Monitoring report

Sanctions restrictions in the energy sector

July 2026

rstenergy
recovery & reform support team

Content

Key events in July 2026

The EU countries have agreed on the 21st package of sanctions against russia, which includes new restrictions in the oil, gas and financial sectors, as well as against vessels of russian “shadow fleet.”

The United Kingdom has updated its sanctions lists against russia, adding 19 new individuals and entities and 6 vessels from russian “shadow fleet.” The U.S. Senate passed a draft law by an overwhelming majority to significantly strengthen economic sanctions against russia and Iran.

Ukraine received a second tranche of 690 million USD from the IMF following the review of the EFF program to finance priority budget expenditures, as well as a regular tranche of 3.47 billion EUR from the EU under the Ukraine Support Loan to bolster funding for critical defense needs.

In July 2026, the EU imposed sanctions on 40 additional russian “shadow fleet” vessels of various types and the UK removed tanker “ZANGAZUR” (IMO 9420617) from the sanction list. As of the end of July 2026, a total of 1,054 vessels of various types were subject to sanctions imposed by at least one of the jurisdictions listed below, including 907 tankers and gas carriers. Ukraine has sanctioned the largest number of vessels – 855 (including 767 tankers and gas carriers), followed by Canada – 731 (660), the EU – 672 (645), the UK – 620 (611), Australia – 261 (261), the U.S. – 242 (240), and New Zealand – 210 (208).

Oil and gas revenues of the rf federal budget in July 2026 amounted to USD 11.97 billion, which is USD 2.83 billion (30.93%) higher than in the previous month (USD 9.14 billion*) and USD 3.9 billion* (48.24%) higher than the average monthly revenue for the previous months of 2026 (USD 8.07 billion*).

Oil and gas revenues of the rf federal budget for the first seven months of 2026 amounted to USD 60.42 billion, which is USD 5.08 billion (7.76%) lower than in the same period of 2025 (USD 65.50 billion*) and USD 13.34 billion* (18.09%) lower than the average revenue for the corresponding periods from 2022 to 2025 (USD 73.76 billion*).

*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 sanctions against the russian "shadow fleet"

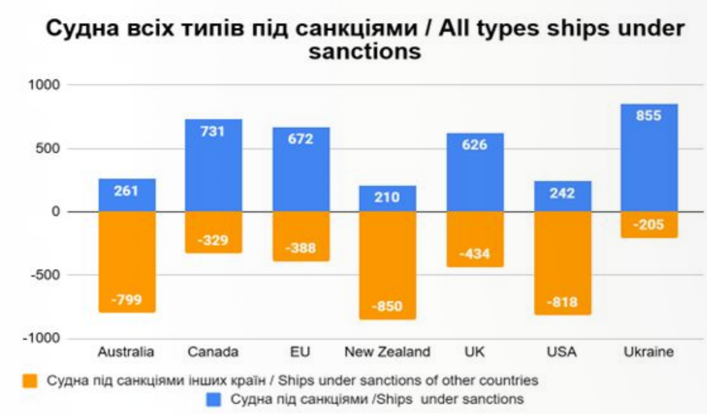
Sanctions of the EU, U.S., UK, New Zealand, Australia, Canada and Ukraine

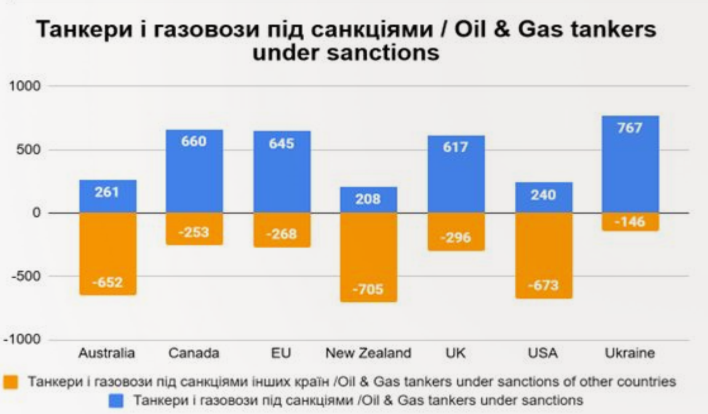
Sanctions against the russian "shadow fleet" have been imposed by the EU and individual countries in response to violations of the G7 oil price cap on russian crude oil and petroleum products, as well as to hinder the russian efforts to export its liquefied natural gas (LNG). Outside the EU, the principal jurisdictions that have imposed sanctions on the "shadow fleet" are the UK, the U.S., Canada, Australia, New Zealand, and Ukraine.

As of July 2026, these jurisdictions have imposed sanctions on 1,054 vessels owned by companies from various countries and sailing under the flags of different states. These vessels include tankers transporting crude oil, petroleum products, chemicals, liquefied natural gas (LNG), and liquefied petroleum gas (LPG), as well as cargo vessels (including bulk carriers, container ships, and others). Of these, 907 vessels are tankers and gas carriers that form part of the russia's "shadow fleet".

In July 2026, the UK removed tanker "ZANGAZUR" (IMO 9420617) from the sanction list, the European Union added 42 vessels of various types to its sanctions list. Of these, two vessels were re-listed: SANRAYZ (IMO 8862935) and MIKHAIL ULYANOV (IMO 9333670), both of which had already been designated on April 24, 2026. In addition, the vessel STORMBRINGER (IMO 9290397) had its name updated; it had previously been listed as KRITI VIGOR. As a result, the EU increased the total number of sanctioned vessels to 672.

The charts below present the total number of vessels sanctioned by each of the above-mentioned jurisdictions, together with the number of tankers transporting crude oil, petroleum products, chemicals, LNG, and LPG that are subject to sanctions in the respective jurisdiction, as well as the number of such vessels that are not sanctioned by that jurisdiction but are sanctioned by at least one of the other jurisdictions listed above.





* As of July 31, 2026 based on the data of Regulation (EU) No 833/2014, Australian Sanctions Office, New Zealand Foreign Affairs & Trade, UK Sanctions List, U.S. 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 (NSDC) (RNBO).

The EU sanctions against russia

The 21st package of sanctions against russia has been approved

The EU countries on July 23, 2026 agreed on the 21st package of sanctions against russia, which includes new restrictions on the oil, gas, and financial sectors.

- **LNG sector.** The EU reached a compromise regarding transactions involving russian LNG. The package includes a one-year exemption that will allow EU companies to transship russian LNG for onward delivery to third countries. The exemption will be automatically extended. This relaxation was agreed upon at the request of Greece, which is one of the largest operators of LNG tankers in the EU and the world. Previously, the ban on transshipment services for russian LNG to third countries was set to take effect on January 1, 2027. At the same time, the planned ban on direct imports of LNG from russia into the EU remains in effect and is set to take effect on January 1, 2027;
- **Oil sector.** EU countries agreed to cap the price of russian oil at USD 44.1 per barrel for 12 months. Another review could have led to an increase in the price cap due to rising global oil prices caused by the conflict in the Middle East; therefore, freezing the mechanism is intended to prevent an increase in russia's revenues resulting from price fluctuations on the global market.
- A ban on transactions with a number of oil and cryptocurrency companies;
- Restrictions against 94 russian financial institutions (banks, moscow exchange);

Source:

- https://www.reuters.com/business/finance/eu-ambassadors-agree-21st-sanctions-package-against-russia-eu-diplomats-say-2026-07-23/

The EU is considering a change in its approach to sanctions against russia after Greece blocked the adoption of the 21st package, seeking an exemption for its LNG carriers. The EU is currently working on a mechanism that would allow sanctions to be adopted in separate thematic blocks rather than as large packages. This is intended to make it more difficult to use the veto to protect national businesses that continue to cooperate with russia. The 21st package may be the last in its current format, as the practice of large-scale packages is increasingly being blocked by individual member states. The new approach is intended to prevent situations where a single country's objection delays the entry into force of all sanctions at once.

Source:

- https://www.ft.com/content/33c2e340-8964-4124-b0d7-21851a5d8dcb

As part of its 21st sanctions package, the EU has introduced a mechanism that allows for the confiscation and sale of oil from detained "shadow fleet" tankers. EU countries will be able to sell the seized cargo to third parties, and the proceeds will not be transferred to russian individuals or legal entities.

