

China, EU still lead Russian fuel buys

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As the Russia-Ukraine war enters its fifth year, the biggest buyers of Russian fossil fuels are still being dealt an easy hand, while India, which has contributed much less than China and the European Union (EU) to nearly a trillion dollar in Russian export revenues from fuels, has faced the stick, according to data from international forecasters and industry sources.

India's purchases of fossil fuels from Russia was just around half of what China paid and three fourths of what the EU contributed in the near four-year span of the conflict, industry data showed. But US President Donald Trump slapped a 50 per cent tariff on Indian exports earlier this year, half of which was in retaliation to India buying Russian oil. And the US has refused to drop it in spite of Indian refiners slashing purchases in December. China pays lower import duties than India on exports to the US and the EU pays a fraction, according to US government data.

The EU, which has introduced several sanctions and price caps on trade of Russian oil on Indian buyers, has contributed to 22 per cent of Russia's revenues from fossil fuel exports, second only to China, in the 46 months to December 25, 2025, according to calculations based on data from Finnish think tank Centre for Research on Energy & Clean Air (CREA).

"According to our estimates, since the beginning of the war, Russia earned 996 billion euros (\$1.2 trillion) in revenue from fossil fuel exports," CREA said in its latest data set. "European Union countries purchased more than 218 billion euros of these exports."

India and Turkey paid 162 billion euros and 117 billion euros, respectively, during the period, according to CREA. Oil imports

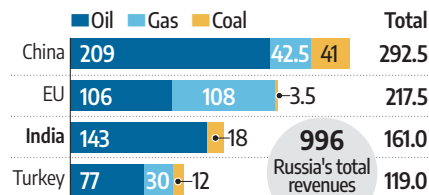


constituted 89 per cent of India's total expenditure on Russian fuels, with coal making up the rest. Purchases may dwindle in 2026 — after severe sanctions on Russian oil producers by Trump in October sent the share of Russian oil in India's crude basket falling by 14 percentage points on the month to around 22 per cent in December, ship tracking data accessed by *Business Standard* showed.

China is the biggest buyer of sanctioned oil, importing fuels from countries sanctioned by the UN such as Iran, and from Venezuela. It paid 292 billion euros for fossil fuels imported from Russia from the beginning of Russian invasion of Ukraine in February 2022 till December 25, 2025, accounting for 29 per cent of Russia's overall revenues from fuel exports since the beginning of the war. Russia's piped gas deliveries to China grew by 25 per cent in

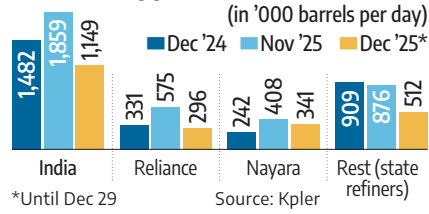
Russian fossil fuel revenues

Data for Feb 2022-Dec 25, 2025 (in billion euro)



Source: Centre for Research on Energy & Clean Air

Russian supplies of crude oil in Dec



2025 on year to a new all-time high of 38.8 billion cubic metres —now accounting for almost 9 per cent of China's gas demand, said Greg Molnar, gas analyst at the Paris-based International Energy Agency. And these supplies came cheap, Molnar said.

State-run CNPC paid around \$9.5 billion for Russia's piped gas in 2025, translating into an average price of around \$6.5 per million British thermal units, half of what India pays for imports of LNG —natural gas super-cooled to liquid form for ease of transportation. It was also 45 per cent below the average European gas benchmark TTF price in 2025.

US biggest beneficiary

Ironically, Washington is the biggest beneficiary of the Russo-Ukraine war even after excluding the earnings from arms sales to Ukraine. US fuel exporters gained hundreds billions of dollars in fresh sales of

LNG and fuels to Europe —a market which until 2021 was awash with cheaper pipeline gas from Russia— catapulting America as the world's biggest supplier of LNG.

After the EU drastically slashed supplies of Russian gas and later diesel following the invasion of Ukraine, it was forced to turn to the US for the fuels, given the proximity and ease of shipments, industry officials said. The US, which accounts for around 25 per cent of global LNG supply, up from virtually zero back in 2015, is Europe's main supplier of LNG, and the most expensive one, said Ana Maria Jaller-Makarewicz, lead energy analyst IIEFA for Europe, in a LinkedIn post.

European imports of US LNG rose by 46 per cent on year in the first half of 2025. The US accounted for 57 per cent of the continent's LNG imports, which paid around 225 billion euros for LNG imports in the three years between 2022 and 2024, including 100 billion for US LNG. "This high amount is partly because US LNG is more expensive for EU buyers than LNG from any other supplier," Jaller-Makarewicz said. The US Energy Agency forecasts US gas benchmark Henry Hub to average \$4/mmBtu next year.

Russian supplies

Finally, after evading the western sanction dragnet for over three years, Russian supplies of crude oil to India slumped to 1.1 million barrels per day, the lowest since November 2022, according to ship tracking data from Kpler. The sharp slide by around 700,000 bpd from November came after Washington's October sanctions on Rosneft and LukOil, the country's two biggest oil producers, registered a blip on the global Russian supply chain. Reliance Industries, the single biggest buyer of Russian oil globally, sharply cut purchases by nearly half to 296,000 bpd, Kpler data showed.