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Putin Urges Investors to Join Rail Projects

By The Moscow Times

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APEC leaders and their spouses posing for a photo in Indonesian national costumes on the island of Bali on Monday. **Dita Alangkara**

President Vladimir Putin on Monday invited investors from the Pacific Rim countries to take part in large Russian projects, such as the modernization of the Trans-Siberian Railroad, or Transsib, and the Baikal-Amur Mainline, or BAM, and improving the potential of the Northern Sea Route.

"We invite businesses from Asia Pacific countries to join these projects," he said at the Asia-Pacific Economic Cooperation, or APEC, summit, which is taking place in Bali, Indonesia, Interfax reported.

Putin's visit to Indonesia coincided with his 61st birthday, which did not go unnoticed by other world leaders. Indonesian President Susilo Bambang played a guitar and sang "Happy Birthday to You" as Putin walked into the meeting pavilion, BBC Russia reported.

The other participants quickly picked up the chorus to extend their own greetings to the president.

He promised to liberalize Russia's exports of liquified natural gas to Asia-Pacific countries to meet growing demand in these markets, Reuters reported.

"We realize our responsibility in this sector and therefore are planning to expand our energy cooperation with our Asian partners," Putin said.

"[Russia] will make a step towards liberalization of liquefied natural gas trade in the nearest future," he added.

The liberalization move could hurt Gazprom, which has had a monopoly on natural gas exports since 2006, though Putin was quick to reassure that the final plan will be suitable for both the state-controlled gas giant and Novatek, the country's independent and second-largest gas producer.

Putin spoke specifically about plans to get pipeline gas to South Korea, which currently only imports liquefied natural gas from Russia. The gas pipeline to South Korea could go through the ocean floor or North Korea.

"The pipeline from Sakhalin could go to Vladivostok, then the branch would continue into South Korea through North Korea or via the ocean," Putin said.

The length of this pipeline could be from 650 to 900 kilometers.

Gas industry insiders have said earlier that this option would be very difficult technically because the sea floor in this area has a complex terrain. The option to put the gas pipeline through North Korea, on the other hand, would be tricky due to the tense relations between the neighboring countries.

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