

Contracting in an evolving world of standards

Adverse weather risks

HFW

Jurisdiction in focus: Taiwan

French legislation for FLOW

Cabotage and offshore wind projects





Offshore wind contracts often require contractors to comply with 'good industry practice' and the latest standards for their works. But this can be hard to define and is subject to change. Richard Booth and Richard Rowlatt explore how to deal with the uncertainties of such requirements.

Offshore Wind is still a new and fast-developing industry. Standards and practices are evolving all the time.
Employers will want the design for their projects to reflect the latest knowledge available. They will, therefore, push for contracts to include a requirement to apply these latest developments.

However, these clauses can lead to uncertainties – especially where additional requirements of 'good industry practice' are introduced.

Typical clause

Most offshore wind contracts are based on FIDIC standard form – specifically the Yellow Book – and contain a clause similar to sub-clause 5.4 of the FIDIC Yellow Book 1999.

This clause requires the Contractor to ensure that the works comply with (i) the standards/laws of the country where the site is located, (ii) technical standards specified in the Employer's Requirements, and (iii) other standards 'applicable to the Works'. The laws/standards to be complied with are those in force at the time the Employer takes over the works.

It also deals with a situation where there is a change in such standards/ laws between the 'Base Date' and the date of taking over. If that happens, the Contractor is to notify the Engineer and propose how compliance with the new law/standard could be complied with. The Engineer then decides if compliance with the new law/standard is required. If it is, then

there is a Variation, potentially entitling the Contractor to additional time for completion, or additional payment.

Potential problems under the standard clause

One potential issue with the standard clause is that there may be disagreement over what standards are 'applicable to the works'.

For example, what is the geographical scope of the obligation? If there is a standard in, say, an Asian country, that applies to similar work, is that 'relevant' to a project in Europe? The physics relating to the work is exactly the same, but is it reasonable to expect a contractor to comply with developments elsewhere in the

"Contractors should seek to expressly include in their contracts as precise definitions of the applicable standards and obligations as possible."

world? But is the position different depending on where the contractor is based, or where components are being manufactured?

Also, are standards/practices from 'adjacent' industries relevant? For example, where the oil/gas industry has developed guidance for elements of work that are similar to elements of an offshore wind project, should they be followed? Especially given that most elements of an offshore wind project are 'commodified', and may not justify extensive, and costly, engineering.

Potential problems with amendments

Where the standard clause is amended, there is further risk of adding to (or exacerbating) such issues.

One common amendment is to require that the Contractor complies with 'all relevant standards'. While this overlaps with the scope of the standard form's reference to standards 'applicable to the Works', arguably it is even wider. This creates even greater risk of dispute over whether a particular standard is relevant, meaning it is one which the Contractor must comply with.

Additional uncertainty can also be introduced by an obligation to also comply with 'good industry practice'. Such an obligation is even more subjective, and therefore uncertain. As such, there is an even greater risk that (particularly some years after the event), it might be claimed that there was a particular practice that the Contractor should have complied with.

While standards are formally published, meaning that it is (at least) clear when they have been introduced, 'good practice' is evolving all the time, but without being formally recorded. Often

the practice evolves, before a standard is introduced to record that practice. In turn, this creates a greater scope for a subsequent argument that 'good practice' in the industry had changed, but the Contractor had failed to keep pace with it.

Furthermore, changes in 'good industry practice' (as opposed to standards) may not fall within the 'variation' mechanism under the standard form clause.

Even if it is agreed at the time that 'good industry practice' has changed, the Contractor may be obliged to comply with the change, without any entitlement to additional time or money for doing so.

What to do – contractual protection

Given these risks, contractors should seek to expressly include in their contracts precise definitions of the applicable standards and obligations as possible.

The greatest certainty will be to state exactly which standards (including which version of those standards) apply, and to reject any other terms that might conflict with this or widen the scope to include any standards that have not been referred to.

Commercially, though, this may be unachievable. If so, then (for example) tying applicable standards/practices to a 'Base Date' and restricting them to only those from the offshore wind industry, and from the local region, may reduce the risk of inadvertently not complying with standards.

