

Press release

CAATSA guidance revision is a signal of the US support for European energy security

16 July 2020, Washington D.C. – Naftogaz welcomes U.S. Secretary of State Mike Pompeo’s announcement yesterday that the United States has revised its implementation of Section 232 of the Countering America’s Adversaries Through Sanctions Act (CAATSA) to allow additional sanctions against Nord Stream 2 and the second line of Turk Stream. Section 232 of CAATSA gives the White House legal authority to sanction all Russian energy export pipelines, however, the imposition of sanctions against Nord Stream 2 under Section 232 was previously prevented by a flawed interpretation of the provision.

According to Secretary Pompeo, this correction “puts investments or other activities that are related to these Russian energy export pipelines at risk of U.S. sanctions. It’s a clear warning to companies aiding and abetting Russia’s malign influence projects will not be tolerated. Get out now, or risk the consequences.” He added, “These aren’t commercial projects. They are [the] Kremlin’s key tools to exploit and expand European dependence on Russian energy supplies, tools that undermine Ukraine by cutting off gas transiting that critical democracy, a tool that ultimately undermines transatlantic security.”

The State Department’s announcement specifies that “persons making such investments or engaging in such activities [with respect to Nord Stream 2 and Turk Stream], including but not limited to financing partners, as well as pipe-laying vessels and related engineering service providers engaging in the deployment of the pipelines, may be subject to sanctions pursuant to Section 232.”

This decision shows the unwavering commitment of the United States to Ukrainian and European security. Naftogaz will continue to work closely with our American and European partners to prevent Nord Stream 2 and safeguard the collective interests of the transatlantic community.

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