

Gazprom Neft Wants 30M Tons More Refining Capacity Outside Russia

By [The Moscow Times](#)

June 02, 2014

The  Moscow Times

Gazprom Neft, the oil-producing arm of Russian state gas company Gazprom, said it planned to gain access to up to 30 million tons a year in refining capacity outside of Russia as part of its long-term strategy.

Out of its total annual refining volume of 43 million tons, about 4 million is currently outside of Russia — in Serbia and Belarus.

"The company is studying possibilities to get access to refining capacity outside the country in the amount of around 25 to 30 million tons a year," Gazprom Neft said Monday, following a board meeting.

The 30 million tons is equal to about 600,000 barrels per day. A company spokesman declined to comment and provide further details.

Last year, Gazprom Neft agreed to invest together with Petrovietnam in Vietnamese firm Binh Son Refining and Petrochemical, which manages the Dung Quat refinery in the central region.

The 130,500 barrel-per-day refinery, the only one in Vietnam, has plans to expand output by more than 50 percent to 10 million tons per year by 2015.

In Europe, refining assets are under pressure, and some plants have been forced to close as owners have struggled to find buyers. European refining margins are being squeezed by large volumes of oil products from Russia and the U.S.

Gazprom Neft, which produced 62.3 million tons of oil and other hydrocarbon liquids last year, plans to boost production to 100 million tons by 2020. It is exploring for shale oil, producing in Arctic and testing advanced technologies to increase output at mature fields.

Gazprom Neft and its chief executive, Alexander Dyukov, are not included on a western sanction list following Russia's annexation of Crimea in March. Dyukov said in April that the company might cut reliance on dollars in its contracts if needed.

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