

**Export restrictions for LHG producers may be off**

The Government are discussing cancellation of the guidelines under which liquefied hydrocarbon gas (LHG) should be sold into the domestic market. From 1999, LHG producers have been disallowed to export goods produced under such guidelines, i. e. have had to supply them to the domestic market at controlled prices. This is believed to be not motivational for development of the booming home market. When these restrictions are eased, producers are likely to attain larger gains and, consequently, pay more taxes to the budget.

However, Russia extends beyond the Arctic Circle where people live in severe weather conditions. With no gas pipeline infrastructure in the region, LHG is the only source of heat and fuel. Therefore, considering the strategy for the LHG market development and export restriction revoke, the population's needs should be in sharp focus.

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