Canada expressed concerns about the method of calculation of additional freight, suggesting a simpler approach that accounts for additional costs incurred by owners and potential savings. She cited a situation in the Red Sea where charterers resisted changes due to potential savings in tolls and avoiding canal passage. She asked if such an approach could be a viable alternative or if the committee had considered framing the issue this way.

Mr Magne Andersen commented on the CONWARTIME draft, noting the main amendment is to ensure the additional war risk premium paid by charterers only covers the net amount paid by owners, passing any benefits from lack of claims or bonuses to charterers. He expressed doubts about its practicality, especially in situations where owners receive a rebate or discount later. Regarding the VOYWAR Clause, he noted that it mirrors the recovery of additional war risks premium as reflected in CONWARTIME.

He voiced concerns about proposed changes to subclauses (c) and (d), which shift from a proportional increase, based on extra mileage, to an open book recalculation. He was concerned about the lack of legal definition for 'open book calculation' and potential for disputes.

He questioned the profit element in an open book calculation and highlighted that the term 'charter party' is used instead of 'contract or carriage' in subclauses (a)(i) and (ii), which could affect the clause's ability to be included in bills of lading.

He encouraged a review of the interaction between subclauses (e)(i) and (ii) to clarify that insurances covered in subclause (e)(i) are the basic war risk insurances, typically referring to annual premiums.

Ms Andrea Skeoch, United Kingdom responded to Mr Hoare's query about the definition of insurance costs in the CONWARTIME and VOYWAR clauses. She suggested that the reference to the cost of additional insurances required by the owners in the first subparagraph is not clear on the exact insurances and whether it covers only additional premiums or all insurance costs. She advised the subcommittee to address this ambiguity.

In the VOYWAR Clause, she noted a similar concern and questioned the reference to the reimbursement of any insurance costs required by owners' insurers in subclause (e)(ii). She wondered if this was meant to cover full insurance costs for additional insurances beyond normal war risks. In subclause (e)(iii), she pointed out that the area subject to insurance costs makes sense in the context of additional war risk premiums but may not for additional insurances. She concluded that these uncertainties come from the initial reference to insurance costs in the first paragraph of each clause.

Mr Juan Jose Fernández-Ricoy, Spain expressed gratitude to the subcommittee for considering comments from other delegations on the Discussion Forum. He noted that the second draft aligns more with the Spanish delegation's views but still had concerns about 'the owners shall demonstrate that they have made reasonable efforts to obtain suitable cover and terms, including premium', which could lead to disputes between owners and charterers, especially regarding CONWARTIME. He argued that if a ship is instructed to enter a war risk area, all extra costs should be covered without debate, with charterers approving such costs before the ship enters the area. He also expressed concerns, in line with the German delegation, about the request for documents or proof of payment that could potentially violate personal data protection regulations.

Ms Hannah Gilbert, United Kingdom in response to Mr Hoare's earlier query, clarified that the UK delegation's suggestion to include 'by owners' was not intended to restrict the possibility for additional insurances. The suggestion was made to provide clarity and was not meant to limit the clause. She stated that, if the subcommittee's intention was to include additional premiums and insurances required by owners, it should be explicitly stated. The UK delegation's suggestion was based on this understanding.

Ms Nicola Ioannou, Greece reiterated what was previously said about the open book calculation. She shared that the Greek delegation generally felt it would be better to have a defined method of calculation, instead of leaving the term undefined, as this could likely lead to uncertainty and disputes.

Mr Michael Wester, Germany discussed the CONWARTIME clauses, expressing his alignment with the Spanish delegation's concerns. He pointed out that the 'reasonable endeavours' clause could potentially cause debate.

Regarding proof of extra payment to the crew, he referenced the Spanish delegation's suggestion to involve the crew manager, believing that an invoice could serve as sufficient proof. He proposed that a confirmation receipt from the crew manager should suffice, thus eliminating the need for individual confirmation from each crew member.

In discussing the voyage charter clause, VOYWAR, he said that the German delegation agreed with most of what the UK delegation had stated. However, he expressed concerns about the open book calculation, stressing the need for more clarity.

Mr Wester discussed the intricacies of the clause, noting its standard nature but also potential issues. He pointed out that subclause (c) describes various situations that affect the evaluation of the discharge port and requires the charterer to nominate an alternative port under specific circumstances. Yet, some incidents do not affect port accessibility, creating inconsistency in the clause due to the singular consequence outlined.

He raised questions about the consequences if the owners decide on a different route following an incident and if they would then need to refer to subclause (d).

