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Russian Oil Tracker

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Summary

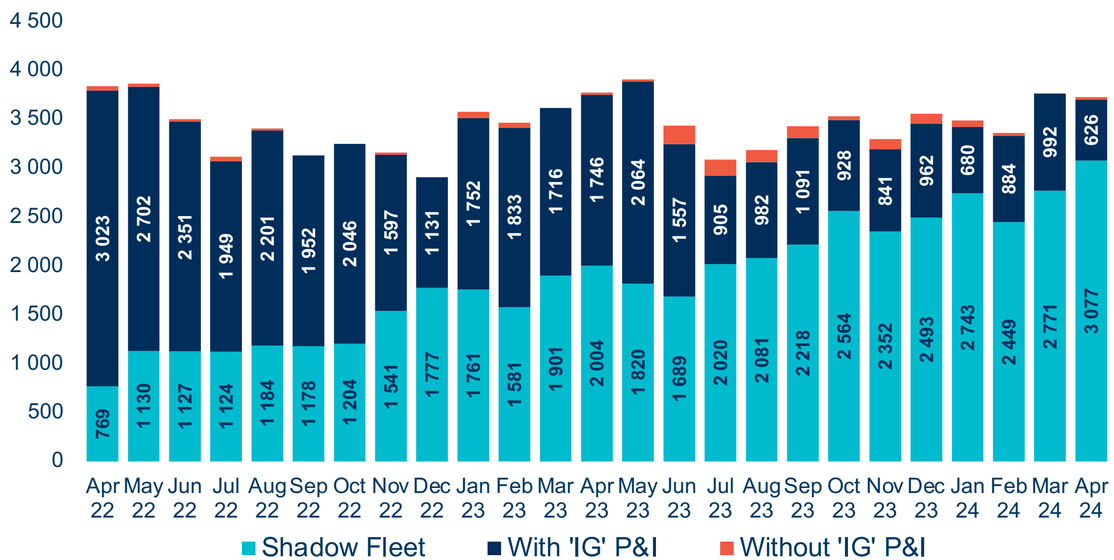
- Despite higher crude prices Russian oil export revenues decreased by $1.2 bn or 6.5% MoM to $17.2 bn in April due to both lower oil products volumes and naphtha and diesel prices. Total Russian oil exports losses steamed from unprovoked invasion are estimated at $126 bn in March 2022–April 2024.
- Russian seaborne oil exports volumes decreased by 7% driven by 17% lower products export MoM (25% YoY) while crude exports little changed MoM. Reliance on Western maritime services decreased to 29% as only 17% of crude and 52% of oil products were shipped with IG P&I insurance coverage.
- KSE Institute estimates 228 loaded Russian shadow fleet tankers left Russian ports and 2 were involved in STS transfers in April 2024, 85% of which older than 15 years. Both volume and share of Russian crude oil exports by shadow fleet hit records in April as it was responsible for exports of ~3.1 mb/d or 83% of total crude exports.
- India, the biggest Russian seaborne crude importer, increased Russian seaborne crude imports by 9% MoM (to 1859 kb/d) in April 2024. Altogether India, China and Turkey were responsible for 90% (-3 p.p. MoM) of Russian crude oil exports in April 2024. Despite decreasing Russian oil products imports by 113 kb/d or by 28% MoM, Turkey still topped the list of Russian oil product buyers in April 2024.
- The US Treasury approach to designate individual vessels effectively hits the target by removing shadow tankers from regular commercial service. As of April 12, 2024, out of 41 sanctioned vessels — 38 have been unloaded and stayed idle, 1 was removed from sanction list, one vessel provides coastal shuttle services violating OFAC's sanctions but only within the Black Sea. Only two sanctioned vessels started voyage with a commercial cargo, but they have not been unloaded by the time of report release. Russia turned to 38 newcomer tankers with a deadweight equivalent to 90% of sanctioned tankers for shipping its oil exports since December 2023 to replace the shadow fleet removed from the commercial services due to US sanctions.
- Russia employs STS transfers to conceal the origin of the crude and oil products and breach sanctions in different regions of the world. The KSE Institute estimates the total volumes of crude and oil products STS transfers at 27.5 mb and 80.2 mb respectively in January 2023 – April 2024.
- In April 2024, Urals FOB Primorsk and Novorossiysk increased by 4.3/bbl and 5.1/bbl to around $73/bbl while ESPO FOB Kozmino increased by 4.4/bbl to around $83/bbl. The discount for all crude grades changed only marginally MoM in April.
- 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 reach to $172 bn and $142 bn in 2024 and 2025 respectively compared to $218 bn and $186 bn in 2022 and 2023 respectively. If the discount on Russian oil is widened to $40/bbl compared to Brent forecast prices, revenues will fall to $143 bn and $80 bn in 2024 and 2025 respectively. However, in case of weak sanctions enforcement, Russian oil revenues could increase to the robust $194 bn and $188 bn in 2024 and 2025 respectively.

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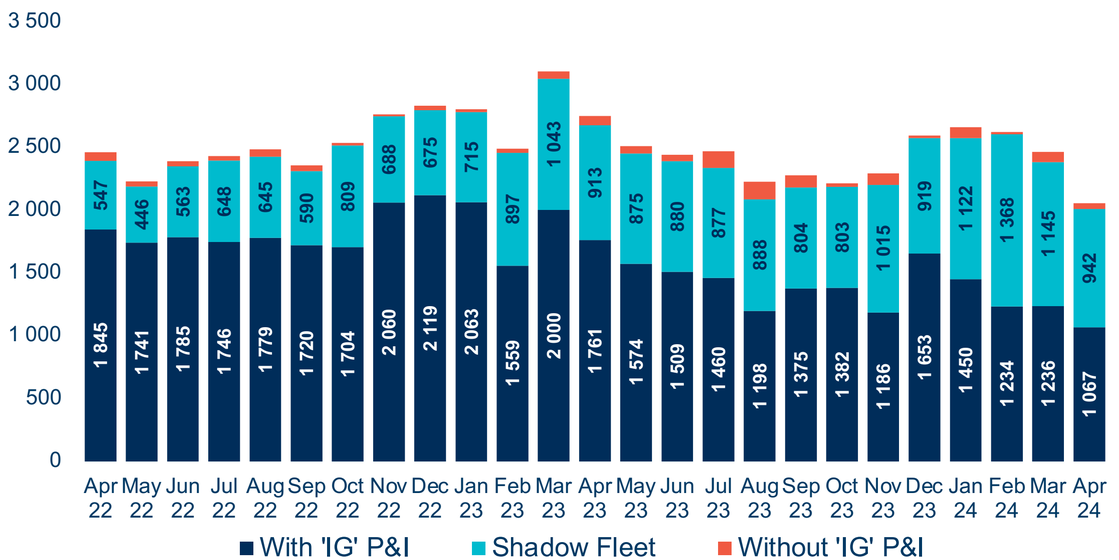
Russian seaborne oil exports volumes decreased by 7% in April 2024. Only 29% of Russian oil exports were shipped by IG insured tankers

- In April 2024 Russian seaborne oil exports decreased by 7.1% MoM and 11.4% YoY.
- Shipments of seaborne crude oil decreased by 1.0% MoM while products exports collapsed by 16.6% MoM or 25.2% YoY to the lowest level since the invasion amid successful Ukrainian drones strikes on Russian refineries.
- Overall Russian reliance on Western maritime services is estimated at 29%, as 17% of crude oil and 52% of oil products were shipped by tankers with International Group (IG) P&I insurance coverage in April 2024.

Russian seaborne crude oil exports, kb/d



Exports of Russian oil products, kb/d



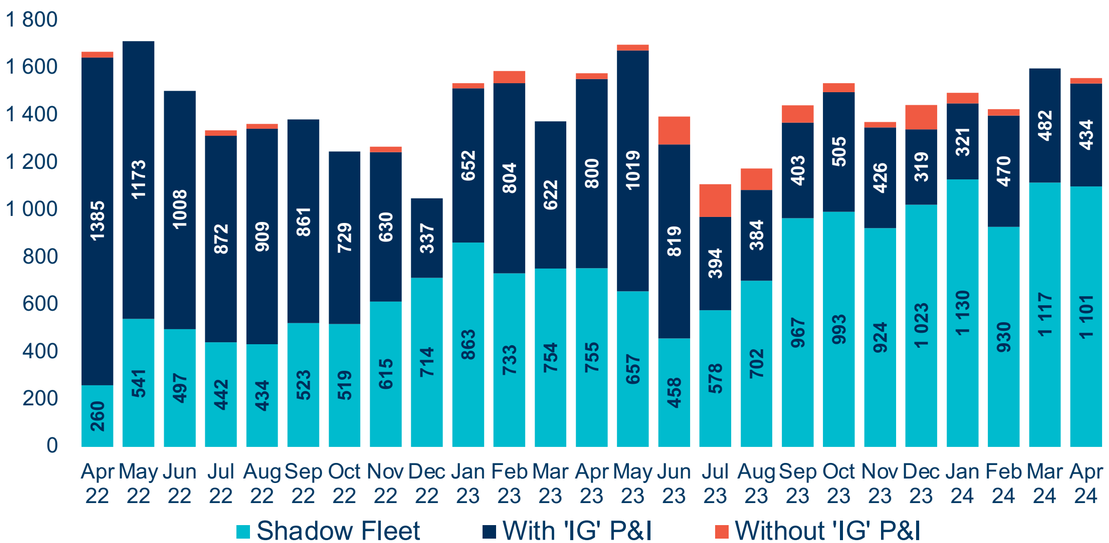
Shadow fleet: *tankers affiliated with jurisdictions outside sanctions coalition and lacking "IG" P&I insurance.* ***With "IG" P&I:*** *tankers affiliated with jurisdictions of sanctions coalition and outside coalition and with "IG" P&I insurance.* ***Without "IG" P&I:*** *tankers affiliated with jurisdictions of sanctions coalition but lacking "IG" P&I insurance.* Source: Kpler, Equasis, P&I Club webpage, KSE Institute estimates

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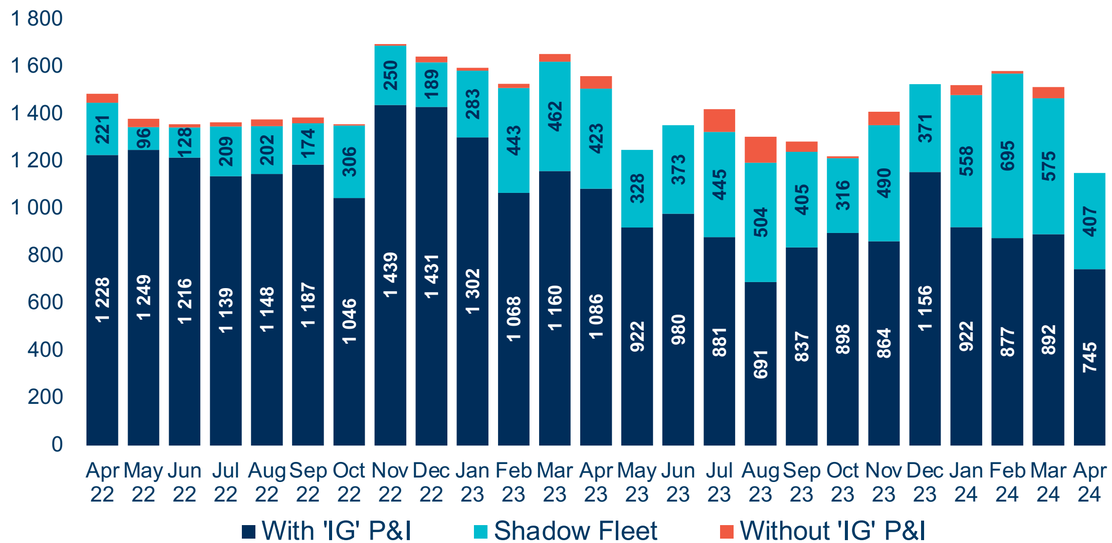
44% of crude & oil products were shipped by IG insured tankers from Baltic Sea ports in April 2024

- In April 2024, the exports of crude oil from Baltic ports decreased by 2.5% MoM and were 1.3 % lower YoY.
- The exports of oil products from Baltic ports slumped by 23.9% MoM and by 26.2% YoY.
- 28% of crude oil and 65% of oil products were shipped by tankers with IG P&I insurance in April compared to 30% and 59% respectively in March 2024.

