

**TANKER SALES: NOTIFICATION, DUE DILIGENCE AND
CONTRACTUAL CLAUSE**
RELATED PROVISION: ARTICLE 3Q OF COUNCIL REGULATION 833/2014
FREQUENTLY ASKED QUESTIONS – AS OF 22 MAY 2026

1. What is meant by the ‘other transfer of ownership’ or ‘other arrangement entailing a transfer of ownership’?

Last updated: 22 May 2026

The obligations set out in the article apply to any ‘sale and transfer of ownership’ (paragraphs 1, 2 and 5 of Article 3q) and ‘other arrangement entailing a transfer of ownership’ (paragraph 5 of Article 3q). Both expressions have the same meaning.

Transfer of ownership should be understood broadly, covering for instance situations such as sale, barter, relinquishment, inheritance, interests in a trust or other similar legal arrangement as well as any other sort of division of the ownership or transfer of title such as a corporate restructuring. This broad interpretation aims at avoiding the circumvention of the measure by hiding the genuine nature of the transaction.

2. To whom does the provision apply?

Last updated: 19 February 2024

This provision applies to any national of a Member State, natural person residing in a Member State, and legal person, entity or body which is established in the Union. An EU individual who owns, for instance through a third country company, a tanker registered under a third country flag is subject to this obligation. This is in line with Article 13(c) of Council Regulation 833/2014 which sets out the jurisdictional scope of the Regulation.

It is prohibited for EU operators to take part in any activities seeking to circumvent EU sanctions, for instance by acting as a substitute for a natural or legal person subject to Article 3q. The use of any intermediary to carry out the sale or transfer of ownership does not relieve the EU natural or legal person from the authorisation or notification obligations. For instance, circumvention can occur if an intermediary is used to carry out an operation that, although apparently legitimate, has the sole purpose of neutralising the effect of these obligations.

3. Does this provision only apply to the sale or other transfer of ownership of EU-flagged vessels?

Last updated: 19 February 2024

No. This provision applies to the sale or other transfer of ownership of both EU and non-EU flagged vessels that are owned by a national of a Member State, natural person residing in a Member State, and legal person, entity or body which is established in the Union.

4. Who should notify? What information should be shared?

Last updated: 19 February 2024

The notification can be done by the EU natural or legal person subject to the obligation, as well as any person acting in the person's name and/or on their behalf such as a lawyer, registered agent, ship broker. The identity of the person for whom they are acting must be clearly stated and all documentary evidence provided.

Such notification should contain the full identities of the owner, the seller (if different from the owner) and the purchaser, where applicable the incorporation documents of the seller and the purchaser including information details on the shareholding and management, the identification documents of the vessel including the IMO ship identification number of the tanker and the Call Sign of the tanker. It is also recommended to include other relevant documents, such as the sale and purchase agreement or information regarding or produced by the ship broker and escrow agent.

5. Which tankers are concerned?

Last updated: 19 February 2024

This provision covers tankers falling under HS code ex 8901 20 suited for the transport of crude oil or petroleum products listed in Annex XXV. This provision applies where the tanker could transport such products, irrespective of their effective future use. This provision would not cover tankers that are suited for the transport of products such as LNG or LPG.

Where a tanker could transport both petroleum products listed in Annex XXV as well as other petroleum products that are not listed in this Annex, the sale or transfer of ownership still falls under the scope of Council Regulation (EU) 833/2014.

6. To which competent authority should an operator notify the sale or other transfer of ownership?

Last updated: 19 February 2024

The list of competent authorities can be found in Annex I to Council Regulation (EU) 833/2014. The person should notify the authority of the Member State from which it is a citizen, a resident or is established.

The Member State concerned shall inform the other Member States and the Commission of any authorisation or notification within two weeks.

Member States are encouraged to inform their operators through adequate channels on practical modalities of such notifications (indication of the authority to which sale should be notified, creation of a standard form, etc).

7. What is the extent of the due diligence expected from EU sellers under article 3q(2) of Reg. 833/2014?

Last updated: 22 May 2026

The point of article 3q(2) of Reg. 833/2014 is that potential buyers and related transactions are assessed against the risk of retransfer to Russia. Even though a "no Russia clause" is to be inserted in any case into sales contract if the sale materialises (article 3q, para 5 and 6), the prior diligence to be carried out beforehand aims at assessing the risk that, despite the clause to be

inserted, a potential buyer or acquirer will directly or indirectly supply the vessel to natural or legal persons in Russia or for use in Russia. In other words, EU sellers should not rely only on the “no Russia clause” but undertake due diligence beforehand on potential buyers or acquirers and related transactions.

Against this background and while there is no single model for conducting due diligence, EU operators can screen the potential buyer or acquirer and the related transactions against the following non-exhaustive list of criteria:

- Is there any proven business record of the buyer or acquirer? If the sale or transfer is intermediated by a ship broker, is information properly available on the ultimate owner?
- How much is the existing/historical fleet of the buyer or acquirer connected to Russia?
- Are all stakeholders involved in the transaction chain known to the EU operator? Does this chain appear in line with standard industry practices or overly or unnecessarily complex?
- Are these stakeholders affected in any way by EU sanctions through ownership or control by an entity under EU sanctions?

Under Article 3q(2) of Reg. 833/2014, the risk assessment is to be documented (point a) and the EU operator must implement appropriate policies, controls and procedures regarding the risk management and mitigation (point b). It is thus recommended that EU operators keep record for at least five years of the relevant due diligence documentation related to the tanker sale or transfer of ownership. This documentation should be able to inform on the extent of the due diligence undertaken and the conclusion made.

8. Should operators use a specific wording for the written contractual clause prohibiting any further resale or transfer to natural or legal persons in Russia or for use in Russia?

Last updated: 22 May 2026

Operators are free to choose the appropriate wording for the clause, as long as the outcome fulfils the requirements of Article 3q, para.5 and 6.

While it does not preclude the use of other wordings, the wording below can be considered as meeting those requirements for insertion into the contract between the EU seller and the third-country party buying or acquiring the vessel:

1. *The [vessel] shall not be further resold or transferred to any natural or legal persons, entity or body in Russia or for use in Russia under EU applicable sanctions (article 3q of Regulation 833/2014).*
2. *The [buyer/acquirer] shall not sell or transfer the vessel to any natural or legal persons, entity or body in Russia or for use in Russia as long as the restriction under (1) is applicable*
3. *In the event of resale or retransfer further to the sale or transfer subject to this contract and as long as the restriction under (1) is applicable , the [buyer/acquirer] shall include*

in any relevant contract or arrangement the following obligations for the new buyer/acquirer of the [vessel]:

- *the new buyer/acquirer shall not sell or transfer the [vessel] to any natural or legal persons, entity or body in Russia or for use in Russia; and*
- *the new buyer/acquirer shall require the inclusion of the prohibition set out under (1) and of the obligations under (2) and (3) in any relevant contract or arrangement by which the new buyer/acquirer further resales or retransfers the [vessel].*

It is recommended to EU sellers to keep record of such clauses and related contracts for at least five years.

9. Does this provision cover long-term charterparties?

Last updated: 19 February 2024

It is not required to notify or seek authorisation for long-term charterparties. EU natural and legal shipowners that charter tankers, directly or indirectly, must comply with EU sanctions (Article 13 of Council Regulation (EU) 833/2014). This includes bareboat charterparties.

Where a tanker is long-term chartered, the EU natural and legal shipowner should carry out the necessary due diligence to ascertain, in particular, compliance with the EU import ban on Russian oil and the G7+ Oil Price Cap.