



3<sup>rd</sup> International Conference  
„Risk Management in Energy - 2020”

May 28, 2020



**TOPIC:«The perspectives for the development of the natural gas market  
and the related infrastructure for its use as gas engine fuel  
in the Republic of Moldova»**

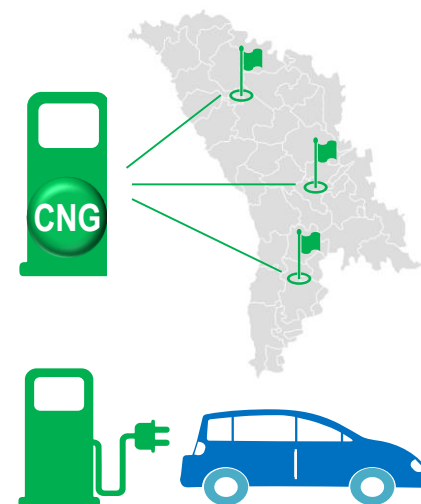
Moldovan-Russian Joint Stock Company „MOLDOVAGAZ” is one of the largest Enterprises in the energy sector of the Republic of Moldova.

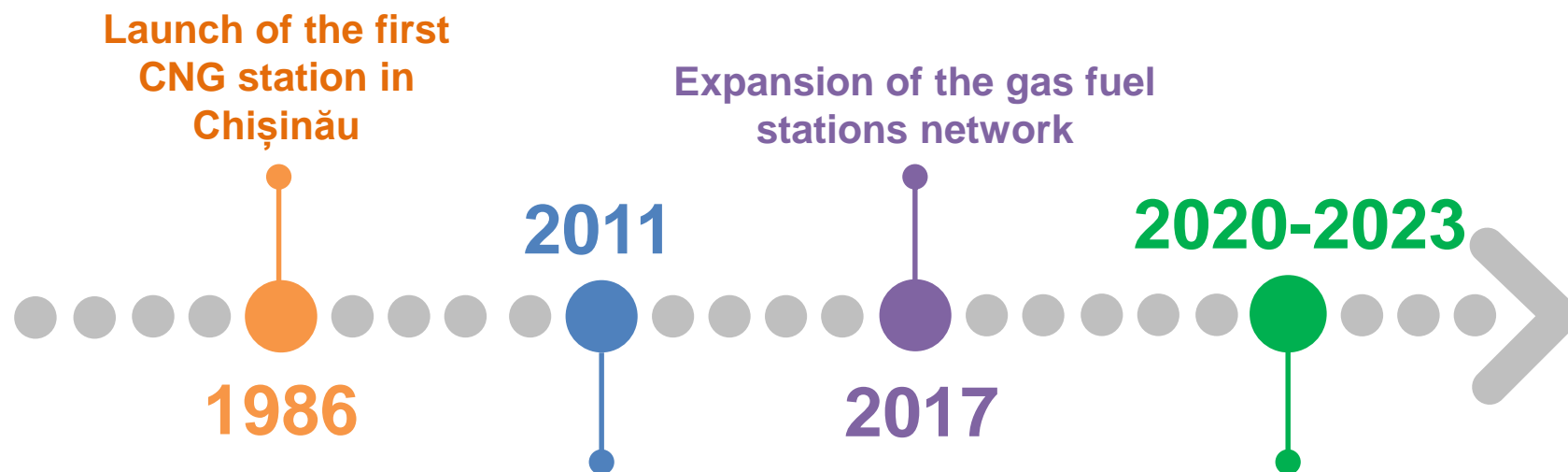


„Moldovagaz” JSC is now building concepts for the development of new types of business and intends to implement **projects for the heat and power cogeneration.**



One of the priorities for diversifying activities is **expanding the network of gas stations selling compressed natural gas (CNG)** as a engine fuel.