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



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



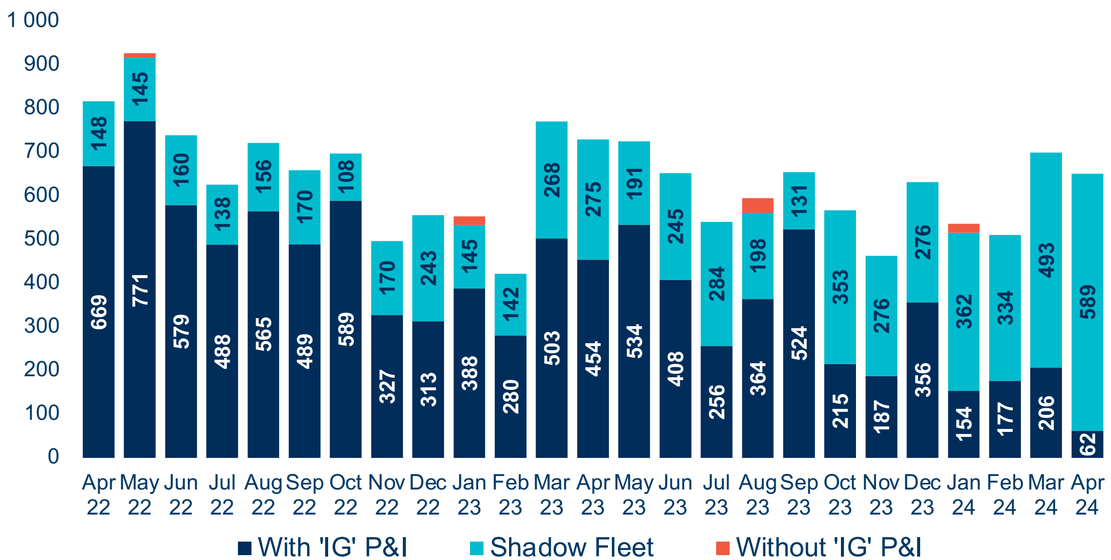
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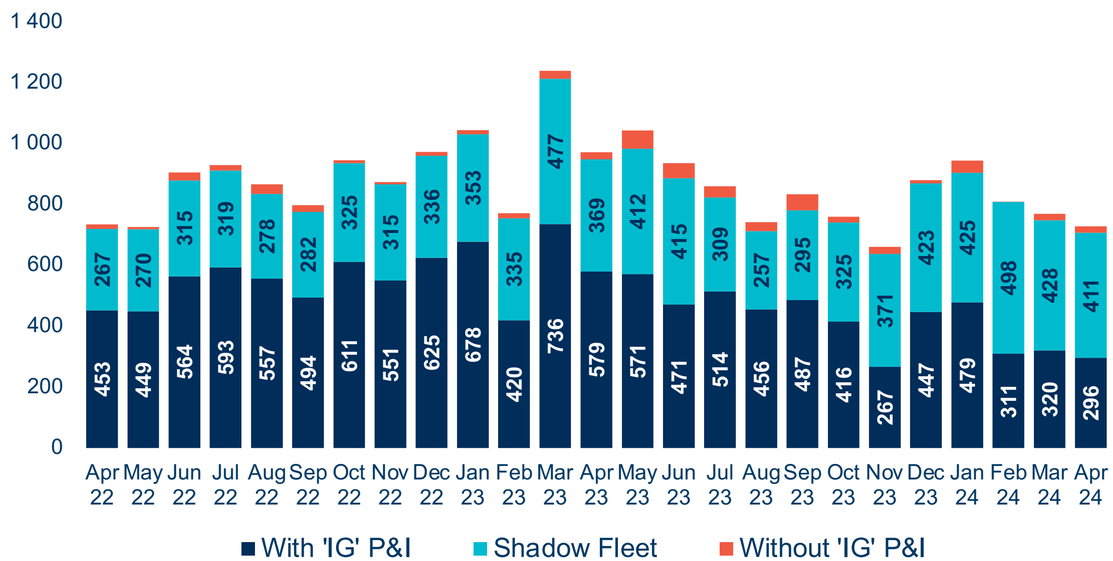
26% of crude & oil products were shipped by IG insured tankers from Black Sea ports in April 2024

- The exports of crude oil from Black Sea ports decreased by 6.9% MoM and were 10.7% lower YoY in April 2024.
- The exports of oil products from Black Sea ports decreased by 5.3% MoM and by 25.0% YoY.
- Only 10% of crude oil and 41% of oil products were shipped by tankers with IG P&I insurance in April 2024 compared to 29% and 42% respectively in March 2024.

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



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



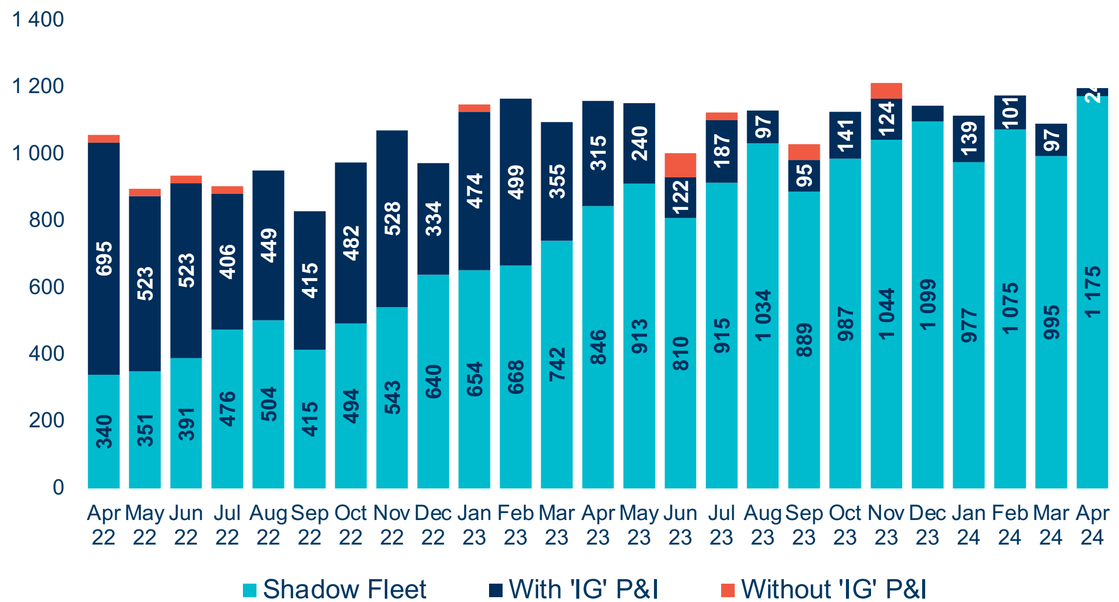
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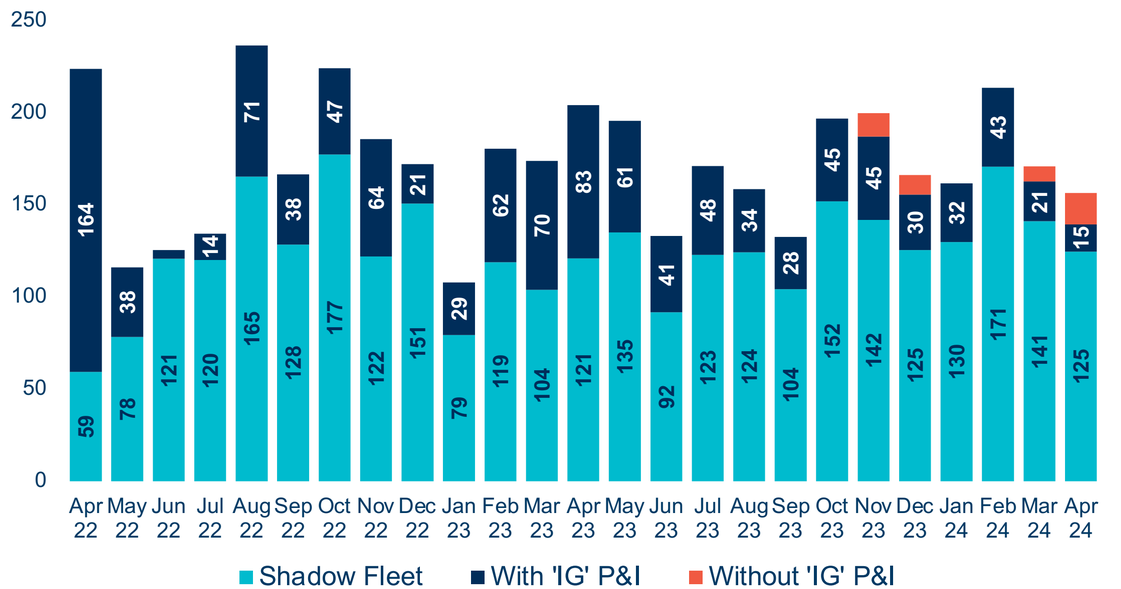
Only 3% of crude & oil products were shipped by IG insured tankers from Pacific Ocean ports in April 2024

- In April 2024, the exports of crude oil from Pacific Ocean ports increased by 9.8% MoM and by 3.3% YoY.
- The exports of oil products from Pacific Ocean ports decreased by 8.4% MoM and by 23.4% YoY.
- Only 2% of crude oil and 9% of oil products were shipped by tankers with IG P&I insurance in April 2024 compared to 9% and 13% respectively in March 2024.