Contractors will also want to ensure that specified 'good industry practice' covers a range of practices, such that the obligations are similar to not being 'negligent'. Separately, contractors should insist on substantially maintaining the 'variation' mechanisms from standard clause 5.4 and seek to extend its scope to cover changes in 'good industry practice' or any other applicable standards that apply to the project.

What to do – record-keeping

If there is ever a dispute about compliance with standards or industry practice, then it will likely be long after the project is completed, and the wind farm is up and running. And given the 25 year design life for most projects, a dispute could be quite some time after Taking Over. Experts will then be appointed to provide retrospective evidence about what standards applied, and whether they were complied with.

Having records of decisions that were made, including justifications for them and the standards/information that informed them, is likely to be highly valuable evidence. Particularly as there will often be a range of practice that would satisfy obligations under a contract. Being able to show that decisions were made thoughtfully is likely to be persuasive to a Tribunal that those decisions fall within the range of what is acceptable.



RICHARD BOOTH

Partner, London T +44 (0)20 7264 8385 E richard.booth@hfw.com



RICHARD ROWLATT Senior Associate, London T +44 (0)20 7264 8508 E richard.rowlatt@hfw.com

4 | HFW Offshore Wind | November 2025 | 5

Managing Adverse Weather Risks in Offshore Wind Contracts

In the offshore wind sector, adverse weather is more than just an inconvenience – it is a critical operational risk. Tom Hutchison and Tamara Zakharia discuss the points to consider at the contract-formation stage.

Adverse weather is, broadly, the meteorological or oceanographic conditions that exceed the safe operating limits of vessels, equipment, or personnel such as wind speed, wave height, fog or poor visibility, strong currents, and extreme temperatures.

While all construction projects can be (and commonly are) impacted by adverse weather, offshore wind farms are particularly vulnerable due to the harsh environments, remote locations and reliance on highly specialised vessels. Moreover, given the high daily costs of such specialised vessels (and crew) delays caused by adverse weather can quickly mount up to significant claims.

The increasing unpredictability of global weather patterns has compounded the issues, with historic data becoming less representative of future conditions and traditional seasonal planning becoming less predictable. With weather windows narrowing, and the frequency of

extreme events rising, contractual clarity is essential to successful delivery, in particular: (i) clearly defined weather parameters, (ii) robust monitoring, and (iii) fair risk allocation. We consider each in more detail below.

Setting standards

The key to avoiding disputes is to allocate the risk of adverse weather fairly and transparently. However, defining adverse weather can be challenging in offshore projects as climatic conditions are increasingly less predictable and the impact is dependent on the operational parameters of the vessels and key equipment such as cranes.

It is notable that many standard forms commonly used in the sector do not attempt to define 'adverse weather'. For example, FIDIC relies on historical data and relatively vague definitions of "exceptionally adverse" (FIDIC Yellow Book 1999) or "unforeseeable"

(FIDIC Yellow Book 2017) conditions. These terms require a subjective (and retrospective) assessment. But dependence on such subjective judgments can lead to uncertainty and disputes particularly where the allocation of risk is different from that the parties thought they had signed up for.

To avoid this, the contract should define 'adverse weather' objectively by reference to defined criteria. A technical exercise can then be undertaken to determine whether those criteria for have been met. These criteria will need to be detailed developed by engineers and marine specialists - and specific to the particular vessels involved. For instance, such criteria commonly include: (i) Wave height and direction, (ii) Wind speed at deck level and turbine height, (iii) Visibility thresholds (e.g., fog limits), (iv) Current velocity and direction, (v) Sea state and swell period and (vi) Tidal conditions and water depth.

Ideally, the agreed criteria will also match the criteria which the vessel captain, or site supervisor, will also apply when deciding whether or not work can proceed safely. However, this may not be possible where the specific vessels are not known at the outset (for instance where they need to be chartered or are being constructed when the contract is executed). Nonetheless, if the contractual criteria are clear, then there should at least be no dispute over whether or not they have been met, and what entitlements flow from any decisions to stop work.

Monitoring

Of course, agreeing objective criteria in the contract is only useful if the relevant criteria are then monitored and recorded.

