

4.6. EXECUTION OF THE TRANSNEFT DEVELOPMENT PROGRAMME

The Development, Technical Upgrading and Revamping Programme of trunk pipeline facilities of Transneft (Development Programme) is part of the Long-term Development Programme of Transneft and includes investment projects for the development of the trunk pipeline system, as well as measures for the revamping and technical upgrading of facilities of the existing infrastructure of Transneft's trunk pipelines.

The actual level of financing for the Development Programme in 2020 amounted to RUB 196.4 bn (81.7% of the planned amount of RUB 240.4 bn), including from loaned funds of RUB 1.5 bn, and RUB 194.9 bn from own funds.

The deviation of the actual funding from the 2020 plan is mainly due to the change in the implementation schedules for the facilities planned to be transferred to 2021, as well as for the facilities scheduled for completion both in 2020 and in subsequent years, due to a decrease in the funding limits for the programme.

Taking these factors into account, the planned values of key performance indicators for 2020 were updated, including the adjustment of the financing plan of the Development Programme, which amounted to RUB 195,187 million. Actual fulfillment of the adjusted financing plan is 100.6%.



The main works carried out within the framework of the Development, Technical Upgrading and Revamping Programme for Trunk Pipeline Facilities of Transneft in 2020:

replacement of 888 km of the line;
construction and revamping of 75 tanks;
revamping of 22 pump station automation systems;
construction and revamping of 33 LACTs;
replacement of 561 gate valves;

replacement of 103 pumps;
replacement of 77 electric motors;
revamping of 34 facilities of technical security equipment;
revamping of 3 treatment plants.



Execution of the Transneft Development Programme in 2020 (Financing)

Programme / Project name	Plan, RUB million	Actual, RUB million	Execution, RUB million
Total for the Development Programme, including:	195,187.4	196,417.3	1,229.9
own funds	193,056.6	194,933.2	1,876.6
loaned funds	2,130.8	1,484.1	-646.7
Total for investment projects, including:	3,806.1	3,138.0	- 668.1
own funds	1,675.3	1,653.9	-21.4
loaned funds	2,130.8	1,484.1	-646.7
Total for the Technical Upgrading and Revamping (TUR) Programme, including:	191,381.3	193,279.3	1,898.0
own funds	191,381.3	193,279.3	1,898.0
loaned funds	-	-	-
Oil Trunk Pipeline System Development Investment Projects	3,038.0	2,920.7	-117.3
Projects under implementation	1,650.3	1,595.7	-54.6
Revamping oil trunk pipelines for transportation of oil to refineries in Krasnodar Territory	589.5	497.7	-91.8
Developing a corporate data communication network to build Transneft's unified information system (the UIS Programme)	885.4	991.2	105.8
Expansion of the throughput capacity of the oil trunk pipeline system of Transneft to ensure the transportation of 12 million tonnes of oil per year to RN-Tuapse Refinery (the project is at the stage of design and exploration work, the terms will be determined based on the results of their implementation, as well as the approval by Transneft and Rosneft of further implementation and financing scheme).	175.4	106.8	-68.6
Completed projects (financing of works on support infrastructure facilities, seasonal works and payment of accounts payable)	1,387.7	1,325.0	-62.7
Petroleum Products Trunk Pipeline System Development Investment Projects	768.1	217.3	-550.8
Completed projects (financing of works on support infrastructure facilities, seasonal works and payment of accounts payable)	768.1	217.3	-550.8
The Oil Trunk Pipelines TUR Programme	162,022.5	164,185.8	2,163.3
The Petroleum Products Trunk Pipelines TUR Programme	29,358.8	29,093.5	-265.3