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



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



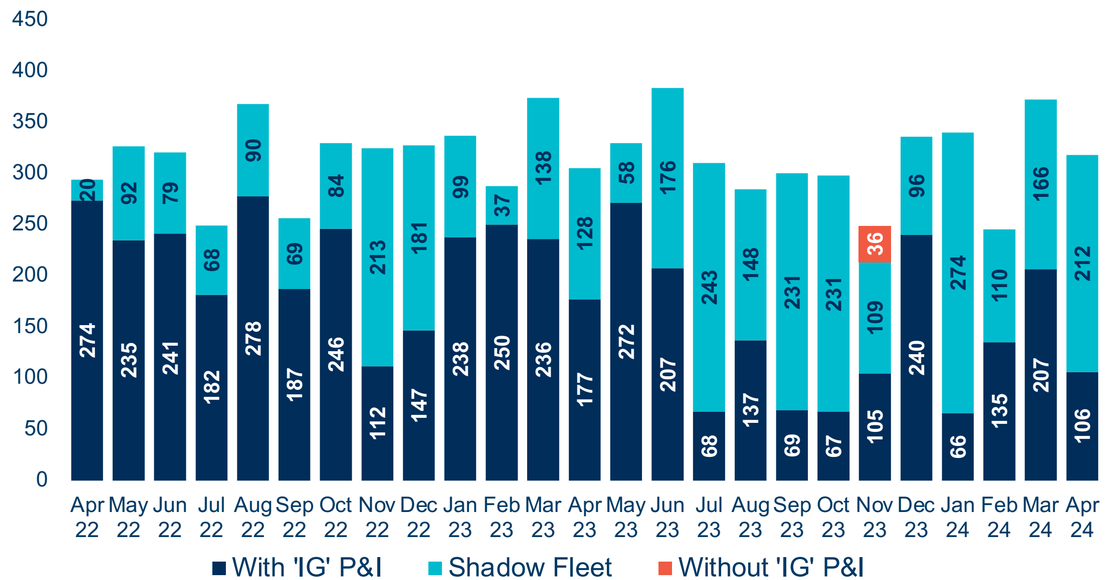
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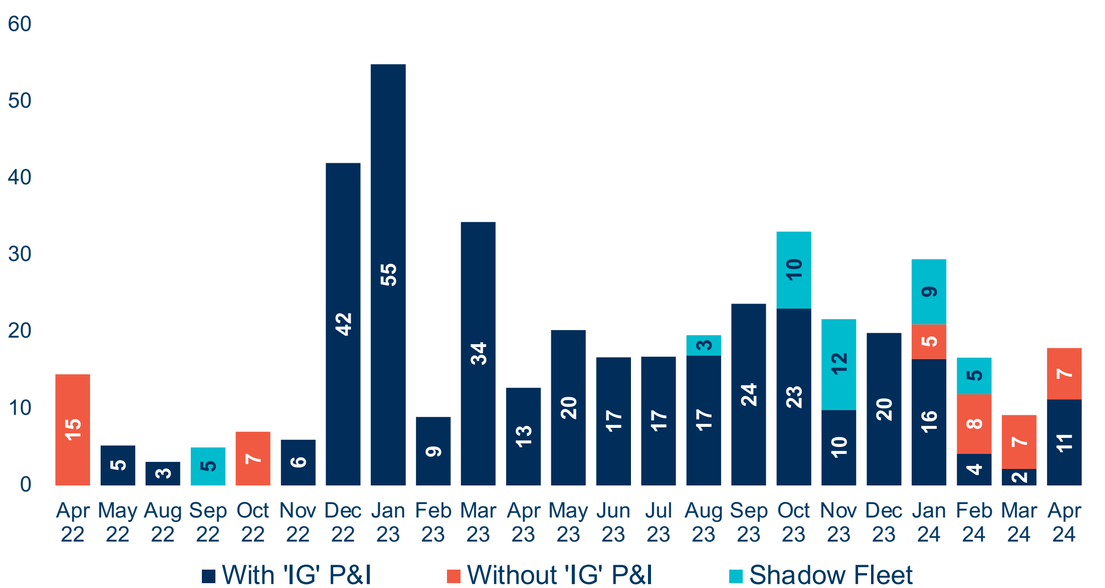
35% of crude oil and oil products were shipped by IG insured tankers from Arctic Ocean ports in April 2024

- Crude oil exports from Arctic Ocean ports decreased by 14.6% MoM but were 4.2 higher YoY in April.
- The exports of oil products from Arctic Ocean is insignificant as Russia ships predominantly crude from these ports.
- 33% of crude oil was shipped by IG insured tankers in April compared to the 55% 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



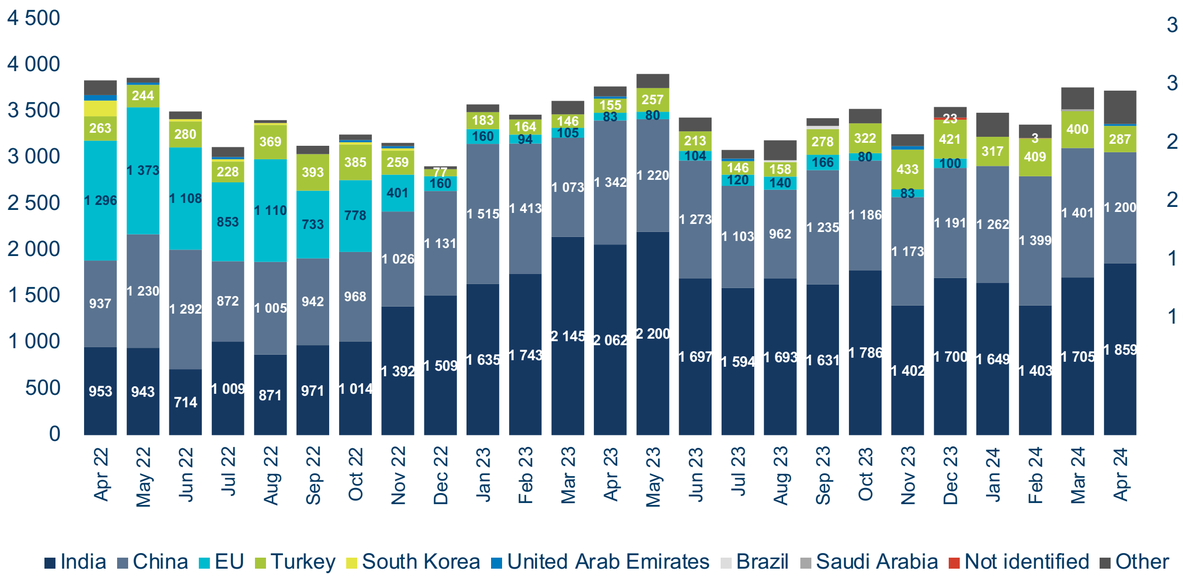
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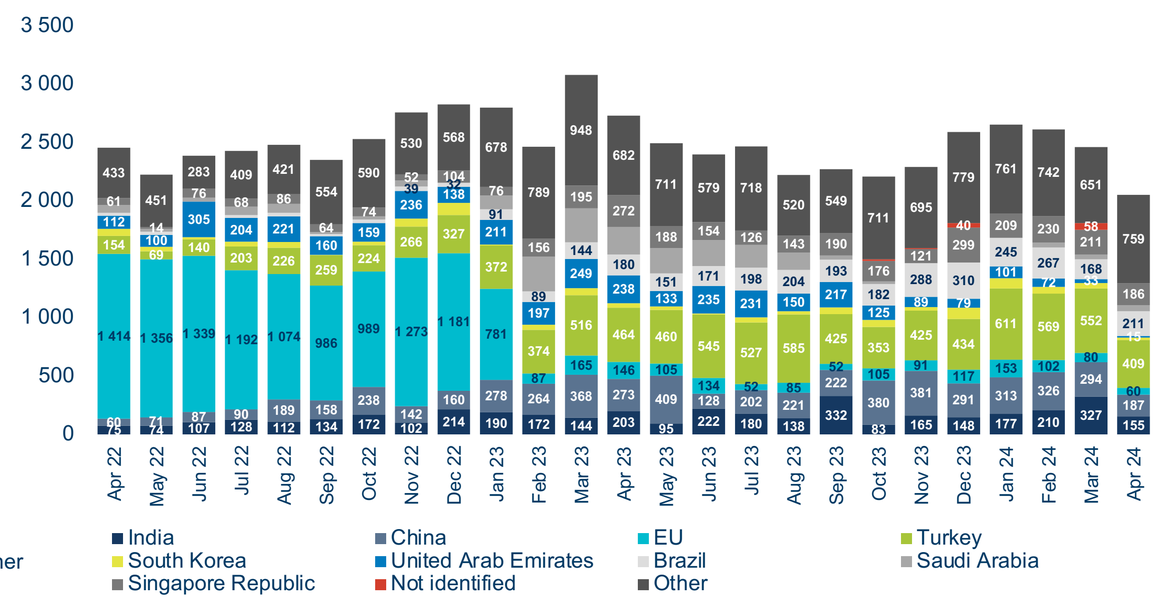
India increases Russian crude imports, Turkey reduces oil products imports

- In April 2024, India increased Russian seaborne crude imports by 9% (to 1859 kb/d) and remained the top-1 buyer in the list of Russian seaborne crude importers. China, the second biggest buyer, decreased its imports by 14% (to 1200 kb/d).
- Altogether India, China and Turkey were responsible for 90% (-3 p.p. MoM) of Russian crude oil exports in April 2024.
- Meanwhile Turkey remained top-1 buyer of Russian oil products, their imports slumped by 143 kb/d or 25.8% MoM. Crude imports from Russia declined as well by 113 kb/d or by 28.1% in April 2024.

Russian seaborne crude oil exports by countries, kb/d



Russian oil products exports by countries, kb/d



Source: Kpler, KSE Institute estimates

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Stream Ship Management Fzco topped the list of ten biggest crude shippers for a second consecutive month since sanctioned by the OFAC Oil Tankers Scf Mgmt Fzc started transferring tankers to its management (please see the March 2024 issue of Russian Oil Tracker for details).

