Gazprom Gives Ukraine More Time to Pay for Gas

By The Moscow Times

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Russian Energy Minister Alexander Novak talking to reporters in Berlin.

Russian energy giant Gazprom said Monday it was delaying switching Ukraine to prepayment for gas deliveries until June 9, providing almost a week more to resolve a dispute in which Moscow has threatened to cut supplies to Kiev.

The natural gas exporter announced the decision after Kiev paid off some of its gas debt, and was due to resume talks with Ukraine and the EU in Brussels later on Monday.

Gazprom had said previously that it would from Tuesday deliver only gas that had already been paid for, raising the prospect of supplies to Ukraine being cut off immediately and disruptions in onward gas flows to Europe.

EU mediator Guenther Oettinger said Friday a $786 million partial payment for back gas bills was on its way to Moscow, clearing the way for further talks on Monday.

Gazprom confirmed Monday that it had received the payment.

Gazprom CEO Alexei Miller said in a statement that switching to prepayment would depend on whether Kiev pays off all its debt of $2.24 billion for gas delivered before Apr. 1 and on "progress" in paying off for April and May.

"Payment for May should be done before June 9," Miller said in the statement, in effect extending the deadline by six days.

Ukraine's total debt for gas deliveries would have topped $5.2 billion as of June 7 if no payments had been made.

Kiev wants to return to a discount gas price of $268.50 per 1,000 cubic meters while Moscow is demanding $485 — the highest paid by any client.

Europe is getting one third of its gas needs from Russia. On Monday, Gazprom said gas flows to Europe were as usual.

See also:

[Ukraine Sends $786M Gas Payment to Russia Ahead of Monday Talks](#)