

Romanian natural gas transmission system operator Transgaz plants to sell its Moldovan subsidiary Vestmoldtransgaz. Transgaz is asking its shareholders for the approval of the sale of 25 % stake in Vestmoldtransgaz to the European Bank for the Reconstruction and Development (EBRD) for 20 million euros.

The statement from the company said that the transaction consists of a capital increase for Vestmoldtransgaz to which the EBRD will contribute 20 million euros. Eurotransgaz, a company owned by Transgaz in Moldova, and Transgaz will jointly undertake the obligation to buy from EBRD its stake in Vestmoldtransgaz at a predetermined price when the bank exercises its participation interest put option in Vestmoldtransgaz. Transgaz' shareholders will vote on this proposal on 5 October.

Transgaz bought Vestmoldtransgaz through Eurotransgaz in September 2018 for 8.8 million euros. Vestmoldtransgaz operates the gas transmission link between Moldova's Ungheni and Romania's Iasi, with a further connection point to Moldova's capital Chisinau nearing completion.