



## The Iran War - So Many Questions

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The 2026 Iran war and the resulting closure of the Strait of Hormuz, at least to all whom Iran deems as enemies, has led to what the International Energy Agency is calling “*the largest supply disruption in the history of the global oil market*”. The operational impact on the maritime sector has been immediate, complex, and in many cases unprecedented.

Merchant vessels operating in or near the Persian Gulf have faced heightened threats, including attacks and security incidents that have resulted in loss of life and severe disruption to commercial schedules. A number of ships remain effectively immobilised at Persian Gulf ports as they await clarity on when they can proceed safely. Ships positioned outside the Strait but chartered for load or discharge operations within the Gulf are seeking guidance on whether they are legally entitled to refuse orders requiring them to enter the conflict zone.

The designation of the region as a “*warlike operations area*” by the International Transport Workers’ Federation has triggered enhanced crew entitlements, while additional war risk premiums and freight rates have risen sharply. Even if hostilities were to cease imminently, the ripple effects across global shipping will last months, and possibly longer.

Against this backdrop, several recurring legal issues have already begun to crystallise. While each dispute turns heavily on its facts, clear themes are emerging across the cases that have arisen so far. A special thank you to Ben Gardner, Stephanie Barrett, and Caroline Pounds for their insights.

### 1. Issues arising under time charters, such as off-hire and the implied indemnity.

The disruption is unlikely to be an off-hire event under a standard NYPE off-hire clause because it is “entirely extraneous” to the physical condition of the ship, crew and cargo (see *The Laconian Confidence* [1997] 1 Lloyd’s Rep. 139). However, Ben Gardner has been examining whether a number of off-hire clauses in common usage might arguably be engaged e.g. whether a vessel might be “*detained*” in the Gulf by the conflict, i.e. “*under a geographical constraint upon the vessel’s movement in relation to her service under the charter*” (the classic definition from *The Mareva AS* [1977] 1 Lloyd’s Rep. 368). Another issue is whether the addition of “*whatsoever*” to the standard NYPE off-hire clause will allow a charterer to argue that the conflict is preventing the full working of the vessel by reference to the chartered service.

In terms of the implied indemnity, it is arguable whether orders to call at ports in the Gulf will allow owners to recover any losses they might suffer from the order to call there. If a vessel is damaged, or Owners are exposed to expenses or claims, questions will arise as to whether the risk is one which owners agreed to bear (which may well depend on when the charter was concluded) and whether the order was the direct cause of the loss (following the analysis in *The Island Archon* [1994] 2 Lloyd’s Rep. 228). The analysis is likely to be very fact-specific, as claims under the implied indemnity usually are.

### 2. Redelivery, Safe Ports and Potential Frustration

Stephanie Barrett notes further complexity has arisen around charterers’ rights and obligations concerning redelivery at ports now subject to heightened security risk. She has advised on matters where the key questions include:

- » Does redelivery at a Persian Gulf port amount to a breach of a safe port warranty which qualifies the redelivery range[SB1.1]?
- » Can a time charter trip be considered frustrated once discharge has been completed at a port materially affected by the conflict?
- » Are additional insurance premiums recoverable under standard war risk provisions, including those in CONWARTIME and VOYWAR clauses?

Early incidents indicate a sharp rise in disputes concerning the construction and interaction of these clauses, especially where contractual load or discharge ports require transit of the Strait.

### 3. Voyage Charters: Nominations, Bills of Lading and Liberty Clauses

On the voyage charter side, issues have emerged around:

- » construction of clauses suspending performance and the interaction with vessel nomination obligations where the contractual loadport is in the Persian Gulf;



- » whether a shipowner can refuse to sign bills of lading where the intended discharge port requires transit of the Strait of Hormuz;
- » whether freight is payable in the absence of bills of lading;
- » and the exercise by the shipowner or charterer of a liberty to change the discharge port under a VOYWAR clause.

As more vessels encounter impediments or safety concerns mid voyage, these disputes are expected to proliferate, particularly where commercial pressures clash with contractual constraints.

#### 4. War Risks Clauses: Scope, Construction and Waiver

A further category of disputes focuses on the interpretation of widely used war risks clauses. Caroline Pounds reports points under review in recent matters include:

- » The extent of the protection afforded to owners by a number of widely used clauses, including:
  - » Clause 20(vi)(b) (WAR RISKS) of the Asbatankvoy form;
  - » the “or so near unto as she may safely get” provision in Clause 1 of the Asbatankvoy form (and the interplay between those clauses and the doctrine of frustration);
  - » BIMCO Conwartime 2013; and BIMCO Voywar 2013.
- » True construction of Clauses (c)-(d) of Voywar 2013 and (h) of Conwartime 2013 and the circumstances in which an owner may waive its right to rely on those provisions.

