The Russian oil and gas
for Europe
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THE RUSSIAN ENERGY EXPANSION IN EUROPE

Agata Łoskot-Strachota

Introduction

The present report deals with Russia’s expansion in the oil and gas sphere. Part I aims to identify those who manage the Russian oil and gas sectors and define Russia’s energy strategy. It also shows how Russia’s strategy concerning the export of energy resources is implemented. Part I further describes the formal and actual control mechanisms in the oil and gas sectors, the structure of Russia’s energy resource sales and the role of intermediaries in the trade in energy resources. Part II deals with natural gas, describing Gazprom’s current export potential and its investment policy. Part III analogously discusses Russian oil exports and the investments of Russian oil companies. Finally, Part IV is devoted to the expansion plans of Russian oil and gas companies. It also discusses the possible consequences of Russia’s energy policy for Europe.
PART I. THE RUSSIAN OIL AND GAS SECTORS

1. Management structure of the Russian energy sector

The formal management structure of the Russian oil and gas sectors is very complex and includes the Presidential Administration (PA), more than 20 ministries and government agencies (of which the most important ones include the Ministry of Industry and Energy, the Natural Resources Ministry, the Ministry of Economic Development and Trade and the customs and tax services of the Ministry of Finance), as well as monopolies dealing with the transport of energy resources (Transneft and Gazprom), and other entities. However, the sectors’ real management structure is simpler and differs from the formal one. The Presidential Administration and the group of people from the president’s inner circle constitute the most important decision making centre as far as oil and gas issues are concerned. They also define Russia’s energy strategy and have a decisive say in its implementation. The Russian diplomatic circles and secret services also play a role in implementing the country’s energy strategy.

In the president’s inner circle, Igor Sechin (deputy chief of the Presidential Administration and chairman of the Rosneft board of directors) and Dmitry Medvedev (until recently, head of the PA, presently deputy prime minister of the Russian Federation and chairman of Gazprom’s board of directors) are believed to have the greatest influence on the oil and gas issues. The two men are also at the centre of the two principal interest groups, i.e. the Gazprom group and the Rosneft group. Even though both these groups implement the state’s energy strategy, they differ on some points. The most important discrepancies concern the ownership of state energy assets. The Gazprom group would like the state-owned oil company Rosneft to be incorporated into Gazprom to create a single state-owned oil and gas megaholding (Gazpromneft). The group associated with Rosneft, on the other hand, aims to preserve its independence and to absorb the Yukos legacy oil assets. Controversies occasioned by particular interests of different persons or groups of people in the president’s inner circle have an adverse effect on the effectiveness of the energy strategy implementation and the oil and gas sectors in general. In individual cases, private interests may clash with the state’s interest.

2. The structure of Russian energy resource exports

The export of Russian energy resources is, in practice, totally controlled by the state and state-owned energy companies.

Gas is exported exclusively by Gazprom, the Russian gas monopoly (see Diagram 1). Gazprom sells Russian gas abroad in three principal ways:
- directly;
- via its subsidiaries and joint-ventures with local businesses (such as Germany’s ZMB or Wintershall Erdgas Handelshaus registered in Switzerland);
- via trading companies with no formal ownership links to Gazprom, registered in tax heavens (ITERA and EuralTransGas in the past, RosUkrEnergo at present).

In the markets of buyer states, Russian gas is usually sold by companies with direct links to Gazprom, such as joint-ventures in which the Russian monopoly holds stakes (Gas Trading used
to be an example of such a company in Poland; SlovRusGaz is a company of this kind in Slovakia and FRAgaz - in France). Alternatively, gas may also be sold by companies indirectly associated with the Russian monopoly, such as Vemex in the Czech Republic, a company owned by several companies with capital or personal links to Gazprom, or Hungary's Emfesz which is connected with RosUkrEnergo (see Diagram 1).

