

US urges G7 to levy up to 100% tariffs on China, India over Russian oil buys

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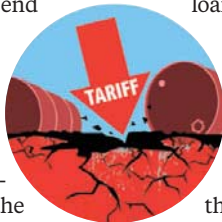
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The US will urge its allies in the Group of Seven (G7) to impose tariffs as high as 100 per cent on China and India for their purchases of Russian oil in an effort to convince President Vladimir Putin to end his war in Ukraine.

The US will also tell the G7 countries they should create a legal pathway to seize immobilised sovereign Russian assets and consider seizing or using the principle of those assets to fund Ukraine's defense, according to a US proposal seen by *Bloomberg*. The vast majority of the about \$300 billion of Moscow's immobilised assets are in Europe.

Separately, senior US officials have floated with European counter-

parts the idea of gradually seizing those frozen Russia assets to increase the pressure on Moscow to enter into negotiations, according to people familiar with the matter who spoke on the condition of anonymity. Profits generated by the assets are currently being used to provide loans to Ukraine.



Brent crude futures extended gains following the report, briefly touching a session high. The euro fell to the day's low and last traded around the \$1.1703 mark early in the New York session.

A spokesperson from the White House didn't immediately respond to a request for comment on the proposals. Canada, which holds the presidency of the G-7, convened a meeting of the group's finance ministers on Friday to "discuss further measures to increase press-

ure on Russia and limit their war machinery," according to a statement.

The US proposal calls for 50 per cent to 100 per cent secondary tariffs on China and India as well as restrictive trade measures on both imports and exports to curb the flow of Russian energy and to prevent the transfer of dual-use technologies into Russia, according to the proposal.

The proposal poses a challenge given that several nations in the EU, including Hungary, have blocked more stringent sanctions targeting Russia's energy sector. Such measures would require the backing of all member states.

President Donald Trump has told European officials he's willing to impose sweeping new tariffs on India and China to push Putin to the negotiating table with Ukraine — but only if nations in Europe do so as well.