

Russian Energy Equipment Producers Ask Government for \$270 Million

By [The Moscow Times](#)

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Industry and Trade Minister Denis Manturov

Domestic producers of oil and gas equipment have requested around 15 billion rubles (\$270 million) in state support to fund import substitution projects, state news agency TASS reported Friday, citing a government official.

The proposals to the Industry Development Fund cover a total of 16 investment projects and 40 applications for help in producing oil and gas equipment domestically, Industry and Trade Minister Denis Manturov said, according to TASS.

Russia's government last year launched a program to substitute imports with domestically produced goods following the imposition of U.S. and EU sanctions on Moscow over its role in the Ukraine crisis.

U.S. and EU sanctions on Russia's energy sector have particularly stung, as they block access

to technology necessary for exploring offshore oil and gas reserves. Russia had placed high hopes in these unexplored reserves as its more established fields are nearing their expected depletion dates.

Manturov added that Western sanctions on the Russian energy sector meant that plans to produce energy equipment domestically would be given top priority amid the government's general import substitution drive.

Imports currently account for 60 percent of energy industry equipment in Russia, according to a report by the Energy Ministry. The ministry plans to reduce the share of imported equipment to 17 percent by 2020.

According to Industry and Trade Minister Manturov, the government will now move to select energy technology import substitution projects in areas where the share of imports is critically high.

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