Statement of the G7 and Australia on price caps for seaborne Russian-origin petroleum products
Berlin, Brussels, Canberra, London, Ottawa, Paris, Rome, Tokyo, Washington
4 February 2023

1. On 4 February 2023, members of the Price Cap Coalition reached consensus on the maximum prices for seaborne Russian-origin petroleum products. This follows the G7 Finance Ministers Statement on 2 September and the Coalition Statement on 2 December 2022 on a price cap for seaborne Russian-origin crude oil. The price cap policy is intended to prevent Russia from profiting from its war of aggression against Ukraine, to support stability in global energy markets, and to minimise negative economic spillovers of Russia's war of aggression, especially on low- and middle-income countries, including by allowing our service providers to continue to support shipments of Russian-origin crude oil and petroleum products to other countries, if the prices do not exceed the respective caps.

2. For petroleum products, we have set two price levels, one for "premium-to-crude" petroleum products, such as diesel, kerosene and gasoline, and the other for "discount-to-crude" petroleum products, such as fuel oil, taking into account the market dynamics including pricing of these products relative to crude oil. The maximum price for premium-to-crude products will be 100 U.S. dollars per barrel and the maximum price for discount-to-crude products will be 45 U.S. dollars per barrel.

3. The price caps on petroleum products will be implemented across our jurisdictions on 5 February 2023 or very soon thereafter. Our respective regimes are expected to include time-limited exceptions for transactions involving petroleum products that are loaded onto a

vessel at the port of loading prior to 5 February 2023. Details on the implementation of the price caps can be found in guidance released or soon to be released by our jurisdictions.

4. As we introduce the price caps for petroleum products in addition to crude oil, we commit to monitoring their effectiveness and impact on an ongoing basis. The Price Cap Coalition commits 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 Coalition is prepared to review and adjust the maximum price as appropriate. We recommend that importers of seaborne Russian-origin crude oil and petroleum products in countries outside our jurisdictions continue leveraging the price cap to purchase discounted Russian oil and petroleum products. The price cap policy should offer developing market economies, in particular, access to oil and petroleum products at a discount to prevailing market prices.

5. The Price Cap Coalition is composed of Australia, Canada, the European Union, France, Germany, Italy, Japan, the United Kingdom, and the United States, as of 4 February 2023.