
Balkan pipeline to raise world energy security – Russia's Putin.

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MOSCOW, March 15 (RIA Novosti) - Russian President Vladimir Putin said Thursday the Burgas-Alexandroupolis oil pipeline will raise world energy security and urged the earliest possible start to construction.

Russia, Bulgaria and Greece signed a long-delayed 1 billion-euro deal Thursday to build a pipeline across their territories to pump Russian oil further to Europe.

The Burgas-Alexandroupolis pipeline will carry an initial 35 million metric tons of oil a year (257.25 million bbl) via the Bulgarian Black Sea port of Burgas and Greece's Alexandroupolis, on the Aegean, to Europe, the U.S. and the Asia-Pacific region.

"The sooner we start work, the better," Putin told journalists.

Putin said all three countries involved are equally interested in the project, which has been discussed since 1994.

"The global energy market is interested in it, because it gives an opportunity to look at increasing deliveries from the Caspian region," the Russian leader said. "These are American, Kazakh, and Azerbaijani companies."

Putin arrived in Athens on Wednesday as part of his short European tour, which started in Italy.

He attended the signing of the long-delayed agreement that envisions the development of a project, designed to bypass the crowded Bosphorus Strait in Turkey.

The 280-kilometer (175-mile) pipeline will pump Russian oil to Europe, the U.S. and the Asia-Pacific region via the Bulgarian Black Sea port of Burgas and Greece's Alexandroupolis, on the Aegean, enhancing the countries' roles as key energy transit hubs.

The project has been on the table for more than 10 years, but progress has been slow, reportedly due to Russian producers' reluctance to contribute oil to the pipeline.

The Russian government approved Wednesday the draft agreement on the construction of the Burgas-Alexandroupolis pipeline, a move that was immediately hailed by the European Commission.

EC Spokesman for Energy Ferran Tarradellas Espuny said the project is a good example of cooperation with Russia in the energy sector, adding that investment in the project will be attracted from private investors.

Russia's state-controlled oil producer Rosneft [RTS: ROSN], state pipeline operator Transneft, and energy giant Gazprom [RTS: GAZP] will hold a total of 51% in the project, while Greece and Bulgaria will control 24.5% each.
