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Ukraine Starts Offshore Tender

By The Moscow Times

June 04, 2012

Moscow has said it would cut the gas price for Ukraine only if Gazprom is allowed to buy into Ukrainian gas pipelines, a trade-off Ukraine has so far refused to accept. **Maxim Stulov**

Ukraine, which is seeking to increase its energy independence from Russia, has announced a tender to find partners for Black Sea offshore oil and gas exploration within the next two months.

Ukraine's official gazette, Uryadovy Kuryer, said bids were invited from potential partners for two fields, Skifska and Foroska, on its Black Sea shelf.

Documents must be submitted by 6 p.m. Aug. 2, the newspaper said.

The move is in line with the Kiev government's long-term strategy of moving away from reliance on energy imports from Russia, which have led to friction over pricing and disruption of supplies across Ukraine to European customers.

Ukraine imports about two-thirds of its gas from Russia at a price that has been rising

steadily for the past few years and is expected to average about $415 per 1,000 cubic meters this year.

Moscow has said it would cut the price for Ukraine only if Russia's Gazprom is allowed to buy into Ukrainian gas pipelines, which carry the bulk of Russian gas to Europe, a trade-off Ukraine has so far refused to accept.

Talks on reviewing the price have lasted for over a year but so far failed to produce any results, prompting concerns among Russia's European consumers, who in the past have endured supply disruptions resulting from conflicts between Moscow and Kiev.

As part of its energy strategy, Ukraine chose Royal Dutch Shell and Chevron as partners in projects to explore and develop two potentially large shale-gas fields.

The Yuzivska area, won by Shell, is in the eastern Donetsk and Kharkiv regions, while the other, Olesska, is in the western Lviv region.

Ukraine has Europe's third-largest shale-gas reserves. Its 1.2 trillion cubic meters, according to the U.S. Energy Information Administration, put it behind only France and Norway.

Original url: https://www.themoscowtimes.com/2012/06/04/ukraine-starts-offshore-tender-a15222