

6 June 2025

Insured complicity: 76% of Russia's LNG exports carried on UK owned or insured vessels since invasion

Key findings

- UK maritime facilities — ownership and insurance — have facilitated the transportation of GBP 205.8 bn of Russian crude, oil products and LNG since the start of the full-scale invasion until the end of Q1 2025.
- 64% of Russian LNG exports, valued at GBP 38.2 bn, have been covered by UK maritime insurance since the full-scale invasion of Ukraine.
- 76% of Russian LNG carriers were covered by UK maritime insurance.
- Glasgow based company Seapeak owns and operates six specialist Arc7-class icebreaking LNG vessels — critical to year-round exports from Russia's Yamal LNG project. Seapeak's fleet of LNG carriers transported GBP 12.8 bn of Russian LNG from the start of the full-scale invasion until the end of Q1 2025.
- Since the start of the G7+ ban and price cap on Russian oil products till the end of Q1 2025, the UK has imported GBP 3 bn of oil products from five refineries in India and Turkey, running on Russian crude. An estimated GBP 1.4 bn of this is derived from Russian crude.
- In Q1 2025, on average, two Russian 'shadow' tankers passed through the English Channel every day. The convergence of high traffic density, substandard vessels, and limited liability coverage significantly heightens the spill risk in UK waters.

The UK's support for Ukraine is undermined by facilitating Russian revenues from fossil fuels

Since the start of Russia's full-scale invasion of Ukraine in February 2022, the United Kingdom has emerged as one of Ukraine's most steadfast allies, delivering substantial military, humanitarian, and economic support. Till February 2025, the UK had [committed GBP 12.8 bn](#) in aid to Ukraine — the third highest of all donor countries.

Prior to the full-scale invasion of Ukraine, Russian energy was a significant part of the UK's energy imports. They totalled an estimated GBP 4.8 bn in 2021. These imports consisted mainly of refined oil products (58% of the total imports from Russia), and also included crude oil (20%), LNG (19%), coal (2%) and pipeline gas (1%). In 2021, the year prior to the invasion, 24% of the UK's seaborne imports of refined oil products came from Russia.

To address the UK's reliance on Russian fossil fuels and support Ukraine, the UK took decisive action to reduce its economic ties with Russia in the energy sector following the full-scale invasion. A ban on imports of Russian [coal](#) came into force in August 2022, and was followed by a ban on [crude and oil products](#) (5 December 2022). Russian liquefied natural gas ([LNG](#)) imports were banned in the UK from 1 January 2023.

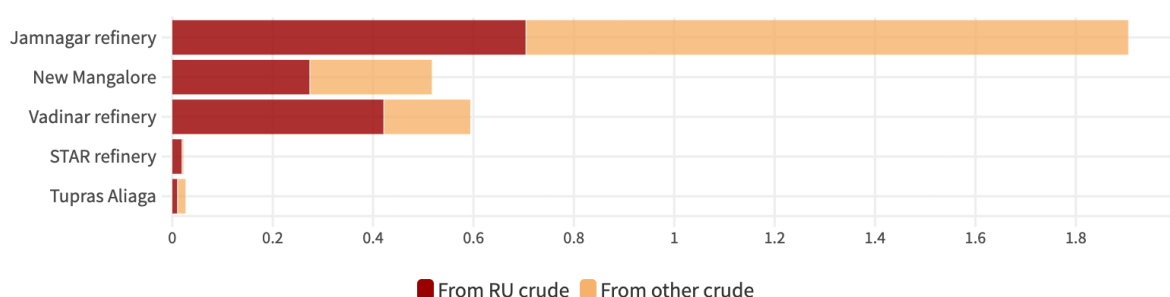
These measures aimed to weaken Russia's ability to finance its war machine while accelerating the UK's transition to cleaner energy and diversifying away from volatile Russian energy supplies. The UK was also a key player in developing the [Russian oil price cap policy](#) — a measure aimed at reducing the Kremlin's main revenue stream by setting a maximum price for Russian oil transported using Western-owned, insured, or connected tankers. These sanctions have impacted Russia's fossil fuel export revenues, [lowering them over time](#).

