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“International Energy Cooperation in the Asia-Pacific Region: Russia’s Role in Securing Stable Energy Development in the Region”

World energy demand is estimated to increase from 9 billion tons (oil equivalent) in 2000 to 13 billion tons (oil equivalent) in 2020, increasing by an average of 2% annually. Most of this increase will take place in the Asia-Pacific region, and energy demand in this region is estimated to increase by an average of 8-10% annually from 2000 to 2030.

Russia has become the world’s largest producer of oil and gas. In order to increase exports of crude oil and natural gas, developing energy-related infrastructure and exploiting new markets it is a task for the future for Russia. Russia positions the Asia-Pacific region, where energy demand is expected to increase in the future, as a promising new export market. Russia has been trying to diversify its energy export markets, aiming to increase the share of Russian crude oil in the Asia-Pacific market from the 3% at present to 30%, and the share of Russian gas from the 0% at present to 15%, by 2020.

Russia’s Eastern Siberia and the Far East region is regarded as the most likely new source of supply of energy to the Asia-Pacific region. In this region, the production volume of crude oil will reach 80 million tons per year and the production volume of natural gas is expected to reach 110 billion cubic meters per year by 2020.

A total investment of 36 billion dollars is estimated to be required over 20 years for developing crude oil and natural gas in the Eastern Siberia and the Far East region. At present, projects to develop crude oil and natural gas have been carried out in this region, such as “Sakhalin 1,” “Sakhalin 2,” “Kovykta,” and “Chayandinskoe.”. Among them, in the project “Sakhalin 2,” supply contracts for LNG have been formed between several Japanese public utilities. Russia has also been carrying out a plan to construct pipelines for exporting gas to China from the gas field in Kovykta. Furthermore, Russia and South Korea have been having talks on energy issues.

Promoting energy cooperation in the Asia-Pacific region will become an issue in the future. Problems such as Korean Peninsula issue and Northern Territories issue exist in Asia, but energy cooperation should be separated from political issues. Cooperating on the issue of energy is easier said than done. This is also evident in the case of the EU,

which spent a long time promoting cooperation, having confronted various issues and got them over one by one. Such efforts have resulted in the present success of the EU, which can provide many lessons for us. A complementary relationship can exist between Northeast Asia, where a sharp increase in energy demand is expected, and Russia, where there are rich reserves of oil and natural gas. Therefore, Northeast Asia and Russia should promote energy cooperation and should make efforts to ease political risks and to enhance political relationships in the region as a whole.