
Russia to supply 116 billion cubic meters of gas to Europe

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Ria Novosti reported that Russia is planning to supply 116 billion cubic meters of natural gas to Europe through Ukraine in 2010.

Materials published by the government recently ahead of Prime Minister Mr Vladimir Putin current visit to Ukraine Crimea said "A corresponding amendment to the contract has been approved and sent to the Ukrainian side."

Ms Yulia Tymoshenko Ukrainian Prime Minister said that gas supplies would not be on the agenda of her meeting with Putin, to be held later in the day in Yalta. She said that "Gas issues will not be discussed."

Ms Tymoshenko also said Ukraine would almost double its transit fee for Russian gas next year. She said that "For the first time in Ukraine history, we will considerably raise revenues from Russian gas transit via Ukraine starting on January 1st. She added that this would improve the financial standing of the national energy company Naftogaz."

The move is in line with a January deal that ended a gas crisis that caused a cutoff in Russian supplies to Ukraine and affected millions of European consumers. Russia also plans to raise gas prices for Ukraine almost to European levels from January 2010 dropping the current 20% discount.

Under the current gas agreements, Ukraine charged Russia USD 1.7 per 1,000 cubic meters per 100 kilometers in 2009. President Mr Viktor Yushchenko earlier said Naftogaz has received at least USD 2.5 billion a year less than it should have done. Ukraine transits about 80% of Russia Europe bound gas.

Ukraine has paid for gas supplies on time this year. In October, however a minor dispute arose on the amount of gas Ukraine is to import from Russia. Kiev has been buying a lower gas volume due to its economic slowdown and plans to import less still in 2010.

(Sourced from RIA Novosti)

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