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Russian Oil Tracker

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Summary

- In January 2024, Russian seaborne oil exports volumes remained stable, while the total oil export revenues increased modestly by $0.3 bn to $15.6 bn, driven by slight gains of all Russian crude grades.
- Reliance on Western maritime services decreased further — only 20% of crude and 51% of oil products were shipped with IG P&I insurance coverage.
- KSE Institute estimates 211 loaded Russian shadow fleet tankers left Russian ports (inc. 2 involved in STS transfers) in January 2024, 83% of which older than 15 years. Russian shadow fleet poses huge environmental risks for the EU as decrepit tankers without P&I insurance navigate several European countries coastlines including Danish Straits.[1] In January 2024, the shadow fleet was responsible for exports of around 2.7 mb/d of crude and 1.0 mb/d of oil products.
- India remains the biggest buyer of Russian seaborne crude despite a decrease of imports to ~1.6-1.7 mb/d in recent months since record high 2.2 mb/d in May. On the contrary, Turkey increased its total Russian oil imports to the record high 0.8-0.9 mb/d in recent months and remains the biggest buyer of Russian oil products with total imports of 504 kb/d in January.
- The US Treasury approach to designate individual vessels effectively hits the target by removing shadow tankers from regular commercial service. As of Feb 20, 2024, out of 27 sanctioned vessels — 16 have been unloaded and had no scheduled voyages, 8 have been loaded but have not been moving, 3 indicated planned shipments with no final port of destination. On Feb 23, 2024, another 14 vessels, linked to Sovcomflot, were sanctioned.
- Russia attempts lowering effect of sanctions by transferring management of tankers from sanctioned to newly established entities. The UAE registered Sun Ship Management as of February manages only 4 out of 83 tankers it managed by July 15, 2023. Most of tankers were transferred to Oil Tankers Scf Mgmt Fzco (sanctioned in mid January), the latter has already transferred 4 tankers to a newly established UAE company Stream Ship Management Fzco.
- Significant price discounts for both Russian crude and oil products continue to support the strong demand for Russian oil exports. Average Urals FOB Baltic and Black Sea increased by 2.3/bbl and 2.5/bbl to around $62/bbl, while ESPO FOB increased by $1.4/bbl to $73.6/bbl. The discount on FOB Baltic and Black Sea to Dated Brent little changed MoM but the discount of ESPO widened by around $1/bbl in January.
- According to KSE Institute modelling, in the base case with current oil price caps and status quo of sanctions but their stronger enforcement, revenues will contract to $156 bn and $141 bn in 2024 and 2025 respectively compared to $218 bn and estimated $177 bn in 2022 and 2023 respectively. If the discount on Russian oil is widened to $50/bbl compared to Brent forecast prices, revenues will fall to $95 bn and $61 bn in 2024 and 2025 respectively. However, in case of weak sanctions enforcement, Russian oil revenues could increase to the robust $187 bn and $181 bn in 2024 and 2025 respectively.

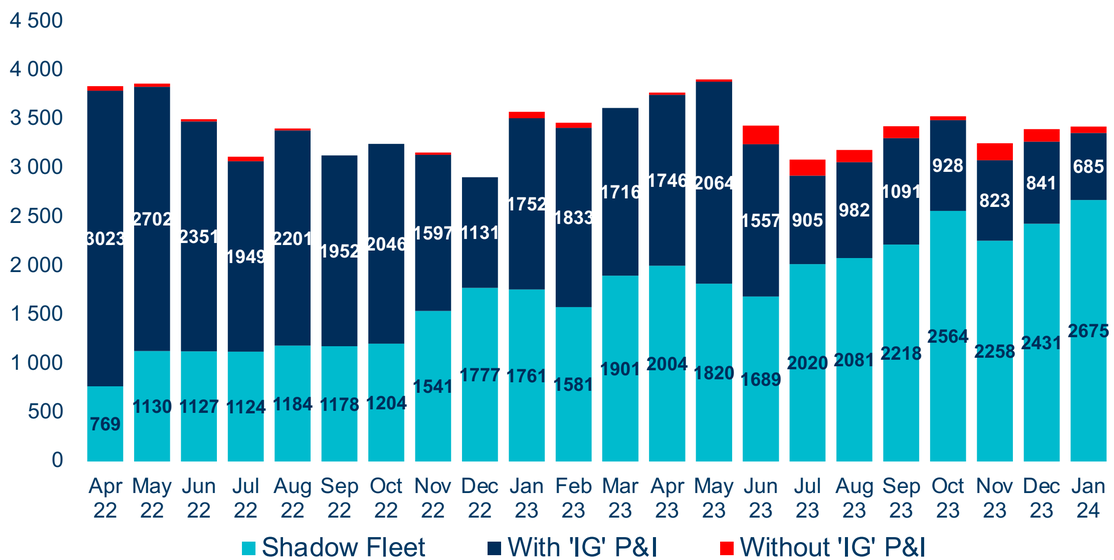
[1]See Craig Kennedy, August 23, 2023, Measuring the Shadows. Moscow's Strategies for Evading Oil Sanctions and How to Stop them from Succeeding, https://navigatingrussia.substack.com/p/measuring-the-shadows?utm_source=substack&utm_medium=email for details and examples

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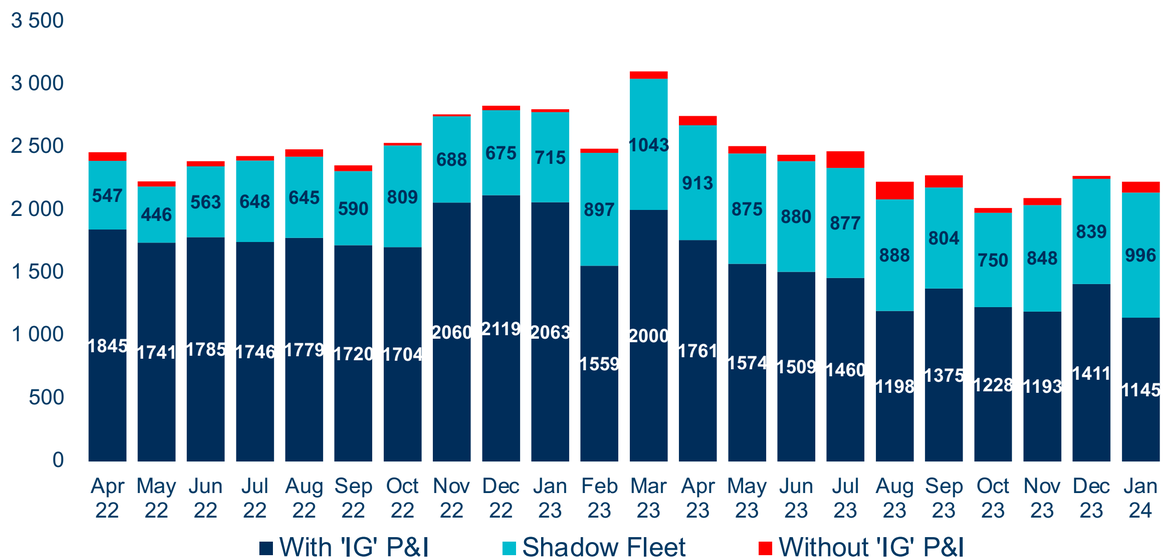
Russian seaborne oil exports volumes little changed in January 2024. Only 32% of Russian oil exports were shipped by IG insured tankers

- In January 2024 Russian seaborne oil exports little changed over previous month but were 11.4% lower YoY
- Shipments of seaborne crude oil increased by 0.7% MoM while products exports were 2.0% lower MoM
- Russia managed to further lower its reliance on Western maritime services both for crude and oil products shipments as 20% of crude oil and 51% of oil products were shipped by tankers with International Group (IG) P&I insurance coverage in January 2024

Russian seaborne crude oil exports, kb/d



Exports of Russian oil products, kb/d



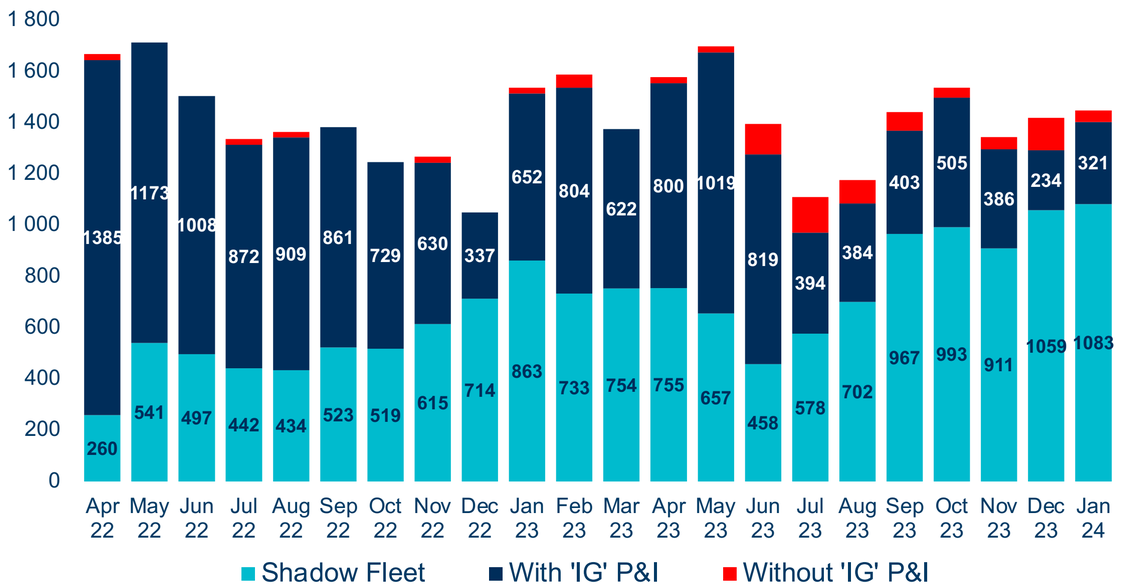
Source: Kpler, Equasis, P&I Club webpage, KSE Institute estimates

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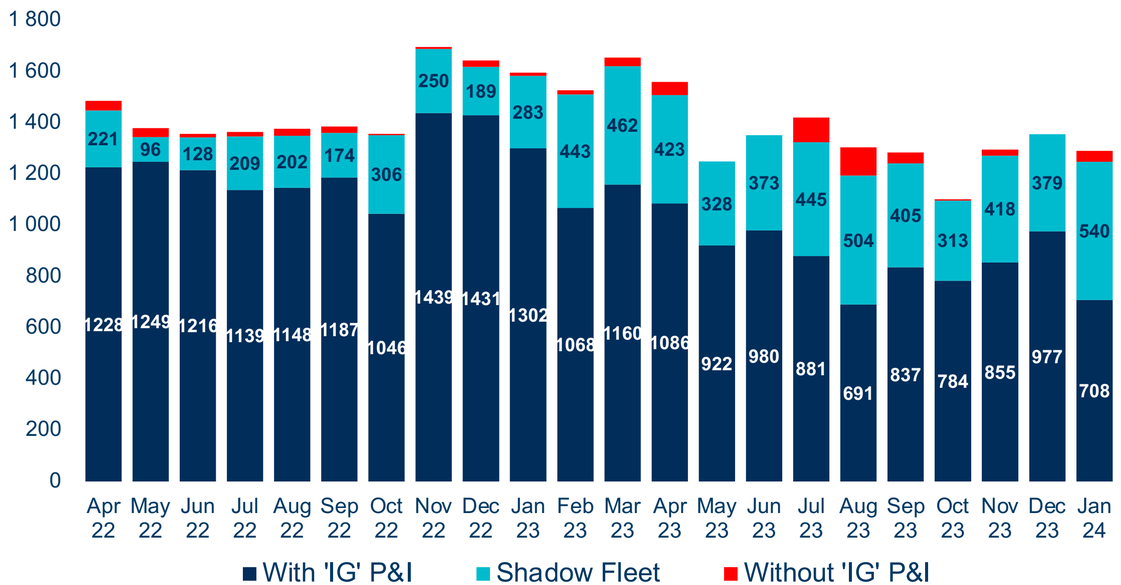
38% of crude & oil products were shipped by IG insured tankers from Baltic Sea ports in January 2024