Furthermore, he revisited a point from the Discussion Forum regarding the dependency of the owner's entitlement to additional compensation for a longer route on whether loading had commenced. He questioned the scenario where the notice of readiness had already been tendered, as this would not seem to activate the clause.

Mr Kuppan Rajasekaran referred to CONWARTIME subclause (d), which states that owners must demonstrate reasonable efforts to obtain suitable cover and terms. He questioned how owners could guarantee the suitability of coverage if problems arise later. He noted that under time constraints, owners often receive short notice from charterers about passing through certain areas, leading to a rushed process of obtaining coverage quotes from available insurers. He pointed out that this might not be suitable due to such limited time constraints in practice. Therefore, he suggested a change in approach, where instead of placing the responsibility solely on the owners to ensure suitable coverage, they could refer to the 'available coverage' and present it to the charterer, demonstrating their effort. This would result in shared responsibility between the owners and charterers.

Mr Michiel Starmans noted that everyone essentially desires reasonable insurance premiums. However, he pointed out that defining what constitutes a 'reasonable' premium is challenging. He cited an example where an owner might have first-class insurance with Lloyds, while charterers might argue they could get cheaper insurance elsewhere. The issue, he pointed out, lies in the performance of the insurance and the amount they would pay. As he noted, a first-class owner would likely have first-class insurance, primarily because they want to be paid in the event of a loss.

He acknowledged the challenges raised by the underwriters on the subcommittee about differing premiums charged by various owners for the same voyage. As a result, the subcommittee decided on the 'reasonable endeavours' construction for both cover and premium. This shifted the burden of proof to the owners, who must now demonstrate they made reasonable endeavours to secure a good premium.

Mr Starmans noted that in reality, owners often turn to brokers, who offer premiums that can be compared. He suggested that this could potentially satisfy the burden of proof for reasonable premiums. He also discussed additional voyage premiums and other insurance types, such as Kidnap & Ransom (K&R) insurance. He highlighted the concept of 'nil premium' insurances, where owners only pay when they enter a high-risk area.

On the topic of the open book calculation, Mr Starmans mentioned that they would delve deeper into this. He explained the switch from 'charter party' to 'contract of carriage' was based on the original wording.

Mr Starmans acknowledged the complexities surrounding crew payments, stating that typically, these payments are made with monthly wages and recorded, which should serve as sufficient evidence. The subcommittee plans to consider how to handle additional bonuses.

In response to Mr Wester's concerns about subclause (d), Mr Starmans expressed understanding and assured the DC that the subcommittee would consider these points. In

conclusion, he reminded the DC that while the existing war risk clauses are functional, they were drafted without any charterers' representatives. Now with charterers' involvement, the clauses are being revised to be less owner-centred and to achieve a fair balance.

Mr Juan Jose Fernandez-Ricoy acknowledged that the current wording of the clause, especially for time charters is heavily in favour of the owners. However, the burden seems to have now shifted to the owners, especially in a time charter context where the charterer instructs the owners to navigate to a certain area, leading to an increase in the war risk insurance premium.

Mr Fernandez-Ricoy pointed out that the decision to navigate to a particular area is a consequence of the charterer's decision and that the charterer usually knows the vessel's insurance details. He argued that it is unfair for charterers to debate the additional premium's level after instructing the ship to navigate to an area with extra coverage.

He expressed concern that the current clause could lead to disputes between the owners and charterers over the additional premium cost. To accommodate charterers' requests for reasonable quotations and owners' needs for proper insurance in war risk areas, he suggested reconsidering the clause's wording.

Mr Michiel Starmans responded to the Spanish delegation's points, stating that the subcommittee has introduced a new requirement for the owner to present insurance quotes before entering a specified area. This allows for discussions between the owner and the charterer, wherein the charterer can challenge the quote if it is deemed excessive. In such cases, the owner could potentially refuse to follow the charterer's employment instructions. The aim is to prevent disputes after navigating through a specific area when the charterer might refuse the premium. Therefore, the responsibility lies with the owners to communicate the costs before entering areas like Libya, allowing the charterer to negotiate, if necessary. This introduces a possibility for discussion before entering a specified area.

7.2. ETS Clauses for Contracts of Affreightment (COAs)

The Chairperson introduced this item and directed the DC's attention to enclosure items 7.2.A., B., and C. These items contained three different clauses, specifically, and included in freight, pre-agreed surcharge or fixed quantity of allowances, as well as the transfer of actual allowances post-voyage. Given the importance and relevance of this issue, the Chairperson invited Vice-Chairperson Ms Nicola Ioannou, who is also the Chairperson of the Subcommittee, to provide an update on the status of the project.

