

Transneft to Spend \$5.7Bln

By [The Moscow Times](#)

March 28, 2011

The  **Moscow Times**

Oil pipeline operator Transneft plans to spend 161.6 billion rubles (\$5.7 billion) building new links this year as the country aims to boost deliveries to Asian markets and avoid transit countries.

The Moscow-based company plans to spend 83.9 billion rubles of that amount on the second phase of the East Siberia-Pacific Ocean pipeline, or ESPO, to extend the link from where it now ends at Skovorodino near the Chinese border to the Pacific port of Kozmino, according to Transneft's web site.

Russia has sought to tap rapidly developing Asian markets with the ESPO pipe. It has also sought to diversify delivery points in other directions to avoid conflicts over transit that have disrupted oil and gas flows to Europe at least three times since 2006.

The operator plans to spend 19 billion rubles expanding the capacity of the link's first phase, ESPO-1, to 50 million metric tons a year (1 million barrels a day). That is almost 10 percent of Russia's total average oil output last year.

Investments this year in the Baltic Pipeline System-2 will reach about 20.7 billion rubles as Russia builds routes for energy shipments to bypass transit countries, such as Belarus. The pipe is designed to deliver oil to the Baltic port of Ust-Luga.

The rest of the investments are budgeted for crude and oil-product pipelines within Russia.

Original url: <https://www.themoscowtimes.com/2011/03/28/transneft-to-spend-57bln-a5913>