



**KUSTBEVAKNINGEN**  
SWEDISH COAST GUARD



# Russia-bound Maritime Traffic Across the Baltic Sea

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## Introduction

Russia's full-scale invasion of Ukraine in February 2022 has elicited various forms of condemnation from the international community, including sanctions. These sanctions target the means widely considered to be financing the Russian war effort, especially energy exports in the form of petroleum products and natural gas. A large percentage of these energy exports are shipped on tankers from Russian oil terminals on the Gulf of Finland. One initial target of sanctions was the Russian merchant fleet, especially vessels operated by majority-state-owned joint stock company *Sovcomflot*. As part of a restructuring programme, Sovcomflot has divested vessels corresponding to a relatively large tonnage, transferring them to companies based outside Russia. These vessels are now registered in the ship registers of other countries. This restructuring has led to the coining of the epithet *shadow fleet* to describe this category of vessel.

The Swedish Coast Guard has prepared this report in order to increase awareness within the agency and disseminate this knowledge to other stakeholders. The report is descriptive and largely based on knowledge obtained from open sources, as well as the Swedish Coast Guard's own operations. The Swedish Coast Guard's report series is under development.

## What does shadow fleet mean?

The meaning of the term shadow fleet was initially debated in the media, until the definition was sufficiently specific for continued discussion and as a basis for analysis within the field. There may still be some confusion and an overlap with the terms *dark fleet* and *grey fleet*. All of these refer to vessels that are used for various dubious marine operations intended to avoid sanctions.

However, *grey fleet* is a relatively new term developed in response to the Russian invasion of Ukraine and subsequent sanctions. All of these operations are characterised by an active attempt on the part of shipping companies to disguise the origin and ownership of vessels. The grey fleet operates in the shadow of the legitimate shipping industry, hence the term *grey*, making it difficult to establish legality and sanctions compliance. The cargoes these vessels transport mainly consist of Russian oil destined for countries that have not imposed sanctions on Russia, such as China, Turkey and India. Hereafter, we will use the term *shadow fleet* for all of these categories of vessel.

For the purposes of this report, the term shadow fleet refers to a fleet of vessels, primarily oil tankers, used to circumvent international sanctions and rules by disguising ownership, flag-hopping and avoiding Western insurers. The vessels are often aging, poorly maintained and operated by companies registered in countries with lax regulation, thus lowering costs and avoiding safety regulations and compliance with sanctions, all of which poses significant environmental and safety risks.

This report is primarily interested in the shadow fleet transporting cargoes from Russian oil terminals on the Gulf of Finland across the Baltic Sea and adjacent maritime areas such as the Sound, Great Belt and North Sea. Various media sources have estimated the number of oil tankers in the fleet at between 500 and 1,000. The exact number is difficult to ascertain due to the covert, unregulated nature of the fleet. These vessels are used to circumvent the sanctions imposed on Russia by transporting fossil fuels and, given their generally poor condition and lack of insurance, they pose a major environmental risk. There are considerable concerns about their crews working conditions and ability to deal with any navigational challenges, including blackouts and frequent disruptions to technical navigation equipment.

## Maritime safety standards

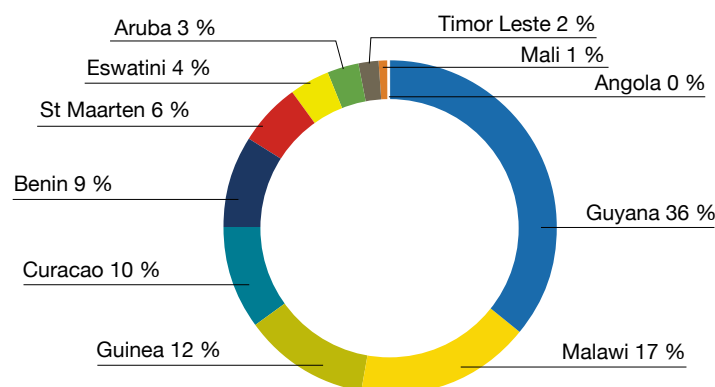
The flag under which a merchant vessel sails shows which country the vessel is registered in and which state has jurisdiction over it. These flag states play a key role in ensuring compliance with maritime safety standards. The vessel must comply with the flag state's safety regulations and laws. To reduce costs and bureaucracy, vessels can register in a country offering a so-called flag of convenience. A country that offers a flag of convenience is likely to charge for the privilege, a service that can generate considerable revenue. Faced with international pressure, some countries that have traditionally offered flags of convenience have agreed to clean up their ship registers, meaning that certain flag states now account for large part of the shadow fleet, sometimes unaware that the vessels fall into this category.

