

Monitoring report

# Sanctions restrictions in the energy sector

January 2026



Key events in January 2026

04

Sanctions against the russian "shadow fleet"

05

The EU sanctions against russia

06

Use of frozen russian assets in favor of Ukraine

07

Monitoring of oil and gas revenues of russian budget

09

The EU's consumption of energy resources from russia

16

Impact of sanctions on russian energy sector

18

Other sanctions events

23

Official sources of sanctions monitoring

30

The EU presented a draft of the 20th package of sanctions, which includes a complete ban on maritime services for russian crude oil and an expansion of sanctions against the russian shadow fleet.

EU countries have officially approved regulations on the phased cessation of gas imports from russia by 2027, and a ban on imports of petroleum products made from russian crude oil has also come into force.

The EU Parliament approved the terms of a two-year loan to Ukraine for EUR 90 billion, of which EUR 30 billion is financial budgetary assistance and EUR 60 billion is support for the Ukrainian defense industry.

The EU Council approved to lower the price cap on russian oil to USD 44.1 per barrel starting February 1, 2026. It was previously set at USD 60 per barrel and lowered to USD 47.6 in the fall of 2025.

In January 2026 new restrictive measures on vessels, which are part of russia's "shadow fleet" of oil tankers and contribute to russia's energy revenues, were not introduced but since January 2026, the first arrests of tankers of the shadow fleet of russia by the US military have been carried out: IMO 9306562 (name M SOPHIA, PONE, RHEIN) and IMO 9230880 (MARINERA, BELLA 1 M). France also detained the oil tanker Grinch, IMO 9288851, in the Mediterranean Sea.

Oil and gas revenues of the russian budget in January 2026 amounted to USD 5.18 billion\*, by USD 0.53 billion\* (9.26%) is less for the previous month (USD 5.71 billion\*) and by USD 3.33 billion\* (39.11%) is less for the average revenue of the year 2025 (USD 8.51 billion\*).

\* According to rf minfin and at the rf central bank exchange rate of the RUB to the USD as of the 25th day of the respective month.

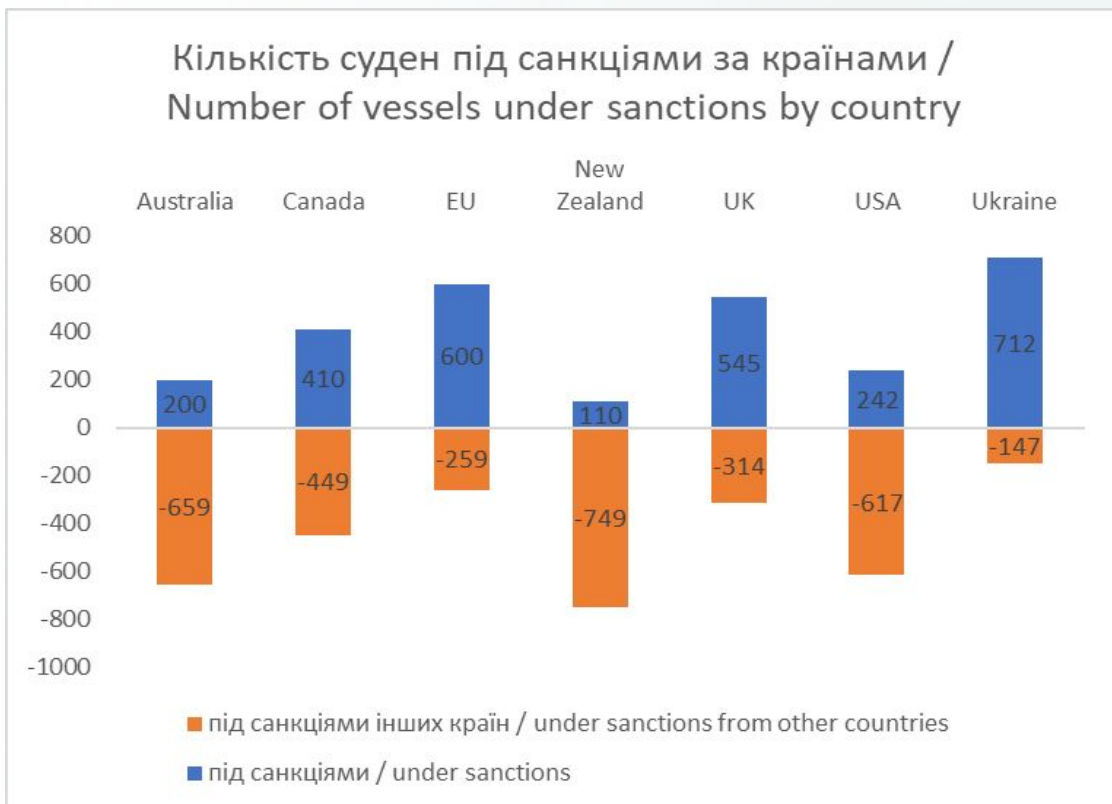
# Monitoring of sanctions imposed against the russian shadow fleet

## Sanctions of the EU, USA, UK, NZ, Australia, Canada and Ukraine

Sanctions against the russian shadow fleet were imposed by the EU and individual countries in response to the violation of the G7 ceiling on the price of oil and petroleum products, as well as to prevent the rf from promoting its liquefied natural gas. Outside the EU, the main countries that have imposed sanctions against the shadow fleet are: the UK, the US, Canada, Australia, New Zealand and Ukraine. **In total, these countries have imposed sanctions against 859 vessels owned by owners from different countries and flying the flags of different countries.**

Since January 2026, the first arrests of tankers of the shadow fleet of russia by the US military have been carried out: IMO 9306562 (name M SOPHIA, PONE, RHEIN) and IMO 9230880 (MARINERA, BELLA 1 M). France also detained the oil tanker Grinch, IMO 9288851, in the Mediterranean Sea.

The number of vessels sanctioned by each of the countries listed, as well as the number of vessels not sanctioned by that country but sanctioned by at least one of the countries listed above, is shown in the chart below.



\* As of January 31, 2025 under the data of Council Regulation (EU) 2025/2033 of 23 October 2025 amending Regulation (EU) No 833/2014, Australian Sanctions Office, New Zealand Foreign Affairs & Trade, UK Sanctions List, US Office of Foreign Assets Control (OFAC), Special Economic Measures (russia) Regulations (SOR/2014-58) of Canada, The State Sanctions Registry by the National Security and Defense Council of Ukraine Office (RNBO).

# EU sanctions against russia

## The EU bans imports of petroleum and gas from russia

**On January 21, 2026, the EU ban on petroleum products made from russian crude oil came into force.** The decision was made on July 18, 2025, as part of the 18th package of EU sanctions against russia, but it only came into force six months after its approval. In 2025, the EU and the UK imported about 290,000 bpd of petroleum products made from russian crude oil, of which 80% was refined in India and 15% in Turkey. Companies must now provide evidence that the raw materials used to produce imported petroleum products — diesel fuel, jet fuel, or fuel oil — were not of russian origin. The ban does not apply to fuel produced at MOL refineries in Dunaj (165,000 bpd) and Bratislava (124,000 bpd), as Hungary and Slovakia have been granted an exemption due to their lack of access to the sea. If a third-country refinery processes both russian and non-russian oil, the EU requires evidence confirming either the separation of flows or the absence of russian oil processing for 60 days.

Source:

- [Набула чинності заборона на імпорт до ЄС пального з російської нафти: що змінилося |](#)

**On January 26, 2026, the EU Council gave final approval to legislation that provides for a complete ban on natural gas imports from russia by the end of 2027.** Hungary and Slovakia voted against the adoption of the law, while Bulgaria abstained. Hungary has stated that it will challenge the decision in the EU Court. At the same time, the law was approved by a majority, which made it possible to bypass the blockade of countries that remain dependent on russian energy resources. Until 2022, russia provided more than 40% of the EU's gas imports. In 2025, this share fell to 13%. At the same time, some EU countries continue to pay russia for oil, gas, and LNG, which contradicts their declared support for Ukraine.

**The new rules provide for a clear schedule for ending imports, depending on the type of contract and type of gas:**

- Short-term contracts (concluded before June 17, 2025): a ban on LNG imports from April 25, 2026, and for pipeline gas from June 17, 2026;
- Long-term LNG contracts: the ban will take effect on January 1, 2027, in line with the 19th package of EU sanctions;
- Long-term contracts for pipeline gas: a phased withdrawal will begin on September 30, 2027 (subject to the achievement of storage filling targets) and must be completed no later than November 1, 2027.

The law prohibits EU companies from entering into new contracts for gas supplies from russia and requires them to terminate existing contracts. Failure to comply with the requirements will result in financial penalties of up to 3.5% of their global annual turnover.