- In January 2024 the exports of crude oil from Baltic ports increased by 2.0% MoM but were 5.8 % lower YoY
- The exports of oil products from Baltic ports decreased by 4.8% MoM and by 19.1% YoY
- 22% of crude oil and 55% of oil products were shipped by tankers with IG P&I insurance in January compared to 17% and 72% respectively in December 2023

Russian crude oil exports from Baltic Sea ports, kb/d



Exports of Russian oil products from Baltic Sea ports, kb/d



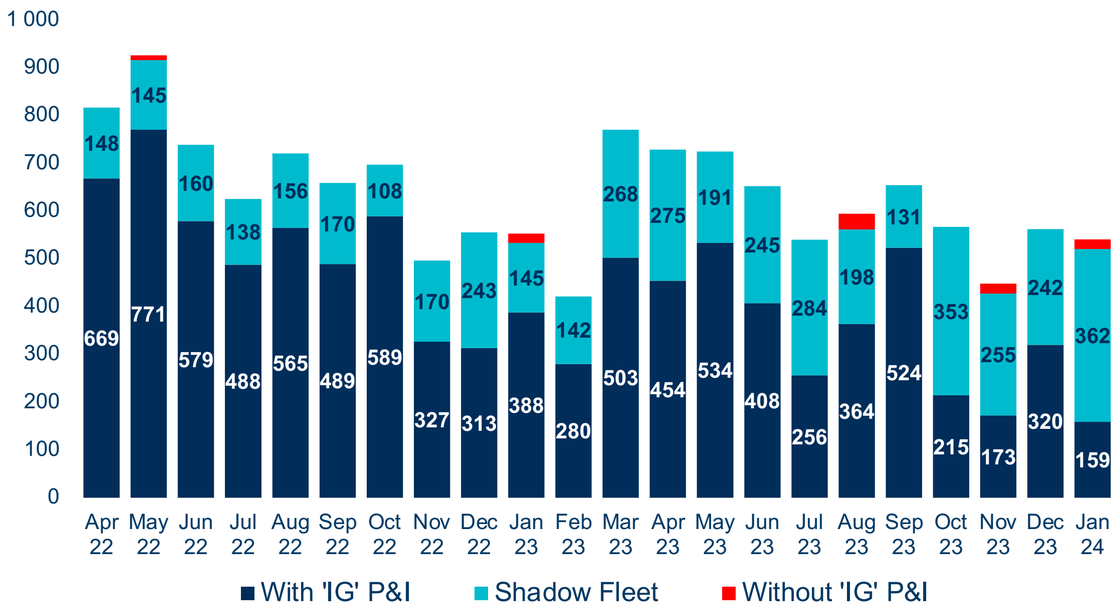
Source: Kpler, Equasis, P&I Club webpage, KSE Institute estimates

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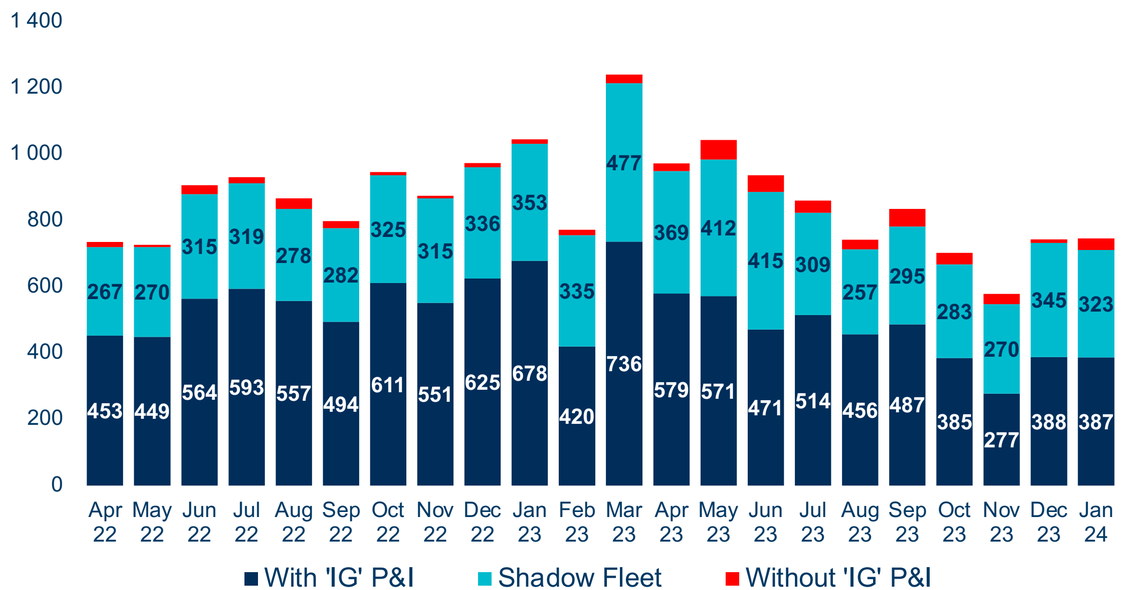
42% of crude & oil products were shipped by IG insured tankers from Black Sea ports in January 2024

- The exports of crude oil from Black Sea ports decreased 3.8% MoM and 2.2% YoY in January 2024
- The exports of oil products from Black Sea ports barely changed MoM but was 28.6% lower YoY
- 29% of crude oil and 52% of oil products were shipped by tankers with IG P&I insurance

Russian crude oil exports from Black Sea ports, kb/d



Exports of Russian oil products from Black Sea ports, kb/d



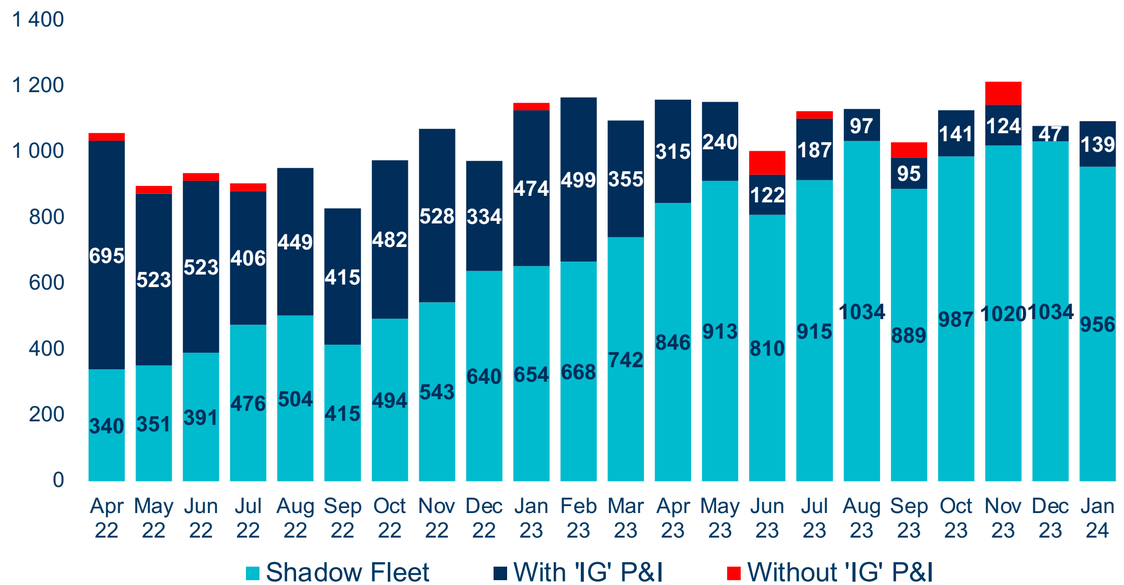
Source: Kpler, Equasis, P&I Club webpage, KSE Institute estimates

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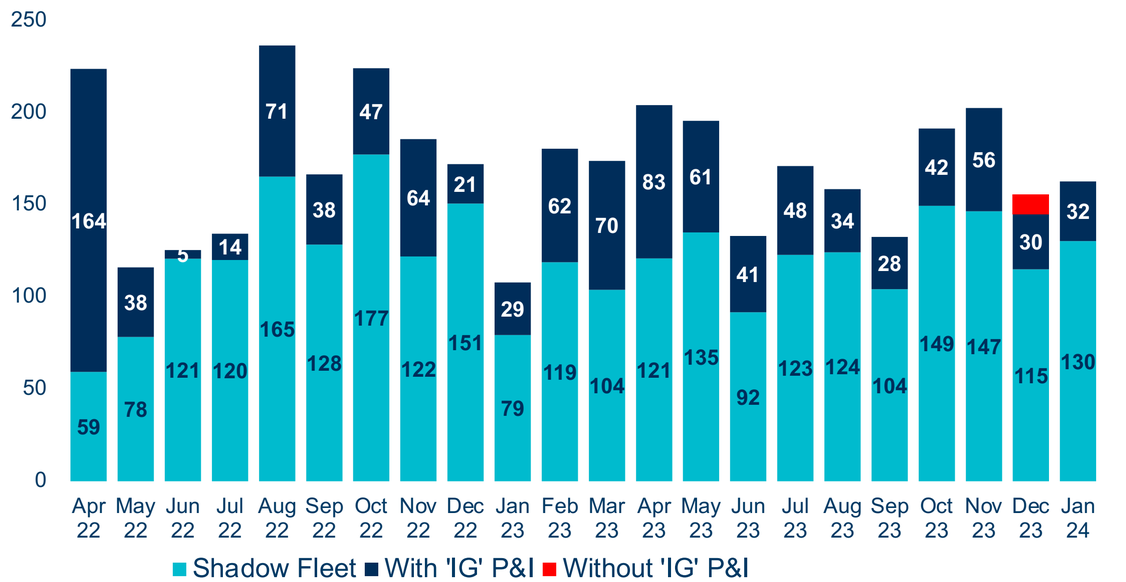
14% of crude oil & oil products were shipped by IG insured tankers from Pacific Ocean ports in January 2024

- In January 2024 the exports of crude oil from Pacific Ocean ports barely changed MoM but declined by 4.8% YoY
- The exports of oil products from Pacific Ocean ports increased by 4.5% MoM and by 50.9% YoY
- Only 13% of crude oil and 20% of oil products were shipped by tankers with P&I Club insurance in January 2024

Russian crude oil exports from Pacific Ocean ports, kb/d



Exports of Russian oil products from Pacific Ocean ports, kb/d



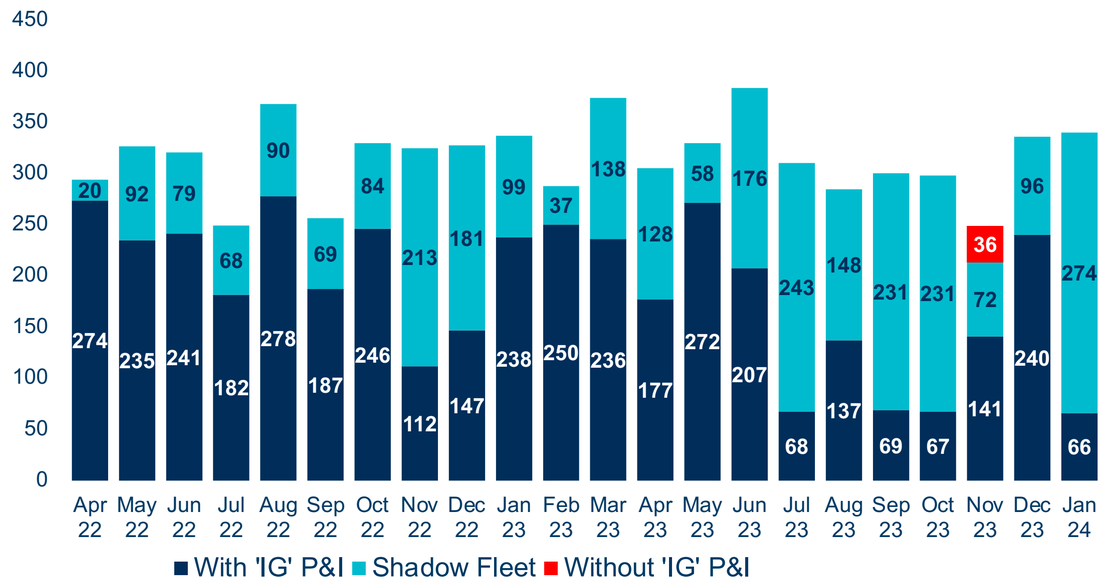
Source: Kpler, Equasis, P&I Club webpage, KSE Institute estimates

