

G7 Allies Consider Outright Ban Of All Exports To Russia

Description

Washington is in discussion with several Western partners about **outright ending trade with Russia**. The debate is occurring as the US-led economic war on Russia has **failed to stop Moscow's war machine in Ukraine**.

According to *Bloomberg News*, members of the Group of 7 (G7) are considering banning exports to Russia. The debate is occurring among member states – the US, Britain, Canada, France, Germany, Italy, Japan and the European Union – ahead of an international summit in May.



Members of the G7 have maintained significant exports to Russia since Washington declared it would isolate Moscow using sanctions. According to Trade Data Monitor, **\$66 billion in goods have flowed to Russia from member states**.

The proposed ban will essentially switch the way Washington outlaws trade with Russia. **Currently, the US and its allies are blacklisting Russian products, companies and individuals**. If adopted,

the export ban will **prohibit all trade with Moscow** that is not explicitly exempted from Western sanctions.

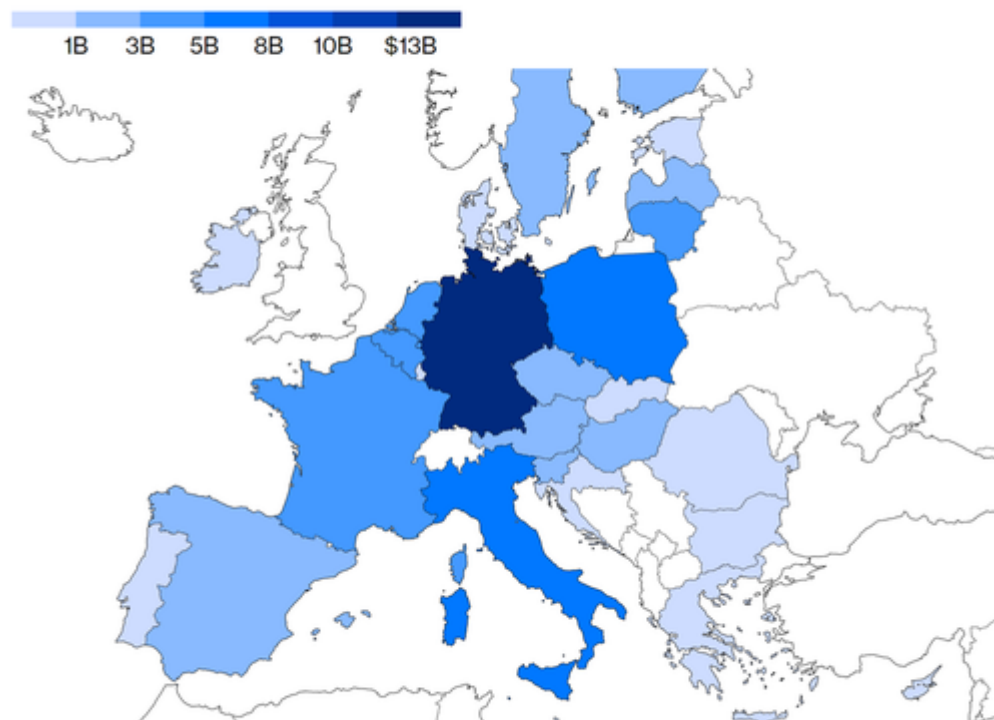
The *Miami Herald* [reports](#) that **food and medicine will likely be on the exemption list**. However, international aid organizations argue that exemptions are ineffective and sanctions largely stomp out the trade of civilian goods.

The proposed export ban faces serious obstacles to overcome before the May G7 summit. **All EU member states will have to agree to the ban for the bloc to sign on.**

Additionally, the export ban could threaten the grain export deal that Turkey and the UN brokered with Russia and Ukraine last year. According to the EU, since the agreement was implemented, [23 million tonnes](#) of food products have left Kiev's Black Sea ports.

Russian Trade Exposure

European nations are still exporting goods worth billions to Russia



Source: Trade Data Monitor
2022 merchandise goods exports

Source: *Bloomberg*

After Russia invaded Ukraine 14 months ago, the White House unleashed a series of sanctions targeting Moscow that it believed was acting as an economic nuclear weapon. While the Joe Biden administration hoped that the entire globe would join in on the Kremlin's isolation, after a year, only

close Western partners have followed Washington's lead.

This has allowed Moscow to weather the West's sanctions by turning to other trading partners – including **China and India**.

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Category

1. Economy-Business-Fin/Invest
2. Main

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