

Sectors: Coal Electric Power Generation, Coal Mining, Oil and Gas Extraction

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Sectors	Coal Electric Power Generation, Coal Mining, Oil and Gas Extraction
Headquarters	
Ownership	The company is owned by SCM Holdings, a holding company of a Ukrainian businessman Rinat Akhmetov.
Subsidiaries	DTEK Energy BV (Second entry - do not use) – Ukraine Vostokenergo – Ukraine
Website	http://www.dtek.com

About DTEK

DTEK is a Ukrainian energy holding company and is the largest private vertically integrated energy holding in Ukraine. It was established in 2005 and is an association of various companies from coal mining to power generation. The name of the company is an abbreviation of its original name Donbass Fuel-Energy Company in Russian.

DTEK's asset management is organised through a number of legal entities registered in the Netherlands. Coal mining and thermal power generation constitute the major share of DTEK assets and are managed through DTEK Energy B.V. The holding also includes DTEK Finance B.V. and the Swiss-registered coal trading company DTEK Trading S.A., which is responsible for coal exports and imports.

Since 2012, DTEK maintains a monopoly on the export of electricity to Romania, Slovakia, Hungary, Poland, Moldova and Belarus. Since 2014, part of DTEK's assets, including a number of mines and thermal power plants, are located in non-government controlled areas in the Donetsk and Luhansk oblasts. The nature and scope of the relations of DTEK and the local management of these enterprises with the rulers of these self-proclaimed republics, the so-called LNR and DNR, remains unclear.

Issues

Human rights and social issues

While electricity produced by DTEK's coal-fired power plants for exports is relatively cheap, it comes at a great environmental and health cost. None of the coal-fired power plants in Ukraine have any SO_x and NO_x pollution controls, while particulate matter emissions currently exceed limits set by the EU's Large Combustion Plants Directive by up to 45 times.

Two power plants in Western Ukraine (Burstyn and Dobrotvir) use a significant portion of their capacity for electricity exports to EU member countries - Hungary, Slovakia, Romania and Poland - which would not be allowed to host these plants.

Environmental issues

Burstyn thermal power plant in the Ivano-Frankivsk Oblast was identified in 2005 as one of the major environmental health hazards in western Ukraine, associated with increased respiratory illness from high levels of fine particulate exposure. Exploitation of Burstyn coal plant without proper pollution control systems is causing severe air pollution in the Ivano-Frankovsk region with unknown health and environmental effects. A [recent study](#), aimed at assessment and quantification of such effects, shows a lack of access to environmental information in Ukraine.

In general environmental data collection in Ukraine follows sporadically-available funding patterns, leading to a lack of consistency and continuity, and an inability to draw specific conclusions about the levels of air pollution produced by coal plants and inflicted health damage. But if one were to

put a price tag on the health impacts caused by DTEK's obsolete power plants it is difficult to imagine that company would like to communicate this cost to population.

See also this study: [Dusting off Ukraine's energy sector - Why the country must address inefficiency and pollution at its ageing coal-fired power plants.](#)

Other issues

DTEK holding is the energy division of System Capital Management (SCM), a corporation created and privately owned by Ukrainian oligarch Rinat Akhmetov, who has long been plagued by accusations of corruption and [ties to organised crime](#). No official information exists about [what Rinat Leonidovich was actually doing](#) until 1995 before he acquired the image of a major industrialist and financier. The business circles linked to Rinat Akhmetov were the principal financial base of the Party of Regions, a ruling party under [Victor Yanukovych](#), who has the rare distinction of having been ousted twice from Ukraine's presidency after giant street protests. Almost half of the members of parliament from the Party of Regions were people linked to Akhmetov.

Under the Yanukovich regime DTEK [had the potential to become a private energy monopoly](#) as a result of the privatisation of Ukrainian state-owned thermal power plants. Moreover, Akhmetov's interests were directly represented in the Yanukovich government by Borys Kolesnikov, the deputy prime minister in charge of Euro 2012 and the minister of infrastructure, whose main task was to prepare Ukraine for the European football championship (and control spending of the budget of Euro 2012, the estimated value of which was US\$7.6 billion).

Governance

Updates

Financiers

Banks

Barclays United Kingdom profile	Details ▼	
Debt – corporate loan	EUR 19.9 million	2005 - 2013
<i>source</i> : Banks and Coal Spreadsheet, Profundo, 2014		
Deutsche Bank Germany profile	Details ▼	
Debt – corporate loan	EUR 181.6 million	2005 - 2013
<i>source</i> : Banks and Coal Spreadsheet, Profundo, 2014		
Uncategorised	EUR 92 million	2005 - 2013
shares/bonds underwriter or manager <i>source</i> : Banks and Coal Spreadsheet, Profundo, 2014		
Erste Bank Austria profile	Details ▼	
Debt – corporate loan	EUR 41.4 million	2005 - 2013
<i>source</i> : Banks and Coal Spreadsheet, Profundo, 2014		
ING Group Netherlands profile	Details ▼	
Debt – corporate loan	EUR 225.5 million	2005 - 2013
<i>source</i> : Banks and Coal Spreadsheet, Profundo, 2014		
Uncategorised	EUR 230 million	2005 - 2013
shares/bonds underwriter or manager <i>source</i> : Banks and Coal Spreadsheet, Profundo, 2014		
JPMorgan Chase United States profile	Details ▼	

Uncategorised	EUR 92 million	2005 - 2013
shares/bonds underwriter or manager <i>source:</i> Banks and Coal Spreadsheet, Profundo, 2014		
Morgan Stanley United States profile		Details ▼
Debt – corporate loan	EUR 8.5 million	2005 - 2013
<i>source:</i> Banks and Coal Spreadsheet, Profundo, 2014		
NatWest Group (formerly RBS) United Kingdom profile		Details ▼
Debt – corporate loan	EUR 8.5 million	2005 - 2013
<i>source:</i> Banks and Coal Spreadsheet, Profundo, 2014		
Uncategorised	EUR 138 million	2005 - 2013
shares/bonds underwriter or manager <i>source:</i> Banks and Coal Spreadsheet, Profundo, 2014		
Raiffeisen Zentralbank Austria AG Austria profile		Details ▼
Debt – corporate loan	EUR 41.4 million	2005 - 2013
<i>source:</i> Banks and Coal Spreadsheet, Profundo, 2014		
UniCredit Group Italy profile		Details ▼
Debt – corporate loan	EUR 276.2 million	2005 - 2013
<i>source:</i> Banks and Coal Spreadsheet, Profundo, 2014		
Uncategorised	EUR 92 million	2005 - 2013
shares/bonds underwriter or manager <i>source:</i> Banks and Coal Spreadsheet, Profundo, 2014		
Vneshtorgbank (VTB) Russian Federation profile		Details ▼
Uncategorised	EUR 92 million	2005 - 2013
shares/bonds underwriter or manager <i>source:</i> link		