Sanctions on Russia could have had a significantly greater impact if they had been rigorously enforced, backed by stronger political will, were responsive to counter sanction circumvention techniques, and policies designed without the legislative loopholes that have allowed continued indirect trade and financial flows to benefit the Kremlin. This report highlights how the UK could use its leverage to increase the impact of the energy sanctions on Russia, slash their export revenues further and provide greater support to its allies in Ukraine.

UK imports from refineries processing Russian crude created over GBP 500 mn in tax revenues for the Kremlin

UK imports from five refineries using Russian crude

Refineries in India & Turkey | GBP BN of exports | February 2023 to March 2025



Source: CREA analysis



The [UK initiated a ban](#) on Russian oil imports in December 2022. A key loophole in the current legislation allows non-sanctioning countries to import Russian crude, refine it, and export the refined products to G7+ countries¹. This oversight has enabled Russia to capture new markets for its crude exports as well as slowly [shrink the price discount forced on its oil](#) exports compared to global benchmark Brent prices.

Since the start of the G7+ ban and price cap on Russian oil products till the end of Q1 2025, the UK has imported GBP 3 bn of oil products from five refineries in India and Turkey running on Russian crude. CREA estimates that GBP 1.4 bn of these imports were derived from Russian crude. The UK's imports of oil products from these refineries has generated GBP 510 mn in tax revenue for the Kremlin.

Since the bans, these five refineries have used an estimated GBP 1.2 bn of Russian crude to create these products for export to the UK.

¹ In this report, sanctioning countries are referred to as G7+ countries, which includes G7 countries, EU Member States, Australia, Norway, New Zealand and Switzerland.

Russian crude used to make oil products for the UK

GBP MN | January 2022 to March 2025 | Five refineries in India & Turkey



Source: CREA analysis •

Dotted lines indicate: Russian invasion of Ukraine on 24 Feb 2022; G7+ import ban and price cap on Russian crude oil on 5 Dec 2022; ban on imports of refined oil products on 5 Feb 2023



These five refineries are, namely, the Jamnagar refinery (India), Vadinar refinery (India), New Mangalore refinery (India), STAR refinery (Turkey) and Tupras Aliaga (Turkey). An overwhelming majority of these refineries' exports to the UK (80% of the total, valued at GBP 2.4 bn) consist of jet fuel. In addition to jet fuel, the Jamnagar refinery is the only one sending other products (diesel and gasoil) to the UK.

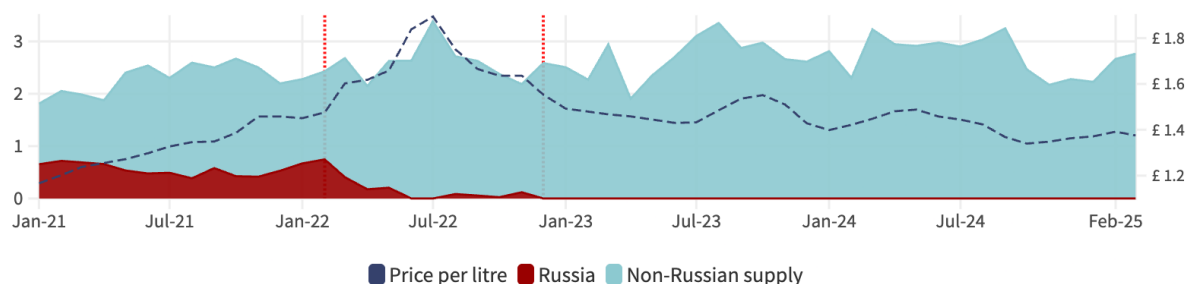
At the same time, it is important to note that the volume of this trade is relatively low, and therefore not a threat to the UK's energy security. A mere 6% of the UK's imports of oil products since the full-scale invasion has come from these five refineries. CREA's analysis has also found that for UK importers, jet fuel imported from these Indian refineries in 2023 was a mere 2% cheaper than that from other sources.

