

Bulgaria Backs Out of Russian, Greek Oil Line

By [The Moscow Times](#)

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Bulgaria backed out of a 2007 agreement with Russia and Greece to build an oil pipeline bypassing Turkey's crowded Bosphorus and Dardanelles straits after saying it won't work.

Bulgaria will propose to dissolve the trilateral agreement or withdraw unilaterally in 12 months, Energy and Economy Minister Traicho Traikov told reporters in Sofia on Wednesday. The proposed 285-kilometer pipeline from the Bulgarian Black Sea port of Burgas to the Greek port of Alexandroupolis on the Aegean was initially estimated to cost 1 billion euros (\$1.3 billion).

"Analyses show that the pipeline cannot be implemented under the conditions agreed on in 2007," Finance Minister Simeon Dyankov said at the same briefing. "Bulgaria won't face sanctions."

The planned link with a capacity of 35 million tons of oil a year was intended to bypass

the straits linking the Black Sea with the Mediterranean, saving shipping costs. The project is competing with another plan agreed by Russia, Italy and Turkey in 2009 to carry oil from the Turkish Black Sea port of Samsun to Ceyhan on the Mediterranean.

Bulgaria will pay about 12 million lev (\$8.2 million) owed to the pipeline joint venture in which Russia holds 51 percent and Bulgaria and Greece have 24.5 percent each, Dyankov said.

The government of Prime Minister Boiko Borisov stalled the project when it came to power in 2009 because of concern that an oil spill would harm the country's Black Sea resorts and ordered an environmental impact assessment study before making a final decision.

The proposed pipeline route violates a European Union wildlife conservation directive known as Natura 2000 because it passes through protected areas, which allows Bulgaria to withdraw from the project without paying penalties, Borisov said in 2009.

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