Ms Nicola Ioannou, Chairperson of the ETS Clauses for Contracts of Affreightment (COAs) Subcommittee thanked the Chairperson and provided an update on the progress made by the subcommittee tasked with developing clauses to address ETS, specifically for Contracts of Affreightment (COAs). She reminded the DC that a suite of ETS Clauses for Voyage Charter Parties was adopted last October.

The focus has now shifted to creating clauses specifically for COAs. The subcommittee has prepared three preliminary draft clauses, which are still works in progress. However, they cover all key concepts that the subcommittee agrees on, and include options for flexibility, enabling parties to choose what best suits their needs and business model.

Ms Ioannou presented the three draft clauses. The first allows parties to agree that the costs of complying with an emission scheme are included in the freight rate. The second allows parties to fix Emission Trading Scheme (ETS) costs pre-voyage, agreeing that charterers will pay either a surcharge or transfer a fixed quantity of emission allowances. The third clause allows parties to handle the transfer of actual allowances post-voyage.

She said the subcommittee aims to present the clauses for adoption in June or July, acknowledging the industry's need for their prompt publication. The subcommittee is seeking feedback from the DC and sounding board at present and requesting a mandate from the DC to potentially put these clauses up for adoption through the expedited procedure via the Discussion Forum.

Ms Ioannou welcomed comments, questions, and feedback on the draft clauses, indicating that further amendments might be made based on the feedback received from the DC and the sounding board.

Ms Elsebeth Guttormsen, Norway raised a question about the Annex and subclause (a), which states that the charterer should pay for the emission scheme, surcharge, or transfer the emission allowances corresponding to the vessel's emissions. She pointed out that, in the case of multiple charterers, then each charterer should pay a pro-rata share of the surcharge. Therefore, the Norwegian delegation suggested amending the wording to include pro-rata, if applicable. They also inquired if the subcommittee had considered how to calculate the pro-rata amount, such as whether it would be based on the charterer and calculated per tonne per mile.

Ms Nicola Ioannou thanked the Norwegian delegation for their comment. She mentioned that there had been some discussion on this topic, specifically about how individual businesses can operate and the exact needs with respect to part cargoes. She stated that she would bring this matter back to the subcommittee for further discussion, as it is crucial to determine how pro-rata will be applied in such cases.

The Chairperson thanked Ms Ioannou. In the absence of further comments, he requested that any additional remarks be posted on the Discussion Forum. He mentioned that the subcommittee would prioritise finalising the clauses, as Ms Ioannou had stated. Once completed, they would be presented for expedited adoption in June or July via the Discussion Forum.

7.3. ASBATANKVOY

The Chairperson introduced the next project, which was the revision of ASBATANKVOY outlined in Agenda Notes, Item 7.3, along with enclosures 7.3.A. and B. These enclosures provide both a clean and track-changed version of the draft for ease of reference. He mentioned that this project has been on the DC's agenda for quite some time, and that the subcommittee is working diligently to finalise its work, although it is taking longer than initially expected.

He announced that one of the Co-Chairpersons of the ASBATANKVOY Subcommittee, Mr Søren Wolmar, was attending the meeting that day and invited him to give an update on this project.

Mr Søren Wolmar, Co-Chairperson of the ASBATANKVOY Subcommittee, reported that the subcommittee's progress is slower than expected, primarily due to delays in receiving feedback on the draft, which was distributed to around 65 industry entities on the sounding board. The subcommittee had received a total of 32 responses, some of which were detailed and constructive. Given the limited time, the subcommittee has not yet considered all these responses. However, they hope to do this before the next DC meeting and will aim to put the contract up for adoption in October. He mentioned that the high response rate from the industry suggests that the charter party may see usage upon publication, a positive indicator as there has been concern over whether the new form will be used by the industry. The subcommittee plans to consider all remaining feedback in the coming months and to make amendments to the form, where necessary.

The Chairperson thanked Mr Wolmar and acknowledged the diligent work he, his Co-Chair Mr Stephen Harper, and the entire subcommittee, including Mr Magne Andersen, have devoted to this project. He expressed optimism that they would likely be returning in the fall for the potential adoption of the project.

Mr Lodewijk Wisse stated that the Dutch delegation was pleased with and supported the proposed changes to the form. They welcomed the contract's update but had questions regarding Clause 9. They questioned the definition of the charterer's equipment to avoid disputes if charterers appoint an STS company to handle everything yet claim that the equipment is not theirs. The delegation sought guidance from the subcommittee on the intended meaning of 'charterer's equipment'.