These imports of marginally cheaper jet fuel have [primarily benefitted companies](#). Factoring in the 2% discount, and applying it as a standard for the next 15 months, UK companies could have saved an estimated GBP 48 mn by importing jet fuel from India since the start of the bans. Meanwhile, the UK imports of oil products made from Russian crude sends tens of millions of pounds in Kremlin tax revenues every single month, significantly undermining support for Ukraine.

The modest discount also means that a complete ban will not trigger shock or any significant inflationary pressure on the market. According to analysis of [UK Government statistics on UK weekly fuel prices](#), in 2023, average pre-tax gasoline and diesel prices at the pump actually fell 10% and 11% respectively year-on-year.

UK imports of seaborne oil products & prices at pump

MN tonnes | GBP per litre | January 2021 to March 2025



Source: CREA analysis •

Dotted lines indicate: Russian full-scale invasion of Ukraine on 24 Feb 2022 & UK ban on Russian oil product imports respectively.

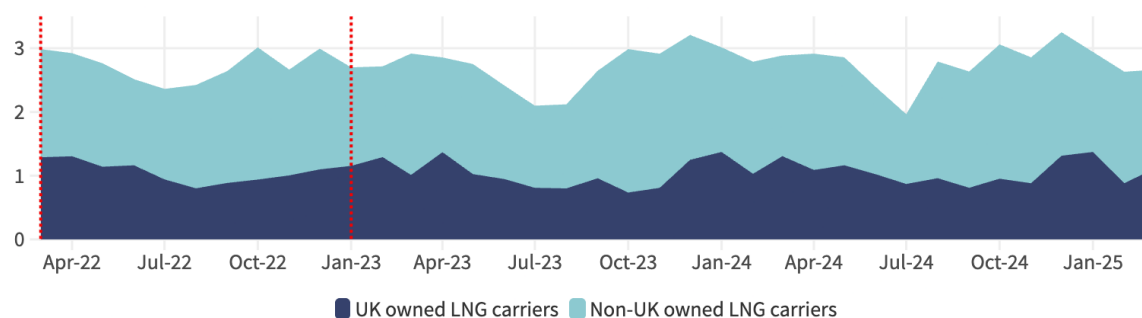


This presents clear evidence of the adaptive abilities of fluid oil markets. Prohibiting imports of oil products made from Russian crude would not result in inflationary pressures for the UK as they would substitute supply from other refiners not using Russian feedstock.

UK companies continue to facilitate Russian LNG exports globally

Russian LNG volume transported on UK owned carriers

MN tonnes | March 2022 — March 2025



Source: CREA analysis using Kpler, Eurostat, Equasis, P&I providers •

First dotted line represents the start of Russia's full-scale invasion of Ukraine and the second shows the UK ban on Russian LNG imports



Since the start of Russia's full-scale invasion of Ukraine until the end of Q1 2025, Russia has exported an estimated GBP 54.1 bn worth of LNG. While the UK banned the import of Russian LNG in early 2023, there are still no legal restrictions preventing UK-based companies from facilitating transport abroad and profiting from it.

One such company is Seapeak, headquartered in Glasgow—a major global operator with a fleet of [50 LNG carriers](#). Seapeak owns and operates six Arc7-class icebreaking LNG vessels critical to year-round exports from Russia's Yamal LNG project. These six vessels alone were responsible for transporting around 23% (GBP 12 billion) of Russia's total LNG exports over this period. In addition to the six Arc7-class icebreaking LNG vessels that Seapeak manages, they operate two more vessels that have transported GBP 904 mn of Russian liquified gas since the start of the full-scale invasion.