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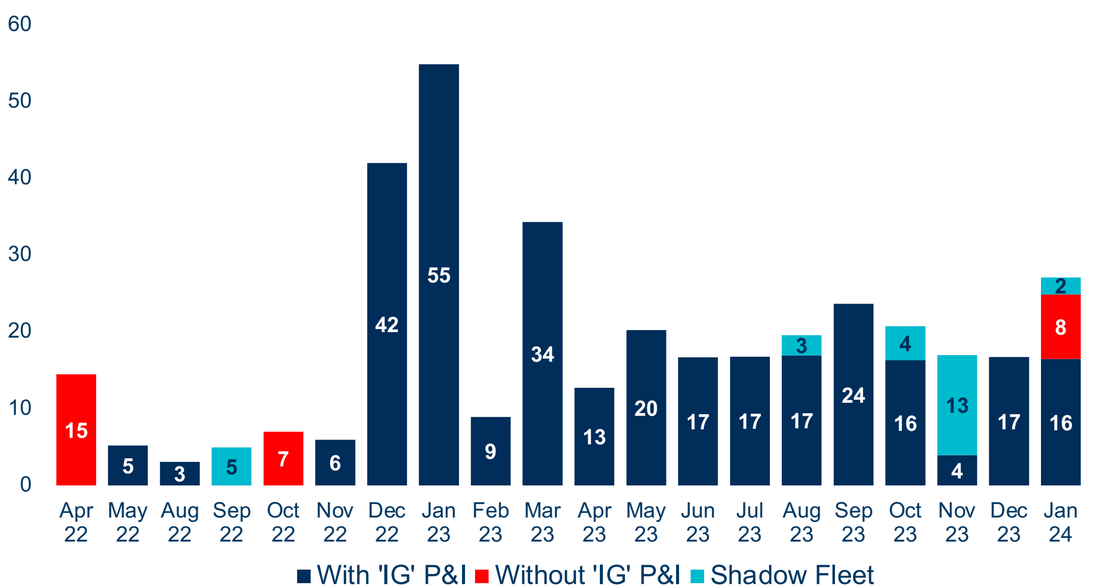
Only 22% of crude oil and oil products were shipped by IG insured tankers from Arctic Ocean ports in January 2024

- The exports of crude oil from Arctic Ocean ports little changed over previous month and over year in January 2024
- The exports of oil products from Arctic Ocean is insignificant as Russia ships predominantly crude from these ports
- 19% of crude oil was shipped by IG insured tankers in January 2024 compared to 71% in the previous month

Russian crude oil exports from Arctic Ocean ports, kb/d



Exports of Russian oil products from Arctic Ocean ports, kb/d



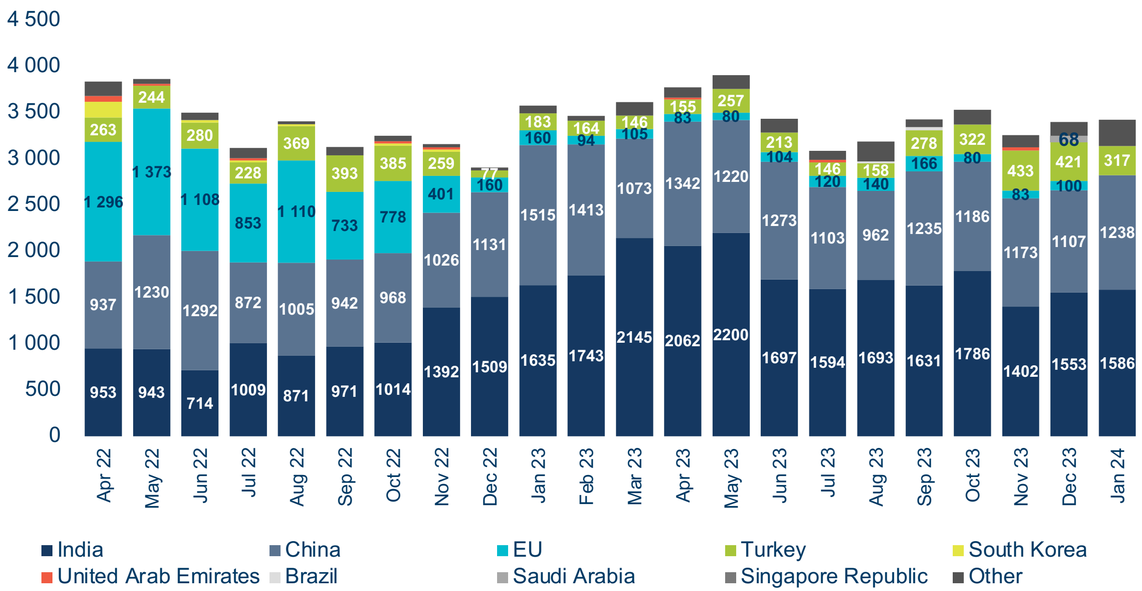
Source: Kpler, Equasis, P&I Club webpage, KSE Institute estimates

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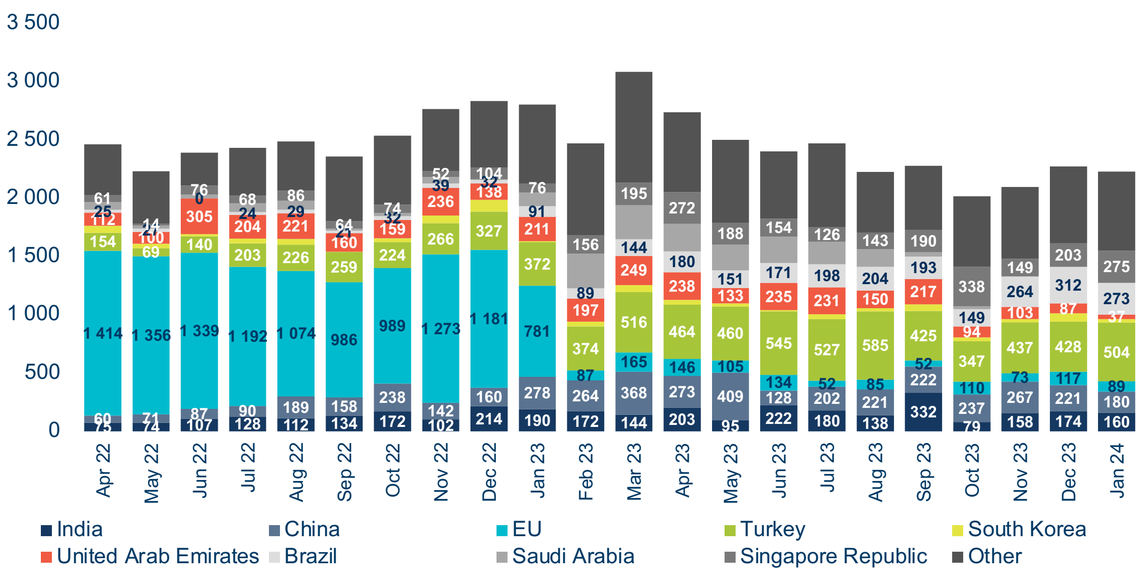
India and Turkey remained the biggest Russian crude and oil products importers in January 2023

- EU countries did not import Russian crude in January 2024 while EU's share in Russian oil products exports was recorded at 4% in January 2024
- Altogether India, China and Turkey were responsible for 92% of Russian crude oil exports in January
- Russian seaborne crude exports to India barely changed and it remained the biggest seaborne Russian crude. The imports of Russian crude to China, second biggest Russian seaborne crude importer, increased by 131 kb/d or by 11.8%
- Russian oil exports to Turkey exceeded 800 kb/d for a third consecutive month. Turkey remains the biggest Russian oil products imports while crude imports exceed pre-invasion levels. Moreover, the country increased its reliance on Russian oil to around two-thirds of its energy demand which makes it very vulnerable from the energy security point of view

Russian seaborne crude oil exports by destinations countries, kb/d



Russian oil products exports by destinations countries, kb/d



Source: Kpler, KSE Institute estimates

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Sun Ship Management moved from second to seventh position in the list of ten biggest shippers after being sanctioned by the OFAC for carrying crude oil sold at a price above the price cap. It transferred almost entire tanker fleet to the Oil Tankers Scf Mgmt Fzc and other UAE registered companies (see slide 19).

Oil Tankers Scf Mgmt Fzc topped the list of ten biggest shippers for a second consecutive month by shipping around 18% of Russian crude in January.

Russian crude oil exports by ship managers

Nov 23			Dec 23			Jan 24		
Ship manager	**Volume, kb/d**	**%**	**Ship manager**	**Volume, kb/d**	**%**	**Ship manager**	**Volume, kb/d**	**%**
Other	1854	57%	Other	1966	58%	Other	1990	58%
UAE.Sun Ship Management	380	12%	UAE.Oil Tankers Scf Mgmt Fzco	378	11%	UAE.Oil Tankers Scf Mgmt Fzco	614	18%
UAE.Oil Tankers Scf Mgmt Fzco	344	11%	UAE.Sun Ship Management	359	11%	China.Prominent Shipmanagement Ltd	223	6%
China.Prominent Shipmanagement Ltd	137	4%	Turkey.Gungen Denizcilik Ve Ticaret	132	4%	China.Sunne Co Ltd	144	4%
China.Sunne Co Ltd	125	4%	China.Sunne Co Ltd	120	4%	Turkey.Gungen Denizcilik Ve Ticaret	99	3%
Greece.Kyklades Maritime Corp	95	3%	UAE.Fractal Marine Dmcc	106	3%	China.Shanghai Future Ship Mgmt Co	70	2%
UAE.Fractal Marine Dmcc	73	2%	China.Prominent Shipmanagement Ltd	94	3%	UAE.One Moon Marine Services Llc	67	2%
Cyprus.Lagosmarine Ltd	70	2%	Greece.New Shipping Ltd-Lib	76	2%	UAE.Sun Ship Management	65	2%
Greece.Marine Trust Ltd-Mai	70	2%	Greece.Dynacom Tankers Management Ltd	68	2%	Greece.Olympic Shipping & Management	55	2%
Greece.Dynacom Tankers Management Ltd	57	2%	China.Hong Kong Hanyuan Shipping Co	50	1%	China.Intercon Marine Shanghai Co	50	1%
Turkey.Beks Gemi Isletmeciligi Ve Tic	51	2%	China.Intercon Marine Shanghai Co	50	1%	UAE.Alqutb Alshamali Marine Srvs	48	1%
Total	**3256**	**100%**	**Total**	**3399**	**100%**	**Total**	**3425**	**100%**

Source: Kpler, Equasis, KSE Institute estimates

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Registered in Turkey Beks Tanker Isletmeciligi As topped the list of shippers of Russian oil products for the first time in January.

The previous leader, UAE.Oil Tankers Scf Mgmt Fzco moved to ninth position in the list even before the OFAC imposed sanctions on it on February 8, 2024.

