

# EU adopts French-German compromise on Russia gas pipeline



European Union member states adopted a Franco-German compromise yesterday allowing Berlin to remain the lead negotiator with Russia on the Nord Stream 2 gas pipeline to Europe. France, a pivotal player in the EU gas talks, had said earlier it would support European Union oversight of new offshore energy pipelines. This had raised concerns in Berlin that resistance from other EU members could undermine plans for the undersea pipeline between Russia and Germany. But Paris and Berlin now agree that chief responsibility lies with Germany, the “territory and territorial sea of the member state where the first interconnection point is located,” according to a text seen by AFP. The pipeline is due to emerge at the German Baltic port of Greifswald, from where gas will be distributed to other EU countries.

"There was indeed an agreement which was only possible thanks to close cooperation between France and Germany," German Chancellor Angela Merkel told reporters in Berlin when asked about Nord Stream 2. The compromise text replaces older wording stipulating the EU rules on gas imports will be applied by "the territory of the member states" and or the "territorial sea of the member states". The new text was adopted as part of reforms for gas market rules at a meeting of EU ambassadors in Brussels. "The French- German compromise was adopted pretty much unanimously," one diplomat told AFP. Romania, current holder of the rotating EU presidency, said it "was given the mandate... to enter negotiations with the European Parliament on the amendment of the EU gas directive." France's earlier support for giving EU countries more say in the pipeline project appeared likely to shift the balance away from Germany. Nord Stream 2 faces opposition from many countries in eastern and central Europe, the United States and particularly Ukraine because it risks increasing Europe's dependence on Russian natural gas. Combined with the planned TurkStream pipeline across the Black Sea, Nord Stream 2 would mean Russia could bypass Ukraine in providing gas to Europe, robbing Moscow's new foe of transit fees and a major strategic asset. An EU diplomat said US officials lobbied their European counterparts until just before the start yesterday's meeting in a bid to block the gas pipeline. "Washington has put enormous pressure on EU capitals in recent days to prevent Nord Stream 2," the diplomat said on condition of anonymity. "The fact that the gas directive was then almost passed by consensus is also due to the growing displeasure among the EU states over the attempted US influence." Kremlin spokesman Dmitry Peskov said in Moscow that Washington was spearheading efforts to undermine fair competition. "This international project is necessary for Russia and the EU, but it is constantly attacked by third countries, more specifically by the United States," Peskov said.

Peskov accused Washington of "underhanded competition" by

trying to encourage Europeans "to buy more expensive American gas". Russia will "follow developments very closely", Peskov said, adding "we hope that the EU member countries will know how to settle this issue themselves". French President Emmanuel Macron's office said the compromise puts Nord Stream under "European oversight". "It will challenge a certain number of project parameters which will have to provide transit guarantees via Ukraine as well as transit through Slovakia," an official said. The draft compromise sought to tackle concerns over Ukraine saying: "We consider a (gas rules) directive in this spirit indispensable for a fruitful discussion on the future gas transit through Ukraine." Merkel has so far insisted that the pipeline is a "purely economic project" that will ensure cheaper, more reliable gas supplies. She has said there will be no dependence on Russia if Europe diversifies at the same time. Construction has already begun, involving companies such as Germany's Wintershall and Uniper, Dutch-British Shell, France's Engie and Austria's OMV. Gas is due to start arriving in Germany by the end of the year.