The Seapeak carriers that have transported GBP 12.8 of Russian LNG since the start of the full-scale invasion are managed from the British Overseas Territory of Bermuda, have their headquarters registered in Glasgow, Scotland, and are covered by either Norwegian or UK maritime insurance according to CREA's analysis of [Equasis data](#).

In total, 17 of the 113 LNG carriers involved in Russian LNG transport since February 2022 were owned by UK-registered companies. This share has remained stable throughout the invasion, illustrating how UK-linked companies continue enabling Russian fossil fuel exports without explicit prohibitions.

Maritime insurance of Russian oil & LNG

Aside from absolute ownership of LNG carriers, the UK is also the largest maritime insurer of Russian LNG carriers in the world. Since the start of Russia's full-scale invasion of Ukraine till Q1 2025, over half (58 of the total 113 LNG carriers) were covered by UK based maritime insurers. UK maritime insurers facilitated the transportation of GBP 38.2 bn of Russian LNG worldwide in this period — 64% of the total value of exported Russian LNG.

CREA's analysis of Equasis data found that the largest UK based maritime insurers of Russian LNG are Standard P&I Club (53% of the total) and UK P&I Club (42%). The remainder are insured by the North of England P&I Association, The West of England Shipowners and Britannia Steamship Insurance Association Ltd.

In total, UK owned or insured LNG carriers facilitated the transportation of GBP 45 bn of Russian LNG from the start of the full-scale invasion until the end of Q1 2025. This means that 76% of the total export value of Russian LNG was carried on UK owned or insured vessels.

UK owned tankers have also been involved in the transport of Russian oil, helping ship GBP 1.8 bn since the invasion to the end of Q1 2025. It is important to note though that UK owned vessels transported a mere 0.4% of Russia's total oil exports in this period.

UK Protection & Indemnity (P&I) insurance's role however is [far more incriminating](#). They have insured a third of Russia's total seaborne exports since the start of the invasion till the end of Q1 2025. In this period, they have been the largest maritime insurer of Russian oil, covering GBP 159.3 bn of Moscow's crude and oil products.

When looked at in conjunction, vessels owned or insured in the UK have facilitated the maritime transportation of GBP 160.7 bn of Russian oil since the start of the full-scale invasion of Ukraine.

CREA's analysis estimates that UK maritime services have facilitated the transportation of GBP 205.8 bn of Russian crude, oil products and LNG since the start of the invasion until the end of Q1 2025 — more than double the [Kremlin's annual military spending of GBP 97 bn in 2024](#).

Redress the current oil price cap policy to accurately negate Russian countermeasures

Russia is circumventing and profiting from the oil price cap by exaggerating shipping and insurance fees, which remain unrestricted under the current regulatory framework. The [Financial Times](#) found that by charging nearly double the usual commercial rates, Russia could have been earning an extra USD 9 per barrel — equivalent to about USD 800 mn — for the oil transported on vessels departing from the Baltic ports between April and July 2024.

[CREA's investigation](#) of customs data from February to September 2024 has also revealed that buyers paid an average price of USD 90.8 per barrel for the 331 shipments arriving at India's Sikka port, when 65% of the tankers were covered by the price cap. Applying the price cap to cost, insurance, and freight (CIF) price would have cut Russia's crude export revenues by 34% — about EUR 5.8 bn in 2024.