Six out of ten biggest shippers of Russian oil products were Greek companies in January 2024 compared to three in December and five in November 2023.

Russian oil products exports by ship managers

Nov 23			Dec 23			Jan 24		
Ship manager	Volume, kb/d	%	Ship manager	Volume, kb/d	%	Ship manager	Volume, kb/d	%
Other	1380	66%	Other	1576	69%	Other	1541	69%
UAE.Oil Tankers Scf Mgmt Fzco	148	7%	UAE.Oil Tankers Scf Mgmt Fzco	116	5%	Turkey.Beks Tanker Isletmeciligi As	133	6%
Greece.Minerva Marine Inc	97	5%	Greece.Eastern Mediterranean Maritime	113	5%	Greece.Minerva Marine Inc	81	4%
Greece.Thenamaris Ships Management	95	5%	Turkey.Beks Tanker Isletmeciligi As	76	3%	Turkey.Active Denizcilik Ve Gemi	71	3%
Greece.Stealth Maritime Corp Sa	74	4%	Greece.Ims Sa	74	3%	Greece.Eastern Mediterranean Maritime	71	3%
Greece.Tms Tankers Ltd	63	3%	Kuwait.Arab Maritime Petroleum Trans	66	3%	Greece.Ims Sa	69	3%
Kuwait.Arab Maritime Petroleum Trans	63	3%	UAE.Fractal Marine Dmcc	60	3%	Greece.Sea Trade Marine Sa	61	3%
Turkey.Active Denizcilik Ve Gemi	52	2%	Singapore.Executive Ship Management	59	3%	Greece.Spring Marine Management Sa	53	2%
Turkey.Beks Gemi Isletmeciligi Ve Tic	48	2%	UAE.Solid Energy Solutions	45	2%	UAE.Onex Dmcc	50	2%
Greece.Spring Marine Management Sa	39	2%	Greece.Tms Tankers Ltd	44	2%	UAE.Oil Tankers Scf Mgmt Fzco	50	2%
India.Eastern Euro Ship Management	36	2%	Turkey.Active Denizcilik Ve Gemi	42	2%	Greece.Product Shipping & Trading Sa	46	2%
Total	**2095**	**100%**	**Total**	**2271**	**100%**	**Total**	**2226**	**100%**

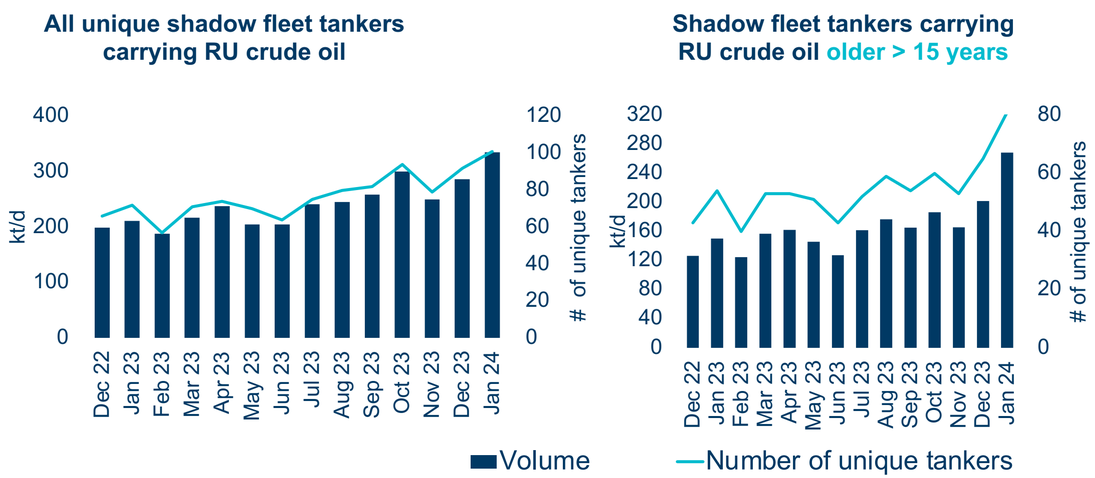
Source: Kpler, Equasis, KSE Institute estimates

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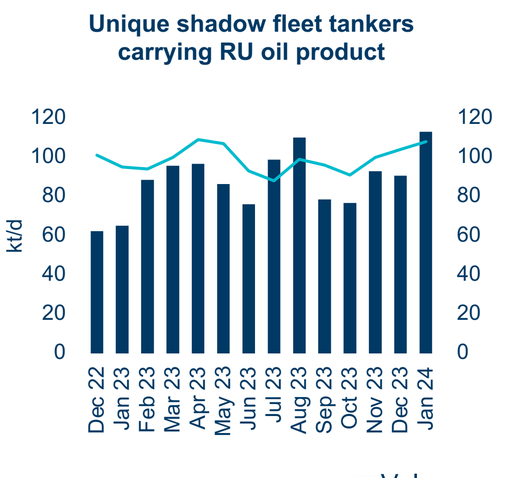
The number of Russian shadow fleet tankers carrying crude and oil products from Russian ports is estimated at 209 in January 2024

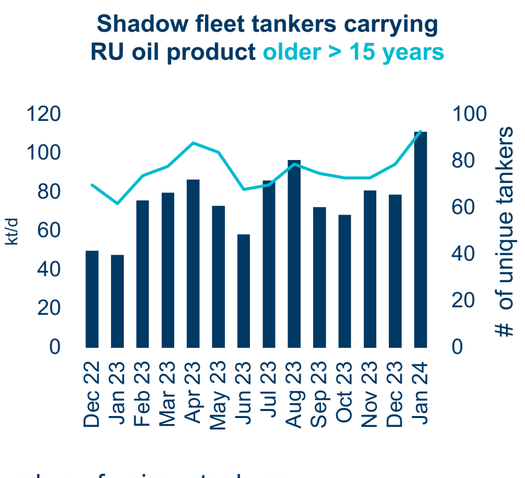
- Russian oil exporters increased the number of shadow fleet tankers carrying crude from Russian ports by 9 to 101 tankers in January 2024 while 80% of them were older than 15 years
- The number of shadow fleet tankers carrying Russian oil products from Russian ports increased by 4 to 108 in January 2024 while 86% of them were older than 15 years
- Having moved into the shadow, the tankers are not likely to be properly maintained and operated increasing the probability of environment catastrophe for which Russia will refuse to pay

Crude oil



Oil products





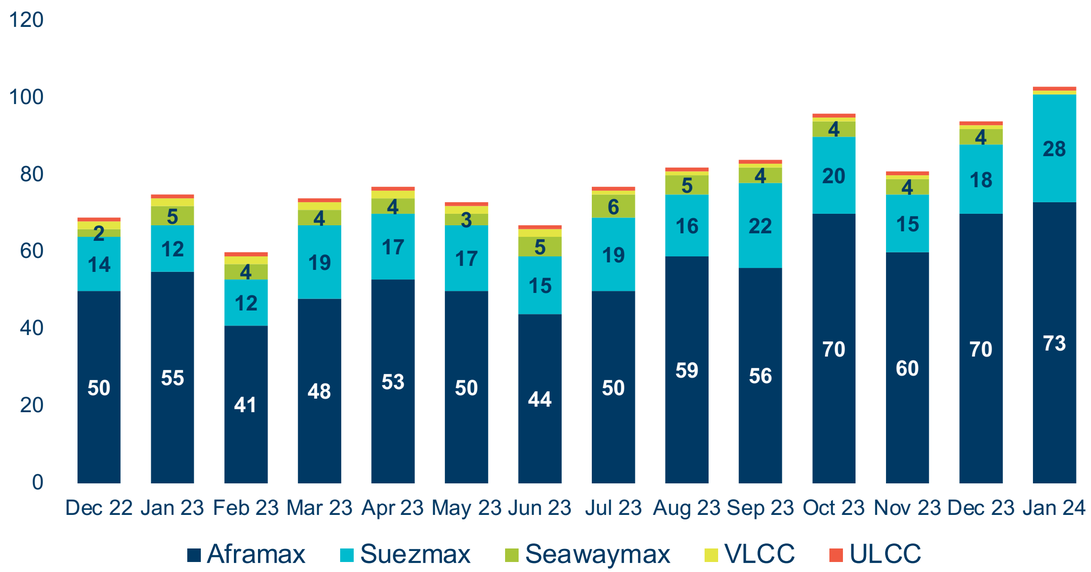
Source: Kpler, Equasis, P&I Club webpage, KSE Institute estimates

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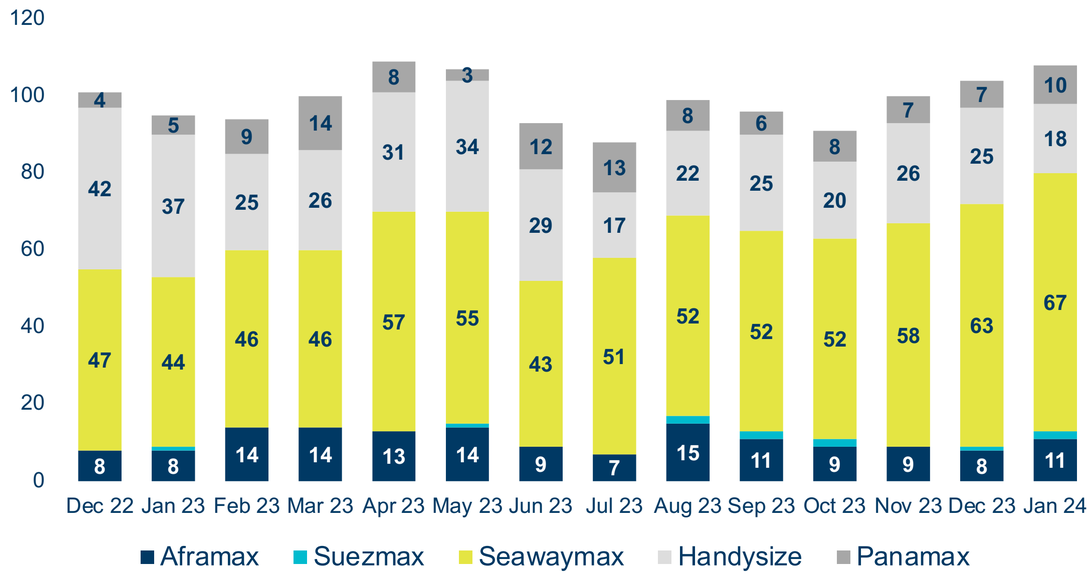
Aframax and Seuzmax are the core of Russian shadow fleet carrying crude while Seawaymax and Handysize form the Russian shadow fleet carrying oil products.

Total Russian shadow fleet carrying oil and oil products is estimated at 211 tankers – 209 left Russian ports and 2 involved in STS transfers[1] in January 2024.

