

RWE and Gazprom End Joint Venture Talks

By [The Moscow Times](#)

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Germany's RWE and Gazprom ended talks to create a joint venture to build and operate power plants in Europe after failing to agree on a deal.

"Although our discussions were conducted in a very constructive manner we were unfortunately not able to agree on a framework for cooperation that would be sustainable for both parties," Juergen Grossmann, chief executive of RWE, said Thursday in a statement.

Gazprom announced plans to negotiate its first power generation venture in Western Europe with RWE in July, including coal- and gas-fired plants in Germany, Britain, Belgium and the Netherlands. RWE was looking at ways to mitigate the costs of Germany's decision to close all its nuclear reactors by 2022 and has pledged to sell 11 billion euros (\$14 billion) of assets.

Russia's gas giant had stalled on talks to team up with RWE because of deteriorating profits in Germany, two people familiar with the matter said earlier this month. The companies

hadn't agreed on the assets and needed more time to monitor demand and margins in Germany, the people said at the time, declining to be identified because the matter is confidential.

Gazprom declined to comment.

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