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US blocks Nord Stream 2 pipeline; Europe mulls response

By Sascha Matuszak

A bipartisan push by the United States Congress to halt the Nord Stream 2 pipeline linking Russia with the European Union has succeeded, for now. The threat of sanctions led Swiss pipe-laying company Allseas Group S.A. to stop construction until the political situation clears. Russia has declared that it will be able to complete the pipeline on its own; Germany has called for measures to protect EU projects from U.S. sanctions.^[1]

The Nord Stream 2 pipeline has been a source of contention for some time. The U.S. fears Russian leverage over the EU and seeks market access for the glut of liquid natural gas coming from U.S. wells. The EU seeks affordable energy security and a peaceful relationship with Russia.

There are several other factors at play,^[2] but as of now, construction has halted, no sanctions have been levied, and Germany and Russia have yet to act.

¹ Bojan Pancevski and Laurence Norman, “Germany Calls for European Firewall Against U.S. Sanctions,” *The Wall Street Journal*, December 27, 2019, <https://on.wsj.com/2MJ9tep>.

² Sascha Matuszak, “International interest in Europe’s petroleum market and political moves against Russia threaten to clog the pipeline,” *Report on Supply Chain Compliance 2*, no. 9, (May 16, 2019), <http://bit.ly/2ME5EXK>.

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