Three Greek companies remained in the list of top ten Russian crude shippers despite the risk of being sanctioned by the US Treasury for carrying Russian crude sold above the price cap. Registered in Moldova Adel Ship Management Srl entered the list of ten biggest crude shippers for the first time

Russian crude oil exports by ship managers

Feb 24			Mar 24			Apr 24		
Ship manager	**Volume, kb/d**	**%**	**Ship manager**	**Volume, kb/d**	**%**	**Ship manager**	**Volume, kb/d**	**%**
Other	1997	59%	Other	2 425	64%	Other	2148	58%
UAE.Oil Tankers Scf Mgmt Fzco	520	15%	UAE.Stream Ship Management Fzco	281	7%	UAE.Stream Ship Management Fzco	774	21%
UAE.Stream Ship Management Fzco	142	4%	UAE.Oil Tankers Scf Mgmt Fzco	242	6%	China.Sunne Co Ltd	149	4%
Greece.Olympic Shipping & Management	109	3%	China.Prominent Shipmanagement Ltd	181	5%	UAE.Alqutb Alshamali Marine Srvs	119	3%
Turkey.Gungen Denizcilik Ve Ticaret	106	3%	UAE.One Moon Marine Services Llc	133	4%	Greece.Dynacom Tankers Management Ltd	105	3%
China.Sunne Co Ltd	104	3%	Greece.Dynacom Tankers Management Ltd	103	3%	China.Sino Ship Management Co Ltd	99	3%
UAE.Alqutb Alshamali Marine Srvs	102	3%	China.Sunne Co Ltd	95	3%	Greece.Stealth Maritime Corp Sa	78	2%
China.Prominent Shipmanagement Ltd	83	2%	UAE.Alqutb Alshamali Marine Srvs	85	2%	Vietnam.Ovtrans Petrol Transport	70	2%
Greece.Stealth Maritime Corp Sa	76	2%	China.Shang Shipping Ltd	77	2%	Moldova.Adel Ship Management Srl	68	2%
Greece.Polembros Shipping Ltd	60	2%	Russia.Rosnefteflot Jsc	71	2%	China.Prominent Shipmanagement Ltd	59	2%
UAE.Almuhit Alhadi Marine Services	59	2%	China.Sino Ship Management Co Ltd	71	2%	Greece.Eurotankers Inc	58	2%
Total	**3359**	**100%**	**Total**	**3 763**	**100%**	**Total**	**3727**	**100%**

Source: Kpler, Equasis, KSE Institute estimates

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Greek Minerva Marine topped the list of shippers of Russian oil products in April 2024 with a share of 6% in total Russian oil products exports shipments.

Five out of ten biggest shippers of Russian oil products were Greek companies in April compared to seven in March and six in February

Russian oil products exports by ship managers

Feb 24			Mar 24			Apr 24		
Ship manager	**Volume, kb/d**	**%**	**Ship manager**	**Volume, kb/d**	**%**	**Ship manager**	**Volume, kb/d**	**%**
Other	1921	73%	Other	1 627	66%	Other	1499	73%
Greece.Ims Sa	140	5%	Turkey.Modern Gemi Isletmeciligi As	125	5%	Greece.Minerva Marine Inc	130	6%
Kuwait.Arab Maritime Petroleum Trans	91	3%	UAE.Oil Tankers Scf Mgmt Fzco	122	5%	Greece.Ims Sa	87	4%
UAE.Oil Tankers Scf Mgmt Fzco	87	3%	Greece.Ims Sa	100	4%	UAE.Fornax Ship Management	65	3%
Greece.Minerva Marine Inc	70	3%	Greece.Minerva Marine Inc	91	4%	Kuwait.Arab Maritime Petroleum Trans	54	3%
Turkey.Besiktas Likid Tasimacilik	68	3%	Greece.Spring Marine Management Sa	89	4%	Greece.Eastern Mediterranean Maritime	49	2%
Greece.Tms Tankers Ltd	58	2%	Greece.Sea Trade Marine Sa	86	3%	Greece.Spring Marine Management Sa	47	2%
Greece.Product Shipping & Trading Sa	55	2%	Greece.Eastern Mediterranean Maritime	69	3%	Greece.Stealth Maritime Corp Sa	34	2%
Greece.Velos Tankers Ltd	49	2%	Greece.Thenamaris Ships Management	62	3%	Seychelles.Jubilee Waves Corp	31	2%
Turkey.Beks Tanker Isletmeciligi As	43	2%	Greece.Product Shipping & Trading Sa	50	2%	India.Eastern Euro Ship Management	30	1%
Greece.Eastern Mediterranean Maritime	39	2%	UAE.Breath Shipping Services Llc	43	2%	India.Rhine Marine Services Pvt Ltd	29	1%
Total	**2622**	**100%**	**Total**	**2 464**	**100%**	**Total**	**2055**	**100%**

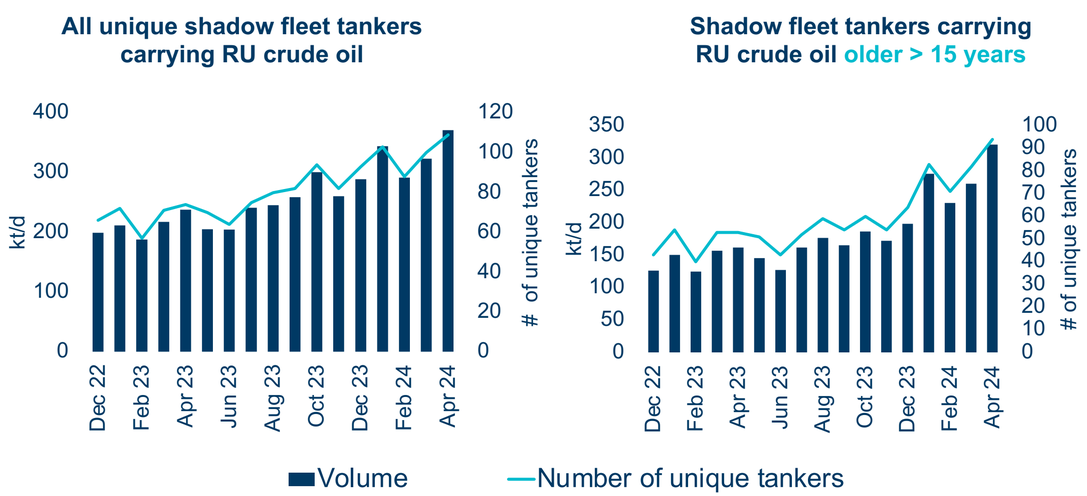
Source: Kpler, Equasis, KSE Institute estimates

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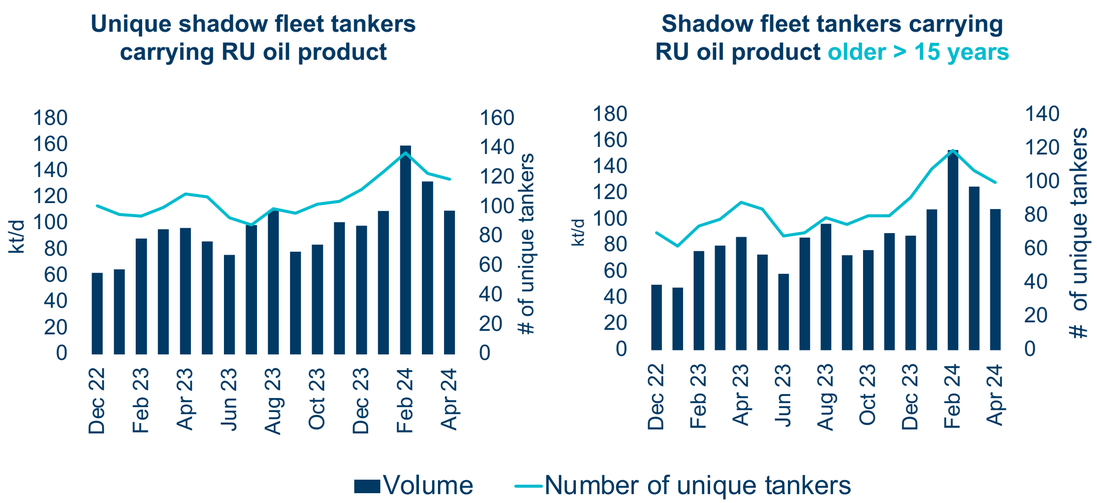
The total number of Russian shadow fleet tankers carrying crude and oil products from Russian ports increased by 5 MoM and is estimated at 228 in April 2024

- Russian oil exporters increased the number of shadow fleet tankers carrying crude from Russian ports by 9 to 109 tankers in April 2024, while 86% of them were older than 15 years.
- The number of shadow fleet tankers carrying Russian oil products from Russian ports decreased by 4 to 119 in April 2024, while 84% 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



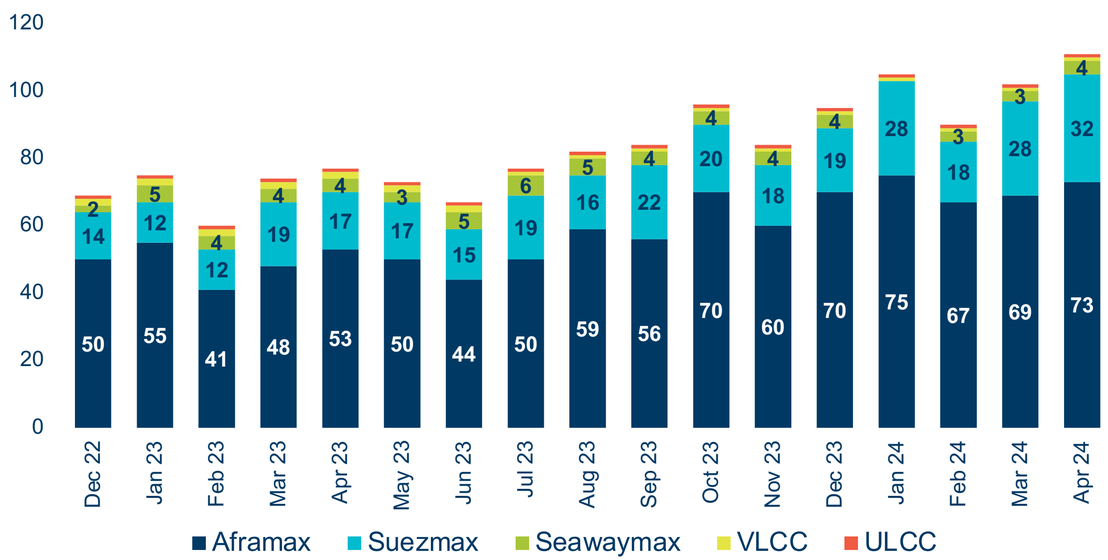
Source: Kpler, Equasis, P&I Club webpage, KSE Institute estimates

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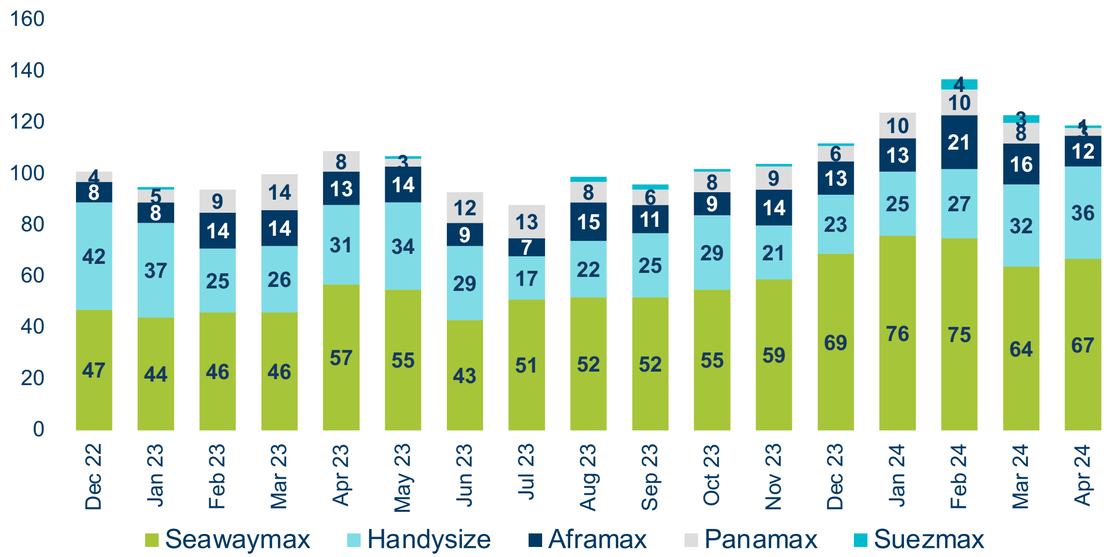
Aframax and Seuzmax are the core of Russian shadow fleet carrying crude while Seawaymax, Handysize and Aframax form the Russian shadow fleet carrying oil products.

