

Germany's biggest gas importer Uniper is nationalised after huge losses

The German government has said it will nationalise the country's biggest gas importer, Uniper, as it battles massive losses amid Europe's energy crunch.

The Finnish company Fortum that had controlled Uniper said Russia's squeeze on supplies since the invasion of Ukraine meant that the unit had lost €8.5bn (£7.4bn) to date.

The latest state intervention followed a [rescue package](#) agreed in July.

The deal will effectively see the German state take over Fortum which is currently majority-owned by Finland's government.

Read more:

[Tough choices for Germany as coal power stations return to keep people warm this winter](#)

Uniper's losses have mounted as Russia has cut back natural gas supplies to European countries supporting Ukraine.

Prices have soared for the fuel needed to heat homes, generate electricity and power factories, raising fears of business closures, rationing and a recession as the weather turns cold.

More on Energy



Truss picks former EDF Energy lobbyist Stott to head No 10 business relations



EU targets 5% peak electricity demand cut to tackle soaring prices and energy crisis



Global shift away from fossil fuels to renewable energy by 2050 would save £10trn, scientists say

Related Topics:

- [Energy](#)
- [Germany](#)

Some factories in Germany are already operating below capacity in a bid to save money.

The scramble for supplies saw Berlin take control of three Russian-owned oil refineries last week before an embargo on

Russian oil takes effect next year.

Advertisement

German economy minister and vice chancellor, Robert Habeck, said of the nationalisation: "This means that Fortum will belong to the German state when this is completed.

"We will be the main shareholder with 99%".

He said the step had become necessary because the supply situation had "changed significantly" since the first aid package revealed in the summer as Russia had since axed flows through the main Nord Stream 1 pipeline.

Uniper has a share in its portfolio of 50% from Russian gas and represents 40% of the German gas supply.

"We are taking an equity stake of €8bn (£7bn) in Uniper and, so to speak, buying Fortum out.

"I want to say this once again: Fortum loses its entire equity investment, which was once equivalent to about €8bn, and we are now buying out the shares for €480m. Fortum is also involved in this bailout through enormous loss of equity," the minister concluded.