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The US Government is reportedly softening its stance on the Russian diamond industry and the associated punitive sanctions since the invasion of Ukraine in 2022. | Source: Shutterstock

Sanctions stall over concerns about the viability of tracing programs

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The US Government is reportedly softening its stance on the Russian diamond industry and the associated punitive sanctions since the invasion of Ukraine in 2022.

According to reporting by [Reuters](#), the US government is 're-evaluating the strictest elements' of the sanctions scheme and may not introduce a traceability scheme.

The about-face has been prompted by backlash from critical diamond industry contributors.

In February, the presidents of Angola, Botswana, and Namibia wrote to the G7 explaining that a pre-determined entry point for the G7 market would negatively impact the international diamond industry.

"The United States is re-evaluating the strictest elements of a ban on Russian diamonds from the Group of Seven major democracies, after opposition from African countries, Indian gem polishers and New York jewellers, seven sources said," the article explained.

"The sanctions package, agreed in December and including a ban across the European Union, represents one of the industry's biggest shakeups in decades."

It continued: "Two of the sources familiar with the negotiations said the Americans had disconnected from G7 working groups on the stringent controls, with one describing them as there but not engaging."

A senior Biden official told the media the government had not changed its position and that the US would continue working with the G7 on sanctions about the Russian diamond industry.