Monitoring should be continuous and based on reliable sources such as onboard sensors, third-party weather services, and Metocean buoys. Data should be logged and time-stamped to support claims and facilitate retrospective analysis. Whenever a vessel captain or site supervisor makes a decision to stop work because of site conditions, they should be asked to provide written confirmation of the reasons for their decision. This information can then be used to determine whether the agreed thresholds for 'adverse weather' have been met.

Allocating the risks

Even once defined, allocating the risk of adverse weather is commonly a key issue during contract negotiation and the approach can have a material impact on price, depending on the level of risk the contractor accepts.

For instance, contractors will often accept the risk of a certain number of weather days, or build contingency into the project schedule, and price accordingly. For owners, there is always a balance to be struck between the cost of transferring weather risk, and the likelihood of it occurring.

Even where the risk allocation is clear, in practice the contractor will need to claim relief for weather downtime when it occurs, including by giving timely notices together with details of the consequences, which can be

challenging to assess at the time the adverse weather occurs where the overall impact is unknown. It is for that reason that mechanisms which seek to address and allocate the impact of adverse weather as it occurs (such as daily or weekly agreement of project records), intended to minimise disputes, can be impossible to implement in practice.

Assessing the consequences of adverse weather

A complexity with assessing the impact of adverse weather is that it can have cascading effects on project timelines, resource and vessel availability, and cost, especially where the works are being pushed into less favourable seasons. This can complicate the assessment of entitlement to time or cost relief and may have significant consequential impacts on execution of the project, for instance if the latest vessel availability date is reached before the works are completed.

Another difficult point is how to deal with 'concurrency' – i.e., where there are two or more issues causing delay at the same time. For example, where there is a vessel breakdown at the same time as adverse weather, how do you determine the contractor's entitlement? A satisfactory outcome will be easier to achieve if the contract clearly defines how to assess concurrency, and how to apportion entitlement when it occurs. Conversely, where the contract is silent there is greater scope for an owner to dispute the contractor's entitlement.

Conclusion

Adverse weather is an unavoidable reality in offshore wind projects, but with clear definitions, fair risk allocation, and objective decision-making, claims for weather downtime should not be.



TOM HUTCHISON
Partner, London
T +44 (0)20 7264 8182
E tom.hutchison@hfw.com



TAMARA ZAKHARIA
Associate, London
T +44 (0)20 7264 8595
E tamara.zakharia@hfw.com



Do engage early with marine engineers to define vessel limitations.

Do request and verify weather tolerances for chartered vessels.

Do incorporate detailed weather criteria into the contract.

Do monitor and record weather conditions using reliable sources.

Do plan for seasonal variability and build in weather allowances.



Don't rely on subjective decisions from vessel captains or site managers.

Don't assume weather will behave predictably – climate change is shifting norms.

Don't overlook the impact of missed weather windows on downstream activities.

Don't ignore concurrency – multiple delays require careful analysis.

Don't leave risk allocation vague – uncertainty breeds disputes.



Jurisdiction in Focus: **Taiwan**

Ken Hickman, Henry Proto and Connor Barrs discuss the Offshore Wind Industry in Taiwan

1. Can you give an overview of the current state of the offshore wind market in Taiwan?

Taiwan's offshore wind capability is advancing rapidly. In 2011, Taiwan's government created an offshore wind power target of 520MW under development by 2020 and 3GW by 2025. Fast forward a decade to 2022 and the country is the seventh largest producer of offshore wind globally, with targets of 5.6GW installed capacity by 2025 and 13.1GW by 2030. These targets are ambitious — Taiwan's current total installed capacity is 3.9GW, but closely match the 14.3GW target for 2030 set by South Korea (which has a similarly nascent but accelerating offshore wind industry).

Taiwan currently has 8 wind farms in operation, with 9 under construction. The Yunlin offshore wind farm is the most recent addition, and is currently the largest installed in Taiwan, with 640MW of capacity. It was connected to the grid in January 2025 and commenced commercial operation in August 2025. Ørsted is currently developing the Greater Changhua 2b and 4 offshore wind farms, scheduled for completion by the end of 2025, which will have a combined total capacity of 920MW. Looking to the future, Taiwan's Ministry of Economic Affairs (MOEA) allocated five new offshore development zones totalling 2.7GW in its 2024 auction, and is widely expected to allocate an additional 3GW in its ongoing 2025 auction.

