

Standard conditions for decommissioning under way

Decommissioning of offshore oil and gas facilities has commenced in large parts of the world and some of the world's first offshore wind farms have recently been decommissioned.



In the North Sea, the market for decommissioning is estimated at billions of euros over the next decade. Even though a considerable part of this amount relates to oil and gas, it is unlikely that the market for decommissioning will decline, as decommissioning of offshore wind farms and other offshore facilities will more than make up for any decline in the oil and gas markets.

Until now, no standard contract has been available for decommissioning or dismantling services. A modified version of the BIMCO SUPPLYTIME standard contract has seen some use. However, BIMCO is expected to release the DISMANTLECON standard contract within this year. This will terms be one of the first standard contracts for offshore construction, and will include provisions on variation, inspection etc., as well as the more familiar maritime clauses on liability etc.

NJORD Law Firm follows closely the development of the DISMANTLECON and its adoption by the industry.



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