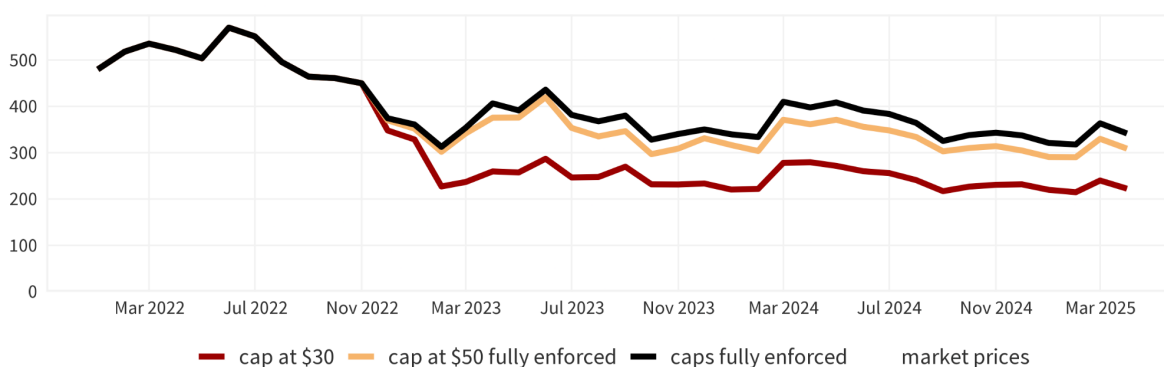
The level of the cap itself should also be reassessed. It currently sits at [four times Russia's production cost](#). Upon its initiation, G7+ countries also committed to [reviewing the mechanism every two months](#) and adapting to its effect. This has not happened, and the

level of the price cap has remained unchanged for over two years. The [EU's pledge](#) to set the price 'at least 5% below the average market price for Russian oil and petroleum products' has similarly gone unfulfilled.

A lower cap of USD 30 per barrel would have slashed Russia's oil export revenues by 40% (EUR 134 bn) from the start of the sanctions in December 2022 until the end of Q1 2025.

Russia's seaborne oil export revenue with enhanced price caps

Pricing scenario | Million EUR per day



Source: CREA analysis based on Kpler, Marine Traffic and customs data.



The G7 and EU initially chose a price cap on Russian oil in 2022 over a complete maritime services ban, fearing that a full services ban could trigger a global oil price shock and strain ties with key buyers like India, China, and Turkey. At the time, about 90% of Russian seaborne oil relied on Western-owned or insured tankers, making a full ban appear too risky.

By early 2025, 55% of Russian oil was transported with Western involvement, and major buyers had adapted to non-Western shipping. This shift reduced the global market's exposure to Western services and lowers the risk of disruption or diplomatic fallout from a stronger policy.

Given the price cap's limited enforcement and minimal impact on Russia's revenues, the coalition should consider a full ban on maritime services linked to Russian oil exports. Prohibiting insurance, ship financing, brokering, and technical services would raise the cost and risk of Russia's oil trade and more effectively target its revenue stream.

Environmental threat of ‘shadow’ fleet passing through UK waters

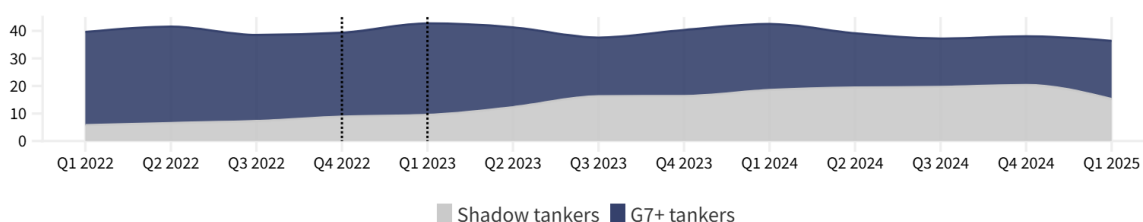
Since the start of its full-scale invasion of Ukraine in 2022, Russia has systematically restructured its oil export logistics to evade Western sanctions, particularly the EU embargo and the G7+ oil price cap. Central to this effort has been the creation of a ‘shadow’ fleet — aging tankers with no formal ties to sanctioning jurisdictions regarding ownership, management, or insurance. Russia has invested an estimated [GBP 10.5 bn](#) in this fleet, which consists mainly of vessels over 20 years old that would otherwise be decommissioned.