Taiwan's rapid development has so far been fuelled by investment from Europe. Developers Ørsted, Corio Generation, TotalEnergies and CIP will between them have developed around 50% of Taiwan's installed capacity by the end of 2025. As Taiwan continues to streamline its processes for awarding and managing offshore projects (see below) further investment in the industry looks set to continue at pace. The construction of large installations like Yunlin and Greater Changhua is a strong indicator of Taiwan's understanding of the role offshore wind must play in the future of its energy mix.

2. What are the challenges for the offshore wind projects in Taiwan?

War risk

Ongoing geopolitical tensions pose significant challenges for Taiwan and its offshore wind sector. The Taiwan Strait, often a flash point for these tensions, is where most of Taiwan's offshore wind farms are located. Any escalating conflict could lead to interruptions in power production, damage, or the complete destruction of existing infrastructure. Submarine power cables are particularly vulnerable; there have been increasing incidences of damage to cables in Taiwan and the Baltic attributed to anchor dragging over the last two years. Just the threat of hostilities poses a challenge, as the perception of risk could lead to project cancellations or reduced participation in future projects.

Permitting difficulties

This year, the MOEA has commenced a review of the offshore permit application process, aiming to slash the approval time to under one month. These measures have been taken in response to ongoing

"Taiwan is the seventh largest producer of offshore wind globally, with targets of 5.6GW installed capacity by 2025 and 13.1GW by 2030."

permitting bottlenecks that have historically delayed project timelines and discouraged investment. Until recently, the permitting process was fragmented across multiple agencies, with developers facing a maze of inconsistent sub-regulations, onerous local content requirements (see below), and slow review periods.

By taking steps to streamline its permitting procedures, the Taiwanese government now aims to calm uncertainty and signal its intent to strengthen its relationships with those foreign developers.

Local Content Requirements

One much discussed challenge to developing offshore wind in Taiwan is the strict localisation policies in place requiring that at least 60% of the components used in offshore wind farm projects were procured locally. This policy significantly increased project costs and delays, owing to the limited local supply of key components and vessels. Further, the policy sparked international tensions which culminated in a formal WTO dispute initiated by the EU in July 2024.

Taiwan has since committed to relaxing its mandatory local requirements going forward, as well as adopting a flexible approach to existing projects from the latest auction round in 2024. Despite this commitment, developers remain cautious as the sector recalibrates towards a more globally integrated approach. The recent, unexpected cancellation by the MOEA of two projects awarded capacity at the 2024 auction suggests that such caution is

not unwarranted. International developers will have to await the results of the ongoing 2025 auction round to see the extent to which localisation requirements remain an obstacle to offshore wind projects in Taiwan.

Spatial planning and fisheries

Balancing the interests of fisheries and marine conservation against the significant spatial requirements of offshore wind developments is a significant challenge for the industry globally. In Taiwan, this challenge has led to conflicts with local fisheries, which are deeply embedded in both the economy and culture. Many fisheries rely on fishing grounds which overlap with existing or designated development zones and consequently have a strained relationship with developers.

As a result, developers in Taiwan must typically spend significant time and resources addressing the concerns raised by local industry, slowing down the planning and permitting phase of new projects.

Typhoons

Taiwan is subjected to around 15 typhoons a year, representing an unavoidable peril to offshore wind projects in the region. When these storms pass down Taiwan's western flank, as Typhoon Danas did in 2024 — they are a significant challenge to offshore infrastructure, particularly when such infrastructure is under construction.

To control this risk, Taiwan mandates the application of the strict 'Class T'

standard to offshore wind turbines installed in the region, requiring turbines to be designed and built to withstand windspeeds up to 57m/s. Adherence to this standard increases the cost and complexity of offshore wind development in Taiwan. However, the Class T standard has since proven worthwhile, as all 400 wind turbines encountered by Typhoon Danas in 2024 were able to escape unscathed.

