

Energy crisis

Moldova requests EU help after Gazprom reduces gas flows

Energy crisis fears as Russian exporter slashes shipments following end of supply contract



Chisinau, capital of Moldova. The country relies entirely on a pipeline from Russia through Ukraine for its gas needs © Carsten Koail/Getty

Henry Foy in Brussels, **Max Seddon** in Moscow, and **David Sheppard** in London
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Moldova is requesting emergency gas supplies from EU countries after Russian state-controlled exporter Gazprom slashed its shipments to the country amid a wider European gas crunch.

The former Soviet state of 2.6m people is seeking a deal to supply more gas via Romania to alleviate shortages and surging prices after a supply contract ran out last month, according to two people involved in the talks. Officials are unwilling to agree to new terms with Gazprom at a significantly higher price.

Supply to Moldova, wedged between Romania and Ukraine, has fallen by around one-third while prices have shot up from \$550 per thousand cubic meters last month to \$790 this month — nearly five times the average that the country paid last year.

The prices are “not justified and not realistic for Moldova,” deputy prime minister Andrei Spinu said on Monday.

Spinu said Moldova was negotiating with Gazprom over a new contract but was also exploring “alternative ways to supply gas” from Russia, Romania, Ukraine and other EU countries.

Moldova, caught in a tussle for influence between Moscow and the west, elected Maia Sandu, a staunchly pro-EU president, last year. Her party won a [landslide victory in July's parliamentary elections](#).

“The amounts of gas involved are very small for a company of Gazprom’s size, but they are significant for Moldova,” said Aura Sabadus at market information service, ICIS.

“The most plausible explanation for their action is that Moldova has a pro-EU president and government and Russia is happy to use this situation to pressure the country.”

The shortage comes as Europe wrestles with skyrocketing gas prices blamed on strong demand globally and an unwillingness by Gazprom to provide additional supplies to the European market beyond those secured through long-term contracts.

Moldovan government officials are in talks with EU counterparts seeking to arrange emergency gas shipments from neighbouring Romania, but Bucharest is also struggling to cover its own needs amid broader fears over low storage levels across Europe.

Moldova has long been susceptible to over-reliance on Moscow, its former imperial and Soviet capital. It relies entirely on a pipeline from Russia through Ukraine for its gas needs, although a gas connector with Romania will start to operate this year after construction finished last week.

Moscow has also regularly imposed trade embargoes on Moldovan exports, such as wine, while Russian troops are the de facto security guarantors for Transnistria, an unrecognised breakaway state on the country’s eastern border with Ukraine.

The International Energy Agency has said it believes Russia could send 15 per cent more gas to Europe to help cool prices.

But Russia’s ambassador to the EU told the FT that Europe’s best way to avoid gas supply shocks was to mend relations with Moscow, while denying that Gazprom had played any role in the current crisis.

The Kremlin has blamed the European Commission for forcing Gazprom into shifting sales from long-term contracts on to freely traded market sales, where prices can fluctuate.

ICIS's Sabadus said Ukraine had offered Gazprom capacity to ship the gas into Moldova, using capacity that had previously been earmarked for shipments to Hungary. Those flows were recently diverted to another pipeline.

"The Moldovans quite rightly say there's daily capacity, there's plenty of flexibility if Gazprom wants to supply them the full amount," Sabadus said.

Gazprom did not respond to a request for comment.

Additional reporting by Marton Dunai in Budapest

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