Structure of Russian shadow fleet carrying crude oil, number of unique tankers



Structure of Russian shadow fleet tankers carrying oil products, number of unique tankers



[1] Note: VLCC and ULCC are too large to load at Russian ports and are loaded trough STS transfers in the sea

Source: Kpler, Equasis, P&I Club webpage, KSE Institute estimates

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The share of Russian crude oil exports by shadow fleet increased by around 7% MoM to 78% in January 2024

- Russian crude oil exports by shadow fleet increased by 244 kb/d or by 10% MoM to 2675 kb/d in January and its share in total crude shipments increased to 78%
- Sanctioned by the OFAC on February 8, 2024, Oil Tankers Scf Mgmt Fzco was responsible for almost a quarter of Russian crude shipments by shadow fleet while the share of previous leader, Sun Ship Management sanctioned by the OFAC on December 20, 2023, decreased from 15% in December 2023 to just 2% in January 2024

Russian crude oil exports by shadow fleet, kb/d

Nov 23			Dec 23			Jan 24		
Ship manager	Volume, kb/d	%	Ship manager	Volume, kb/d	%	Ship manager	Volume, kb/d	%
Other	950	42%	Other	1133	47%	**Other**	1301	49%
UAE.Sun Ship Management	380	17%	UAE.Oil Tankers Scf Mgmt Fzco	378	16%	UAE.Oil Tankers Scf Mgmt Fzco	614	23%
UAE.Oil Tankers Scf Mgmt Fzco	344	15%	UAE.Sun Ship Management	359	15%	China.Prominent Shipmanagement Ltd	223	8%
China.Prominent Shipmanagement Ltd	137	6%	China.Sunne Co Ltd	120	5%	China.Sunne Co Ltd	144	5%
China.Sunne Co Ltd	125	6%	UAE.Fractal Marine Dmcc	106	4%	China.Shanghai Future Ship Mgmt Co	70	3%
UAE.Fractal Marine Dmcc	73	3%	China.Prominent Shipmanagement Ltd	94	4%	UAE.One Moon Marine Services Llc	67	2%
Turkey.Beks Gemi Isletmeciligi Ve Tic	51	2%	China.Hong Kong Hanyuan Shipping Co	50	2%	UAE.Sun Ship Management	65	2%
China.Hong Kong Hanyuan Shipping Co	51	2%	China.Intercon Marine Shanghai Co	50	2%	China.Intercon Marine Shanghai Co	50	2%
China.Santiago Ships Management Co	49	2%	China.Merluza Group Ltd	49	2%	UAE.Alqutb Alshamali Marine Srvs	48	2%
Seychelles.Cheng Shipping & Trader Ltd	49	2%	UAE.Alqutb Alshamali Marine Srvs	47	2%	Turkey.Unic Tanker Gemi Isletmeciligi	47	2%
UAE.Alqutb Alshamali Marine Srvs	49	2%	China.Shanghai Legendary Ship Mgmt	46	2%	Russia.Rosnefteflot Jsc	47	2%
Total	**2258**	**100%**	**Total**	**2431**	**100%**	**Total**	**2675**	**100%**

Source: Kpler, Equasis, P&I Club webpage, KSE Institute estimates

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In January 2024 Russian oil products exports by shadow fleet increased by 157 kb/d and its share in total oil products shipments increased by 8%

- Russia shipped 996 kb/d or around 45% of its oil products exports by shadow fleet in January 2024
- Oil Tankers Scf Mgmt Fzco lost its the leader position of a top ship manager as its its share in total oil products shipments by shadow fleet declined from 14% to 5% MoM

Russian oil products exports by shadow fleet, kb/d

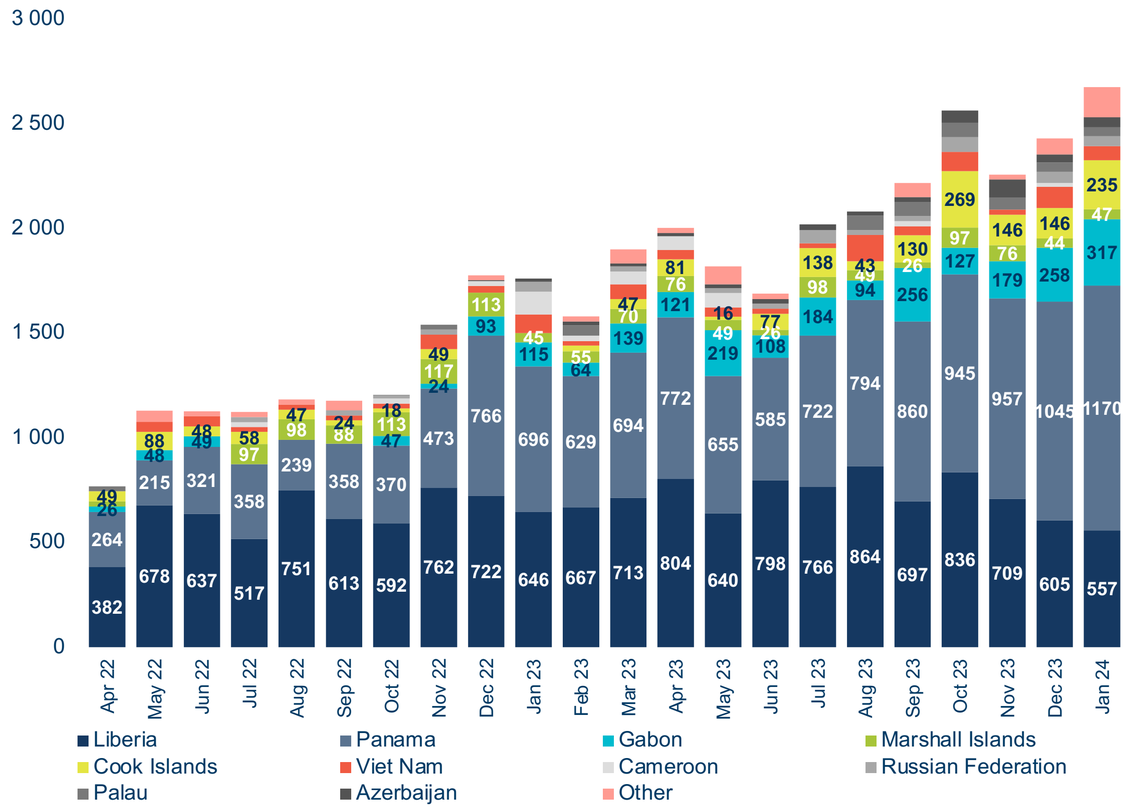
Nov 23			Dec 23			Jan 24		
Ship manager	**Volume, kb/d**	**%**	**Ship manager**	**Volume, kb/d**	**%**	**Ship manager**	**Volume, kb/d**	**%**
Other	437	52%	Other	434	52%	Other	591	59%
UAE.Oil Tankers Scf Mgmt Fzco	148	17%	UAE.Oil Tankers Scf Mgmt Fzco	116	14%	Turkey.Beks Tanker Isletmeciligi As	133	13%
Turkey.Beks Gemi Isletmeciligi Ve Tic	48	6%	Turkey.Beks Tanker Isletmeciligi As	76	9%	UAE.Oil Tankers Scf Mgmt Fzco	50	5%
Turkey.Active Denizcilik Ve Gemi	42	5%	UAE.Fractal Marine Dmcc	60	7%	UAE.Breath Shipping Services Llc	44	4%
India.Eastern Euro Ship Management	36	4%	Vietnam.Venus Gas Co Ltd	24	3%	UAE.Fractal Marine Dmcc	40	4%
Vietnam.Hung Phat Maritime Trading	33	4%	Seychelles.Flaming Star Corp	24	3%	Turkey.White Tankers Gemi Islet	26	3%
Liberia.Hs Legend Ltd	24	3%	Liberia.Hs Arge Ltd	23	3%	Turkey.Active Denizcilik Ve Gemi	24	2%
China.Coureage Co Ltd	23	3%	Liberia.Leopard I Shipping Inc	22	3%	Turkey.Unic Tanker Gemi Isletmeciligi	23	2%
China.Star Ocean Shipmanage Ltd	22	3%	UAE.Oceanlink Maritime Dmcc	21	3%	UAE.Oceanlink Maritime Dmcc	22	2%
Marshall Islands.Apollo Shipping & Marine Inc	22	3%	Marshall Islands.Zeus Shipping & Marine Inc	19	2%	Seychelles.Zenith Shipping Inc-Sey	21	2%
Kyrgyzstan.Munai Invest Llc	13	2%	Marshall Islands.Augusta Shipping & Marine Inc	19	2%	Moldova.Adel Ship Management Srl	21	2%
Total	**848**	**100%**	**Total**	**839**	**100%**	**Total**	**996**	**100%**

Source: Kpler, Equasis, P&I Club webpage, KSE Institute estimates

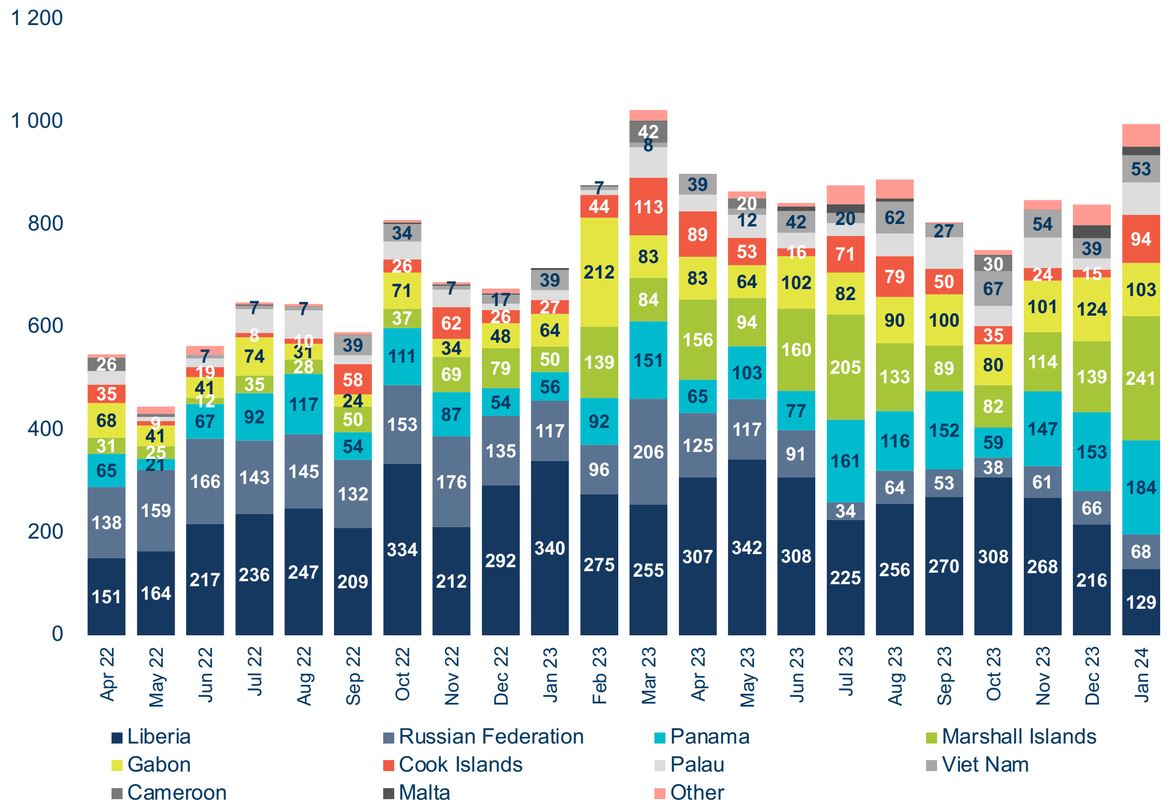
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The top three flags of Russian shadow fleet vessels carrying crude oil are Panama, Liberia and Gabon. The top three flags of Russian shadow fleet vessels carrying oil products are Marshall Islands, Panama and Liberia

Russian crude oil exports by shadow fleet by flag, kb/d



Russian oil products exports by shadow fleet by flag, kb/d



Source: Kpler, Equasis, P&I Club webpage, KSE Institute estimates

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As of February 20, 2024, the US Treasury sanctions on 27 vessels carrying out Russian crude sold above the price cap effectively hit the target by removing tankers from regular commercial service

- 16 tankers from the list have been unloaded and have no scheduled voyages
- 8 tankers have been loaded but have not been moving, though 2 of them have indicated a port of unloading
- 3 tankers indicated planned shipments with no final port of destination

Vessel's name	IMO	OFAC decision	Current status
OSPEROUS	9412995	18.01.2024	Ballast, drifting in Baltic Sea, no scheduled voyages.
SCF PRIMORYE	9421960	12.10.2023	Ballast, drifting in Black Sea, no scheduled voyages.
VIKTOR BAKAEV	9610810	01.12.2023	Ballast, drifting in Black Sea, no scheduled voyages.
HS ATLANTICA	9322839	01.12.2023	Ballast, drifting in Black Sea, no scheduled voyages.
SANAR 15	9777670	20.12.2023	Ballast, drifting in Black Sea, no scheduled voyages.
YASA GOLDEN BOSPHORUS	9334038	12.10.2023	Ballast, drifting in Gulf of Mexico, no scheduled voyages.
KAZAN	9258002	16.11.2023	Ballast, drifting in Nakhodka Bay, no scheduled voyages.
LIGOVSKY PROSPECT	9256066	16.11.2023	Ballast, drifting in Nakhodka Bay, no scheduled voyages.
SENSUS	9296585	18.01.2024	Ballast, drifting in the Marmara Sea, no scheduled voyages.
SARA II	9301615	18.01.2024	Ballast, drifting in the Marmara Sea, no scheduled voyages.
MONA	9314818	18.01.2024	Ballast, drifting near Nakhodka Bay, no scheduled voyages.
HAI II	9259599	18.01.2024	Ballast, drifting near south of South Korea, no scheduled voyages.
UZE	9323338	18.01.2024	Ballast, drifting near south of South Korea, no scheduled voyages.
HS ESBERG	9410894	18.01.2024	Ballast, drifting near south of Sri Lanka, no scheduled voyages.

