

With \$3Bln, Rosneft Gets Total Ownership of Itera

By [The Moscow Times](#)

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Oil giant Rosneft said Tuesday that it had bought the remaining 49 percent of gas company Itera for \$2.9 billion from its founder, furthering its aim of becoming Russia's largest independent gas producer. ☒

CEO Igor Sechin wants to make Rosneft a global energy player and is aiming for output of 100 billion cubic meters of gas a year by 2020, up from about 13 billion cubic meters last year, versus dominant gas producer Gazprom's 479 billion cubic meters. ☒

With Russia's No. 2 gas producer, Novatek, it is lobbying for access to export liquefied natural gas, a right held only by Gazprom. Rosneft and Novatek are planning new LNG facilities in Asia and Siberia respectively. ☒

Itera is Rosneft's second big acquisition, after its \$55-billion takeover of TNK-BP, once Russia's No. 3 oil producer. ☒

Founder Igor Makarov built Itera up to be a top gas supplier to the former Soviet Union republics in the 1990s thanks to its good ties with his native Turkmenistan and his friendship with former Gazprom executive Rem Vyakhirev.✖

After a management shake-up at Gazprom in the early 2000s, Itera's business started to shrink, especially after Gazprom secured the monopoly on Russian gas exports in 2006.✖

Russia, the world's No. 1 crude producer, has lost its pole position in gas production to the United States in the last few years.

Moscow is trying to keep its global influence by building new LNG facilities and promoting the 13-member Gas Exporting Countries Forum.

Meanwhile, Rosneft led the Russian oil industry to another post-Soviet output record in June as it continued ramping up production at eastern fields key to its China ambitions, Energy Ministry data showed Tuesday.

The main field driving output growth, Vankor, is the single largest field supplying China and surrounding fields are due to be tapped in coming years to ensure the output gains necessary for Rosneft's promise to triple Chinese deliveries to nearly 1 million barrels per day in the future.

However, Rosneft's drive to boost the eastward route has been hampered by output decreases at TNK-BP, acquired in March for nearly \$55 billion, which has been struggling to stem long-lasting production decline at old fields in West Siberia.

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