

Shtokman Still Awaits Tax Breaks

By [The Moscow Times](#)

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An investment decision on the Gazprom-led Shtokman gas project off Russia's Arctic may be delayed until early next year, according to France's Total.

The partners are seeking tax breaks before making the decision at the end of this year or early next year, Yves-Louis Darricarrere, Total's head of exploration and production, told Dow Jones Newswires in comments confirmed by the Paris-based oil producer's press office.

Pierre Nerguararian, head of Total E&P Russie, said in September that the tax breaks are critical for the partners to make a positive investment decision on the technically challenging and expensive project.

"The Shtokman field was supposed to be launched in 1997," Alexander Burgansky, an analyst at Otkritie Capital, said in an e-mail. "Since then, the launch date was probably delayed close to 10 times, and at least by 20 years. I do not think another quarter of a delay makes a difference."

Gazprom, Total and Statoil aim to start first gas production at Shtokman in 2016 and produce liquefied natural gas a year later.

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