Source:

- <https://www.consilium.europa.eu/en/press/press-releases/2026/01/26/russian-gas-imports-council-gives-final-greenlight-to-a-stepwise-ban/>

# Use of frozen assets of russia in favor of Ukraine

## Ukrainian position

**The EU Parliament on February 11, 2026 approved the terms for granting Ukraine a two-year loan of EUR 90 billion.** Ukraine will repay this loan only if it receives reparations from russia, with the EU covering the interest on the loan. Twenty-four of the 27 EU countries are participating in the loan. Slovakia, Hungary, and the Czech Republic have refused. **The distribution is as follows:**

- EUR 30 billion in budget support (in the form of macro-financial assistance or the Ukraine Facility, with the breakdown to be decided by the European Council);
- EUR 60 billion to support the Ukrainian defense industry. Although this refers to Ukraine's public investment in its own defense industry (presumably through the state budget), the European Commission further explains that weapons and ammunition can be purchased from manufacturers in the EU, Ukraine, Switzerland, Iceland, or Norway. Only if there is a need to purchase items that have no analogues in these countries, and with the agreement of the European Commission, can they be ordered from third countries.

Ukraine can make purchases itself, as well as delegate this to member states, the European Defense Agency, and international organizations. The funds can be used for the most urgent needs, in agreement with the European Commission. For example, if active hostilities end in 2026-2027, the funds can be redirected to reconstruction. To receive budgetary assistance, Ukraine will traditionally have to comply with conditions regarding reforms in the areas of increasing budget revenues, anti-corruption, stability and transparency of public finances, etc. These conditions will be set out in a Memorandum of Understanding between the European Commission and the Government of Ukraine. The Ukraine Facility also plans to add new conditions for new money - the European Commission proposes that these conditions relate to strengthening the rule of law and fighting corruption. How much money will go to the state budget will depend on Ukraine's needs, as set out in the Ukrainian Financing Strategy, which Ukraine will submit to the European Commission each year. The package is expected to be formally adopted by the Council of Europe.

Source:

- <https://www.politico.eu/article/eu-ambassadors-near-deal-ukraine-loan/>

**The EU has allocated the first EUR 10 million for the development of a special tribunal on russia's crime of aggression against Ukraine,** which is being established under the auspices of the EU Council. Earlier, an agreement on the establishment of a special tribunal was signed in June 2025.

Source:

- [соцмережа X](#)

# Use of frozen assets of russia in favor of Ukraine

## The EU position

On January 20, 2026, the European Parliament supported the application of an urgent procedure to three draft laws that open up the possibility for the EU to grant Ukraine a loan of EUR 90 billion in 2026–2027. Namely:

- Regarding enhanced cooperation on the establishment of a loan for Ukraine;
- Regulation on the implementation of enhanced cooperation to establish a credit facility for Ukraine for 2026 and 2027;
- Amendments to Regulation 2024/792 establishing the Ukraine Facility.

The first of these is a basic regulation that allows for the creation of a loan for Ukraine based on the mechanism of enhanced cooperation with the EU. It has already been approved by the Council of the EU and was voted on for approval by the European Parliament on January 21, 2026. The other two bills must undergo the approval process in the EU Council and the European Parliament and will be put to a vote at the next session of the European Parliament on February 9-12, 2026. As European and Ukrainian officials have emphasized, Ukraine's budgetary resources may be exhausted as early as April 2026, so urgent consideration of the bills will make it possible to start payments to Kyiv at the beginning of the second quarter of 2026. Earlier, on January 14, 2026, the European Commission adopted a package of legislative proposals that will allow Ukraine to receive a EUR 90 billion loan from the EU to meet its financial and military needs in 2026 and 2027. Prior to this, on December 18-19, 2025, the European Council decided to grant Ukraine a loan of EUR 90 billion for 2026-2027 from EU borrowings on capital markets, secured by EU budget reserves based on the enhanced cooperation mechanism with Ukraine.

Sources:

- [Європарламент схвалив термінову процедуру для надання Україні 90 млрд в 2026-2027 | Європейська правда](#)
- [ЄП погодив терміновий розгляд кредиту ЄС для України](#)

**The EU Council on February 1, 2026, approved to lower the price cap on russian oil to USD 44.1 per barrel.** It was previously set at USD 60 per barrel and reduced to USD 47.6 in the fall of 2025. The main goal - is to curb russia's oil export revenues while supporting the EU's energy policy.

Source:

- [Implementing regulation - EU - 2026/124 - EN - EUR-Lex](#)

**In February, Ukraine will receive a third payment from Euroclear in the amount of EUR 1.4 billion (EUR 3.3 billion in total),** which in 2025 received EUR 5 billion in interest income from investing frozen russian assets, which is 26% less than in 2026.

Source:

- <https://www.euroclear.com/newsandinsights/en/press/2026/mr-06-euroclear-delivers-strong-2025-results.html>

# Monitoring of oil and gas revenues of russian budget in January 2026

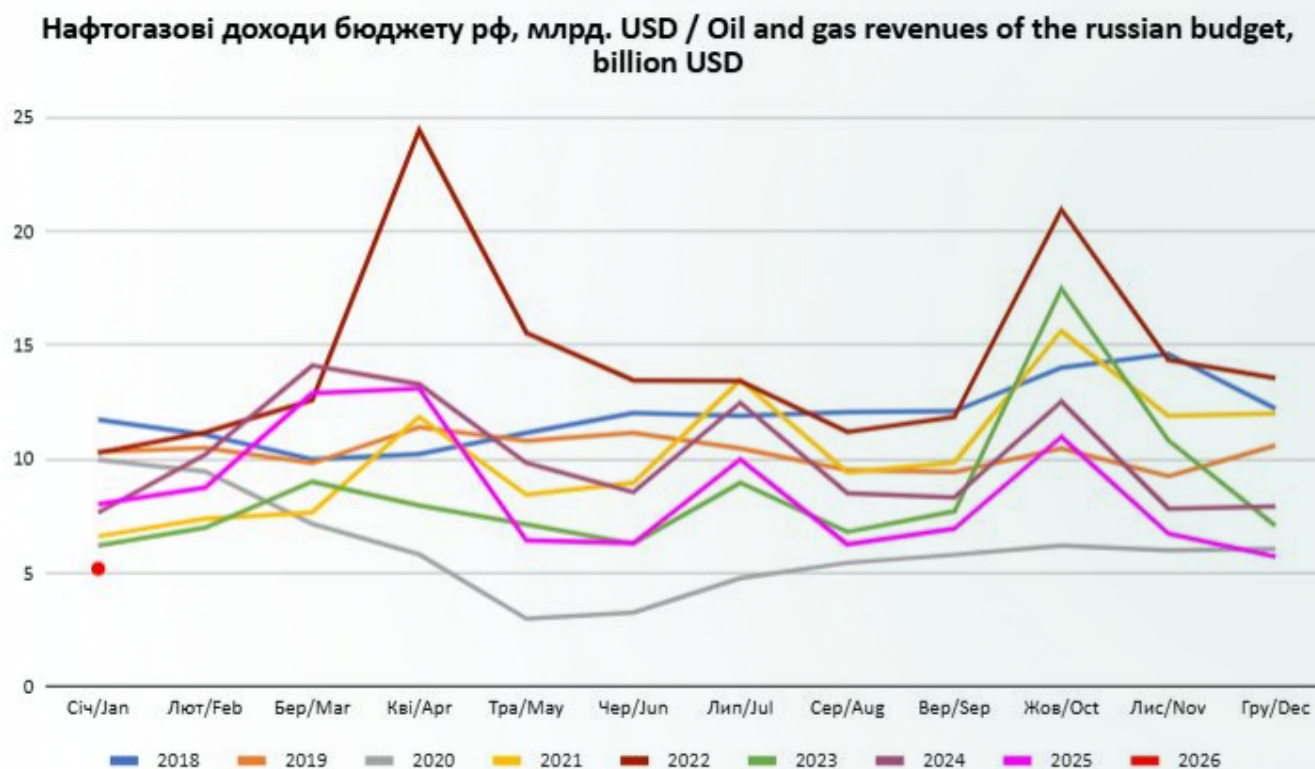
## Oil and gas revenues of russian budget

The primary objective of the sanctions is to deprive the aggressor country of budgetary funds for waging war. Therefore, we are closely monitoring the oil and gas revenues of the russian budget to assess the effectiveness of these sanctions.

On February, 2026, data from the russian federation's ministry of finance for January 2026 became available, allowing us to track the volume of oil and gas revenues in the russian budget from January 2018 to January 2026.

**Oil and Gas Revenues (Total):** oil and gas revenues of the russian budget in January 2026 amounted to USD 5.18 billion\*, by USD 0.53 billion\* (9.26%) is less for the previous month (USD 5.71 billion\*) and USD 3.33 billion\* (39.11%) is less for the average revenue of the previous months of 2025 (USD 8.51 billion\*). The highest amount of oil and gas revenues in January was recorded in 2018, reaching USD 11.72 billion\*. The lowest amount of January revenues during the monitoring period was in January 2026, totaling USD 5.18 billion\*.

The full graph of monthly changes in oil and gas revenues of the russian budget for the period from January 2018 to January 2026 can be found below.



\*According to rf ministry of finance and at the rf Central Bank exchange rate of the russian RUB to the USD as of the 25th day of the respective month.