Given their prevalence in the market, the outcomes of these disputes will have broad ramifications for both owners and charterers.

#### Conclusion

The legal and operational fallout from the 2026 Iran conflict will continue to unfold across the shipping industry for many months to come. The picture remains fluid, and the disputes already in progress demonstrate the depth and variety of the challenges now facing owners, charterers, insurers, and seafarers. In the meantime, we all wish for a swift resolution to the current crisis and the resumption of something approaching normality for the shipping industry.



#### Poonam Melwani KC

*“Poonam is a force of nature. Her presence, authority and stature is intimidating and reassuring in equal measure” (Legal 500, 2026)*

Poonam Melwani KC is Head of Quadrant Chambers. She is a commercial silk who practises across the full spectrum of commercial, insurance, energy and shipping law, providing advisory and advocacy services. Praised as “clever, imaginative and user-friendly ... diligent and fights very hard for her clients” and “Sagacious, very easy to work with, discerning and clear sighted” Poonam has been ranked as a ‘Leading Silk’ over many years by the Legal Directories. Most recently, she was announced as Shipping Silk of the Year at the Chambers & Partners UK Bar Awards 2024 and a recommended barrister in Doyle’s Guide for Maritime, Shipping & Transport Law. She represents clients in a wide variety of jurisdictions and arbitral regimes including ICC, LCIA, LMAA and ad hoc, as well as English High Court Litigation, mainly in the Commercial Court and the Appellate Courts.

[>See Poonam’s full profile here](#)

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## Caroline Pounds

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*“Caroline is very sharp and takes a forensic approach to cases, while being approachable and willing to listen to ideas from the solicitors.” (Legal 500, 2026)*

Caroline is an experienced and sought-after senior junior (popular with instructing solicitors, lay clients and leaders alike), particularly in the shipping and energy/offshore fields. She was awarded Shipping Junior of the Year at the Chambers UK Bar Awards in 2023, 2020 and 2015. Caroline was also shortlisted for Shipping Junior of the Year for the Legal 500 UK Awards in 2019 and 2025 and was named one of the top 10 maritime lawyers of 2020 by Lloyd’s List. She was also recognised as one of Legal Week’s ‘Stars at the Bar’ (*“Her attention to detail and analysis are first class and advocacy skills are excellent”*) and is further praised by Chambers UK and Legal 500 for being *“clever, patient and intellectually nimble – a super senior junior”*; *“responsive, available and highly intelligent”* and *“tough as nails, very bright and very succinct”*.

[>See Caroline’s full profile here](#)

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## Stephanie Barrett

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*“Stephanie has a highly forensic mind and absorbs relevant information very quickly. Her analysis is precise and no-nonsense.” (Legal 500)*

Stephanie’s practice encompasses a wide range of commercial litigation and arbitration, but is primarily focused on dry and wet shipping (especially charterparty and bill of lading disputes), shipbuilding and offshore construction, international trade, insurance, aviation/travel and energy. Her practice often involves cases of technical complexity, such as unsafe port claims, dangerous cargo claims and shipbuilding contract termination claims involving large numbers of defects. She undertakes drafting and advisory work in all areas of her practice. Stephanie also appears regularly (both as a junior and as sole counsel) in Commercial and Admiralty Court hearings and in commercial arbitrations on various terms including LMAA.

[>See Stephanie’s full profile here](#)

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## Ben Gardner

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*“Ben is somebody you can have in front of a client with no qualms; he’s adept at dealing with commercial clients and able to present complex ideas simply.” (Chambers UK, 2026)*

Ben is a leading commercial barrister with a focus on international arbitration, energy, shipping and commodities. He is the only junior barrister recognised for his expertise across all of these areas by Chambers & Partners and the Legal 500. He was also named Shipping Junior of the Year at the 2024 Chambers UK Bar Awards, having previously been nominated for the same award in 2018 & shortlisted for International Arbitration Junior of the Year at the 2024 Legal 500 UK Bar Awards. Ben is an experienced trial advocate. A particular highlight among recent commercial arbitrations as sole counsel was a trial for a successful claimant in a US\$250 million LNG sale dispute. He also regularly works as part of a counsel team, leading more junior barristers and with silks.

[>See Ben’s full profile here](#)

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