

Russia to Ramp Up Oil Exports From Pacific Kozmino Port

By [The Moscow Times](#)

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Russia's Pacific port of Kozmino plans to export 24.6 million tons of oil this year (494,000 barrels per day, or bpd), up from 21.3 million tons last year, Deputy Energy Minister Kirill Molodtsov said Tuesday.

Russia is ramping up exports eastwards as it tries to reduce reliance on its main market, Europe, because of the threat of expanded European Union sanctions against Russia over the crisis in Ukraine.

In January, the port operator said exports this year were expected to total 22-23 million tons. Molodtsov did not say whether exports to Europe would fall as a result of the planned increase.

Igor Dyomin, a spokesman for oil pipeline monopoly Transneft, confirmed the new figure. He said that of the total 24.6 million tons to be shipped, 1.2 million would be delivered to the port

by railway and the rest via the East Siberia–Pacific Ocean pipeline.

An increase in exports eastwards may push up the price of Russia's main export blend, Urals, to European refineries that receive it via pipelines and ports.

That could further squeeze their margins at a time when many are under pressure because of large volumes of oil product exports from Russia and the U.S., and some European plants have been forced to close.

Russian oil exports declined by 2.5 percent to 228.5 million tons in 2013, according to Energy Ministry data, and are expected to fall further to 225 million tons (4.5 million bpd) this year due to an increase in domestic production of refined products.

As a part of Moscow's shift eastwards, the Energy Ministry predicts that the share of oil and oil products sent to Asia will double to 23 percent by 2035.

By then, Russia aims to ship a total of 32 percent of its oil to Asia, with gas rising to 31 percent from 6 percent.

Russia sent about 16 percent of its total oil exports to Asia last year and is exporting gas to Asia only from the Sakhalin–2 LNG plant, which has total annual capacity of 10 million tons.

Last month, Gazprom signed a \$400 billion deal to ship 38 billion cubic meters of gas to China annually after the necessary pipeline infrastructure is built — a volume comparable to what it now ships to its largest client, Germany.

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[On the Heels of Gazprom, Rosneft Eager to Export Gas to Asia](#)

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