

5 October 2026

BLACK SEA PETROLEUM AND THE KULEVI OIL REFINERY Factual Summary and Timeline

NON-CONFIDENTIAL

Black Sea Petroleum LLC (BSP) is a privately owned energy company based in Georgia. BSP owns and operates the Kulevi Oil Refinery. The nearby Kulevi port and terminal are separate facilities. They are owned and operated by SOCAR. Four pipelines connect the terminal and refinery along a 3 km route, carrying crude oil, naphtha, gasoil and fuel oil.

This summary presents the refinery's operating history and sets out the key dates and evidence submitted to the European Commission on 17 September 2026 in support of its removal from Part D of Annex XLVII to Council Regulation (EU) No 833/2014. It also records the further delivery of Libyan crude on 25 September 2026 and outlines BSP's development plans.

The refinery has been operating since October 2025. In January 2026, following two months of negotiations, BSP submitted an official request to import Cheleken crude oil from Turkmenistan. On 3 April 2026, BGN concluded a supply agreement with Dragon Oil for Turkmen crude and indicated readiness for immediate delivery to the Kulevi Oil Refinery. Restrictions on the transit of Turkmen-origin crude contracted by BSP across the Caspian Sea, together with disruption associated with the Hormuz crisis, delayed completion of the switch to crude oil of non-Russian origin.

KEY DATES

1 July 2026

BSP publicly announced its strategy to switch fully to crude oil of non-Russian origin.

3 July 2026

BSP signed a long-term agreement for Libyan crude supplies through 31 December 2027, with an option to extend.

10 July 2026

BSP signed its first supply contract for Kazakh-origin crude.

15 July 2026

BSP adopted an operational plan for removing remaining Russian-origin crude oil and derived products from its operating system.

17 July 2026

The refinery began processing a mix of Kazakh- and Russian-origin crude as part of its transition to processing only crude oil of non-Russian origin.

23-24 July 2026

The Council adopted Regulation (EU) 2026/1848 on 23 July. It entered into force on 24 July, adding the refinery to Part D of Annex XLVII to Regulation (EU) No 833/2014.

12 August 2026

BSP signed a further supply contract for Kazakh-origin crude oil.

19 August 2026

Deliveries of Kazakh-origin crude under the second supply contract began.

23 August 2026

The refinery completed its full switch to processing only crude oil of non-Russian origin. This was within one month of the refinery's inclusion in Annex XLVII.

27 August 2026

Flushing of the refinery's product lines and loading manifolds was completed using products refined from Kazakh crude.

30 August 2026

The first cargo of Libyan Es Sider crude under the long-term supply agreement arrived at Kulevi.

11 September 2026

Removal of BSP's remaining off-site stocks of Russian-derived products was completed. Independent dry-tank certificates confirmed zero pumpable residues in the relevant terminal tanks.

17 September 2026

BSP filed its submission and supporting evidence with the European Commission.

25 September 2026

The second shipment under BSP's term supply agreement with BGN, comprising 90,000 tonnes of Libyan El Sharara crude oil, arrived at the Port of Kulevi aboard M/T FRANKOPAN. Discharge into the terminal's shore tanks was completed on 27 September 2026.

25 October 2026

Under Article 5ae(2b), the Commission is required by this date to report to the Council its assessment of whether the refinery's listing should be maintained.

25 January 2027

Under the Regulation as currently in force, the transaction prohibition would apply to the refinery from this date if its listing remained in place.

EVIDENCE SUBMITTED TO THE EUROPEAN COMMISSION

The submission of 17 September 2026 documents the completed switch to crude oil of non-Russian origin and the procurement of Kazakh and Libyan crude through:

- Supply contracts, certificates of origin and purchase invoices;
- Shipping, customs and import/export records;
- Refinery operating records and technical specifications; and
- Reports issued by independent, internationally recognised inspection and testing firms.

Together, these materials document the origin, supply chain, shipment, receipt and processing of the crude oil, and the destinations of the refined products. The independent reports provide external verification of the relevant operational information.

The arrival of the El Sharara cargo on 25 September 2026 is a subsequent operational update. Supporting records include supply-chain documentation, a certificate of origin, independent quantity certificates, discharge and customs records, and vessel screening records. BSP can provide these additional records on request.

BSP'S POSITION

BSP confirms that its operations have complied with applicable EU, UK and US sanctions requirements. This includes the price-cap and shipping requirements applicable during the period when the refinery processed Russian-origin crude.

