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# Biden lifts US sanctions on major Russian pipeline

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The Biden administration has waived sanctions on a company building a controversial gas pipeline between Russia and Germany.



© Reuters The Fortuna is a pipe-laying ship working on the Nord Stream 2 project

The US also lifted sanctions on a Russian President Vladimir Putin ally who leads the firm behind the Nord Stream 2 project.

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what's this?

The move came in a report on Russian sanctions delivered to Congress on Wednesday by the Department of State.

Critics say the pipeline is a major geopolitical prize for the Kremlin.

The project, which would take gas from the Russian Arctic under the Baltic Sea to Germany, is already more than 95% complete.

The Department of State report notes that Nord Stream 2 AG and its chief executive, Matthias Warnig, a former East German intelligence officer, engaged in sanctionable activity.

But it concludes that it was in the US national interest to waive the sanctions.

The Department of State also imposed sanctions on four Russian ships involved in the building of Nord Stream 2, though critics said that would not be enough to stop the pipeline.



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### Nord Stream pipelines from Russia



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#### What's the world reaction?

On Wednesday, America's top diplomat met his Russian counterpart at an international summit in Iceland.

Foreign Minister Sergei Lavrov said Russia and the US had "serious differences", but should work together "in spheres where our interests collide".

Mr Blinken said Mr Biden wanted "a predictable, stable relationship with Russia".

Earlier Kremlin spokesman Dmitry Peskov said reports of the impending US sanctions waiver were "a positive signal".

And Deputy Foreign Minister Sergei Ryabkov was quoted by the state-run Tass news agency as saying: "Then there will probably be a chance for a gradual transition toward the normalisation of our bilateral ties."

German officials also welcomed the sanctions waiver as "a constructive step" from the Biden administration.

Foreign Minister Heiko Maas told reporters: "It's an expression of the fact that Germany is an important partner for the US, one that it can count on in the future."

But Yuriy Vitrenko, the chief executive of Ukraine's state-owned energy company, Naftogaz, said Kyiv would press Washington to impose sanctions to stop the pipeline.

Mr Vitrenko said Nord Stream was Russia's most "dangerous geopolitical project".

#### What's the US political reaction?

The Biden administration's decision was criticised by a member of the president's own party, Senate Foreign Relations Committee chairman Bob Menendez.

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He added that he failed to see "how today's decision will advance US efforts to counter Russian aggression in Europe".

US congressional Republicans also condemned the waiver.

Jim Risch, the top Republican on the Senate Foreign Relations Committee, said it was "a gift to Putin that will only weaken the United States' leverage in the lead up to the impending Biden-Putin summit".

Michael McCaul, the top-ranking House Republican on foreign affairs, said: "If the Putin regime is allowed to finish this pipeline, it will be because the Biden Administration chose to let it happen."

He added: "It is a Russian malign influence project that threatens to deepen Europe's energy dependence on Moscow, render Ukraine more vulnerable to Russian aggression and provide billions of dollars to Putin's coffers."

When Mr Biden came into office he sought to draw a contrast between himself and his predecessor, Donald Trump by vowing there would be no more "rolling over in the face of Russia's aggressive actions".

But analysts say the US president was reluctant to risk a trans-Atlantic rift with Germany at a time when he has been trying to reach out to European allies.

It comes after Mr Biden was also lambasted in January for cancelling the Keystone XL oil pipeline from Canada to the US, citing the need to combat climate change.

That project had been forecast to generate tens of thousands of jobs.

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