EURASIA

India and the Arctic?

OE Watch Commentary: Russia is expanding her liquefied natural gas (LNG) extraction fields, processing plants and delivery fleet and has begun construction of a transfer point on the Kamchatka Peninsula, where iceclass LNG ships can transfer their cargo to regular LNG ships for further delivery (see: "Liquefied Natural Gas terminal on Kamchatka Peninsula," OE Watch, July 2018). The LNG will initially originate from the Yamal fields in the White Sea and Russia has discovered other potential Arctic petroleum and natural gas fields that should be incorporated into this effort. India and the Soviet Union enjoyed close relations and India still buys Russian military equipment and maintains friendly state-to-state relations. This is an invitation by the Russian president, as reported by the accompanying excerpt from Interfax, but it would provide Russia an opportunity to open a major energy market to an old supporter and customer. There are questions as to why President Putin has juxtapositioned LNG and nuclear energy. New civilian Russian icebreakers will be nuclear and will clear the way for iceclass LNG carriers. Perhaps this demonstrates the serious effort that Russia is putting into Arctic resource development. End OE Watch Commentary (Grau)



^{••}It will provide reliable suppliers of LNG to the Indian and global markets in general.^{**}

Source: "Putin invites India to participate in Arctic LNG projects, supply via Northern Sea Route," *Interfax*, 5 October 2018. <u>http://www.interfax.com/</u>

"We will welcome it if our Indian partners join this work in the Arctic as well. It's very promising, long-term work, very serious, intended for decades to come, with good investment and good feedback... "Given that the climate is changing - in some places that's good and in some not very, but the possibilities of using the Northern Sea Route are increasing. We are building a nuclear fleet, we are building eight nuclearpowered ships. They will be put into service one after another. The work is now in progress. It will provide reliable suppliers of LNG to the Indian and global markets in general. It is sure to be very interesting work."



Russian icebreaker Tor in the ice-covered port of Sabetta (2015).