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Russia Bans Winter Cryptocurrency Mining in Siberia, North Caucasus and Occupied Ukraine

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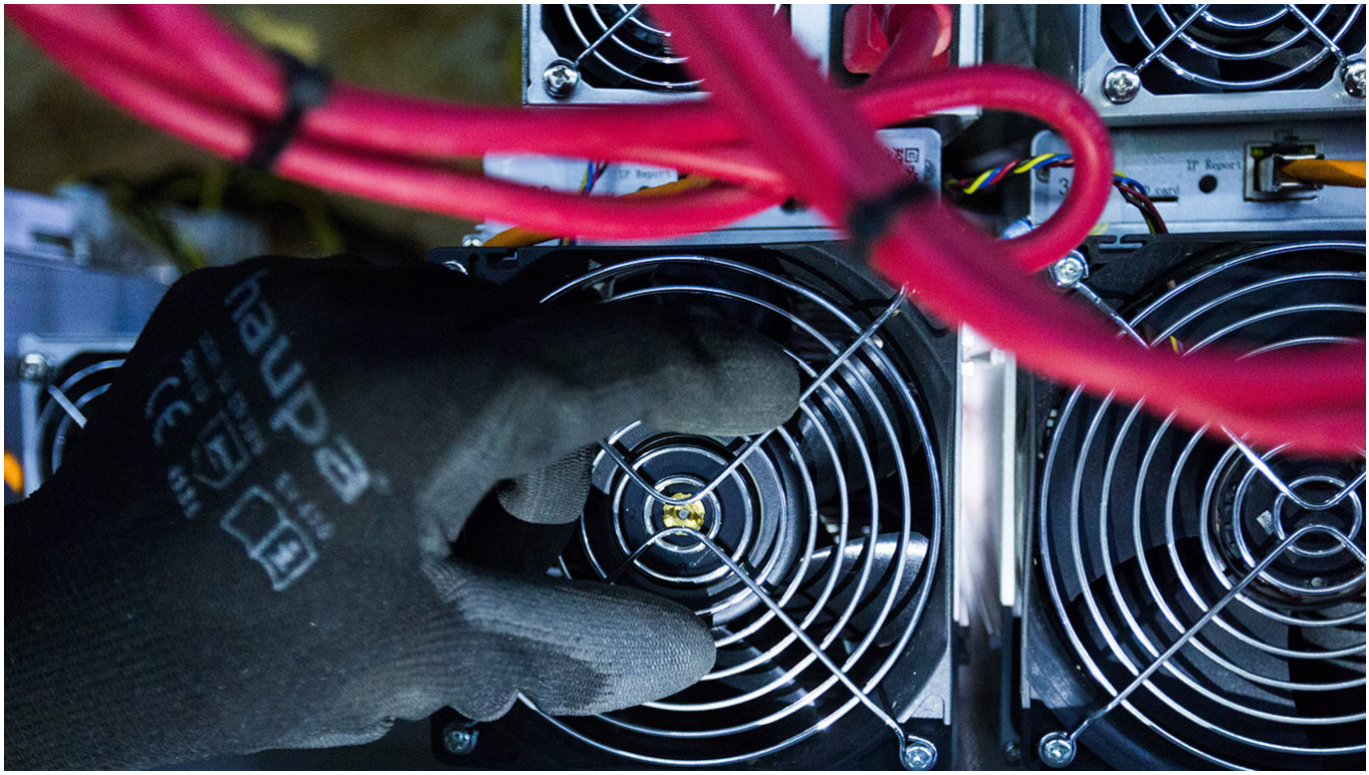

Kirill Zykov / Moskva News Agency

Authorities in Russia announced Tuesday plans to ban cryptocurrency mining in several regions this winter to address electricity shortages.

The ban will affect the Irkutsk region, parts of the republic of Buryatia and the Zabaikalsky region in Siberia, as well as six regions in the North Caucasus, including the republics of Chechnya and Dagestan. It will also extend to the occupied Ukrainian regions of Donetsk, Luhansk, Zaporizhzhia and Kherson.

The decision, made by a government commission led by Deputy Prime Minister Alexander Novak, aims to restrict crypto mining during the heating season.

Mining in Siberia will be prohibited from Dec. 1 to March 15, 2025, with annual restrictions from Nov. 15 to March 15 through 2031. In the North Caucasus and occupied Ukraine, mining

will face total bans from December 2024 through March 2031, with no seasonal reprieve, the Kommersant business newspaper reported last week.

The restrictions follow new laws signed by President Vladimir Putin on Nov. 1 that regulate crypto mining and create experimental infrastructure for cross-border cryptocurrency payments. While domestic crypto payments remain banned, some lawmakers view the regulations as a potential tool for bypassing sanctions.

Russia, the world's second-largest crypto mining hub after the U.S., consumes 16 billion kilowatt-hours annually for mining — about 1.5% of its total electricity usage, according to the Energy Ministry.

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