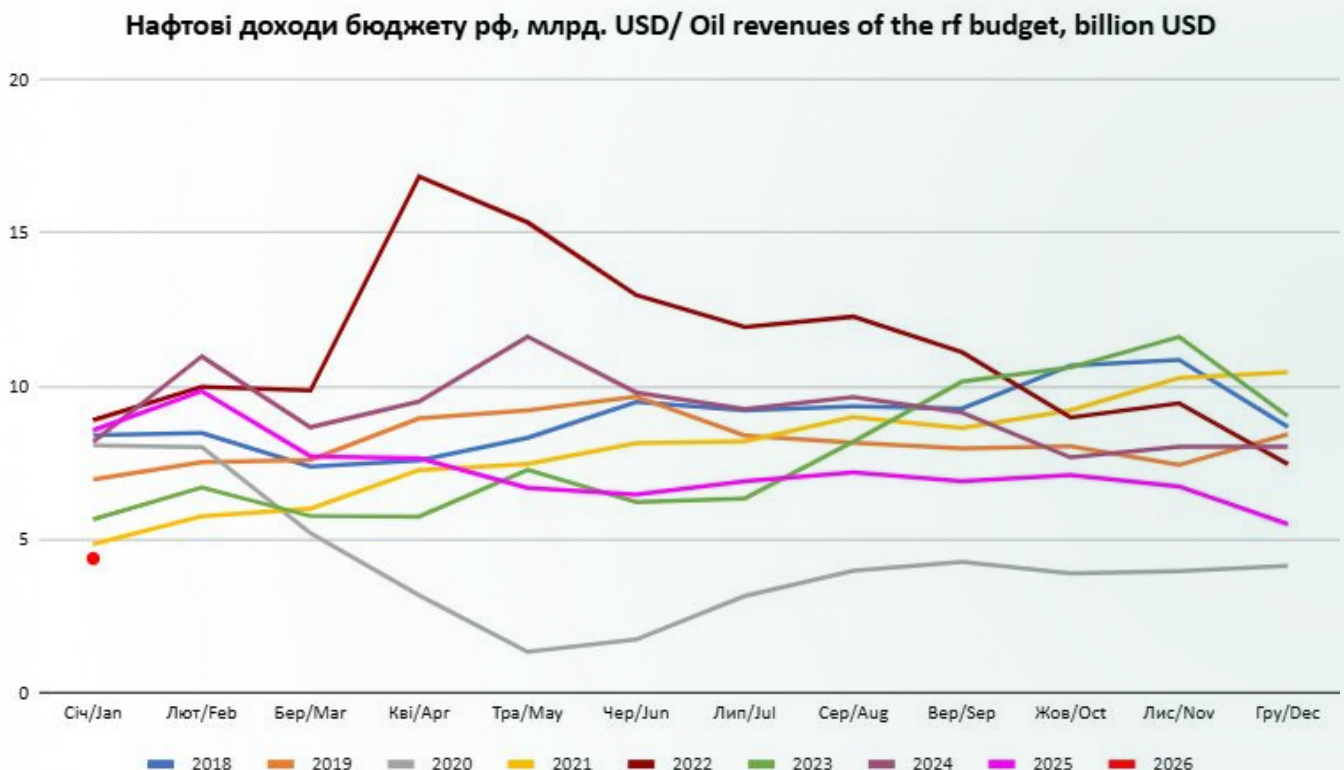
# Monitoring of oil revenues of russian budget in January 2026

## Oil revenues of russian budget

**Oil Revenues:** the oil revenues of the russian budget from the Mineral Extraction Tax (MET) and export duties in January 2026 amounted to USD 4.37 billion\*, by USD 1.12 billion\* (20.39%) is less for the previous month (USD 5.49 billion\*) and USD 2.89 billion\* (39.81%) is less for the average revenue of the previous months of 2025 (USD 4.37 billion\*). The highest amount of January revenues was recorded in 2022, totaling USD 8.88 billion\*. The lowest amount during the monitoring period was in January 2026, with revenues of USD 4.37 billion\*.

An increase in tax revenues to the russian budget from the MET does not necessarily indicate an increase in oil production or in the actual value of its sale. This is due to the specific taxation mechanism, where the tax rate is multiplied by a coefficient that reflects the dynamics of world oil prices. Therefore, even if production volumes and actual selling prices remain unchanged, an increase in world oil prices can still lead to higher budget revenues for the aggressor country.

The chart showing the changes in monthly oil revenues of the russian budget for the period from January 2018 to January 2026 is presented below.



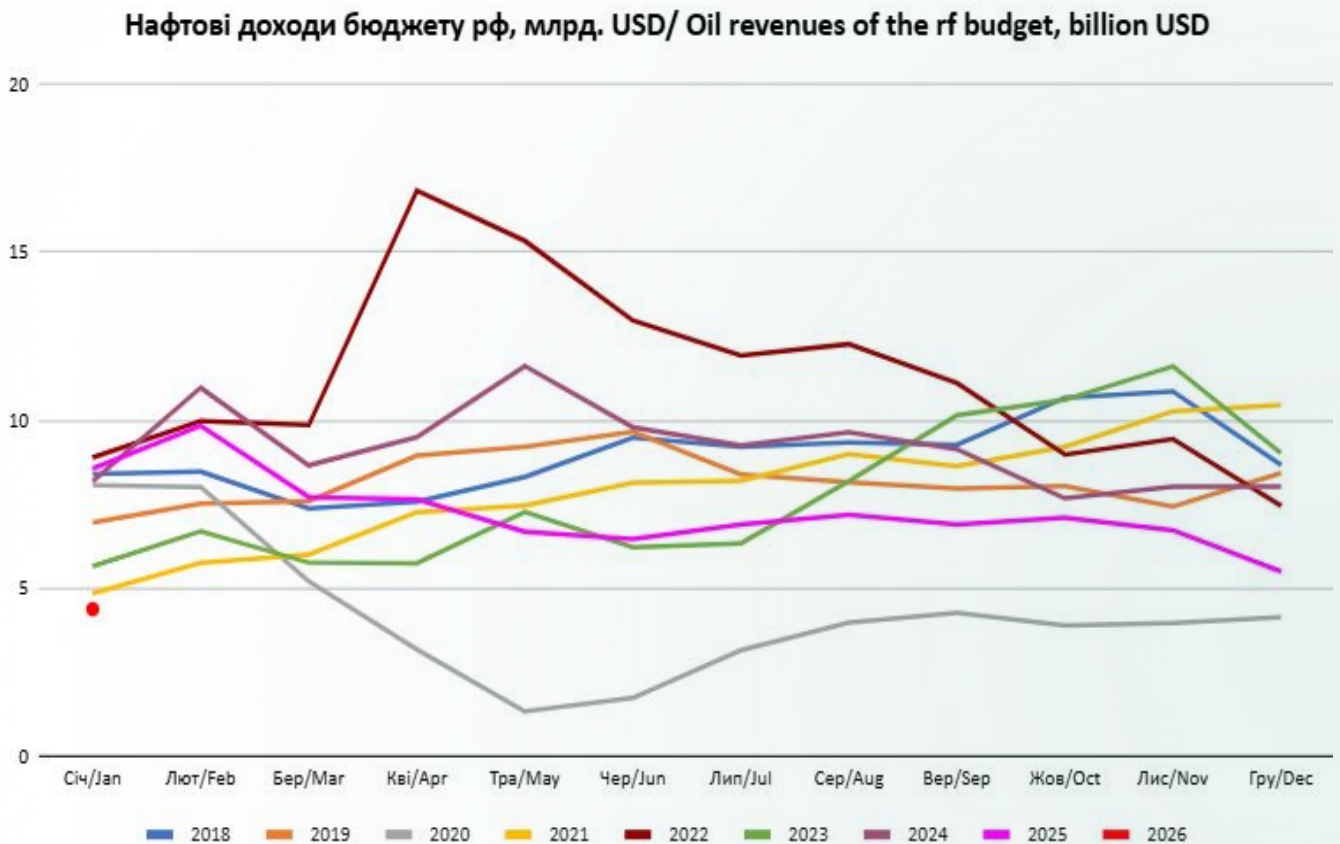
\*According to rf ministry of finance and at the rf Central Bank exchange rate of the russian RUB to the USD as of the 25th day of the respective month.

# Monitoring of gas revenues of russian budget in January 2026

## Gas revenues of russian budget

**Gas Revenues:** gas revenues of the russian budget from the mineral extraction tax and export duty in January 2026 amounted to USD 1.47 billion\*. The highest amount of revenue in January was in 2022 and amounted to 2.59 billion\*. The amount of revenue in January is 0.01 billion\* (0.52%) higher than the previous month (1.46 billion\*) and 0.13 billion\* (9.60%) higher than the average revenue of the previous months of 2025 (1.34 billion\*). The lowest amount of revenue in January for the selected monitoring period was in 2026 - 1.47 billion USD\*.

The full chart showing the changes in monthly gas revenues of the russian budget for the period from January 2018 to January 2026 is presented below.



\*According to rf ministry of finance and at the rf Central Bank exchange rate of the russian RUB to the USD as of the 25th day of the respective month.

# Monitoring of oil and gas revenues of russian budget in Januaries 2018 - 2026

## Oil and gas revenues of russian budget

The monthly monitoring presented above provides an understanding of trends in the increase or decrease of revenues from month to month during the year and in comparison with the same months of other years, but does not provide an understanding of the amount of revenues that the budget accumulates in the corresponding year in comparison with other years. To track and compare budget revenues for the corresponding periods of the years, we introduce charts for visual comparison from 2018 to 2026.

