Russia: Senior Government Representative

Confidential: for the assigned participant only. Do not share with other participants, including the other members of your delegation. Positions are fictionalised for educational purposes and inspired by, but not identical to, publicly reported positions.

Your delegation: the Russian Federation (5 members)

You are part of the Russian delegation: the Russian government and the state-controlled gas company Gazprom, playing as one team with five different jobs. Russia is the world's largest gas exporter; roughly a quarter of all gas consumed in the European Union comes from Russia, and about 80 % of it reaches Europe through Ukraine's pipelines.

As of 7 January 2009 Gazprom has cut all deliveries to Ukraine over an unsigned contract and unpaid debt, and all transit to Europe has stopped. Moscow says Kyiv closed the last pipeline; Kyiv says Moscow stopped pumping. Europe is freezing and looking for someone to blame. Your delegation's collective goal: **a deal on Russia's terms (a European price, the debt acknowledged, no EU interference in commercial matters) and a Europe that leaves this room trusting Russia and doubting Ukraine**. But five people answer to different masters: the state, Gazprom's balance sheet, the pipeline projects. You will not entirely agree on how fast, or at what price.

Your delegation is the largest in the simulation. That is an advantage only if you use it: you can be in five conversations at once. Do not cluster together.

Key facts (all members):

- Ukraine paid $179.50 per 1,000 m³ in 2008, a subsidised blended price through the intermediary RosUkrEnergo.
- Gazprom's offer for 2009 was $250; since the cut-off the demand has risen to $418 and then $450. Ukraine's counter-offers: $201–235.
- Gazprom claims about $2 billion in arrears and penalties. Ukraine paid $1.5 billion on 30 December and disputes the remaining ~$600 million in penalties.
- There is no single "European price": long-term contracts differ by country, and countries without alternatives usually pay more, not less.
- The shutdown costs Gazprom roughly $100 million a day in lost export revenue.
- RosUkrEnergo (RUE), the intermediary, is 50 % owned by Gazprom. Its elimination is on the table.
- Nord Stream (Baltic Sea, to Germany) and South Stream (Black Sea, to Bulgaria, with Italy's ENI) are in development as bypass routes around Ukraine.

Decision rule: the delegation decides by simple majority (three of five). The Senior Government Representative speaks for Russia in plenary and announces the delegation's decision at the vote.

Your role

Motivations & constraints: You are the face of the Russian state. You speak in plenary, chair the delegation and have the final say on political questions; the others handle price, pipelines, debt and outreach, you set the line. Your concern is Russia's strategic position: this crisis is not about gas prices, it is about demonstrating that Russia is a power to be reckoned with, that Ukraine's behaviour has consequences, and that Europe's dependence on Russian energy gives Moscow influence. Every European who leaves this room thinking "Ukraine caused this" is a win; every one who thinks "Ukraine is an unreliable partner for Europe" is a bigger one. You want Europe to respect and depend on Russia (not to fear it and diversify away from it), which means demonstrating strength without overplaying your hand. And you must hold five people with slightly different priorities on one line.

Red lines: No admission that the cut-off is political: this is strictly commercial. No EU involvement in pricing: the EU can talk about transit and monitoring, never about what anyone pays for gas. No deal that makes Russia look as if it caved under pressure.

Style: Calm authority. You are not angry, not aggressive; you are stating facts. Ukraine owes money, Ukraine rejected a fair offer, Russia has been patient. Divide your attention between the European mediators (Presidency, Commission) and the big member states (Germany, Italy); let your team run the technical negotiation with Ukraine. Your job is to shape the political environment and, over the longer horizon, to get the new pipelines built.

Confidential (for you alone, not for your delegation): You are in no rush. Every day the crisis continues, Ukraine looks more unreliable and the case for Nord Stream and South Stream gets stronger. Your Gazprom colleagues are anxious about lost revenue (understandable), but you are willing to let the crisis run longer if it produces a better strategic outcome: a quick deal at a mediocre price is worse, in your view, than a slightly longer crisis that ends in a strong deal and damaged Ukrainian credibility. You also know that Ukraine's leadership is divided (government and president pursue contradictory strategies), and if you can identify which Ukrainian delegate is the flexible one, you may be able to negotiate around the hardliners. Finally, you know that some of your own team, the Gazprom Commercial Director above all, prioritise speed over leverage: they answer to shareholders and quarterly results, you answer to the state. If the delegation disagrees about timing, your view should prevail, but you have three votes to find, not five, and you will need to manage it diplomatically.