

Croatia: MOL threatens to sell INA to Russian investors seeking EU market positioning

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The Hungarian oil company MOL will make another attempt in encouraging Croatia to agree with cooperation concerning the issues in the Croatian oil company INA and if this attempt fails, MOL will sell its stake in INA.

If decisions continue to be obstructed, on large investments for example, MOL will sell its 49% stake in INA. However, INA source did not rule out the possibility of MOL taking over the majority share in INA. Croatia currently holds 44% of shares in INA.

Although MOL does not hold a majority stake in INA, according to an agreement from 2009 the Hungarian company controls the Croatian peer INA. Many in Croatia believe this agreement is unfair. Croatian court sentenced former Croatian prime minister Ivo Sanader on corruption charges involving an alleged payment of a bribe of millions of EUR to give MOL management rights in INA. According to the charges, Sanader received EUR 10 million in bribe from MOL CEO Zsolt Hernadi.

Both Hernadi and MOL maintain their position that the accusations are not justified. Croatian prosecutors, however, noted that the investigation of Hernadi would continue and threatened to issue a European Arrest Warrant if he refuses to cooperate- APA writes.

Croatian Government stopped MOL's attempt to get over a half share participation in INA, and current government is not satisfied with MOL. Minister of Finance, Slavko Linic, criticizes MOL because it does not invest in INA i.e. Sisak Refinery for example, so he believes that it wants to make a meaningless branch of MOL from it.

Croatian Government intends to change Share Contract with MOL and to form negotiation team of politicians and experts- it is written further in the text.

According to the words of MOL's official, Sisak Refinery is "economy and ecology disaster" which makes several millions' worth losses yearly. It is kept in life because it is important for Sisak.

Unnamed official says that MOL plans to invest 200 million EUR in Rijeka Refinery, but it is sabotaged by political side. While management side functions well, the highest side functions like "in kindergarten"- the official says. However, he confesses that MOL has also made mistakes before.

If Croatia doesn't agree to compromise, MOL will have to sell its stake in INA, even to the Russians, to whom MOL does not want to give South East Europe's oil market at the moment- APA writes.



Source; Serbia Energy See desk/Cro medias