Source:

- European capitals approve sale of confiscated Russian oil | Euractiv

The EU sanctions against russia

The 21st package of sanctions against russia has been approved

As part of its 21st sanctions package, the EU imposed restrictions on 5 oil refineries in russia and Belarus, as well as 19 other companies in the oil sector. The sanctions target the Kuibyshev and Novokuibyshevsk refineries in Samara, the Anzher refinery and the Sevkuzbass refinery, as well as the Mozyr refinery in Belarus. A separate entity established to sell Belarusian fuel to the russian market was also targeted by the sanctions. Following Ukraine's massive strikes on russian refineries and the onset of the fuel crisis, russia sharply increased its fuel imports from Belarus. Sanctions have been imposed against Lukoil-Marinebunker, Inter RAO, entities affiliated with Slavneft, and the Samara division of Tatneft. The EU has imposed sanctions (to take effect in 6 months) against Georgia's only oil refinery in the port of Kulevi for using russian crude oil and exporting petroleum products produced from russian raw materials.

Source:

- https://x.com/kajakallas/status/2080226546753605866
- https://www.reuters.com/business/energy/eu-sanctions-georgian-refinery-processing-russian-crude-2026-07-24

The Council of the EU has imposed sanctions against one individual and five russian companies linked to the defense industry. The restrictions were imposed in response to russia's ongoing aggression against Ukraine, in particular the massive attacks on Kyiv on the nights of July 1, 2, and 5, 2026. The sanctions list includes five companies from the ABS Electro group that develop and manufacture electronic components for russian UAVs. Irina Kharisova, chair of the board of directors of ABS Electro, was also added to the sanctions list. The sanctions include an asset freeze, a ban on the provision of funds or economic resources, a ban on entry into the EU.

Source:

- https://x.com/kajakallas/status/2085646619152654576
- https://www.consilium.europa.eu/en/press/press-releases/2026/07/17/russian-military-industrial-complex-eu-agrees-six-listings-related-to-deadly-strikes-on-kyiv/?utm_source=brevo&utm_campaign=AUTOMATED%20-%20Alert%20-%20Newsletter&utm_medium=email&utm_id=3318

As part of its 21st sanctions package, the EU added the cryptocurrency exchange HTX (formerly Huobi) to its sanctions list, accusing it of facilitating the circumvention of sanctions imposed against russia. HTX was included in a list of 18 companies that, according to the EU, provided cryptocurrency services that helped russian users circumvent international financial restrictions. At the same time, the EU sanctions do not call for a complete shutdown of the exchange's operations or a freeze on its assets, but they do significantly restrict European companies' cooperation with the platform. Earlier, in May 2026, the UK had already imposed sanctions against HTX, calling the exchange part of a "shadow financial system" that supports russia's war economy.

Source:

- https://www.reuters.com/business/finance/crypto-exchange-htx-included-eus-russia-sanctions-2026-07-24/

The UK sanctions against russia

Cyber activities and chemical weapons

The United Kingdom continued to expand and refine its sanctions framework relating to russia throughout July 2026, with measures primarily focused on cyber activity, chemical weapons and targeted designations. The developments remain relevant to energy-sector businesses because of potential exposure to sanctioned counterparties, technology and service providers, financial institutions, shipping networks and other intermediaries.

Cyber-related sanctions. The United Kingdom in coordination with the European Union, introduced its first joint cyber sanctions package targeting russian state actors and criminal proxies involved in malicious cyber activity on 13 July. The United Kingdom added 13 individuals and one entity to its sanctions list under the cyber sanctions regime, alongside a further 10 individuals under the russia regime. The measures target actors connected with cyber-attacks and activities supporting russian state objectives.

Chemical-weapons. The United Kingdom designated seven individuals and two entities under the Chemical Weapons (Sanctions) (EU Exit) Regulations 2019 on 6 July. The designations concerned russian actors allegedly involved in the research, development and production of Novichok nerve agents and epibatidine associated with the poisonings of Alexei Navalny and Dawn Sturgess.

Shipping and maritime. As we mentioned above on 7 July, the United Kingdom revoked the shipping specification for Zangazur (IMO 9420617), meaning that the vessel was no longer subject to the relevant United Kingdom shipping sanctions.

Licensing developments. The United Kingdom, on 13 July, extended the General Licence concerning non-designated third-party brokerage accounts held at designated brokerage firms from 16 July 2026 to 16 July 2027. OFSI also continued to update its licensing guidance during the month, including guidance concerning basic-needs allowance licences.

Sources:

- https://www.gov.uk/government/news/uk-and-eu-strike-russian-cyber-networks-with-new-sanctions
- https://assets.publishing.service.gov.uk/media/6a54c3d29e9c95844ae64d88/Brokerage_GL_INT_2025_6641960_Publication_Notice.pdf
- https://assets.publishing.service.gov.uk/media/6a4ce4227abea59ac13fd2dc/Sanctions_Notice__Russia__7_July_2026.pdf
- https://www.gov.uk/government/news/uk-sanctions-russians-developing-chemical-weapons-used-to-kill-alexei-navalny-and-dawn-sturgess

The U.S. sanctions against russia

Adoption of a draft law to strengthen sanctions against russia

The U.S. Senate passed a draft law by an overwhelming majority to significantly strengthen sanctions against russia and Iran. The bill now goes to the House of Representatives for consideration, with a vote expected after August 31. The bill significantly increases economic pressure on russia and Iran and authorizes the U.S. President to impose tariffs of up to 100% on countries that are major buyers of energy resources from russia (India, Japan, and some EU countries) and to impose a blanket tariff of 500% on russian goods imported into the U.S. Additionally, the U.S. President will be able to determine independently when to lift such tariffs. The new authority to impose tariffs will remain in effect for five years. The draft law will also extend the Iran Sanctions Act of 1996 through 2031 and impose secondary economic sanctions on non-U.S. companies doing business with Iran; the Act was set to expire this year.

Sources:

- US Senate passes Russia sanctions championed by Graham; US House next | Reuters
- US Senate Passes Russia Sanctions Bill Targeting China, India Oil Buyers - Bloomberg

The U.S. nuclear power industry continues to rely heavily on russian enriched uranium, which is used in nuclear power plants that account for 20% of U.S. electricity generation. This complicates efforts to fully phase out russian uranium by 2028. In 2025, U.S. nuclear power plants purchased 3.28 million uranium separation work units (SWUs) from russia, accounting for 26% of all purchases of uranium enrichment services (in 2015, this share was 17%). Overall, 77% of these services were provided by foreign suppliers in 2025, with russia remaining the largest among them. A law passed in the U.S. in 2024 bans the import of russian uranium but allows the Department of Energy to grant temporary exemptions. These authorities will remain in effect no later than January 2028. This arrangement creates additional risks for the U.S. nuclear industry, as supplies depend simultaneously on U.S. permits and russian export licenses.

Source:

- https://www.bloomberg.com/news/articles/2026-07-30/kremlin-still-key-for-us-atomic-power-despite-looming-import-ban

The U.S. reinstated sanctions against Iranian oil following attacks on three tankers that were struck in the Strait of Hormuz. Oil prices rose by more than 5% following the announcement of the sanctions. In June, the U.S. Treasury Department's OFAC authorized the sale of Iranian oil through August 21 as part of a fragile agreement between the U.S. and Iran. The revocation of this authorization shortens that period to July 17, 2026.

Source:

- https://ofac.treasury.gov/recent-actions/20260707

Use of frozen russian assets and financing in favor of Ukraine

The EU and G7 support for Ukraine

The IMF Executive Board has completed the first review of the Extended Fund Facility (EFF) program, enabling Ukraine to access the second tranche — USD 690 million — to finance the state budget. Total disbursements under the program have already reached USD 2.2 billion — about a quarter of the planned four-year package of USD 8.1 billion. Overall, since 2022, the state budget has received USD 15.6 billion in financial assistance from the Fund. The positive review of the IMF program is an important signal that Ukraine is fulfilling its obligations and can count on further financial support. The program calls for the implementation of a prudent fiscal policy, strengthening revenue mobilization, and creating a level playing field for taxpayers.