3. Is there an established practice for the contract forms, governing law and dispute resolution processes for offshore wind projects in Taiwan

As the offshore wind industry in Taiwan is still developing, established practices for contract forms and key terms have not yet materialised. In our experience, variations of the FIDIC forms (particularly the Yellow Book) are often used, as they are throughout the industry globally, and we have seen a recent uptick in the use of English governing law for Taiwanese projects. As international stakeholders continue to increase their footprint in Taiwan, we would expect global standards and dispute resolution mechanisms to become ever more influential.



KEN HICKMAN

Partner, Melbourne **T** +61 (0)3 8601 4505 **E** ken.hickman@hfw.com



HENRY PROTO

Associate, London T +44 (0)20 7264 8510 E henry.proto@hfw.com



CONNOR BARRS

Associate, Sydney **T** +61 (0)2 9320 4689 **E** connor.barrs@hfw.com



Floating offshore wind turbines: **Developments in French legislation**

Floating substructures for floating offshore turbines are a novel type of creation – neither full vessel, nor fully attached to the sea bed. Stephanie Schweitzer and Louis Malbète explore how France is legislating for their 'hybrid' status.

France's support for offshore wind

Offshore wind is a key part of France's renewable energy strategy, as it looks to take advantage of its long coastlines. This was recently demonstrated by the European Commission approving, on 5 August 2025, an €11 billion state aid scheme expected to run for 20 years and aimed at allowing France to financially support the development of offshore wind energy. The scheme

would support the construction and operation of three new floating offshore wind farms: "Bretagne Sud 2", "Golfe de Fos 2" and "Narbonnaise Sud-Hérault 2", which are part of the 9th offshore wind tender launched by the French government (AO9).

In approving the scheme, the European Commission (and the French Government) acknowledged the need to support offshore wind energy as part of France's overall ambitions to achieve its carbon emissions targets – set both at the national and international levels.

But the political will in France to support offshore wind energy is not new. There have been a number of licensing rounds for offshore wind projects over a number of years. And several floating offshore wind projects are currently under way, located off the Mediterranean and North-Western coasts.

Legal status of floating substructures

As part of the political push to promote and support the development of offshore wind energy, France has also looked to develop the relevant legal/regulatory frameworks. The intention has been to ensure that these facilitate offshore wind projects, rather than hindering them.

An interesting example of this relates to the status of the substructures for floating offshore wind turbines.

Article 63 of the Law regarding the acceleration of the production of renewable energy (known in France as "Loi APER") was passed in 2023. This created a new category for "artificial islands, installations and floating structures", which encompasses floating substructures for offshore wind turbines.

This clarifies that, legally, such installations and structures are not vessels. Instead, they are subject to a specific legal status, yet to be fully defined, which should place them outside the scope of a lot of shipping maritime laws and regulations.

Nevertheless, the Loi APER introduced a requirement for these structures to be "registered", similarly to vessels. Interestingly, though, the French legislative provisions do not require the floating structures to be flagged as French (although this is an option). This leaves open the possibility for project owners to seek the most efficient country of registration for the wind turbines, according to the technical, financial and legal characteristics of each project. It may also allow for the turbines to be registered as ships, insofar as certain foreign legal systems may recognize them as such.

Uncertainties remain

The Loi APER (which is still not yet fully in force) is an important start in updating the legal framework for floating offshore wind. However, it is only a first step and further legislative changes are expected.

These may come as part of international discussions over the

"The French legislation has introduced a requirement for offshore wind structures to be registered, in a manner similar to vessels"

regulation of floating offshore wind structures. In 2024, the Comité Maritime International launched an initiative, through its working group on mobile offshore renewable units, in order "to understand the laws of various countries that will regulate offshore mobile units used for offshore renewable energy projects". By doing so, this CMI working group seeks "to determine common ground and best practices for recommendations to be offered to the Comité Maritime International".

Until there is a comprehensive regime for floating offshore wind turbines, there will be a number of uncertainties under French law.