Mr Søren Wolmar responded to Mr Wisse's question regarding the definition of 'charterer's equipment'. He explained that this topic was extensively discussed in the context of a previous charter party, specifically relating to the disconnection of hoses. The clause was modified to accommodate transshipments and board-to-board operations at sea, where equipment is placed on ships. The question at hand was whether laytime should be counted once the equipment was disconnected but not yet picked up by the charterer. The subcommittee believed this issue was resolved, but remained open to suggestions if members had any fresh ideas.

Mr Lodewijk Wisse inquired if the subcommittee had contemplated that if the vessel needs to shift for unloading the STS equipment at a different location, the time should continue to be

counted uninterruptedly until all equipment has been removed. Additionally, he asked if the charterers would be responsible for all fuel costs associated with the shift.

Mr Søren Wolmar stated that it should be clear from the first sentence that the time will continue to be counted until the equipment is removed, which should address Mr Wisse's question. Even if the ship has to go to another berth to discharge it, the charterers have an obligation to remove it from the ship before they can stop the laytime.

Mr Tadanori Okada, Japan made a suggestion regarding Clause 6. He pointed out that in GENCON, Clause 9, it is stated that waiting time and time on demurrage shall count, even if the holds fail the initial inspection subsequently. Therefore, he suggested that similar wording be added to Clause 6.

The Chairperson thanked everyone for their comments and said the DC was looking forward to the contract being adopted later in the year.

7.4. Methanol Annex to BIMCO Bunker Terms

The Chairperson introduced this item and referred the DC to Agenda Notes Item 7.4, and the enclosure item 7.4. He mentioned that the notes provided a detailed report on the project's status, but invited Mr Andrew Hoare from Singapore, a member of the subcommittee, to provide an update.

Mr Andrew Hoare, Singapore updated the DC on the progress made in developing a Methanol Annex to the existing BIMCO Bunker Terms 2018 since the project started in 2023. He noted that although the current focus was on methanol, ammonia was also of significant interest and would follow soon. He observed a shift towards methanol demand due to an increase in newbuilding orders for engines compatible with methanol fuel, despite its status as a developing marine fuel.

The subcommittee, having held six meetings since October 2023, adopted a similar approach to the LNG Annex which was published in 2023. Their aim was to establish a comprehensive and balanced set of standard bunker terms tailored for methanol. A first draft for DC review was enclosed with the Agenda Notes, which included some additional definitions, amendments to the ISO standard references, and a new certificate of sustainability clause.

Mr Hoare shared that the subcommittee faced challenges due to the present lack of established market standards and best practices, but they remained dedicated to their mission. They aim to present a draft Annex for adoption at the next DC meeting in October, dependent on the publication of the new ISO Standard 6583:2024, expected in the third or fourth quarter this year. The development of the Annex is a crucial step towards decarbonisation in the maritime industry.

Mr Hoare welcomed questions, comments, or feedback from the DC. He mentioned that valuable feedback already received from the UK and German delegations would be addressed in detail at the next subcommittee meeting.

Additionally, he noted that the certification scheme, mentioned in the election sheet, will be a topic of discussion for the subcommittee.

Mr Hoare also shared that the group he works for, a major global emitter, has invested significantly in hydrogen as a fuel, with ammonia being the primary fuel derived from it. It recently introduced the world's first ammonia fueled ship, the Green Pioneer, which has received DNV Classification and Singapore Flag State approval.

While he is proud of these achievements, he emphasised that the industry must increase its understanding of new and alternative fuels like methanol and ammonia. These fuels are quite different from hydrocarbons in characteristics, which poses challenges in pollution related drafting. He expressed gratitude for BIMCO's leadership in this decarbonisation journey in shipping and urged any questions to be raised or directed to the subcommittee.

Mr Kuppan Rajasekaran made a further comment on subclause 4(b), questioning the availability of local testing facilities. Given that methanol has a low flashpoint, it cannot be transported easily to other locations. If local testing facilities are not available, he suggested that having pre-tested bunker fuel or an on-board test kit for this fuel might be a more practical solution.

Mr Lars Robert Pedersen informed the DC about recent minor changes made by the IMO to the MARPOL Annex VI on the Fuel verification procedure for fuel oil samples to cover verification of the representative samples of in-use fuel oil and on-board fuel oil. Mr Pedersen believed these changes may be relevant to note.

