



www.marineInstitute.com

LNG CHARTERPARTY

Developing Agreements, Negotiating and Managing Risks, Liabilities and Disputes for LNG Vessels and Bunkering

Advanced Technical, Commercial and Standards



About this Course

There is nearly 700 LNG Tankers in service, 216 more on order books and 30 LNG Bunker Vessels in operation and 16 more on order, which sets an unprecedented record for growth of LNG Transportation Sector towards 2035 and beyond. Spot Charters, Emergency Charters, and alternatives to crude oil from sanctioned countries were some of the drivers for surge in demand. However, the interim factors may appear to be of some significance, but the key drivers are global movement towards clean energy and reduction of GHG Emissions. The surge in Floating LNG Terminals (FSRUs and FSUs) by conversion and new building projects has created more destinations for LNG Carriers.

The traditional business models of LNG SPAs linked CPAs are vanishing to be replaced with short-term Charters and Spot Charters. This change is also due to the increase in number of intermediaries between producers and consumers. The consumers are no longer limited to power plants or industrial units, but ships are increasing steadily in the number and types of consumers for LNG bunkers. Thus, transportation of LNG by ships is no longer linked to Gas Sales Agreement from producers to buyer over a horizon of 20 to 25 years. The trend has changed and is evolving over the last 10 years. The futuristic trend would be on use of LNG as a fuel for ships to replace low Sulphur bunkers. This requires bunkering hubs for LNG and increasing need for transportation from producing countries to bunkering hubs.

Objectives of this Training Course:

After the completion of this course, the participants will be able to: Develop strategies to manage challenges of constantly changing market conditions in context of evolving geopolitical tensions and pandemics.

- Develop a Charterparties Agreement in context of the available commercial proposition, market forces and economics of demand and supply.

- Evaluate types of contemporary Charterparty Forms for Voyage and Time Charter and comprehend the key features of each Form in context market forces and use for LNG.
- Interpret and adapt terms and conditions of a legacy Charterparty in context of international maritime conventions, competition and evolving economic factors.
- Evaluate current and future trends in Gas transportation and the influence of regulatory regimes and strategies of Oil & Gas Majors, Spot Traders, and Storage Terminals.
- Explore strategies for entry and managing LNG Bunkering Operations.
- Strategize operations towards both time and spot charters for ensuring delivery of corporate financial performance obligations.
- Create a Charterparty Management System (CMS) in the company to ensure profitability for each vessel, voyage, and period

Training Summary Benefits

It is becoming essential to develop new strategies not only for employment of LNG Tankers, but also for sales and purchase of LNG as a commodity. This necessitates rethinking and redrafting LNG specific Charter Party Agreements to be dynamic with evolving contexts.

- Gain invaluable insights of the standard form charters available to the LNG shipping market,
- Understand the use of the different charter party forms and the benefits and disadvantages
- Know how to choose the best charter party for the assignment
- Have an understanding of the different charter party forms like SHELLTIME4, BPVOY, ASBATANKVOY, GASVOY, GASTIME, BPTIME, GIIGNL LNGVOY
- Identify Risks, Evaluation and Mitigate those risks
- Computation and allocation Lay time and Demurrage Claims
- Termination of Charters for Cause and for Convenience
- Performance Obligations of the Parties to a Charter party
- Charterer's Obligations, Bunkers and Boil-off Gas Usage Limits
- Owner's Obligations and Liabilities, ROB, Limits of Boil-off and Cargo Loss

Course Duration

This 3 full-day Instructor led course and workshop is exclusively developed for the management and professionals, engaged in niche segments of LNG Trading and LNG Tankers (Ship Owners, Charterers, LNG Traders, Terminal, and Ship Operators) for LNG cargoes. Whether Gas sales rates are high or low, LNG tankers must recover daily running costs of a vessel. To manage risks of contemporary trends, the terms of engagement or the Charterparty must be reviewed strategically. One must ensure that all risks are well apportioned and appropriately mitigated. The increasing use and number of Floating LNG Storage Vessels brings with it new opportunities and poses new and unforeseen risks.

- Exclusive opportunity for Consultative Session with industry expert during Strategy Development Workshop
- Generate Options for Optimum ROI across the fleet
- Explore Strategies for Balancing Risks and Opportunities
- Get Involved in a Brainstorming Session with Peers
- Get acquainted with Contemporary LNG Tankers Specific Charterparty Forms
- Explore Potential for Chartering LNG Bunker Vessels
- An Opportunity to be involved in Comprehensive Risks Identification, Evaluation and Mitigation Strategies Workshop
- Analysis of the Key LNG Charter Clauses Key commercial clauses Key operational clauses Key legal clauses
- For each Clause -What does the provision cover -Taking and negotiating a position - for the Charterer -for the Owner -Understanding the provision's relevance to the overall charter
- Development of market custom and practice amendments
- Pros and cons of pressing the ShellLNGTime2 drafting -Issues that may arise with today's market dynamics
- Pooling arrangements -Sanctions -Changing the load/discharge port Practicing your negotiation techniques

This course is through Online Instructor Led Training format and 'In House' training worldwide.

