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Russia Threatens Oil and Gas Shut-Off as West Pursues Energy Price Caps

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Dmitry Medvedev, deputy head of the Russian Security Council. **Evgeny Reutov / Photobank Roskogress**

Russian officials threatened Friday to stop all oil and gas imports to Europe if major Western countries go ahead with plans to implement energy price caps.

The angry response from Moscow came as the G7 group of industrialized nations said in a statement that it was "urgently" seeking a price cap on Russian oil and European Commission head Ursula von der Leyen called for a price cap on Russian pipeline gas.

Former Russian President Dmitry Medvedev said Friday on Telegram that Russia would block all oil and gas deliveries to Europe this winter if the caps are introduced.

"The time has come for the EU to impose a price cap on pipeline gas from Russia, said Aunty Von Der what's her name Leyen. It will be the same as with oil. There will be no Russian gas in Europe," posted Medvedev, the deputy head of Russia's influential Security Council.

And Kremlin spokesman Dmitry Peskov told reporters Friday that "companies that impose a

price cap will not be among the recipients of Russian oil."

Energy sales are Russia's biggest source of income, and revenue from oil and gas exports has risen dramatically this year — despite the war in Ukraine and Western sanctions — because of surging prices for both commodities.

The G7 said Friday it would move towards the implementation of a price cap on Russian oil imports to stop Moscow from raking in huge profits from soaring energy prices, though it did not specify the level of any cap.

Finance ministers from the Group of Seven advanced nations said in a statement they would "urgently work on the finalization and implementation" of the measure.

"Russia is benefiting economically from the uncertainty on energy markets caused by the war and is making big profits from the export of oil and we want to counter that decisively," German Finance Minister Christian Lindner said in a press conference.

G7 countries wanted to "limit Russia's revenues and reduce the economic damage for our societies," Lindner added.

Earlier in the day, EU Commission head Ursula von der Leyen said Russia's attempts to manipulate the energy market meant Russian gas should also be subject to a price limit.

"I firmly believe that it is now time for a price cap on Russian pipeline gas to Europe," von der Leyen said, Reuters reported.

AFP contributed reporting.

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