Source:
- IMF Executive Board Completes First Review of Ukraine's Extended Fund Facility Arrangement and Concludes 2026 Article IV Consultation

Ukraine has received another tranche of 3.47 billion EUR from the EU as part of the Ukraine Support Loan. The funds will be used to strengthen defense capabilities and finance priority needs. The funds are part of a EUR 90 billion loan approved by the EU earlier this year. In total, EUR 45 billion are earmarked for Ukraine under this mechanism in 2026. As of today, EUR 11.6 billion have been disbursed: EUR 3.2 billion for budgetary needs and EUR 8.4 billion for defense.

Source:
- Telegram: View @Koretskyi_official

The Council of the EU approved amendments to the Ukraine Facility program, increasing funding for Ukraine for 2026 by EUR 8.3 billion. The program had to be revised due to the consequences of the full-scale war. At the same time, Ukraine must meet additional conditions: a list of reforms on which the disbursement of funds depends, including an increase in the number of program performance indicators from 146 to 173; the introduction of 27 new quantitative and qualitative indicators, 10 of which require the adoption of fundamentally new laws; and a review of 34 previously approved reform milestones.

Source:
- data.consilium.europa.eu/doc/document/ST-10767-2026-INIT/en/pdf

The EU will provide Ukraine with an additional 1.4 billion euros, which will be financed using proceeds from frozen russian assets. The funds will be used to strengthen the country's defense and resilience. The decision to allocate the funds was made following another wave of russian attacks on Ukraine's civilian infrastructure.

Source:
- Ursula von der Leyen в X: «Once again we wake up to the news of horrible atrocities by Russia through its aerial attacks on Ukraine. Russia must pay for the destruction it has caused.

The impact of the conflict in the Middle East on global energy supplies

The impact of the conflict on energy prices and supplies

Greek shipping companies have earned nearly USD 4 billion over the past three years from transporting russian oil (including Dynacom Tankers, which has earned USD 915 million since July 2023; Olympic Shipping, which has earned USD 404 million; and Stealth Maritime and Polembros Shipping, which have each earned more than USD 200 million). Of the 20 shipping companies that have earned the most from transporting russian oil since the sanctions were imposed, eight are Greek. In May 2026, Greek shipowners accounted for 15% of russian oil exports. Despite the sanctions, russia still relies on foreign carriers to export its oil, and revenues from energy sales are largely sustained by these very logistics services.

Source:

- https://www.ft.com/content/d8518934-3618-43dc-af91-63a948c9bae3

In early July, Saudi Aramco announced the largest reduction in the official price of its main export crude for Asian buyers in the past 26 years. The plan was to lower the price by 11 USD per barrel in August (a 1.5 USD discount relative to regional grades). The decision was made following the resumption of shipping through the Strait of Hormuz and the return of large volumes of Middle Eastern oil to the market. This directly intensifies competition for buyers in Asia - primarily China and India, which account for 90% of russia's seaborne oil exports. At the same time, OPEC+ countries are ramping up production, and exports through the Strait of Hormuz have rebounded to 12 million bpd. The increase in supply has led to a drop in global prices—the price of Brent fell to USD 72 per barrel, while Urals dropped to USD 40 per barrel in early July—USD 19 below the price set in the russian budget.

Source:

- https://www.bloomberg.com/news/articles/2026-07-06/saudis-make-biggest-oil-price-cut-in-decades-as-market-weakens

Crude oil exports from the Persian Gulf countries were largely stable in July and remained 40% below pre-war levels. Signs of a slowdown emerged in the second half of the month as fighting in the region intensified again. Stable export levels eased concerns about sharp disruptions in supply and helped offset the decline in global oil inventories. Crude oil exports from Saudi Arabia, the UAE, Iraq, Kuwait, and Iran rose by 2% from June to an average of 10.7 million bpd in July. Additionally, over the past two months, the UAE has shipped more oil through the Strait Hormuz than any other producer.

Sources:

- https://www.bloomberg.com/news/articles/2026-07-06/saudis-make-biggest-oil-price-cut-in-decades-as-market-weakens
- https://www.bloomberg.com/news/articles/2026-08-06/uae-s-adnoc-defies-hormuz-risks-to-keep-crude-flowing-to-global-market?srnd=phx-industries-energy

The impact of the conflict in the Middle East on global energy supplies

The impact of the conflict on energy prices and the U.S. supplies

In July 2026, U.S. crude oil exports fell to 3.66 million bpd—the lowest level in the past 8 months. A brief peace agreement between the U.S. and Iran in June temporarily increased Middle Eastern oil supplies and reduced demand for U.S. oil. The U.S. solidified its status as the world's largest exporter in 2026 after the war with Iran sharply reduced supplies from the region. Exports to the EU fell to 1.7 million bpd in July from 2.5 million bpd in May. Refinery utilization in July stood at 96.3%—the highest level since 2018. Exports are also expected to rise in August and September. The WTI-Brent spread stood at USD 5.42 in July. The U.S. may be forced to increase exports even further if the military conflict in the Middle East escalates. U.S. export capacity is estimated at 6 million bpd.

Source:
- https://www.reuters.com/business/energy/us-oil-exports-july-fall-lowest-level-eight-months-data-shows-2026-08-03/

In July 2026, the United States did not import a single barrel of oil from Saudi Arabia for the first time since 1985. Supplies were disrupted due to military operations and export blockades in the Strait of Hormuz, which caused prices for Middle Eastern oil to rise significantly, forcing U.S. refineries to seek alternative suppliers. As recently as early 2026, the U.S. was purchasing over 800,000 bpd of Saudi oil. However, the decline in supplies may prove to be temporary — imports in August are expected to reach 300,000 bpd*, which is in line with average levels.

Source:
- https://www.bloomberg.com/news/articles/2026-08-06/saudi-crude-shipments-to-us-plunge-to-zero-as-oil-refiners-pivot

* bpd - barrels per day

The war in Iran, which has disrupted supplies in global energy markets, is driving investment in new LNG export infrastructure in the United States. It is estimated that by 2027, an additional 30 million metric tons of annual LNG export capacity will be authorized, and by 2031, U.S. LNG exports will account for 25% of domestic gas demand, up from 13% in 2026. LNG is set to become the second-largest net export sector in the U.S. within five years, adding USD 1.4 trillion to GDP by 2040. In 2025, the country became the first to export more than 100 million metric tons of LNG in a single year, as new plants boosted production. LNG exports from the U.S. may also help stabilize domestic markets during periods of peak demand. In July 2026, 45% of all U.S. exports went to the EU.

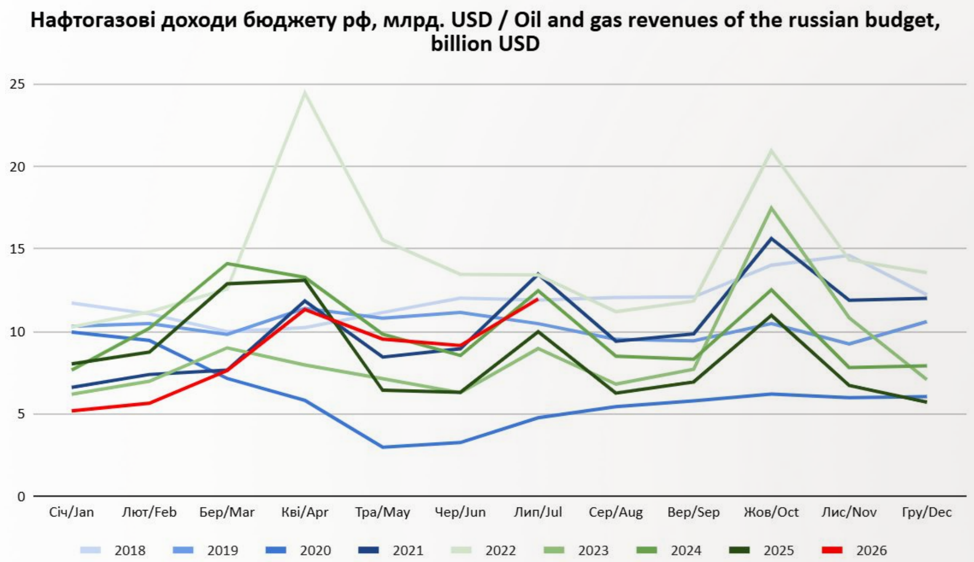
Sources:
- https://www.bloomberg.com/news/articles/2026-07-15/iran-war-drives-new-investment-in-us-lng-s-p-g
- https://www.reuters.com/business/energy/lng-exports-set-add-14-trillion-us-gdp-through-2040-sp-global-energy-study-says-2026-07-16/

Monthly Oil and Gas Revenues of the russian federal budget

July 2026

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. Data from the russian minfin for July 2026 became available, allowing us to track the volume of oil and gas revenues in the russian budget from January 2018 to July 2026.

