

Apple Cuts Ties to Sanctioned Crimea Region

By [The Moscow Times](#)

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Bowing to U.S. sanctions, Apple has decided to end sales of its products in Crimea in move likely to deepen the region's already record inflation, news agency RIA Novosti reported Thursday.

U.S. sanctions over Russia's annexation of the Crimean Peninsula in March mean retailers may not “sell Apple products or provide services related to Apple products,” the U.S. technology giant said in an e-mail published on the Twitter page of Eldar Murtazin, editor-in-chief of Russian tech site Mobile-Review. The ban will begin on Feb.1.

Murtazin said the letter had been sent to retail companies in Crimea.

Apple declined to comment on the report to the *Moscow Times*.

Murtazin told RIA Novosti that retailers would likely evade the restrictions by buying Apple

products from middlemen for resale in Crimea, a move bound to increase the final sale price.

High markups are becoming a chronic problem in Crimea, which is beset by Ukrainian and Western sanctions. The region's economy was integrated with Ukraine before Moscow's land grab. Ukrainian suppliers now charge extra to ship goods over the new border, and the peninsula still has no overland link with Russia.

Inflation in the region hit 42.6 percent last year.

Washington on Dec. 19 banned U.S. firms from new investment and trade with Crimea, following a similar ban by the European Union the day before. The move saw a slew of companies exit the peninsula, including international credit card companies Visa and MasterCard.

Before cutting ties with Crimean retailers, Apple froze out Crimea-based application developers from their online mobile store, the Interfax news agency reported Monday.

Apple does not operate any of its own stores in Russia and sells its iPhones and iPad tablets only through official distributors. The iPhone became Russia's top selling smartphone last year, with sales rising 60 percent to hit \$1 billion, according to a recent survey by mobile retailer Svyaznoy.

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