Mr Lodewijk Wisse praised the subcommittee and Mr Hoare, expressing approval of BIMCO's leading role in dealing with new fuels. The Dutch delegation raised a question about the change in ISO standards mentioned by Mr Hoare in subclause 2(b). The delegation noted that the current ISO standard 8217 has various gradations and that the most recent version is not globally available yet. They questioned the utility of referencing only the newest version of the ISO standard in the draft and asked that this consideration be taken into account.

Mr Andrew Hoare responded to the comments, expressing concern about the definition of 'fuel oil'. He said he would discuss this during an upcoming meeting with the ISO in Singapore, during Singapore Maritime Week. Acknowledging the unique challenges presented by methanol and ammonia due to their unique properties, he agreed to further explore this topic with the subcommittee.

He noted that sampling and testing methanol poses difficulties as tanks cannot be easily opened for drip sampling. He admitted that current technology does offer a number of solutions but may not fully address all issues and emphasised the importance of finding a solution.

Mr Hoare welcomed technical experts who could help navigate these challenges to present to the subcommittee. He emphasised that the significant challenges with methanol and ammonia would likely involve tracing their quality and source and managing the sampling procedure.

He concluded by stating that they must assume a shift from how things are done with hydrocarbons, as this is a different environment. It is not about slightly altering what has been done with hydrocarbons but, rather, rethinking the approach.

Mr Lars Robert Pedersen interjected to clarify and prevent any misunderstandings regarding the definitions of 'fuel oil'. He mentioned that these definitions specifically pertain to MARPOL Annex VI and are exclusive to it. He reminded the DC that it does not make all these fuels 'fuel oils'. He pointed out that MARPOL Annex VI discusses 'oil fuel' and not 'fuel oil', marking an essential distinction.

The Chairperson thanked Mr Pedersen for his clarification and expressed gratitude to Mr Hoare for presenting and participating in this project. He acknowledged Mr Hoare's point about ammonia following closely after methanol and expressed eagerness for BIMCO's involvement in that. The Chairperson expressed pride in the DC and BIMCO for keeping up with the evolving regulations and pioneering these issues.

8. Written report of ongoing projects for consideration at the next meeting

The Chairperson explained that the intention of including this item was for the DC to discuss these projects in greater detail at the next meeting in October, so they would not be examined in detail at this current meeting:

- Data Sharing and Energy Efficiency Performance Clause and Retrofit Cost/Benefit Sharing Clause
- Fuel EU maritime
- WINDSEACON
- CO2 Time Charter Party
- WRECK Removal Agreements

The Chairperson observed that a lot of what the DC is doing looks towards the future, which fits well with the organisation's ethos. He said that if anyone has urgent comments about the written progress reports, they can always reach out to the Secretariat. He also invited comments.

Mr Glenn Bennigsen, Denmark indicated that BIMCO needs to be cautious about FuelEU and how it is handled. He noted that according to the regulation, shipowners, who are the accountable parties, may attempt to shift commercial responsibility to time charters. As it now stands, owners can pool or bank extra surplus for a vessel but the decisions are outside the control of the time charterers. So, if owners try to push low quality bunker fuel in the context of a time charter party, it is crucial to address this carefully in the clause because it might result

in an unsatisfactory clause and raise similar concerns that emanated from the CII Operations Clause.

In addition, there are differing views about who should be considered the responsible party, whether it is the owners, the Document of Compliance (DoC) holder, or whether the EU might change its stance in future.

The Chairperson thanked Mr Bennigsen for his cautionary words and acknowledged his position on FuelEU. He expressed confidence that the subcommittee would proceed with caution, as recommended by Mr Bennigsen.

Mr Michael Wester stressed the importance of the DC addressing the FuelEU issue. As a club member, he said they have already received numerous inquiries from members about how to handle this, especially considering that the regulation will enter into force on 1 January 2025. He noted that any charter parties being negotiated for next year will need to address this issue. The ambiguity of some parts of the regulation complicates the drafting of a clause. The pooling point mentioned by the Danish delegation adds further complexity.

Despite these challenges, he underscored the need to find a solution and draft a clause as soon as possible. He pointed out that with current fuels, compliance with FuelEU in the future may not be achievable, meaning that it will gradually necessitate the use and uptake of other fuels. These alternative fuels will require standards, which will need to be integrated into charter parties. In addition, some onboard measures might need to be taken, such as equipping vessels for wind-assisted propulsion.

He suggested that if a charterer has the opportunity to comply, a clause should oblige them to do so. Given the number of inquiries and discussions, he noted that the FuelEU issue is of great importance. While EU ETS remains high on the agenda, he anticipates that FuelEU will quickly become the next major focus, potentially posing even greater challenges for the industry.