Oil and Gas Revenues of the russian budget in July 2026 amounted to USD 11.97 billion*, which is within the range of July revenues recorded since 2018. The highest amount of oil and gas revenue in July was recorded in 2021, reaching USD 13.47 billion*. The lowest amount of the revenue was in July 2020 – USD 4.76 billion*. Revenue in July 2026 was USD 2.83 billion* (30.93%) higher than in the previous month USD 9.14 billion* and for USD 3.9 billion* (48.24%) more than average revenue of 2026 – USD 8.07 billion*. It should be noted that oil and gas revenues encompass tax receipts and expenditures on subsidies (e.g. damping, reverse excise, etc). The full graph of monthly changes in oil and gas revenues of the russian budget for the period from January 2018 to July 2026 can be found below.



Oil Revenues of the russian budget from the Mineral Extraction Tax (MET) and export duties in July 2026 amounted to USD 7.49 billion*, USD 3.71 billion* (33.13%) lower than in the previous month (USD 11.20 billion*) and USD 0.21 billion* (2.67%) lower than in the average revenue of the previous months of 2026 (USD 7.70 billion*). The highest amount of July revenues was recorded in 2022, totaling USD 11.92 billion*. The lowest amount during the monitoring period was in July 2020, with revenues of USD 3.15 billion*.

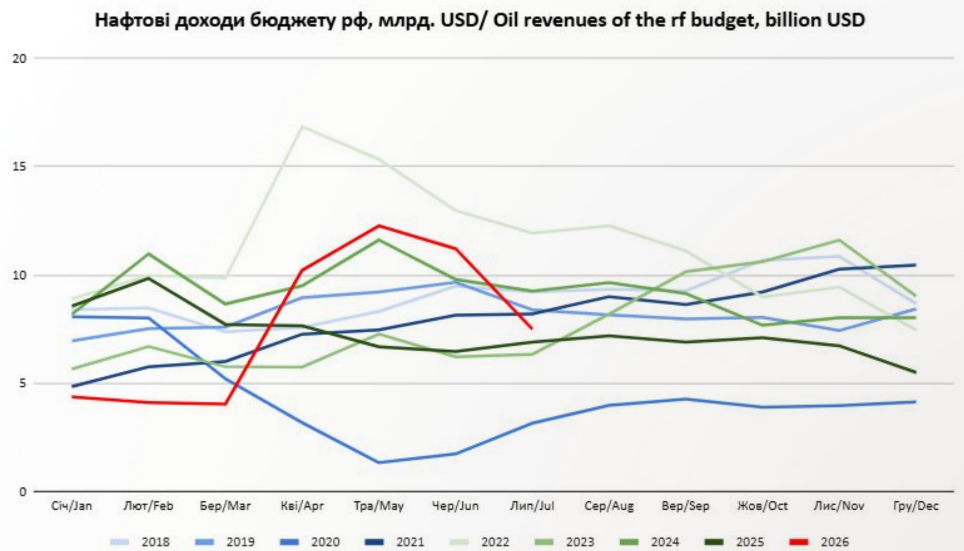
*According to rf ministry of finance and at the rf central bank exchange rate of the russian RUB to the USD as of the 25th day of the respective month.

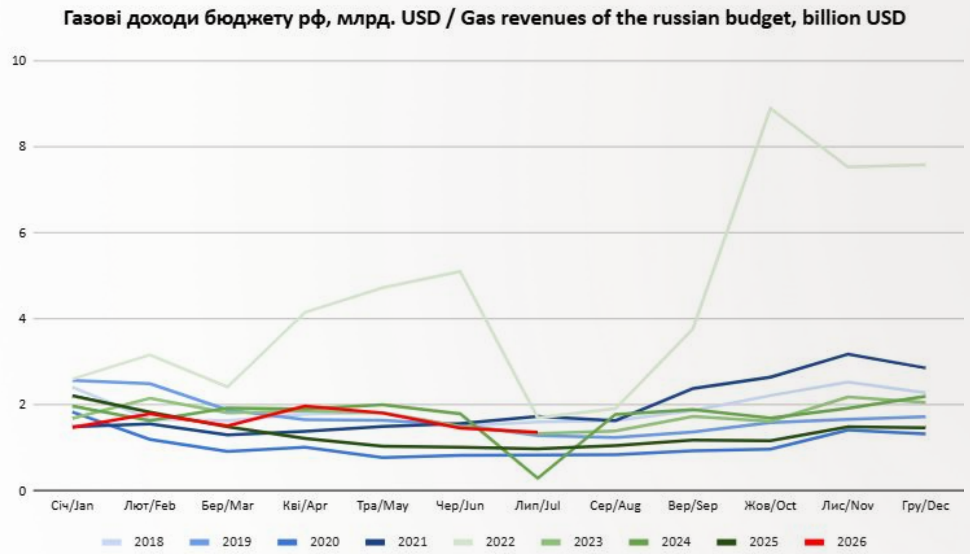
Monthly Oil and Gas Revenues of the russian federal budget

July 2026

Gas Revenues of the russian budget from the mineral extraction tax and export duty in July 2026 amounted to USD 1.35 billion*. The highest amount of revenue in July was in 2022 and amounted to USD 1.72 billion*. July revenue was for USD 0.10 billion* (6.99%) lower than in the previous month (USD 1.45 billion*) and USD 0.31 billion* (18.65%) is lower than the average revenue of the previous months of 2026 (USD 1.67 billion*). The lowest amount of July revenue within the selected monitoring period was in 2024 - USD 0.29 billion*.

The charts showing the changes in monthly oil revenues and gas revenues of the russian budget for the period from January 2018 to July 2026 are presented below.





Note: tax revenues from the Mineral Extraction Tax (MET) depend on global oil prices, not solely on oil production.

*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.

Cumulative Oil and Gas Revenues of the russian federal budget

January–July 2018–2026

Cumulative oil and gas revenue of the russian budget for seven months of 2026 amounted to USD 60.42 billion*, it was USD 5.08 billion* (7.76%) lower than in the corresponding period 2025 (USD 65.50 billion*) and USD 13.34 billion* (18.09%) lower than the average revenue for the corresponding periods from 2022 to 2025 (USD 73.76 billion*). The maximum amount of the revenue for the corresponding period was in 2022 - USD 100.92 billion*. The lowest amount of the revenue for the corresponding period was in 2020 - USD 43.39 billion*. It should be noted that oil and gas revenues encompass tax receipts and expenditures on subsidies (e.g. damping, reverse excise, etc). 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.

Cumulative oil revenue of the russian budget from the mineral extraction tax (MET) and export duty for the first seven months of 2026 amounted to USD 53.68 billion*, it was USD 0.09 billion* (0.17%) lower than in the corresponding period of 2025 (USD 53.77 billion*) and USD 9.11 billion* (14.50%) lower than the average revenue for the corresponding periods from 2022 to 2025 (USD 62.78 billion*). The highest amount of the revenue for the corresponding period was in 2022 and amounted to USD 85.77 billion*. The lowest amount of the revenue for the specified period was in 2020 - USD 30.66 billion*.

Note: tax revenues from the Mineral Extraction Tax (MET) depend on global oil prices, not solely on oil production.

*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.

Cumulative Oil and Gas Revenues of the russian federal budget

January–July 2018–2026

Cumulative Gas revenues: the russian budget gas revenue from the mineral extraction tax and export duty for the first seven months of 2026 amounted to USD 11.34 billion*, it was USD 1.59 billion* (16.30%) lower than the revenue of corresponding period of 2025 (USD 9.76 billion*) and USD 2.96 billion* (20.69%) lower than the average revenue for the corresponding periods from 2022 to 2025 (USD 14.30 billion*). The lowest amount of the revenue for the corresponding period was in 2020 – USD 7.36 billion*, and the highest – in 2022 – USD 23.83 billion*.
The charts with the changes of the russian budget oil revenues and gas revenues for the corresponding period from 2018 to 2026 are 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 and oil revenues of russian budget in July 2026

Oil and gas revenues of russian budget

Oil and gas revenues to the russian federal budget in July 2026 rose by 18.6% year-over-year and by 36.6% compared to June, due to high oil prices and the payment of the tax on additional income (TAI). Oil and gas revenues totaled 934 billion rubles, which is nearly 147 billion rubles higher than in July 2025 and 250.4 billion rubles more than in June 2026. Excluding TAI, July revenues were 148.5 billion rubles, or 21.6%, lower than in June.

