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PROBLEMS FOR SOVIET NATURAL GAS EXPORTS

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A shortage of compressors threatens to upset Soviet short-term plans for natural gas exports. Compressors are needed to repressure the old gas fields in the Ukraine and to raise the capacity of the domestic pipeline system. The USSR probably will be unable to obtain and install compressors fast enough to avoid falling further behind its gas export schedule during the next 18 months.

As a result of several long-term agreements, the USSR has begun exporting sizable volumes of gas and plans to raise deliveries considerably during the next several years. Exports to Austria began in 1968, to East and West Germany in 1973, and to Finland in January 1974. Shipments to Italy plus additional exports to Austria are scheduled to start in April, and deliveries to other East European countries are to begin in 1975. Meanwhile, gas production is declining in many old Ukrainian fields which will bear the burden of satisfying export requirements during the next few years.

Because natural gas is vital to such Soviet industries as electric power, metallurgy, chemicals, and cement, exports may fall short of the volume scheduled for 1975. Eventually, large new deposits are to be developed elsewhere and connected to the pipeline network to permit a substantial further growth of exports by 1980. (~~SECRET~~)

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