Learn what participants have said about the Marine LNG Institutes Courses:

"Excellent course for oil and gas professionals in LNG. Very good facilitation of representative and expertise of the trainer," **Senior Executive - Wilhelmsen Ship Management**

"This course provides my team with great understanding of agreements. It is really good for my knowledge and hopefully, there will be a follow up training program," **Strategic Operations Manager HAPAG - Lloyd**

"The training course is very informative. The trainer kept us interested on all the topics and workshops/discussions. The overall experience is superb," **Senior Operations Executive - Maersk**

Who should attend this Training Course?

This course is intended for the following LNG professionals:

- ❖ Maritime Lawyers and consultants to the LNG industry
- ❖ Ship owners, operators, surveyors and managers
- ❖ Marine engineers and technical superintendents
- ❖ Bunkering companies and fuel suppliers
- ❖ Port and terminal operators
- ❖ Classification societies and regulatory bodies
- ❖ Maritime consultants and surveyors
- ❖ Equipment manufacturers for marine fuel systems
- ❖ Energy and shipping traders
- ❖ Environmental compliance officers

Other useful information at a glance:

Course level:	Intermediate
Maximum number of participants:	10

More testimonials from past participants about the Marine LNG Institute Courses:

*Great expert, very professional and a key speaker. I attended the PSC LNG and Offshore Technical Operations course. Really good 3 days and got a lot out of it. It will help us develop in the future”, **Senior Base Manager, Chevron USA***

*“We have utilised this training for our crew and LNG Tech Superintendent’s for several years. There are a lot of benefits,” **Shell - USA***

*“I got so much out of it. I have never been or listen to an expert speaker in this technical LNG Maritime field. He is now going to assist us as we proceed with our ventures in the future,” **Senior Manager, Shell Singapore***

*“I have been to several Online Seminars and this one was the best I have attended so far. Very technical and informative, very approachable and professional. We have since engaged the trainer for further projects and oversight, ”**Technical Superintendent, Woodside Australia***

*“The offshore technical aspects to the trainer’s seminars are excellent. I will do again in LNG,” **Offshore Strategic Manager, Qatar Energy***

3-DAY COURSE AGENDA BELOW.

LNG CHARTERPARTY AGREEMENTS

Advanced Technical, Commercial and Standards

DAY 1:

LNG Markets

- Current world energy supply
- Trends in LNG and New Energy development
- Technology Development in LNG
- Market drivers for LNG

What LNG Facilities are currently available in USA, Asia Pacific, Europe?

- Existing infrastructure and locations
- Potential future development by regions
- Standardisation of facilities and procedures, is there any?
- What would be the best infrastructure in region and else where

Exercise & Case Study & Comparison Analysis

- The commercial arguments for LNG as marine fuel
- LNG and Low-sulphur fuels LSFO explained. LSFO vs. LNG as alternative fuel sources

Recent Developments in LNG Procedures and Standards

- Applicable codes
- International Safety Management (ISM)
- Tanker Management Self-Assessment (TMSA)
- International Ship and Port Security (ISPS)
- LNG SS600 and TR56
- International code safety of ships using gases as fuel (IGF)

LNG Charter-Party Agreements and Procedures for various delivery methods

Barge

- Key principles of LNG STS
- Parties involved, pre planning and equipment
- Mooring, operations and manoeuvring
- Cargo transfer operations

Land to Ship

- Truck to Ship (TTS) and Loading Arm options
- Parties involved and roles in preparedness
- Equipment and compatibility
- Key steps in preparation
- Operations

Terminal pipeline

- ISO standard (28460-2010)
- Pilotage and Vessel Traffic Services (VTS)
- Tug and mooring boat operators
- Terminal layout and operations
- Terminal and ship operator collaboration

LNG Agreements and Contractual objectives for Custody Transfer, Measurement and Calculations

- System setup parameters
- Ship and surveyor roles
- Certificate of Loading
- Bill of Lading issuance and presentation for certain receiving countries
- Types of Custody Transfer Measurement
- Systems and equipment
- Liquid form measurement
- Volumetric measurement
- Temperature measurement
- Custody Transfer Measurement system

DAY 1 (CONTINUED):

- LNG Custody Transfer Procedure

Contractual Charterparty Agreements - Case Study & Exercise

- LNG Transfer Failures Investigation and Root Cause Analysis

End of Day 1

DAY 2:

