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# Over 4 Years Into the Ukraine War, Russian Metals and Energy Keep Flowing to Europe

By Moscow Times Reporter

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The large-capacity LNG plant within Russia's Sakhalin-2 project, which has been largely exempt from Western sanctions because of its strategic importance to Japan's energy security. **Gazprom**

As the war in Ukraine enters its fifth year, Russia continues to maintain commercial ties with the European Union despite mounting pressure to close the remaining gaps in the bloc's sanctions regime.

Russia exported goods worth nearly 10 billion euros ($11.4 billion) to the EU in the first five months of 2026, according to the latest Eurostat data, with proceeds going into the pockets of tycoons with links to Vladimir Putin's war machine.

Although trade has fallen sharply from pre-war levels, Russia continues to supply the bloc with energy, metals and other industrial goods through exemptions and sectors that have so far avoided the toughest restrictions.

**Embed:**

Energy still accounts for the largest share of Russia-EU trade, led by liquefied natural gas, followed by oil and petroleum products.

Those commercial ties are gradually shrinking as sanctions take effect.

The EU has already banned most imports of Russian seaborne crude oil, while a full ban on Russian LNG imports — worth about 3.7 billion euros, or roughly 55% of the remaining energy trade — is due to take effect in 2027.

Europe's last two Russian-owned oil refineries — Lukoil facilities in Romania and Bulgaria — are also preparing to change ownership after the company was sanctioned by the United States last year.

### From energy to metals

Yet the sanctions leave a significant gap when it comes to another major Russian sector with substantial commercial and industrial footprint in Europe: metals.

Russia exported more than 700 million euros of steel and over 70 million euros of aluminum to the EU in the first five months of the year, according to Eurostat.

Aluminum producer Rusal, founded by billionaire Oleg Deripaska, operates facilities in Ireland, Sweden and Germany, although production at its Italian plant has been suspended since 2025.

The plants manufacture aluminum products for European industries, including casting alloys used in automotive components as well as construction materials such as roofing and ventilation systems.

Deripaska is under EU sanctions but does not directly own Rusal, which itself has not been sanctioned. Some reports continue to link him to the company.

Leading steelmaker NLMK Group, controlled by Russia's sixth-richest man Vladimir Lisin, meanwhile continues to operate mills in Belgium, Italy and Denmark.

Those facilities import semi-finished steel slabs from Russia and process them into finished products for European customers, including shipbuilders and energy infrastructure companies.

Demand has remained strong because Russian slabs are cheaper than many competing supplies. EU imports totaled 1.66 million metric tons between January and May, despite a sharp decline in May.

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Belgium, home to NLMK's largest European facility, accounted for around half of those imports, while Denmark and Italy were also among the largest buyers.

Neither Rusal nor NLMK has been sanctioned by the European Union despite their close integration with Russian supply chains. Previous media reports have said products from their Russian operations may have been used by Russia's military.

The EU has also continued to allow imports of Russian steel slabs under exemptions that currently run until 2028.

Finding buyers for the companies' European assets would be difficult, while forcing the plants to close could threaten thousands of jobs and disrupt European manufacturing, making sanctions politically difficult for member states that host the facilities.

Rusal says it employs more than 1,000 people across Europe, while NLMK says its European division has nearly 2,000 employees.

**Embed:**

Political scrutiny of Rusal has nevertheless intensified after media reports said its Aughinish Alumina refinery in Ireland may have supplied alumina, a raw material used to produce aluminum, that was ultimately shipped to Russia, raising concerns that some of the material could end up in the hands of Russia's defense industry.

The reports prompted Irish authorities to investigate the refinery. Swedish authorities had previously opened a separate investigation into possible sanctions violations involving Rusal's local operations.

Against that backdrop, EU imports of Russian aluminum fell to a record low of 27,388 metric tons between January and May, down from 135,773 metric tons a year earlier, Eurostat data reviewed by The Moscow Times showed.

Meanwhile, EU exports to Russia of alumina, which is used to produce aluminum, rose slightly year-on-year to 381,413 metric tons.

The increased scrutiny has prompted Brussels to consider additional restrictions on Russian aluminum, including metal routed through third countries, as well as sanctions on alumina exports to Russia.

EU foreign policy chief Kaja Kallas has said the bloc is seeking to close the remaining gaps in its sanctions regime, with metals a particular focus. The EU is also reportedly considering smaller, narrower sanctions packages, a shift designed to make it easier to overcome opposition from individual member states.

The Aughinish refinery, for its part, is unlikely to be targeted. The Financial Times reported Tuesday that Brussels is reluctant to propose sanctions against the facility because of concerns about disrupting supplies critical to European industry.

But while Russia's aluminum business in Europe is coming under growing political pressure, the bloc’s reliance on Russian steel appears likely to prove more difficult to unwind, despite years-long calls from some campaigners and lawmakers.

Although the EU remains committed to gradually eliminating Russian industrial products, a sudden ban on semi-finished steel products such as slabs remains highly unlikely in the near term, Paris-based sanctions analyst George Voloshin said.

“Since NLMK's European mills are highly dependent on importing raw slabs from Lisin’s parent plants in Russia, blacklisting him would effectively freeze the operations of these European assets,” Voloshin told The Moscow Times.

“Member states hosting NLMK facilities, most notably Belgium, have routinely wielded their veto power during sanctions negotiations to protect local jobs, signaling that the EU is currently unprepared to target Lisin individually as long as the economic survival of these European steel mills remains tied to his corporate empire,” he noted.

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