
Russia has no plans to sell stake in Transneft - Report

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RIA Novosti quoted a source close to the company said Russia pipeline monopoly Transneft is excluded from the Ministry of Finance 2011 to 2013 privatization list.

The source said "The initial list consisted of 10 companies, including Transneft which was later removed. A closed meeting of the Ministry for Economic Development took place last Wednesday to discuss a Finance Ministry suggestion to sell the government's stakes in state companies. Transneft was not on the list then."

Transneft declined to comment on the situation, although it earlier said an additional share issue in favor of the government was aimed at backing the construction of the Zapolyarye-Purpe oil pipeline. Several private investors suggested the company should place its shares on the open market, but Transneft refused.

Transneft controlling stake of 78% which corresponds to a 100% of the company voting stock belongs to the government. Its preferred shares are traded.

The Finance Ministry said privatization would bring RUB 298 billion to the state coffers in 2011, RUB 276.1 billion in 2012 and RUB 309.4 billion in 2013. The ministry has suggested selling 27.1% in Tatneft Oil Company, in which the government owns 78.1% and 24.16% in Rosneft oil company in which the government holding equals 75.16%.

The ministry also suggested selling 25% minus one share in Russian Railways which currently fully belongs to the government and 9.3% in the country top lender Sberbank in which the state owns 60.3%.

Under the plan the government could sell 24.5% in VTB bank where it holds 85.5% stake and 28.11% in FSK UES electricity grid where its stake equals 79.11%.

(Sourced from RIA Novosti)

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