The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Investor in Finnish Nuclear Reactor Suspected of Russian Ties

By The Moscow Times

July 01, 2015



The government will not rush a decision which could kill Rosatom's plans to sell its reactor in Finland.

OSLO / HELSINKI — A Croatian investor in a project to build a Russian-design nuclear reactor in Finland faces government scrutiny over links to Russia and ability to raise capital.

Finnish consortium Fennovoima submitted an application on Tuesday to build a 1,200 megawatt nuclear reactor supplied by Russia's state-owned Rosatom, which also has a 34 percent stake in the 6 billion euro ($6.7 billion) project.

Croatian energy company Migrit Solarna Energija stepped in at the last minute to acquire a 9 percent stake to satisfy EU requirements that Finnish or EU investors hold at least 60 percent in the project.

Finland's Economy Minister Olli Rehn, a former European Commissioner, said on Tuesday he had learned about the Croatian company only one day before and the ministry needed time

to investigate whether the ownership threshold was being met.

The ministry has asked Fennovoima to provide additional information about the owners of the Croatian company, adding that the investigation can take several weeks.

Fennovoima and Migrit Energija, a Zagreb-registered parent company of Migrit Solarna Energija, has not returned Reuters' requests for comment, and there is little public information available.

The Croatian company registry showed Migrit Solarna Energija had a share capital of 21,000 Croatian kuna ($3,075.89), while its parent company Migrit Energija has 200,000 kuna.

According to the company register, Migrit Energija has two people in charge: Grigory Edel, who became its director in March this year, and Maxim Soloshchansky, who lives in London.

Croatian business daily Poslovni Dnevnik reported in 2012 that Migrit Energija was founded by Russian owners and named Mikhail Zhukov as its director.

An Internet domain registry showed Migrit Energija website http://www.migrit-energija.com was registered by a person called Mikhail Zhukov in 2012.

Migrit Energija says on its website it has already received approval from the Finnish authorities to participate in the project, a statement denied by officials in Helsinki.

"The investment value is 158.5 million euros [$175], and it will come from financial institutions," it said.

This is much less than a 9 percent stake in the Fennovoima project, estimated to cost 6 billion euros, would be, and it remains unclear how a small company can raise the capital needed.

"There is no way that a regular business bank would provide loans of this scale to a tiny company like Migrit," said Veli-Pekka Tynkkynen, professor of Russian energy policy at the University of Helsinki.

Still, the government will not rush a decision which could kill Rosatom's plans to sell its reactor in Finland.

"This is a challenging situation for the Finnish government, because in a way Russia is testing Finland's loyalty," Tynkkynen said.

Officials at the Economy Ministry said Fennovoima will have to start the application process from scratch if Migrit fails to meet the requirements.

Original url:
https://www.themoscowtimes.com/2015/07/01/investor-in-finnish-nuclear-reactor-suspected-of-russian-ties-a47829