
RUSSIA SHOULD PRIVATIZE ITS OIL COMPANIES BY 2025, SAYS EX-FINANCE MINISTER

- 02.06.2017

CNBC (01 June 2017)

Alexei Kudrin, chairman of the board at the Center for Strategic Research Foundation (CSR) and deputy chairman of the Presidential Economic Council, speaks during panel at the 2017 St Petersburg International Economic Forum in St Petersburg, Russia on June 1, 2017.

Sefa Karacan | Anadolu Agency | Getty Images

Alexei Kudrin, chairman of the board at the Center for Strategic Research Foundation (CSR) and deputy chairman of the Presidential Economic Council, speaks during panel at the 2017 St Petersburg International Economic Forum in St Petersburg, Russia on June 1, 2017.

The Russian government should ensure all state-owned oil companies are privatized over the next seven to eight years, according to the country's former finance minister.

"The oil sector should be fully privatized in the next seven to eight years, no state companies are required there now as the statehood brings more harm than benefit to those companies," Alexei Kudrin, said at the St Petersburg International Economic Forum on Thursday, according to state news agency TASS.

Russia's over-reliance on oil and gas exports has been well documented and, in an attempt to reverse this dependency, Kudrin has urged President Vladimir Putin to consider oil privatization in order to help revive economic growth.

The former finance minister has been tasked by Putin to draft an economic program from 2018 to 2024, the same timeframe for Russia's next presidential term.

Kremlin has 'no such plans' for oil privatization

However, when Putin's press secretary, Dmitry Peskov, was asked whether the Kremlin would be willing to implement oil privatization, he suggested the government had no such plans to do so.

"This is Kudrin's well-known expert point of view, he defends it reasonably enough. There are other opinions as well. However, as far as I know, the government has no such plans yet," TASS reported Peskov as saying on Thursday.

Russia emerged from a two-year recession at the end of 2016 yet economic growth remains relatively anemic and continues to languish significantly below the 3 percent target set by its government. Its economy grew 0.5 percent in the first quarter year-on-year, Reuters reported in May, citing data from the Federal Statistics Service.

Kaynak/Source: