

U.K. Lawmakers Warn Russia Skirting Oil Sanctions With 'Shadow' Tankers

By [AFP](#)

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Sebastien Berger / AFP

There is "growing evidence" that Russia is using "shadow tanker fleets" to circumvent a Western oil price cap, a watchdog committee of British lawmakers warned on Wednesday.

Arguing Britain and its allies must maintain sanctions and military support for Ukraine for "as long as it takes," the panel from parliament's unelected upper House of Lords urged them to take "decisive action" over the issue.

It comes just over a year after the G7, European Union and Australia imposed the unprecedented price cap on Russian oil, hoping to starve President Vladimir Putin of much-needed revenue while ensuring he still supplied the global market so that energy prices would not soar.

Initially successful, the \$60 per barrel price ceiling on Russian oil lost its impact once Moscow

found new buyers and tankers to deliver its exports.

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Recent assessments show Moscow has reduced its dependence on Western shipping services and skirted the curb by building so-called shadow fleets of tankers and buying old ships, while also offering its own insurance services.

"We are concerned at the growing evidence that Russia has been able to circumvent sanctions, including through third states and uninsured shadow tanker fleets," the Lords' European Affairs Committee said in a new report.

"This is an issue where decisive action by the UK and its allies is needed," it added, urging the government to detail "specific examples" of enforcement action.

Companies based in the EU, G7 member states and Australia are banned from providing services enabling maritime transport, such as insurance, of oil above that price.

But the Kyiv School of Economics is the latest to highlight the extent to which Russia is now able to get around the mechanism.

In its December "Russian oil tracker" report released earlier this month, it estimated "179 loaded Russian shadow fleet tankers left Russian ports in November 2023."

Around 70% of the vessels were built more than 15 years ago, it said.

In October, the shadow fleet was responsible for exports of around 2.3 million barrels per day of crude oil and 800,000 million barrels per day of petroleum products, according to the oil tracker report.

The Lords' committee welcomed the Western sanctions regime imposed on Moscow since its invasion of Ukraine in early 2022, in particular, that it had been "broadly aligned," but warned against "divergence."

"Divergence between sanctions regimes results in gaps and loopholes, weakening their effectiveness; it should be as limited as possible."

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