




## Russia Sanctions: Crude Oil and Petroleum Products Subject to the Price Caps




Last updated: April 17, 2023

For the ACAMS infographic on the G7/EU/Australia oil price caps, please visit [ACAMS' Ukraine Crisis Rapid Response Resources page](#)

On Sep 2, 2022, G7 finance ministers meeting in Berlin announced a joint political intention to finalize and implement a comprehensive prohibition of services which enable the maritime transportation of Russian-origin crude oil and petroleum products globally, in response to Russia's illegal and aggressive war against Ukraine. This led to the establishment of the so-called **Oil Price Cap Coalition** which is composed of **Australia, Canada, the European Union, France, Germany, Italy, Japan, the United Kingdom,** and the **United States**.

On Dec 8, 2022 and Dec 16, 2022, respectively, the governments of **Norway** and **Switzerland** made public their intention to adhere to the Oil Price Cap policy. However, neither country has formally joined the Coalition.

				
<b>Crude oil HS/HTS/CN code</b>	2709(00)			
<b>Petroleum products HS/HTS/CN codes*</b>	<b>Premium-to-crude products</b>	2710 12 15    2710 19 11 03 2710 19 25    2710 12 18 2710 19 11 04    2710 19 26 2710 19 06 05    2710 19 11 05 2710 20 10 02    2710 19 06 15 2710 19 11 06    2710 20 10 03 2710 19 06 25    2710 19 11 07 2710 20 10 04    2710 19 06 30 2710 19 11 08    2710 20 10 05 2710 19 06 35    2710 19 11 11 2710 20 10 07    2710 19 11 15 2710 19 11 13    2710 20 10 08 2710 19 11 25    2710 19 11 14 2710 20 10 11    2710 19 11 50 2710 19 16    2710 20 10 13 2710 19 11 02    2710 19 24 2710 20 10 14	2710 12 31 2710 12 41 2710 12 45 2710 12 49 2710 12 50 2710 12 70 2710 12 90 2710 19 11 2710 19 15 2710 19 21 2710 19 25	2710 19 29 2710 19 31 2710 19 35 2710 19 43 2710 19 46 2710 19 47 2710 19 48 2710 19 71 2710 20 11 2710 20 16 2710 20 19
	<b>Discount-to-crude products</b>	All other articles defined at 2710 of the US Harmonized Tariff Schedule (HSTUS) are subject to the discount-to-crude price cap	2710 12 11    2710 19 83 2710 12 15    2710 19 85 2710 12 21    2710 19 87 2710 12 25    2710 19 91 2710 19 51    2710 19 93 2710 19 55    2710 19 99 2710 19 62    2710 20 32 2710 19 66    2710 20 38 2710 19 67    2710 20 90 2710 19 75    2710 91 2710 19 81    2710 99	All other products that fall under HS heading 2710 are subject to the discount-to-crude price cap