Vessel's name	IMO	OFAC decision	Current status
HS EVERETT	9410870	18.01.2024	Ballast, drifting near south of Sri Lanka, no scheduled voyages.
HS GLORY	9249087	18.01.2024	Ballast, drifting near Suez Canal, no scheduled voyages.
NS CHAMPION	9299719	01.12.2023	Loaded, declared destination - unknown.
HS ARGE	9299745	18.01.2024	Loaded, declared destination - unknown.
NS CENTURY	9306782	16.11.2023	Loaded, declared destination Qingdao, China.
HS STAR	9274446	18.01.2024	Loaded, drifting in Yellow Sea, declared destination - unknown.
NELLIS	9322267	18.01.2024	Loaded, drifting at Yeosu Light, declared destination - unknown.
LA PRIDE	9274616	18.01.2024	Loaded, drifting in the Baltic Sea, declared destination - unknown.
PERIA	9322827	18.01.2024	Loaded, drifting in the Red Sea, declared destination - unknown.
ARISTO	9327413	18.01.2024	Loaded, drifting near Turkey, but not unloaded at the specified location.
NS LEADER	9339301	08.02.2024	Scheduled to load on February 25, 2024 in Russia (Novorossiysk) with crude oil, declared destination - unknown.
HS BURAQ	9381732	18.01.2024	Scheduled to load on February 23, 2024 in Saudi Arabia with Arab crude oil, declared destination - unknown.
HS LEGEND	9381744	18.01.2024	Scheduled to load on February 27, 2024 in Estonia with Gasoline/Naphtha products, declared destination - unknown.

Source: Kpler

KSE | Institute

The sanctioned by the US Treasury vessels had to reveal their linkage to Russia after being effectively blocked

Six out of nine sanctioned by the OFAC tankers in October-December 2023 have already had changes in operations:

- 6 switched from Liberian flag to Russian one
- 2 switched the UAE ship manager to Russian one
- 2 changed registered owners to Russian entity
- 5 changed the UAE ISM managers to Russian ones

Vessel's name	IMO	OFAC decision	Flag		Ship Manager (country +name)		Registered Owner (country +name)		ISM Manager (country +name)	
			Before OFAC decision	After OFAC decision	Before OFAC decision	After OFAC decision	Before OFAC decision	After OFAC decision	Before OFAC decision	After OFAC decision
SCF PRIMORYE	9421960	12.10.2023	Liberia	Russia (since 01.12.2023)	UAE. Sun Ship Management (since 20.04.2022)	Russia. South Fleet Ltd (since 30.11.2023)	Russia. Lumber Marine Sa (before 10.2009)	Russia. South Fleet Ltd (since 30.11.2023)	UAE. Sun Ship Management (since 20.04.2022)	Russia. South Fleet Ltd (since 08.12.2023)
YASA GOLDEN BOSPHORUS	9334038		Marshall Islands		Turkey. Ya-Sa Tanker Isletmeciligi As (since 23.04.2021)		Turkey. Ice Pearl Navigation Corp (since 23.01.2007)		Turkey. Ya-Sa Tanker Isletmeciligi As (since 15.07.2012)	
KAZAN	9258002	16.11.2023	Liberia	Russia (since 01.01.2024)	UAE. Oil Tankers Scf Mgmt Fzco (since 29.08.2023)		United Arab Emirates. Kazan Shipping Inc (since 11.12.2003)		UAE. Oil Tankers Scf Mgmt Fzco (since 29.08.2023)	Russia. Invest Fleet Ltd (since 26.01.2024)
LIGOVSKY PROSPECT	9256066				UAE. Oil Tankers Scf Mgmt Fzco (since 03.08.2023)	Russia. South Fleet Ltd (since 12.01.2024)	Liberia. Progress Shipping Co Ltd-Lib (during 2003)	Russia. South Fleet Ltd (since 12.01.2024)	UAE. Oil Tankers Scf Mgmt Fzco (since 03.08.2023)	Russia. South Fleet Ltd (since 12.01.2024)
NS CENTURY	9306782				UAE. Oil Tankers Scf Mgmt Fzco (since 03.08.2023)		United Arab Emirates. Gallion Navigation Inc (since 01.06.2006)		UAE. Oil Tankers Scf Mgmt Fzco (since 03.08.2023)	Russia. Invest Fleet Ltd (since 27.01.2024)
NS CHAMPION	9299719	01.12.2023			UAE. Oil Tankers Scf Mgmt Fzco (since 21.04.2022)		United Arab Emirates. Sterling Shipping Inc (since 12.07.2005)		United Arab Emirates. Oil Tankers Scf Mgmt Fzco (since 29.09.2023)	
VIKTOR BAKAEV	9610810				UAE. Oil Tankers Scf Mgmt Fzco (since 20.07.2023)		United Arab Emirates. Streymoy Shipping Ltd (since 20.05.2013)		UAE. Oil Tankers Scf Mgmt Fzco (since 20.07.2023)	Russia. South Fleet Ltd (since 31.01.2024)
HS ATLANTICA	9322839		Liberia		Liberia. Hs Atlantica Ltd (since 19.10.2021)		Liberia. Hs Atlantica Ltd (since 04.11.2022)		India. Maritas Fleet Pvt Ltd (since 04.11.2022)	
SANAR 15	9777670	20.12.2023	Russia		Russia. Rosewood Shipping Llc (since 22.02.2023)		Russia. Covart Energy Ltd (since 05.12.2022)		Russia. Rosewood Shipping Llc (since 22.02.2023)	

Source: Equasis

KSE | Institute

Another eighteen tankers sanctioned by the OFAC during January-February 2024, have not registered any management changes yet

Vessel's name	IMO	OFAC decision	Flag		Ship Manager (country +name)		Registered Owner (country +name)		ISM Manager (country +name)	
			Before OFAC decision	After OFAC decision	Before OFAC decision	After OFAC decision	Before OFAC decision	After OFAC decision	Before OFAC decision	After OFAC decision
ARISTO	9327413	18.01.2024	Liberia		India. Maritas Fleet Pvt Ltd (since 12.01.2023)		India. Hs Aristo Ltd (since 12.01.2023)		India. Maritas Fleet Pvt Ltd (since 22.01.2023)	
HAI II	9259599				India. Maritas Fleet Pvt Ltd (since 20.02.2023)		India. Hs Hai Ii Ltd (since 02.09.2022)		India. Maritas Fleet Pvt Ltd (since 20.02.2023)	
HS ARGE	9299745				Liberia. Hs Arge Ltd (since 02.02.2023)		Liberia. Hs Arge Ltd (since 02.02.2023)		India. Maritas Fleet Pvt Ltd (since 11.02.2023)	
HS BURAQ	9381732				Liberia. Hs Buraq Ltd (since 13.11.2022)		Liberia. Hs Buraq Ltd (since 13.11.2022)		Unknown. Unknown (since 01.10.2023)	
HS ESBERG	9410894				Liberia. Hs Esberg Ltd (since 31.10.2022)		Liberia. Hs Esberg Ltd (since 31.10.2022)		India. Maritas Fleet Pvt Ltd (since 31.10.2022)	
HS EVERETT	9410870				Liberia. Hs Everett Ltd (since 15.11.2022)		Liberia. Hs Everett Ltd (since 15.11.2022)		India. Maritas Fleet Pvt Ltd (since 15.11.2022)	
HS GLORY	9249087				Liberia. Hs Glory Ltd (since 05.11.2022)		Liberia. Hs Glory Ltd (since 05.11.2022)		India. Maritas Fleet Pvt Ltd (since 05.11.2022)	
HS LEGEND	9381744				Liberia. Hs Legend Ltd (since 11.11.2022)		Liberia. Hs Legend Ltd (since 11.11.2022)		Unknown. Unknown (since 17.10.2023)	
HS STAR	9274446				Liberia. Hs Star Ltd (since 07.10.2022)		Liberia. Hs Star Ltd (since 07.10.2022)		India. Maritas Fleet Pvt Ltd (since 26.10.2022)	
LA PRIDE	9274616				Liberia. Hs La Pride Ltd (since 16.12.2022)		Liberia. Hs La Pride Ltd (since 08.09.2022)		India. Maritas Fleet Pvt Ltd (since 16.12.2022)	
MONA	9314818		Liberia		Liberia. Hs Mona Ltd (since 21.10.2022)		Liberia. Hs Mona Ltd (since 21.10.2022)		India. Maritas Fleet Pvt Ltd (since 17.12.2022)	
NELLIS	9322267				Liberia. Hs Nellis Ltd (since 29.12.2022)		Liberia. Hs Nellis Ltd (since 29.12.2022)		India. Maritas Fleet Pvt Ltd (since 02.01.2023)	
OSPEROUS	9412995				Liberia. Hs Osperous Ltd (since 10.08.2022)		Liberia. Hs Osperous Ltd (since 10.08.2022)		India. Maritas Fleet Pvt Ltd (since 20.12.2022)	
PERIA	9322827				Liberia. Hs Peria Ltd-Lib (since 18.10.2022)		Liberia. Hs Peria Ltd-Lib (since 18.10.2022)		India. Maritas Fleet Pvt Ltd (since 25.12.2022)	
SARA II	9301615				India. Maritas Fleet Pvt Ltd (since 02.01.2023)		India. Hs Sara Ii Ltd (since 30.11.2022)		India. Maritas Fleet Pvt Ltd (since 02.01.2023)	
SENSUS	9296585				India. Maritas Fleet Pvt Ltd (since 11.04.2023)		India. Hs Sensus Ltd (since 02.09.2022)		India. Maritas Fleet Pvt Ltd (since 11.04.2023)	
UZE	9323338				Liberia. Hs Uze Ltd (since 24.07.2022)		Liberia. Hs Uze Ltd (since 24.07.2022)		India. Maritas Fleet Pvt Ltd (since 01.05.2023)	
NS LEADER	9339301	08.02.2024			UAE. Oil Tankers Scf Mgmt Fzco (since 12.09.2023)		United Arab Emirates. Ns Leader Shipping Inc (since 14.05.2007)		United Arab Emirates. Oil Tankers Scf Mgmt Fzco (since 12.09.2023)	

Source: Equasis

KSE | Institute

On February 23, 2024 the OFAC added another 14 vessels identified as owned by sanctioned Russian Sovcomflot to its SDN list. A total of 41 Russian shadow tankers were sanctioned so far.

