

TNK-BP Sees Buyer Interest in Ukrainian Refinery

By [The Moscow Times](#)

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The Lisichansk refinery has been idle since March as its owner struggles with declining margins and competition.

The Lisichansk refinery, controlled by Anglo-Russian oil producer TNK-BP, has attracted interest from a number of buyers, one of the company's major shareholders, German Khan, told reporters Wednesday.

TNK-BP, half-owned by BP, has long been struggling to improve margins at the refinery, asking the Ukrainian government to impose import tariffs or quotas on fuel to help boost its profitability.

The company halted production at the plant, which yielded output of 140,000 barrels per day, in March.

"We are in discussions to sell the Lisichansk refinery. There are some offers. We are in talks"

said Khan, who is also TNK-BP's executive director.

In July, officials of the Lugansk region, where the refinery is located, said Ukrainian magnate Dmytro Firtash was involved in talks about the Lisichansk plant.

Meanwhile, TNK-BP's executive vice president for strategy and development, Mikhail Slobodin, said at a meeting for suppliers and contractors that the company intends to expand its international presence after 2015.

"Our international diversification is aimed at developing the resource base," he said. "Starting in 2015, we intend to expand the geography of our international presence and become stronger in countries in which the company currently works. After 2018, there are plans to further diversify our global presence."

TNK-BP entered the international market last year, commencing operations in Venezuela and Vietnam. It also joined a project in Brazil.

(Reuters, MT)

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