**Diagram 1. Structure of Russian gas sales**

![Diagram 1](image_url)

The Russian oil sector differs from the gas sector in that it comprises a number of large oil-producing companies, both private (such as Russia's largest oil concern, LUKoil) and state-owned (the most important state-owned oil producer in Russia is Rosneft, the company that took over most of the Yukos assets) (see Diagram 2). The new, private-owned dynamic oil companies established in recent years are also beginning to play an important role in the Russian oil sector – Russneft and the North West Oil Group, both probably having close links to the Russian power elite, are two examples. Consequently, oil production in Russia is privatized and decentralized to a large extent. However, Moscow controls oil export through Transneft, a state-run monopoly. It is Transneft that decides on the oil companies’ access to different export directions and the amounts of oil sent in those directions. In order to increase their oil sales, Russian companies therefore increasingly use rail transport, which remains independent of Transneft and is particularly important in terms of the export of Russian petroleum products (for more information, see Part III, section 2, p. 19). Abroad, trade in Russian oil is handled by trading companies. Some Russian companies have their own intermediaries (e.g. Litasco is the trader for LUKoil) while others use multiple companies.
Diagram 2. Structure of the Russian oil sector and oil sales

**PRODUCTION:**
**OIL COMPANIES**

**PRIVATE COMPANIES**
- LUKOIL
- TNK-BP
- TATNEFT
- BASZNEFT
- SURGUTNEFTEGAZ

**STATE-OWNED COMPANIES**
- ROSNEFT (Yukos assets)
- GAZPROM (SIBNEFT)

**TRANSPORT (state-owned transport enterprise)**
**TRANSNEFT**

**EXPORT TRADING COMPANIES**
- LITASCO (Lukoil)
- ROSNEFTEIMPEX (Rosneft)
- ZAO TATNEFT-EUROPA (Tatneft)
- SUNIMEX
- KINEX
- J&S
- ...
3. Intermediaries trading Russian energy resources

Intermediaries (trading companies) play a significant role in the trade in Russian oil and gas, which, however, is quite dubious from the point of view of the state’s interest and the economic interests of individual energy companies.

The Russian trading companies registered in tax heavens usually have covert and untransparent ownership structures (as an example, see the ownership structure of RosUkrEnergo, Diagrams 3 and 4) which in addition change rapidly. In order to conceal the real ownership structure and the principal beneficiaries of the activities of some of the traders, companies are frequently renamed and re-incorporated, their business links restructured and complex networks of daughter companies, subsidiaries, etc. built. Kinex is a model example of this kind of activity. It deals in oil and petroleum products and operates through a whole system of single-member foreign companies. The network of Kinex’ business contacts is extensive and, due to the incessant transformations of the partner companies, it changes rapidly. The most important businesses with and through which Kinex conducts its operations now are presented in Diagram 5.

As the Russian state keeps a monopoly on the transport of oil and gas, the operations of intermediaries, which are usually private-owned, largely depend on the Russian authorities. Moreover, the people behind individual trading companies often have personal links to the power elite as well as the secret services and/or domestic and foreign criminal groups. For example, RosUkrEnergo (RUE), the intermediary selling gas to Ukraine, has been accused in several journalistic investigations of indirect links to the criminal world (including Semion Mogilevich, wanted by the FBI), Russian politicians (Konstantin Chuychenko and Oleg Palchikov, executive directors of RUE, are suspected of having such links) and Ukrainian politicians (e.g. the widely publicized case concerning president Yushchenko’s brother’s affiliation to RUE). The Petersburg-based Kinex is also suspected of having close ties to the Russian power elite: according to Russian journalists, its founder and owner Gennady Timchenko is a close acquaintance of Igor Sechin, deputy chief of the Presidential Administration, and of president Putin himself.

The function of intermediaries in Russia’s energy policy is unclear. On the one hand, they frequently appear to be a superfluous link in energy resource exports: Gazprom and all of the oil companies have their own marketing departments to deal with direct trade in oil and gas. Relying on external companies for the organization, supervision and logistics of the export transactions is therefore commercially unjustified. Furthermore, the activities of intermediaries are not always beneficial from the point of view of the Russian state’s economic interests. The best example of this is the take-over of gas trade with Ukraine by RosUkrEnergo (following the crisis in early 2006), which created losses both for Gazprom and, indirectly, for the Russian budget. On the other hand, however, the existence of trading companies brings measurable gains to the private individuals closely affiliated to the Kremlin, who are the real beneficiaries of the intermediary business. Thus it contributes to building the Russian power elite’s wealth.

