

LUKoil Investigated in Bulgaria

By [The Moscow Times](#)

August 03, 2011

The  Moscow Times

SOFIA — Bulgaria's anti-monopoly commission has begun an investigation into the local trading arm of LUKoil over suspected abuse of a dominant market position and possible cartel agreements.

In a separate letter on Wednesday, Economy and Energy Minister Traicho Traikov asked the watchdog to probe the LUKoil Neftochim refinery and LUKoil Aviation over possible abuse of a dominant position on the jet fuel market.

The moves come after the customs office stripped the LUKoil Bulgarian refinery of a key license in a tax dispute that could escalate further, with authorities seeking court rulings over the spat.

The Commission for the Protection of Competition said it had monitored Bulgaria's fuel market and recorded similar movements in wholesale fuel prices that could be due to cartel agreements.

LUKoil Bulgaria was not immediately available for comment.

"Our company thinks that its subsidiary doesn't violate the anti-monopoly law of Bulgaria," a representative at LUKoil's head office said.

Contract relations between LUKoil Bulgaria and its partners, wholesale traders, were studied. The commission found that some contract conditions and trading practices could shut newcomers out of the market, it said in a statement.

LUKoil Bulgaria sells the gasoline and diesel fuels produced by LUKoil Neftochim Burgas refinery. Its wholesale market share is estimated at about 70 percent. It also has a 26 percent market share in retail, with 200 filling stations.

A commission spokeswoman said the investigation would probably take months.

Bulgaria released 1,800 tons of jet fuel last Saturday from its state reserves to help its Black Sea airports, after the temporary shutdown of the Neftochim refinery left them struggling.

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