Despite the surge in revenues in July, russia's budget remains in deficit. Budget costs on compensation to oil refiners have decreased. Costs related to the excise tax on crude oil fell to 79.8 billion rubles from 101.9 billion rubles in June, while payments under the fuel price cap program fell to 113.0 billion rubles from 210.6 billion rubles.

Since the beginning of 2026, the budget has received 4.6 trillion rubles in oil and gas revenues, which is 16.8% less than in January–July 2025. Over seven months, the budget collected 51.5% of the annual target of 8.92 trillion rubles.

Thus, even the temporary rise in oil prices due to the war in the Middle East was unable to offset the decline in oil revenues. The budget deficit persists, and dependence on one-time tax revenues only underscores the deterioration of finances.

Source:
- https://ua.korrespondent.net/world/russia/4900208-naftohazovi-dokhody-rf-u-lypni-zrosly-na-19

According to a forecast by the federal tax service, russia risks losing nearly 2 trillion rubles in oil and gas revenues in 2026 due to a decline in exports and oil prices. The reasons include a simultaneous decline in production, lower export prices for russian oil, and a less favorable exchange rate for converting foreign currency revenues. The government has partially offset the losses in oil and gas revenues by relying on the domestic economy. The budget deficit is effectively being passed on to businesses and consumers through the tax burden. However, this mechanism is beginning to run its course. The tax service already expects to fall short of its corporate income tax collection target by the end of the year, indicating a deterioration in the financial condition of businesses in russia. The russian budget is under dual pressure: oil and gas exports are generating ever-decreasing revenues, and the domestic economy is no longer able to fully offset these losses.

Source:
- https://ru.themoscowtimes.com/2026/08/05/neftegazovye-dokhody-byudzheta-rf-v-iyule-vyrosli-na-19-gg-sokratili-otstavanie-ot-25g-a202715

Impact of sanctions on russian oil sector in July 2026

Status of oil exports and extraction from russia

In July, G7 vessels accounted for 36.2% of crude oil exports from russia, or 4.3 million bpd. This is the highest share in the past year and marks the fourth consecutive month of growth. Greek shipowners played a key role — in July, they transported 26.4 million barrels of oil from russia, compared to 24.9 million in June — the highest monthly volume in three years. This was driven by a sharp drop in the price of Urals crude in early July, which briefly fell below the price cap.

Source:

- https://www.spglobal.com/energy/en/news-research/latest-news/crude-oil/080726-g7-tankers-share-in-russia-hits-one-year-high-in-july-on-higher-greek-shipments

russia is increasing its oil exports via the Arctic in an effort to circumvent the risks of shipping through the Red Sea and speed up deliveries to Asia. Although maritime exports remained at 4 million barrels per day for five consecutive weeks in July, using the Arctic route does not increase shipment volumes; it merely shortens delivery times and allows tankers to return more quickly for new loads. To navigate the Northern Sea Route, tankers require an escort of nuclear-powered icebreakers. Redirecting oil flows through the Arctic is forcing russia to restructure its oil export logistics, using more expensive and complex routes, which increases dependence on a specialized icebreaker fleet and raises transportation costs.

Source:

- https://gcaptain.com/russia-assembles-unprecedented-arctic-oil-convoy-to-bypass-global-shipping-hotspots/

Ukraine has escalated its strikes against tankers in russia's "shadow fleet" and intensified its campaign to disrupt fuel logistics in the Azov and Black Seas. Throughout July, major russian oil refineries, oil tankers, and offshore and onshore pipeline infrastructure were hit by at least 30 attacks. This is the second-highest monthly total since the start of the full-scale war.

In just four days in mid-July, the number of vessels hit rose to 36, including 32 tankers from the "shadow fleet." Ukraine continues to carry out systematic strikes against russia's fuel infrastructure. The attacks have already led to a nationwide shortage and forced russia to ban the export of all types of fuel in order to preserve reserves for the country.

Russian Crude at Sea

The amount of Russian crude loaded onto tankers but not yet discharged

Note: Figures include oil in transit and on ships that have been stationary for more than a week.
Source: Vessel tracking data compiled by Bloomberg

Source:

- https://www.reuters.com/world/europe/ukraine-says-it-hits-more-russian-fuel-tankers-crimea-campaign-intensifies-2026-07-09/

Impact of sanctions on russian oil sector in July 2026

Status of oil exports and extraction from russia

In July, russia increased its oil production by 100,000 bpd—to over 9 million bpd—compared to June 2026. However, this trend may change as early as August. New Ukrainian UAV strikes on oil refineries and a shortage of tankers in the Black Sea are complicating exports and may force russia to cut production. Despite attempts to increase August exports from western ports by 4%, further strikes on infrastructure and transportation risks cast doubt on rf ability to maintain current exports levels.

Source:

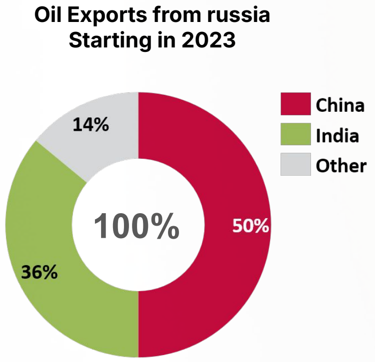
- https://www.reuters.com/business/energy/russias-oil-output-rises-july-firm-exports-refinery-run-recovery-sources-say-2026-08-06/

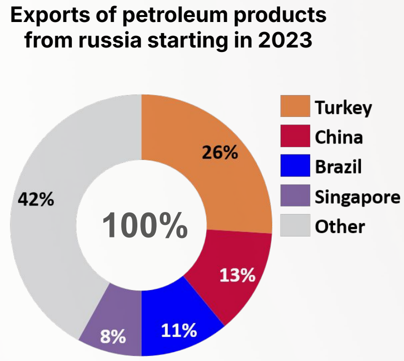
russian crude oil exports fell to their lowest level since late May. Average shipments for the four weeks ending August 9 dropped to 3.71 million bpd. The decline followed a temporary surge in exports caused by sustained Ukrainian strikes on russian refineries. Due to the shutdown of refining capacity, some of the oil that russian refineries could not process was diverted for export. At the Novorossiysk oil port, transshipment volumes were half of their peak levels. Shipments through the port of Ust-Luga were also significantly below their peak levels.

Source:

- https://www.bloomberg.com/news/articles/2026-08-11/russia-s-crude-oil-exports-tumble-to-their-lowest-since-may

Oil refining volumes in russia fell to 3.6 million bpd in July—the lowest level since May 2002. Due to ongoing damage to refineries (24 attacks), russia is forced to increase exports of crude oil that it cannot process domestically, as well as to accumulate surpluses. In addition, russia plans to process its oil at refineries in Kazakhstan due to a shortage of domestic capacity.





Sources:

- https://www.bloomberg.com/news/articles/2026-08-03/ukraine-s-shifting-strikes-deepen-uncertainty-around-russian-oil
- https://www.reuters.com/business/energy/kazakhstan-talks-process-russian-crude-amid-russia-fuel-shortages-2026-07-30/

Impact of sanctions on russian LNG sector in July 2026

Status of LNG export from russia

In the first half of 2026, EU countries imported a record volume of LNG from the Novatek "Yamal LNG" project—practically the plant's entire output—just a few months before the EU ban on supplies will take effect. Purchases totaled 9.89 million metric tons—an 18% increase compared to the same period in 2025. The value of the shipments was EUR 6 billion. The largest buyers were France (3.6 million metric tons), Belgium (2.9 million metric tons), and Spain (2.7 million metric tons). Current EU regulations already prohibit the purchase of russian LNG under short-term contracts—each shipment requires confirmation from the importing country's customs authorities that the transaction was concluded as part of a long-term agreement.

