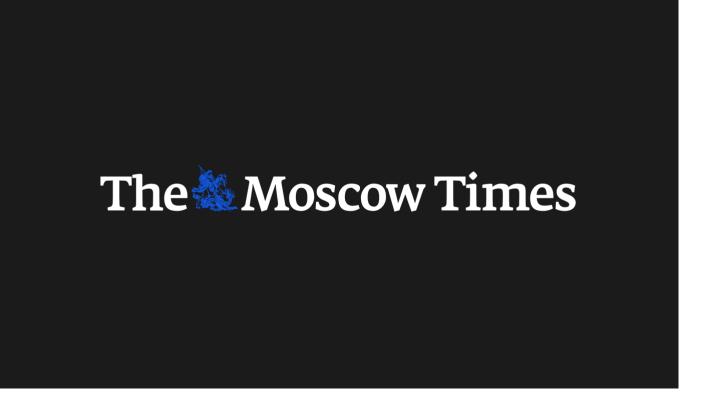# Moscow Offers Deep Gas Discount to Ukraine

By [The Moscow Times](#)

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ODESSA — If Ukraine joins the Russia-led customs union, the price it pays for Russian gas will fall to $160 per 1,000 cubic meters, Ukrainian Prime Minister Mykola Azarov said in a conversation with officials Tuesday in Odessa, Interfax reported.

"Russia is putting forth conditions to us: Join the customs union and tomorrow you will get gas for $160," he said.

In general, inclusion in the customs union would be in Ukraine's interests, since about 40 percent of the country's international trade is with customs union member countries Belarus, Russia and Kazakhstan, Azarov said.

On the other hand, Ukraine conducts about 30 percent of its trade with the European Union, so joining a free-trade zone with the EU and pursuing political association with the EU would also "answer to the national interest," he said.

Azarov stressed that Ukraine does not want to have to choose between the customs union and a free-trade zone with the EU. It would rather work with all sides.

According to Ukraine's national oil and gas company, Naftogaz Ukrainy, Russian gas cost the country about $416 per 1,000 cubic meters in the first quarter, $425 in the second and $426 in the third.

In mid-September, Ukrainian Energy and Coal Industry Minister Yuriy Boyko predicted that Russian gas would cost Naftogaz Ukrainy $432 per 1,000 cubic meters in the fourth quarter.