

Borissov Says Bulgaria Won't Allow Oil Link

By The Moscow Times

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SOFIA, Bulgaria — Bulgaria will abandon a planned pipeline to pump Russian crude through its territory to the Greek coast, Prime Minister Boyko Borissov told the newspaper 24 Chasa in an interview published Monday.

Borissov met with Prime Minister Vladimir Putin in Sofia on Saturday. Environmental concerns were behind the decision, he said in the interview.

Bulgaria has said it will await the final decision of the environment ministry on the pipeline and would not pull out of the project earlier to avoid paying compensation to Greece and Russia.

"After the environment assessment is ready, it will be decided whether this project will be carried out or not," a government spokeswoman said Monday.

Borissov has repeatedly said Bulgaria would most likely abandon the planned 300-kilometer pipeline from the Black Sea port of Burgas to Alexandroupolis on the Aegean Sea and has said the project was not economically viable.

The European Union's poorest member would have received transit fees from the link. Last week, Sofia rejected the environmental impact assessment of the project, saying it did not give details how a possible oil spill would affect fishing and tourism and did not guarantee that such spills would not cause irreversible damage to the nature and the bay.

Putin said he accepted Bulgarian concerns and that Moscow would seek other routes to transfer its crude bypassing the congested Bosporus.

"We know and hear your point of view; there is nothing to be afraid about; we will carry out such projects with other partners, but in this region, in this same region," Putin said in the bilateral talks, according to a transcript published on the government web site.

In 2007, Bulgaria agreed with Russia and Greece to build the pipeline, but the new center-right cabinet put the project under review.

The three countries set up the joint venture company Trans-Balkan Pipeline, in which Moscow holds 51 percent and Sofia and Athens have 24.5 percent each.

The Russian stake is held by oil pipeline monopoly Transneft, its largest crude producer Rosneft, and Gazprom Neft, an oil arm of Gazprom.

The previous cabinet stressed that the oil link, estimated to cost more than 1 billion euros (\$1.4 billion) and pump up to 50 million metric tons of crude a year, was of strategic importance and would bring Bulgaria closer to becoming a major energy hub.

The residents of Burgas and nearby Black Sea resort towns have held a series of protests opposing the project, which they fear may cause serious environmental damage to the coast and scare away holiday makers, their main livelihood.

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