

Competition for SeverEnergiya Ownership Heats Up

By [The Moscow Times](#)

November 19, 2013

The  **Moscow Times**

Gazprom Neft and Novatek are considering increasing their joint controlling stake in gas producer SeverEnergiya, to counter any ownership challenge by state oil giant Rosneft, a document obtained by Reuters said.

Potentially one of Russia's largest partly foreign-owned gas projects, SeverEnergiya is expected to produce 36 billion cubic meters of gas and liquids by 2017.

Last week, Rosneft bought Enel's 40 percent stake in Italian-owned holding company Arctic Russia B.V., giving it a 19.6 percent interest in SeverEnergiya.

SeverEnergiya, which means Northern Energy, is itself 51 percent owned by a joint venture between Gazprom Neft, the oil arm of state-controlled Gazprom, and Novatek.

Arctic Russia BV was controlled by Italy's Enel and Eni before the Rosneft deal and bankers say

that Eni is considering selling its stake in SeverEnergiya. "The group, together with Novatek, is considering a possible increase of its stake in SeverEnergiya through the purchase of an interest in SeverEnergiya held directly or indirectly by third parties," Gazprom Neft said in the prospectus for a Eurobond offering.

It gave no further details. Rosneft and Gazprom Neft declined to comment. Novatek could not be reached for comment.

Competition on the Russian domestic gas market, still dominated by Gazprom, has increased in the last few years.

Plans to open up liquefied natural gas exports to Gazprom's competitors are raising the stakes further, triggering intensified competition for control of gas reserves.

According to reports, Rosneft has, through its purchase of Enel's stake, acquired the pre-emptive right to buy out Eni's SeverEnergiya holdings as well, which would effectively raise its stake to 49 percent.

Novatek and Gazprom Neft are also interested in Eni's stake, reports say.

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