Source:

- https://www.reuters.com/business/energy/eu-imports-record-lng-volumes-russias-biggest-plant-2026-07-13/

In July 2026, Belgium sourced LNG exclusively from russia (approximately 0.4 million metric tons). This had previously been observed only in early 2021. The change in the supply structure was caused by hostilities in the Middle East, which disrupted traditional LNG supply routes to the EU and Asia. The country continues to receive pipeline gas from Norway and the United Kingdom, but these volumes are insufficient to meet domestic demand. This situation sets an awkward precedent for the EU Commission, given the ban on short-term contracts with rf suppliers—in effect since April—and the upcoming full embargo on LNG imports from rf starting in January 2027. Meanwhile, actual purchases have not decreased but have actually increased.

Source:

- Iran War Made Belgium Wholly Dependent on Russia for LNG in July - Bloomberg

The Greek shipping company Dynagas will be allowed to continue transporting russian LNG to third countries for 12 months as part of a compromise with other EU countries regarding the imposition of new sanctions against russia; however, volumes will be capped at 2025 levels. In return, Greece agreed to extend the price cap on russian oil at USD 44.10 per barrel for one year, with the aim of limiting russia's revenue from fossil fuel sales. Greece demanded an exemption from this measure for any contracts signed before February 2022 as a condition for agreeing to the latest sanctions targeting other russian export goods, and also demanded an exemption from the ban on LNG transit for the "Dynagas," which operates 27 gas tankers. Among them are tankers built to operate around the russian "Yamal LNG" plant. As a result, Greece delayed approval of the 21st package of EU sanctions against russia for over a week.

Source:

- https://www.ft.com/content/3a40d574-41fe-4e04-a958-1173bb07f064?syn-25a6b1a6=1
- https://www.reuters.com/business/energy/greece-says-eu-sanctions-against-russia-risk-ceding-lng-market-share-rivals-2026-07-17/

Impact of sanctions on russian LNG sector in July 2026

Status of LNG export from russia

On January 1, 2027, a complete ban on long-term imports of russian LNG will take effect. The ban will also be extended to pipeline gas in 2027. However, the EU risks entering the heating season with its lowest gas reserves in 15 years due to the suspension of shipping through the Strait of Hormuz and the anticipated ban on the purchase of russian LNG. The EU continues to play a significant role in supporting the operation of russia's flagship energy facility. Despite the EU's official refU.S.l to purchase energy resources from russia, such purchases continue at a record pace. Companies are maximizing the permitted volume of contracts.

Source:

- https://www.ft.com/content/de9bbc3a-c317-4e5f-a324-6ec0dde45722

The EU has allowed France's TotalEnergies to continue selling russian LNG from the Yamal LNG project to customers in Asia, easing planned restrictions on its shipment to third countries. TotalEnergies holds a 20% stake in the Yamal LNG project. This new relaxation will allow the company to maintain its existing contracts with buyers in Asia, despite the EU's ban on imports of russian LNG under long-term agreements starting at the end of 2026. The EU explained the exception by noting that, following a ban, shipments would quickly shift to Chinese operators, and russian export volumes would not decrease. Uncertainty surrounding the sanctions could force the company to completely halt supplies from Yamal LNG. Once the new package is approved, sales outside the EU may continue with the involvement of EU-flagged gas carriers.

Source:

- https://www.ft.com/content/0ee947e4-0b2a-48e4-93de-2c7985662f14?syn-25a6b1a6=1

TotalEnergies is withdrawing from the russian Arctic LNG 2 project, transferring its 10% stake to Nordline, a subsidiary of Novatek. The russian authorities have already approved the transfer of the stake, and the deal is expected to be finalized shortly. Following the imposition of U.S. sanctions against Arctic LNG 2 in November 2023, Novatek approached TotalEnergies with a proposal to transfer the stake. This decision is fully in line with TotalEnergies' interests. Back in 2022, the company wrote off USD 4.1 billion in project costs, and in 2023, it invoked force majeure regarding its participation. After 2022, the company maintained its participation in key russian LNG projects; however, the tightening of EU sanctions starting in 2027 forced the company to finally withdraw from Arctic LNG 2. The withdrawal of one of the largest Western investors further complicates the prospects for Arctic LNG 2, which is already subject to strict U.S. sanctions and faces challenges with exports and the servicing of carriers.

Source:

- https://www.reuters.com/business/energy/totalenergies-exit-arctic-lng-2-plant-russia-ceo-says-2026-07-23/

Impact of sanctions on russian fuel sector in July 2026

Fuel production and exports from russia

russia has extended its ban on the export of gasoline, diesel fuel, and gas oil through January 31, 2027. The reason is a fuel shortage in russian domestic market resulting from Ukraine's airstrikes on oil refineries. russia imposed a ban on diesel fuel exports from July 8 to July 31 as part of a broader package of measures to support the domestic fuel market. Restrictions on gasoline and aviation fuel exports were introduced even earlier.

Source:

- https://www.reuters.com/business/energy/russia-extends-diesel-gasoline-export-bans-until-end-january-2027-2026-07-30/

Exports of russian petroleum products fell sharply in July due to a drop in refinery utilization rates and a ban on fuel exports. Seaborne exports fell by 54,7% compared to July 2025, while daily volumes dropped by 33,3% compared to June. Diesel fuel shipments saw the sharpest decline — down 65% over the month. russian refineries continue to operate intermittently due to the effects of Ukrainian strikes, emergency shutdowns, and repairs. russia, one of the largest exporters of diesel fuel, is now forced to import finished fuel from South Korea, India, and Morocco.

Source:

- https://www.reuters.com/business/energy/russian-seaborne-oil-product-exports-dropped-33-july-data-sources-shows-2026-08-13/

Exports of gasoline and diesel fuel from Belarus to russia reached a record high in July. Rail shipments rose by 13% compared to June—to 212,000 metric tons—while diesel fuel shipments doubled, reaching 162,000 metric tons. Belarus supplies russia with fuel from its two refineries, which process russian crude oil and have a combined capacity of 24 million metric tons per year (480,000 barrels per day). From January through July 2026, gasoline exports from Belarus to russia increased 25-fold compared to the same period in 2025, reaching 665,000 metric tons, while diesel fuel shipments increased sevenfold to 418,000 metric tons. In early July, gasoline production in russia fell to 65% of seasonal consumption, while diesel production dropped to the level of domestic demand due to Ukrainian strikes on oil refineries.

Source:

- https://www.reuters.com/business/energy/gasoline-diesel-exports-belarus-russia-hit-new-record-high-july-sources-say-2026-08-05/

Fuel shortages at rf gas stations are worsening following a new wave of Ukrainian strikes on oil refineries. Restrictions on gasoline sales reported in at least 16 rf regions. The new attacks are forcing authorities to impose direct restrictions on consumers. As of end July, rf had still not been able to fully restore 18 of its 26 major oil refineries.

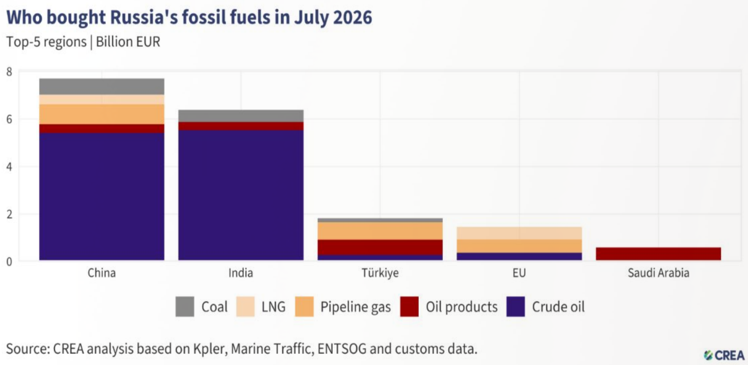
Source:

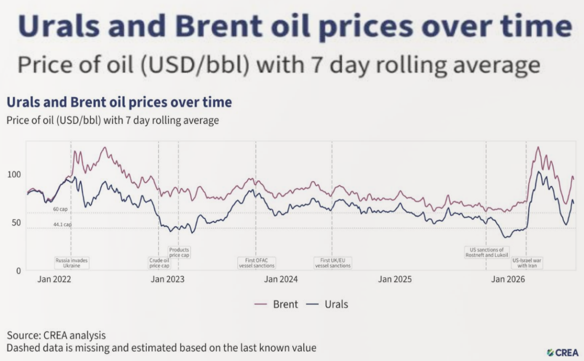
- https://ru.themoscowtimes.com/2026/08/11/v-16-regionah-vozobnovilis-problemi-s-benzinom-na-zapravkah-a203227