Vessels in the shadow fleet also flag hop, usually as a result of being removed from a flag state's register due to undesirable publicity or pressure from influential states and organisations. Comoros, Gambia and Sierra Leone are among the major suppliers of ship register services to sanctioned oil tankers. This is because other flag states such as Gabon, Barbados, the Cook Islands and Panama have now excluded oil tankers from their registers, prompting a record level of flag hopping within the shadow fleet. However, there are reports that the Comoran government has begun cleaning up its international ship register. Some 60 oil tankers are currently sailing under the Comoran flag, several of which have crossed the Baltic Sea with Russian oil in their holds.

One thing that all of these flag states have in common is that they have outsourced their registration procedures to the private sector, or otherwise lack insight and control over their ship register. Vessels are occasionally registered without the flag state's authorisation and knowledge, even in countries that do not have an international ship register, such as St Maarten, an autonomous Caribbean country within the Kingdom of the Netherlands.

In the International Maritime Organization's (IMO's) database, a vessel is marked as fraudulently registered when the flag state's maritime administration confirms that it is not legally registered in the country's register of ships. It has not been possible to determine how widespread fraudulent registration is. According to the IMO's database, in August/September 2025, there were 306 fraudulently registered vessels operating under 29 different false flags. Analytical company Lloyd's List has exposed a further 21 fraudulent flag and crewing operations not yet included in IMO statistics, all linked to a single internet domain. Lloyd's List has now identified a total of 50 websites created to facilitate fraudulent registration and seafarer certification without the authorisation of the government they falsely claim to represent.

**Figure 1. Division of 306 fraudulently registered vessels by country** (data from maritime AI company Windward)



## Crew conditions

Uncertainty about the crews of vessels in the shadow fleet and the generally low level of their maritime training raise additional concerns about the activities of websites that not only offer false registration but also false seafarer certification. Another aspect that may constitute a risk factor is the terms of employment of crewmembers, including excessive working hours and contracts that do not always correspond to reality. This exploitation of seafarers has sometimes been characterised as forced labour or even modern slavery. Wages can be low, working hours unreasonable and the work environment dreadful, especially in the commercial fishing fleet and global freight handling.

In July 2025, figures presented by the International Transport Workers' Federation (ITF) showed a 30% year-on-year increase in cases of seafarers being abandoned aboard vessels. The ITF defines the term abandonment as seafarers being denied pay for two months or more, being left stranded, or left without food or medical support. Thus far in 2025, at least 2,648 seafarers have turned to the ITF for assistance after being stranded, many abandoned without pay, food, water or port access. In response to its growing concern, the ITF has added Tuvalu and Guinea-Bissau to its list of countries that offer flags of convenience, bringing the number of countries on the list to 45. These flag states allow owners to register vessels in jurisdictions that offer minimal taxes, little labour protection and owner secrecy. This can lead to low wages, long working hours and unsafe working conditions for crews. At present, 50 per cent of the global merchant fleet is registered in these flag states, opening the way for bad actors to earn money and exploit vulnerable seafarers. From a maritime safety perspective, it is extremely alarming that defective vessels with crews living and working in substandard conditions are operating in Swedish waters.

## Insuring merchant vessels

After incidents in which critical undersea infrastructure was damaged in the Gulf of Finland and Baltic Sea in the winter of 2024/25 by merchant vessels departing from the Russian side of the Gulf of Finland, the question arose of whether the affected countries could inspect these vessels in some way. Another question is what environmental and economic consequences a major incident in the Baltic Sea is likely to have. In spring 2025, the Danish Maritime Authority considered instituting some form of control function to check and approve vessels' insurance certificates before permitting passage through Danish waters to the Baltic Sea. The matter of whether this is compatible with international maritime regulations, and how it would be implemented, has been discussed in various institutions and the media. Since 1 July 2025, the Swedish Ordinance (2025:608) on the Collection and Sharing of Insurance Information concerning Certain Foreign Vessels allows Swedish authorities to request information from certain vessels when they are in the Swedish economic zone or Swedish territorial waters. This is intended to facilitate an assessment of whether the vessel is insured or has deposited other adequate security pursuant to the Swedish Maritime Code (SFS 1994:1009) or equivalent regulations. However, the disclosure of such information or participation in inspections is voluntary.

As a general rule, vessels in the Baltic Sea are under the surveillance of the relevant authorities in countries with a coastline on the Baltic Sea. They only monitor and document the movement of vessels pending a political decision on how the phenomenon can be operationally countered. The efficacy of the various sanctions packages targeting Russian exports has been discussed in a number of forums. One potential effect of



previously implemented measures to increase controls and focus on the phenomenon may be that vessels choose a different route, such as the North Sea, to avoid the Western European Ship Reporting System (WETREP).

