

Sanctions Still an Option Against Nord Stream 2, U.S. Envoy Warns

By Reuters

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Jörg Carstensen / DPA / TASS

The United States could yet impose new sanctions to try to block construction of the Russian Nord Stream 2 gas pipeline across the Baltic Sea to the European Union, the U.S. ambassador to the EU said on Tuesday.

Asked if Donald Trump could take further measures to thwart a project which the president has said would leave EU countries even more beholden to Moscow for their energy, Gordon Sondland said: "We have not deployed the full set of tools yet that could significantly undermine if not outright stop the project."

Addressing an audience at the European Policy Center think-tank in Brussels, Sondland added: "We're hoping that the opposition to the project works organically, because the EU and its member countries agree that dependence on Russian energy is not a good long-term geopolitical decision.

"If that philosophy is not adopted and Nord Stream continues, then the president has many, many other tools at his disposal — I'm not going to go through the litany to try and curb and stop the project."

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In August, Trump signed new sanctions on Russia into law that the pipeline's promoter, Gazprom, said could hold up some of its projects. For now, construction is continuing with the participation of some major EU companies, despite opposition from many EU states and from the EU executive.

Germany, the pipeline's destination, refuses to join EU opposition, describing it as a private enterprise.

Last week, on a visit to Poland which is a vocal critic of Nord Stream 2, U.S. Energy Secretary Rick Perry said Trump was maintaining the option of imposing sanctions.

Washington has not detailed potential actions but one way in which the United States could undermine the project would be by penalizing big multinational firms working on it.

Sondland stressed that U.S. opposition was not based on hopes of exporting more U.S. gas to Europe but on concern that Russia could increase its leverage on key allies in the U.S.-led NATO alliance through its control of their energy supplies.

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"We don't want to see someone's gas turned off in the middle of the winter when there is a political crisis," he said.

"When Europe is vulnerable, the United States is vulnerable and we don't want to put ourselves in that position."

Gazprom is the sole shareholder in Nord Stream 2, shouldering half of the 9.5 billion euro (\$10.7 billion) construction cost. Gazprom's Western partners are Germany's Uniper and Wintershall, Anglo-Dutch group Royal Dutch Shell, France's Engie and Austria's OMV.

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