



## China, Russia enhance 'growing energy partnership' with gas deal during Xi Jinping, Vladimir Putin meeting

### Description

RUSSIA/CHINA: China and Russia strengthened the interdependency of their two economies on Friday as visiting President [Vladimir Putin](#) unveiled a series of agreements, including a new gas deal, during his meeting with Xi Jinping in Beijing at a time when Moscow is facing rising tensions over Ukraine.

Putin confirmed the deal to supply 10 billion cubic metres (353 billion cubic feet) of gas per year to China, which is the world's biggest energy consumer, from Russia's Far East via a new pipeline [hours after landing in the Chinese capital](#) ahead of the opening ceremony of the Winter Olympics.

## Xi meets with Putin ahead of Beijing Winter Olympics opening ceremony

"Our oilmen have prepared very good new solutions on hydrocarbon supplies to the People's Republic of China," said Putin, who is being accompanied on the trip by a delegation that includes Igor Sechin, head of oil giant Rosneft, and Energy Minister Nikolai Shulginov.

A joint statement that followed the meeting pointed towards the neighbours "entering a new era and global sustainable development", while it also included a list of documents related to natural gas, technology, trade, finance, agriculture and green energy.

## Energy is one of the areas where China still has a great interest in Russia – Niklas Swanstrom

“Energy is one of the areas where China still has a great interest in Russia,” said Niklas Swanstrom, director at the Stockholm-based think tank, the Institute for Security and Development Policy.

Russia is China's third largest gas supplier and Moscow had already been strengthening its ties with China and reducing its dependence on its traditional European energy customers before the ongoing tensions with the United States and Europe over Ukraine.

Russia is Europe's biggest provider of natural gas and Western nations are concerned that already strained supplies could be interrupted in the event of a conflict. Russia has denied accusations from Western nations that it is planning an invasion of Ukraine.

## **As for China, its strategy to diversify the sources of energy imports has also been in motion for a certain period of time – Anna Kireeva**

“This deal is a part of growing energy partnership between Russia and China and Russia's policy to diversify export markets from Europe to Asia,” said Anna Kireeva, research fellow at the Centre for Comprehensive Chinese Studies and Regional Projects at the Moscow State Institute of International Relations.

“As for China, its strategy to diversify the sources of energy imports has also been in motion for a certain period of time.

“Apart from the Middle East and Africa, Russian and Central Asian energy resources seem to be a logical choice due to the proximity as well as long-term and favourable price conditions.”

Reports on Friday also suggested the US had asked if Japan could divert some liquefied natural gas to Europe in the event the Ukraine crisis leads to a disruption of supplies.

## **Ukrainian residents near Russian border on high alert as tensions mount between the two countries**

Questions have also been raised over whether the coalition between Beijing and Moscow could come at the expense of [China's existing trading partners](#), such as the US and Australia

“China and Russia have opened up for increased economic cooperation, but the Chinese interest has been relatively modest,” added Swanstrom.

He added that China's response has been less than lukewarm in terms of the possibility of free trade arrangements and research cooperation, with only areas including military technology and energy of

interest to Beijing.

Russian gas giant Gazprom confirmed the contract with China National Petroleum Corporation for the sale and purchase of natural gas along the Far East route following the meeting between Xi and [Putin](#) at the Diaoyutai State Guest House.

Russia already sends gas to China via the Power of Siberia pipeline, which opened in 2019, with the new route not expected to open for two to three years.

An amendment to a contract from June 2013 for the sale of crude oil between Rosneft and China National Petroleum Corporation was also made to ensure supplies to refineries in the western part of China.

A memorandum of understanding on a cooperation in low-carbon development between the two companies was also signed.

## **Russian envoy calls for US to stop ‘megaphone diplomacy’ over Ukraine**

Agriculture was also discussed with details of a protocol initially agreed in November 2017 between Russia’s Ministry of Agriculture and China’s General Administration of Quality Supervision, Inspection and Quarantine discussed, which targets phytosanitary requirements for Russian wheat exports.

In conjunction with the ties concerning agriculture, a road map for high-quality development of trade in goods and services is being built between Russia’s Ministry of Economic Development and China’s Ministry of Commerce.

Chinese technology giant Huawei Technologies Co. has also agreed a deal to cooperate with Rosneft until 2027.

by Kandy Wong and Laura Zhou

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