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## European winter gas crisis avoided as Russia pardons Ukraine

*Friday, 20 Nov, 2009*

Bloomberg reported that Russia has agreed to waive fines on Ukraine for consuming less gas than contracted and said it would renegotiate volumes for next year, easing a threat to shipments of the fuel to Europe.

Mr Vladimir Putin prime minister of Russia at a meeting with Ms Yulia Timoshenko prime minister of Ukraine at Yalta in Ukraine said that “We made a decision not to impose penalties, and I want to confirm it in public. Despite agreements reached earlier on volumes, to avoid sanctions next year it was decided that OAO Gazprom and NAK Naftogaz Ukrainy will agree on new volumes.”

Ms Timoshenko at a joint press conference said that “We appreciate the step which the Russian government, Mr. Putin and Gazprom made deciding not to impose penalties today for 2009.”

A row between Ukraine and Russia over gas prices and transit fees disrupted Gazprom’s supplies to 20 European countries for almost two weeks in freezing temperatures this year.

(Sourced from Bloomberg)

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