BSP believes that the Kulevi refinery's current operations and the evidence submitted support the refinery's removal from Part D of Annex XLVII.

BSP's management is committed to long-term cooperation with the European Union. The company is establishing a permanent EU Affairs office in Brussels, with staff based there to maintain regular contact with the Commission and other EU institutions. BSP remains available to answer questions directly and provide the underlying records.

EUROPEAN ENERGY CONTEXT

BSP's existing production already offers a basis for supplying European markets with straight-run products, while EURO 5 fuel production is planned by 2029. The Kulevi Oil Refinery's planned development could contribute to the European Union's security of supply and energy resilience through an additional energy supply route to EU markets.

As of September 2026, Black Sea Petroleum has invested €200 million in the Kulevi Oil Refinery. A further €650 million is planned by 2029 to expand refining capacity and introduce new fuel production units. BSP plans to increase the refinery's annual capacity from 1.2-1.5 million tonnes to 4.5-5 million tonnes by 2028. The planned product range includes petrol in grades 92, 95 and 98, diesel, jet fuel, liquefied petroleum gas (LPG), marine fuel and bitumen.

The refinery's location in Georgia, its access to the Black Sea and its current supply model support this potential. For deliveries to southern and eastern EU markets, BSP considers Kulevi's location logistically competitive with some northern European supply routes. The planned expansion will also enable BSP to meet Georgia's and Armenia's fuel demand in full. It could strengthen Georgia's and the region's energy independence.

Kulevi Oil Refinery

Owned and operated by Black Sea Petroleum



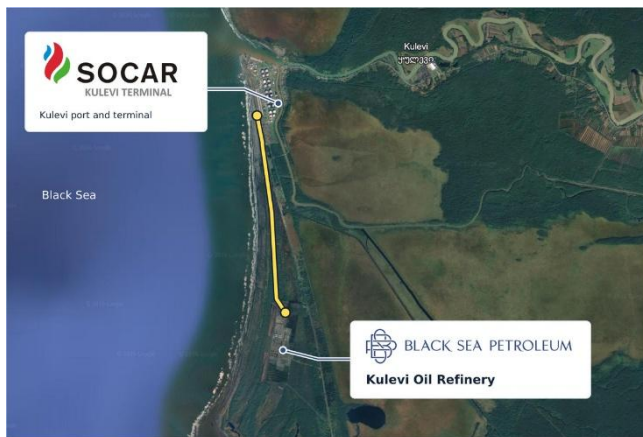
SITE CONTEXT

Refinery and coastal connection

Refinery units and storage tanks are shown in the foreground. The pipeline corridor runs towards the SOCAR terminal in the distance.

Refinery and terminal connection

Kulevi, Georgia | Facility locations and pipeline route



Satellite imagery: Google.

PIPELINE CONNECTION

3 km between the two facilities

Four pipelines:

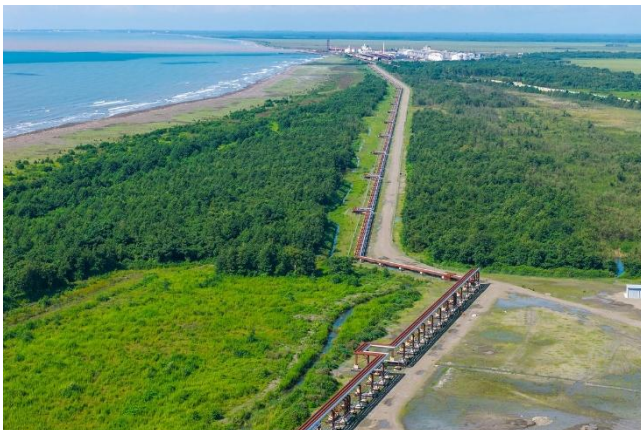
01 Crude oil • 02 Naphtha • 03 Gasoil • 04 Fuel oil

Pipeline route

The refinery and terminal are separate facilities connected by the pipeline corridor shown on the map.

Aerial view of the pipeline corridor

Connection between the Kulevi Oil Refinery and the SOCAR terminal



ON-SITE VIEW

The pipeline corridor

View along the pipeline corridor towards the terminal. The terminal tank farm is visible in the distance.

Further information



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POLITICO



Watch the BSP video
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