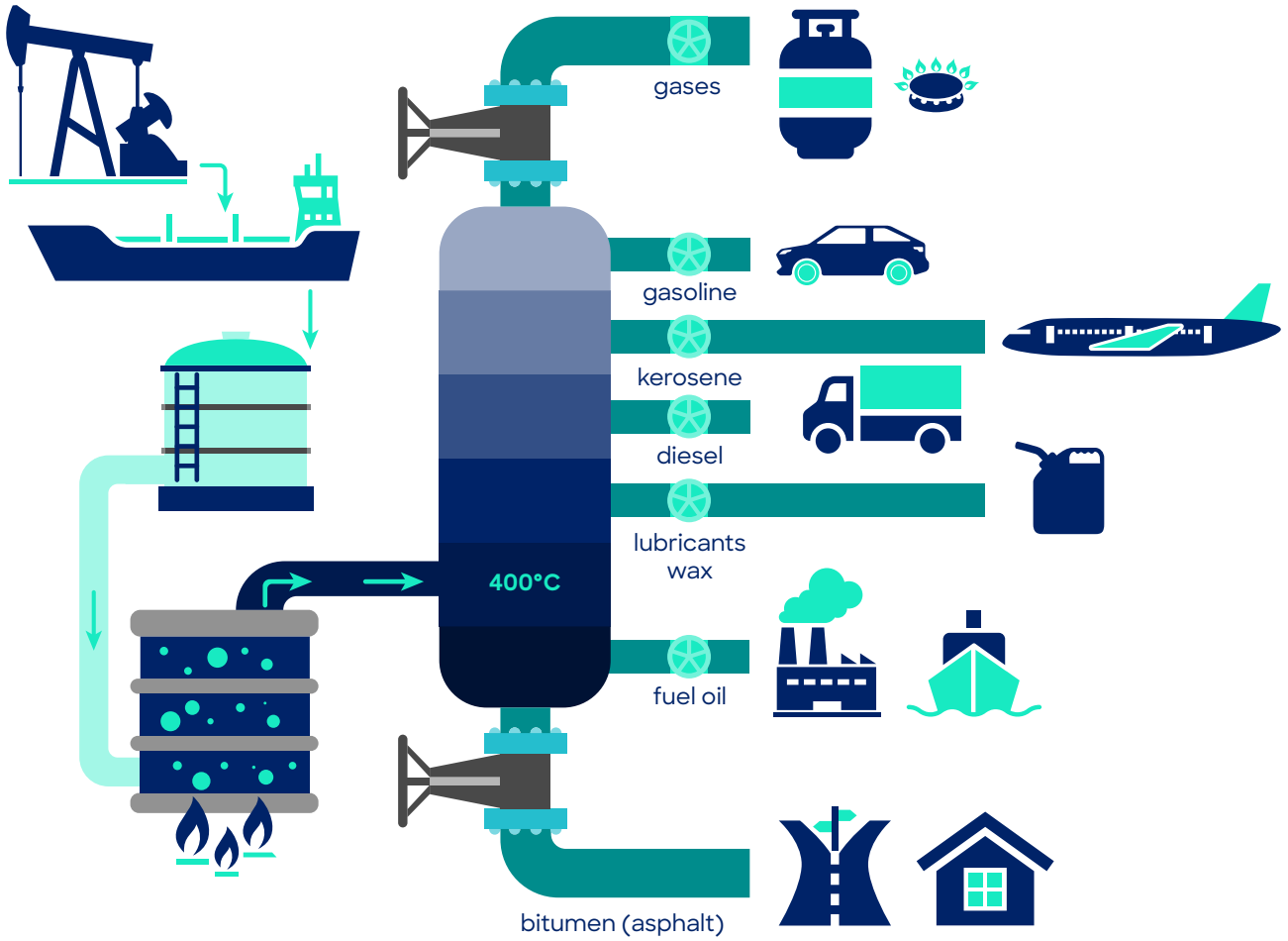
			
<b>Official tariff database</b>	Harmonized Tariff Schedule Search	EU Customs Tariff (TARIC)	UK Integrated Online Tariff
<b>Substantial transformation/ processing</b>	<ul style="list-style-type: none"> <li>• <b>For Russian-origin crude oil</b>, once it is substantially transformed (e.g., refined) outside of Russia into a new product with a new name, character and use, it is no longer considered to be of Russian origin and, therefore, no longer subject to the price cap.</li> <li>• <b>For Russian-origin petroleum products</b>, once those products are substantially transformed outside of Russia, they are no longer considered to be of Russian origin and, therefore, no longer subject to the price caps.</li> </ul>		
<b>General blending</b>	<ul style="list-style-type: none"> <li>• <b>For Russian-origin crude oil</b>, blending alone is not considered to be substantial transformation. Therefore, the oil price cap policy applies.</li> <li>• <b>For Russian-origin petroleum products</b>, blending will be considered to be substantial transformation only if it results in a tariff shift of the resulting blend, e.g., a change in the applicable tariff code. Otherwise, the oil price cap policy applies.</li> </ul>		
		<ul style="list-style-type: none"> <li>• In cases where <b>Russian-origin crude oil</b> is blended (commingled) with <b>crude oil of a different origin</b> without undergoing substantial transformation, only the Russian volume will be subject to the relevant price cap. A valid attestation and certificates of origin must be available to confirm the respective proportions and origins of the <b>Russian and non-Russian volumes</b>.</li> <li>• <b>For Russian-origin petroleum products</b> blended (commingled) with oil products of a different origin, the same as above applies in the EU. In the UK, economic operators are expected to provide evidence of both the origin and quantity of their non-Russian refined oil product, as well as verifiable, written confirmation that they did not deliberately or knowingly commingle that product with the Russian-origin product.</li> </ul>	
<b>De minimis blending</b>	<p><b>Crude oil</b> or <b>petroleum products</b> will not be considered to be of Russian origin solely because they contain a <b>de minimis amount</b> of crude oil or petroleum products left over from a container or tank, e.g., a “tank heel”.</p>		

