

Сила Сибири
Power of Siberia

China-Russia Relations and Natural Gas Pipelines in
Siberia

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Gas pipelines in operation

Ongoing projects

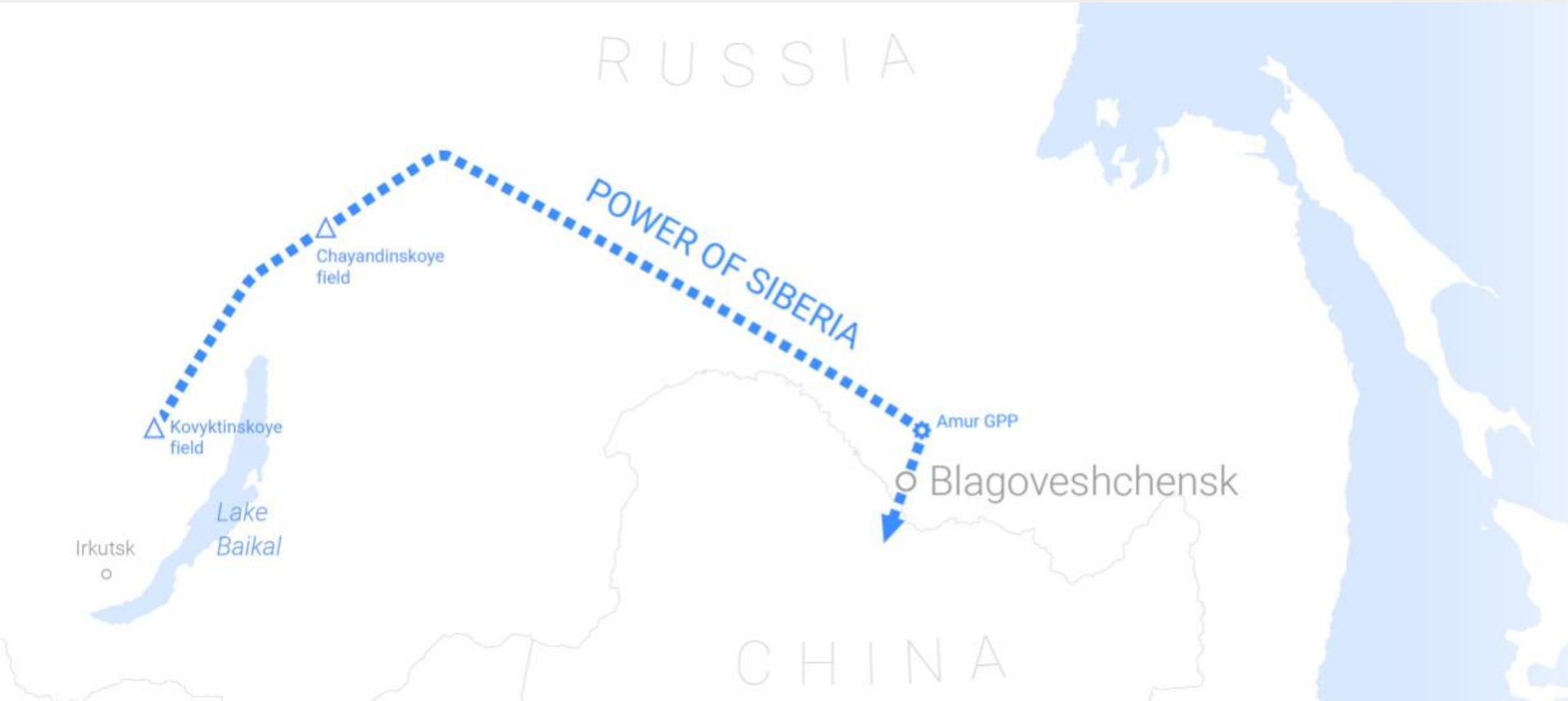
Prospective gas pipelines

Gas production centers

① Krasnoyarsk ② Irkutsk ③ Yakutia ④ Sakhalin

Fields

Location of Power of Siberia






Power of Siberia



CNPC

- Connects two major natural gas production centers - Kovyktinskoye and Chayandinskoye
- Over 4,000 km of pipeline
- Set to come on line in late 2019
- Destination - Chinese energy markets
- Project initiated in 2014 between Gazprom and Chinese National Petroleum Corporation
- Contract between CNPC and Gazprom is worth about US \$400 billion and has a timeframe of 30 years



Power of Siberia - Strategic, Long-Term Vulnerability

1. Politically-dependent decision, not an economic one
2. Russia's economy is in a position of inferiority
3. China has a diversity of energy sources
4. Poor contract terms

“Policy Recommendations”

- Recognize that pipeline policy is not a viable tool vis-a-vis China
- Develop flexible, strategic energy relations - i.e. move away from pipelines
- Significantly develop LNG technology (Yamal project) including nuclear, ice-breaking fleet (Rosatomflot)
- Reorient Chinese investment into diversifying Russian economy (i.e. service and high tech sectors) rather than energy-infrastructure projects



An aerial photograph of a long, straight road cutting through a dense, dark green forest. The road is flanked by a thick layer of brown mulch or wood chips. The text "Спасибо!" is overlaid in the center of the image in a large, white, sans-serif font.

Спасибо!

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