Total Russian shadow fleet carrying oil and oil products is estimated at 230 tankers – 228 left Russian ports and 2 involved in STS transfers[1] in April 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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Both volume and share of Russian crude oil exports by shadow fleet hit records in April

- Russian crude oil exports by shadow fleet increased by 301 kb/d or by 6% MoM to 3,077 kb/d in April and its share in total crude shipments increased by 9 p.p. to 83%.
- Stream Ship Management Fzco (UAE) was responsible for 25% of Russian crude shipments by shadow fleet in April. Five Chinese companies in the top-10 list were responsible for 14% of Russian crude shipments by the shadow fleet.

Russian crude oil exports by shadow fleet, kb/d

Feb 24			Mar 24			Apr 24		
Ship manager	**Volume, kb/d**	**%**	**Ship manager**	**Volume, kb/d**	**%**	**Ship manager**	**Volume, kb/d**	**%**
Other	1237	50%	Other	1528	55%	Other	1588	52%
UAE.Oil Tankers Scf Mgmt Fzco	520	21%	UAE.Stream Ship Management Fzco	281	10%	UAE.Stream Ship Management Fzco	774	25%
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China.Sunne Co Ltd	104	4%	China.Prominent Shipmanagement Ltd	181	7%	UAE.Alqutb Alshamali Marine Srvs	119	4%
UAE.Alqutb Alshamali Marine Srvs	102	4%	UAE.One Moon Marine Services Llc	133	5%	China.Sino Ship Management Co Ltd	99	3%
China.Prominent Shipmanagement Ltd	83	3%	China.Sunne Co Ltd	95	3%	Vietnam.Ovtrans Petrol Transport	70	2%
UAE.Almuhit Alhadi Marine Services	59	2%	UAE.Alqutb Alshamali Marine Srvs	85	3%	Moldova.Adel Ship Management Srl	68	2%
China.Merluza Group Ltd	52	2%	Russia.Rosnefteflot Jsc	71	3%	China.Prominent Shipmanagement Ltd	59	2%
Mahe Island Seychelles.Loengo Shipping & Trader Ltd	51	2%	UAE.Almuhit Alhadi Marine Services	56	2%	China.Intercon Marine Shanghai Co	51	2%
China.Huihai Hong Kong Shipping Co	49	2%	China.Hong Kong Hanyuan Shipping Co	50	2%	China.Merluza Group Ltd	50	2%
China.Shanghai Prosperity Ship Mgmt	49	2%	China.Intercon Marine Shanghai Co	50	2%	Marshall Islands.Odine Marine Inc	50	2%
Total	**2449**	**100%**	**Total**	**2771**	**100%**	**Total**	**3077**	**100%**

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

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In April 2024 Russian oil products exports by shadow fleet declined by 202 kb/d but its share in total oil products shipments stayed at 46% as in the previous month

- Russian oil products exports by shadow fleet decreased by 202 kb/d or by 18% MoM to 942 kb/d in April but its share in total crude did not change over previous month as it was estimated by the KSE Institute at 46%.
- Emirati Fornax Ship Management boosted its share in oil products exports by shadow fleet by 4% to 7% and topped the list of Russian oil products exports by the shadow fleet. The share of the previous leader Turkey.Sand Gemi Isletmeciligi As decreased by 9% to 2% and the company moved from first to sixth position in the list.

Russian oil products exports by shadow fleet, kb/d

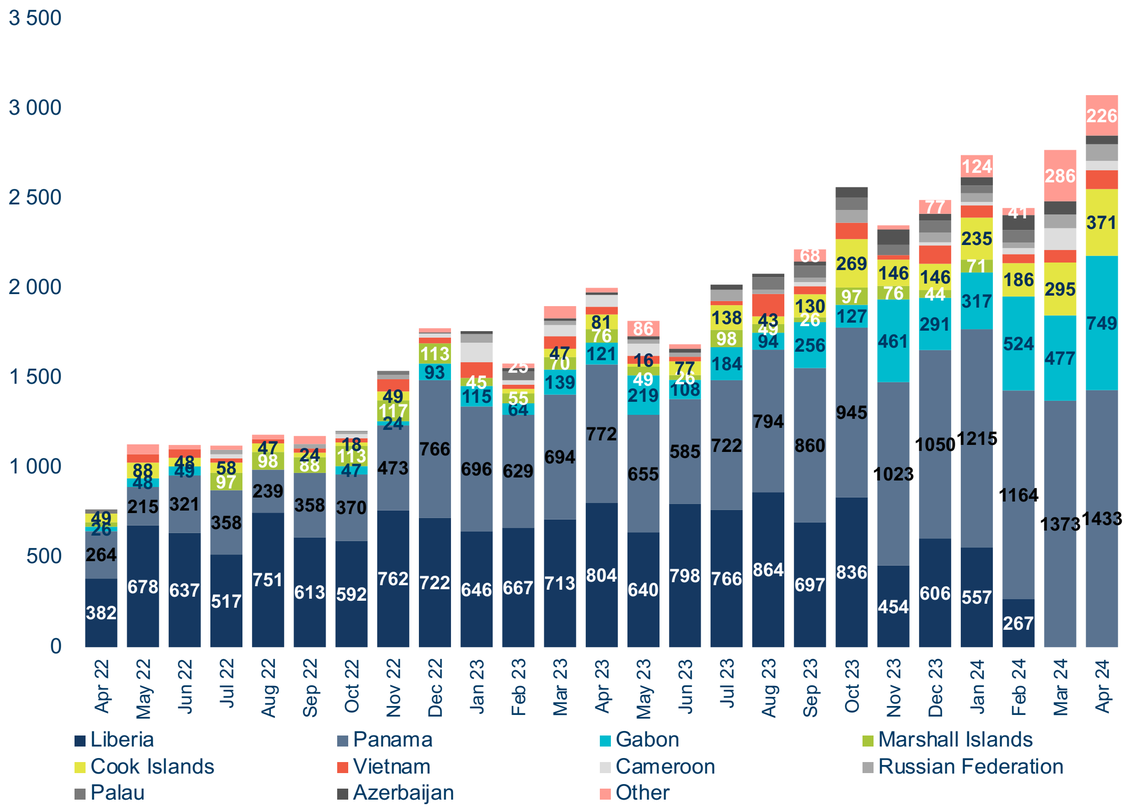
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Ship manager	**Volume, kb/d**	**%**	**Ship manager**	**Volume, kb/d**	**%**	**Ship manager**	**Volume, kb/d**	**%**
Other	1008	74%	Other	645	56%	Other	658	70%
UAE.Oil Tankers Scf Mgmt Fzco	87	6%	Turkey.Modern Gemi Isletmeciligi As	125	11%	UAE.Fornax Ship Management	65	7%
Turkey.Beks Tanker Isletmeciligi As	43	3%	UAE.Oil Tankers Scf Mgmt Fzco	122	11%	Seychelles.Jubilee Waves Corp	31	3%
Vietnam.Ha Trang Petrol Transportation	36	3%	UAE.Breath Shipping Services Llc	43	4%	India.Eastern Euro Ship Management	30	3%
Vietnam.Venus Gas Co Ltd	35	3%	UAE.Oceanlink Maritime Dmcc	33	3%	Russia.Rosewood Shipping Llc	27	3%
Vietnam.Hung Phat Maritime Trading	34	2%	UAE.Fornax Ship Management	33	3%	UAE.Vroom Marine Ventures Fze	23	2%
Marshall Islands.Eren Shipping Inc	26	2%	Turkey.Global Tankers Ltd-Abb	32	3%	Turkey.Sand Gemi Isletmeciligi As	22	2%
UAE.Breath Shipping Services Llc	25	2%	Marshall Islands.Pagos Shipping & Marine Inc	31	3%	Seychelles.Zenith Shipping Inc-Sey	22	2%
China.Octans Dorne Ltd	25	2%	Vietnam.Hung Phat Maritime Trading	30	3%	UAE.Arctictransit Maritime Ltd	22	2%
Turkey.Aquila Shipowner Sa	25	2%	Seychelles.First Light Marine Corp	26	2%	Marshall Islands.Pablo Union Shipping Inc	21	2%
Mahe Island Seychelles.Bubble Marine Inc	24	2%	Kyrgyzstan.Munai Invest Llc	25	2%	China.Octans Dorne Ltd	21	2%
Total	**1368**	**100%**	**Total**	**1145**	**100%**	**Total**	**942**	**100%**

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

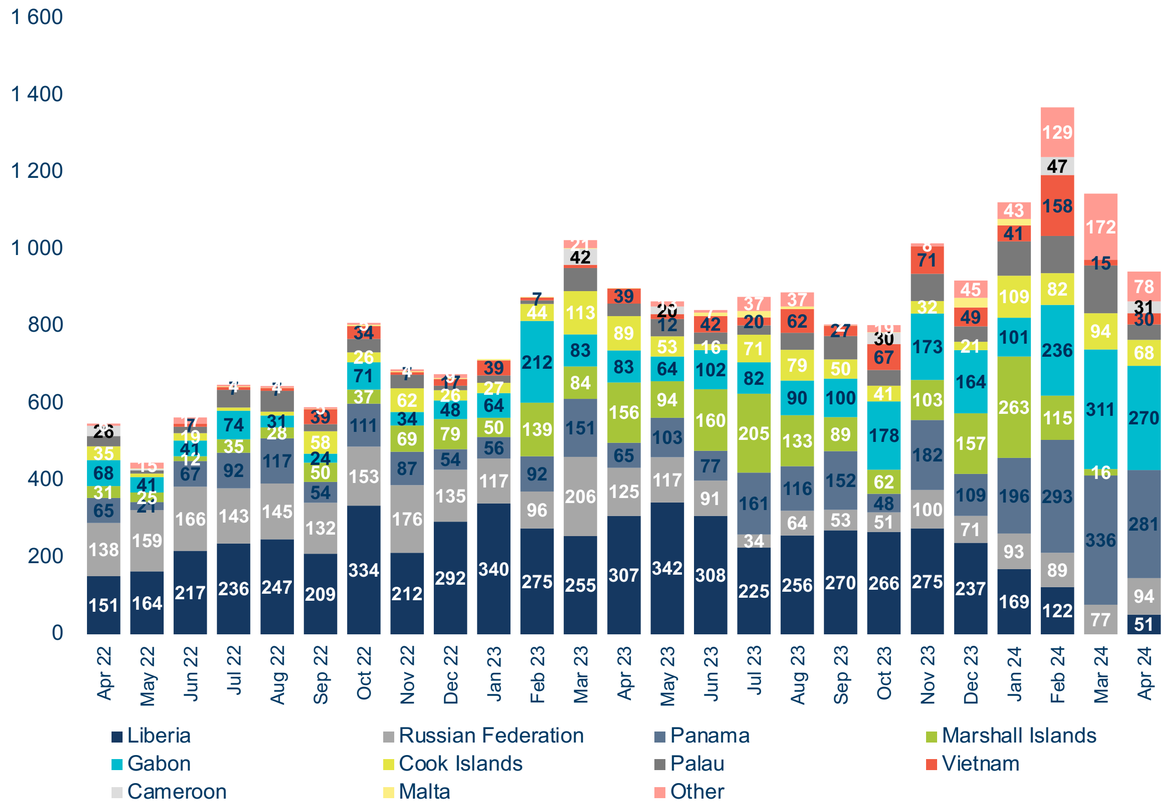
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The top-3 flags of Russian shadow fleet vessels carrying crude oil are Panama, Gabon and Cook Islands. The top-3 flags of shadow vessels carrying Russian oil products are Panama, Gabon and Russia in May 2024

