
Gazprom could cut gas supplies to Belarus over unpaid debts

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RIA Novosti reported that Gazprom has sent Belarus a letter demanding it pay USD 244 million in gas debts and warning that supplies could be cut if the sum is not cleared.

Mr Alexei Miller CEO of Gazprom said that "Belarus' debt totals USD 244 million and we have sent a letter demanding that the debt be paid."

Mr Vladimir Semashko Belarusian First Deputy Prime Minister said that his country would keep paying for Russian gas at the average annual price and will start to repay the debt to Gazprom.

The debt has arisen due to differences between contract and average prices, in the first quarter Belarus paid USD 210 per 1,000 cubic meters, but by the end of the year this figure should have dropped to under USD 100. In line with verbal agreements the price should average out at USD 150 per 1,000 cubic meters.

He said that "From August we will start repaying the debt and by November we should be paying in full the actual price."

Mr Semashko said Belarusian gas company Beltransgaz on March 20 handed Gazprom an addendum to the contract stipulating that Belarus pay the average annual price. But the addendum has not been signed yet. He also said that the Belarusian government expects Russian gas prices to reach USD 166 per 1,000 cubic meters on January 1, 2010 if oil prices remain around the USD 70 per barrel mark this year.

(Sourced from RIA Novosti)

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