One example of this relates to a contractor's warranties. Pursuant to Article 1792 et seq. of the French Civil Code, the contractor can be held liable for defects for ten years following the end of the construction process (liability known as "garantie décennale"). But such warranties only apply to an "ouvrage", a term that may be translated as immovable property. It is unclear whether floating offshore wind substructures fall within this category, given that they are afloat and move, and are tethered to the seabed, but not themselves inserted into it.

While floating pontoons and other port equipment have previously been determined to be subject to this ten-year liability, these are not obviously analogous to floating offshore wind substructures. This leaves EPCI contractors unclear when their liability for projects will come to an end, making pricing and risk assessment difficult.

For T&I contracts

Such contracts should also be carefully designed to take into account the

particularities of the installation process of a floating offshore wind turbine. Most of the assembly of these wind turbines is done onshore, before the wind turbine is towed out and anchored offshore.

This requires T&I contracts to be tailored to such specificities, which affect inter alia the vessels used for the installation process, and the personnel employed onshore and/or offshore. French employment conditions – providing for minimum standards for working and rest hours, social security protection and wages – generally apply to offshore wind farm projects located in both territorial waters and the exclusive economic zone (EEZ). But careful analysis will be required to check which personnel are caught by these regulations.

More to come

Overall, the recent legislative developments in France are in phase with the political objective of supporting floating offshore wind energy projects. However, they do not remove all the legal uncertainties for floating offshore wind projects. In the meantime, parties should seek to negotiate contractual provisions that compensate for these uncertainties, particularly in relation to risk allocation, liabilities, and contractor's warranties.



STEPHANIE SCHWEITZER Partner, Paris T +33 (0)1 44 94 31 64

T +33 (0)1 44 94 31 64 **E** stephanie.schweitzer @hfw.com



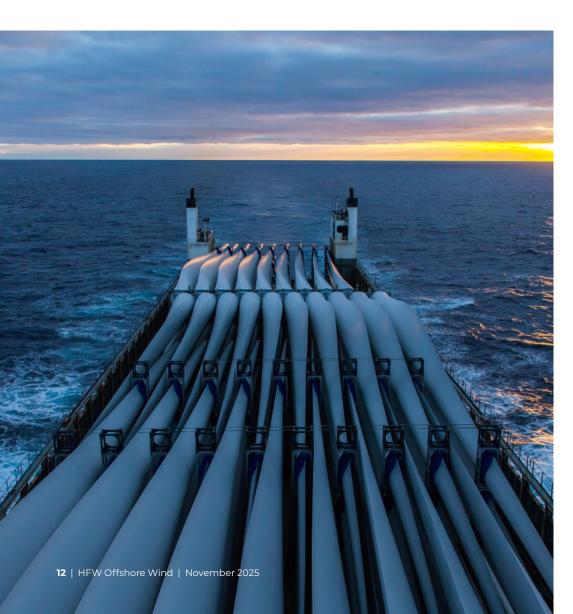
LOUIS MALBÈTE
Associate, Paris
T +33 (0)1 44 94 40 80
E louis.malbete@hfw.com

10 | HFW Offshore Wind | November 2025 | 11

Cabotage and Offshore Wind Projects:

Navigating Global Restrictions

With an ever-changing offshore market, vessel owners are increasingly looking to engage in projects around the world. Moving vessels between jurisdictions can unlock a range of new opportunities. However regional cabotage regulations may impose restrictions. Tom Walters and Conor McIntosh discuss how navigating these restrictions can be complex and may impact the nature of work that vessels and their crew are able to perform.



Cabotage: who goes there?

Cabotage is the process of navigating a vessel within a nation's territorial waters or Exclusive Economic Zone ("EEZ"). This includes the transportation of personnel and goods, or engaging in offshore operations within a nation's territorial waters.

Many countries impose restrictions on who can provide cabotage services within their waters, controlling access and limiting operations. The most common restrictions include requirements that maritime operations within territorial waters must be performed only by domestically flagged/owned vessels. These restrictions vary from country to country with some jurisdictions imposing more onerous requirements, stipulating that vessels must not only be domestically flagged but also crewed by domestic crew.