**6 million euros**

**More than 30 years**

of successful work in the gas engine fuel market of the Republic of Moldova

**12 CNG stations**

daily serve vehicles in different regions of the country

**100 employees**

daily fuel more than 5 thousand cars in the Republic of Moldova



## 1 Consumption growth

Over last decade, gas consumption in the world has grown by 20%

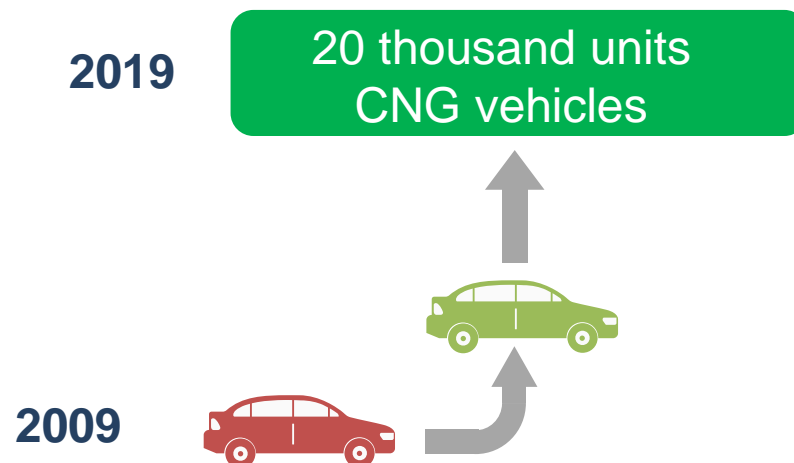
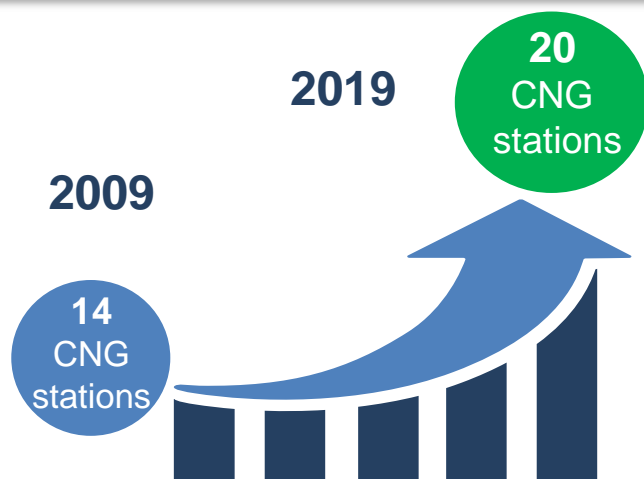
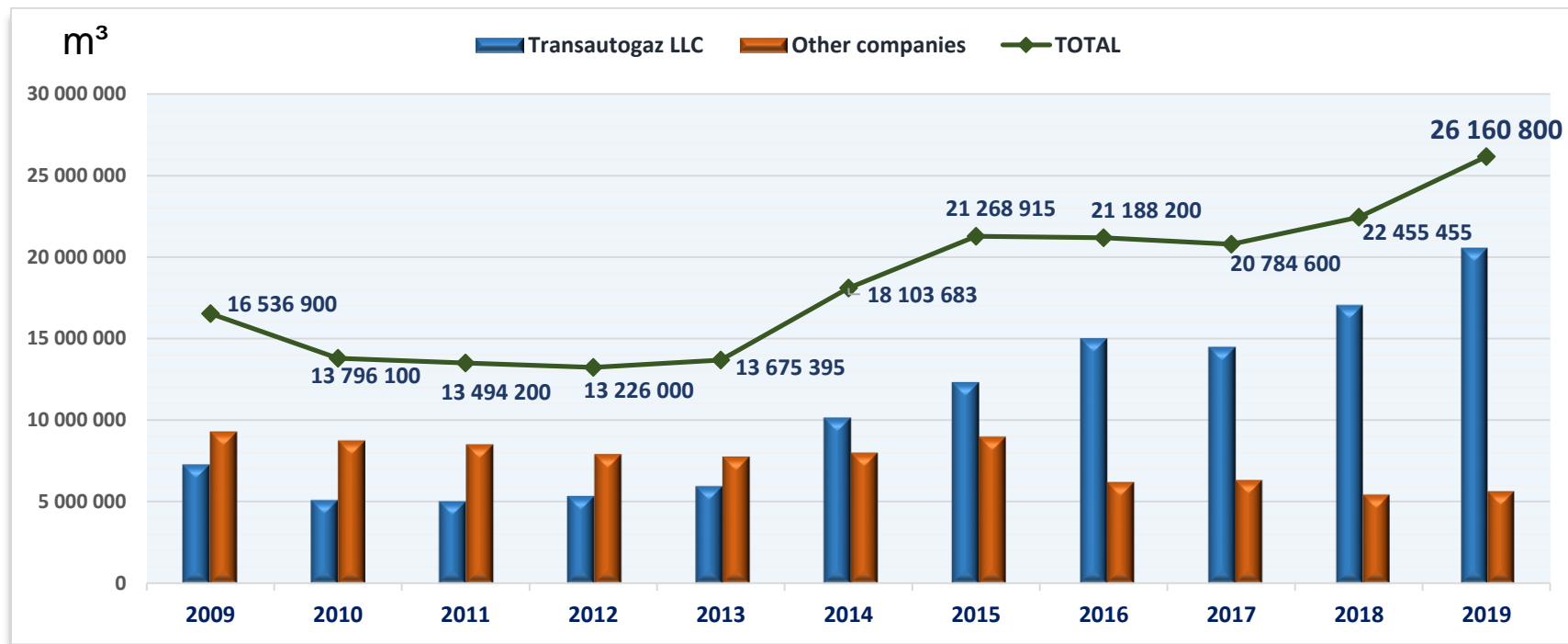
## 2 Consumption forecast