Vessel name	Vessel IMO	Vessels Flag	Build year	Ship manager/Commercial manager	Ship manager/Commercial manager Address	Registered owner	Registered owner Address	ISM Manager	ISM Manager Address
Krymsk	9270529	Gabon	2003	OIL TANKERS SCF MGMT FZCO	Unit 27610 - 001, Building A1, IFZA Business Park, DDP, Dubai Silicon Oasis, Dubai, United Arab Emirates.	KRYMSK SHIPPING INC	Care of Oil Tankers (SCF) Management - FZCO , Unit 27610 - 001, Building A1, IFZA Business Park, DDP, Dubai Silicon Oasis, Dubai, United Arab Emirates.	OIL TANKERS SCF MGMT FZCO	Unit 27610 - 001, Building A1, IFZA Business Park, DDP, Dubai Silicon Oasis, Dubai, United Arab Emirates.
Liteyny Prospect	9256078		2003			ORIENTAL CARRIERS CO			
Nevskiy Prospect	9256054		2003			UNIVERSAL NAVIGATION CO LTD			
Ns Antarctic	9413559		2009			NS ANTARCTIC SHIPPING INC			
Ns Bravo	9412359		2010			NS BRAVO SHIPPING INC			
Ns Burgas	9411020		2009			NS BURGAS SHIPPING INC			
Ns Captain	9341067		2006			WATERFRONT TANKERS INC			
Ns Columbus	9312884		2007			SIGMA NAVIGATION CORP			
Ns Creation	9312896		2007			NIVA TRANSPORT SA			
Ns Lion	9339313		2007			NS LION SHIPPING INC			
Sakhalin Island	9249128	Panama	2004	SUN SHIP MANAGEMENT	Office OT 17-32, 17th Floor, Office Tower, Central Park Towers, Dubai International Financial Centre, PO Box 507065, Dubai, United Arab Emirates.	BRAVA SHIPPING HK LTD	Care of SUN Ship Management (D) Ltd , Office OT 17-32, 17th Floor, Office Tower, Central Park Towers, Dubai International Financial Centre, PO Box 507065, Dubai, United Arab Emirates.		
Anatoly Kolodkin	9610808		2013	OIL TANKERS SCF MGMT FZCO	Unit 27610 - 001, Building A1, IFZA Business Park, DDP, Dubai Silicon Oasis, Dubai, United Arab Emirates.	SANDOY SHIPPING LTD	Care of Oil Tankers (SCF) Management - FZCO , Unit 27610 - 001, Building A1, IFZA Business Park, DDP, Dubai Silicon Oasis, Dubai, United Arab Emirates.	STREAM SHIP MANAGEMENT FZCO	DDP 27700-001, Dubai Silicon Oasis, PO Box 342001, Dubai, United Arab Emirates.
Georgy Maslov	9610793	Gabon	2012	STREAM SHIP MANAGEMENT FZCO	DDP 27700-001, Dubai Silicon Oasis, PO Box 342001, Dubai, United Arab Emirates.	KUNOY SHIPPING	Care of Stream Ship Management FZCO , DDP 27700-001, Dubai Silicon Oasis, PO Box 342001, Dubai, United Arab Emirates.		
Ns Consul	9341093		2006			WATERSCAPE CARRIERS INC			

Source: Equasis

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Russia attempts lowering effect of sanctions by transferring the management of tankers to newly established entities

- UAE registered Sun Ship Management (SSM), the former leader of Russian oil exports shipments by shadow fleet, managed the fleet of 83 tankers by July 15, 2023
- In July 15, 2023- December 20, 2023 , SSM transferred 56 of 83 tankers to another UAE registered Oil Tankers Scf Mgmt Fzco and 1 tanker to the Russian manager South Fleet Ltd before being sanctioned by the OFAC on December 20, 2023
- Since December 20, 2023 , another 18 of the 83 tankers were also transferred to the Oil Tankers Scf Mgmt Fzco. As of February, 20, 2024 SSM continues managing only 4 out of 83 formerly managed tankers
- Sanctioned by the OFAC on January 16, 2024, Oil Tankers Scf Mgmt Fzco has already transferred 4 tankers to a newly established UAE company Stream Ship Management Fzco

Vessel name	Vessel IMO	Builds year	Ship manager	Ship manager address	IG P&I insurance	Former ship manager	Registered owner	Registered owner address
Ns Silver	9309576	2005	Stream Ship Management Fzco	DDP 27700-001, Dubai Silicon Oasis, PO Box 342001, Dubai, United Arab Emirates.	-	Oil Tankers Scf Mgmt Fzco	Bethany Carriers Ltd	Care of Stream Ship Management FZCO , DDP 27700-001, Dubai Silicon Oasis, PO Box 342001, Dubai, United Arab Emirates.
Ns Consul	9341093	2006					Waterscape Carriers Inc	
Zaliv Amurskiy	9354313	2008					Buxus Seaway Ltd	
Zaliv Amerika	9354301	2008					Myrtle Marine Inc	
Georgy Maslov	9610793	2012					Kunoy Shipping	

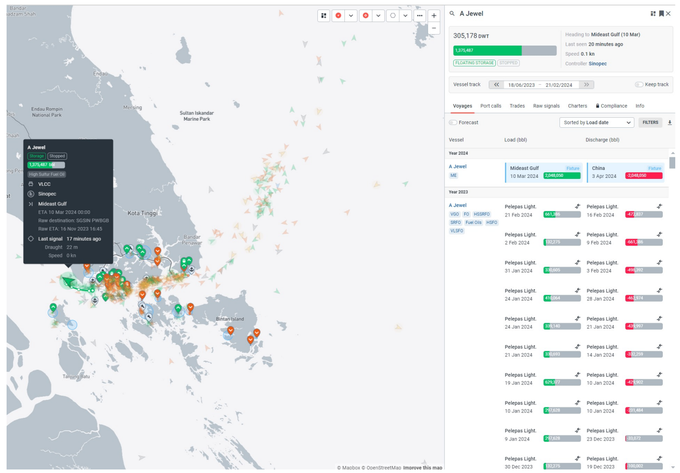
Please see details on the change of tanker managers: Link to datasheet

Source: Equasis

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Possible breach of EU/G7 sanctions

- The IG insured floating storage A Jewel takes oil products from tankers without verifiable P&I insurance off the coast of Malaysia and then transfers it to IG insured vessels.
- Since the end of December 2023, five tankers with opaque insurance of indeterminant quality unloaded Russian and probably Iranian fuel oil and VGO to A Jewel which was later transshipped to IG insured tankers.



Date of STS with A Jewel	Vessel's information	Origin Port	Product	'IG' P&I insurance		Vessel's information		Date of STS with A Jewel	Vessel's information	Destination Country	Product	'IG' P&I insurance
02.02.2024	Name: Narcissus IMO: 9232931 Ship Manager: China. Taihong Shipping Ltd	Taman	FO, VGO, Fuel Oil	-	The process of reloading products onto a floating storage A Jewel	Name: A Jewel IMO: 9244867 Type: FLOATING STORAGE (OIL) 'IG' P&I insurance: Club 'West of England' Ship Manager: Singapore. Global Ve Trading Pte Ltd Registered Owner: Singapore. Global Ve Trading Pte Ltd ISM Manager: Singapore. Beyond Shipmanagement Pte Ltd	The process of reloading products from floating storage A Jewel	16.02.2024	Name: Cy Victorious IMO: 9364215 Ship Manager: Singapore. Yuan Rong Shipping Pte Ltd	Malaysia	FO	Club: Skuld
24.01.2024	Name: Pioneer Sam IMO: 9232620 Ship Manager: UAE. Tankers Ocean Shipmanagement	*Iran (*assumption by Kpler)*	HSFO					09.02.2024	Name: Horae IMO: 9413004 Ship Manager: UAE. Fractal Marine Dmcc	China (*assumption by KSE)	HSFO	Club: AMERICAN CLUB
10.01.2024	Name: HS Star IMO: 9274446 Ship manager: Liberia. Hs Star Ltd	Ust Luga	HSFO, VGO					21.01.2024	Name: Ps Falcon IMO: 9283617 Ship Manager: UAE. Prive Overseas Marine Lcc	China	HSFO	Club: Steamship Mutual
09.01.2024	Name: Neon IMO: 9183295 Ship Manager: Seychelles. Zollo Shipping Ltd	St Peterburg	HSFO					10.01.2024	Name: Phoenix Alpha Xxxv IMO: 9242211 Ship Manager: Indonesia. Vektor Maritim Pt	ExxonMobil HK (Hong Kong)	LSFO, HSFO	Club: NorthStandard
24.12.2023	Name: Casper IMO: 9439400 Ship Manager: Vietnam. Phuong Dong Petrol Transport	Ust Luga	HSFO									

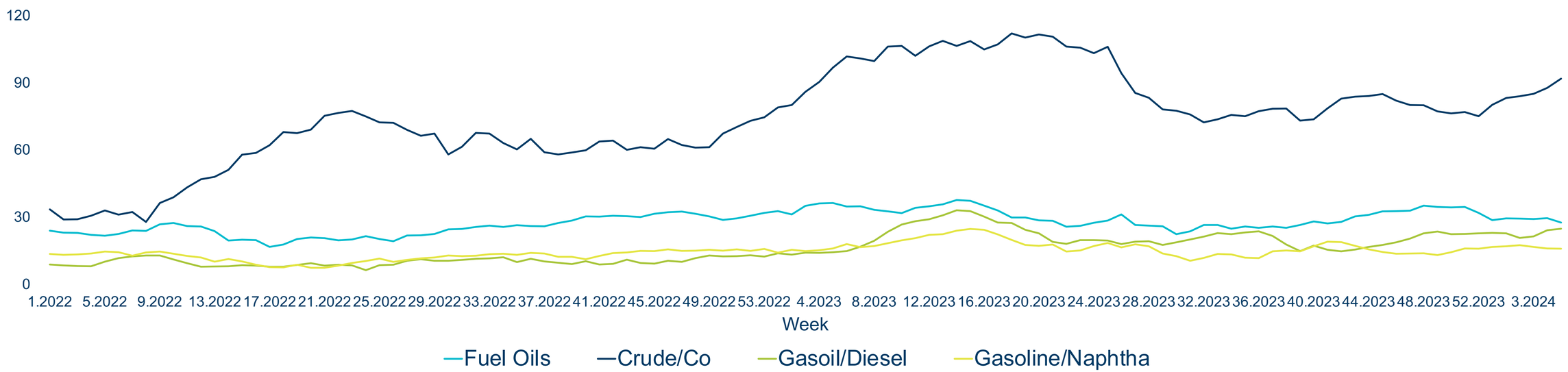
Source: Kpler, Equasis, P&I Club webpage

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Rerouting of Russian crude and oil products to new destinations increased Russian oil on water by around 79 mb compared to the pre-invasion average

- Rerouting of Russian crude and oil products to new destinations have significantly increased Russian oil on water
- In January 2024, the volume of Russian oil on water was around 79 mb higher than the pre-invasion average
- Although the volumes of Russian crude and diesel on water decreased in January compared to their peaks after the introduction of oil embargo by the EU, they were around 2.8 and 2.6 times higher respectively compared to January 2022

