

Germany: Gazprom tries to persuade RWE to collaborate

On 11 July, the German press announced that Gazprom had invited the German company RWE, a strategic shareholder of the EU project Nabucco, to join the South Stream project. The proposal was probably aimed at discrediting Nabucco participants to potential gas suppliers and investors at a moment which is crucial for the enterprise.

RWE announced it would consider the offer and at the same time firmly gave its support to the EU's project, Nabucco. German Chancellor Angela Merkel promised she would demand explanations regarding the reported proposal the day before her visit to Yekaterinburg. Finally, the vice-president of Gazprom, Aleksandr Medvedev denied the proposal had been made at all, stating that there had been a misunderstanding and that Gazprom did not need RWE's participation in South Stream.

Statements by individuals linked to the companies quoted by the media prove that talks about RWE's possible participation in South Stream have in fact taken place. The official stance of RWE, in which the priority of the Nabucco project is emphasised, and the German chancellor's sharp reaction indicate that Germany is determined in its desire to implement the enterprise. At the same time, it can be concluded that the possibility of persuading a strategic member of the Nabucco consortium to join the competing South Stream project was not the only goal of this move. The main objective was to undermine the reliability of the project as a whole in the eyes of Azerbaijan and Turkmenistan, potential gas suppliers, and of investors and creditors. Nabucco must sign agreements on gas supplies for the pipeline by the end of this year, before the consortium takes the final decision on the investment. <zub>