In addition, intermediaries generate important non-commercial benefits for the Russian state, in particular by helping to implement the strategic objectives of Russia’s energy policy. Intermediaries consolidate the position of Russian resources and investments in European markets. They do so in various ways, including through the formation of networks of formal as well as informal ties with the buyers, and because they are able to bypass the existing barriers to investment created by anti-monopoly laws and competition requirements. A good example of this is the business of Em-
fesz in the Hungarian gas market. Emfesz has links to RosUkrEnergo (and indirectly to Gazprom) and entered the Hungarian market when it was liberalized in 2004 to become Hungary’s second largest gas supplier after Gazprom (with a 20% market share). Thus, by establishing a de facto artificial competitor, Russia preserved its dominant position in the Hungarian gas market.


Diagram 4. Intermediaries trading Russian gas – RosUkrEnergo ownership structure (based on reports in Russian and Ukrainian media, March 2006)

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Dresdner Bank is currently buying a 33% stake in Gazprombank from Gazprom
Diagram 5. Intermediaries trading Russian oil
Network of companies with direct or indirect links to KINEX

The business of Gennady Timchenko and his partners

British Virgin Islands: Gunvor International Ltd

Ireland: International Management Group Ltd

Finland: Kaakon Holding
Kaakon Kiijetussunnitelu
International Petroleum Products
Urals - Finland

Sweden: Interpera Holding AB
International Petroleum Products

Estonia: T. AO Silamae Sadam (port)
Link Oil SPb (affiliate)
Trans Oil (affiliate)
Spagecom

St. Petersburg: Kinex-Holding
Kinex-Project-Services
Kinex-SPb

Link Oil
Trans Oil
Surgutex
Bank Rossia SA

Moscow: Sewerstal - Trans
Urals - Moscow

Lichtenstein: Micas Industries

Switzerland: Legend Services SA
JPP Services SA
International Petroleum Products
Urals - Geneva

Legend:
Directions of Gennady Timchenko’s and his partners business expansion

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PART II. NATURAL GAS

1. Production and export of Russian gas

The volume of natural gas production in Russia has remained relatively constant over the last decade, with a small increase reported only in the last three years (see Chart 1). Since the currently operated deposits are largely becoming depleted and there are no major investments in new fields, gas production will probably remain at the same level or decrease in the coming years.

Gas exports have likewise remained stable at approx. 180 bcm a year for the last several years (see Chart 1). Member States of the European Union are the most important consumers of Russian gas, buying approx. 60 percent of all gas exported from Russia, and the EU-15 accounts for approx. 70% of this volume. The two other important groups of buyers are the CIS countries (buying more than 27% of total exports) and the EU candidate countries in Southern Europe (13.5%) (see Chart 2). The largest buyer of Russian gas is Germany, followed by Ukraine and Italy. At present Russia exports gas neither to Eastern Asian countries nor to the United States. Due to existing infrastructure shortages (all main export pipelines run to Europe and there is no infrastructure for the transmission of liquefied gas (see Map 1)), a major portion of Russian gas will continue to be sold mainly to European countries in the coming years.

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2 2004 figures; source: Natural Gas Information 2005, IEA.
The main gas pipelines crossing Ukraine constitute the most important route for Russian gas exports, transmitting over 80% of all Russian gas sent beyond the CIS\(^3\) (see Chart 3). The export route splits in Ukrainian territory to form the western branch transmitting Russian gas via Slovakia to the EU, and the southern branch supplying the Balkan countries and Turkey (see Map 1). There are also two other gas export routes of lesser importance: Russia sends approx. 15% of its gas exports to Europe via the Yamal Europe pipeline, while the Blue Stream connecting Russia directly with Turkey accounts for just 3.2% of Russian gas exports\(^4\) (see Chart 3).


\(^{4}\) This refers to the export of gas beyond the CIS; 2005 figures; source: Prime-Tass and BOTAS of Turkey.
Gas supplied by Gazprom accounts for approx. 23% of gas consumption in the European Union. European states show varying degrees of dependence on the import of gas from Russia (see Map 2). Countries of Central, Eastern and Southern Europe remain heavily dependent on gas imports from Russia and some of them, e.g. the Baltic States, rely on Russia for even 100% of their gas. Western European countries have much more diversified sources of gas supply, for example, Germany, the greatest gas importer in the EU, buys its gas also from Norway (approx. 30%) and from other EU Member States, while may other EU countries (e.g. Spain or the Netherlands) buy negligible amounts or do not buy at all from Russia (see Map 2).

