

Belarus Buys Oil from Norway as Russia Dispute Continues

Belarussian President Alexander Lukashenko said he wants to halve Belarus' reliance on Russian energy.

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Russia and Belarus failed to strike an agreement for deeper political integration amid a dispute over energy prices. **Yegor Aleyev / TASS**

Belarus has signed a deal to buy oil from Norway in a bid to diversify its energy imports away from Moscow.

Belarussian state oil company Belneftekhim said Monday it had bought 80,000 tonnes of crude oil — equivalent to more than half a million barrels — to be delivered by railway this week.

Russia, which supplies around 80% of Belarus' energy, cut off oil shipments to its neighbor for three days earlier this month amid a price dispute.

Moscow has vowed to stop supplying cut-price oil to Minsk if the two countries cannot agree measures for deeper economic integration. However, amid <u>protests</u> in Belarus, Russian President Vladimir Putin and his Belarussian counterpart, Alexander Lukashenko, <u>failed</u> on two occasions in December to strike an agreement to forge closer ties between the two countries.

Negotiations between state-backed energy companies over a deal for 2020 energy supplies also broke down, prompting Russia to suspend oil shipments on Jan 1., and only partially restore them three days later.

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Lukashenko said Tuesday he would like to bring the share of Russian energy imports down to 40%, the Associated Press <u>reported</u>.

Russia is insisting that Belarus agree deeper political cooperation if it wants to continue buying oil from Russia at cheaper prices than the rest of the world, while Lukashenko wants to resolve the energy dispute before agreeing the next steps for the Union State — the 1999 agreement for integration between Moscow and Minsk which has never been fully implemented.

"Russia claims that the preferential oil and gas prices it gives Belarus relative to third countries are a big enough reward for integration," <u>said</u> Yauheni Preiherman, the director of the Minsk Dialogue Council on International Relations. "Yet Minsk remains concerned about cost disparities between Belarussian and Russian entities. As most Belarussian companies operate in the Russian market, these price differences put them at a disadvantage vis-a-vis their Russian competitors."

Preiherman added: "The current state of the relationship between Moscow and Minsk raises numerous questions about Belarus's future ... Moscow certainly has the instruments to severely harm Minsk if it chooses to do so ... It is in this context that Moscow has increased pressure on Belarus in recent months. [However] Minsk retains enough power to decline any Russian proposal it deems unacceptable — even if this results in a further rise in economic tension in the coming months."

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