

LNG TRANSSHIPMENTS

Related provision: Article 3r of Council Regulation 833/2014

FREQUENTLY ASKED QUESTIONS – AS OF 24 MARCH 2025

1. Can EU operators keep Russian LNG in storage in the territory of the Union (for example in Spain, France or Belgium) and then re-export it at a later time to take advantage of (price) arbitrage opportunities?

Last update: 24 March 2025

Unloading of Russian LNG should only occur for:

- import purposes directly in the country of unloading or
- for transshipment to other EU Member States where it will be imported, subject to an authorisation as set out in Article 3r(3).

Terminal operators should therefore check in good time that the LNG is indeed for import into the EU and not to be reloaded or re-exported to third countries.

2. Does the prohibition set out in Article 3r affect LNG of non-Russian origin?

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No, all operations pertaining to gas from non-Russian origin, such as Kazakh gas, including storage and reloading, are not affected by these measures and should not be impaired.

3. How can EU operators determine if the LNG they are reloading from a shared tank (physical or virtual) is of Russian origin? How should operators deal with situations where Russian LNG is mixed with LNG of non-Russian origin?

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According to paragraph 4 of Article 3r, national competent authorities may issue guidance in order to help operators conduct their due diligence. In all cases, operators should conduct appropriate checks and notably take into account the following elements as mentioned in paragraph 4:

- previous business practices of shippers,
- the time between the unloading and reloading,
- indications of direct commercial connections between the unloading and reloading, including the purchase of new unloading and reloading services in bundle,
- the country of registration of the economic operators involved.

Mass balancing approaches may be used by terminal operators when LNG is reloaded from a tank where Russian LNG is mixed with non-Russian LNG. This means that molecules of Russian LNG may be reloaded from such a tank provided that the amounts reloaded correspond to the amount of non-Russian LNG unloaded into the tank over a specified period of time. National competent authorities (NCAs) may provide guidance in this regard as set out in paragraph 4.

4. How can operators receive an authorisation to reload LNG of Russian origin when such reloading is for transport to another Member State?

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An authorisation can be requested to receive reloading services for transshipment of LNG of Russian origin where this product is transported to another Member State.

NCA's may decide which EU operator should request the authorisation. Such operator may be the operator of the LNG terminal where the reloading takes place, the owner of the LNG cargo or the shipper.

For example, if a reloading service provider in Member State A wishes to provide such services in an LNG terminal located in Member State A, it should reach out to the competent authority in this Member State A to seek an authorisation in line with Article 3r, paragraph 3. The authorisation, if granted by the competent authority of Member State A, allows the operator to provide the reloading service to a vessel in Member State A.

Regulation (EU) 833/2014 does not specify which national authority in the Member States should be competent for granting such an authorisation. This is for Member States to determine and clarify.

5. When granting a derogation for reloading of Russian LNG for transport to another Member State, what assessment should the competent authority of the Member State granting the authorisation perform?

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Article 3r, paragraph 3, allows the competent authority of a Member State to grant an authorisation if the reloading of Russian LNG is necessary for transport to another Member State and such Member State has confirmed that the transshipment is used to ensure the energy supply in that Member State.

This entails that the Member State where the reloading is taking place and that is granting the authorisation ("transshipment Member State") receives sufficient reassurances that the reloading is for the transport to a Member State for import purposes ("importing Member State").

- *Where the transshipment Member State is the same as the importing Member State:* the competent authorities, as established by the Member State, should receive confirmation that the cargo is for their own supply. No authorisation is needed if reloading is necessary for its transport between ports of the same Member State, including from the mainland of a Member State to its outermost regions.
- *Where the transshipment Member State is different to the importing Member State:* the competent authorities of the transshipment Member State should receive confirmation from the authorities of the importing Member State that the cargo is for their energy supply.

It is not for the competent authority of the transshipment Member State to assess if the cargo is used to ensure the energy supply of the importing Member State. The transshipment Member should enquire with the importing Member State and receive such confirmation from that Member State. Once confirmation is received, the granting of the authorisation to reload should not be unduly withheld, in line with the principle of loyal cooperation between Member States, in order not to delay the supply of gas to the importing Member State.

Since the measure does not aim at hindering the reloading and transport of Russian LNG between Member States, swift and adequate channels of communications should be put in place to ensure the timely flow of such information from one Member State to another. Member State authorities should act in loyal cooperation to ensure that this mechanism does not impede the free flow of LNG within the Union. The procedures for requesting and granting such authorisations should be as efficient as possible. Member States should not create unnecessary barriers to the free flow of LNG to other Member States.

6. Does the request for a derogation to allow reloading of LNG of Russian origin into a Member State have to be made on an operation-by-operation basis or can it be granted for a given period, at the discretion of the competent authority of the Member State of destination?

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Member States and their national competent authorities are responsible for the implementation and enforcement of EU sanctions. This also concerns authorisation procedures (e.g. processing time, information and documents needed to grant authorisation, period for which an authorisation is granted, etc.).

National competent authority could grant bundled authorisations for similar operations and transactions. By way of example, a national competent authority may grant an authorisation to a specific operator for a number of similar or identical reloadings of Russian LNG for its transport to a Member State to be provided during a specific timeframe (e.g. weekly or quarterly) under the derogation. This authorisation could be coupled with reporting obligations at the end of the stated period to ensure that the authorisation has been used according to the specified conditions. However, it is not possible under EU law to give general authorisations to operators meeting general conditions for certain types of operations (e.g. it is not possible to allow ‘all vessels under the flag of a specific state to perform reloading operations of Russian LNG at port XY’).

7. Who should provide the information necessary for the notification obligations foreseen in paragraph 7 of Article 3r?

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Paragraph 7 of Article 3r requires “entities performing unloading operations” to inform by 26 July 2024 and every month thereafter the competent authority of the Member State where they are located of all unloading operations and imports into the Union of liquefied natural gas, falling under CN code 2711 11 00, originating in Russia or exported from Russia. However, NCAs may require that the notification obligation is put on the operator of the LNG

terminal which is often the Transmission System Operator of the Member State, on the owner or on the shipper of the unloaded LNG cargo.

8. Does Article 3r also prohibit the reloading on trucks in a Member State of Russian LNG?

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Article 3r only prohibits the reloading of Russian LNG for transshipment operations, as defined in Article 1zf. This does not cover reloading onto trucks. However, EU operator should not engage in such activities for the purpose of circumventing the prohibition set out in Article 3r, paragraph 1.