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Turkmenistan tries to sell Russia more gas

On 2 November in Ashgabat, the deputy prime minister of Russia Viktor Zubkov participated in the fifth session of the Turkmen/Russian economic committee, and met President Gurbanguly Berdymukhammedov. The only result of the visit was the signature of a contract on a ferry link between Turkmenistan and Russia. The parties did not reach an agreement on the size of gas deliveries for next year, limiting themselves to a statement that "they will work within the frameworks of already agreed contracts". This means an extension of the impasse in their mutual relations.

Zubkov came to Ashgabat several days after the visit of the Russian president Dmitri Medvedev, and immediately after a sharp denial from Turkmenistan's foreign ministry of the statement by another deputy prime minister, Igor Sechin, on Russia's participation in the TAPI project (the Turkmenistan-Afghanistan-Pakistan-India gas pipeline), which Turkmenistan has actively promoted. Zubkov's visit did not bring about a breakthrough on the question of Turkmenistan's top priority – to make Russia more inclined towards buying more gas from them. This year Gazprom will buy 10.5bn m³ of Turkmenistan's gas, and plans to maintain this level in 2011, because of the fall in demand from Europe (until 2008, Gazprom bought around 40bn m³ of gas). Meanwhile Turkmenistan seems to be suffering from a lack of cash; a fall in prices and deliveries to Russia in 2010 has not been fully compensated by gas exports via the pipelines to China and Iran which were opened this year. This has caused Turkmenistan's income this year to fall by around twenty to thirty percent, and at the same time, it will make the gas exports to Russia more attractive, as Moscow pays the highest price of all the customers of Turkmenistan's gas. <ola>