

Politics

After Oil, Russia May Now Be Building a Shadow Fleet for Gas

- Little-known Dubai-based firms have been accumulating ships
- Move could help Russia boost revenue from lucrative LNG market



The Asya Energy LNG carrier *Photographer: samt 1/Marinetraffic*

By Bloomberg News

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In the months that followed its invasion of Ukraine and punitive Western restrictions imposed in response, Russia amassed a shadow fleet to ferry its oil around the world. Now there is growing evidence Moscow has begun to do the same for liquefied natural gas.

Gas is key to the Kremlin's plans to boost exports, replenish government coffers and fund its war machine – but that requires a larger share of the global LNG market, now that the once-lucrative European pipeline trade has been almost cut off. To date, expansion plans have been hampered by US sanctions that have kept foreign companies away and stopped delivery of the specialized, ice-ready carriers that are vital to reach Arctic facilities.

New European curbs coming in next year, limiting port access, will hinder the current supply chain even further.

In the past three months, the ownership of at least eight vessels has been transferred to little known companies in Dubai, according to Equasis, a global shipping database. Four are ice-class and have already been granted approval from Moscow to sail through Russia's Arctic waters this summer.

While Bloomberg has not been able to directly connect the vessels back to major Russian entities, the details are strikingly similar to maneuvers to create the nation's shadow oil fleet, including the use of opaque companies and of ships so old that they would normally have already been decommissioned.

In the tight-knit LNG industry, several times smaller than the oil market, it is highly unusual for an unfamiliar name to procure specialized carriers that can cost hundreds of millions of dollars. At least three of the tankers also have their insurers listed as "unknown" on the International Maritime Organization database – another characteristic of dark-fleet ships.

Read more: [Sanctions On Russian Gas Are Strangling Putin's Arctic Ambitions](#)

"There are several indications pointing to efforts by Russia to create a dark fleet for LNG," said Malte Humpert, founder of the Arctic Institute, a Washington, D.C.-based think tank. The purchase of older carriers, the transfer of ice-class vessels to a Dubai entity and a record number of permits for the Northern Sea Route indicate the pieces of "the dark fleet puzzle fall into place."

The Russian government and Energy Ministry didn't immediately respond to requests for comment.

The Asya Energy is one of the vessels that has raised red flags in the industry. In June, as Houthi militants escalated their attacks on commercial ships in the Red Sea, it sailed north through the waterway unscathed – becoming the first LNG carrier to cross through the hotspot since January.

A 22-year-old vessel that sails under the flag of Palau, Asya Energy received its current name in May and, according to Equasis, is managed

by Nur Global Shipping, a company unknown in the industry and operating out of the luxury Meydan Hotel, in a UAE free trade zone that has been criticized by officials for its lack of transparency. It has no known insurer.

As of Thursday, the Asya Energy was heading into the Mediterranean, tanker-tracking data compiled by Bloomberg show. It appeared to be unladen and signaled no specific destination.

Nur, which according to its [website](#) entered the energy sector in 2022, has managed three other LNG carriers since April – the Pioneer, New Energy and Mulan – according to Equasis. All are owned by companies based at Nur’s address. Two of those tankers’ insurers are listed as unknown, according to the IMO.

Nur did not respond to calls and emails requesting comment.

Four recently built ice-class vessels have separately had their ownership transferred to a company called White Fox Ship Management, also based in Dubai, according to Equasis data. Russia recently approved the ships – North Air, North Mountain, North Sky and North Way – for navigation in the Arctic this summer season.

North Way is currently arriving at the Zeebrugge terminal in Belgium to receive a shipment of Russian gas, according to port data.

White Fox has no formal office and operates from a desk shared with numerous firms, according to an official at the building where the company is registered. The person declined to provide further information, citing a client confidentiality policy.

Latest Sanctions

Not all the trappings of the Russian oil dark fleet will be available to an LNG alternative. The super-cooled fuel requires more technically proficient crews and more complex technology, so there are fewer vessels – making them more easily tracked with satellite data. While there are 7,500 oil tankers of varying sizes plying the world’s waters, the LNG fleet is less than a tenth of that.

Transshipment – or moving fuel from one vessel to another – can be done in open water for oil, and is a common means of masking its origin. That is far harder for LNG, hence Russia has until now used European ports for the maneuver, though tighter European restrictions mean that will be impossible from March next year.



A gas flare burns at the Yamal LNG plant, operated by Novatek PJSC, in Sabetta, Russia. *Source: Bloomberg*

Novatek PJSC probably has more experience than anyone in transferring LNG from ship-to-ship, according to the Arctic Institute’s Humpert.

Such transfers have “been going on at the Kildin anchorage north of Murmansk for years,” he added, referring to the Russian port above the Arctic Circle . Last year there were 13 transfers at the anchorage; between Jan. 1 and April 30, there were already 10, he said.

Novatek did not respond to requests for comment.

Russia, currently the fourth-largest LNG exporter, has every reason to press ahead in its effort to find alternative routes to market. The US has imposed separate sanctions to prevent the start of exports from Arctic LNG 2, a new facility developed by Novatek, Russia’s biggest LNG exporter.

A parallel fleet could circumvent restrictions, and would be a blow to a key area where Western sanctions have had immediate, tangible impacts, making it easier for Moscow to support its wartime economy.

“It is no surprise that Russia is resorting to building an LNG shadow fleet, just like it assembled an oil shadow fleet to circumvent the G7 and EU price cap on Russian oil exports,” said Agathe Demarais, a senior fellow at the European Council on Foreign Relations.

“Moscow’s willingness to assemble shadow fleets serves to illustrate the fact that sanctions are a game of whack-a-mole - once a sanctions circumvention network is up, western authorities will target it and it will then be replaced by another one in an endless game of cat and mouse.”
– *With assistance from Ben Bartenstein, Stephen Stapczynski, and Ruth Liao*

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