U.S - Russia Sanctions Bill & India

Prelims: *Current events of national and international importance | Economy | International Relations*

Why in News?

Recently, the U.S. House passed the Lindsey O. Graham Sanctioning Russia and Iran Act of 2026 by 262–159, after Senate approval, sending it to President Trump.

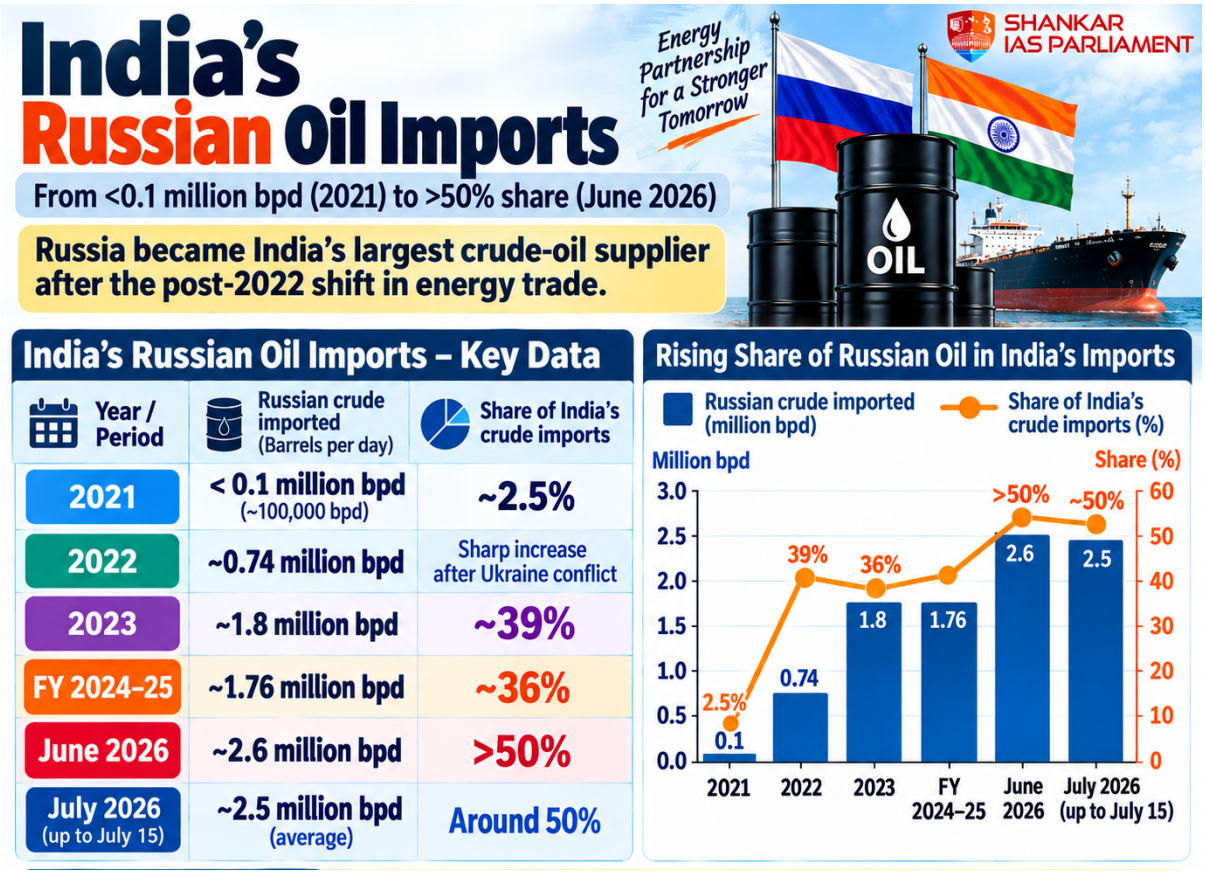
Lindsey O. Graham Sanctioning Russia and Iran Act of 2026

- **Objective –** To intensify economic pressure on Russia, particularly its energy sector and mechanisms used to evade sanctions.
- **Major Targets**
  - Russian energy sector
  - Individuals and entities linked to Russia
  - "Shadow fleet" of tankers facilitating Russian oil shipments and sanctions evasion
  - Russian energy trade with third countries
  - Certain provisions also concern Iran
- **100% Tariff Provision –** The Bill authorises the US President to impose tariffs of up to 100% on countries that continue purchasing Russian energy.

  This provision does ***not automatically impose tariffs on India****. Instead, it grants the President authority to levy tariffs if statutory conditions are satisfied.*

- **Countries at Risk of Tariffs –** A country may face tariffs if:
  - It is among the **top 5 importers by volume of Russian crude oil or natural gas** during the preceding 12 months; and
  - It knowingly makes new purchases of Russian crude oil after the specified 30-day period following enactment.
- Countries identified among the **top 5 facilitators of Russian oil sanctions evasion** may also be targeted.
- **Exemptions –** Tariffs may not apply if a country:
  - Takes significant steps to reduce Russian natural-gas imports, or
  - Imports less than 15% of Russia's total natural-gas exports.
- **India's Position –** India has emphasised:
  - Energy security
  - Diversification of energy sources

    - Adaptation to changing market forces
    - Protection of trade and economic interests
- India has also conveyed to US officials that such sanctions could affect India–US bilateral relations and global energy markets.



Reference

[The Hindu | Russia Sanctions Bill]

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