Mr Ajay Hazari, Hong Kong, following up on Mr Wester's comments, shared his experience with the ETS Allowances Clause for SHIPMAN, recognising the hard work of the subcommittee in developing that clause and noting that plans are also to develop a FuelEU clause for SHIPMAN. However, he expressed concern about the timeline and emphasised the need to expedite the process. He noted that some responsibility might rest with members of the SHIPMAN subcommittee, which had worked on the ETS Allowances Clause for SHIPMAN and only managed to get it adopted on 6 December 2023. From his experience, along with other shipmanagers and owners, he shared challenges due to the late release of the clause. He suggested that if the FuelEU subcommittee needs assistance, they should seek that to ensure these clauses are released sooner than the end of the year.

Ms Stinne Taiger Ivø acknowledged that FuelEU should be a top priority for the year. She noted that after EU ETS became a major topic, the Secretariat recognised the shift towards concerns regarding the introduction of FuelEU. In response to Mr Hazari's point, she shared that the

Secretariat is forming an ad-hoc subcommittee. This subcommittee will work alongside the existing subcommittee which is presently drafting a clause for time charter parties, ensuring careful consideration is given. The adhoc subcommittee will develop a clause that addresses agreements between owners and shipmanagers. The Secretariat plans to have these two groups working concurrently and coordinating to ensure alignment from the outset, aiming to expedite the process as much as possible. She said all other points raised have been noted.

Mr Lars Robert Pedersen responded to Mr Bennigsen's comment about the responsible entity in FuelEU. He noted that while the legal definition in the regulation aligns well with that in EU ETS, the implementation of that legal text is quite different. The implementing regulation for EU ETS reinterpreted the legal definition, defaulting the obligation to the shipowner. However, this is specific to EU ETS.

He pointed out that FuelEU Maritime is created under the purview of DG Move, which has a longstanding interpretation of the legal text defining the 'shipping company' as the DoC holder only. He sees little chance of changes to this in the process of developing secondary regulation at the EU level. Therefore, he firmly expects that for FuelEU, the responsible entity will always be the DoC holder.

9. Published contracts and clauses/promotion

The Chairperson proceeded to the next item relating to published contracts, clauses, and promotional activities. He highlighted an impressive list of adopted and published contracts and clauses and extensive promotional efforts since the last DC meeting. He commended everyone, including all members, the Secretariat, and BIMCO, for these accomplishments. He also noted that information about marketing events and media coverage was being presented in a more engaging manner, which he appreciated. The Chairperson invited for comments, though there were none.

10. Future work programme

The Chairperson directed the DC to the list of projects shortlisted by the Secretariat, which could be found as enclosure item 10. He then invited Ms Stinne Taiger Ivø to provide some background on how these projects were shortlisted and what the Secretariat needs from the DC for further progress.

Ms Stinne Taiger Ivø explained that the Secretariat has shortlisted seven different projects from numerous suggestions made by members. The Secretariat used criteria such as alignment with the main priorities for the DC from 2023 to 2025, including decarbonisation, alternative fuels, and offshore and renewables.

The Secretariat also considered whether a particular project was suggested by multiple members and consulted with the Support and Advice Team, who have insight into inquiries about clause or contract wording that may have been published some years ago. Industry input was also taken into account.

The third criterion is whether the project is motivated by regulatory changes that will require action from the Secretariat. An example of this is the RECYCLECON project, related to the Hong Kong Convention, which will enter into force in the summer of 2025.

She mentioned that there are many ongoing projects, including FuelEU which will be discussed at the next DC meeting. The Secretariat is seeking the DC's comments on which projects to prioritise. Another project not on the list, but included in the SHIPMAN agenda, concerns the mandate that the registered owner can give to the ISM company. The Secretariat is in the process of developing this template. She invited Mr Hazari to comment on this.

Mr Ajay Hazari noted that the SHIPMAN and ETS Allowances Clause for SHIPMAN subcommittee has been working on the template mandate form. This straightforward mandate aligns with the regulations and is nearly complete, requiring only minor final touches. Given the tight deadlines - for any ship that embarked on an EU voyage on 1 January, the final date for submitting the mandate is 29 March - the plan is to post it on the Discussion Forum for expedited adoption. He expressed hope for swift adoption with the support of the DC.

Ms Stinne Taiger Ivø expressed hope that the DC would consider the mentioned projects. She mentioned that HEAVYLIFTVOY, which has been raised a few times, is set for revision in the latter half of 2024.