Introduction to LNG Properties and LNG Science

- LNG Properties
- LNG Science and Chemical composition
- General and Specific Risks
- Risk Assessments – Operations, People and Training
- Risk Control measures

Resolving Disagreements in Charterparty Disputes and Risk Management

- Risk Analysis and Job Safety Analysis – Objectives
- Technical characteristics of LNG
- Handling, storage and spill risk
- Volatile cargo and gas vapours leak from ruptured tanks, Hoses and pipelines, causing oxygen deficiencies
- Adverse Weather Working
- Approach to LNG and Installations
- Hose construction and length
- Hose quality and identification

LNG and Bunkering Cargo handling and Planning

- LNG Installation Data Cards
- LNG, Bunkers and Mechanical energy
- Liquids and gases

LNG Infrastructure decisions, location, designs, equipment

- Optimum location and equipment required
- LNG supplier contract and bunker cost to vessels
- Equipment types, storage tanks, pumps, Road rail requirements
- Emergency response facilities

LNG Project Facility Development

- Decide on location and facilities
- What operations will we do and how
- HAZID, what are the project risks
- Costing, development time, personnel
- Technical issues in LNG Bunkering Facility Development
- Feasibility assessment for a small-scale LNG project

LNG Cargo Care, Shell LNG and LNG VOY

- What are they, how do Charter party agreements affect you
- Trends in LNG cargo and losses in freight
- BOG fuel and MFO equivalents
- Concerning trends in LNG usage and BOG in Shipping
- Cargo Care Officers roles
- JCC, Henry Hub trading
- Differing LNG compositions
- LNG Enrichment blending
- Quality and Quantity
- Control mechanisms and technologies
- LNG Raman Analysers

Effective Dispute Resolution Strategies and Choice of Forums

- BIMCO Dispute Resolution Clause
- The Dispute Resolution clause
- Arbitration: London; New York; Singapore; or a free choice of venue
- Mediation provision
- Governing Law and Arbitration Clauses
- Jurisdictional Issues
- Challenges of Arbitration and Litigations
- Dispute Resolution

LNG CHARTERPARTY AGREEMENTS

Advanced Technical, Commercial and Standards

Optimizing the Charter from Your Perspective

- Prioritizing your objectives, whether as an Owner or a Charterer
- Are your expectations realistic in the particular market circumstances?
- How will the negotiation work in practice Running your arguments
- How to reach agreement safely Practicing your negotiation techniques

Key commercial clauses

- Key operational clauses Key legal clauses for each Clause
- What does the provision cover
- Taking and negotiating a position for the Charterer for the Owner
- -Understanding the provision's relevance to the overall charter
- -Development of market custom and practice amendments -Pros and cons of pressing the ShellLNGTime2 drafting
- -Issues that may arise with today's market dynamics
- -Pooling arrangements
- -Sanctions
- -Changing the load/discharge port Practicing your negotiation technique

Key LNG Charter Clauses

- Condition of Vessel & Charterers' Inspection
- Presentation and Conditioning of Cargo Tanks at the Loading Port
- Ownership of Heel This
- Voyage, Loading and Discharging Ports and Logs
- Delivery Window
- Ship to Ship Transfer (STS)
- Notice of Readiness (NOR)
- Lay days/Cancelling
- Laytime
- Cargo Measurement
- Boil-off of Cargo - As customary in this trade
- Explicit Warranties by the Owners
- Types of LNG Tankers and Custody Transfer Features

END DAY 2

DAY 3

Special clauses for LNG Vessels

- LOIs
- Ship Tenders
- Equity concerning Shipping, Time Charter Parties
- Health, Safety, Security and the Environment
- Rate and payment of hire
- Force Majeure and the events of it (War etc.).
- Termination due to force Majeure with Case Studies
- New Jason Clause (what is it and why is this clause important)
- Bill of lading, duties onboard the ship

Strategies to manage challenges of market conditions

- Develop a Charterparty Agreement
- Evaluate types of contemporary Charterparty Forms
- Voyage and Time Charter and comprehend the key features of each Form in context market forces and use for LNG.

International maritime conventions, competition and evolving economic factors.

