The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Russia Explores $164Bln Worth of Arctic Projects – Reports

April 18, 2019



Wikicommons

Russia's environmental ministry has proposed more than 100 oil and gas extraction, infrastructure and tourism projects in the Arctic valued at 10.5 trillion rubles ($164.2 billion), the RBC news website reported Thursday.

President Vladimir Putin has promised tax incentives and other benefits to encourage companies to develop the Arctic region and the Northern Sea shipping route, which Moscow sees as a bridge between Asia and Europe for its energy exports. Putin has said he expects cargo volumes along the route to increase tenfold to 80 million metric tons by 2025.

Related article: Putin Announces Arctic Expansion Plans at International Forum – Highlights

Russia's Natural Resources and Environment Ministry has forwarded the list of 118 potential Arctic projects to the government on March 11, spokeswoman Natalia Khlopunova told RBC.

Minister Dmitry Kobylkin has estimated their total value at 10.5 trillion rubles and said they will form the bulk of the Northern Sea Route.

The list of public and private projects includes 25 current projects. Among them are Novoportovskoye, a key oilfield in the Yamal-Nenets autonomous district run by gas giant Gazprom's oil outfit Gazprom Neft (442.6 billion rubles); Vankor field in eastern Siberia run by Russia's largest oil producer Rosneft (437.4 billion rubles); the Achimgaz joint exploration by Wintershall with Gazprom in Siberia (107.3 billion rubles); and liquefied natural gas (LNG) projects run by Novatek, Russia's largest private gas producer.

The Ministry for the Development of the Russian Far East now has to perform feasibility studies on the 118 projects, according to RBC. Promising projects could be given tax breaks, the outlet reported, citing an unnamed source close to the ministry.

Reuters contributed reporting to this article.

Original url:
https://www.themoscowtimes.com/2019/04/18/russia-explores-164bln-worth-of-arctic-projects-reports-a65283