

# Russian company to build new oil refinery in Libya

*Disputed authorities in eastern Libya plan to allow the Russian company Taftnet to build an oil refinery, amid concerns over expanding Russian influence.*

Energy

2 min read

The New Arab Staff

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Experts said that there was no need for a new refinery in eastern Libya [Getty]

Disputed authorities in eastern Libya have offered the Russian oil company Taftnet a concession to build a new oil refinery, causing controversy in the

divided country, with experts saying Libya did not need Russian assistance and was capable of building refinery capacity itself.

Two rival governments currently claim authority over Libya, one headed by Prime Minister Abdul Hamid Dbeibah based in the capital Tripoli and another headed by his rival Osama Hammad, which has the support of the east-based Libyan House of Representatives.

The proposal for a Russian-built oil refinery came from east-based investment minister Ali Saidi Qayedi.

"Russia has a lot of crude oil, but its supplies are now difficult due to sanctions and embargoes. This matter could be solved by a refinery being established in Libya, where crude oil will be transported, and oil derivatives will then be sold," Qayedi said on 19 May, according to *The Libya Observer*.

He added that Taftnet could refine and process Libyan oil, saying "We have an unbelievable amount of reserves."

Qayedi expressed hope that an agreement would be reached and Russian companies would invest in Libya.

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### **Expanding Russian influence**

The notorious Russian Wagner militia has long had a presence in eastern Libya, supporting the forces of strongman Khalifa Haftar, who east-based authorities depend on for military protection.

Libyan oil expert Hussein Al-Sadiq told *The New Arab's* sister site *Al-Araby Al-Jadeed* that Russia was looking for economic projects in eastern Libya to achieve economic, as well as military, dominance.

He said that Libya did not have a new refinery in the east and that the Libyan National Oil Corporation was the authority responsible for building new refineries.

Al-Sadiq added that there was already a much-delayed project to build a refinery in the south of the country.

Economic expert Mohammed Al-Sheibani said that Russian economic expansion in Libya will have effects which will not be in Libya's interests, due to Russian-Western rivalry for influence in the country.