- Future trends in Gas transportation
- Regulatory regimes and strategies of Oil & Gas Majors, Spot Traders, and Storage Terminals.
- Explore strategies for entry

FPSO, FSRU, FPO Systems and Designs

- Factual Case studies and developments
- Recent build designs from South Korea, China shipyards
- LNG vessel past and future design developments
- Development of cryogenic equipment and designs
- BOG Roll over considerations and tank designs
- Cryogenic Hoses designs and testing facilities around the globe
- QCDC
- Manifold, Saddle and ESD 1 and 2 designs

LNG Advanced Technologies that assist in us - Charterparty

- Future: LNG Test and Technology Centre – Liquid Natural Gas (LNG) has characteristics that impacts on ship design and operation
- LNG Fuelled Propulsion for Ships
- Innovative LNG transfer systems
- Development of offshore LNG Transfer
- Robotics and AI technology available
- Fibre optics and software compatibilities
- OEM and aftermarket installations
- Checklists in Agreements

Cargo Containment, Equipment and (Custody) Transfer Operations

- Propulsion Systems and their Environmental and Technological Challenges
- Floating and land-based infrastructure — design evolution and limitations
- Risk, Insurance, Assurance, Safety Framework and the roles of various NGOs

Commercially oriented sessions, providing a full insight into LNG ocean transport costs

- Which party is responsible for them,
- ow this interacts with contracting and pricing models which in turn determine changing global trade flows:
- Vessel CAPEX and OPEX and how this sets (term hire) rate floors
- Freight vs Hire vs Unit Cost: LNG specific Voyage vs Deal Economics
- Calculating Time Charter Equivalent as measure of Asset Utilisation, Optimisation Strategies, Freight Risk Hedging, Book and Cost Allocation
- Charter Party Formats and in-depth review of LNG specific terms
- Quality and Quantity (Q&Q) and time-loss (demurrage) disputes and pathways to their resolution
- LNG Pricing and Arbitrage and the "myth" of a spot freight market

Technological efficiencies to reduce energy Consumption in all ship application

- Vessel operational preparedness for LNG
- Measures to reduce energy consumption in ship applications
- Cut operating costs while, at the same time, reducing emissions
- Tankers and Bulker
- Containership
- RORO
- Ferries
- OSV

Managing LNG Bunkering Operations.

- Strategize operations towards both time and spot charters for ensuring delivery of corporate financial performance obligations.
- How to create a Charterparty Management System (CMS) in the company to ensure profitability for each vessel, voyage, and period.

Q AND A SESSIONSDURING ALL SECTIONS



MARINE LNG INSTITUTE – COURSE CERTIFICATION & CERTIFICATES

COURSE ENDS DAY 3

Individualized “One to One” for 1 hour post training! To further optimise your learning experience from our courses, the Marine LNG Institute also offer individualized “One to One” for 1 hour post training **free of charge**. We help improve your competence in your chosen area of interest, based on your learning.

REGISTRATION - DELEGATE DETAILS

Train Your Whole Team At A Convenient Time And Location Through In-House Training.

To enquire or email your query www.marineInginstitute Visit us for more information.

LNG CHARTERPARTY AGREEMENTS

Advanced Technical, Commercial and Standards

Delegate 1

Mr Ms Mrs Dr Others: _____

Name : _____

Job Title : _____

Department : _____

Telephone No. : _____

Email : _____

Delegate 2

Mr Ms Mrs Dr Others: _____

Name : _____

Job Title : _____

Department : _____

Telephone No. : _____

Email : _____

Company : _____

Address : _____

Country : _____ Postcode: _____

Attention : _____

Invoice to : _____

Telephone No. : _____

Fax No. : _____

3 EASY WAYS TO REGISTER

Please note

- Indicate if you have already registered and made payment by Email + or Web.
- If you have not received an acknowledgement by email before the training course, please contact us to confirm your booking.
- Photocopy this form to register multiple delegates and email us if you wish.

3 EASY WAYS TO REGISTER

Marine LNG Institute www.marineLnginstitute.com

Email: info@marineLnginstitute.com

Website Portal: [Enrol – Marine LNG Institute](#)

PAYMENT METHODS

By Direct Transfer. Please quote your Students Name with the remittance advise via email to student enrolments via our website. www.marineLnginstitute.com

All bank charges to be borne by payer. Please ensure that the full invoiced amount per student is received in USD.

We do not accept By Credit Card.

As Payment through credit card incurs a 3.5% admin fee payable by the payer. Payment through credit card is not applicable.

PAYMENT POLICY

Payment is due in full at the time of registration and enrolment. Full payment is mandatory for event attendance. By submitting this registration form, you have agreed to payment terms.

CANCELLATIONS & SUBSTITUTIONS

You may substitute delegates at any time. For cancellations received in writing more than seven (7) days prior to the training course, delegates will receive a 100% credit on the amount paid which can be used in another training course for up to one year from the date of issuance. The credit is transferable to other persons in the same company and applicable against any future public course. For cancellations received seven (7) days or less prior to an event (including day 7), no credit will be issued. In addition, a cancellation fee equivalent to 15% of the course fee will be charged. In the event that we postpone or cancels a course, delegate payments at the date of cancellation or postponement will be refunded in full. MLNGI does not provide refunds for cancellations and postponements or waive fees for unpaid invoices upon receipt of registration

