

Croatia has reportedly lost around 131 MEUR paying the MOL expensive gas. Croatia has decided to initiate arbitration before the UN Commission on International Trade Law UNCITRAL in Geneva, because they want to annul parts of the Shareholders' Agreement from 2009 which allowed MOL to control INA. MOL has countered that they are well prepared and have a strong position, and that they have no intention of interrupting the negotiations with the government about the relationship in the INA. Croatia has reportedly lost around 131 MEUR paying the MOL expensive gas. Jutarnji reports that Croatia in the arbitration complaint requested the annulment of First addition of the Shareholders' Agreement from 2009, which significantly increased MOL's control over the management of INA, and the main contract for the gas business, which is attached to it, which is also stated in the complaint that is harmful. The state is supposed to take over by this contract not only gas storage Okoli, but gas trading together with the contract with Gazexport, which is unfavorable for Croatia. Also, the state has committed to buy up all the gas from INA at regulated prices over the next 25 years, which is extremely unfavorable. If the complaint is accepted, Croatia will seek compensation of around 131 MEUR, which was allegedly lost because Croatia was paying imported gas to MOL at non-market conditions, at a much higher price than what the price was on the market.

Source; Serbia Energy See Desk