

On 12 November 2025, the government of the UK, through the Foreign, Commonwealth & Development Office (FCDO), announced at the G7 Foreign Ministers' Meeting in Niagara its intention to introduce a new "maritime services ban" on liquefied natural gas (LNG) exports from the Russian Federation (Russia).

This new measure will prohibit UK-linked vessels, insurers and other service providers from supporting the carriage of Russian LNG to third countries, and will be phased in over the course of 2026 in coordination with the EU. The announcement came alongside a further £13 million package for energy-sector repairs and humanitarian support to Ukraine, explicitly framed as part of London's effort to curtail Russia's wartime energy revenues.

The UK has already implemented a ban on the direct import of Russian LNG into its territory under the Russia (Sanctions) (EU Exit) Regulations since January 2023. The new proposal extends the focus from national energy independence and security to the very foundations of global maritime transportation. In the background section to the G7 press release, the FCDO stated that the UK will "go a step further" by banning maritime transport and related services, including insurance, for Russian LNG exports to third countries, such that "UK-linked ships and services will not be allowed to help move Russian LNG globally." The exact details have yet to be published, but it is likely that the measures will be implemented by amending the existing Russia sanctions framework.¹ Extending the sanctions to vessels, insurers and other service providers could have a profound impact on LNG exports originating in Russia. For example, the potential impact on marine insurers (many of which are headquartered or operate in the UK), protection and indemnity (P&I) clubs, and other marine service providers (ship management, crewing and logistics companies, not to mention the many maritime consultancies that handle ship inspections, surveys and even legal services related to maritime law) may be impacted. The new maritime services ban may well leave Russian LNG exports "high and dry."

Earlier UK and G7 Energy Measures Since 2022

The UK's timing of this proposal is best understood against the sequence of measures since the full-scale invasion of Ukraine in February 2022. In the first phase, London concentrated on cutting its own dependence on Russian energy, and banning Russian coal imports in August 2022, Russian crude oil and oil products in December 2022, and finally Russian LNG imports from January 2023.² In parallel, the UK helped design the G7 oil price cap mechanism, which restricts the use of Western-linked tankers and services for Russian oil exports above a capped price and has contributed to a gradual but steady fall in Russia's fossil-fuel revenues.³

Despite the UK's initial restrictive measures, by mid-2025 it had become increasingly apparent that a large share of Russian seaborne exports, and LNG in particular, still depended heavily on British maritime services even after the domestic import bans were in place. UK-owned or UK-insured LNG carriers transported approximately £45 billion worth of Russian LNG from the start of the invasion until the end of the first quarter of 2025, amounting to 76% of the total export value of Russian LNG over that period. Estimates indicate that British maritime services facilitated around £205.8 billion of Russian crude, oil products and LNG exports over the same timeframe, more than double Russia's estimated military spending in 2024. Analysts have explicitly called for a complete ban on UK maritime services for the transport of Russian LNG, arguing that such a step would significantly hinder Russia's ability to reach key markets, especially in Europe, because many ports and counterparties rely on P&I cover and insurance from established, London-based firms.⁴

¹ "UK Strengthening Ukrainian Resilience Ahead of Winter at G7 Foreign Ministers' Meeting", FCDO press release, 12 November 2025.

² "Insured Complicity: 76% of Russia's LNG Exports Carried on UK Owned or Insured Vessels Since Invasion", Centre for Research on Energy and Clean Air (CREA) briefing, 6 June 2025.

³ "Insured complicity: 76% of Russia's LNG exports carried on UK owned or insured vessels since invasion", CREA briefing, 6 June 2025.

⁴ "Insured complicity: 76% of Russia's LNG exports carried on UK owned or insured vessels since invasion", CREA briefing, 6 June 2025.