**Oil and gas revenues (total):** oil and gas revenues of the russian budget for January 2026 amounted to USD 5.18 billion\*, by USD 2.85 billion\* (35.49%) is less for January of 2025 (USD 8.03 billion\*) and by USD 2.85 billion\* (35.52%) is less than the average revenue for the consecutive periods from 2022 to 2025 (USD 8.03 billion\*). The maximum amount of January revenue was in 2018 - USD 11.73 billion\*. The lowest January revenue was in 2026 at USD 5.18 billion\*.

A chart of changes of the russian federation's budget oil and gas revenues for the corresponding period from 2018 to 2026 is presented below.

**Нафтогазові доходи бюджету рф за роками, млрд. USD / Oil and gas revenues of rf budget by years, bill. USD**



\*According to rf ministry of finance and at the rf Central Bank exchange rate of the russian RUB to the USD as of the 25th day of the respective month.

# Monitoring of oil revenues of russian budget in Januaries 2018 - 2026

## Oil revenues of russian budget

**Oil revenues:** oil revenues of the russian budget from the mineral extraction tax (MET) and export duty for January 2026 amounted to USD 4.37 billion\*, by USD 4.18 billion\* (48.89%) is less for the appropriate period of 2025 (USD 8.55 billion\*) and by USD 3.44 billion\* (44.07%) is less than the average revenue for the appropriate periods from 2022 to 2025 (USD 7.82 billion\*). The largest amount of revenues for the corresponding period was in 2022 and amounted to USD 8.89 billion\*. The smallest amount of revenues for the specified period was in 2026 - USD 4.37 billion\*.

An increase in tax revenues to the russian budget from the MET does not necessarily indicate an increase in oil production or in the actual value of its sale. This is due to the specific taxation mechanism, where the tax rate is multiplied by a coefficient that reflects the dynamics of world oil prices ("Cp"). Therefore, even if production volumes and actual selling prices remain unchanged, an increase in world oil prices can still lead to higher budget revenues for the aggressor country.

A chart of changes of the russian federation's budget oil revenues for the corresponding period from 2018 to 2026 is presented below.

Нафтові доходи бюджету рф за роками, млрд. USD / Oil revenues of rf budget by years, bill. USD



\*According to rf ministry of finance and at the rf Central Bank exchange rate of the russian RUB to the USD as of the 25th day of the respective month.

# Monitoring of gas revenues of russian budget in Januaries 2018 - 2026

## Gas revenues of russian budget

**Gas revenues:** the russian federation's budget gas revenues from the mineral extraction tax and export duty for January 2026 amounted to USD 1.47 billion\*, by USD 0.74 billion\* (33.44%) is less for the appropriate period of 2025 (USD 2.21 billion\*) and by USD 0.64 billion\* (30.46%) is less than the average revenue for the consecutive periods from 2022 to 2025 (USD 2.11 billion\*).

The lowest amount of revenues for the monitoring period was in 2026 – USD 1.47 billion\*, and the highest – in 2022 – USD 2.60 billion\*.

A chart of changes of the russian federation's budget gas revenues for the corresponding period from 2018 to 2026 is presented below.

Газові доходи бюджету рф за роками, млрд. USD / Gas revenues of rf budget by years, bill. USD



\*According to rf ministry of finance and at the rf Central Bank exchange rate of the russian RUB to the USD as of the 25th day of the respective month.

# Monitoring of gas and oil revenues of russian budget in January 2026

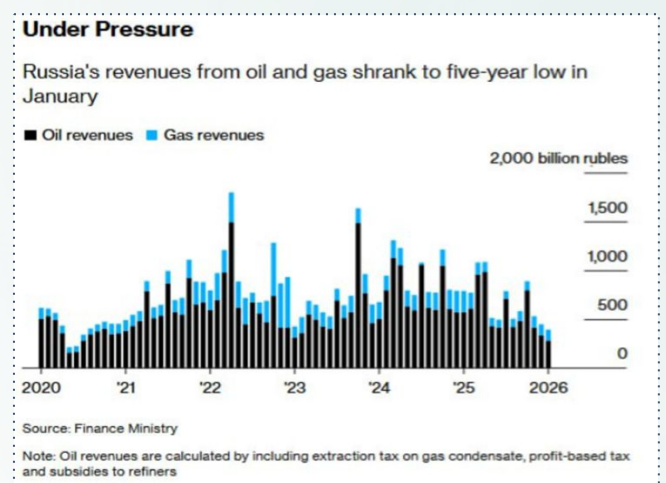
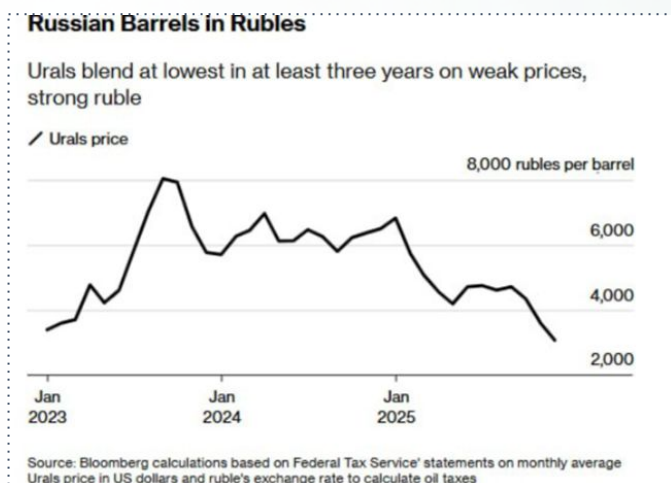
## Gas and oil revenues of russian budget

russian budget revenues from oil and gas in January 2026 fell by half (or 50.2%) year-on-year and reached their lowest level since July 2020. This put severe pressure on the budget, which is critically dependent on commodity revenues. In January, revenues amounted to 393.3 billion rubles (or 5.1 billion USD), which is significantly less than in January 2025 and December, when revenues reached 447.8 billion rubles (54.5 billion rubles or -12.2%). The main reasons for the decline are lower global oil prices and the strengthening of the ruble.

**Oil and gas revenues remain a key source of revenue for the russian federal budget, accounting for almost a quarter of all revenues.** At the same time, the budget is under significant pressure due to high defense and security spending following the start of the war against Ukraine in February 2022. At the end of 2025, the russian budget deficit amounted to 5.6 trillion rubles, or 2.6% of GDP.

The russian government expects In 2026 to receive 8.92 trillion rubles in revenue from oil and gas sales at a price of USD 59 per barrel for Urals crude and an exchange rate of 92.2 rubles per USD 1, which is significantly higher than current levels. Currently, the figures confirm the cumulative effect of the restrictions, **as the Urals discount to Brent has widened to USD 26 and the real price per barrel has fallen to USD 39.** Total revenues of the russian federal budget are forecast at 40.283 trillion rubles.

**At the same time, in 2025, oil and gas revenues fell by 24% to 8.48 trillion rubles, which was also the lowest figure since 2020.** At the end of 2025, the russian federation's budget deficit amounted to 5.6 trillion rubles, or 2.6% of GDP, which highlights the deepening financial problems of the terrorist state.



Sources:

- [Russian Oil Revenues Plunge to Five-Year Low on Sanctions, Ruble - Bloomberg](#)
- [Russia's oil and gas revenue halved in January y/y to lowest since July 2020 | Reuters](#)

# The EU's consumption of energy resources from russia

## russian energy consumption in the EU

The EU's dependence on its two largest LNG suppliers, the US (63%) and russia (18%), reached a record 80% in January, raising concerns about the lack of diversification. The remaining 19% of the total was supplied by other suppliers — Algeria, Qatar, and Norway. This is the lowest share of alternative suppliers since 2017. The growth in imports from the US is characterized by the 2025 trade agreement, which provides for the purchase of US energy carriers worth USD 750 billion by 2028. Meanwhile, russian LNG supplies remain high due to stockpiling — 92.6% of total LNG exports from the Yamal LNG project in January — 1.7 million tons — were sent to the EU (an increase of +8% compared to January 2025). Alternative destinations remain limited, indicating that the Yamal LNG project remains critically dependent on the EU market. In January, France and Belgium received more than 40% of their LNG from russia and approximately the same amount from the US. Germany, the EU's largest energy market, imported all of its LNG from the US. The EU is also considering increasing imports from Qatar, Canada, and North Africa. The growth in LNG flows in January was driven by increased demand due to severe frosts and a drop in exports from Algeria. LNG consumption in the EU is expected to reach an all-time high in 2026. The problem is particularly acute in Germany, where gas storage facilities are less than one-third full — well below the seasonal norm — while winter is still ongoing.

Source:

- [https://www.urgewald.org/en/media/russian-lng-flows-eu-remain-dominant-january-2026-ahead-eu-and-uk-sanctions-decisions?utm\\_source=chatgpt.com](https://www.urgewald.org/en/media/russian-lng-flows-eu-remain-dominant-january-2026-ahead-eu-and-uk-sanctions-decisions?utm_source=chatgpt.com)

**russia will fall to fourth place among gas suppliers to the EU in 2025.** Norway (97.1 bcm), the US (82.9 bcm), and Algeria (38.6 bcm) remain the leaders in gas exports to the EU. russian companies supplied about 38 bcm, losing out to three competitors at once. Total gas imports by EU countries in 2025 increased by 5.3% to 313.6 bcm, but russia's share in these supplies continues to decline.