Map 1. Russian gas: Export routes

Source: Natural Gas Information 2005, IEA.
Map 2. Gas imports to Europe: Shares of different gas suppliers

* For Central and Eastern Europe - Central Asian gas transported via Gazprom pipelines
2. Gazprom's foreign investments

Gazprom is Russia's largest foreign investor. Its investments are mostly located in Europe, especially in the CIS and in countries of the former communist bloc, but increasingly also in Western Europe (see Map 3). Gazprom invests mainly in gas transport and export, but also, on a growing scale, in the gas distribution and retail sector:

– gas trade - Gazprom invests directly or indirectly (via daughter companies and joint ventures) in businesses selling Russian gas in all Central and Eastern European countries, the Baltic States, the Balkans and in the EU (Germany, France, Austria, the Netherlands, Finland);

– gas transport and transit - especially in the important transit countries; although gas pipelines in Central Europe and the Balkans are operated by companies in which Gazprom holds minority stakes (or 50% stakes at the maximum), the Russian monopoly has a decisive say in those companies owing to certain provisions in their articles of incorporation or the “willing” attitude of local lobbies whose representatives sit on the companies' management boards;

– gas distribution in local markets - Gazprom is making efforts to expand its presence in local markets. In connection with the liberalization of gas markets in the EU and the gradual opening to competition, Gazprom has recently been increasingly interested to invest in this sector, especially in Western Europe (Germany, Italy, Great Britain);

– gas storage.

The Russian gas monopoly also invests in the production of gas extraction and transmission equipment, processing, marketing and the technical services for gas undertakings, as well as the banking sector (see Map 3).
Gazprom is also present in other continents, especially in the upstream segment (exploration and extraction) in Central Asia, India, Iran and other countries.
Map 3. Gazprom investments in Europe (as at 1 July 2006)
PART III. OIL

1. Production and export of Russian oil

Oil production in Russia has been growing systematically in recent years to exceed 470 million tons in 2005 (see Chart 4). Similarly, oil exports have gone up (exceeding 180 million tons in 2005)\(^1\), a trend to which the growing oil prices in world markets are contributing.

More than 70% of Russian oil is sold to the European Union, and more than half of this amount to the “old” Member States (see Chart 5). The remaining groups of buyers include the CIS countries (16%) and the EU candidate countries (6.3%). China and the USA remain a relatively small market for Russian oil, together accounting for slightly over 8% of Russia’s total oil exports\(^2\) (see Chart 5). Infrastructure shortages are the primary reason for this: there is no pipeline connecting Russia with China nor adequate terminals via which oil could be sent to the United States by sea (see Map 4 on p. 17). There are three major routes for the transport of Russian oil, each accounting for roughly one third of total exports. The largest portion (more than 38%) is sent via the land route, i.e. the system of Druzhba pipelines to the West. Baltic Sea terminals (including Russia’s Primorsk and terminals in the Baltic States) account for approx. 33% of Russia’s oil exports, while 28.5% is sent via the Black Sea (Russia’s Novorossiysk and Tuapse and Ukraine’s Odessa)\(^3\) (see Map 4 and Chart 6). In addition, the amount of oil sent by rail increases each year.

\(^1\) Source: Rosstat, Russian Statistical Yearbook 2002-2005.
\(^2\) 2004 figures; source: Oil Information 2005, IEA.
Russian companies supply 27% of oil consumed in the European Union. As in the case of natural gas, different countries show very different degrees of reliance on oil imports from Russia. Central and Eastern European states and the Balkan countries are highly dependent on Russian oil (Lithuania, Belarus, Ukraine and Slovakia rely on Russia for 100% of their oil consumption), while the remaining European countries buy fractions of their total oil imports from Russia (see Map 5). At the same time, Western European countries, i.e. Germany and Italy, are the largest buyers of Russian oil.

