

# France to Go Ahead With \$1.6Bln Warship Sale to Russia

By [The Moscow Times](#)

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PARIS/BAKU — France will press ahead with a 1.2 billion euro (\$1.66 billion) contract to sell Mistral helicopter carriers to Russia because canceling the deal would do more damage to Paris than to Moscow, French diplomatic sources said Monday.

France's move illustrates the limitations of European Union sanctions meant to punish Russia for its annexation of Crimea and dissuade Moscow from intervening in east Ukraine.

The U.S. has been pressing France, Germany and Britain to take a tougher line against Russia. For France, this would mean at least delaying the Mistral contract. For Britain, closing its mansions and bank vaults to magnates close to President Vladimir Putin. For Germany, initiating gradual steps to reduce dependency on Russian gas.

France had said it would review the deal in October, but not before. However, French diplomatic sources said on Monday the 2011 contract with Russia for two Mistral helicopter

carriers, with an option for two more, would not be part of a third round of sanctions against Moscow.

"The Mistral is not part of the third level of sanctions. They will be delivered. The contract has been paid and there would be financial penalties for not delivering it."

"It would be France that is penalized. It is too easy to say France has to give up on the sale of the ships. We have done our part."

The Russian Defense Ministry warned Paris in March it would have to repay the cost of the contract and additional penalties if it canceled the deal.

The first carrier, the Vladivostok, is due to be delivered by the last quarter of 2014. The second, named Sebastopol after the Crimean seaport, is supposed to be delivered by 2016.

About 400 Russian sailors are due to come to France in June to receive training for the Mistral. The carriers can hold up to 16 helicopters, such as Russia's Ka-50/52s.

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