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Russian Federation: Mikhelson is buying Sibur

On 23 December, the Swiss-registered Miracle company, owned by Leonid Mikhelson, bought the rights from Gazprombank to a 50% stake in the Sibur holding, which controls a significant part of Russia's chemical and petroleum gas processing plants. This deal fits in with the process of redistributing assets among individuals known to be Prime Minister Putin's friends, which has been accelerating over the past few years.

Sibur controls dozens of enterprises in twenty regions of Russia, which employ over 50,000 people in total. Many of them have the status of strategic enterprises. The holding is responsible for processing over 50% of the petroleum gas on the Russian market, manufacturing such products as rubber, plastics, mineral fertilisers and rubber products. A 25% stake in the holding has already been made available to Miracle. The company will take over the remaining 25% upon receiving consent from the Federal Antitrust Service. The parties have also agreed the conditions for raising Mikhelson's stake to 100% although the transaction price has not been revealed. However, Gazprombank has declared it will partly finance this by offering a loan secured partly with Sibur shares.

The chemical holding is another purchase by Leonid Mikhelson, a business partner of Gennady Timchenko, who himself is a close friend of Vladimir Putin. Mikhelson and Timchenko are the main shareholders (controlling 27% and 23.4% of the shares respectively) in Novatek, the largest independent gas producer in Russia. Novatek's recent purchases of gas firms, including the companies Severenergiya (25.5%) and Sibneftegaz (51%), are signs that the process redistributing assets is accelerating; the beneficiaries of this process in the gas (production) and chemical sectors are Timchenko and Mikhelson. Others who are benefiting from the new division of ownership in the sector are the Kovalchuk brothers, who hold stakes (via theLider company) in Gazprombank, and are gradually taking control over the companies constructing the country's gas infrastructure. <epa>