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Germany's Uniper Awarded 13 Bln Euros for Lost Russian Gas

By AFP

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Ina Fassbender / AFP

German energy giant Uniper said Wednesday a tribunal had awarded it over 13 billion euros ($14 billion) in damages from Russian state energy company Gazprom for its failure to deliver gas.

The ruling gave Uniper "the right to terminate the contracts and awarded it an amount of more than 13 billion euros in damages for the gas volumes not supplied," the company said in a statement.

It was not clear, however, "whether significant amounts are to be expected" from Gazprom, CEO Michael Lewis said.

Gazprom steadily dwindled gas supplies to Germany following Moscow's 2022 invasion of Ukraine in apparent retaliation for Western sanctions on Russia.

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The diminishing volumes sent gas prices soaring, pushing Uniper — Germany's biggest importer of the fuel — to the brink of bankruptcy.

Uniper reported a net loss of 40 billion euros for the first nine months of 2022, one of the biggest losses in German corporate history.

With Russian supplies slashed, Uniper has been forced to pay high prices on the open market.

The German government stepped in to nationalize Uniper over fears its failure could send shockwaves through Europe's top economy.

Uniper initiated legal action against Gazprom at the Stockholm-based tribunal in November 2022 over the Russian company's failure to deliver agreed volumes of gas.

Although Gazprom completely stopped supplying Uniper with gas in August 2022, the supply contracts "were still legally in force and... would have continued to exist until the mid-2030s," Uniper said.

The tribunal's ruling provided "legal certainty," CEO Lewis said.

Any damages payments from Gazprom "would flow to the German federal government," which bailed out the company, Lewis added.

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