Russian oil exports are primarily routed through three main regions — the Baltic Sea, the Black Sea, and the Pacific Ocean — with smaller volumes originating from the Arctic and Caspian regions. Among these, the Baltic Sea is strategically the most important, accounting for 48% of Russia’s oil exports. After departing from the Baltic ports, the oil passes through the Danish Straits into the North Sea and continues southbound via the Dover Strait — a critical maritime chokepoint.

Quarterly Russian oil flows through Dover Strait by tanker type

Million tonnes

January 2022-March 2025



Source: CREA analysis



The widespread use of this fleet poses serious maritime and environmental risks. These poorly maintained vessels, operating without adequate P&I insurance, are increasingly transiting high-traffic waterways such as the Dover Strait, which is the narrowest part of the English Channel. In Q1 2025 alone, 19 mn tonnes of Russian oil was shipped from Russia’s Baltic and Arctic ports, 40% of which was done via the ‘shadow’ fleet. On average,

two Russian ‘shadow’ tankers passed through the Channel everyday, 67% of which were Suezmax or Aframax class, capable of carrying up to 136,000 tonnes of oil.

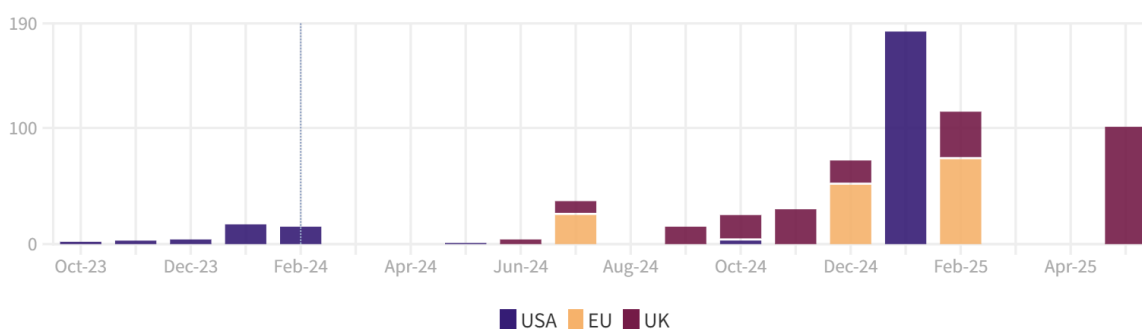
The convergence of high traffic density, narrow straits, substandard vessels, and limited liability coverage significantly heightens the spill risk. In such an event, cleanup costs could exceed [GBP 840 bn](#), highlighting the urgent need for enhanced enforcement of maritime safety, insurance transparency, and sanctions compliance.

An investigation published in [Politico](#) provided evidence of a Russian oil ‘shadow’ tanker leaving a 23 km oil spill off the coast of Scotland. The vessel named Innova was identified in the investigation as having spilled significant quantities of Russian oil off the UK coast. The vessel has not been sanctioned by the UK, US, or EU, and has continued to transport Russian oil. Till the date of this report’s publication, the authors have not seen any published information of the spill being cleaned up or the owner of this tanker being held responsible for the environmental damage caused.

Impact of the UK sanctioning vessels

Russian ‘shadow’ tankers under sanctions

Number of vessels | October 2023 to May 2025



Source: CREA analysis •

Dotted line represents the start of the third year of the full-scale invasion of Ukraine

Sanctioning authorities have implemented comprehensive measures to restrict Russia’s ‘shadow’ fleet amid ongoing geopolitical tensions. Currently, at least one of the major sanctioning bodies — the EU, the UK, or the US Office of Foreign Assets Control (OFAC) — has imposed sanctions on a total of 256 unique vessels. A breakdown by institution shows 202 vessels are under sanctions by the UK, 152 by the EU, and 229 by OFAC as of mid-May.

This coordinated effort reflects a united approach to limiting Russia's maritime capabilities and disrupting covert shipping activities.