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 May 28, 2024, the US Treasury sanctions on 41 vessels carrying out Russian crude sold above the price cap effectively hit the target by removing tankers from regular commercial service

- 32 from the list have been unloaded and have not scheduled voyages.
- Yasa Golden Bosphorus IMO, 9334038 has been removed from the sanctions list.
- Scf Primorye, IMO 9334038 and Bratsk (NS Burgas), IMO 9411020 need a special focus as they started transporting Russian oil from the Black Sea to unknow destinations. It is the first case of the being sanctioned by the OFAC vessels carrying commercial cargo.
- Sanar 15, IMO 9777670* carries out transportation violating OFAC's sanctions but only within the Black Sea.
- Vasily Lanovoy, Hai Ii, Bettle, Belgorod, Ns Consul, Ladoga indicated planned voyages, but have not loaded yet.

Vessel's name	IMO	OFAC decision	Location (28 May 2024)
Scf Primorye	9421960	12.10.2023	Fully loaded. Stopped, final destination unknown.
Yasa Golden Bosphorus	9334038	12.10.2023	Resumed operations not from Russian ports
Kazan	9258002	16.11.2023	Ballast at Japan Sea
Ligovsky Prospect	9256066	16.11.2023	Ballast at Japan Sea
Kareliya	9306782	16.11.2023	Ballast at Japan Sea
Avril	9322839	01.12.2023	Ballast at Mediterranean Sea
Ns Champion	9299719	01.12.2023	Ballast at Baltic Sea
Viktor Bakaev	9610810	01.12.2023	Ballast at Black Sea
Sanar 15	9777670	20.12.2023	Loaded, actively transporting oil within the Black Sea.
Vasily Lanovoy	9621601	05.01.2024	**Ballast. Voyage scheduled for May 30, 2024 from Ust Luga**
Aristo	9327413	18.01.2024	Partially loaded, drifting at Mediterranean Sea
Hai Ii	9259599	18.01.2024	**Ballast. Voyage scheduled for May 28 2024 from Nakhodka**
Apus	9299745	18.01.2024	Partially loaded, drifting at Gulf of Oman
Hs Buraq	9381732	18.01.2024	Ballast at Eastern China Sea
Hs Esberg	9410894	18.01.2024	Ballast at Arabian Sea
Hs Everett	9410870	18.01.2024	Ballast at Eastern China Sea
Hs Glory	9249087	18.01.2024	Ballast at Mediterranean Sea
Hs Legend	9381744	18.01.2024	Ballast at Mediterranean Sea
Hs Star	9274446	18.01.2024	Fully loaded, drifting at Yellow Sea
La Pride	9274616	18.01.2024	Ballast at Japan Sea
Mona	9314818	18.01.2024	Ballast at Japan Sea
Nellis	9322267	18.01.2024	Ballast at Japan Sea

Vessel's name	IMO	OFAC decision	Location (28 May 2024)
Kruger	9412995	18.01.2024	Ballast at Mediterranean Sea
Pictor	9322827	18.01.2024	Ballast at Japan Sea
Sara Ii	9301615	18.01.2024	Ballast at Mediterranean Sea
Sensus	9296585	18.01.2024	Ballast at Mediterranean Sea
Bettle	9323338	18.01.2024	**Ballast. Voyage scheduled for May 31, 2024 from Yeosu**
Ns Leader	9339301	08.02.2024	Ballast at Black Sea
Anatoly Kolodkin	9610808	23.02.2024	Ballast at Black Sea
Georgy Maslov	9610793	23.02.2024	Ballast at Baltic Sea
Krymsk	9270529	23.02.2024	Ballast at Japan Sea
Liteyny Prospect	9256078	23.02.2024	Ballast at Japan Sea
Nevskiy Prospect	9256054	23.02.2024	Ballast at Black Sea
Antarktika	9413559	23.02.2024	Ballast at Japan Sea
Belgorod	9412359	23.02.2024	**Ballast. Voyage scheduled for May 31, 2024 from Black Sea**
Bratsk	9411020	23.02.2024	Fully loaded. Final destination unknown.
Kaliningrad	9341067	23.02.2024	Ballast at Black Sea
Kemerovo	9312884	23.02.2024	Ballast at Baltic Sea
Ns Consul	9341093	23.02.2024	**Ballast. Voyage scheduled for May 31, 2024 from Black Sea**
Krasnoyarsk	9312896	23.02.2024	Ballast at Black Sea
Ladoga	9339313	23.02.2024	**Ballast. Voyage scheduled for May 30, 2024 from Vladivostok**
Sakhalin	9249128	23.02.2024	Ballast at Eastern China Sea

* Sanar 15 has a gross tonnage 5,075 tons and deadweight 7,005 tons and only provides shuttle coastal services for larger tankers
*Source: Kpler

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Russia continues to build up its oil tanker fleet to replace tankers added to OFAC's SDN list

In April 2024, 27 new tankers that had not been loaded in Russia in 2023 started transporting Russian oil. In particular:

- 5 tankers without IG P&I insurance managed by non-EU/G7 companies
- 2 tankers without IG P&I insurance managed by EU/G7 companies;
- 20 tankers with IG P&I insurance managed by non-EU/G7 companies

The total DWT of the 38* newcomer shadow fleet tankers (please see April's ROT issue for the list 35 Russian shadow fleet newcomers in Dec 23-Mar24) is equivalent to around **90%** of the total DWT of added to OFAC's SDN list tankers.

Group	IMO	Vessel's name	Build	Type of tanker	IG' P&I Insurance	Ship manager/Commercial manager	Flag
Shadow fleet	9194983	Deliver	2000	Suezmax	-	China. Stellar Ocean Ltd	Panama
	9205067	Raven	2001	Suezmax	-	Seychelles. Infinite Tide Corp	Cook islands
	9208069	Xocota	2000	Suezmax	-	China. Ocean Coral Ship Management	Panama
	9213296	Bright Sonia	2001	Aframax	-	India. Darya Shipping Pvt Ltd	Panama
	9299903	Deep Blue	2005	Aframax	-	China. Sino Ship Management Co Ltd	Panama
EU/G7 managers without 'IG' P&I	9277723	New Fusion	2004	Panamax	-	United Kingdom. Thriving Times International	Panama
	9384459	Rn Privodino	2010	Seawaymax	-	Cyprus. Rubio Holdings Ltd	Panama
Not EU/G7 managers with 'IG' P&I	9391402	Grace Felix	2008	Seawaymax	West of England	Cyprus. Cymare Shipmanagement Ltd	Liberia
	9430272	Yi Bao	2009	Seawaymax	Americanclub	China. Huaxu Shipping Ltd	Liberia
	9260055	Vardar	2003	Seawaymax	Americanclub	United Arab Emirates. Eco Max Fze	Palau
	9260067	Tornado	2003	Seawaymax	Americanclub	United Arab Emirates. Eco Max Fze	Palau
	9303728	Chrysopigi	2006	Seawaymax	Gard	Greece. Ancora Investment Trust Inc	Malta
	9376854	Clean Imperial	2009	Seawaymax	Gard	Greece. Stealth Maritime Corp Sa	Marshall Islands
	9899363	Crude Levante	2021	Suezmax	Gard	Greece. Metrostar Management Corp	Liberia
	9290646	Aruna Gulcay	2006	Seawaymax	Northstandard	Turkey. Aruna Shipping Ltd Corp	Marshall Islands
	9398280	Chios Lion	2010	Aframax	Northstandard	Greece. Stealth Maritime Corp Sa	Liberia
	9410909	Minerva Zen	2009	Seawaymax	Northstandard	Greece. Minerva Marine Inc	Greece
	9747338	Pti Nile	2016	Seawaymax	Northstandard	Singapore. Parakou Tankers Singapore Pte	Hong Kong, China
	9323560	Leon Hermes	2008	Seawaymax	Swedishclub	Greece. Spring Marine Management Sa	Liberia
	9272709	Archangelos Michail	2005	Seawaymax	Thelondonclub	India. Su-Nav Smea Pvt Ltd	Liberia
	9275256	Anwaar Libya	2004	Seawaymax	West Of England	United Arab Emirates. Hp Shipmanagement Llc	Antigua and Barbuda
	9301914	Torm Loke	2007	Seawaymax	West Of England	India. Rhine Marine Services Pvt Ltd	Liberia
	9346457	St Hikari	2008	Panamax	West Of England	China. China Prosperity Maritime Ltd	Hong Kong, China
	9376816	Yanbu	2008	Seawaymax	West Of England	Greece. Ims Sa	Liberia
	9629926	Grace Romavictor	2012	Seawaymax	West Of England	Liberia. Grace Romavictor Shipping Ltd	Liberia
	9773947	Sea Shell	2016	Suezmax	West Of England	Kuwait. Arab Maritime Petroleum Trans	Panama
	9956006	Seahorse 1	2024	Aframax	West Of England	Kuwait. Arab Maritime Petroleum Trans	Panama

* 2 newcomer tankers (Elegant Grace, Elegant Voyager) from April's ROT issue list obtained 'IG' P&I insurance and excluded from the shadow fleet list.