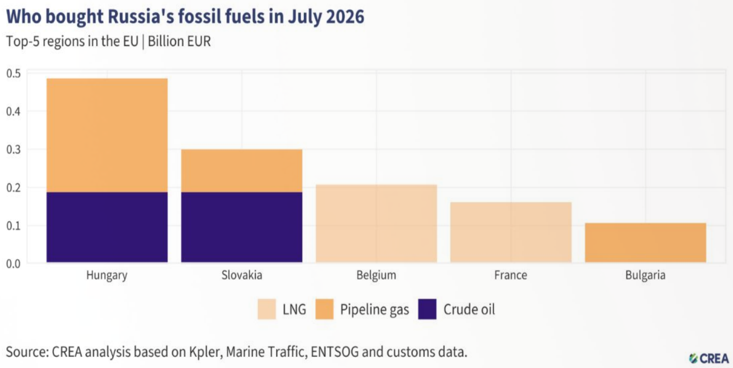
Impact of sanctions on russian energy sector in July 2026

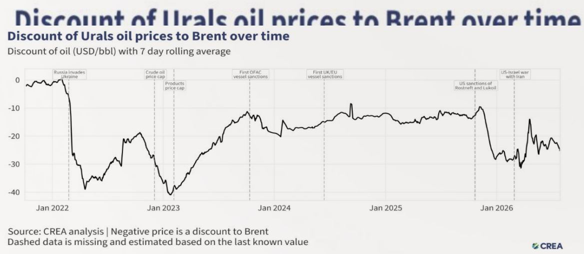
Analysis of russian fossil fuel exports

- In July, russia's fossil fuel export revenues fell by 12% month-on-month to EUR 683 mn per day, even as export volumes remained flat.
- russia's crude oil export revenues were broadly flat, up 1% month-on-month to EUR 392 mn per day. However, this masks a 21% fall in pipeline crude export earnings, offset by a 7% rise in seaborne crude export revenues.
- In July, russian oil product export loadings fell 23% to 4.7 mn tonnes, their lowest level on record and less than half the 9.6 mn tonnes loaded in July 2025.
- russia's LNG export revenues fell sharply by 36% month-on-month, while Belgium sourced all of its LNG imports in July from russia.
- India's imports of russian crude oil reached a record high for the second consecutive month in July 2026, rising by 2.1% month-on-month and valued at EUR 5.5 bn.
- russian LNG imports to France, Spain and Belgium fell by a combined 46% month-on-month. russia supplied 100% of Belgium's LNG imports in July.
- In July, 53% of russia's seaborne oil was transported by 'shadow fleet' tankers under sanctions.









- In July, the price discount of Urals-grade crude oil relative to the global benchmark Brent remained flat at 26%, or USD 21 per barrel.

Source:

- https://energyandcleanair.org/july-2026-monthly-analysis-of-russian-fossil-fuel-exports-and-sanctions/

Other sanctions events

Ukraine

Ukrainian President Volodymyr Zelenskyy has enacted a decision by the NSDC (RNBO) to impose sanctions against suppliers of equipment to the rf defense industry (machine tools and equipment). In total, the sanctions list includes 30 legal entities and 42 individuals.

Source:

- Україна застосувала санкції проти постачальників обладнання для заводів російського ВПК, які виробляють компоненти для ракет — Офіційне інтернет-представництво Президента України

Ukrainian President Volodymyr Zelenskyy has enacted a decision by the NSDC (RNBO) to impose sanctions on 23 companies and 20 individuals linked to weapons production and the supply of the russian defense-industrial complex. Among them are the "Kidma Tech" and the Morozov Plant, which is part of the "Rostec" group.

Source:

- https://president.gov.ua/news/ukrayina-zastosuvala-sankciyi-proti-kompanij-sho-postachayut-105689

Ukrainian President Volodymyr Zelenskyy has enacted a decision by the National Security and Defense Council (RNBO) to impose sanctions against the joint venture "Boryslav Oil Company," which extracts oil and gas in the Lviv region. The sanctions call for the freezing of the company's assets, a complete halt to commercial operations, the suspension of economic and financial obligations, and the prevention of capital flight abroad. The decision also provides for the revocation or suspension of licenses and special permits for subsoil use. The restrictions are in effect for ten years, while some of them are indefinite. "Boryslav Oil Company" holds Special Permit № 1211 for the extraction of oil and natural gas dissolved in oil at the Stynavskyi field in the Stryi District of Lviv Oblast.

Source:

- https://www.president.gov.ua/documents/7042026-60793

New Zealand

The country has announced a new package of sanctions against russia. The restrictions target 33 individuals and companies, including cybercriminals and those involved in the abduction and forced displacement of Ukrainian children. In addition, the sanctions target individuals who contribute to the development of russia's military-industrial complex, representatives of the russian political sphere, as well as entities from North Korea and Iran that "provide support for russia's illegal invasion of Ukraine." Since March 2022, New Zealand has imposed sanctions on more than 2,000 individuals, companies, vessels, and has implemented a series of trade restrictions.

Source:

- https://www.beehive.govt.nz/release/new-zealand-announces-further-sanctions-against-russia

Other sanctions events

India

russia's Rosneft, Gazpromneft, and Lukoil have begun asking India for additional gasoline supplies due to the crisis at refineries caused by Ukrainian drones. Forty percent of russia's oil refining capacity will not be able to resume operations within two months. The supplies are planned to be delivered through international traders; however, representatives of India's three state-owned refineries have stated that they do not have surplus gasoline for export. The situation is unprecedented: India remains the largest buyer of russian oil transported by sea, yet russia is now forced to import finished fuel from India due to a shortage.

Source:
- https://www.reuters.com/business/energy/russia-seeks-more-gasoline-india-after-ukraine-attacks-refineries-sources-say-2026-07-15/

russia imported automotive gasoline from India for the first time, as a series of Ukrainian strikes on oil refineries led to an acute fuel shortage in the domestic market. The first shipment of Indian gasoline arrived in russia on August 5. Further shipments are also expected. The fuel was transported by tankers from a "shadow fleet" linked to russia, with a transshipment off the coast of Egypt.

Source:
- https://www.bloomberg.com/news/articles/2026-08-12/russia-turns-to-india-for-gasoline-as-ukraine-pummels-refineries

Indian refineries continue to actively purchase russian oil, helping exporters maintain high shipment volumes despite U.S. sanctions. In June and July, India imported approximately 2.3 million bpd of russian oil. This allows russia to avoid accumulating unsold inventory and to maintain record-high levels of maritime exports. After restrictions were imposed in 2025, a sharp drop in exports was expected; however, the use of intermediaries has made it possible to maintain high shipment volumes. The main reason for the steady demand is the sharp drop in the price of russian oil, which is currently half of its mid-April peak, making russian crude particularly attractive to Indian refineries.

Source:
- India's Refiners Come to the Rescue of Russia's Oil Exporters - Bloomberg

India's Reliance Industries significantly increased its diesel exports to the EU in July amid a global shortage caused by the war between the U.S. and Iran and russia's ban on diesel exports. In July, 4–5 million barrels of diesel were shipped to the EU (the highest figure in the last 10 months). The increase in Indian supplies comes amid an acute diesel shortage in the EU. The production margin for diesel has reached a record high of USD 74 per barrel, while inventories have fallen to 2014 levels.

Source:
- https://www.reuters.com/business/energy/indias-reliance-ramps-up-diesel-exports-europe-brazil-july-sources-say-2026-07-30/

Other sanctions events

China

Negotiations between russia and China on the construction of the "Power of Siberia 2" gas pipeline—which russia viewed as a replacement for the lost EU market—have reached an impasse. China is willing to sign an agreement only on the condition that russian gas be supplied at the domestic price in russia—$50 per thoU.S.nd cubic meters. For Gazprom, this would mean selling gas at a price significantly below export prices and effectively subsidizing the new pipeline. Even under current contracts, China already purchases russian gas at a substantial discount: the price in 2026 is $258.8 per thoU.S.nd cubic meters, which is 39% lower than for other foreign buyers. In 2027, the price is set to drop to $223.9 per thoU.S.nd cubic meters, but China is pushing for an even greater reduction. At the same time, neither the Chinese authorities nor Gazprom have officially announced the suspension of negotiations. A protracted negotiation process is underway, in which China is exploiting russia's dependence to secure the most favorable terms possible.