Source:

- [European natural gas imports](#)

**In January 2026, the EU imported 2.276 billion cubic meters (bcm). LNG from russia — a record** figure due to the formation of reserves before the ban in 2027. The total volume of LNG imports to the EU for the month was 12.2 bcm, which is 1.3% more than in December and 6% higher than in January 2025. Supplies from the US increased by 18% and reached 8 bcm (Africa — 772 million cubic meters, from the Middle East — 571 million cubic meters of LNG). In 2025, russian LNG exports to the EU fell by 5.6%.

Source:

- [https://t.me/Energy\\_Frontline](https://t.me/Energy_Frontline)

# The EU's consumption of energy resources from russia

## russian energy consumption in the EU

### Total gas imports to the EU in 2025

- Total natural gas imports (LNG + pipeline supplies) increased from 900 million c.m.d. in 2024 to 937 million c.m.d. in 2025, which is 15% lower than the 2021 level (1,102 million c.m.d.)

### russian gas

- Pipeline deliveries by Gazprom decreased from 85 million c.m.d. in 2024 to 46 million c.m.d. in 2025. Gazprom's share in EU imports decreased from 9% to 5%.

### LNG

- Liquefied natural gas supplies increased from 325 million c.m.d. in 2024 to 418 million c.m.d. in 2025.
- LNG's share of EU imports increased from 36% to 45%.

### Pipeline supplies from other countries

- Supplies from Norway decreased from 367 to 354 million c.m.d.
- Norway's share decreased from 41% to 38%, while other countries' share decreased from 14% to 12%.

### Comparison of 2021 and 2025

- Gazprom supplies: 398 → 46 million c.m.d. , share 36% → 5%. LNG: 227 → 418 million c.m.d., share 21% → 45%.
- Supplies from Norway, Azerbaijan, and North Africa: 478 → 473 million c.m.d., but their share increased from 43% to 50%.

**In 2025, more than 15 million tons of LNG were transported from Yamal to EU terminals**, bringing the kremlin approximately EUR 7.2 billion. Although Europe reduced pipeline gas supplies from russia after the full-scale invasion of Ukraine, the EU's share of global supplies from Yamal has grown over the past year from 75.4% in 2024 to 76.1% in 2025. These imports are legal, and the EU is in no hurry to ban russian LNG supplies, particularly given their dependence on them in Eastern Europe.

Sources:

- <https://www.theguardian.com/world/2026/jan/08/eu-accused-of-fuelling-putins-war-by-importing-russi>
- [https://t.me/Energy\\_Frontline](https://t.me/Energy_Frontline)

**In December 2025, the five largest EU importers spent EUR 1.4 billion on energy resources from russia (gas, LNG).** Hungary remained the largest buyer, followed by France and Belgium. In 2025, EU countries spent EUR 7.2 billion on russian LNG. The bulk of the supply again came from the Yamal LNG Arctic project, operated by Novatek. Also, in 2026, the UK plans to introduce a ban on the provision of maritime services for LNG from russia.

Source:

- [ЄС став четвертим покупцем російського палива у 2025 році](#)

# Impact of sanctions on russian oil sector in January 2026

## Status of oil exports from russia

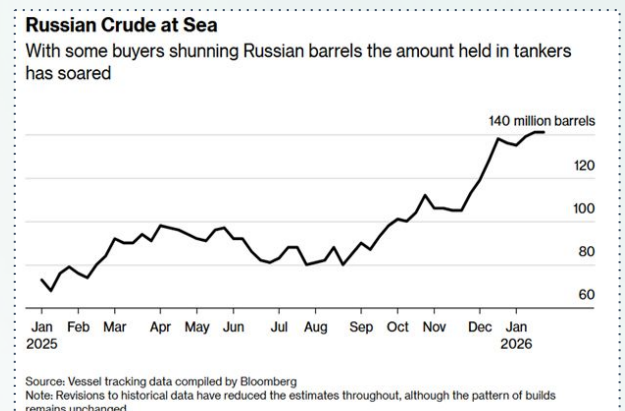
EU countries and Ukraine are hitting russia's "shadow fleet," depriving it of oil revenues. **In 2025 alone, more than 600 tankers were added to the sanctions lists, twice as many as in 2024.** Currently, about 40% of tankers are under sanctions and are forced to take longer routes, often idling at sea and losing efficiency, as the productivity of such vessels drops by 30-70%, which sharply increases logistics costs. An additional factor of pressure has been Ukraine's strikes on tankers belonging to the "shadow fleet." Since the end of 2025, 10 vessels have been attacked, leading to higher transportation costs. As a result, the discount on russian Urals crude oil has increased to USD 27-31 per barrel, the highest since spring 2023. If current trends continue, russia's oil and gas revenues could fall below USD 10 billion per month, putting further pressure on the kremlin's budget.

Source:

- [The West and Ukraine are capsizing Russia's shadow fleet](#)

**Throughout January 2026, Russia exported an average of 3.27 million barrels per day of oil by sea, which is 600,000 (-11.3%) barrels per day less than at its peak before the end of 2025.** In January, China once again became the largest buyer of seaborne oil, while supplies to India fell sharply. The flow to Indian ports fell to 505,000 bpd, compared to 1.2 million bpd in December, the lowest level since November 2022. This undermines Russia's position in a market that has been critical to sustaining oil revenues since 2022. The decline in supplies to India is partially offset by China: in January, its ports unloaded about 874,000 bpd (a 37% drop). This reorientation only increases Moscow's dependence on a limited circle of buyers. In addition, the accumulation of unsold oil at sea is another symptom of the crisis following a sharp decline in purchases by Indian refineries. Since the end of August, **the volume of crude oil stuck on tankers has increased by 60 million barrels and stabilized at 140 million barrels — a historic high.**

In turn, deliveries to India in January 2026 fell by 55.2% — the lowest level in more than three years. This is happening against the backdrop of sanctions risks and the entry into force of the EU ban on imports of petroleum products produced from Russian oil. As a result, dozens of tankers are idle off the coast of India, and some of the cargo is being redirected to China or to temporary storage facilities in Indonesia.



Sources:

- [Russia Oil Exports Get Stuck at Sea Amid Pullback by Indian Refiners - Bloomberg](#)
- [Russia's Oil Exports Hold Steady While Flows to India Slump - Bloomberg](#)

# Impact of sanctions on russian oil sector in January 2026

## Status of oil exports from russia

**russia's flagship Urals crude oil has fallen sharply in price on the Chinese market following the retreat of Indian buyers.** In January, Urals for delivery to China is trading at a discount of about USD 10 per barrel to Brent, whereas in August, russia was selling this oil at a premium of about USD 1. Thus, in five months, sales conditions have deteriorated almost tenfold. The key factor was a sharp decline in demand from India. As a result, competition for Urals cargoes weakened and prices collapsed. The pressure is also intensifying due to logistics: Urals is shipped from ports in the Euro part of russia, which makes deliveries to China longer and more expensive compared to ESPO, further eroding the revenues of russian exporters. Although Urals imports to China have grown to about 400,000 bpd since the beginning of 2026, record volumes are being achieved not because of demand, but price dumping. In fact, russia is compensating for the loss of the Indian market by selling oil to China on increasingly unfavorable financial terms, which undermines FE earnings and budget revenues.

Source:

- [Flagship Russian Oil Sinks in China After India Buyers Pull Back - Bloomberg](#)

**russia is forced to sell oil to India at almost cost price due to sanctions and loss of markets,** sharply lowering oil prices to USD 22 per barrel in an attempt to retain buyers amid tightening sanctions and collapsing energy revenues. The discount of russian Urals oil to Brent exceeded USD 24 per barrel, which is almost twice as much as in October (USD 15 per barrel in 2023–2024). Back in December, Urals was selling for an average of USD 39 per barrel, which barely covers production costs, excluding logistics. Against this backdrop, global oil prices also remain at their lowest level since 2021, which has further hit the kremlin's revenues, forcing moscow to dump oil. Thus, if sanctions are further tightened, russia will have only one export option left — pipeline supplies, which will further narrow the opportunities for foreign exchange earnings.

Source:

- [Financial Times](#)

**In 2026, the global oil market will enter a phase of deep surplus, creating additional risks for the russian economy,** which is critically dependent on raw material exports. Global demand for oil in 2026 will grow to 105 million bpd, while supply will reach 109 million bpd. russia is trying to take advantage of the vacated niches in Asia—in December, oil exports from russia increased to 4.91 million bpd, and petroleum products to 2.63 million bpd. Export revenues formally increased to USD 11.35 billion, but this effect is largely offset by a sharp expansion of the discount: the average price of Urals fell to USD 35.6 per barrel, which is significantly lower than Brent. Given the structural surplus and overflowing storage facilities, it will be difficult for prices to remain high. For russia, this means even greater pressure on the budget.

