The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Gazprom Weighs Laying Off 1,600 Managers Amid Wartime Losses

January 13, 2025



Gazprom's Lakhta Center in St. Petersburg. **Stanislav Zaburdaev / Gazprom**

Russian energy giant Gazprom might soon lay off some 1,600 managers in an effort to cut payroll expenses, St. Petersburg media reported Monday, citing a letter from a board member to the company's CEO Alexei Miller.

The proposal comes as Gazprom faces a sharp wartime downturn, with its gas trade to Europe — once its primary market — collapsing in the wake of Russia's invasion of Ukraine. In 2023, Gazprom posted its first annual net loss since 1999.

Yelena Ilyukhina, deputy chairwoman of Gazprom's management board, highlighted in a Dec. 23 letter to Miller that the company's management staff at its St. Petersburg headquarters had grown to more than 4,100 people over the past two decades.

According to the letter, published by the local news outlet 47news.ru, payroll expenses at Gazprom's headquarters total over 50 billion rubles ($486 million). Ilyukhina proposed reducing the number of managers to 2,500 and called for "optimization" proposals to be

submitted to Miller by Feb. 15.

Gazprom's deputy chairman, Sergei Kupriyanov, confirmed the letter's authenticity to Forbes Russia but declined to provide additional comments.

It remains unclear whether Miller will approve the proposed layoffs.

Gazprom saw its shares plummet to a 16-year low last month, just weeks before an agreement that had allowed Russian gas to flow to Europe through Ukraine was set to expire.

Original url:
https://www.themoscowtimes.com/2025/01/13/gazprom-weighs-laying-off-1600-managers-amid-wartime-losses-a87589