

U.S. DEPARTMENT OF THE TREASURY

Statement by Secretary of the Treasury Janet L. Yellen on the Announcement on the Price Caps for Seaborne Russian-Origin Petroleum Products

February 3, 2023

WASHINGTON – Secretary of the Treasury Janet L. Yellen released the following statement following the announcement by the price cap coalition to set price caps on the price of seaborne Russian refined oil products.

“I applaud the G7 price cap coalition for jointly setting caps on the price of seaborne Russian refined oil products. Today’s agreement builds on the price cap on Russian crude oil exports that we set in December and helps advance our goals of limiting Russia’s key revenue generator in funding its illegal war while promoting stable global energy markets.

We have already seen early progress toward those objectives through the price cap on crude oil exports. Senior Russian officials have repeatedly admitted that the crude oil price cap is cutting into their most important source of revenue and has darkened the Kremlin’s already troubled fiscal outlook. Global energy markets have also remained well-supplied, and public reports indicate that crude oil importers are using the price cap to drive steep bargains on Russian oil imports. Low- and medium-income countries have particularly benefitted from the crude oil price cap, which is helping to shield them from the high global energy costs caused by Putin’s unprovoked war of aggression. Our G7 price cap coalition has committed to undertake a review of the price cap on crude oil in March to ensure that it continues to meet its twin goals, to further diminish Russian revenues while supporting energy market stability.

The caps we have just set will now serve a critical role in our global coalition’s work to degrade Russia’s ability to prosecute its illegal war. Combined with our historic sanctions, we are forcing Putin to choose between funding his brutal war or propping up his struggling economy. And, we are disrupting Russia’s military supply chains, making it harder for the Kremlin to equip its troops and continue this unprovoked invasion.”

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