

Statement by the Chairman of the German Eastern Business Association, Oliver Hermes, on the threat of new US sanctions against Nord Stream 2

„The US once more is giving the sanctions spiral a good spin. The so-called Protecting Europe’s Energy Security Clarification Act (PEESCA) undermines the sovereignty of Europe’s economic and energy policy in a way that is neither acceptable under international law nor politically or economically tolerable. Europe must show its profile and immediately take a clear stand! The European Commission and the European Parliament have to demonstrate that Europe will not bow to any "America First"-mentality.

There are underlying motives for the US sanctions threats – not least among them American economic interests. Sanctions against European energy projects such as Nord Stream 2 would lead to considerable market distortions in favor of US fracking gas. For Germany and Europe, this would mean rising energy prices and an impairment of the competitiveness of German and European industry.

Europe must draw a clear line for US attacks on its market. Economic protection instruments against market-distorting measures are needed, Brussels and Berlin have to discuss such instruments seriously. To prevent market distortion for European energy imports to the figure of billions of euros, WTO-related countermeasures should also be examined. In addition, the EU should create a protective mechanism for European companies unjustly affected by sanctions. Such a "protective shield" would be a clear signal that Europe does not tolerate extraterritorial threats and aggressive interventions.

Europe has to exhaust all diplomatic options at its disposal to dissuade the US from its erroneous path. In Germany for example, members of the Bundestag could contact their US colleagues personally. Similar initiatives need to be taken up in Brussels as well. It is high time to act.“

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