

# Joint Statement by the G7 Announcing Further Economic Costs on Russia

MARCH 11, 2022 • STATEMENTS AND RELEASES

We the Leaders of the Group of Seven (G7) remain resolved to stand with the Ukrainian people and government who heroically resist Russian President Vladimir Putin's military aggression and war of choice against their sovereign nation. This unprovoked and unjustified attack is causing enormous suffering and a tragic loss of life, including through the increasingly indiscriminate bombing and shelling of civilians in schools, homes, and hospitals.

We are united in our determination to hold President Putin and his regime accountable for this unjustified and unprovoked war that has already isolated Russia in the world. The world should join together in calling on President Putin and his regime to immediately stop its ongoing assault against Ukraine and withdraw its military forces. We stand in solidarity with those who are bravely opposing the invasion of Ukraine.

We urge Russia to ensure safe and unhindered humanitarian access to victims of its assault in Ukraine, and to allow safe passage for civilians wishing to leave. We call for, and commit to provide, humanitarian, medical and financial support to refugees from Ukraine.

Since President Putin launched the Russian Federation's invasion on February 24, our countries have imposed expansive restrictive measures that have severely compromised Russia's economy and financial system, as evidenced by the massive market reactions. We have collectively isolated key Russian banks from the global financial system; blunted the Central Bank of Russia's ability to utilise its foreign reserves; imposed sweeping export bans and controls that cut Russia off from our advanced technologies; and targeted the architects of this war, that is Russian President Vladimir Putin and his accomplices, as well as the Lukashenko regime in Belarus.

In addition to announced plans, we will make further efforts to reduce our reliance on Russian energy, while ensuring that we do so in an orderly fashion and in ways that provide time for the world to secure alternative and sustainable supplies. In addition, private sector companies are leaving Russia with unprecedented speed and solidarity. We stand with our companies that are seeking an orderly withdrawal from the Russian market.

We remain resolved to isolate Russia further from our economies and the international financial system. Consequently, we commit to taking further measures as soon as possible in the context of our ongoing response and consistent with our respective legal authorities and processes:

First, we will endeavor, consistent with our national processes, to take action that will deny Russia Most-

Favoured-Nation status relating to key products. This will revoke important benefits of Russia's membership of the World Trade Organization and ensure that the products of Russian companies no longer receive Most-Favoured-Nation treatment in our economies. We welcome the ongoing preparation of a statement by a broad coalition of WTO members, including the G7, announcing their revocation of Russia's Most-Favoured-Nation status.

Second, we are working collectively to prevent Russia from obtaining financing from the leading multilateral financial institutions, including the International Monetary Fund, the World Bank and the European Bank for Reconstruction and Development. Russia cannot grossly violate international law and expect to benefit from being part of the international economic order. We welcome the IMF and World Bank Group's rapid and ongoing efforts to get financial assistance to Ukraine. We also welcome the steps the OECD has taken to restrict Russia's participation in relevant bodies.

Third, we commit to continuing our campaign of pressure against Russian elites, proxies and oligarchs close to President Putin and other architects of the war as well as their families and their enablers. We commend the work done by many of our governments to identify and freeze mobile and immobile assets belonging to sanctioned individuals and entities, and resolve to continue this campaign of pressure as a matter of priority. To that end, we have operationalised the task force announced on February 26, which will target the assets of Russian elites close to President Putin and the architects of his war. Our sanctions packages are carefully targeted so as not to impede the delivery of humanitarian assistance.

Fourth, we commit to maintaining the effectiveness of our restrictive measures, to cracking down on evasion and to closing loop-holes. Specifically, in addition to other measures planned to prevent evasion, we will ensure that the Russian state and elites, proxies and oligarchs cannot leverage digital assets as a means of evading or offsetting the impact of international sanctions, which will further limit their access to the global financial system. It is commonly understood that our current sanctions already cover crypto-assets. We commit to taking measures to better detect and interdict any illicit activity, and we will impose costs on illicit Russian actors using digital assets to enhance and transfer their wealth, consistent with our national processes.

Fifth, we are resolved to fighting off the Russian regime's attempts to spread disinformation. We affirm and support the right of the Russian people to free and unbiased information.

Sixth, we stand ready to impose further restrictions on exports and imports of key goods and technologies on the Russian Federation, which aim at denying Russia revenues and at ensuring that our citizens are not underwriting President Putin's war, consistent with national processes. We note that international companies are already withdrawing from the Russian market. We will make sure that the elites, proxies and oligarchs that support President Putin's war are deprived of their access to luxury goods and assets. The elites who sustain Putin's war machine should no longer be able to reap the gains of this system, squandering the resources of the Russian people.

Seventh, Russian entities directly or indirectly supporting the war should not have access to new debt and equity investments and other forms of international capital. Our citizens are united in the view that their savings and investments should not fund the companies that underpin Russia's economy and war machine. We will continue working together to develop and implement measures that will further limit Russia's ability to raise money internationally.

We stand united and in solidarity with our partners, including developing and emerging economies, which unjustly bear the cost and impact of this war, for which we hold President Putin, his regime and supporters, and the Lukashenko regime, fully responsible. Together, we will work to preserve stability of energy markets as well as food security globally as Russia's invasion threatens Ukraine's capacity to grow crops this year.

We continue to stand with the Ukrainian people and the Government of Ukraine. We will continue to evaluate the impacts of our measures, including on third countries, and are prepared to take further measures to hold President Putin and his regime accountable for his attack on Ukraine.

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