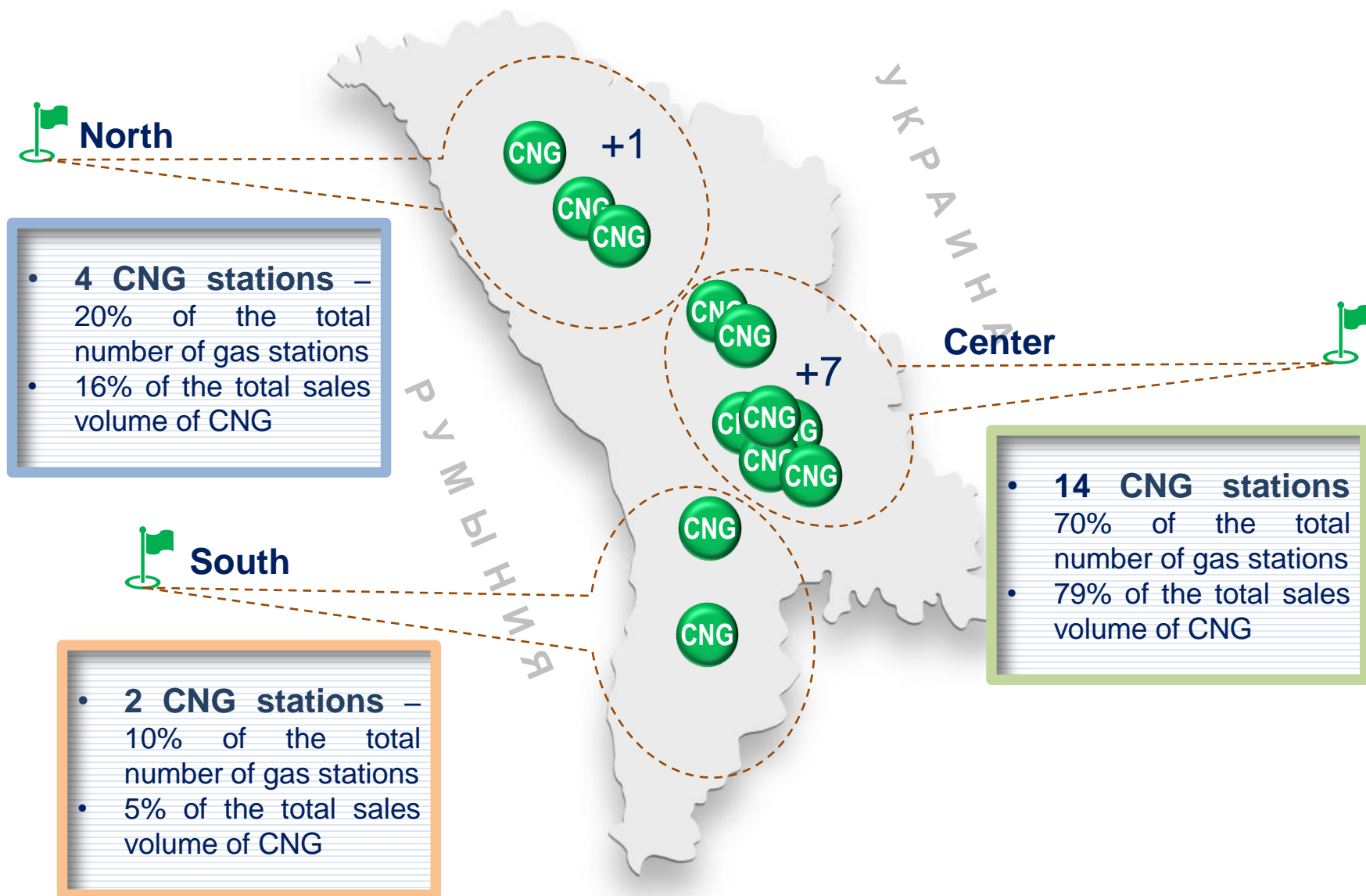
According to expert estimates, by 2040 the gas will be the only fossil fuel, the share of which among primary energy supply will grow, reaching the level of 5.4 trillion cubic meters

