

UKRAINE

Naftogaz Policy Could Serve Industrialists

Naftogaz to Become For Profit Under Yanukovich

Energy Prices Rise Higher on the Agenda

How Naftogaz Might Be Transformed

Conclusions: The Energy Sector Will Serve Private Business Interests of Yanukovich's Companions

One of the impacts that the presidential elections in Ukraine may have on Europe is closely linked to the continent's vital energy supplies. Tensions between Moscow and Kyiv have led Gazprom to cut off natural gas supplies to Europe on a number of occasions over the past few years. In 2009, the conflict was seemingly settled by the signing of a 10-year agreement. But new President Viktor Yanukovich has been criticizing that gas trade deal -- inked by predecessor and rival Yulia Tymoshenko -- ever since, contending it's bad for Ukraine. Yanukovich has pledged to revise existing contracts, and to improve relations with Russia, in order to achieve what he calls better terms of gas trade.

We do not believe the problems of the Ukrainian gas sector will be miraculously solved, but we do recognize that the main challenge for the new president will be [>>>](#)