

Chart of the Week #2024-10

Russian Pipeline Crude Oil Exports to Central Europe:

Who is Complying with the Sanctions?



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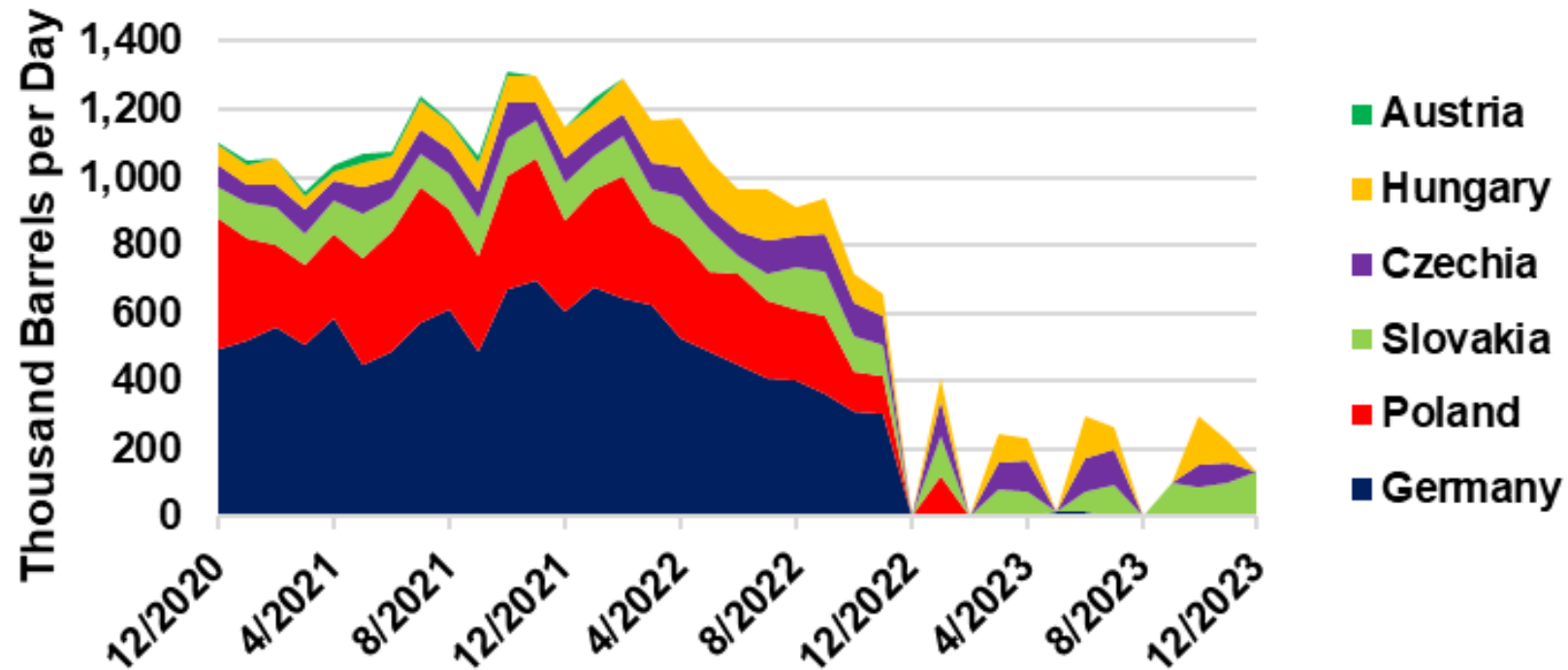
Russia's Druzhba Crude Oil Pipeline System



Russian pipeline crude oil imports are delivered to Europe via the Druzhba Pipeline system. The Druzhba system was fully commissioned in 1964 and until recently has been delivering up to 1.2 million barrels per day to destinations in Germany, Poland, Czechia, Slovakia, and Hungary.

Energy Policy Research

Monthly European Pipeline Imports of Russian Crude Oil 12/31/2020 - 12/31/2023



Analysis Based on Eurostat Data

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Beginning in December 2022, receipt of Russian crude oil via the Druzhba system dropped from 1.2 million barrels per day to less than 200 thousand.

Germany, Poland, and Austria have fully complied with the December 2022 EU determination; Slovakia, Hungary, and Czechia continue to receive volumes at pre-December 2022 levels.

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- Russia relies on commodity export tariffs such as those on crude oil and petroleum products to fund the bulk of its national treasury requirements.
- Russia's invasion and ongoing aggression that began first in February 2014 and escalated in February 2022 has led to a myriad of sanctions and boycotts that have been enacted against Russian commodity production and exports, among other things. These sanctions seek to economically constrain and even potentially eliminate the funding of Russia's war effort.
- One of the key EU sanctions that was imposed in December 2022 was a ban on all Russian crude oil imports that are both pipelined and shipped via vessel. Russian pipeline crude oil imports are delivered to Europe via the Druzhba Pipeline system. The Druzhba system was fully commissioned in 1964 and until recently has been delivering up to 1.2 million barrels per day to destinations in Germany, Poland, Czechia, Slovakia, and Hungary.
- Beginning in December 2022, receipt of Russian crude oil via the Druzhba system dropped from 1.2 million barrels per day to less than 200 thousand. Germany, Poland, and Austria have fully complied with the December 2022 EU determination; Slovakia, Hungary, and Czechia continue to receive volumes at pre-December 2022 levels.
- While sanctions have created challenges for Russia, there are still opportunities for circumvention and shirking. Russia's national treasury continues to benefit from its commodities exports notably crude oil and petroleum products and, to a lesser degree, natural gas. This facilitates domestic military manufacturing as well as the acquisition of materiel from Iran, North Korea, and China.

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- This slide deck is available at: <https://eprinc.org/chart-of-the-week/>
- For more information on these charts, please contact Max Pyziur (maxp@eprinc.org).