

Visa, Mastercard suspend operations in Russia

US payment firms Visa and Mastercard joined the growing list of businesses suspending operations in Russia over its invasion of Ukraine.



Source: [Rixabay](#)

On Saturday, both companies said that soon all transactions initiated with their cards issued in Russia will no longer work outside the country, while cards issued outside of Russia will no longer work within it.

US President Joe Biden welcomed the decisions by the companies in a call with Ukraine's President Volodymyr Zelenskiy.

Ukraine's central bank chief Kyrylo Shevchenko said that he and Zelenskiy had urged the two firms to suspend their Russian operations to increase pressure on the regime over its invasion of Ukraine, which Moscow describes as a 'special military operation'.

Visa and Mastercard stand to lose significant business from Russia, with both firms reporting that their net revenues from the country last year was about 4% of their totals.

Hyperinflation to reduce purchasing power of ordinary Russians

But the move could also mean more disruption for Russians who are bracing for an uncertain future of spiraling inflation, economic hardship, and an even sharper squeeze on imported goods.

However, Russia has been taking steps to increase the independence of its financial system for years.

It set up its own banking messaging system as an alternative to global payments system SWIFT, as well as its own card-payment system which began operating in 2015.

They were part of Moscow's efforts to develop homegrown financial tools to mirror Western ones to protect the country in case sanctions are broadened.

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