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Four G7 Powers Impose Gold Export Ban on Russia

By AFP

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Kirill Kukhmar / TASS

Four G7 powers will ban Russian gold exports in a new bid to stop oligarchs from buying the precious metal to avoid the impact of sanctions against Moscow, Britain said Sunday.

The joint action taken by Britain, Canada, Japan and the United States, "will directly hit Russian oligarchs and strike at the heart of (President Vladimir) Putin's war machine," said British Prime Minister Boris Johnson.

Given London's central role in the international gold trade and parallel US, Japanese and Canadian action, "this measure will have global reach, shutting the commodity out of formal international markets," Britain said.

Worth 12.6 billion pounds ($15.5 billion) to the Russian economy in 2021, gold — a refuge commodity in times of turmoil — is a major export for the country.

With Putin's Russia now under severe sanctions, the country's richest have rushed to convert their assets into gold to avoid the impact of the financial restrictions.

The London Bullion Market had already suspended six Russian refineries in action announced on March 7.

The latest move targeting the commodity came as leaders of the Group of Seven wealthiest nations were meeting in the Bavarian alps, with their talks to be focused on how to sustain backing for Ukraine against Russia's invasion.

The G7 is expected to take stock of how unprecedented sanctions taken against Moscow have worked so far, discuss further financial and military aid for Ukraine, as well as look at longer reconstruction for the war-torn country.

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