

Clean Russian Oil Yet to Reach Belarus via Major Pipeline to Europe

By Reuters

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Belarus said on Monday that clean Russian oil had yet to reach its borders via a major pipeline supplying Europe after tainted crude running through the system prompted several importers to halt flows last week.

State-run oil firm Belneftekhim said Belarusian refineries were still running at reduced capacity, after Moscow had said it would start pumping clean crude from Monday through the Druzhba network that supplies refineries as far west as Germany.

Moscow had also said on Friday it would take two weeks to stabilise oil supplies across the Druzhba network, which has northern and southern pipeline spurs.

Poland, Germany, Ukraine, Slovakia and other countries on the network suspended imports via the pipeline after finding contaminants in the crude that can damage refinery equipment.

A source with a buyer at the northern Druzhba leg said on Monday that supplies via Adamova Zastava to Poland and Germany were still halted and not expected to resume in the short term.

Belneftekhim said it was holding talks at Russia's Energy Ministry with Russian oil firms on the matter.

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The problem arose when an unidentified Russian producer contaminated oil with high levels of organic chloride, which is typically used to boost oil output but which must be separated before shipment to avoid damaging refining processing units.

Russia has not offered specifics about how it planned to clean out contaminated oil from the whole network.

Russian Deputy Energy Minister Pavel Sorokin told reporters in Minsk after Friday's talks that one option to resolve the problem was to mix clean oil with the contaminated crude.

Another option to supply refineries reliant on the pipeline would be to transport clean oil by rail tankers, traders said.

Some refineries have turned to supplies via other pipelines, but analysts say those alternative routes have limited capacity.

Czech oil refiner Unipetrol has asked the government to lend it crude from state reserves to use, with amounts to be discussed at a meeting on Monday.

Russian pipeline monopoly Transneft is investigating the issue, Russian President Vladimir Putin said on Saturday, adding that this could lead to a wider inquiry, possibly including law enforcement agencies.

The pipeline issue has cut off a major supply route for Polish refineries owned by Poland's PKN Orlen and Grupa Lotos, as well as plants in Germany owned by Total, Shell, Eni and Rosneft.

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