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Kremlin Would Welcome Rusal Minimizing Impact of U.S. Sanctions, Spokesman Says

By Reuters

December 21, 2018



Yevgeny Razumny / Vedomosti / TASS

The Kremlin can only welcome Russian aluminum giant Rusal succeeding in minimizing the impact of U.S. sanctions, Kremlin spokesman Dmitry Peskov told reporters on Friday.

On Wednesday, the U.S. Treasury said it would lift sanctions on the core empire of Russian businessman Oleg Deripaska, including Rusal and its parent En+, as they have agreed to restructure to reduce Deripaska's stakes.

The deal is a corporate matter for Rusal only, Peskov said, when asked whether the Kremlin had approved it. Rusal is the world's largest aluminum producer outside China.

"Certainly, Oleg Deripaska is fighting for this company. This company plays a significant role not only in the Russian economy, but also a significant role in the global economy," he added.

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Deals with "strategic" Russian companies the size of Rusal, which employs 62,000 people in Russia and other countries, are usually subject to close attention from the Kremlin. Russia also has a history of defending large groups to prevent them falling into foreign control.

The deal was probably approved by Russian officials, analysts said on Thursday.

"If the company manages to take some action to minimize the consequences of illegal restrictions ... we can only welcome that," Peskov said.

The deal is subject to a 30-day review, during which the U.S. Congress may pass a joint resolution of approval or disapproval.

If approved, half of En+'s new board of directors board will become U.S. or British nationals. Deripaska will reduce his stake and his voting rights will be limited. He will have up to four representatives in En+'s board, where eight more directors will be independent.

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