The addition of a CII Hull Fouling Clause for Voyage Charter Parties was suggested to the Secretariat and noted by the Chinese delegation. However, due to ongoing revisions by the IMO and uncertainty about market handling, she suggested waiting a bit longer before discussing further CII clauses.

She mentioned that an ETS Clause for Bareboat Charter Parties has been discussed in the DC and considered, but a specific subcommittee has not been established yet. The Secretariat believes a proper clause should be incorporated into BARECON to handle ETS.

RECYCLECON, already in force, and ETS, being time-sensitive, are projects where the Secretariat is seeking a mandate to start work immediately.

The Electronic Bills of Lading Clauses are also on the list due to changing UK laws and the '25 by 25' campaign to promote e-bills usage. The Secretariat is looking for DC feedback on revising this clause.

NEWBUILDCON is on the list, with the hope of attracting more Chinese contributors to make it more suitable for Chinese shipbuilding contracts.

The final addition is the ETS Redelivery Clause – some members may have encountered scenarios where the ship is redelivered offshore, not near a port.

Ms Lisa-Marie Perrella referred to the shortlist of the future work programme and asked if the Secretariat had for the longer term shortlist considered including a clause that addresses the

recent outcome of the *Eternal Bliss* case. This clause would aim to preserve a shipowner's right to claim damages for liabilities like cargo liabilities and possibly even hull fouling due to the charterer's failure to complete cargo operations within the allotted time.

Mr Lars Robert Pedersen commented on the ETS Clause for Bareboat Charter Parties. He mentioned that they have not given up on trying to get the EU Commission to recognise a registered bareboat charterer as eligible to take the position of the shipowner for ETS purposes, rather than the current stipulation in the EU Commission's FAQ that only the registered owner can do so. While efforts are ongoing to achieve this, the outcome remains uncertain. He confirmed that the EU Commission's current interpretation will likely stand for a non-registered bareboat charterer, as it is not a well known entity.

The Chairperson thanked Mr Pedersen and said comments made by Ms Perrella would also be taken onboard.

11. Other organisations

The Chairperson moved to the next item on the agenda, which was the report from other organisations on work which may have a bearing on the work of the DC. First, he invited Mr Fulvio Carlini from FONASBA to give an update.

Mr Fulvio Carlini, FONASBA emphasised the importance of BIMCO documents and mentioned that FONASBA has organised a webinar to present the new BIMCO Mates Receipt to its associates. Unfortunately, due to a minor issue, it was postponed. However, FONASBA had 160 people from around the globe registered for the webinar within a week. They anticipate a good turnout when the webinar takes place after rescheduling.

He confirmed that they would soon organise something similar to what the Institute of Chartered Ship Brokers did some time ago, where they benefited from BIMCO's assistance, particularly from the Chairperson of the GENCON Subcommittee, and plan to have another webinar discussing GENCON.

Finally, he shared that FONASBA would soon start working on some updates and improvements to the FONASBA quality standard, as it believes it is an important area that needs attention.

Ms Kiran Khosla, ICS confirmed that they did not have any new updates, noting that many of their items align with BIMCO's agenda. She expressed gratitude to the DC for adopting the Russian Oil Price Cap Scheme Clause, as it has been a significant concern for their members. ICS has been informing and advising them on this matter, so it is beneficial that they can now inform them of the existence of this new clause.

Ms Selena Challacombe INTERTANKO stated that INTERTANKO, like BIMCO, had focused on two key issues: Sanctions and the EU ETS. In response to new requirements, INTERTANKO had to swiftly update their clauses. Unlike BIMCO, however, they have not drafted their own clauses

on the Russian Oil Price Cap, instead they had prepared guidance on tanker specific issues for their members.

They also prepared an ETS mandate document, which is a reflection of the EU ETS and MRV requirements. She explained the reason for mentioning this was because it was referred to in the online December meeting when the BIMCO ETS Allowances Clause was adopted, and also because it was the sixth item on agenda at this meeting.

She confirmed that INTERTANKO is willing to share that document and they are aware that it has been accepted by some of the administrative authorities. She expressed gratitude for the excellent ongoing relationship between INTERTANKO and BIMCO.

Ms Camilla Slater, International Group of P&I Clubs announced that this year marks the 125th anniversary of the International Group. On behalf of the group, she expressed gratitude to BIMCO, their industry partners, and all stakeholders across the sector for their valuable support and collaboration. She looked forward to continuing this excellent cooperation in the years to come.

12. Any other business

There were no items raised under this item.

