

Russian-Kyrgyz Company in Fuel Deal With U.S. Base

By The Moscow Times

September 27, 2011



BISHKEK, Kyrgyzstan — A Gazprom-controlled company will soon start supplying 20 percent of the aviation fuel for the strategically vital U.S. air base in Kyrgyzstan, and it could eventually increase that share, officials said Tuesday.

The arrangement could ease concerns about corruption involving fuel supplies to the Manas Transit Center, which provides logistical support for NATO in Afghanistan. The potential for significant revenue also could reduce Moscow's incentive to seek closure of the U.S. base.

Kyrgyz authorities suspect the current supplier, Gibraltar-registered Mina Corp., of links to the family of former President Kurmanbek Bakiyev, overthrown in 2010 — allegations it has denied. Mina's contract as the sole supplier to the base expires in December, but it can bid to retain a piece of the business.

The new supplier is Gazpromneft-Aero Kyrgyzstan, which is 51 percent owned by a subsidiary

of Gazprom and 49 percent by Kyrgyzstan.

The first deliveries can start in about 45 days, said Gazpromneft-Aero Kyrgyzstan head Tilek Isayev. The company also supplies fuel to civilian aircraft at the international airport where the base is located.

"The Americans have to be certain that we can deal with that volume of supplies. And maybe then [we] will start delivering more than 50 percent of the base's needs," Isayev said.

U.S. Ambassador to Kyrgyzstan Pamela Spratlen said Tuesday that the company has the option of increasing its delivery to up to 90 percent.

U.S. reliance on Russia for its military efforts in Afghanistan could spur unease. Moscow makes no secret of its discomfort with America's military role in Central Asia. Russia also has an air base in Kyrgyzstan.

But the contract with Gazpromneft-Aero Kyrgyzstan could potentially lead to revenue worth hundreds of millions of dollars annually to Russia and Kyrgyzstan's coffers. The funds could convince Russian and Kyrgyz leaders to lessen their criticism of the American presence.

As well as creating some competition between suppliers, the upcoming arrangement appears designed to quell widespread and longstanding misgivings over suspected irregularities involving Manas contracts.

"The money coming from fuel supplies to the [Manas] Transit Center will go into Kyrgyzstan's state budget, and it will be hard to filch it," Russian Ambassador to Kyrgyzstan Valentin Vlasov said.

Original url:

https://www.themoscowtimes.com/2011/09/27/russian-kyrgyz-company-in-fuel-deal-with-us-base-a979