EU LNG Sanctions and the Reconfiguration of Contracts

Calls for action on the part of the UK increased when, on 23 October 2025, the Council of the EU adopted the 19th Russia Sanctions Package. The EU's newest restrictive measures include a ban on the imports of Russian LNG into the EU, to take effect within six months for short-term contracts and from January 2027 for long-term agreements. The EU added 117 additional vessels to the "shadow fleet" blacklist, raising the total to 557 designated vessels. Market analysis by Kpler, published on 11 November 2025, notes that short-term LNG contracts concluded before 17 June 2025 will end by April 2026 and that all Russian LNG imports into the EU are scheduled to cease by January 2027, with alternative supply expected from new capacity coming online in the US and other export markets.⁵ The UK's maritime services proposal thus arrives immediately after the EU's 19th Russia Sanctions Package and is presented by ministers as being implemented "in lockstep with European partners", so that the withdrawal of London's shipping and insurance support coincides with the EU's withdrawal as a buyer.

Changing Trade Flows, the Shadow Fleet and Strategic Vulnerability

In geopolitical terms, the UK's recent announcement that it will implement this ban is intended to alter not so much where Russian LNG flows today as how profitable and straightforward those flows are. As of 2024, Russia was in the top tier of global LNG exporters and a significant supplier to European terminals, with EU imports of Russian LNG reaching record volumes even as pipeline deliveries fell. Recent voyage tracking shows that sanctioned Russian LNG carriers are taking long, circuitous routes via the Suez Canal and the Red Sea to reach buyers in Asian markets rather than discharging their cargoes in European countries closer to home, thereby illustrating how the trade is gradually being reoriented away from European terminals onto longer, more complex and more costly routes.⁶

At first glance, one would assume that these longer routes indicate that Russia is having difficulty finding alternative markets for its energy products, but actually belie the fact that a very high proportion of those cargoes are being carried on G7-owned or G7-insured ships. Estimates indicate that UK P&I clubs alone insure roughly a third of Russia's total seaborne fossil fuel exports as of early 2025.⁷ By signalling that, from 2026, UK-linked ships and insurers will no longer be available for Russian LNG trade to any destination, the UK is seeking to push that trade onto more marginal and less cost-effective tonnage, and forcing them to use alternative insurance providers or perhaps to forego insurance altogether.⁸

Shipping safety specialists have separately warned that the concentration of idling, older shadow-fleet tankers in constrained waters such as the Baltic already poses heightened collision and pollution risks, a warning that is plainly relevant if more of Russia's seaborne energy exports are forced onto under-regulated or unregulated vessels.

Coordinated G7 Approach and UK Enforcement Practice

The EU's attempt at decoupling and the UK's proposed maritime services ban also needs to be viewed alongside developments in the US. The US has tightened sanctions on specific Russian LNG projects and on major Russian oil companies (i.e. the recent designations of Lukoil and Rosneft).⁹ What is emerging is a coordinated G7 strategy in which the EU progressively closes its market to Russian gas, the US targets infrastructure and technology, and the UK removes a central pillar of the maritime services infrastructure that that Russia has continued to exploit. At the same time, reports from the English Channel suggest that UK authorities are scrutinising the insurance arrangements of roughly forty tankers each month, including whether their protection and indemnity and related policies provide sufficient cover, as part of a broader clampdown on vessels suspected of serving sanctioned Russian trades, thereby signalling London's determination to pair new sanctions with active enforcement at sea.¹⁰ The intention, as stated by FCDO ministers, is to reduce the revenue that Russia can derive from LNG exports without provoking the kind of sudden price shock that characterised 2022, by acting on services and contracts on a phased basis while alternative non-Russian supply is coming forward.¹¹

Longer-term Outlook for Russian LNG and Western Stakeholders

Over the long term, the combination of the EU import ban and the UK maritime-services ban points towards a world in which Russian LNG is increasingly diverted away from Europe and carried on less well-regulated vessels with non-Western or limited insurance to more distant markets, while European and UK-linked actors retreat from the trade.¹² For clients, this means that any residual involvement with Russian LNG, even where not yet technically prohibited, will become progressively more difficult to reconcile with sanctions compliance, reputational expectations and, quite possibly, commercial prudence.

5 Florian Grünberger, [Which Russian Commodities Does the EU Still Import, and for How Much Longer?](#), *Kpler Market Update*, 11 November 2025.

6 Lucy Hine, ["Second Russian LNG Shadow Ship Heads for Suez Canal as Another Closes in on China"](#), *TradeWinds*, 11 November 2025.