Source: Kpler, Equasis, P&I Club webpage

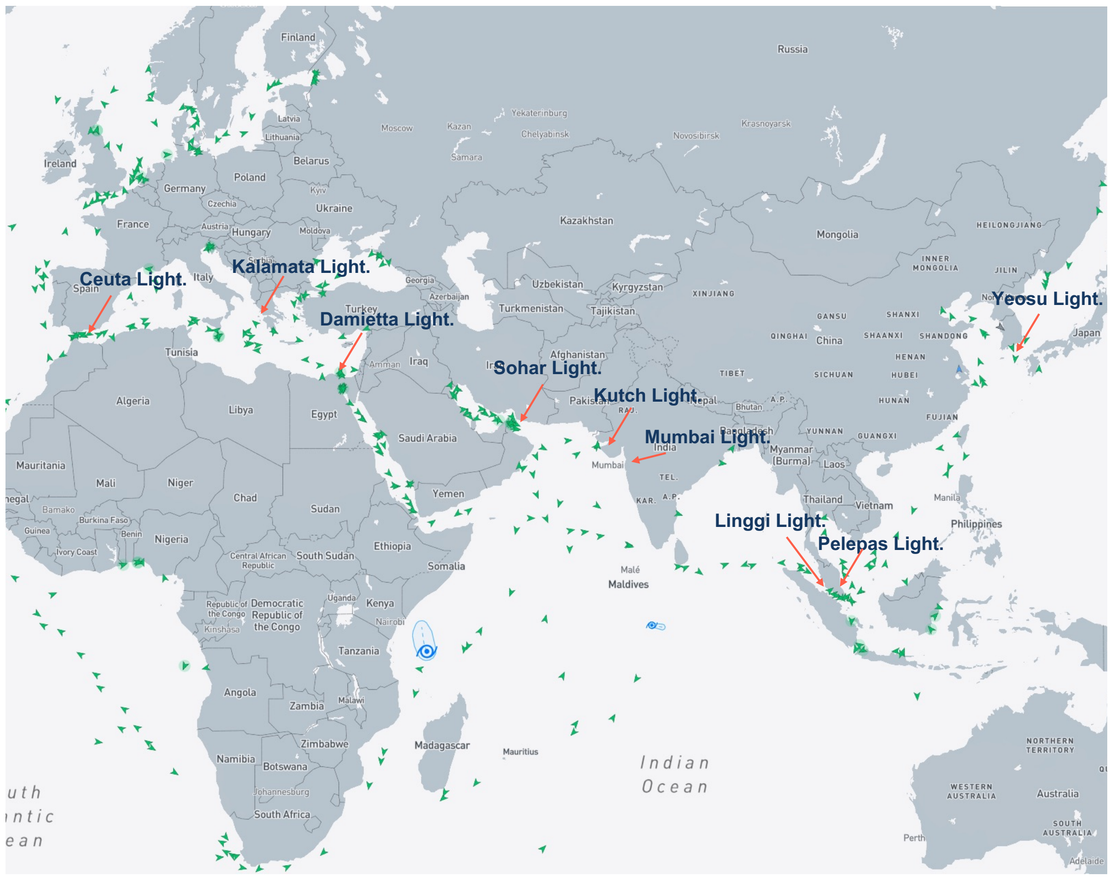
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Russia employed STS transfers to conceal the origin of the crude and breach sanctions in nine regions: Ceuta, Kalamata, Damietta, Kutch, Sohar, Mumbai, Linggi, Pelepas and Yeosu Light

The Yeosu Light zone with a share of 40% of the total volume led the transshipment of Russian crude oil through STS operations in Jan 23 – Apr 24.

Volumes of Russian crude oil in STS operations, mln barrels

STS area	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	Total
Yeosu Light.	0,6	0,9	1,0	0,9	0,8	0,5	0,7	0,7	0,8	0,7	1,0	1,1	1,0	0,3	-	0,2	**11,1**
Kalamata Light.	1,8	1,2	0,4	0,4	0,3	0,6	0,1	-	-	0,2	-	0,4	0,7	0,2	0,4	0,2	**7,0**
Ceuta Light.	1,2	0,8	0,5	-	-	-	0,1	-	-	-	-	-	-	-	-	-	**2,6**
Pelepas Light.	0,1	-	0,6	0,7	0,6	0,1	-	-	-	-	-	-	-	-	-	-	**2,1**
Sohar Light.	-	-	-	-	0,4	-	-	-	-	-	-	0,1	0,2	0,3	0,3	-	**1,3**
Linggi Light.	-	-	-	-	0,2	-	-	0,2	-	-	-	0,3	0,1	0,2	-	-	**1,0**
North East Atlantic Ocean	-	-	0,2	0,3	0,1	0,1	-	-	-	-	-	-	-	-	-	-	**0,8**
Damietta Light.	-	-	-	-	-	-	-	-	-	0,2	-	-	-	-	0,3	-	**0,5**
Kutch Light.	-	-	-	-	0,1	0,2	0,1	-	-	-	-	-	-	-	-	-	**0,4**
Mumbai Light.	-	-	-	-	-	-	-	-	-	0,1	0,1	-	-	-	-	-	**0,2**
Other	0,0	0,1	0,0	0,0	0,0	0,0	0,1	0,0	0,0	0,0	0,1	0,0	0,0	0,0	0,1	0,0	**0,5**
Total	**3,7**	**3,0**	**2,8**	**2,3**	**2,4**	**1,5**	**1,1**	**0,8**	**0,8**	**1,2**	**1,2**	**1,9**	**2,1**	**1,0**	**1,1**	**0,5**	**27,5**



Source: Kpler, Equasis, P&I Club webpage

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The top three regions in terms of the volume of STS transfers of Russian oil products in January 2023 – April 2024 were Kalamata Light, Pelepas Light and Kerch Light

- Russia may employ such operations to export its products to countries that imposed embargo on Russian oil products imports as the origin of the product after STS transfer cannot be detected
- The recent increase of STS transfers off the coast of Senegal (Dakar Light) and Nigeria (Lagos Light and Lome Light) needs investigation of responsible authorities.

Volumes of Russian oil products in STS operations, mln barrels

STS area	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	Total
Kalamata Light.	1,0	1,6	2,5	1,4	1,3	1,9	1,8	0,9	2,2	1,4	1,0	1,9	3,0	2,1	1,5	0,5	**25,9**
Pelepas Light.	1,8	2,1	1,2	0,5	0,9	0,5	2,1	0,8	0,9	1,6	0,9	0,6	0,6	0,6	0,6	-	**15,7**
Kerch Light.	0,7	0,8	1,0	1,0	0,8	0,6	0,5	0,4	0,3	0,3	0,8	0,3	0,5	0,2	0,1	0,1	**8,4**
Malta Light.	0,1	0,3	0,3	0,3	0,4	0,3	0,5	0,3	1,1	0,1	0,0	0,1	0,3	0,1	0,0	-	**4,3**
Augusta Light.	0,0	1,1	0,2	0,1	-	-	0,0	-	0,1	0,6	1,0	0,1	0,1	-	-	-	**3,5**
Dakar Light.	0,1	0,1	0,1	0,1	0,1	0,1	0,1	-	0,1	0,1	0,3	0,1	0,4	0,6	0,6	-	**3,0**
Lome Light.	0,0	0,2	0,3	0,3	0,2	0,3	0,6	0,3	0,1	0,1	0,3	0,4	0,2	0,2	0,1	0,0	**3,6**
Constanta Light.	0,3	0,3	0,5	1,1	0,3	0,0	0,0	0,1	0,1	0,5	0,1	0,1	0,3	0,0	0,0	0,0	**3,7**
Lagos Light.	0,2	0,2	0,6	0,1	0,2	0,1	0,2	0,2	0,1	0,1	0,2	0,1	0,2	0,2	0,0	-	**2,5**
Yeosu Light.	0,3	0,1	-	-	-	0,0	0,2	0,1	0,1	0,0	-	0,0	-	0,0	0,1	-	**0,9**
Other	0,9	0,8	1,2	0,7	0,1	0,6	0,6	0,2	0,2	0,8	0,5	0,6	0,5	0,5	0,3	0,0	**8,6**
Total	**5,5**	**7,5**	**8,0**	**5,9**	**4,1**	**4,3**	**6,6**	**3,3**	**5,3**	**5,6**	**5,1**	**4,4**	**6,2**	**4,5**	**3,3**	**0,7**	**80,2**



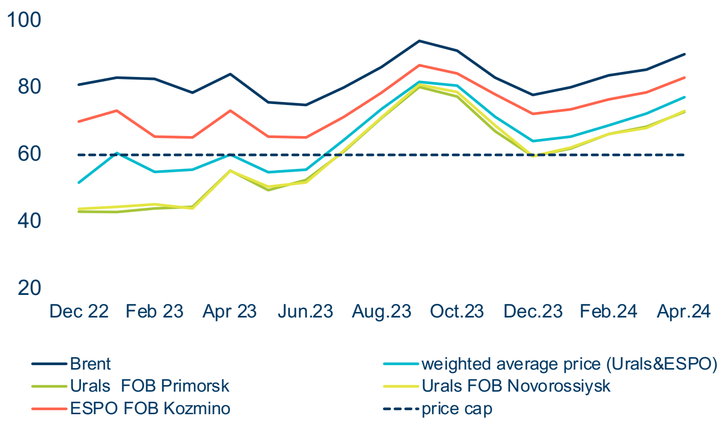
Source: Kpler, Equasis, P&I Club webpage

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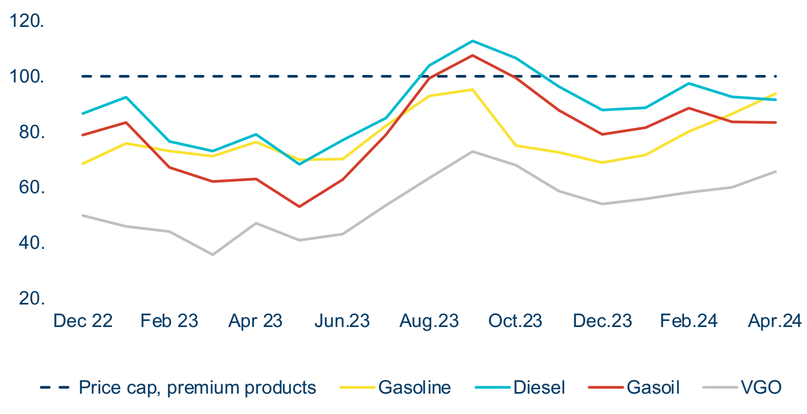
In April 2024, average Urals FOB Primorsk and Novorossiysk and ESPO FOB Kozmino further increased by ~$4-5/bbl to levels well above price cap. The discount of all Russian crude grades to Dated Brent little changed over previous month

- In April 2024, Urals FOB Primorsk and Novorossiysk increased by 4.3/bbl and 5.1/bbl to around $72.8/bbl and 73.1/bbl respectively.
- The discount on both Urals FOB Primorsk to Dated Brent barely changed MoM and was estimated at $17.0/bbl.
- ESPO FOB increased by $4.4/bbl to $83.1/bbl while the discount to Dated Brent also changed little and was estimated at $7/bbl in April.
- Prices for Russian diesel decreased by $1.1/bbl MoM to $91.5/bbl. The price of gasoil little changed MoM and is estimated at $83.3/bbl. On the contrary, the price of gasoline increased by $7.3/bbl to $93.7/bbl. The price of VGO which had to be placed to discounted products instead of the premium ones increased by $5.7/bbl to $65.7/bbl MoM in April.
- Price for fuel oil increased by $6.5/bbl to $53.7/bbl MoM while the price of naphtha stagnated MoM. The average price of fuel oil has exceeded the approved price cap for discounted products at $45/bbl since March 2024 while the average price of naphtha has been above it since August 2023.