Offshore is not always fair sailing

While cabotage restrictions often only apply to transit between ports or along inland waterways, a number of countries extend the restrictions to offshore operations. These may include the installation, construction and maintenance of offshore units, cabling and armour rock placement. Cabotage laws can vary from restrictions on the transportation of machinery and component parts, to rock dumping operations to armour underwater cables and building pads for the bases of turbine units.

Common restrictions include requirements that vessels engaged in offshore work within territorial waters must be domestically flagged, owned or chartered by a domestic entity. European Union member states count the flags of all other member states as 'domestic'.

From the contractor's perspective, it is essential to be aware of cabotage restrictions when looking to deploy overseas vessels during operations. A large heavy-lift vessel working in the field may not make any domestic port calls during the services to install a set of turbine bases. However, its work may still fall within a national cabotage regime.

	Restrictions imposed on operating overseas vessels	Requirements on vessel flagging	Requirements for crew nationality	Offshore operations considered cabotage
US	Cabotage and territorial operations may only be undertaken by domestic owned and registered vessels.	Vessels must be US- flagged and owned.	Vessels must be manned by US nationals or green card holders. When operating out of the US, to maintain compliance the vessel master must at all times be a US national.	Offshore operations are considered cabotage. An exception is in place where vessels engage in rock placement upon existing structures within the territorial sea.
UK	No cabotage restrictions are in place.	No flagging restrictions are imposed.	No crewing nationality requirements are imposed.	Offshore operations are permitted within UK waters, provided all required licences and permits are issued.
Netherland	The Netherlands have relaxed their regime to operate an open maritime border with no cabotage restrictions.	No flagging restrictions are imposed.	No crewing nationality requirements are imposed.	Offshore operations are permitted within Dutch waters, provided all required licences and permits are issued.
Taiwan	Preference is given to domestic vessels. Exemption licenses may be applied for where no domestic vessels are available.	Priority is given to ROC flagged vessels, however with a limited domestic fleet an efficient exemption regime is in place.	No crewing nationality requirements are imposed	Offshore operations are permitted within ROC waters, provided all required licences and permits are issued.

This can restrict an overseas vessel's ability to operate as part of a project and should be carefully checked before any charter commitments are made and before the vessel is deployed for the operation. Where a vessel does not comply with the domestic cabotage regime, national authorities may prohibit the vessel from operating in territorial waters.

An open or closed door?

The landscape of cabotage law is constantly shifting, and there is a wide range of different laws and regulations. Some countries take a relatively relaxed approach to cabotage whilst others are increasingly restrictive. In the middle, many countries now offer permits and exemptions which allow overseas owned or registered vessels to carry out works in their waters by applying to the relevant state ministry or entity, where there are no domestic vessels available that could carry out the works.

However, protectionist cabotage laws and regulations remain in place in certain jurisdictions, such as the United States of America and Brazil. Obtaining a permit or exemption can take time, and so contractors should seek early input to ensure compliance with any cabotage laws and regulations as part of their tender process for overseas projects.

By way of illustration of the variation between cabotage regimes, we set out on the table above a comparison of the regulations in some examples countries.

Summary: Confirm before you contract

The global cabotage regime is varied, with different jurisdictions taking a range of different approaches.

With such a range of laws and regulations, Contractors who take the time to do their homework and seek local law advice on the relevant cabotage laws during the tendering process and prior to entering into a contract may well save themselves significant commercial and contractual embarrassment.

Where cabotage restrictions are imposed on works, it may be possible to seek an exemption or variation for the proposed operation from state authorities. Alternatively, it may be possible to license a particular vessel for the services, but this needs to be established as early as possible and is, unfortunately, often overlooked or only considered after the contract has been signed.



TOM WALTERS

Partner, London **T** +44 (0)20 7264 8285 **E** tom.walters@hfw.com



CONOR MCINTOSH

Associate. London **T** +44 (0)20 7264 8171 E conor.mcintosh@hfw.com



HFW's Offshore Wind Team

Our team has been working in this sector since 2010, when we acted for one of the contractors building the London Array project, at the time the biggest windfarm in the world. Our expertise has developed as the market has grown, and we now estimate that we have advised on 70% of the UK's offshore windfarm projects.