Source:

- https://www.wsj.com/world/x-putin-junior-partner-df611b88

Some Chinese refineries have increased their purchases of russian ESPO Blend crude—which is subject to sanctions and shipped from the Pacific port of Kozmino—and have also resumed negotiations to purchase Iranian crude, despite reduced discounts, as the latest escalation of the conflict surrounding Iran is disrupting oil supplies from the Middle East. The shipments were sold at a discount of $1 to $3 per barrel relative to the Brent price, whereas the discount on ESPO for August deliveries was $4 per barrel. Despite this, Chinese private refineries are in no hurry to sign new deals. Their refining margins have fallen due to the surge in global Brent crude prices to nearly $100 per barrel. Chinese companies are currently trying to resell the Middle Eastern crude they purchased to buyers in Taiwan and South Korea to make a quick profit.

Source:

- https://www.reuters.com/business/energy/china-refiners-snap-up-september-russian-crude-eye-iranian-oil-mideast-supply-2026-07-23/

China's crude oil imports rose by 22% in July compared to June—to 35.73 million metric tons (or 8.45 million bpd)—rebounding from a nearly decade-long low. The increase was driven by additional oil purchases from russia. Following the temporary resumption through the Hormuz, Chinese refineries ramped up imports; however, a new escalation of hostilities in the Middle East once again created risks for supplies. Shipments from Saudi Arabia declined further due to the re-routing of flows to the Red Sea. China increased its purchases to compensate for the shortage of crude. Due to instability, China's July imports remained lower than the same period in 2025.

Source:

- https://www.bloomberg.com/news/articles/2026-08-07/china-s-crude-oil-purchases-rebound-in-july-from-near-decade-low

Other sanctions events

russia. Sanctions impact on assets

russia is trying to replenish the National Welfare Fund (NWF), but the drop in oil prices is forcing it to draw down reserves once again. From July 7 through August 6, the russian minfin will allocate 123.2 billion rubles to purchase foreign currency and gold. This is the third consecutive month in which the authorities have attempted to partially replenish reserves depleted over the years of war; however, this replenishment is temporary in nature due to a short-term spike in global oil prices caused by the conflict in the Middle East. As of August, the russian minfin will have to halt replenishment of the NWF and resume selling gold from reserves to offset the decline in oil and gas revenues to the budget. During the war, the fund's liquid portion has shrunk threefold—to 3.6 trillion rubles (USD 46.4 billion).

Source:

- https://biz.nv.ua/ukr/finance/minfin-rf-kupuye-valyutu-ta-zoloto-popovnennya-fnb-na-tli-skorochennya-rezerviv-50621978.html

russia faces a banking crisis due to war financing. Banks are forced to lend to defense industry enterprises, government projects, and subsidized mortgage programs, accumulating an ever-increasing volume of risky loans. Debt restructuring and subsidized lending merely mask the true scale of the problems - 10% of corporate loans are already doubtful. At the same time, more than 500,000 russians declared bankruptcy in 2025, nearly one-third more than in 2024, while state programmes encouraged 13 million russians to take out at least 3 loans simultaneously.

Source:

- https://www.reuters.com/business/finance/war-threatens-russian-banking-crisis-european-intelligence-report-says-2026-07-06/

Gazprom shares continued their sharp decline and fell to 84 rubles on July 16, breaking below the level seen during the 2008 global financial crisis. Gazprom shares have become the main driver of the stock market's decline, with investors selling off shares en masse due to the company's deteriorating financial outlook. Pressure on the stock price intensified due to the company's refusal to pay dividends for 2025, insufficient compensation for losses from Asian contracts, and the EU's plans to phase out russian pipeline gas. The decline in the gas monopoly's stock price heightens risks for the federal budget, which depends on revenue from the energy sector.

Source:

- https://www.moex.com/ru/stocks/GAZP

In the first quarter of 2026, investment in the russian economy fell by 14.3%—the worst figure since 2009. The largest companies collectively cut their capital expenditures by 307 billion rubles. Gazprom cut its investments from 411 billion to 376 billion rubles; Rosatom cut its investments from 1.66 trillion to 900 billion rubles; and Novatek's Arctic-2 project saw its investments drop from 87 billion to 46 billion rubles due to sanctions.

Source:

- https://ru.themoscowtimes.com/2026/07/23/putin-potreboval-zapustit-investitsionnii-tsikl-v-ekonomike-posle-zhalob-krupnih-kompanii-na-otsutstvie-deneg-a201560

Other sanctions events

russia. Impact on GDP and the federal budget

russia's federal budget deficit in 2026 could exceed the target by more than 1 trillion rubles (12.85 billion USD). Federal budget expenditures in 2026 are expected to reach 45.11 trillion rubles, instead of the 44.07 trillion rubles stipulated by law. Meanwhile, the revenue forecast remains unchanged at 40.28 trillion rubles. As a result, the budget deficit could rise to 4.83 trillion rubles instead of the planned 3.79 trillion rubles (1.6% of GDP). In the first half of 2026, the federal budget deficit reached 5.73 trillion rubles, or 2.5% of GDP, which is 1.7 times higher than in the same period of 2025. In 2025, the deficit was five times higher than planned, reaching 5.7 trillion rubles (2.6% of GDP)—the highest level since the pandemic.

Source:

- Russia's 2026 budget deficit may exceed plans by $12.85 billion due to higher spending | Reuters

By the end of 2026, russia's economy may face stagflation—a simultaneous decline in GDP and high inflation. The baseline scenario projects a 2% contraction in GDP with inflation at around 7%. As early as the second quarter, economic activity may enter a recession, while inflation will exceed 6%. The main factors contributing to the deterioration of the situation are government spending, the autumn increase in utility rates, and the fuel crisis—all of which are beyond the control of the central bank's policy.

Source:

- https://ua.korrespondent.net/business/economics/4898580-voiennyi-bum-skinchyvsia-ekonomika-rf-vkhodyt-u-stahnatsiui

The tax burden on russia's non-resource-based economy has risen to a 15-year high due to war financing. Non-oil and gas revenues in the consolidated budget reached 31.6% of GDP. The government withdrew 15.8 trillion rubles from the economy—nearly one in every three rubles of quarterly GDP, which totaled 49.9 trillion rubles. The main drivers of the increase in the tax burden were the rise in the corporate income tax rate from 20% to 25% in 2025 and the increase in the VAT rate to 22%—the highest level since the early 2000s. VAT revenues rose to 8.1% of GDP, compared with 6.7% in 2024, while corporate income tax revenues rose to 4.8% of GDP, compared with 4% a year earlier. russia is rapidly depleting all available reserves to finance the war.

Source:

- https://szru.gov.ua/news-media/news/moskva-kompensuie-padinnya-prybutkiv-totalnym-fiskalnym-tyskom

Since the start of the war, russia's national debt has risen by 68%—from 20.9 trillion to 35.1 trillion rubles, or from 15.5% to 18.1% of GDP. According to the current budget, it will rise to 43.7 trillion rubles by the end of 2026 and to 53.8 trillion rubles by 2028. The russian minfin long-term forecast projects the debt burden will rise to 32% of GDP under the baseline scenario and to nearly 70% of GDP if low oil prices persist for an extended period. Debt service accounts for 9.1% of total budget expenditures.

Source:

- https://www.bloomberg.com/news/articles/2026-06-18/russia-piles-up-debt-as-costs-of-war-in-ukraine-outrun-budget

Official sources of sanctions monitoring against russia

Foreign sources:

EU

- 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

U.S.

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

Ukrainian sources:

- MFA of Ukraine: https://mfa.gov.ua/protidiya-agresiyi-rf
- NACP of Ukraine: Санкції
- National Security and Defense Council: https://drs.nsdc.gov.ua/
- Defense Intelligence of Ukraine: Санкції

This monitoring report is an informational and 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.

facebook.com/MinenergoRST