Chart 5. Major consumers of Russian oil

Chart 6. Russian oil: Major export routes to Europe

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* Source: Oil Information 2005, IEA.
Map 4. Russian oil export routes

Diagram 7. Production and export of Russian petroleum products

Source: Rosstat
Map 5. Oil imports to Europe: The share of Russian suppliers

Oil exporters:

- Russia
- Others

Source: Oil Information 2005, IEA (estimates)
2. Production and export of Russian petroleum products

As crude oil production continued to grow in Russia and oil prices in the world markets remained high, the production and export of petroleum products also increased, amounting to approx. 470 million tons and 100 million tons, respectively, in 2005\(^5\) (see Chart 7 on p. 17). Unlike in the case of crude oil and gas exports, Russian petroleum products are, for the most part, sold beyond the control of state transport monopolies. The state-owned Transnefteprodukt was responsible for only approx. 20\% of total petroleum products exports in 2005, while the remaining 80\% was sent by private companies by rail to the sea terminals in Russia and neighbouring countries. The greatest portion of petroleum products exports in 2005 (more than 22\%)\(^6\) was sent via the terminal in Tallinn, Estonia (see Map 6a).

Map 6a. Export of Russian petroleum products

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3. Foreign investments of Russian oil companies

Oil companies are Russia’s top foreign investors after Gazprom. For several years, LUKoil has remained the top foreign investor among oil companies, recently followed by the state-run Rosneft (once Yukos has been eliminated). The new Russian oil companies such as Russneft and the North West Oil Group are also active in foreign markets (see Map 7).

Russian oil companies invest mostly in the CIS and in Central and Eastern Europe. The few non-European investments of LUKoil and Rosneft (Central Asia, Iran, Egypt, Algeria and others) chiefly target the upstream segment of field exploration and oil extraction (see Map 7).

The investments of Russian oil companies in the European oil and petrochemical sectors focus on oil transport and trade (including retail) as well as oil processing:

- pipeline systems - transport and transit of crude oil and petroleum products;
- petroleum terminals (Burgas – LUKoil; attempted share take-overs in Odessa, Gdansk and Ventspils);
- processing - petrochemical plants, refineries and the industry (Bulgaria, Romania, Ukraine – LUKoil). Owning refineries beyond Russia is an important element in the Russian producers’ strategy to reduce the tax burden related to crude oil exports;
- filling stations (e.g. LUKoil investments in the Balkans);
- oil and fuels storage depots.

See Map 7 for details.
Map 7. Russian oil investments (as at 1 July 2006)

LEGEND:

- Field development and extraction
- Transport
- Refineries
- Petrochemical industry
- Gas stations and petroleum products trade

INVESTORS:
- LUKoil
- Rosneft
- TNK-BP
- Gazprom
- others
PART IV. PLANNED ENERGY EXPANSION

1. Gazprom’s expansion plans

The Russian gas monopoly is planning to strengthen and consolidate its position as the most important gas supplier in the European market and a major investor in the sector (in particular, to consolidate its dominant position in Central and Eastern European countries and to expand its presence in Western Europe). At the same time it is also trying to diversify its markets. To achieve these objectives, Gazprom is taking measures to:

– create new export routes to increase the volume of gas exports and reach new markets (the North European Gas Pipeline project, the southern gas pipeline project, building up market share in Western European countries, the gas pipeline to China project (see Map 8));
– enter the world liquefied gas market by developing LNG technology in Russia and building terminals to enable exports of liquefied gas (the Murmansk and Primorsk LNG terminal projects (see Map 8));
– reduce its dependence on the current transit countries by diversifying gas export routes (the Chinese gas pipeline project, export of liquefied gas to the USA and Canada (see map 8));
– step up control of existing gas transit routes (take-over plans concerning companies dealing with gas transit in Ukraine and Belarus (see Map 8));
– restrict access of gas from competing sources (the Caspian region or the Middle East) to markets in which Russian gas is sold;
– develop gas storage capacity in Europe in order to ensure continuity of supplies and reduce dependence on Ukraine (projects to build gas depots in Hungary, Turkey and Serbia (see Map 8));
– enter the lucrative Western European gas distribution markets (including Germany, Italy, UK (see Map 8));
– develop co-operation and implement joint extraction and gas pipeline projects with gas-producing countries including Iran, Libya, Algeria and Latin American countries.

