

Press release

Taiwan becomes world's largest importer of Russian naphtha, sending 1.7 bn in tax revenue to Putin's war chest

Taiwan's dependence on Russian fossil fuels threatens its chip industry and global alliances.

Taipei, 1 October 2025 – In the first half of 2025, Taiwan became the world's largest importer of Russian fossil fuel derivative naphtha, valued at USD 1.3 billion. The island's average monthly imports rocketed nearly six-fold between 2022 and H1 2025, generating a total of USD 1.7 billion in Mineral Extraction Tax revenues for the Kremlin, enough to finance 170,000 [Gerbera drones](#) — each capable of wreaking destruction in Ukraine.

The findings come from a new report released today from [the Centre for Research on Energy and Clean Air \(CREA\)](#), Taiwan-based non-profit [the Environmental Rights Foundation \(ERF\)](#), German-based non-profit [Ecodefense](#), and non-profit environmental and human rights organization [Urgewald](#). The data shows that while Taiwan has provided [USD 50 mn in the form of total bilateral aid](#) to Ukraine since the start of Russia's full-scale invasion, the island has sent Russia over 220 times this value for the import of its fossil fuels (USD 11.2 bn).

Naphtha is a major source of export revenue for Russia, accounting for 26% of its clean oil product exports—the second-largest earner since the start of its full-scale invasion of Ukraine on 24 February 2022. From 24 February 2022 until the end of June 2025, Taiwan imported 6.8 million tonnes of Russian naphtha worth USD 4.9 billion, equal to 20% of Russia's total naphtha exports and ranking Taiwan as the world's third-largest buyer.

This continued dependence on Russian fossil fuels puts Taiwan at increased economic and energy security risk. Over-reliance on Russian naphtha – an essential feedstock for the petrochemicals used in Taiwan's semiconductor and electronic component manufacturing – threatens the supply security of key materials for manufacturers such as TSMC, Nvidia, AMD, and Intel. This makes Taiwan vulnerable to geopolitical disruptions, secondary sanctions, or strategic manipulation by Russia and its allies. Taiwan also faces [risk of increased U.S. secondary tariffs](#) due to its growing

reliance on Russian naphtha, potentially rising above the current 20% that the island faces when exporting to Taiwan's second largest trade partner.

[US-sanctioned company Novatek](#) supplied 72% of Taiwan's Russian naphtha imports worth USD 3.59 billion since the full-scale invasion. Continued purchases could compromise Taiwan's image as a reliable partner and undermine its diplomatic relations with the US, EU, and other strategic allies.

At the same time, the Mailiao refinery owned by Formosa Petrochemical Corporation (FPCC) — a privately owned company — increased its reliance on Russian naphtha from 9% before the full-scale invasion to 90% in the first half of 2025, and has been responsible for importing 96% of Taiwan's total imports. What's more, FPCC's Mailiao refinery exported shipments of petrochemicals made from naphtha likely of Russian origin worth approximately USD 334 mn to the EU, US, and UK.

Moreover, 88% of Taiwan's imports of Russian naphtha were transported on vessels owned or insured in price cap coalition countries, yet prices have exceeded the USD 45 per barrel limit since December 2023, providing strong evidence of policy violations.

On 16 September, 2025, Taiwan unloaded USD 43.8 mn worth of gasoil from an EU and UK sanctioned tanker carrying fuel from the [EU designated Vadinar refinery](#). Such purchases risk secondary sanctions and weaken Western measures, straining ties with key partners.

It's also important to note that since the start of the full-scale Ukraine invasion to the end of June 2025, Taiwan ranked as the fifth-largest buyer of Russian coal globally, importing USD 4.4 billion worth, though volumes fell 67% in the first half of 2025 compared to 2024. While state-owned Taipower and privately owned [Taiwan Cement Corporation successfully ended Russian coal purchases](#), private companies maintained imports at USD 41 million monthly in the first half of 2025.

Besides, a significant portion of Taiwan's imported coal is purchased from [sanctioned Russian companies](#) including Suek, Elgaugol and KRU. This exposes involved parties to sanctions risks and, by extension, disrupted supply.