Given the new US administration's evolving stance toward Russia and potential future developments in sanctions policy, it is crucial to underscore the continued importance of the UK and the EU in enforcing and maintaining the sanctions regime against Russia. While current US sanctions administered by OFAC remain the most stringent, coordinated action by multiple jurisdictions has proven significantly more effective.

Average Russian oil delivered by vessels sanctioned by UK & EU

Avg volume delivered in 60 day period | Mn tonnes



Source: CREA analysis



CREA analysis shows that vessels sanctioned by both the EU and UK experienced a marked decline in operational effectiveness. Specifically, the volume of cargo transported by these ships dropped by 25% within the first 60 days after sanctions were imposed. In comparison, vessels subject only to UK sanctions in 2024 saw a more modest decline of 16% over the same period.

The UK could lead coordinated efforts to jointly sanction vessels, particularly in partnership with the European Union and the United States. A priority target for such cooperation could be the so-called *core 'shadow' tankers* — the most stable and consistently active vessels that generate the highest oil export revenue for Russia.

CREA data shows that 41 core 'shadow' fleet tankers continued operations after being sanctioned mainly by the UK, each conducting at least one voyage. More than half of these violators — 22 vessels — are currently on the UK sanctions list and have remained active since sanctions were introduced in 2024.

This indicates a clear enforcement gap and highlights the need for more systematic coordination and follow-up on sanctions implementation.

Policy recommendations

The UK must actively strengthen energy sanctions on Russia to hurt their revenues and contract funding for their invasion of Ukraine. Our recommendations are, in some cases, mutually exclusive to each other. This is done with an aim to provide a range of options for policy makers to consider and apply as they deem feasible.

Initiate complete ban on UK maritime services for the transport of Russian LNG: A ban on UK insurance that covers LNG carriers will inhibit their access to ports of delivery in the EU and curb deliveries from Yamal.

For a maritime services ban to be effective — and to prevent UK companies like Seapeak from contributing to Russia's colossal fossil fuel export revenues — UK-owned vessels must not be sold to non-sanctioning countries. Doing so could enable Russian intermediaries to step in and buy these vessels, thereby undermining efforts to restrict Russia's fossil fuel exports.

Russia continues exporting LNG to non-sanctioning countries, mainly in Asia, by using transshipment operations near its territory. While the EU has banned the transshipment of Russian LNG destined for third countries, enforcement is limited outside EU waters, allowing Russia to bypass restrictions.

Furthermore, the UK and other coalition members should additionally ban vessels that are owned or insured by these sanctioning countries from participating in transshipment operations involving Russian LNG outside EU ports and close this loophole. This step would align with EU policy, disrupt Russia's LNG supply chains, and make it more difficult and costly for Russia to sustain exports to non-sanctioning countries.

Tackle the legal refining loophole: The UK's imports of oil products from five refineries using Russian crude have generated GBP 510 mn in tax revenue for the Kremlin. This trade has also boosted Russia's ability to find and establish new markets for its crude and stabilise the price of its exports. CREA proposes two varied options to tackle this loophole.

The first of these is through the introduction of a tariff on imports from refineries using Russian crude. CREA's analysis shows that 62% of the UK's imports from these refineries are transported on vessels insured by the UK. A policy that requires that these refineries in

India and Turkey pay a premium for this transport and buyers in the UK also pay a tariff when importing the products would create downward pressure on the trade and disincentivise buyers. It could allow the UK government to direct these proceeds to a fund towards the support of Ukraine.

Additionally, these refineries must be further pressured to discontinue their imports from vessels under sanctions by the UK, or lose the export market if they continue to do so.

A second scenario advocates for a full ban on imports from these refineries. This will hurt Russian revenues without having any inflationary effect in the UK. The Government has previously tackled a [similar loophole on Russian steel](#) successfully, and therefore has legal precedent for doing so. By banning the UK's imports of oil products from refineries running on Russian crude, the UK could be the first of the sanctioning nations to do so, positioning it as a world leader in tackling the Russian energy sector, while reiterating their support for Ukraine. If these refineries still want access to export their products to sanctioning countries they would have to stop buying Russian crude oil.

