

# China Prepares Second LNG Terminal to Receive Cargoes From Sanctioned Russian Arctic LNG 2 Project – Reuters

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## Arctic LNG 2

China is preparing a second liquefied natural gas (LNG) import terminal to handle cargoes from Russia's U.S.-sanctioned Arctic LNG 2 project, Reuters [reported](#) Monday, offering Moscow another outlet for exports from the flagship venture.

The move would expand China's role as the sole known buyer of LNG from Arctic LNG 2, which has struggled to find customers since Washington imposed sanctions on the project in late 2023 as part of broader measures targeting Russia's energy sector following its invasion of Ukraine.

A newly built LNG terminal in Longkou, in the eastern province of Shandong, is expected to be used to receive cargoes from the project, Reuters cited three sources familiar with the matter as saying.

Installation of the terminal's mechanical equipment has been completed and the facility should be ready before October, ahead of the winter heating season, a senior executive in the energy industry said.

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The terminal is operated by PipeChina, China's state pipeline company, which also manages the LNG terminal in Beihai that has been receiving Arctic LNG 2 cargoes since August 2025.

The development could help Russia increase sales from Arctic LNG 2, a flagship project led by Novatek that was designed to produce 19.8 million metric tons of LNG annually but has operated well below capacity because of sanctions and difficulties securing buyers and shipping.

Novatek was forced to place cargoes into floating storage after U.S. sanctions disrupted plans to begin exports in early 2024. Deliveries to China began last year from one such storage facility near Russia's Kamchatka Peninsula.

According to ship-tracking data from Kpler cited by Reuters, China received a total of 41 cargoes from Arctic LNG 2, equivalent to 2.6 million metric tons of LNG, in less than 10 months.

That implies annualized sales running at roughly one-sixth of the project's planned full-capacity output.

Novatek has completed construction of two production trains at Arctic LNG 2 but has postponed work on a third.

The Beihai terminal has also received three cargoes from Gazprom LNG Portovaya, another Russian LNG plant under U.S. sanctions, Reuters [reported](#).

The Beihai terminal has an annual capacity of 6 million metric tons, while the Longkou facility will be able to handle 5 million metric tons per year, the sources said.

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