

# Cabinet Wants Novorossiysk Port Stake Sold on Open Market

By [The Moscow Times](#)

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The Cabinet is opposed to the idea put forth by Rosneft's President Igor Sechin that his firm buy the state's stake in the port of Novorossiysk, high-ranking officials familiar a report on the facility's privatization said Monday.

The report is to be submitted to President Vladimir Putin this week, and its authors believe that the port should be privatized through selling the government's stake on the open market or to a strategic investor — with priority given to the first option, Vedomosti reported.

A spokesman for Deputy Prime Minister Igor Shuvalov declined to comment.

In early October Sechin proposed in a letter to Putin to privatize the 20 percent stake of the Novorossiysk port owned by the state through a targeted sale to Rosneft.

The president authorized Shuvalov to "consider and report" on the matter, which, according

to a Kremlin insider, means he did not make a decision and is leaving up to the Cabinet to set a policy.

Owning the Novorossiysk port would give Rosneft a foothold on the mainland to execute oil exploration projects on the Black Sea shelf in cooperation with the U.S.'s ExxonMobil. Rosneft's spokesman was not available for comment.

Meanwhile, Economic Development Minister Alexei Ulyukayev said he was in favor of the idea to privatize the port "through a market deal."

The sale of 20 percent of the port of Novorossiysk, which was worth \$380 million at the London Stock Exchange Friday, is set to take place before year's end.

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