

Nabucco cost climbs 71%

Nabucco pipeline, a major competitor of Russia's South Stream project rose in price more than 70% - from initially declared 4.6 billion to 7.9 billion euro. The price grew due to reconsideration of required investments. According to the project participants, this change will not have any negative implications on the pipeline profitability. It is unclear however how they are going to achieve this with the project's cost constantly rising and the issue of gas to be pumped via Nabucco staying unsettled. To crown it all, construction, initially scheduled to end in 2011, is now said to be complete only by 2013. The list of the project participants may change over time, as Nabucco has no prospects so far and, until raw material suppliers are found, it will remain in jeopardy.

By Kirill Lebedev