Russian oil on water, mb, average per week



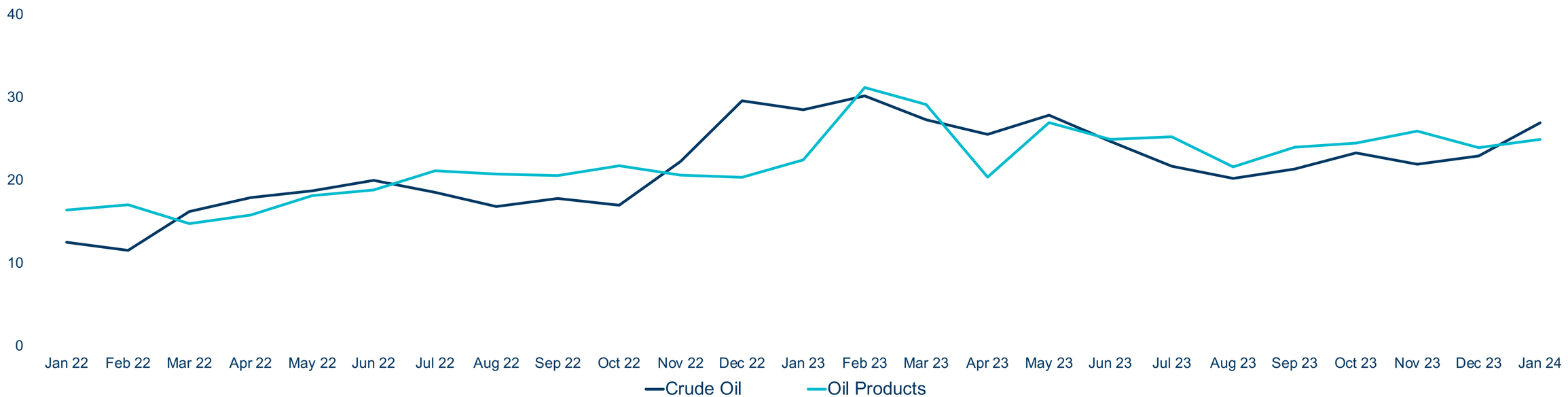
Source: Kpler, KSE Institute estimates

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In January 2024 average transit days of crude and oil products increased by 115% and 52% respectively compared to January 2022

- Rerouting crude oil from Europe to mostly India and China increased the average transit days for crude oil from 12 in January 2022 to 30 in February 2023 but decreased to 23 in December 2023. In January 2024, the figure jumped to 27, the highest level since March 2023
- The average transit days for oil products increased from 16 in January 2022 to 31 in January 2023 but declined to 25 in January 2024

Monthly average transit days of crude oil and oil products from Russia



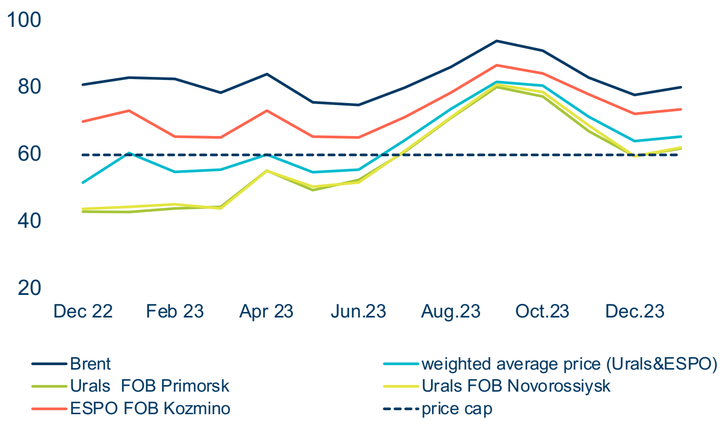
Source: Kpler, KSE Institute estimates

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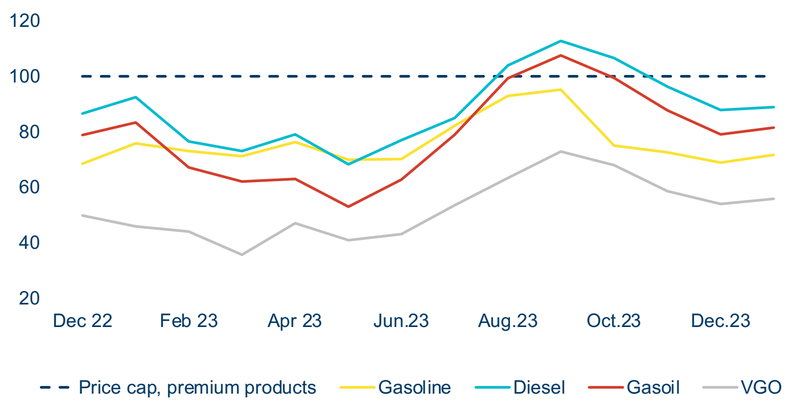
In January 2024, Urals FOB Baltic and Black Sea fell by $2.3/bb and $2.5/bb respectively while ESPO FOB decreased by $1.4/bbl. The discount of Urals to Dated Brent barely changed while the discount of ESPO widened by $1/bbl

- In January 2024, Urals FOB Baltic and Black Sea increased by 2.3/bbl and 2.5/bbl to around $62/bbl
- The discount on Urals FOB Baltic and Black Sea little changed MoM and was estimated at around $18/bbl .The freight rates from Primorsk to West Coast India stayed flat at around $12/bbl since December after the gradual increase to this level from $7.4/bbl in early October
- ESPO FOB increased by $1.4/bbl to $73.6/bbl while the discount to Dated Brent widened by around $1/bbl MoM
- Prices for Russian diesel increased to $88.9/bbl to around $11.1/bbl below price cap. The price of gasoline increased by $1.7/bb to $71.6/bbl while gasoil increased by $2.4/bbl to $81.5/bbl MoM. The price of VGO which had to be placed to discounted products instead of the premium ones increased by $1.8/bbl to $558/bbl MoM in January
- Price for fuel oil and naphtha little changed MoM. The average price of naphtha has exceeded the approved price cap for discounted products at $45/bbl since August 2023

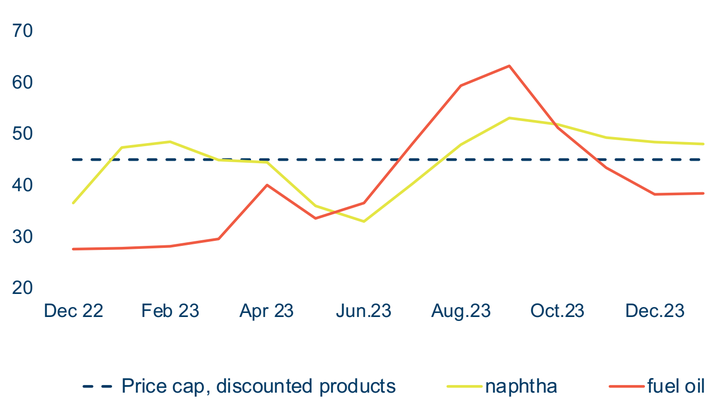
Russian Crude FOB Export Prices



Russian Premium Products FOB Export Prices



Russian Discounted Products FOB Export Prices



Source: IEA (2023), Oil Market Report – February 2024, IEA, Paris, WB Commodity Prices (Brent)

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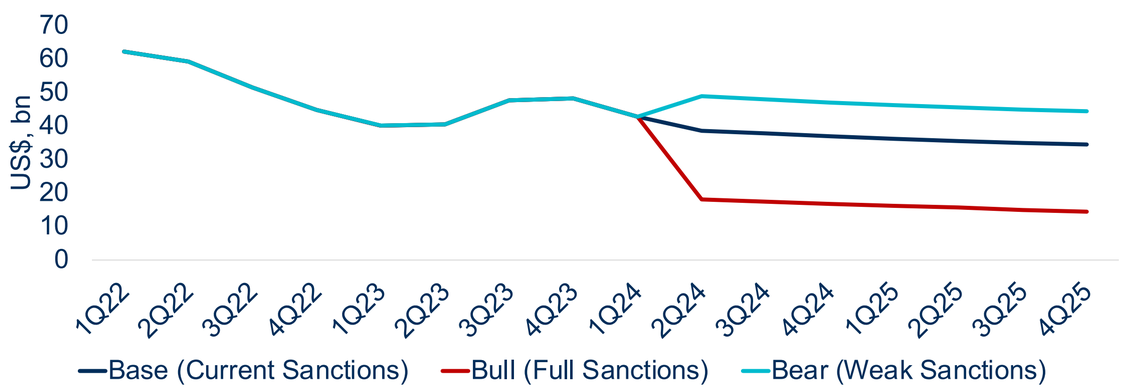
In January 2024 Russian oil export revenues increased by $0.3 bn to $15.6bn. KSE Institute projects that revenues will contract to still robust $156 bn and $141 bn in 2024 and 2025 respectively in the base case scenario from $218 bn in 2022 and estimated $177 bn in 2023, but the scenario outcome is sensitive to sanctions enforcement

- Although volumes of Russian oil exports marginally changed since the invasion as it was able to redirect exports to other markets proposing steep discounts, the decline in the world oil prices and steep discount on Russian oil resulted in a sharp fall in Russian oil revenues in 1H2023. Narrowing the discount on Russian oil and soaring world market prices led to a surge of Russian oil revenues until November when the trend has been reversed for both prices and discount.
- Russian oil export revenues increased by $0.3 bn (MOM) to $15.6 bn in January as all Russian crude grades gained a little while exports volumes of crude and product remained broadly unchanged.
- The KSE Institute projects that in the base case with current oil price caps and status quo of sanctions but their stronger enforcement, revenues will contract to $156 bn and $141 bn in 2024 and 2025 respectively compared to $218 bn and estimated $177 bn in 2022n and 2023 respectively. Total Russian oil exports goes down to 7.0 mb/d.
- In the bull sanctions case, with lower price cap equivalent to $50/bbl discount to forecast Brent prices, revenues fall to $95 bn and $61 bn in 2024 and 2025 respectively. Total Russian oil exports goes down to 55.7 mb/d in this scenario.
- In the bear case, with US$ 10/bbl discount to forecast Brent prices, and less decline in oil export volumes, revenues will increase to robust $187 bn and $181 bn in 2024 and 2025 respectively. Total Russian oil exports only goes down to to 7.4 mb/d in this scenario.

Russian Oil Exports and Revenues, kb/d, US$ bn



Russian Oil Earnings by Scenarios, US$ bn



Source: IEA Oil Market Reports, KSE Institute estimates

KSE | Institute

Policy Recommendations

Bold measures are needed as Russia's oil is slipping beyond G7 reach.

The October-November data suggest that problems with price cap implementation and enforcement are much bigger than previously expected. To ensure that sanctions continue to constrain Russia's ability to wage its war of aggression on Ukraine—and that their credibility is maintained—additional steps urgently need to be taken. Below, we outline three critical measures that can quickly and effectively address Russian effort to evade sanctions on its oil exports.

1. **G7/EU countries should ensure that their authorities have sufficient proof of compliance with the price cap,** including by: a) leveraging the involvement of G7/EU financial institutions in the Russian oil trade and their knowledge of key transaction details such as prices; b) requiring attestations to be provided by reputable entities defined via transparent criteria and subject to sanctions in the case of violations or their facilitation; and/or c) stepping-up of documentary evidence requirements for G7/EU service providers under the current system (including original sales contracts, etc.).
2. **EU coastal states should leverage geographical "choke points" to limit Russia's use of a "shadow fleet"** of tankers by requiring proper spill insurance for vessels' passage through their territorial waters, including in the Baltic Sea and Mediterranean. This would force Russia to rely once again on G7/EU services for a substantial share of its exports and also help address environmental risks that have emerged due to the increasing use of old and under-insured tankers. For this purpose, a system to allow for timely and efficient verification of insurance information should be established.
3. **Price cap coalition countries should step up penalties on entities that violate the price cap.** For G7/EU companies, this should include tougher monetary penalties and expanded lockout periods. For third-country actors, price cap coalition countries should impose "direct" sanctions (e.g., SDN listing in the United States or use of the European Union's anti-circumvention tool established in the 11th package) and consider the application of extraterritorial ("secondary") sanctions, leveraging the continued critical importance of its financial system for internationally operating businesses.

[1] Please see for analysis and detailed recommendation: The International Group of Working Sanctions, September 4, 2023, Using Energy Sanctions to Shorten the War, Working Paper #14, https://fsi9-prod.s3.us-west-1.amazonaws.com/s3fs-public/2023-09/working_paper_14_-_using-energy-sanctions_09-04-23.pdf