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The Russian Federation: BP is seeking a resolution to the conflict with the Russian consortium AAR

On 11 April the Russian and Western media announced that Rosneft and BP were holding negotiations with the Russian consortium Alfa, Access/Renova (AAR), the holder of 50% of shares in TNK-BP, on the purchase of their shares in TNK-BP. This move would enable Rosneft and BP to finalise the transaction agreed upon this year on the exchange of shares and the exploitation of oil fields in the Arctic. The transaction was blocked legally by AAR. Despite the involvement of the Russian government which *de facto* supported AAR, the method of ultimately resolving the conflict remains unclear.

After Rosneft and BP had sealed the deal, Russian shareholders of TNK-BP took it to court claiming that it was contrary to the statutes of TNK-BP. On 24 March the Stockholm Arbitration Court ruled that AAR was right, which meant the blocking of the agreement between Rosneft and BP (it has to be finalised by 14 April). In return for the agreement on the transaction, AAR will most likely try to push BP to buy the remaining shares in TNK-BP at a high price or exchange them for the package of shares in BP. In parallel with the ongoing negotiations, the spokesman for Prime Minister Vladimir Putin acknowledged that AAR consulted the Russian government about preventing the deal between BP and Rosneft. This means that the actions undertaken by Russian shareholders in TNK-BP since the very beginning have been approved of by key politicians in Russia. <WojK>