\* Care should be taken to apply correct petroleum product classifications. In particular, G7/EU/Australia operators which are subject to the price cap regimes of several jurisdictions at a time (e.g., the UK branch of a US corporation operating an EU-flagged vessel) should be aware of potential classification discrepancies. For example, in the US petroleum products falling under HTS 2710 12 15 are identified as “Light oils and preparations: Motor fuel” and classed as PREMIUM-TO-CRUDE products. In both the EU and the UK, however, the same tariff code corresponds to “Light oils and preparations: For undergoing chemical transformation by a process other than those specified in respect of subheading 2710 12 11”, which are classed as DISCOUNT-TO-CRUDE products under their respective oil price cap regimes.




In addition to the above, since all members of the Oil Price Cap Coalition except Japan have embargoed the import of Russian-origin crude oil and petroleum products, the G7/EU/Australia operators which have chosen to provide or keep providing maritime transportation and/or ancillary covered services to Russian-origin cargoes will be using HS/HTS and similar codes that are in use within other jurisdictions for which such cargoes are destined. These tariff codes may differ from those used in the US, EU, UK and other Coalition members. Care should thus be taken to compare not only tariff codes but also product descriptions because the same products may have different codes and the same codes may correspond to different products.

*This information has been reviewed and is believed to be accurate as of the time of publication. ACAMS cautions that current events remain fluid and dynamic. Any developments after the time of publication may impact the accuracy of this information. ACAMS is under no obligation to update this information. The content contained herein is for general information purposes only. This information should not be considered as legal, tax, or business advice nor should it be relied upon as such. Please consult your legal, tax and business advisors with any questions regarding the application of this information to your individual circumstances.*

## Oil Refining Process



## ANNEX 2. Common types of petroleum products

	HS/HTS/CN code		
			
<b>Motor fuel (or equivalent)</b>	2710 12 15	2710 12 31   2710 12 41   2710 12 45 2710 12 49   2710 12 50   2710 12 70	
<b>Motor fuel blending stock (or equivalent)</b>	2710 12 18		
<b>Gasoil and diesel oil</b>	2710 19 06   2710 19 11 2710 20 10	2710 19 31   2710 19 35   2710 19 43   2710 19 46   2710 19 47 2710 19 48   2710 19 71   2710 20 11   2710 20 16   2710 20 19	
<b>Kerosene and kerosene-type jet fuel</b>	2710 19 16   2710 19 24 2710 19 25   2710 19 26	2710 19 21   2710 19 25	
<b>Waste and (residual) fuel oils</b>	2710 20 05   2710 91 2710 99	2710 19 51   2710 19 55   2710 19 62   2710 19 66   2710 19 67 2710 20 32   2710 20 38   2710 20 90   2710 91   2710 99	