2. Investment plans of the Russian oil companies

Russian oil companies aim to extend their export capacity and take over strategically important installations in the oil and petrochemical sectors in Central and Eastern Europe. They also seek to expand their presence as investors in Western Europe. To these ends, they are taking measures to:

– extend the existing pipelines or adapt them to their needs (e.g. there are plans to reverse the Adria pipeline and take over control of the KTK, as well as plans to increase the capacity of the terminals in Novorossiysk and Primorsk (see Map 9)) and to build new pipelines and petroleum terminals (the projected route to Murmansk, connectors bypassing the Turkish straits, and the route to China (see Map 9));
– take over control of strategically important transmission infrastructures (including the Ventspils terminal or Slovakia’s Transpetrol (see Map 9));
– increase their processing capacity by investing in the petrochemical industry in Europe (i.a. the projected investments in Germany, Italy and Switzerland (see Map 9));
– expand their presence in the European petroleum products market (see Map 9).
Map 8. Gazprom’s expansion plans in Central and Eastern Europe
3. Western energy companies and the investment expansion of Russian businesses

Partnership between Russian businesses and Western energy companies frequently facilitates the implementation of Russian investment projects in the oil and gas sectors of European countries. Most Western companies have trade links to Russia as they buy Russian energy resources. In the case of some companies, the link consists in joint investments, while in the case of others, Western businesses are strategic partners of Russian companies (e.g. E.ON Ruhrgas and Wintershall of Germany) (see Table 1). This co-operation is particularly fruitful when Gazprom and its Western European partners jointly carry out projects in the gas sectors of Central and Eastern European countries.
countries. It is in the shared interest of the Western companies and the Russian monopoly to secure control of gas transit routes and ensure stable supplies of gas from Russia. Gazprom and its Western partners jointly participate in privatisation tenders in Central and Eastern Europe: together with Germany’s E.ON Ruhrgas Gazprom controls gas enterprises in the Baltic States (together they hold 81.5% of shares in Lithuania’s Lietuvos Dujos, 69% of shares in Latvia’s Latvijas Gaze and more than 70% of shares in Estonia’s Eesti Gaas), while jointly with BASF/Wintershall Gazprom is planning to build the North European pipeline. Western companies are sometimes even ready to provide credit to their Eastern partner, as in the case of SPP, the company managing Slovakia’s gas pipeline network, where the tender for a 49% stake was won by the consortium of E.ON and Gaz de France in which Gazprom had a guaranteed share (in 2005, the Russian monopoly decided not to realize its stock option).

At the same time, the assets of Western companies in third countries, and again mostly in Central Europe, can be an important bargaining tool in negotiations with the Russian monopoly, e.g. E.ON was willing to swap its majority stake in the gas section of Hungary’s MOL for shares in the Yuzhno-Russkoye field.

### Table 1. Links between European energy companies and Gazprom

<table>
<thead>
<tr>
<th>Company</th>
<th>Strongest links – strategic partnership</th>
<th>Investment links</th>
<th>Trade links</th>
<th>% of gas imported from Russia (2004)</th>
</tr>
</thead>
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<td>E.ON</td>
<td>++</td>
<td>+</td>
<td>+</td>
<td>31</td>
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<td>Gasunie</td>
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<td>MOL</td>
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</table>
4. Conclusions

1. The oil and gas sectors in Russia have different ownership structures. The oil sector is largely privatised, while the gas sector remains a monopoly, with the state-run Gazprom playing a key role.

2. The state controls the volume and directions of Russian energy resource exports (however, the export of petroleum products is controlled to a much smaller extent). This control enables the Kremlin to use energy exports to its own economic and political ends.

3. Intermediaries dealing in Russian oil and gas are a specific element of Russia's export activity. They have several roles:
   - to enable the current ruling elite to gain private revenues;
   - to provide the state with a way of controlling energy resource exports from Russia;
   - to help consolidate the position of Russian energy resources in the markets of some European states.

4. The principal objective of the Russian energy strategy is to preserve or even strengthen Russia's position as the most important supplier of gas and oil to Europe. In order to achieve this objective, Russia has taken some measures in recent years, of which the most important ones include:
   - efforts to implement new export pipeline projects in order to diversify the routes via which Russian resources are supplied to the current buyers, and to enter new markets (e.g. the North European Gas Pipeline or the Burgas-Alexandroupolis pipeline);
   - stepping up control of the transit routes for Russian energy resources via third countries (including efforts to take over control of the Ukrainian main gas pipelines, Beltransgaz of Belarus or the Latvian petroleum terminal of Ventspils);
   - stronger presence in the downstream segment (retail and distribution) of the EU's oil and gas market (including plans to take over a block of shares in Centrica of the United Kingdom);
   - conclusion of formal and informal strategic alliances with European energy companies (including E.ON Ruhrgas and MOL).