

Minsk Negotiating State Asset Sales

By [The Moscow Times](#)

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Belarus may sell stakes in seven companies to Russian investors after accepting bailout funds linked to the government's ceding of assets.

Talks with potential buyers — including state-run Russian Technologies and Gazprom — are advancing after some delays, Belarussian Prime Minister Mikhail Myasnikovich said. The former Soviet republic may sell stakes in its gas pipelines, two refineries, a chemical plant, mobile telephone operator, automaker and electronics maker, he said.

"The negotiations could be more dynamic," Myasnikovich told reporters Tuesday in Moscow.

Belarus received \$800 million last month from the Russia-led Eurasian Economic Community and expects \$2.2 billion more over the next three years as the centralized economy ran through its currency reserves. The loan is tied to Belarus' sale of \$7.5 billion of state assets, Russian Finance Minister Alexei Kudrin said June 18.

Kudrin criticized the pace of Belarus' reforms last week. Russia "can't always be paying

for the sins of the government" of Belarus, Kudrin said.

Disagreements over pricing and conditions have held up some asset sales. Belarusian President Alexander Lukashenko in 2009 offered stakes in the Naftan oil refinery and the Polimir chemicals plant for a combined \$3 billion. LUKoil, Russia's biggest oil producer, is in talks about Naftan, while Rosneft may buy a stake in the Mozyr refinery, Myasnikovich said.

Gazprom has refused to tie talks on buying 50 percent of the Beltransgaz gas pipeline operator to its supply contract with Belarus, which expires at the end of the year. The Russian gas-export monopoly already owns half of Beltransgaz, paying \$2.5 billion to build up its stake in 2007-10.

"I think we'll reach a reasonable compromise," Myasnikovich said after meeting with Putin on Wednesday. "This is the first time in European history that a sovereign government is ceding its gas transportation system to a partner in a customs union."

Russia, Belarus and Kazakhstan have formed a customs union to boost economic ties and plan to create a common economic space by 2012.

Russian billionaire Vladimir Yevtushenkov's Mobile TeleSystems is in talks on Belarus' stake in their local venture, Myasnikovich said. In March this year, the Moscow-based operator said it may auction its stake if Belarus seeks \$1 billion for its 51 percent.

Billionaire Oleg Deripaska's Russian Machines and state-owned Russian Technologies are continuing discussions about buying into the MAZ automaker after Belarus agreed on the valuation, Myasnikovich said. The deal was delayed as Russian Technologies took three months to select the appraiser, he said.

Russian Technologies is also looking at the Integral microelectronics maker, while Rosneft and Sibur Holding, Eastern Europe's biggest petrochemicals producer, may gain part of the Grodno Azot fertilizer and chemical plant, Myasnikovich said.

Uralkali, the Russian potash maker, has not made an offer for Belaruskali, he said.

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