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Oil Export Duty Seen Topping Pre-Crisis Levels

By The Moscow Times

April 17, 2011

The export duty on most crude shipments may increase 7.1 percent on May 1 to the highest level since the 2008 financial crisis.

The standard tax rate will probably rise to $453.70 a ton ($61.90 a barrel) from $423.70 a ton in April, based on Finance Ministry data. The discounted rate on oil pumped via the East Siberia-Pacific Ocean pipeline to Asia and from the Caspian Sea may climb to $211.70 a ton from $191.

Brent and Urals, Russia's benchmark export blend, have traded above $100 a barrel during the past month, the highest since 2008, as unrest in northern Africa and the Middle East disrupted some oil flows. Russia taxed oil exports at $495.90 a ton in August and September 2008.

Russia sets its export duties based on the average Urals price from the 15th day of one month

to the 14th day of the next. Urals averaged $114.47 during the most recent monitoring period, Finance Ministry adviser Alexander Sakovich said Friday.

Rosneft's Vankor field will lose discounts and have to pay full taxes under a Finance Ministry draft on the May duties. Prime Minister Vladimir Putin must sign off on the draft for the duties to come into effect.

The export tax on light oil products may be increased to $304 a ton from $283.90 a ton. The duty on heavy products may rise to $211.80 a ton from $197.90 a ton.

The rate for liquefied petroleum gases including propane and butane may increase to $130.20 a ton from $91 a ton in April.

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