Since the countries around the Baltic Sea and the United Kingdom began requesting insurance information from vessels passing through their waters in late 2024, over 20 per cent of contacted vessels have failed to comply. In April 2025, the European Commission introduced a new requirement for all vessels, including those merely passing through EU waters without entering an EU port, to provide insurance information. However, it remains unclear how the requirement will be enforced. Together with the United Kingdom, coastal states around the Baltic Sea have agreed a new joint strategy of addressing certain questions to vessels believed to be part of the shadow fleet. As a consequence, sanctioned oil tankers requested to present documentation of insurance and registration have presented fake insurance documents that demonstrably only exist on paper, without certification or a financial basis to handle a claim. A search of such insurers websites revealed over 250 vessels that were stated as having policies with the companies.

The extent of companies providing false insurance documents was uncovered in a collaboration between Danish and Norwegian investigative journalists. As recently as August 2025, a vessel heading south through the Sound between Denmark and Sweden presented a health insurance policy taken out with an Australian insurance company, rather than the protection and indemnity insurance that shipping companies must have to cover third-party liability when conducting commercial freight operations. Below are some examples of false insurance certificates that have appeared on social media accounts with a maritime focus.



## Flag states and ship registers

In May 2025, the Russia-bound oil tanker Jaguar sailed through the Baltic Sea without a flag, triggering a series of events that culminated in Russia dispatching fighter jets after the Estonian navy attempted to stop the vessel in the Estonian economic zone to verify its registration. The Estonian navy eventually escorted the vessel out of the Estonian economic zone. According to reports, the Jaguar had recently sailed under the flags of both Gabon and Guinea-Bissau, but at the time of the incident did not have any valid registration. Having accepted a large part the fleet of Russian shipping company Sovcomflot in early 2024, Gabon's ship register became the second largest in Africa in gross tonnage. Much of this tonnage subsequently evaporated as vessels were fraudulently registered elsewhere in a growing list of fake ship registers operated without the authorisation of the state in question.

As previously noted, a vessel's insurance status is often closely linked to the flag under which it is sailing. There have also been reports of an extensive international trade in various types of false maritime documents. In August 2025, Lloyd's List Intelligence estimated that dozens of false flag identities were being created each month for sanctioned vessels. The examples offered revealed that it is now possible to purchase a complete set of false documents and certificates for vessels looking to change flag. It is likely that this network of fraudulent registrations is expanding rapidly, allowing sanctioned vessels to rapidly switch between false identities with the aid of made-to-order certificates.

In addition to restricting the activities of individual vessels, the package of sanctions presented by the European Union in June 2025 revealed a new approach to closing down the networks that are actively organising operations related to the shadow fleet. The legislation on which the 18th sanctions package is based describes in detail how the ownership, management and financing of specific vessels and routes are to be dealt with in a more systematic manner. It also states that this approach now extends to ship register services. Some analysts believe that these measures may prompt a rash of flag hopping among the vessels in the shadow fleet. The latest information in this regard, passed on to Interpol member countries in August 2025 by the Aruba Maritime Administration, was that a number of vessels are now falsely claiming to be sailing under the Aruban flag.

## Conclusion

As noted, a number of actors administering major international ship registers have reviewed their systems and started the process of cleaning up their registers. As a result, many shady shipping companies have been weeded out and gone in search of new flags under which to sail. As media coverage of the phenomenon has gradually shed light on these shadow operations, the shadow fleet's vessels have increasingly turned to flag hopping between smaller or fake ship registers. Whether this development will continue remains unclear.

One crucial question is what risks does the shadow fleet pose when carrying Russian oil exports via the Baltic Sea, on vessels that may well not meet the safety requirements that can reasonably be placed on these types of shipments? At present, a vessel in the shadow fleet may be carrying large cargoes on a regular basis in the Baltic Sea, with an unqualified crew, with no or irrelevant insurance cover, under a false flag and with fraudulent registration and false documents. The risk of a major accident and environmental disaster is obvious, but despite the threat to the environment, as things stand they can operate without consequences or significant intervention by affected states.

The initial main purpose of the shadow fleet was to circumvent the sanctions imposed on Russian oil exports; however, it is unclear whether in their present form these sanctions have had the desired effect, as the main recipients of Russian oil have had no part in decisions to impose sanctions. Russia retains control over a large merchant fleet of oil tankers through the majority-state-owned shipping company Sovcomflot.

Russia is one of the signatories to the Copenhagen Treaty of 1857, which grants free passage through the Great Belt, Little Belt and Sound in perpetuity to the signatories' civilian and military vessels. This treaty remains significant to the national security situation in the Baltic Sea area.



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