

Austria to Cope With Impact of Sanctions on Russia, Minister Says

By [The Moscow Times](#)

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VIENNA — Austria will feel a pinch but be able to handle European sanctions against Russia over its role in Ukraine's political crisis, Economy Minister Reinhold Mitterlehner said.

Companies in the high-tech and agricultural sectors would feel the impact the most, he told broadcaster ORF in an interview aired on Saturday. "But overall I think we will cope with the sanctions," he added.

Mitterlehner did not specify which companies might be hit by the sanctions formally adopted by the European Union on Thursday, which include export bans on advanced oilfield equipment.

Shares in Cat Oil AG, a Vienna-based oil and gas field service contractor, fell on Friday after it said Russia sanctions could slow its growth.

The Austrian steel group Voestalpine is in talks to supply heavy steel plates for the second pipeline of Gazprom's giant South Stream gas transit to Europe.

Mitterlehner also did not say whether limits on exports of farm products were new or referred to bans from earlier this year on certain dairy and meat products amid hygiene issues cited by Russia.

He played down talk that the political crisis could boost prices for Russian energy.

"I have seen the Russian statements but I expect that, [because] we have long-term contracts, it will not be so easy to raise prices," he said, stressing the mutual dependency of Russia and Europe on reliable energy supplies.

"Secondly, a unilateral price increase will lead to and accelerate thinking about alternatives to diversify, so I see the threat of operating on the price side more as a verbal threat than a realistic approach."

Russia accounts for 2.8 percent of overall Austrian exports, he said. "This is important but doesn't mean the world."

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