Oil and Gas Report Quotes Sheet

From the Green Think Tank Report

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Destruction of Gazprom's business model: Russia's largest gas company, Gazprom, lost 70% of its European market after cutting off supplies to the EU in 2022 and due to the Nord Stream pipeline explosions. Replacing these markets with Asian buyers is proving nearly impossible.

Increased oil spills: The number of pipeline ruptures jumped by 2.6 times in 2022, resulting in over 26,000 spills. This led to a significant rise in oil contamination in rivers and Arctic waters, which is expected to worsen by 2023, with up to 10 million barrels of oil contaminating water bodies.

Impact on state budget: The $60 per barrel price cap imposed by G7 countries hit Russia's federal budget hard. While oil companies remained profitable, budget revenue from oil and gas plummeted by 47% in 2023. Most of the time, Russian oil prices are above $60 per barrel in 2023-2024.

Russian oil industry resilience: Despite sanctions, Russia's oil industry maintained output and found new buyers, mostly in Asia. However, this increased transportation costs by up to $10 per barrel due to the longer distances.

Environmental deregulation: In response to sanctions, Russia relaxed environmental regulations to lower costs for businesses. This deregulation could lead to increased environmental degradation, including higher oil spill risks and air pollution.

Gas flaring surge: Sanctions and reduced demand for LPG led to a sharp increase in gas flaring. Russian companies are pushing for the government to increase the allowable flaring threshold from 5% to 30%, risking significant environmental harm.

Shadow fleet risks: Russia has turned to "shadow" or "black" fleets of tankers to circumvent sanctions. These vessels are more prone to accidents and often lack adequate insurance, increasing the risk of environmental disasters in international waters.

To organize an interview with our authors or ask any questions please contact us via email:

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