

Medvedev Backs CNPC and Simpler Rules for Foreign Investors

By [The Moscow Times](#)

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Prime Minister Dmitry Medvedev has backed simpler rules for foreign investors seeking to work in strategic sectors of the Russian economy as he reviewed a request from China's CNPC to invest in a Far East liquefied natural gas plant.

Medvedev told a government commission that monitors foreign investment to take a look at possible amendments to a State Duma bill that eases licensing procedures for foreign investors.

The bill, which has passed a first reading in the Duma, is waiting for the commission's approval before being brought to the second, crucial reading. The third, final reading is usually a formality.

Medvedev said amendments could include changes to the rules on investing in mineral resources, according to Interfax. The report did not elaborate.

Medvedev also told the commission, which met at his Gorki residence outside Moscow, to consider approving CNPC's request to own a 20 percent stake in Yamal LNG, a proposed liquefied natural gas plant in Sabetta, northeast of the Yamal Peninsula.

"This plant is very expensive and very serious project," Medvedev said.

He said total investment would reach 900 billion rubles (\$27.4 billion), a substantially higher figure than the \$15 billion to \$20 billion that it was expected to cost under an agreement signed at the St. Petersburg International Economic Forum in June.

Under the agreement, Yamal LNG, which primarily would supply gas to the Chinese market, will be 60 percent owned by Novatek, Russia's largest independent gas producer, while 20 percent will go to CNPC and 20 percent to France's Total. A final investment decision on the plant is to be made by the end of 2013.

Medvedev indicated that his support for CNPC grew during a trip that he made to China in late October.

"I was recently in China," he said. "I can say that our partners, of course, are prepared to implement large-scale and long-term programs and are willing to invest in joint infrastructure projects ... that are important to us."

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