

## Janet Yellen will discuss sanctions on Russian gold with lawmakers.

A proposal to target Russia's gold reserves comes as the Biden administration looks to crack down on sanctions evasion.



By Alan Rappeport

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Janet L. Yellen, the Treasury secretary, will discuss imposing sanctions on Russia's gold reserves with a bipartisan group of senators on Wednesday, according to people with knowledge of the plans, as the United States and Europe prepare to level a new round of sanctions on Russian lawmakers this week.

The focus on gold reserves comes amid concerns that Russia is trying to utilize alternative assets to evade international sanctions and help prop up the ruble. The United States and its Western allies have taken steps to cut Russia off from much of the global financial system by freezing its international currency reserves and imposing sanctions on several major financial institutions and oligarchs.

Ms. Yellen plans to discuss proposed legislation to target Russia's gold reserves with Senator Angus King, an independent from Maine, Senator John Cornyn, Republican of Texas, Senator Bill Hagerty, a Tennessee Republican, and Senator Maggie Hassan, a Democrat from New Hampshire.

"Secretary Yellen regularly meets with members of Congress to discuss legislation," said Morgan Finkelstein, a Treasury spokeswoman. "Additionally, Treasury staff frequently provide technical assistance on sanctions bills."

Plans for a meeting this week between Ms. Yellen and lawmakers were reported earlier by Axios.

Lawmakers have been working on a variety of bills that would tighten sanctions and restrict trade with Russia. The Biden administration has broad authority to act alone on many of these measures, but Congress sometimes enacts legislation to pressure or force action from the White House.

The sanctions on gold reserves were proposed earlier this month and would block Russia from selling gold on international markets. The senators suggested that Russia's \$130 billion worth of gold reserves were a loophole in the sanctions that were imposed on Russia's central bank. They said that Russia was laundering money through gold by buying and selling it for high-value currency.

Eswar Prasad, a former official at the International Monetary Fund, said that targeting gold would be another step in "tightening the financial noose around Russia."

Gold sales are not specifically banned by the existing sanctions that are in place. The lawmakers who drafted the legislation are seeking to understand why the Treasury Department appears to be reluctant to impose sanctions on Russia's gold reserves, according to one of the people with knowledge of their thinking.

The Treasury Department has not said that it is seeing Russia use gold to evade sanctions, though it has made clear that use of alternative assets such as cryptocurrencies would be a violation of U.S. law.

President Biden is expected to announce additional sanctions this week on hundreds of members of Russia's lower house of Parliament and new measures to crack down on sanctions evasion during a series of global summits in Europe on Thursday.