

New U.S. Sanctions Won't Affect MasterCard, Visa's Russian Operations

By [The Moscow Times](#)

July 17, 2014



MasterCard and Visa earlier this year stopped processing transactions for Bank Rossiya after Washington imposed sanctions on the lender.

U.S. payment systems operators MasterCard and Visa said Thursday they will not stop servicing the cards of Gazprombank and Vneshekonombank after they were hit by U.S. sanctions, ITAR-Tass reported.

The White House on Wednesday unleashed its third and most potent wave of sanctions on Russia over its actions in Ukraine, targeting financial institutions including Gazprombank, which is minority owned by state gas monopoly Gazprom, and state-owned Vneshekonombank with its subsidiaries Svyazbank and Globex, as well as major energy and defense companies.

MasterCard's press office said that while the new sanctions affect certain banks' access to the U.S. capital market, they do not impact on MasterCard's operations in Russia.

Visa also told ITAR-Tass that the sanctions do not impinge upon its work in Russia.

Both payment systems earlier this year stopped processing transactions for Bank Rossiya after Washington imposed sanctions of the lender. They also stopped providing services for SMP Bank and InvestCapitalBank, whose co-owners, Russian tycoons Boris and Arkady Rotenberg, were blacklisted by the U.S.

Those blockages outraged Russian lawmakers and resulted in legislation demanding multi-billion dollar security payments from Visa and MasterCard as a price for their continued access to the Russian market. The two companies have said the law would force them to leave Russia, and they are now attempting to reach a compromise agreement with authorities.

Wednesday's sanctions prohibit U.S. individuals and companies from offering the sanctioned banks new debt of longer than 90 days maturity or new equity.

See also:

[U.S. Sanctions Hit Rosneft's Dollar Financing, but Spare Partners BP and Exxon](#)

Original url:

<https://www.themoscowtimes.com/2014/07/17/new-us-sanctions-wont-affect-mastercard-visas-russian-operations-a37422>