Source:

- [World oil market faces significant surplus in first quarter, IEA says | Reuters](#)

# Impact of sanctions on russian gas sector in January 2026

## Status of natural gas export from russia

The EU Council on January 26, 2026, approved a complete ban on russian gas imports (pipeline and LNG), effectively closing the European market to russia, which provided the shortest and most profitable logistics for supplies. **The Yamal LNG project will be hit the hardest, losing Europe as a key sales destination.** The attempt to reorient russian gas to Asia seems logical but economically painful. The Arctic LNG 2 project partially uses the Northern Sea Route to supply China, and transshipment complexes in the east with a capacity of up to 20 million tons each are available for Yamal. However, such routes mean months-long voyages, characterized by a shortage of icebreakers, seasonal restrictions, and a sharp increase in costs.

Source:

- <https://newsua.one/news-world/121084.htm>

**russian pipeline gas exports to Europe in January increased by approximately 10% year-on-year.** Deliveries were made exclusively via the Turkish Stream pipeline and reached 1.73 billion cubic meters, which is 160 million cubic meters more than in 2024. Thus, Turkey has finally established itself as the only remaining route for russian gas to Europe. After Ukraine refused to extend the transit agreement, which expired in January 2025, russia was left with no alternative land routes for supply. Average daily exports via the Turkish Stream in January amounted to only 55.8 million cubic meters. At the same time, in annual terms, 2025 was a disastrous year for russian gas in Europe: exports fell by 44% to 18 billion cubic meters, the lowest level since the mid-1970s (peak supplies to the EU were 180 billion cubic meters per year in 2018–2019).

Source:

- [Russia's pipeline gas exports to Europe jump 10% in January on year | Reuters](#)

**Gazprom supplied more gas to China in 2025 than to Europe (including Turkey) for the first time,** and also became the sole gas supplier to Kyrgyzstan. russia pumped 38.8 billion cubic meters of gas to China via the Power of Siberia pipeline (+24.8% year-on-year to 2024). Overall, russia supplies about one-third of China's gas imports, becoming its largest supplier. In 2025, russian gas exports to Central Asia and the Caucasus also increased: Kazakhstan, Uzbekistan, Kyrgyzstan: +22.2%, Georgia: +40.4%. Kyrgyzstan switched to monopoly supplies from Gazprom after stopping imports from Uzbekistan. Thus, russia lost the solvent EU market and replaced it with one mega buyer from Asia.

Sources:

- <https://expro.com.ua/novini/postavki-rosyskogo-truboprovodnogo-gazu-do-kitayu-zrosli-do-rekordnih-388-mlrd-kub-m-u-2025>
- [https://t.me/Energy\\_Frontline](https://t.me/Energy_Frontline)

# Impact of sanctions on russian LNG sector in January 2026

## Status of LNG export from russia

russia recorded a decline in LNG exports in 2025, which was one of the notable negative signals for the energy sector. russia ranked fourth in the world in terms of LNG supplies, exporting 32 million tons, which accounts for 7% of global supply. Supplies fell by 7% year-on-year, or by about 3 bcm, despite individual shipments to China. The key factor in the decline was sanctions against the Portovaya LNG and Kryogaz-Vysotsk projects. Exports from russia's largest plant, Yamal LNG, also decreased by 7.5% over the year, which corresponds to about 2 bcm. Sanctions pressure continues to narrow russia's presence in the global LNG market.

Source:

- <https://energyandcleanair.org/ua/category/financing-putins-war/monthly-analysis/>

**In 2025, russia earned EUR 7.2 billion from supplying LNG to EU countries, which directly supports its military budget and allows it to continue its aggression against Ukraine.** Supplies from Yamal LNG have increased and remain high, with over 15 million tons of LNG delivered to EU ports in 2025. The EU remained the largest market for Yamal LNG, which is critically dependent on access to EU ports and logistics services. It is here that russia has the opportunity to quickly export fuel and maintain export flows, avoiding longer routes to Asia.

Source:

- [EU accused of fuelling Putin's war by importing Russian liquefied natural gas | Europe | The Guardian](#)

**russian LNG exports to China rose sharply in 2025, but without an increase in revenue—9.8 million tons were imported, or +18% for the year and 51 times more than in 2015.** This is a historic high for deliveries. However, there was almost no financial effect: revenue amounted to about USD 5 billion, practically unchanged from 2024 due to falling prices. Only in December did volumes more than double, while revenues grew by only about 50%. China has effectively become a key and almost unrivalled market for russian LNG amid the loss of access to the EU, which increases russia's dependence on a single sales direction and makes exports vulnerable to price pressure from China. Total LNG imports to China fell by 11%.

Source:

- <https://www.bloomberg.com/news/articles/2026-01-22/china-s-surprise-jump-in-russian-lng-imports-signals-more-demand>

**Total natural gas production in 2025 amounted to 663 bcm, which is 3.2% less than in 2024.** The key factor was the cessation of transit through Ukraine's gas transmission system. Total gas production in December amounted to 61.9 bcm, which is 3.9% less than in December 2024, but 3.0% more than in November 2025. In 2025, LNG production in russia amounted to 32.9 million tons (+3.6% compared to 2024).

Source:

- [EU accused of fuelling Putin's war by importing Russian liquefied natural gas | Europe | The Guardian](#)

# Impact of sanctions on russian fuel sector in January 2026

## Fuel production and exports from russia

**russian fuel oil exports to Asian countries declined significantly in early 2026** amid tightening Western sanctions and successful Ukrainian drone attacks on russian refineries, which undermined the industry's production capacity. In January, russia exported about 246,000 bpd to Asia. This marks the third consecutive monthly decline in supplies, indicating systemic problems with russian oil product exports. The decline in volumes is primarily due to reduced production at russian refineries, which have been shut down en masse since October for repairs after Ukrainian drone strikes that not only damaged infrastructure but also disrupted logistics and oil processing schedules.

Source:

- [Russia's fuel oil exports to Asia slow in early 2026 as sanctions hamper trade | Reuters](#)

**Oil pumping to russian refineries in 2025 fell to its lowest level in 15 years. Pipeline deliveries fell by 1.6% compared to 2024, amounting to 228.34 million tons.** The key factor behind the decline was unscheduled shutdowns and repairs at refineries in the second half of the year. In 2025, oil refining in russia decreased by 1.7%. The experience of 2025 will force companies to review their approaches to managing refining assets, shifting the focus to improving refinery protection and reducing downtime risks. The outlook for 2026 remains uncertain. Export restrictions on fuel introduced in the fall of 2025 could also put additional pressure on refinery utilization.

Source:

- [Поставки нефти на российские НПЗ упали до минимума за 15 лет из-за украинских атак - Русская служба The Moscow Times](#)

**In 2025, maritime gasoline deliveries from russia fell by 40% as a result of a months-long embargo on fuel exports, which even extended to refineries.** Although there was a temporary 10% increase in fuel prices in January, the restrictions once again highlighted the vulnerability of the russian fuel sector under sanctions. russian petroleum products accounted for 71% of exports, with Belarusian products accounting for another 29%. Egypt (27%) and Turkey (22%) remained the main destinations for shipments, but even these markets were unable to compensate for the overall decline in volumes. Since February 2026, gasoline exports have been permitted only by refineries. In January, russia increased its maritime exports of diesel fuel and gas oil by 19% compared to December 2025, to 4 million tons, amid a seasonal decline in domestic demand. Compared to January 2025, supplies fell by 4.6%. Egypt, Turkey, and Brazil remain the largest buyers of russian fuel and gas oil.

Source:

- [Russian Diesel Exports to Brazil Surge, US Market Share Falls on Price Gap - Bloomberg](#)
- <https://bcs-express.ru/novosti-i-analitika/morskoi-eksport-benzina-iz-rf-upal-na-40-v-2025>

## The EU

The European Commission has presented a draft of the new 20th package of EU sanctions against Russia, covering energy, financial services, and trade. Key measures include a complete ban on maritime services for Russian crude oil, expanded sanctions against Russia's shadow fleet (43 vessels added, for a total of 640), and restrictions on the maintenance of LNG tankers and icebreakers. In the financial sector, the EU proposes to impose sanctions on 20 more Russian regional banks, as well as to strengthen control over cryptocurrency transactions to prevent circumvention of restrictions. The new trade bans will cover goods and services worth EUR 360 million, as well as imports of metals and chemicals worth another EUR 570 million. Additional export restrictions on military technology are also planned. The draft sanctions must be unanimously approved by all 27 EU countries by the end of February.

Source:

- [https://ec.europa.eu/commission/presscorner/detail/en/statement\\_26\\_318](https://ec.europa.eu/commission/presscorner/detail/en/statement_26_318)

According to Belgian Prime Minister Bart De Wever, Russia's assets will remain frozen until the end of the war, which means they will be discussed further after a potential peace agreement between Ukraine and Russia is concluded.