Price caps enforcement requires urgent reform: If the UK along with other G7+ countries continue implementing the Russian oil price cap policy rather than introducing a full maritime services ban, they must alter it to achieve greater impact. G7+ countries should mandate that maritime insurers verify that oil prices are paid below the cap, through bank statements, preventing certification fraud and limiting Russia's ability to inflate export profits. Additionally, setting the price cap at the CIF level², rather than the FOB price, would make it harder for violators to inflate the reported shipping and insurance costs to evade the policy and boost Russia's export revenues.

At the same time, compliance and effectiveness of the price cap on Russian oil is inherently dependent on the leverage that G7+ countries can hold on its transport. For this, continuous and targeted vessel sanctions, a methodical culling of the 'shadow' fleet, and constant monitoring of new 'shadow' vessels is essential.

Ramp up vessel designations to sanction the entirety of the Russian 'shadow' fleet: Scaling up vessel designations and detentions has already demonstrated some effectiveness in disrupting the Russian oil trade by increasing operational costs for Russian

² CIF prices (Cost, Insurance, and Freight) cover the cost of goods, insurance, and freight to the buyer's port, while FOB prices (Free On Board) include only the cost of goods up to shipment, with the buyer paying for insurance and freight.

oil exporters and increasing reliance on Western owned or insured tankers. Dual sanctions have proven to be more effective than single entity sanctions.

With the potential weakening of US sanctions on Russia under the new administration, it is essential for the UK to step up the numbers of designated ‘shadow’ tankers. Expanding this approach, in coordination with international partners, will strengthen enforcement, increase the operating costs for Russian oil exporters, and reinforce the UK’s commitment to implement sanctions that hinder the Kremlin’s ability to finance their war in Ukraine.

Leverage the power of UK maritime services to curb Russian oil flows: The ideal way for the UK to choke Russian fossil fuel revenues would be to ban access to UK maritime insurance and ownership. If this measure is implemented, it must be undertaken in coordination with EU and G7 partners, so as to avoid them switching to other providers of P&I insurance.

Alternatively, if a maritime services ban is not implemented, the UK and G7 partners could impose a tax or surcharge on vessels that are owned or insured in Western countries that facilitate the transportation of Russian fossil fuels. This surcharge on the use of G7+ owned or insured vessels could be a more transparent alternative to the price cap policy, with all proceeds collected and used to support Ukraine’s reconstruction efforts.

The UK must detain ships that transit its waters without valid insurance or flag registration — a measure that is critical both for environmental safety and for enforcing sanctions against Russia’s war economy. In the event of an oil spill or collision, the absence of spill liability insurance leaves no guaranteed mechanism for compensation or clean-up, putting fragile marine ecosystems, coastal communities, and the broader populace at grave risk.

Enforcing insurance requirements would not only deter risky and opaque shipping practices but also cut off a financial lifeline to Moscow, aligning the UK’s maritime policy with its broader geopolitical and ethical commitments. UK authorities should monitor vessels in their territorial waters and detain those that lack proper flag registration or [violate conditions for innocent passage](#).

Greater scrutiny of how effectively the sanctions are being implemented. Parliament should strengthen sanctions oversight by having the Foreign Affairs Committee regularly review enforcement effectiveness and the Public Accounts Committee assess whether current funding is sufficient, recognizing that increased resources may be needed.

The Foreign, Commonwealth & Development Office (FCDO) should provide regular reports on sanctions' impact to support informed debates and help Parliament recommend improvements. This will ensure that sanctions remain effective and well-resourced.

Methodology

The data used in this analysis is based on CREA's [Russia Fossil Shipment Tracker methodology](#). Our methodology detailing G7+ countries' imports of oil products from refineries processing Russian crude [can be found here](#). More information on CREA's definitions and classification of Russian 'shadow' tankers can be [found here](#).