



ENERGY & ENVIRONMENT

White House imposes sanctions on Nord Stream 2 pipeline company and CEO

President Joe Biden is expected to announce the sanctions as soon as Wednesday against the company Nord Stream 2 AG and its German chief executive officer.



Matthias Warnig, chief executive officer of Nord Stream 2 AG, is pictured. | Maxim Shemetov/AP Photo

By **BEN LEFEBVRE**

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President Joe Biden hit the Russian company that built the controversial Nord Stream 2 natural gas pipeline from Russia to Germany with sanctions, a day after Germany blocked the pipeline's certification because of Russia's invasion of Ukraine.

“These steps are another piece of our initial tranche of sanctions in response to Russia's actions in Ukraine. As I have made clear, we will not hesitate to take further steps if Russia continues to escalate,” Biden said in a statement.

The sanctions target the company Nord Stream 2 AG and its German chief executive officer, Matthias Warnig. The move [reverses Biden's decision last year to waive sanctions against the company and its head](#), a move that had infuriated some Republicans, including Sen. [Ted Cruz](#) of Texas, who said it showed weakness toward Russia.

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The \$11 billion pipeline, which would double Russian gas deliveries from Germany, was awaiting a permit to start operations. German Chancellor Olaf Scholz earlier has said that his government would suspend approval for the pipeline given Russia's incursions into Ukraine.

The State Department, including Senior Adviser for Global Energy Security Amos Hochstein, had worked behind the scenes to help convince Germany to announce it would suspend the approval, an administration official told POLITICO earlier in the day. After Scholz announced the suspension, the White House felt that the sanctions would not antagonize the U.S. ally, the official said.

A Nord Stream 2 AG spokesperson did not reply to an email seeking comment.

Cruz said on Wednesday he will [withdraw the holds he placed on Biden nominees to the State Department](#) as a protest to the lack of sanctions on Nord Stream 2 AG and Warnig.

“President Biden made the right decision today. Allowing Putin's Nord Stream 2 to come online would have created multiple, cascading, and acute security

crises for the United States and our European allies for generations to come,” Cruz said in a press release. “Today’s announcement is critical to preventing such scenarios.”

The sanctions come as the White House warns Russia could attack Kyiv in the coming days. On Wednesday Ukraine was barraged with cyber attacks, and the Latvian prime minister said Russia had moved troops and tanks into eastern Ukraine.

A White House spokesperson declined to comment. Deputy National Economic Council Director Daleep Singh said on Tuesday the White House had coordinated with Germany’s government and that Nord Stream 2 “will not become operational.”

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