7 ["Insured complicity: 76% of Russia's LNG exports carried on UK owned or insured vessels since invasion"](#), CREA briefing, 6 June 2025.

8 ["UK Strengthening Ukrainian Resilience Ahead of Winter at G7 Foreign Ministers' Meeting"](#), FCDO press release, 12 November 2025.

9 ["Treasury Sanctions Major Russian Oil Companies, Calls on Moscow To Immediately Agree to Ceasefire"](#), US Department of the Treasury press release, 22 October 2025.

10 ["UK 'Challenging 40 Tankers a Month over Insurance'"](#), Paul Peachey, *TradeWinds*, 8 July 2025.

11 ["UK Strengthening Ukrainian Resilience Ahead of Winter at G7 Foreign Ministers' Meeting"](#), FCDO press release, 12 November 2025.

12 ["19th Package of Sanctions against Russia: EU Targets Russian Energy, Third-Country Banks and Crypto Providers"](#), Council of the European Union press release, 23 October 2025.

Practical Implications and Immediate Next Steps

The present announcement should be treated as a clear forward signal: the period between now and the entry into force of the UK ban in 2026 is a finite window in which to unwind exposure to Russian LNG and to reposition shipping, insurance and trading activities toward alternative cargos and routes that are consistent with the emerging G7 sanctions architecture.¹³

For clients, the practical relevance of this development depends upon their point of contact with the maritime and energy value chain, but in almost every case, the direction of travel now points toward a much more restrictive environment for any involvement with Russian LNG. UK-regulated shipowners, charterers, brokers, banks and insurers that are presently involved, directly or indirectly, in the financing, chartering, insuring or servicing of LNG carriers lifting Russian cargoes will see that business progressively curtailed as the new sanctions provisions are drafted and brought into force over 2026. Given that the FCDO has described the measure as a ban on “maritime transport and related services” for Russian LNG exports to third countries, and that similar EU formulations already capture broking, financing and technical assistance, there is every reason to expect that the UK regulations will extend beyond the bare act of carriage and into the wider ecosystem of services that make international LNG trades possible.

The eventual legislation and subsequent associated guidance will most likely include transitional provisions and wind-down periods for existing contracts, followed by general licences and detailed compliance expectations from HM Treasury’s Office of Financial Sanctions Implementation. Clients with exposure to Russian LNG should not, however, wait for the statutory instrument before acting. Between now and the start of 2026, they should identify any direct or indirect connection to the Russian LNG trade in their charterparties, time charters, voyage fixtures, insurance policy wordings, reinsurance treaties, trade finance arrangements and long-term offtake or supply contracts, and begin planning for contractual adjustments, terminations or replacements in light of the forthcoming prohibitions. For non-UK entities that nevertheless rely on London market P&I cover, marine insurers or UK-domiciled banks, there will be second-order effects as those providers restructure their portfolios away from Russian LNG and tighten due diligence on any trade that might be viewed as facilitating Russian energy exports.¹⁴

Against this background, our international trade and sanctions team stands ready to assist clients in navigating the forthcoming UK maritime services ban and the wider G7 sanctions architecture on Russian LNG, from mapping and documenting exposure across shipping, insurance and financing chains, to revising charterparties, policy language and trade-finance structures so that they remain both commercially viable and sanctions-compliant. We can support boards and senior management in formulating strategy and risk mitigation plans, design and implement practical compliance frameworks and contractual protocols for new trades and routes, and, where necessary, engage with regulators and competent authorities on licensing, wind-down and enforcement questions, so that clients can restructure their portfolios away from Russian LNG in an orderly manner while preserving access to key markets and counterparties.

Contacts



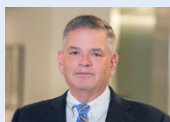
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¹³ “UK Strengthening Ukrainian Resilience Ahead of Winter at G7 Foreign Ministers’ Meeting”, FCDO press release, 12 November 2025.

¹⁴ “‘Cat and Mouse’ Collision Fears: Shadow Fleet Tankers Pose Huge Risk to Baltic, Experts Warn”, Craig Eason, *TradeWinds*, 15 January 2025.