The launching of the project for liquefied natural gas transport known as LNG between Romania, Georgia and Azerbaijan, is considered faster and a more efficient project than Nabucco within the European Southern Corridor. The project is designated as the Azerbaijan-Georgia-Romania Interconnector (AGRI) and the cost has been estimated at between 4 and 6 billion Euro. This transport agreement will be developed by private companies from those three countries in cooperation with a consortium of businesses and financial institutions. The AGRI had drawn the attention to the Moldovan authorities as a real prospect of improvement of the energy potential and reducing of de-
Geopolitical tensions

Moldova is one of those nine countries in the world, rated as “extreme risk” for short term vulnerability to energy security risks according to estimations of Maplecroft. On the one hand, the energy infrastructure is poor, on the other hand, the frozen conflict and geopolitical tensions in the Transnistrian region have created constraints on energy security to consistent and reasonably priced supply of gas by Russia. The political relations are tensioned between both countries as a result of the illegal presence of Russian military troops in Transnistria, troubling as well the gas deliveries via pipelines to Moldova. Gazprom has jeopardized several times the natural gas supplies to Moldova if it does not agree to pay higher prices. Russian government has the control of the country's energy resources, structuring the control to put forth influence in the former Soviet Union. The influence is exerted by Russian companies linked to the Moscow administration that use power to purchase energy companies and to gain control over gas delivery.

Moldova has kept bilateral relations with Russia regarding the gas deliveries. The relationship between Russia and Moldova on energy sector is much tensioned because of rising price on natural gas. The national economy is dependent on the energy supply and constrained by the Russian gas monopoly and the Ukrainian electricity monopoly, providing about 70% of the consumption. For instance, Ukraine has cut the deliveries to Moldova in July 2007, while Gazprom from Russia has stopped the gas supply for several days in the late of 90s.

Importing LNG by Moldova would be an advantageous energy project because it goes beyond those constraints and threats that affect energy supplies. The alternative to natural gas pipelines, the LNG is a natural gas that has been condensed to a liquid through a cooling process. The transportation and shipping of LNG is safer than pipelines because as a liquid, LNG is not explosive. The gas pipelines turn out to be a challenge for particular countries like Moldova which have territorial disputes and geopolitical struggles. According to experts, LNG projects require large investments along with substantial natural gas reserves. In this context, Azerbaijan is an excellent energy partner for the EU, while Romania plays a significant role as the first point of connection of the Azeri gas with the European customers. Azerbaijan is a speedy
rising producer and exporter of energy that is considered as one of the main regional energy power in the Caspian geopolitics. LNG projects are cost-effectively feasible for distances longer than 3000 miles.

Moldova would be part to geopolitical agenda of the Caspian region, but tensioned relations with Russia and the weak energetic infrastructure makes its role more instable than progressive. For the meantime, the underdeveloped energy infrastructure is another issue for Moldova. The waste of water that could be the water energy as well the unused wind power (in the South region of the country) could produce electricity because the geographical position of the country allows development of these methods of energy accumulation. It could assure an independence of energy power that Moldova has not today.

Bona fide progress

When the Soviet Union disintegrated, the Republic of Moldova, like other ex-Soviet republics was controlled by Moscow, having typically a substantial dependency on oil and natural gas imported from Russia. But today, the geopolitical map of Moldova is going to be changed. The interests of energy security of the European Union became common with those of Moldova which recently became a member of the EU Energy Community. The membership will integrate Moldova into a stable regulatory and energy market framework allowing cross-border energy trade and connection to the EU market that will enhance the energy security of supplies. The membership of Moldova in the EU’s Energy Community will catalyze the reforms in the energy security sectors and will attract investments in power generation and networks in order to ensure stable and continuous energy supply. The results of this partnership are visible. Recently, the European Bank for Reconstruction and Development granted credits to Moldova for energy efficiency amounting to 13 million Euros for financing investment projects of local companies for energy efficiency. Implementing the projects for energy efficiency, the local population should benefit of energy power quality products.

Conclusions and recommendations

According to AGRI project, the natural gas produced by Azerbaijan will be transported via Georgia and Romania before being delivered to EU consumers. In this context, the port of Giurgiulesti could be one of the main stops for LNG that might assure the
stability in the energy sector of the country. Moldova should examine accurately if it has a potential role in the project, due to the facts that AGRI project involves the construction of a liquefaction plant and LNG export terminal for Azeri gas in Georgia, as well as an import terminal with re-gasification plant in Romania.

The AGRI project might be reasonable for Moldova, since it could be an alternative to Russian gas pipelines which might create disruptions in energy deliveries because of the political tensions. In this context, Moldova has to initiate negotiations with Azerbaijan, Georgia and Romania and establish the instruments allowing Moldova to be involved in the AGRI project. A Memorandum could be signed among the countries.

While the interest for AGRI is high in Romania as well in the European Union, then in Georgia it might have negative outcomes, knowing about its relations with Russia, which is the third producer of the oil and gas in the region of Caspian Sea, being led by Azerbaijan and Kazakhstan. The presence of Russian interests in the region can paralyze the oil products across Georgia and reduce from efficiency of the AGRI project.

In the interim, Moldova needs to review its energy security strategy, implying policies regarding the diversification of energy consumption that will allow reducing the proportion of those types of energy resources that are costly and implementing of those which are more cost-effectively for national economy. This way is more reasonable because it is based on local primary resources and it is more effective for long-term policies for energy security.