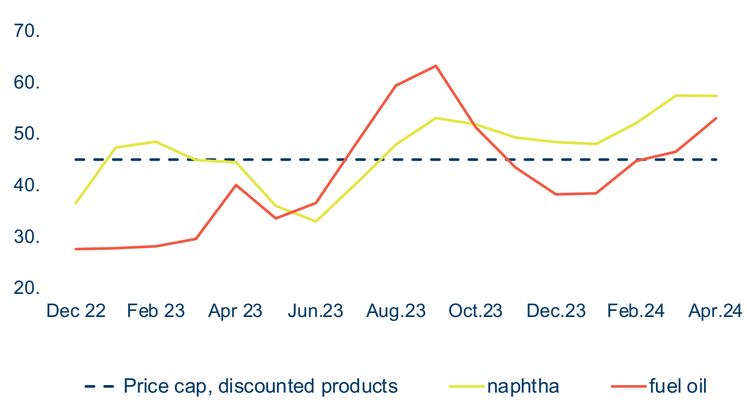
Russian Crude FOB Export Prices



Russian Premium Products FOB Export Prices



Russian Discounted Products FOB Export Prices



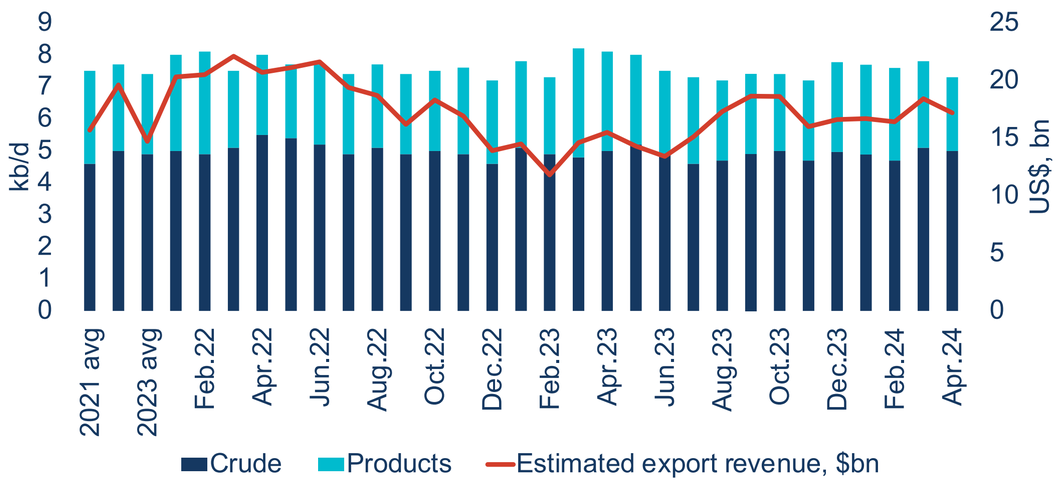
Source: IEA (2024), Oil Market Report – May 2024, IEA, Paris, WB Commodity Prices (Brent)

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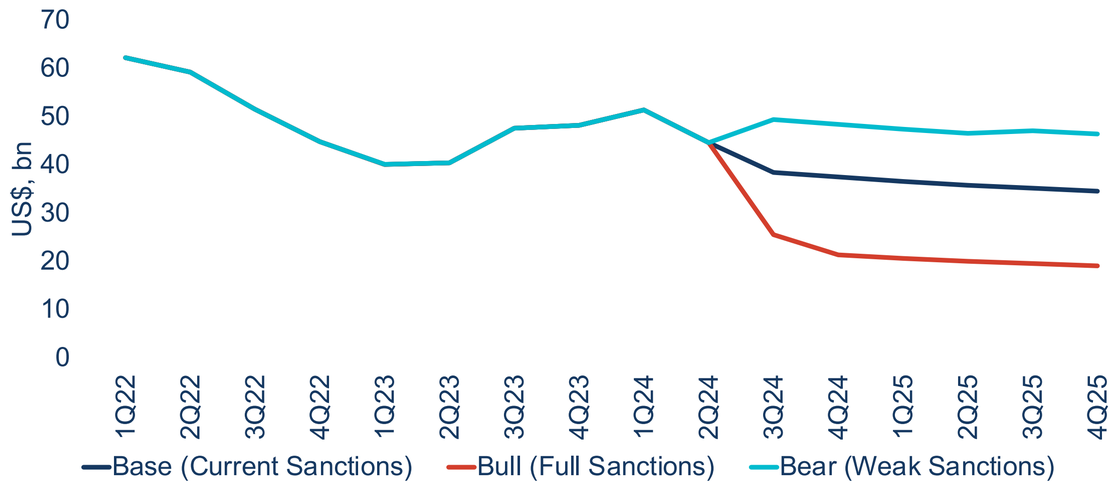
In April 2024 Russian oil export revenues decreased by ~1.2 bn to $17.2 bn. KSE Institute projects revenues to reach robust $172 bn and $142 bn in base case scenario in 2024 and 2025 respectively, but the scenario is sensitive to sanctions enforcement

- Despite higher crude prices Russian oil export revenues decreased by $1.2 bn or 6.5% MoM to $17.2 bn in April due to 15% drop in oil products volumes and lower prices for products, except naphtha and diesel.
- 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 reach $172 bn and $142 bn in 2024 and 2025 respectively compared to $218 bn and $186 bn in 2022 and 2023, respectively. Total Russian oil exports goes down to 7.1 mb/d in 2024.
- In the bull sanctions case, with lower price cap equivalent to $40/bbl discount to forecast Brent prices, revenues are expected to fall to $143 bn and $80 bn in 2024 and 2025, respectively. Total Russian oil exports goes down to 6.3 mb/d in this scenario in 2024.
- On the contrary, in the bear case, with US$ 10/bbl discount to forecast Brent prices, and less decline in oil export volumes, revenues will increase to robust $194 bn and $188 bn in 2024 and 2025, respectively. Total Russian oil exports amounts to around 7.4 mb/d in this scenario.

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



Russian Oil Earnings by Scenarios, US$ bn



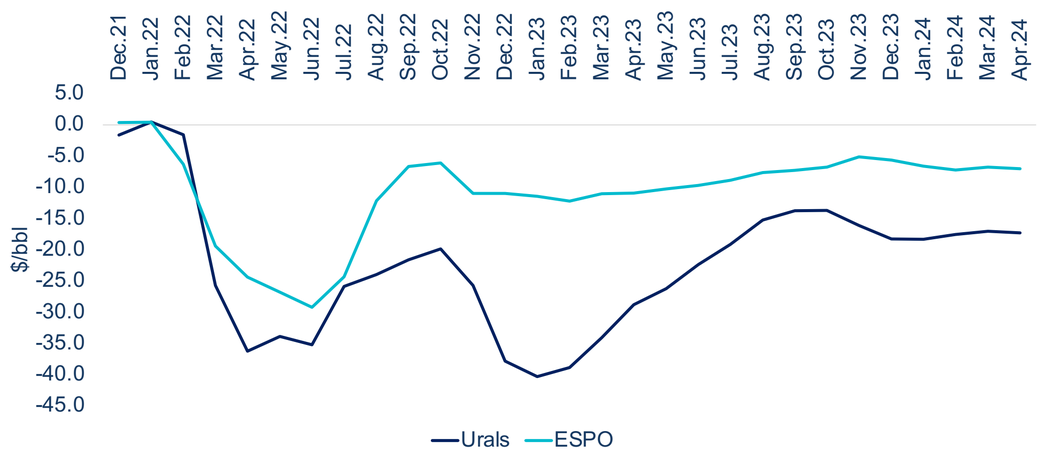
Source: IEA Oil Market Reports, KSE Institute estimates

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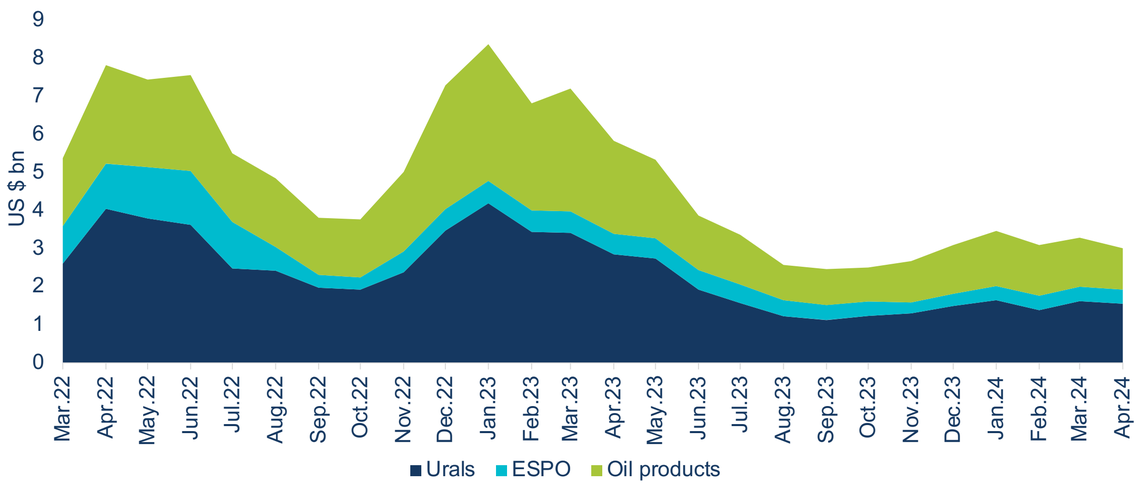
In March 2022 – April 2024 Russian oil export losses from invasion are estimated at $126 bn

- In order to evaluate the oil exports losses, we employed difference–in–difference approach assuming the invasion was an exogenous policy shock for Russian oil export prices.
- Urals FOB grade traded consistently with a discount $1-2/bbl to Dated Brent before the invasion while ESPO FOB traded with a small premium. We assume that in case of no invasion, these discounts would also prevail in March 2022 and thereafter.
- Total monthly losses peaked in January 2023 after the introduction of the EU/G7 oil embargo and steadily declined till October 2023 before the OFAC started sanctioning vessels carrying Russian oil above the EU/G7 price cap.
- In April 2024, monthly oil export losses declined by $0.2 bn to $1.1 bn due to lower volumes exported.
- Total Russian oil exports losses are estimated at $126 bn in March 2022–April 2024.

Urals FOB and ESPO FOB vs. Dated Brent, kb/d, $/bbl



Russian Oil Exports Losses since March 2022, $ bn



Source: IEA Oil Market Reports, KSE Institute estimates

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Policy Recommendations

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

The Q4 2023 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