The Chairperson announced that this meeting was the last for some of the DC members, including UK Club member, Mr Alan Mackinnon. Since joining the DC in 2009, Mr Mackinnon has been a valued member and Chairperson of the subcommittee that developed the sanctions clauses for time voyage, and container vessel time charter parties in 2020 and 2021. His active participation, thorough preparation, attention to detail, and constructive mindset have been invaluable to the DC and its work. The Chairperson thanked him for his dedication and professionalism and wished him the best for the future.

Mr Alan Mackinnon, United Kingdom expressed his joy of participating as a member on the DC, especially working on the Sanctions Clause and SALEFORM. He confirmed he has made great contacts and friends during his time on the DC and promised to continue advocating for BIMCO contracts. He thanked the Chairperson for his kind comments and expressed gratitude for the experience.

Mr Søren Larsen – Farewell

The Chairperson acknowledged that it was a special and emotional day for Mr Søren Larsen as it was his last DC meeting and mentioned that several members had reserved slots to share a few words about Mr Larsen.

Mr Nick Fell serving as Chairperson for the past two years, expressed his personal admiration for Mr Larsen. While he has not known him for 39 years, he considers Mr Larsen a friend and

mentor. He praised Mr Larsen as a respected figure in the industry, recognised for his diplomacy, effectiveness, and leadership, and acknowledged the significant impact he has made.

Mr David Loosley appreciated Mr Larsen's service at BIMCO, also highlighting their initial interactions in July 2020. He acknowledged Mr Larsen's plans to retire, which turned into a successful relocation to Singapore. Mr Loosley praised Mr Larsen's significant contributions in Asia, strengthening BIMCO's reputation and attracting more members. In conclusion, on behalf of BIMCO's team and members, Mr Loosley thanked him for his exceptional service and dedication over four decades.

During the meeting, various delegations and other organisations, including former DC Chairpersons, colleagues of Mr Larsen, his previous PA, and members of the BIMCO Secretariat, paid tribute to him for his 39 years of service. They shared their experiences of working with Mr Larsen and highlighted his significant impact on the industry. His dedication, professionalism, and excellent coordination skills were praised. He was admired for his diplomatic approach and balance of interests within the organisation.

His colleagues acknowledged his retirement as a milestone and expressed their respect for his contributions. They thanked him for his guidance, support, and lasting legacy. They also acknowledged the vacuum his departure would leave and expressed their wish for his good health, happiness, and fulfillment in retirement.

Several colleagues shared their personal experiences of working closely with Mr Larsen and expressed their appreciation for his mentorship, friendship, and the impact he has had on their careers. His contribution to various projects, including the development of standard contracts and clauses for the shipping industry, was highlighted. They wished Mr Larsen a wonderful retirement and looked forward to staying in touch.

The Secretariat presented Mr Larsen with a gift which was unveiled at the meeting.

Mr Søren Larsen expressed his gratitude for the tribute given to him during the meeting and reflected on his time with BIMCO, stating that the job had been as diversified as any job could be, taking him around the world, and allowing him to meet many passionate people in the shipping industry. He expressed his passion for BIMCO and its contractual work, which he saw as a strong driver for his efforts.

He thanked Mr Grant Hunter for his support and significant contributions to BIMCO, and other colleagues for their support and friendship. He also commended the new contractual team under Ms Stinne Taiger Ivø's leadership and felt confident about the future of BIMCO's contractual work. He also expressed his gratitude towards Mr Christian Hoppe, acknowledging his significant and dedicated support over many years.

Mr Larsen acknowledged that his greatest reward was seeing many of his business relationships turn into close friendships. He highlighted his relationship with Mr Nick Fell, the DC Chairperson, which has also blossomed into a friendship. He considers it a privilege to work with Mr Fell and

finds their time together in Singapore extremely beneficial. He will definitely miss Mr Fell when he returns to Denmark.

He thanked Mr David Loosley for masterminding his stay in Singapore and enabling him to finish his long career with BIMCO in Asia. He expressed his admiration for BIMCO's respected brand worldwide and how rewarding it was to represent BIMCO.

In his concluding remarks, he emphasised the importance of the DC urging his colleagues to manage and maintain it. He expressed his certainty that it would continue to improve and wished everyone good luck.

13. Date and place of next meeting

The Chairperson concluded the meeting and announced that the upcoming meeting will be held on 9 October in Copenhagen. It will be a hybrid meeting, enabling those who cannot attend in person to participate online. The Chairperson thanked everyone for their valuable contributions expressing pleasure in meeting both in-person and those who had joined online.