

Dudley Decreed to Join Rosneft Board

By [The Moscow Times](#)

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BP CEO Bob Dudley was offered a seat on the board of directors of Rosneft, in which BP is soon to raise its stake, a decree signed by Prime Minister Dmitry Medvedev on Friday states.

State-owned Rosneft is buying TNK-BP for \$55 billion from its 50-50 owners, BP and the private consortium AAR, in two separate deals.

BP will reinvest some of the cash proceeds of the deal to buy Rosneft shares from Russia, coming out with a stake of nearly 20 percent.

According to the terms of the agreement with Rosneft, BP would get two seats on the board once the deal is closed, which is expected to happen in the first half of the year.

Igor Sechin, the head of Rosneft and a long-standing ally of Russian President Vladimir Putin, said in January that he would welcome Dudley on the company's board.

For Dudley, it would mark a return to the Russian corporate world. He left the country in 2008

amid a corporate dispute with AAR at TNK-BP, which he once headed.

Dudley has steered BP through its most dramatic period. The company was marred by the Gulf of Mexico oil spill in 2010.

Rosneft is set to become the world's largest-listed crude producer after the TNK-BP deal.

As a Rosneft board member, the U.S.-born Dudley will have to work closely with Matthias Warnig, a former East German secret agent who became an investment banker and has known Putin since the 1990s.

Warnig was offered the option of retaining his nonexecutive seat on Rosneft's board, according to the decree, which was published on the government website.

Dudley and Sechin are already working together on an ad hoc committee that oversees Rosneft's takeover of TNK-BP, Russia's third-largest oil producer.

Both have been familiar with each other since Dudley's days at TNK-BP, and they have been closely cooperating since 2011, when BP missed out on a deal with Rosneft to venture into the Russian Arctic as a result of its feud with the AAR tycoons.

Back then, Sechin was Rosneft chairman and oversaw the energy sector as deputy prime minister.

Medvedev also nominated John Mack to join Rosneft's board. A former CEO and former chairman of the board of Morgan Stanley, Mack is now a senior adviser at KKR & Co.

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