

As Clock Ticks, Gazprom, Naftogaz Delay Negotiations

By [The Moscow Times](#)

June 05, 2014

The  Moscow Times

Russian gas producer Gazprom and Ukrainian state-owned company Naftogaz will not hold gas talks on Thursday, two sources said, after this week's negotiations in Berlin seemed to bring the two sides closer.

Russia has given Ukraine until Tuesday to pay off at least part of its debt, which Gazprom puts at \$4.46 billion, and agree to terms for future deliveries, especially on price, or has threatened to reduce supplies to its neighbor.

Both companies held talks for two days in Berlin earlier this week to try to settle the dispute which could potentially threaten gas flows to Europe.

Gazprom and Naftogaz declined to comment.

European Commission spokeswoman Sabine Berger said: "We are in contact with the parties

involved and aim to organize a trilateral meeting soon, but so far no date and venue have been set." The Russian Energy Ministry declined to comment.

On Tuesday, Ukrainian Prime Minister Arseniy Yatsenyuk hinted that his cash-strapped country would be more flexible over its price demands, although he made clear the price sought by Russia remained far too high.

Ukraine wants to return to a discounted gas price of \$268.5 per 1,000 cubic meters, granted by Moscow as a concession after Ukraine's then-president Viktor Yanukovich dropped plans to sign agreements on closer political and trade ties with the EU.

After Yanukovich was ousted in February following months of protests provoked by his policy U-turn, Russia reinstated the earlier price of \$485 — the highest in Europe.

Following talks on Wednesday, Naftogaz said it was waiting for Gazprom's proposals on revising the 2009 gas contract that locked Kiev into paying the higher price. It did not disclose details.

It said that if there was no compromise by Friday, Naftogaz would pay off remaining gas debts no sooner than June 10.

Gazprom says Ukraine owes it a total of \$4.46 billion in gas debts, including \$1.45 billion for November–December and another \$3 billion for April–May. Naftogaz paid off \$786 million last week.

See also:

[Ukraine Proposes Dividing Naftogaz to Comply With EU Rules](#)

Original url:

<https://www.themoscowtimes.com/2014/06/05/as-clock-ticks-gazprom-naftogaz-delay-negotiations-a36200>