Source:

- [Telegram: View @Bloomberg](#)

The European Commission has announced its intention to prepare a separate draft law that provides for the abandonment of the price cap mechanism and a phased abandonment of Russian oil imports by the end of 2027, including a ban on the insurance and transportation of Russian oil cargoes. This is another element of the EU's long-term strategy to dismantle its energy dependence on Russia, which is increasingly seen in Brussels not as an economic asset but as a systemic geopolitical risk. Formally, Moscow has already almost lost the European oil market: by the end of 2025, the share of Russian oil in EU imports fell below 3%. This is a direct consequence of sanctions and structural restructuring of supplies. In the gas segment, the situation for Russia remains less catastrophic, but the trend is clear here too: about 13% of gas imported by the EU still comes from Russia — approximately EUR 15 billion per year. It is this residual volume that Brussels openly calls a vulnerability for trade and energy security. For Russia, this means a gradual but irreversible loss of one of its most solvent and regulated markets. The EU is consciously opting for more expensive and less stable alternatives in order to deprive the Kremlin of income and leverage. In strategic terms, this is an investment in reducing dependence on a country that has turned energy resources into a tool of war and blackmail.

Source:

- <https://www.bloomberg.com/news/articles/2026-01-30/eu-mulls-replacing-russian-oil-price-cap-with-ban-on-services>

## The EU

EU countries have announced in a joint statement that they are closing the Baltic Sea to vessels belonging to Russia's "shadow fleet." From now on, tankers that change flags or do not have the appropriate documents will be considered stateless. Fourteen countries have joined the initiative. In particular, the signatory countries warned that they would consider tankers flying the flags of two or more countries as stateless vessels. Vessels must have the appropriate certification and documents and maintain the safety of navigation. Up to 50% of Russian oil is transported through the Baltic Sea.

Джерело:

- [The growing risks to maritime safety - GOV.UK](#)

## Iraq

The country has decided to nationalize oil production facilities at the West Kurna-2 field. This step was a necessary measure to avoid stopping oil production due to US sanctions imposed on the Russian owner of the stake, Lukoil, which owned 75% of the project (production of 480,000 bpd).

Source:

- <https://www.reuters.com/business/energy/iraq-nationalise-west-qurna-2-oilfield-operations-government-says-2026-01-07/>

## Hungary

Hungarian company MOL will acquire 56.15% of shares in Serbian oil refinery NIS from Gazprom for EUR 1 billion. The sale must be approved by the US Office of Foreign Assets Control (OFAC) and the Serbian authorities. The deal is expected to be finalized by the end of March 2026. MOL already owns refineries in Hungary and Slovakia, which still receive Russian oil. The share of Russian companies in NIS may go not only to MOL, but also to ADNOC. In addition, the Serbian authorities plan to increase their stake in the company by 5%.

Source:

- <https://www.bloomberg.com/news/articles/2026-01-19/mol-to-buy-gazprom-stake-in-sanctioned-refinery-serbia-says>

## The UK

The UK is considering using force to seize tankers belonging to the "shadow fleet." The legal basis for landing military personnel on such vessels is the Sanctions and Anti-Money Laundering Act. The UK authorities have already imposed sanctions on more than 500 shadow fleet tankers, around 200 of which have been effectively taken out of service due to a lack of legal flag and insurance. Such ships pose a serious threat: accidents or oil spills can lead to large-scale environmental and economic crises. London has stated that the destruction of the "shadow fleet" is one of the government's priorities.

Source:

- [UK can legally stop shadow fleet tankers, ministers believe](#)

## USA

Lukoil agreed on January 28, 2026 to sell its foreign assets to the American fund Carlyle. This includes the company's entire international portfolio: oil refineries in Romania, Bulgaria, and the Netherlands; production facilities in Iraq, Uzbekistan, and African countries; and more than 2,000 gas stations in the EU and Asia. Assets in Kazakhstan are not included in the deal and remain under Lukoil's control, but Kazakhstan has already submitted an official application to acquire these assets. The market valuation of the portfolio is USD 20-23 billion, but due to US sanctions, a discount of 20-50% is expected. Market participants estimate the real value of the deal at USD 12-15 billion. The sale is only possible with the approval of the US Treasury's OFAC. This is Lukoil's second attempt to divest its foreign assets after negotiations with Gunvor failed due to the US refusal to issue a license. The current license to sell assets is valid only until February 28, which increases pressure on the company and forces it to agree to a significant discount due to sanctions.

Source:

- <https://www.currenttime.tv/a/lukoil-prodazha-zarubezhnyh-aktivov/33663593.html>

The US Treasury Department (OFAC) has extended the license until February 28 for companies that have the right to negotiate with Russian energy company Lukoil on the purchase of its foreign assets. Sanctions against Lukoil and Rosneft were imposed on October 22 due to Russia's full-scale war against Ukraine. Shortly thereafter, Lukoil put its assets up for sale. The company's global assets, which include oil fields, refineries, and gas stations, are valued at USD 22 billion. They have attracted interest from a wide range of organizations, including the American private investment company Carlyle Group and a group consisting of oil giant Chevron and Quantum Capital Group. The extension of the general license, which was due to expire on January 17, also allows interested parties to enter into conditional contracts for the sale of assets and the termination of related operations. This is the second extension: the first was issued in December. Due to US sanctions, the Ministry of Finance will have to approve any agreements concluded with Lukoil regarding its assets.

Source:

- [Issuance of Amended Russia-related General License; Publication of Amended Russia-related Frequently Asked Questions | Office of Foreign Assets Control](#)

US Treasury Secretary Scott Bessent said that Washington's decision to impose new restrictions would depend on the outcome of the peace process. Additional sanctions may affect, in particular, ships involved in the transportation of Russian oil. He also stressed that recent restrictions against the Russian oil sector have already had an effect and have become one of the factors that forced Russia to sit down at the negotiating table, which indicates the vulnerability of the Russian economy to sanctions pressure.

Source:

- [Treasury's Bessent says further Russian sanctions depend on peace talks | Reuters](#)

## India

The US President Donald Trump announced that India has refused to purchase Russian oil and has also signed a trade agreement with the US. The US is offering India Venezuelan oil amid a slowdown in Russian oil imports. This is a gradual displacement of Russia from one of its key markets. India, which became one of the main buyers of Russian oil after the start of the full-scale invasion and provided with foreign currency revenues bypassing Western sanctions, is preparing for a sharp reduction in imports. In the coming months, purchases may fall to 500 thousand bpd although in August 2025, India imported about 2 million bpd from Russia. Such a drop means a significant blow to Russian oil revenues. India was one of the few markets that allowed the Kremlin to partially compensate for the loss of the EU market after the start of the war.

Source:

- [https://www.reuters.com/business/energy/us-pitches-venezuelan-crude-india-its-russian-oil-import-s-slow-sources-say-2026-01-30/?utm\\_source=chatgpt.com](https://www.reuters.com/business/energy/us-pitches-venezuelan-crude-india-its-russian-oil-import-s-slow-sources-say-2026-01-30/?utm_source=chatgpt.com)

Major Indian refineries are avoiding purchases of Russian oil. Indian Oil, Bharat Petroleum, and Reliance Industries are not accepting offers from traders to load Russian oil in March and April. Reliance Industries' refusal to purchase Russian oil is already having financial consequences. At the end of the fourth quarter, the company's oil and gas segment revenues fell by 8.4%. Reliance, which has long been the largest buyer of Russian oil, officially announced its compliance with anti-Russian sanctions at the end of October and reported in early January that it does not expect any deliveries from Russia. For Russia, this is another sign of shrinking export opportunities. Reliance's exit from Russian schemes could cause Russian oil supplies to India to plummet to their lowest levels in several years. After losing the EU market, Moscow is relying solely on China and India, offering them large discounts, but even these buyers are increasingly turning away from Russian raw materials under pressure from sanctions imposed by the US and its allies.

Source:

- <https://www.reuters.com/business/energy/indian-refiners-avoid-russian-oil-push-us-trade-deal-2026-02-08/>

Indian refineries need a transition period to complete deals with Russian oil before imports are halted. The US trade agreement with India provides for a reduction in US tariffs on Indian goods from 50% to 18% in exchange for stopping purchases of Russian oil, with India instead buying oil from the US and possibly Venezuela. India has become the main buyer of discounted Russian seaborne crude oil since 2022. India will gradually reduce imports of Russian oil, as a complete halt would affect the operation of the dependent Nayara Energy refinery, which is supported by Russia and has a capacity of 400,000 bpd. India is also currently diversifying its sources of crude oil, and imports from Russia is falling rapidly.

Source:

- <https://www.reuters.com/business/energy/indian-refiners-need-wind-down-period-russian-oil-sources-say-2026-02-02/>

## China

China has completely stopped importing electricity from Russia since January 1, 2026, and is not even purchasing the minimum amount stipulated in the contract — about 12 MW. The refusal to supply was the result of high Russian export prices, which exceeded domestic Chinese prices for the first time in January 2026, making further purchases unprofitable. Inter RAO (an export-import operator) exported surplus electricity from the Far East to China. The supply contract was signed back in 2012 and is valid until 2037. It was expected that over the entire period, about 100 billion kWh, or about 4 billion kWh per year, would be supplied to China, but electricity exports to China are unlikely to resume in 2026.