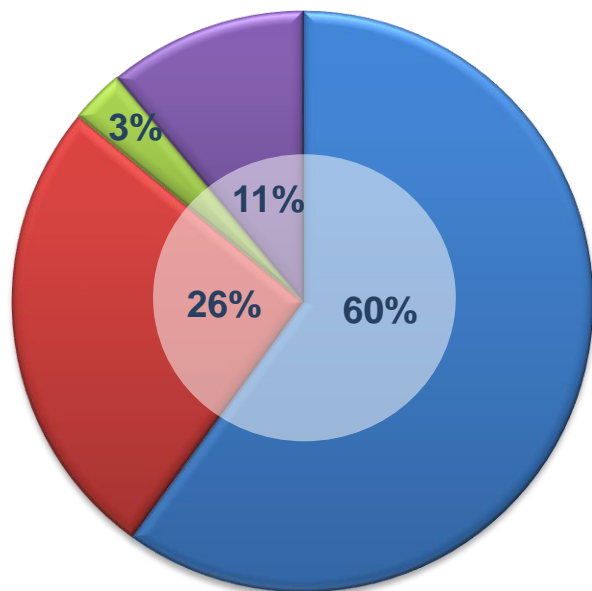
## 3 Engine fuel

The Gas consumption in transport by 2040 can grow by 160%, reaching 360 billion cubic meters

# Indicators of the GEF market in Republic of Moldova







**60% Diesel**

**26% Gasoline**

**3% CNG**

**11% LPG**






**CNG sales increase**



**Increase in the number of vehicles converted to natural gas**



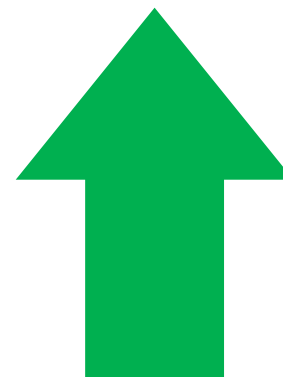
**Increase in the number of vehicles on CNG, initially registered**

Vehicle types		2012	2017	2019	Compound Annual Growth Rate
	Cars	456 379	588 118	648 779	5,2%
	Trucks	157 866	181 833	193 055	2,9%
	Buses	21 433	20 944	21 087	-0,2%
Others types (tractors, motorcycles, trailers, semi-trailers, other)		123 933	153 486	168 560	4,5%
TTL		759 611	944 381	1 031 481	4,5%



1. Inadequate development of fueling and service infrastructure.
2. The lack of prevalence of modern gas engine technology.
3. The high cost of refitting equipment using traditional fuels.
4. Low public awareness of the benefits of CNG vehicle fuel.

