

Circular 25/139

18th EU Sanctions package: implementation in Exchange Gasoil Futures Contract and deliveries

Category

Delivery

Attachment

Rule Section J1: ICE Futures Low Sulphur Gasoil Futures Contract

Rule Change

The Exchange notes Council Regulation (EU) 2025/1494 of 18 July 2025 (“18th Package of EU Sanctions”) which makes it prohibited *“as of 21 January 2026, to purchase, import or transfer, directly or indirectly into the Union, petroleum products.....obtained in a third country from crude oiloriginating in Russia.”*

The ICE Futures Europe Low Sulphur Gasoil Futures Contract (the “Gasoil Contract”) is a physically-delivered contract for the delivery of Low Sulphur Gasoil delivered into barges or coasters in the ARA (Amsterdam, Rotterdam, Antwerp including Flushing and Ghent) region. Under the existing terms of the Gasoil Contract (Contract Rule J1.5) product of any origin other than product which originates in Russia or is exported from Russia is deliverable, which could include product that is refined from Russian crude in a third country jurisdiction (and is therefore considered to have originated in that third country jurisdiction). In order to ensure the orderly operation and evolution of the Market with respect to the Gasoil Contract, the Exchange has exercised its powers under Rule I.14A to amend the terms of the Gasoil Contract to exclude product that is or was obtained in a third country from crude oil originating in Russia with effect from the January 2026 delivery period.

Implementation

In contemplation of implementation of the 18th Package of EU Sanctions the Exchange in [Circular 25/117](#) consulted on its proposed measures to ensure that Gasoil for delivery into the Contract contains no material refined from Russian crude oil in third countries.

The 18th Package of EU Sanctions provides that *“The Commission should issue guidance on the implementation of this prohibition, in particular as regards the evidence which should be provided by operators engaged in the import of refined petroleum products”*. On 16 October 2025 the EU published FAQs on sanctions against Russia and Belarus, re Article 3ma of Council Regulation (EU) No 833/2014 (the “EU FAQs”) and updated the FAQs on 29 October 2025.

The Exchange has considered the EU FAQs and industry feedback and will be proceeding as follows.

Partner Countries

Where product proposed to be tendered into the Contract has been imported into the EU from a Partner Country¹ the Exchange will require Sellers to confirm that that product came from a Partner Country and Sellers must produce evidence of the same to the Exchange upon request. This is the same requirement as presently applies.

Net Exporter Countries

Where product proposed to be tendered into the Contract has been imported into the EU from a country covered by the Net Exporter Country Presumption², the Exchange will require Sellers to confirm that that product came from a refinery in

¹ For the purposes of ascertaining which countries are Partner Countries see the list in Regulation (EU) 833/2014 (as amended, including by Council Regulation (EU) 2025/1494 of 18 July 2025) and the EU FAQ, in each case as amended, restated or updated from time to time.

² For the purposes of ascertaining which countries benefit from the Net Exporter Country Presumption please see Regulation (EU) 833/2014 (as amended, including by Council Regulation (EU) 2025/1494 of 18 July 2025) and the EU FAQ, in each case as amended, restated or updated from time to time.

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a Net Exporter Country and Sellers must produce a Certificate of Origin to that effect to the Exchange upon request. This is the same requirement as presently applies.

Other Countries

The Exchange notes that the EU FAQs contemplate three scenarios for dealing with third-country refineries that may process any quantity of Russian crude oil, segregated or blended with other crudes:

1. Single installation separated into two for processing;
2. Single installation operating as such that has not received or processed Russian crude for 60 days;
3. Single installation operating as such that cannot show separate processing of Russian crude oil.

The EU FAQs give direction to operators to 'exercise **enhanced due diligence**' (bold in original) when dealing with such refineries (that are not in Partner Countries or in countries that benefit from the Net Exporter Country Presumption) but do not set out what such enhanced due diligence should entail as regards scenario 1.

Consequently, until further guidance is given by the EU or an established market practice accepted by EU authorities emerges, Gasoil which originates in refineries that are not in Partner Countries or in countries that benefit from the Net Exporter Country Presumption intended for delivery into the settlement process will be required to meet the standards set out in scenario 2. Where a port of discharge serves more than one refinery that port, rather than any particular tanks therein, shall be regarded as a single installation for the purposes of scenario 2; so if that port receives Russian origin crude oil then no product produced by those refineries after the discharge date of that Russian origin crude may be tendered into the Contract until the Interval Duration (as further set out below) has been observed.

With effect from the Exchange Implementation Date, Gasoil for delivery into the Contract that does not benefit from the Partner Country Exemption or the Net Exporter Country Presumption may only be tendered as follows:

1. Refinery Processing Interval Requirement

The source cargo(es) must originate from refineries that have not received Russian crude oil during the qualifying interval (the "Interval Duration") prior to loading.

The Interval Duration is 60 calendar days from the most recent Russian crude oil discharge date, as per the EU FAQ.

Example:

- Russian crude oil cargo completes discharge to shore terminal(s) utilised by that refinery: 01 October 2025 (Day Zero).
- Day 60: 30 November 2025.
- **Eligible:** distillate cargo with bill of lading date on December 01, 2025 or later, provided there was no Russian crude oil discharged after 01 October 2025.
- **Ineligible:** Cargo completing loading on 30 November 2025 or earlier.
- Any further Russian crude oil cargo discharge after 01 October 2025 will trigger a new 60 calendar day "Interval Duration".

2. Refinery Attestation

The Exchange will further require that Sellers who intend to proceed to delivery obtain attestation from the source refinery confirming that no Russian crude oil was discharged in the corresponding shore terminal(s) utilised by that refinery in the Interval Duration. Sellers are required to carry out due diligence to verify accuracy of any such attestation, for example by the use of independent vessel tracking services. The refinery attestation and the due diligence carried out to verify its accuracy must be provided to the Exchange on request.

Commingled Product

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Gasoil commingled or coloaded with other product *en route* to ARA is **not** acceptable for delivery under the Contract unless the Seller provides equivalent evidence of non-Russian source crude origin for all components.

Sellers must confirm that all product in the tanks from which they are making delivery complies with the requirements set out in this Circular. Where the product intended for delivery into the settlement process is acquired from a third party, Sellers should obtain the same due diligence evidence and materials in respect of it as are described above in this Circular and must produce the same to the Exchange upon request.

January 2026 Delivery Period Transition

The January 2026 Futures contract month expires on 12 January 2026.

- The first delivery date for the January 2026 Futures contract month is 16 January 2026.
- Product with completion of discharge date up to 23:59 CET, 15 **January 2026** is acceptable for delivery into the Contract.
- Product completing discharge after 15 January 2026 will be acceptable for delivery into the Contract in January provided it complies with the above, i.e. the exclusion of product with Russian crude oil origin shall apply to Exchange deliveries from 16 January, not 21 January 2026.

This measure prevents the need to distinguish between and track pre- and post-21 January 2026 product within the same delivery period.

Please ensure that the appropriate members of staff within your organisation and customers are advised of the content of this Circular.

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