

Sistema to Build Global Oil Business

By [The Moscow Times](#)

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AFK Sistema, billionaire Vladimir Yevtushenkov's holding company, plans to build a global oil business to rival the country's largest producers.

"We will do everything: continue to buy assets, develop our assets and optimize them and restructure," Yevtushenkov said in an interview at the World Economic Forum in Davos, Switzerland.

Sistema controls oil producers Bashneft and Russneft. Yevtushenkov plans to build oil production and refining output to as much as 60 million tons a year (1.2 million barrels a day), doubling the companies' current capacity.

The plan could include merging Russneft into Bashneft. It could also involve expanding outside Russia in partnership with Indian state-owned ONGC, he said.

Yevtushenkov's holding company has spent more than \$3 billion buying shares in Bashneft, Russneft and regional refineries.

Bashneft and Russneft produced a combined 27 million tons of oil last year, according to the Energy Ministry. The companies may be merged as early as next year, depending on performance, Yevtushenkov said.

Sistema will look at opportunities to develop its oil business in Iraq, Azerbaijan, Kazakhstan, Mauritania and other African countries, he said.

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