

Japan today.- 25.02.2023

Shivangi Acharya, David Lawder

G20 finance leaders tussle over Ukraine war

Фінансові лідери G20 сперечаються через війну в Україні

Очільники фінансових міністерств і центробанків країн «Групи двадцяти» (G20) погодили текст комюніке за підсумками зустрічі в Бангалорі, але деякі пункти документа, що стосуються війни росії проти України, не знайшли одностайної підтримки. Фінансові лідери провідних економік світу спробували подолати розбіжності щодо того, як поводитися з росією після її вторгнення в Україну. Міністерка фінансів США Д. Єллен закликала до збільшення фінансової підтримки України, щоб допомогти їй боротися проти повномасштабного російського вторгнення. Вона додала, що санкції, запроваджені проти російської економіки, ізолюють її і знижують її продуктивність.

<https://japantoday.com/category/world/g20-tussles-over-ukraine-war-as-west-steps-up-sanctions3>

BENGALURU

Finance leaders of the world's top economies sought on Friday to bridge differences over how to deal with Russia following its invasion of Ukraine a year ago, as the West stepped up sanctions against Moscow.

U.S. Treasury Secretary Janet Yellen accused Russian officials at the two-day Group of Twenty (G20) meeting in the Indian city of Bengaluru of being "complicit" in war atrocities.

But, underlining the split with those nations which have not joined efforts to isolate the Russian economy, meeting host India avoided mention of the year-old war in inaugural remarks and said the global economy faced a range of other challenges.

"I would urge that your discussions should focus on the most vulnerable citizens of the world," Prime Minister Narendra Modi said, adding that stability, confidence and growth had to be brought back to the world economy.

Modi cited the aftermath of the COVID pandemic, rising debt levels, disruptions to supply chains and threats to food and energy security as key concerns.

India does not want the bloc to discuss sanctions on Russia and is also pressing to avoid using the word "war" in any communique, G20 officials told Reuters.

But French Finance Minister Bruno Le Maire said there was no way the group could step back from a joint statement agreed at a G20 summit in Bali, Indonesia, last November, which noted that "most members strongly condemned the war in Ukraine".

"Either we have the same language or we do not sign on the final communique," Le Maire told reporters.

Such stand-offs have become increasingly common in the G20, a forum created over 20 years ago in response to past economic crises but which has recently been hobbled by differences between Western nations and others including China and Russia.

Speaking on the first anniversary of the Russian invasion, Yellen urged G20 economies to redouble efforts to support Ukraine and restrict Russia's capacity to wage war.

"I urge the Russian officials here at the G20 to understand that their continued work for the Kremlin makes them complicit in Putin's atrocities," Yellen said in remarks to the meeting.

Canadian Finance Minister Chrystia Freeland also rebuked the Russians personally, according to a Western official familiar with her remarks.

Speaking in Russian, she said: "You are apparatchiks, you are economists - you are not soldiers. But, all the same, you also bear personal responsibility for this criminal war. We know who you are, and we will not forget," said Freeland, who is of Ukrainian descent.

Russian Finance Minister Anton Siluanov and central bank governor Elvira Nabiullina did not attend, with Moscow represented by deputies. Russia calls its actions in Ukraine a "special military operation".

G7 DEEPENS RUSSIA SANCTIONS

Leaders of the wealthy G7 democracies issued a statement pledging to continually deepen sanctions against those aiding Russia's war effort after they had a virtual meeting with Ukrainian President Volodymyr Zelenskiy.

"We will maintain, fully implement and expand the economic measures we have already imposed," the statement released by current G7 president Japan said, noting that it would be working on how to deprive Russia of revenues from diamond exports.

Separately, Washington released details of new measures it was taking that not only targeted Russia but also "third-country actors" across Europe, Asia and the Middle East that are supporting Russia's war effort.

"We will sanction additional actors tied to Russia's defence and technology industry, including those responsible for backfilling Russian stocks of sanctioned items or enabling Russian sanctions evasion," it said.

Britain also issued more sanctions against Russia, including export bans on every item it has used on the battlefield and import bans on iron and steel goods.

But European Union countries were still struggling to overcome disagreements on a new set of EU sanctions against Russia, diplomatic sources told Reuters. They were making a new bid on Friday after talks ended in failure late on Thursday.

The G20 bloc includes the G7 countries, as well as Russia, China, India, Brazil and Saudi Arabia, among others.

British Finance Minister Jeremy Hunt told reporters that focusing G20 discussions on Ukraine did not mean neglecting other issues.

"In the end, unless we resolve the global security threats, there can be no progress on these other areas," he said.

Both China and India have seen trade with Russia surge in the wake of sanctions, with New Delhi vastly increasing its purchases of cheaper Russian oil.

The meeting comes amid signs that the global outlook has improved from the last G20 summit in October, when a number of economies were teetering on the brink of recession amid energy and food price spikes.

The G20 meeting is also expected to hold talks on debt relief for distressed countries, with pressure building on China, the world's largest bilateral creditor, and other nations to take a large haircut in loans.

In a video address to the meeting, China's finance minister Liu Kun reiterated Beijing's position that the World Bank and other multilateral development banks participate in debt relief by taking haircuts alongside bilateral creditors.

© (c) Copyright Thomson Reuters 2023.