

Working Papers
2010 VLADIVOSTOK SYMPOSIUM
**«Asia-Pacific Economic Cooperation:
Korea and Russia National
Interests, Roles and Prospects»**



**Asia-Pacific
Economic Cooperation**

Рабочие материалы
СИМПОЗИУМ 2010 ВО ВЛАДИВОСТОКЕ
**«Азиатско-Тихоокеанское экономическое
сотрудничество: Корея и Россия
национальные интересы, роли, перспективы»**

CONTENT

FOREWORD4

ОТ РЕДАКТОРА.....5

Alexander P. LATKIN. THE BASIC STRATEGIC DIRECTION OF REPUBLIC OF KOREA INVESTMENT FLOWS IN RUSSIA’S FAR EAST ECONOMY8

Beom-Shik SHIN. THE DEVELOPMENT OF RUSSIA FAR EAST AND ITS MEANING FOR NORTHEAST ASIAN AND ASIA-PACIFIC REGIONAL COOPERATION.....12

Sergei K. PESTSOV. ASIA-PACIFIC INTEGRATION APEC FUTURE15

Yasuo SUZUKI. CONFIDENCE BUILDING WITH NORTH KOREA: FOR FURTHER DEVELOPMENT IN THE NORTHEASTERN ASIA17

PARK Hyun Bong. STRATEGIES AND RESPONSES TO THE GLOBAL ECONOMIC DOWNTURN – IN CASE REPUBLIC OF KOREA21

Lyudmila M. MEDVEDEVA. THE CONTRADICIONS OF THE DEVELOPMENT OF THE RUSSIAN FAR EAST IN THE CONTEXT OF INERNATIONAL RELATIONS.....24

Hirofumi ARAI. REGIONAL ECONOMIC COOPERATION IN NORTHEAST ASIA: WITH AN EYE TO THE APEC SUMMIT IN VLADIVOSTOK.....28

Konstantin Alexandr L. ABRAMOV. THE MAIN APPROACHES TO IMPLEMENTATION OF DEVELOPMENT STRATEGY OF THE FAR EAST AND BAIKAL REGION FOR THE PERIOD UNTIL 202531

Andrey V. GUBIN. NAVY IN THE NATIONAL SECURITY OF THE REPUBLIC OF KOREA33

Igor E. KHRUSHCHEV. MAIN DIRECTIONS OF TRANSPORT DEVELOPMENT IN THE PRIMORSKY TERRITORY37

Olga MALSEVA. THE PREPARATION TO APEC SUMMIT AS A WAY OF INVOLVING DPRK IN HUMANITARIAN CONTACTS42

Sergey SEVASTIYANOV. RUSSIAN APPROACHES TO NATURAL GAS COOPERATION IN NORTHEAST ASIA.....45

Viktor V. GORCHAKOV. KOREAN NUCLEAR TECHNOLOGY AS “TRUST FOR THE FUTURE”50

German ZVEREV. CONDITIONS AND PROSPECTS OF RUSSIA AND KOREA INTERACTIONS IN SPHERE OF FISHERY AND SAFETY OF MARINE RESOURCES: CORRELATION OF ROLES BETWEEN GOVERNMENT AND BUSINESS55

Mikhail KHOLOSHA. POTENTIAL OF PRIMORYE IN THE TRANSPORT DEVELOPMENT OF THE REGION.....58

Dmitry V. ANTONENKO, Nadezhda L. ASEVA. RECENT STATE OF FISH STOCKS IN THE NORTHWESTERN JAPAN/EAST SEA AND PROSPECTS OF THE COASTAL FISHERY.....62

RUSSIAN APPROACHES TO NATURAL GAS COOPERATION IN NORTHEAST ASIA

Sergey SEVASTIYANOV

Vladivostok State University of Economics and Service

Northeast Asia plays a growing role in Russian foreign policy because Moscow aims to use its economic relations with Asian states to enhance the economic development and comprehensive security of the Russian Far East and eastern Siberia. Moreover, Russian regional involvement as an important and reliable energy supplier could contribute substantially to multilateral cooperation in Northeast Asia.

Recent events demonstrated that Moscow has been gradually assuming a greater commitment to developing the RFE: the Russian government has fulfilled its obligation to invest domestic funds in a sizable part of the region's multibillion dollar infrastructure projects. Foreign investors have long awaited such a positive signal (Sevastyanov 2005b:145). At the same time, other components of the Russian NEP – the limits placed on foreign investments and the preferential treatment given to the two largest state-owned companies (Gazprom and Rosneft) in recent years – have changed the playing field for foreign investors in the energy sector.

In January 2007 Putin approved a proposal allowing two state-owned companies (Gazprom and Rosneft) to share equally in oil and gas extraction in projects on the Russian continental shelf. This decision effectively blocks foreign companies from getting a major share in these projects.

Gazprom has always been the number one company in Russia – a clear favorite of consecutive Presidents (Yeltsin, Putin, Medvedev). In addition to its high stakes in energy projects, the gas giant is buying shares in related economic sectors (coal mining, organic chemicals, electricity) as well as in the media. Moreover, in 2006 the RF presidential administration resurrected an idea to increase the share of coal in the Russian internal fuel balance from the current 13% to 35% in 2015 thus giving Gazprom a practical opportunity to sell more gas abroad.

The RFE is a critical area for Gazprom's expanded investment activities. In the short-term, first it will sell Sakhalin gas to local consumers in the RFE and later to foreign partners. By 2011 Gazprom plans to prolong Sakhalin through Khabarovsk all the way to Vladivostok. This will make it possible to achieve Gazprom's goal of making gas available to both residents of the RFE and NEA countries.

Gazprom chose to use gas from the Sakhalin-3 project to supply its domestic and foreign customers. This project consists of four gas and oil fields producing more than 700 million tons of oil and 1.3 billion cubic meters of gas. By comparison, together the Sakhalin-1 and Sakhalin-2 projects produce about 450 million tons of oil and 1 billion cubic meters of gas. Gazprom's selection of Sakhalin-3 as its principal source of gas indicates the priority it places on the Sakhalin projects, while developing the gas from the Kovykta field in Siberia appears to be a more distant goal.