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EU to Tighten Sanctions on Russia Over Crimea This Week, Officials Say

By The Moscow Times

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Flags waving in front of the European Union headquarters in Brussels.

The European Union will widen its ban on investment in Crimea to target Russian Black Sea oil and gas exploration, EU officials said Wednesday, tightening sanctions first imposed over Moscow's annexation of the region.

At a summit on Thursday and Friday in Brussels, EU leaders meeting in the European Council will announce the punitive measures that are also expected to be coordinated with similar steps by the United States, officials said.

The investment ban, the latest in a series of measures since July, is also designed to show that despite a dive in the Russian ruble's value, there will be no lifting of sanctions unless Moscow drops its support for rebels in eastern Ukraine.

"This is being done in time for the European Council," one EU official said following a

political decision to go ahead with the Crimea measures late on Tuesday. "There are consequences for violating international law," said a second official on condition of anonymity.

As reported on Dec. 10, the sanctions will also ban EU citizens from buying or financing companies in Crimea, which Russia annexed from Ukraine in March, prompting the worst East-West standoff since the Cold War.

The latest draft of the statement to be delivered by EU leaders at their summit says the Crimea measures strengthen "the Union's policy of not recognizing the illegal annexation of Crimea."

The European Union has previously banned imports from Crimea and barred new investment in infrastructure projects in the transport, telecommunications and energy sectors, as well as investing in oil and gas ventures.

Now, "the sale, supply, transfer and export of goods and technology ... shall be prohibited," according to the draft document detailing the measures, which cites transport, telecommunications, energy and oil, gas and mineral exploration and production.

Europe is trying to weaken Russia's ability to develop the energy industry at the heart of its economy.

The annexation of Crimea gave Russia rich oil and gas resources in the Black sea, depriving Ukraine of them. Russian state-owned energy company Gazprom has proposed developing Crimea's oil and gas sector, officials said in March following the annexation.

The new measures will ban European investment in oil and gas drilling in the Black Sea, limiting development of the resources, according to the document.

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