

# NATO Warns Russia Over Ukraine as Obama Mulls Delaying Sanctions

By The Moscow Times

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East Ukrainian refugees taking temporary shelter in a school building in the Russian village of Grigoropolisskaya.

The head of NATO said Wednesday he saw no sign that Russia was respecting its international commitments over Ukraine as Britain warned Moscow it could face tougher European Union sanctions unless it acted to stop fighting in eastern Ukraine.

Meanwhile, sanctions aimed at key economic sectors in Russia because of its threatening moves in Ukraine might be delayed because of positive signals from President Vladimir Putin, according to Obama administration officials.

#### **Sector Sanctions**

The United States and its European allies were finalizing a package of sanctions with the goal of putting them in place as early as this week, the officials and others close to the process said

Tuesday.

Penalizing large swaths of the Russian economy, including its lucrative energy industry, would ratchet up the West's punishments against Moscow.

The U.S. and Europe have already sanctioned Russian individuals and entities, including some with close ties to Putin, but have so far stayed away from the broader penalties, in part because of concern from European countries that have close economic ties with Russia.

But with the crisis in Ukraine stretching on, a senior U.S. official said the U.S. and Europe are moving forward on "common sanctions options" that would affect several areas of the Russian economy. A Western diplomat said those options included Russia's energy industry, as well as Moscow's access to world financial markets.

The U.S. and Europe have been eyeing a European Council meeting in Brussels later this week as an opportunity to announce the coordinated sanctions. However, the enthusiasm for new sanctions, particularly among European leaders, appears to have waned in recent days as countries evaluate whether Putin plans to follow through on a series of promises that could ease the crisis, officials said.

### **Russia Takes Action**

Putin acted Tuesday to rescind a parliamentary resolution authorizing him to use the military to intervene in Ukraine. (See story, page 3) He also urged the new Ukrainian government to extend a weeklong cease-fire and called for talks between Ukraine and pro-Russian rebels that are widely believed to be backed by the Kremlin.

Putin's moves came one day after he talked by phone with President Barack Obama, their first known conversation in more than two weeks.

The threat of sector sanctions may be driving Putin to try to avoid penalties that could have a devastating impact on the already shaky Russian economy. However, there were no guarantees that Moscow would abide by the West's requests to pull back its troops from the Ukrainian border, stop arming separatists and negotiate seriously with Kiev.

### **Fresh Violence**

Indeed, there were signs Tuesday of just how fragile the situation on the ground remains. Hours after Putin called for the cease-fire to be extended, pro-Moscow separatists shot down a Ukrainian military helicopter, killing nine servicemen.

Vice President Joe Biden spoke to Ukraine's new president, Petro Poroshenko, for the third time in as many days and offered his condolences for the deaths. The White House said Biden also underscored the importance of having monitors in place in Ukraine to verify violations of the cease-fire, as well as the need to stop the supply of weapons and militants from flowing across the Russian border.

At the U.S. State Department, spokeswoman Marie Harf said the situation entailed "two steps forward, one step back."

"We do see some positive signs on the ground," she told reporters. "The cease-fire, some separatists have accepted it, but the same day some other separatists shot down a helicopter. That President Putin says he will go to the Duma, that's good, but then they continue the military buildup."

#### The Sanctions' Fate

At the White House, spokesman Josh Earnest said that if Russia were to make positive changes, it would make additional sanctions "less likely."

Even if the U.S. and European Union decide not to levy sector sanctions this week, they could outline clearer intentions to ultimately take that step. In Europe, the 28 nations that form the EU may at least agree on the details of a package of sanctions so the penalties could be levied quickly, according to the Western diplomat, who like other officials insisted on anonymity because they were not authorized to discuss the internal deliberations by name.

An industry expert and legislative aides with knowledge of the sanctions said the penalties being readied by the U.S. are expected to focus on energy and aim to hurt the Russian economy without causing undue harm for U.S. industry — a shared concern among administration officials, business lobbies and members of Congress.

#### **NATO's Reluctance**

NATO has already suspended all practical cooperation with Russia over Moscow's annexation of Ukraine's Crimea region though it has kept open high-level political contacts.

"I regret to say that we see no signs that Russia is respecting its international commitments," NATO Secretary General Anders Fogh Rasmussen told reporters during a meeting of alliance foreign ministers in Brussels.

"So today we will review our relations with Russia and decide what to do next," he said, without specifying how Moscow's actions had fallen short.

British Foreign Secretary William Hague, arriving for the NATO meeting, warned that support for tougher EU sanctions would grow unless Russia acted to defuse violence in eastern Ukraine and to support Poroshenko's peace plan.

"While there have been welcome words from Russia about that [the peace plan] we have not seen yet the actions to go with that," Hague told reporters at NATO's headquarters.

German Foreign Minister Frank-Walter Steinmeier called Putin's request to rescind the intervention law good news.

"As there is no military option, it is crucial that we — despite the incidents of the last couple of days — leave no possibility unused and try cautious steps for the building of a minimum of trust, trust which has been completely lost between Russia and Ukraine," he said.

(The Associated Press, Reuters)

See also:

## U.S., EU Threaten Sector-Wide 'Scalpel' Sanctions on Russia

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