“Taiwan's average imports of Russian refined fuel, naphtha, rocketed nearly six-fold in 2025 compared to 2022 levels despite state-owned company CPC phasing out purchases from Russia. Russian naphtha reliance creates security of supply risks and puts Taiwan's petrochemical supply chains in the crosshairs of higher tariffs — the very foundation of its semiconductor and electronics industries. Additionally, Taiwan exported petrochemicals likely made from Russian naphtha to sanctioning jurisdictions such as the EU, UK and US worth USD 334 million. Taiwan's increased



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reliance on Russian fuels weakens its energy security, jeopardizes its diplomatic relationships with sanctioning countries, funnels USD 260 million a month to the Kremlin war chest, and risks the same secondary tariffs that hit India,” said Isaac Levi, Europe-Russia Policy & Energy Analysis Team Lead at CREA.

‘Taiwan cannot afford to ignore the sanctions and supply chain risks created by its growing dependence on Russian fossil fuels. Moreover, as a society committed to democracy and human rights, Taiwan should not be financing the Kremlin’s war machine. The government and companies must work together to establish clear phase-out plans and align Taiwan’s energy and trade policies with our values and security interests,’ said Hsin Hsuan Sun, Director of Corporate Accountability and International Affairs, Environmental Rights Foundation and co-author of the report.

‘Taiwan’s reliance on Russian naphtha bankrolls Putin’s war machine and undermines its democratic allies. Each chip forged with this fuel taints the AI revolution with the suffering of the Ukrainian people,’ said Vladimir Sliviyak, Co-Chair of Ecodefense, co-author of the report and Right Livelihood Award laureate.

CREA, the Environmental Rights Foundation, Ecodefense, and Urgewald call on the Taiwanese Government to conduct a thorough investigation into the overall situation of Taiwanese companies purchasing coal and naphtha from Russia, regularly publish the findings and outcomes of these investigations, and actively promote and assist companies in stopping their purchases. Meanwhile, Taiwanese companies should themselves assess sanctions exposure and compliance risks and develop concrete phase-out timelines with alternative sourcing strategies.

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Notes to editors

CREA has published a report related to the press release [here](#). You may find a detailed explanation of the data methodology used for this analysis in the main publication.

All CREA publications can be found here:

energyandcleanair.org/publications



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About CREA

The Centre for Research on Energy and Clean Air (CREA) is an independent research organisation focused on revealing the trends, causes, and health impacts, as well as the solutions, to air pollution. CREA was founded in December 2019 in Helsinki and has staff in several Asian and European countries. The organisation's work is funded through philanthropic grants and revenue from commissioned research.

About Environmental Rights Foundation

Environmental Rights Foundation (ERF) is an NPO based in Taiwan. Its mission is to protect environmental rights as stipulated in the country's Constitution, the Basic Environment Act and other environmental laws. ERF focuses on three key areas: environmental rights protection, community empowerment, and democracy deepening. The foundation provides legal assistance to affected communities domestically and abroad, advocates the right to participate in the decision-making process of environmental matters, and seeks to achieve environmental justice.

About Ecodefense

Established in 1989, Ecodefense is one of the oldest environmental groups in Russia. Ecodefense campaigns for the climate, safe energy and the protection of nature. After Russia started the full-scale invasion in Ukraine in 2022, Ecodefense relocated to Europe where they are campaigning for peace and climate issues. The group has won a number of international awards including the Right Livelihood and the Baltic Sea Award. Ecodefense is funded by charitable non-governmental grants.

About Urgewald

Urgewald is a German non-profit environmental and human rights organization, founded in 1992 and based in Sassenberg with offices in Berlin and Cologne. Using a "follow the money" approach, Urgewald exposes how banks and investors fund climate destruction and drives them to change. Its Global Coal, Oil & Gas, and Metallurgical Coal Exit Lists are relied on by hundreds of financial institutions worldwide to cut ties with fossil fuel developers.