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## **In Deal With Germany, U.S. Drops Threat to Block Russian Gas Pipelines**

### ***США відмовляються від загрози блокувати російські газопроводи***

*«The New York Times» пише, що «досягнення угоди між США і Німеччиною щодо «Північного потоку-2», мабуть, є для президента Д. Байдена способом використовувати неминуче завершення будівництва трубопроводів як свого роду дипломатичну перемогу і захист інтересів Польщі і України, які можуть постраждати у фінансовому відношенні.*

*Представники Держдепартаменту вказали на інвестиційний фонд в 1 млрд дол., щоб допомогти Україні зменшити її залежність від експорту газу з Москви. За словами офіційних осіб, Німеччина внесе до фонду початкові 175 млн дол., щоб допомогти Україні підвищити енергоефективність і енергетичну безпеку.*

<https://www.nytimes.com/2021/07/21/us/politics/nord-stream-2.html?searchResultPosition=2>

WASHINGTON — The United States has dropped its threat to block the [Nord Stream 2](#) natural gas pipelines from [Russia](#) to Germany, officials said on Wednesday, formally setting aside a yearslong disagreement with Berlin over an energy deal that critics have warned would allow Moscow to starve Ukraine of transit fees that are crucial to Kyiv's economy.

The Biden administration's decision was effectively an acknowledgment that the pipeline project was too far advanced to stop, and that relations with Germany, a crucial ally, were too important to jeopardize over the dispute.

But it infuriated Republicans and Democrats in Congress who have [demanded the use of economic penalties to halt the pipelines](#), and on Wednesday accused the administration of being soft on Russia.

The pipelines, each about 750 miles long, run from Russia directly under the Baltic Sea to Germany, bypassing Poland and Ukraine and denying those countries some transit fees. They are being built by a subsidiary of Gazprom, the Russian company that is controlled by the Kremlin, and will roughly double the amount of gas that Russia can supply directly to Germany.

The \$11 billion project is expected to be operational by the end of the year despite construction delays as investors grew wary of being targeted by U.S. sanctions.

The new agreement appears to be a way for Mr. Biden to spin the inevitable completion of the pipelines as a kind of diplomatic victory and a defense of the interests of Poland and Ukraine, which could suffer financially. It calls for Germany to impose sanctions on Russia if it were to use its control over energy supplies to harm or endanger Ukraine, Poland, the Baltic nations or any other U.S. ally.

"Nord Stream is 99 percent finished," President Biden told reporters Wednesday night as he prepared to head back to Washington from a [trip to Cincinnati](#). "The idea that anything was going to be said or done that was going to stop it is not possible."

State Department officials who briefed reporters on the condition of anonymity on Wednesday said the Biden administration continued to have "profound differences" with Germany over the project. But the officials also pointed to a \$1 billion investment fund, to be administered by Germany, to help Ukraine to reduce its dependence on Moscow's gas exports.

Germany will contribute an initial \$175 million to the fund as Berlin and Washington each seek private investors to help Ukraine improve its energy efficiency and energy security, officials said.

The announcement followed Chancellor Angela Merkel's meetings in Washington last week with Mr. Biden, [who said during the visit that the two leaders had agreed](#) that they were "united in our conviction that Russia should not be able to use energy as a weapon."

“I had, as you know, a very, very fruitful discussion with Angela Merkel,” Mr. Biden said on Wednesday night. “She’s working, and the German government, on commitments that suggest that if in fact Russia takes pains to deliberately inflict pain on Ukraine and other countries, they will respond.” White House officials said on Wednesday that President Volodymyr Zelensky of Ukraine, who has urged Congress to try to stop the project with sanctions, would visit in August.

Senator Ted Cruz, Republican of Texas, called the agreement with Germany “a generational geopolitical win” for President Vladimir V. Putin of Russia and “a catastrophe for the United States and our allies.” Mr. Cruz, whose constituents in Texas include key energy exporters, has held up the confirmation of several Biden administration officials over the last several months in his insistence that the United States stop the pipelines from being completed. “President Biden is defying U.S. law and has utterly surrendered to Putin,” [he said in a statement](#). “Decades from now, Russian dictators will still be reaping billions from Biden’s gift, and Europe will still be subject to Russian energy blackmail.”

Senator Jeanne Shaheen, Democrat of New Hampshire, said she welcomed the diplomatic efforts with key European allies. But, she said, “I’ve long contended that the Nord Stream 2 pipeline should not be completed because it empowers the Kremlin to spread its malign influence throughout Eastern Europe, threatens the economic security of our European partners and puts our global stability at risk.”

“I continue to believe that,” she said.

The State Department officials bristled at the suggestion that the Biden administration had capitulated and noted that American sanctions related to the project had been imposed against 19 entities since Mr. Biden took office, compared with two during the term of President Donald J. Trump.

Derek Chollet, the State Department’s counselor, described the deal to senior Ukrainian officials in Kyiv on Tuesday and Wednesday and promised continued American support. He also asked the Ukrainian government not to lobby Congress for additional sanctions related to the project.

Germany and Russia have previously agreed to keep transit fees for natural gas flowing to Ukraine through 2024, and that is likely to be extended another year.

“For the German government it remains central that Ukraine should remain a transit country even after Nord Stream 2,” a government spokesman, Steffen Seibert, has said.

The pipelines have allowed Russia to divide Germany from its European allies and from the United States. But Mr. Biden, who says he continues to oppose the project, has made it clear that his priority is China, and getting German and European support for joint policies to restrain China and limit its economic and political influence is central.

Matthias Warnig, the managing director of Nord Stream AG, the company that is building and will operate the pipelines, said American sanctions and threats of sanctions had added at least 18 months and costs “well into the hundreds of millions” of euros.

“The U.S. sanction threats have made our work much more difficult in every respect, and this also applies to certification,” Mr. Warnig said in an interview published on July 11 in the German business newspaper Handelsblatt. “But we are working on solutions and are sure we will find a way.”

Lara Jakes reported from Washington, and Steven Erlanger from Brussels.