HFW is an international law firm with 21 offices spanning the globe, giving us the capability to advise our clients not only on UK and European projects, but also windfarms across Asia and other emerging markets.

Our specialist expertise covers a range of skillsets key to offshore wind projects. Not only are we a top-ranked construction law team, HFW is also the largest shipping law firm in the world. We also have a highly regarded insurance law practice and support clients with related commercial advice, such as sanctions and employment law.

Our advice on the construction of windfarms falls into three main phases: initial advice on tender contract wording and risk; advice during the course of the project when challenges may arise; and assisting with formal claims and disputes, typically towards the end of the project.

We also assist our clients by providing practical support for their in-house teams in various ways. Firstly, by providing training and updates on relevant legal developments. And also, by seconding our lawyers to our clients to cover peak resource periods or provide maternity cover.

If you would like further information on how we can help, please do not hesitate to contact us.

Examples of our work

- We have been instructed to provide tender support in relation to the negotiation of a contract for various scopes for a large UK offshore wind project. In this role, we have advised on issues pertaining to liability, insurance, and the fair allocation of risk arising from the tender negotiations.
- Our team is providing ongoing tender support during the negotiation of a contract for an EPCI scope for a commercial scale floating offshore wind farm project in UK waters, which will be the world's first commercial application of floating offshore wind technology. This instruction reflects our team's significant experience in the rapidly developing floating offshore wind sector.
- As part of a project counsel role, we have been instructed to advise on the adverse physical conditions position under an export cable contract for a tier 1 contractor.
- We have advised our clients on the implications of recent changes to the UK's immigration laws, including the eligibility requirements for skilled worker visas.
- We were retained in early 2025 to advise during the close-out negotiation of three contracts for the construction of separate offshore windfarms in Japan. The three contracts (in the form of an amended FYB1999) were terminated for owner's convenience and we were then retained by the contractor to assist

- in the successful negotiation of the payment of the contractor's costs for work performed to the date of termination.
- Our team has been instructed in respect of a number of adjudications and arbitrations concerning defects in offshore wind projects - including disputes that are subject to English, Danish, German and Dutch law. These disputes have also involved issues of insurance.



Key contacts



RICHARD BOOTH



Partner, London **T** +44 (0)20 7264 8385 **E** richard.booth@hfw.com



MAX WIELICZKO





MICHAEL SERGEANT

Partner, London **T** +44 (0)20 7264 8034 **E** michael.sergeant@hfw.com



TOM HUTCHISON

Partner, London **T** +44 (0)20 7264 8182 **E** tom.hutchison@hfw.com



TOM WALTERS

Partner, London **T** +44 (0)20 7264 8285 **E** tom.walters@hfw.com



JONATHAN BRUCE

Partner, London **T** +44 (0)20 7264 8773 **E** jonathan.bruce@hfw.com



IRIS VÖGEDING

Partner, Paris **T** +33 (0)1 44 94 31 89 **E** iris.vogeding@hfw.com



STEPHANIE SCHWEITZER Partner, Paris **T** +33 (0)1 44 94 31 64 E stephanie.schweitzer @hfw.com



JAMES PLANT

Partner, Dubai **T** +971 4 560 6602 **E** james.plant@hfw.com



HELEN LEE

Partner, Singapore **T** +65 8125 9813 E helen.lee@hfw.com



STEVEN YIP

Partner, Hong Kong **T** +852 3983 7685 **E** steven.yip@hfw.com



KEN HICKMAN

Partner, Melbourne **T** +61 (0)3 8601 4505 **E** ken.hickman@hfw.com



HFW has over 700 lawyers working in offices across the Americas, Europe, the Middle East and Asia Pacific. For further information about our offshore wind capabilities, please visit hfw.com/offshore-wind or scan the QR code.



Whilst every care has been taken to ensure the accuracy of this information at the time of publication, the information is intended as guidance only. It should not be considered as legal advice. Holman Fenwick Willan LLP is the Data Controller for any data that it holds about you. To correct your personal details or change your mailing preferences please email hfwenquiries@hfw.com