

Russian Energy Firms Protest to Putin Over Equipment Law — Report

By The Moscow Times

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Russia's leading oil and gas companies have sent a letter to President Vladimir Putin protesting against a proposed law that aims to increase use of domestic equipment to offset the impact of Western sanctions, the Kommersant daily said Wednesday.

The bill highlights the state's desire to tighten its control over the oil and gas industry, which generates half of budget revenues, as weaker global oil prices and the sanctions push Russia's economy towards recession.

The newspaper, citing the letter, said the companies were worried about increased state surveillance of their equipment orders as Russia tries to reduce its reliance on foreign production amid its stand-off with the West over Ukraine.

Kommersant said Rosneft, LUKoil, Gazprom Neft, Novatek and Zarubezhneft were among the letter's signatories. They complained that the proposed law would limit their ability to plan, the paper said.

The bill, which has been approved by Russia's lower house of parliament in the first reading, would authorize the government to set up a special council to approve purchasing plans.

Kremlin spokesman Dmitry Peskov told a conference call he was not aware of the letter. The companies mentioned in the Kommersant report declined any immediate comment.

Putin has repeatedly called for "import substitution" after the Western sanctions — imposed over Moscow's role in the Ukraine crisis — limited access to global financial markets for Russian firms.

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