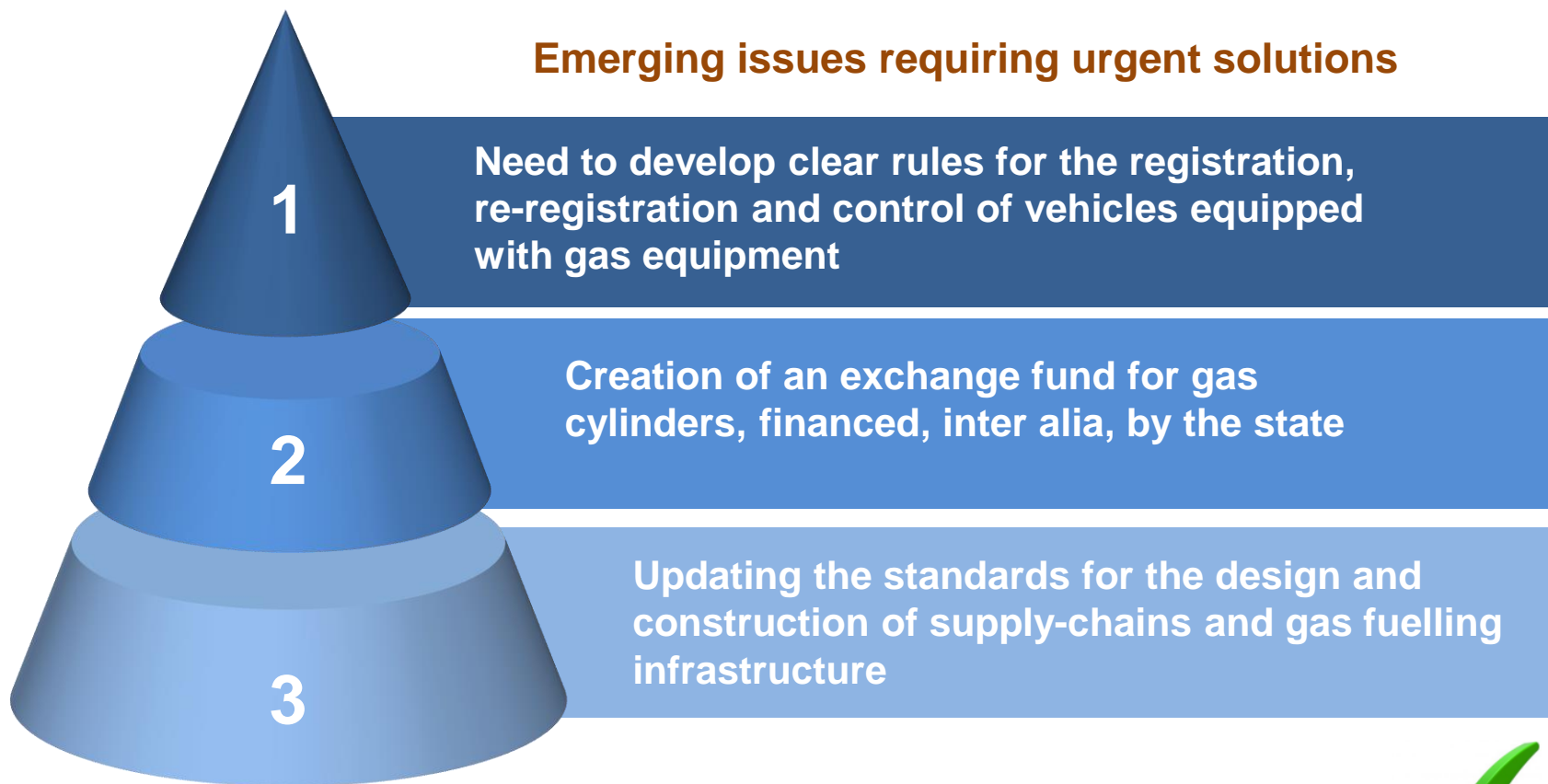
## Constraining factors



## Advances

1. **Stocks.** According to experts, over the next 200 years, natural gas reserves will not be exhausted.
2. **Ecology.** According to environmentalists, transport is responsible for 70-90% of air pollution in the cities. Compared to other fossil fuels, natural gas is considered to be the most environmentally friendly.
3. **Price.** The cost of fueling a car with natural gas ranges from 50 to 70% of the cost of traditional liquid fuels.

## Emerging issues requiring urgent solutions



State mechanisms for co-financing the priority objectives for building the infrastructure

Measures to stimulate the conversion of road transport vehicles to natural gas fuel

Decrease of import customs duties and VAT



Success

## Elements of a national Gas Engine Fuel Market Development Program

## Collaboration Program with Local Authorities