Source:

- <https://www.kommersant.ru/doc/8342393>

In 2025, China reduced purchases of almost all types of Russian raw materials. In January–November 2026, the country reduced imports of Russian oil by 7.6% to 91.5 million tons (or by 20%) due to falling world prices and increased price discounts. Purchases of petroleum products also decreased: light distillates by 3% and heavy distillates by 33% (or 33% and 40%, respectively). Russian coal supplies to China fell by 11% in physical terms (to 72.4 million tons) and by 29% (or to USD 6.9 billion). However, LNG supplies to China increased by 12% in volume, but decreased by 1.8% in monetary terms.

Source:

- [Китай в 2025 году сократил закупки в России почти всех сырьевых товаров - Русская служба The Moscow Times](#)

China significantly increased imports of Russian Urals crude oil in late 2025 and early 2026 amid declining demand in India, which remains the largest buyer of this commodity, and falling prices for this grade. Tighter Western sanctions against Moscow forced Indian refineries to reduce their purchases of Urals. Instead, the supply of cheap Russian oil to China increased, enabling the country's independent refineries to earn higher margins. In the fourth quarter of 2025, Urals supplies to China averaged 259,000 bpd, more than three times the levels of the first three quarters. In January 2026, shipments reached approximately 874,000 bpd, the highest since April 2023. Since the end of January, the EU has banned imports of fuel produced from Russian oil. Unlike India, China supplies few petroleum products to the EU and does not face similar restrictions. Independent refiners in Shandong province in eastern China, the main buyers of Russian oil, increased their purchases after receiving new import quotas for 2026 and amid falling prices.

Source:

- <https://www.nefterynok.info/novosti/kitay-narostiv-import-nafti-urals-do-maksimumu-z-2023-roku>

## russia. Impact on GDP and the federal budget

The budget situation in russia deteriorated sharply at the start of the year: in January, the federal budget had a deficit of 1.718 trillion rubles, almost half of the annual plan. Budget revenues for the month amounted to 2.362 trillion rubles, which is 11.6% less than a year ago. The key blow fell on oil and gas revenues: they collapsed by 50% to 393 billion rubles, the lowest level in the last five years. Formally, the rf ministry of finance planned to reduce the budget deficit from 5.7 to 3.8 trillion rubles, but in reality, the deficit could grow to 10 trillion rubles. The reasons for this are discounts on russian oil, problems with exports, particularly to India, and a general deterioration in external economic conditions. In a negative scenario, the russian authorities are likely to raise taxes, issue currency, and increase fiscal pressure on non-resource industries and household incomes.

Source:

- <https://ru.themoscowtimes.com/2026/02/09/dokhody-byudzheta-rf-v-yanvare-upali-na-116-defitsit-dostig-17-trln-r-a186742>

russia's federal budget in 2025 was in deficit for the fourth consecutive year: government revenues were 5.64 trillion rubles lower than expenditures. Compared to 2024 (3.47 trillion rubles), the budget deficit increased 1.6 times, and in relative terms — 2.6% of GDP — set a record since 2020 (3.8% of GDP). Oil and gas revenues fell by 24% over the year to 8.39 trillion rubles after the price of Urals oil fell below USD 40 instead of the USD 70 assumed in the budget.

Source:

- [Telegram: View @moscowtimes\\_ru](https://t.me/moscowtimes_ru)

For a balanced budget in 2025, russia needs oil prices to be at USD 93 per barrel. Over the year, the balancing price has risen by USD 4 compared to 2023, by USD 7 compared to 2021, and by as much as USD 21 compared to 2021. Thus, budget dependence on oil has returned to the levels of the early 2010s, when russia needed oil at USD 100 and above to balance its budget, while federal finances were still being calculated at a price of around USD 49 per barrel. There has been a sharp increase in the sensitivity of the budget to oil prices. For comparison: in the early 2000s, russia needed only USD 18–25 per barrel for tax revenues to cover all government expenditures.

Source:

- <https://www.facebook.com/andriy.volodymyrovych/>

The cost of the war is estimated at approximately USD 170 billion per year and already accounts for about 30% of the federal budget, which amounts to USD 580 billion. Under these conditions, the kremlin is forced to cover the gap by raising taxes and increasing public debt. The budget deficit reached USD 72 billion at the end of 2025, the highest level since 2009, with a high risk of further growth.

Source:

- [Russia's Oil Revenue Is Plummeting - The New York Times](https://www.nytimes.com/2026/02/09/world/europe/russia-oil-revenue.html)

## russia. Sanctions impact on assets

According to the forecast of the state-owned Gazprombank, the liquid assets of the russian national welfare fund (NWF) may disappear completely in about 1–1.5 years if current oil prices remain unchanged. At the beginning of 2026, the NWF had 4.1 trillion rubles in liquid assets (currency and gold in central bank accounts). The fund begins to be actively spent when the price of oil falls below USD 59 per barrel. At around USD 40 per barrel, the NWF will be depleted in just over a year; at USD 30–35, the fund could be depleted by the end of 2026; at USD 50, the reserves will last for about 2.5 years. In December, russian Urals oil cost an average of USD 39, and at the end of January, USD 36–38. Before the full-scale war began, the NWF had USD 113 billion in liquid assets (6.5% of GDP). At the beginning of 2026, approximately USD 52 billion remained — 2.5 times less, only 1.9% of GDP.

Source:

- <https://ru.themoscowtimes.com/2026/01/29/odin-iz-krupneishih-rossiiskih-gosbankov-sprognozirov-al-polnoe-ischerpanie-fnb-cherez-god-a185832>

russia continues to lose assets abroad: Lukoil is withdrawing from a major oil project in Mexico. Grupo Carso has agreed to buy out the russian company's stake in the Ichalkil and Pokoch offshore fields in the Gulf of Mexico. Under the agreement, Grupo Carso will acquire Lukoil's Mexican subsidiary, Fieldwood Mexico, for USD 270 million and will also assume approximately USD 330 million in debt. Thus, the russian company is effectively exiting a promising offshore project that, just a few years ago, was considered strategic for expanding its presence in the Western Hemisphere. The project has significant reserves — more than 560 million barrels of oil equivalent, more than 80% of which is oil. Lukoil acquired a 50% stake in this project only in 2022, paying about USD 700 million for control over the operator. Now the exit is taking place under much more modest financial conditions, which indicates a deterioration in the negotiating positions of companies from the russian federation.

Source:

- <https://www.bloomberg.com/news/articles/2026-01-19/mexican-billionaire-carlos-slim-snaps-up-more-assets-in-oil-push>

russia is facing problems selling confiscated assets to fill its budget. In 2025, russia confiscated a record 3.12 trillion rubles worth of property — more than four times as much as in 2024. The authorities hope to use privatization to cover the budget deficit amid falling energy revenues and rising military spending, but the sale of assets is progressing extremely slowly. The auction for the sale of Domodedovo Airport did not take place: the starting price of 132 billion rubles did not attract a single bid. Potential buyers were scared off by the asset's weak financial performance, high debt burden, and expensive loans. The high cost of borrowing and the risks of ownership rights being revised are reducing the interest of even loyal investors and limiting potential budget revenues from privatization.

Source:

- <https://www.bloomberg.com/news/articles/2026-01-21/russia-struggles-to-sell-seized-assets-to-bolster-wartime-budget>

# Official sources of sanctions monitoring against russia

## Foreign sources:

### EU

- [https://www.eeas.europa.eu/search\\_en?fulltext=sanctions](https://www.eeas.europa.eu/search_en?fulltext=sanctions)
- <https://www.consilium.europa.eu/en/policies/sanctions/restrictive-measures-against-russia-over-ukraine/>
- <https://www.sanctionsmap.eu/#/main>

### UK

- <https://www.gov.uk/business-and-industry/embargoes-and-sanctions>

### USA

- <https://www.state.gov/ukraine-and-russia-sanctions/>

## Ukrainian sources:

- MFA of Ukraine: <https://mfa.gov.ua/sankciyi-proti-rf>
- NACP of Ukraine: [Санкції](#)
- National Security and Defense Council: <https://drs.nsd.gov.ua/>
- Defense Intelligence of Ukraine: [Санкції](#)
- KSE: [Санкції](#)
- Європейська правда: <https://www.eurointegration.com.ua/tags/sanctions-/>
- Enkorr: <https://enkorr.ua/uk/news>
- Tverezo.info: <https://tverezo.info/post/category/news/sankcziyi-na-chasi>

This monitoring report is an informational - analytical product developed by the Corporate Governance direction of the Recovery and Reform Support Team (RST) for the Ministry of Energy of Ukraine, which covers issues, news, important events related to the implementation, operation, monitoring of sanctions imposed on legal entities and/or individuals in Ukraine and internationally, the regulatory environment, etc.

The Ukraine Recovery and Reform Architecture (URA) is a comprehensive technical assistance program implemented by the European Bank for Reconstruction and Development (EBRD) in partnership with the European Union (EU) to support Ukraine's crucial recovery and reform processes. The URA is implemented with the financial support of the EBRD's Multi-Donor Fund for Stabilization and Sustainable Development of Ukraine. Participants in the Fund are Austria, Denmark, Finland, France, Germany, Italy, Japan, Latvia, Slovenia, the Netherlands, Norway, Poland, Sweden, Switzerland, the United Kingdom, the United States and the European Union.

URA is supported by the EBRD's Multi-Donor Fund for Stabilization and Sustainable Development of Ukraine.

