

Gazprom Chief Says Russia-China Gas Deal 'One Digit' Away

By [The Moscow Times](#)

May 18, 2014

The  **Moscow Times**

Russian state-run Gazprom said it was still "one digit" away from finalizing a 30-year gas supply deal with Beijing which is expected to crown President Vladimir Putin's visit to China next week.

Russia has been in talks with China to supply it with 38 billion cubic meters of gas a year for more than a decade but the deal has been postponed repeatedly over price disagreements.

But with tensions high with the West over Russia's role in the Ukraine crisis, Moscow is eager to divert some oil and gas from European markets, part of its wider push to Asia.

Last week, state China National Petroleum Corp, or CNPC, said that it and Gazprom had reached an agreement to sign a contract during Putin's visit but that the two sides had yet to iron out price differences.

Gazprom chief executive Alexei Miller confirmed in an interview on state Russia 24 television that the talks were in the final stage and only centered around base price.

"There is just one question, it is ... a starting, base price in the price formula which, it is remarkable, has already been fully agreed upon with our Chinese partners," Miller told news show Vesti on Saturday with Sergei Brilev.

"It is a very little more — to put in only one digit, and a 30-year contract to supply 38 bcm of gas from east Siberia to China will be signed," said Miller.

About 80 percent of Gazprom's revenue comes from gas sales to Europe and analysts say that failure to clinch a deal with China, the world's top energy consumer, would expose its huge reliance on Western consumers and might strengthen Beijing's bargaining positions in the months to come.

Miller emphasized that the contract would be signed on mutually beneficial terms, adding that the sides had also agreed to start talks on a second route for Russian gas supplies to China after the current deal is signed.

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