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## **INTERNATIONAL COOPERATION IN THE ARCTIC ON THE EXAMPLE OF YAMAL LNG**

**Abstract.** *The article considers an example of a large-scale project for the extraction of natural liquefied gas - Yamal LNG, as a variant of mutually beneficial international cooperation between the Russian Federation, the People's Republic of China and the Republic of France. Analysts note that the development of the Arctic from the economic point of view is a difficult task. Without investment, this process can drag on for several decades. The best way is to use international cooperation. Indeed, it gives a number of preferences to the parties to the agreement. The key is to help export raw materials, create profitable transportation routes, ensure the repurchase of a part of natural resources. Of course for the Arctic it is essential and necessary. Nowadays, thanks to the implementation of the project a transport infrastructure was created successfully and also port and airport "Sabetta" were built, and the living conditions of people in the area were improved. The supply of raw materials to the European and Asian markets is already started. Such effective cooperation can begin to be realized in other Arctic territories of our country, for example, in the Republic of Karelia. There, for the time being, smaller smaller projects, but important projects in the sphere of energy, education, and tourism can find development. It is obvious that the international cooperation is a platform for interaction of states, including non-Arctic ones, that aspire to be in the Arctic region, take part in its development, establish business contacts with the Arctic countries by concluding important raw international agreements. Despite disagreements in economic and political issues, we understand that the Arctic needs to develop and maintain a coordinated world order on it.*

**Keywords:** *Yamal LNG, the Arctic, liquefied natural gas, international cooperation, agreement.*

The development of the Arctic zone for Russia is important, both economically, socially, and strategically. And a lot of things has already been done in this sphere. But in order to fulfill the state program for its development, attracting additional resources and investments, international cooperation is very important.

So far, there are not so many examples of close and fruitful international cooperation in the development of the Arctic territories. Therefore, specific examples of interaction with other countries are really important, such as the experience with Yamal LNG.

YAMAL LNG (LNG is an abbreviation of liquefied natural gas) is the largest integrated project for the extraction, liquefaction and supply of natural gas. Thanks to its favorable geographic location, LNG provides an uninterrupted supply of raw materials to the international market, including

to Europe and to the countries of the Asia-Pacific region. One of the main tasks of the project development concept is to expand gas supplies to the countries of Asia. Just at the end of March of this year, the beginning of its implementation was laid - the first gas supply to India was made [5].

The project is being implemented in the South Tambey gas condensate field, where the fuel is extracted, including long-term deliveries to the People's Republic of China [8].

It is worthy of special attention that the Yamalo-Nenets Autonomous District has for a long time taken a leading position in terms of investment in projects of the fuel and energy complex. At the same time, along with highly developed raw material regions, a significant part of the territories of the Arctic region is marked by low indicators of the development of the transport infrastructure, the energy system, and the population [9].

Under these conditions, the launch of the Sabetta port became one of Russia's key points of reference in the development of the Arctic's natural resources [3].

"The state creates an aquatorium, bypass channels, it allows navigation, and private companies are building a project. The task of the Russian Federation to use the successful experience of such forms of interaction, to develop them ... " [10].

It is noteworthy that the joint project is international, since the shareholders are the French oil and gas company TOTAL, the largest Chinese national oil and gas corporation and the Silk Road Fund, whose share in the project is 49.1%, and the Russian company PJSC NOVATEK [7].

Today, the Yamal LNG project can be considered successful, as its integration into the international energy infrastructure is evident. Undoubtedly, the primary goal of the project is to meet the requirements for the production and quality of energy resources, the compliance of its activities with environmental standards, national and international regulatory framework [4].

On the 27 of March in 2018 in Shanghai, the meeting of the chairman of PJSC "NOVATEK" and the head of the Chinese Corporation. The sides discussed further more extensive cooperation.

The development of international cooperation boils down to concluding agreements taking into account the development of the interests of states, participation in international negotiations [1].

A striking example of bilateral international cooperation is the Agreement which was made on the 13 of January in 2014. between the Government of the Russian Federation and the Government of the People's Republic of China on cooperation in the implementation of the Yamal LNG project and the Agreement which was made on the 13 of October in 2014 on cooperation in the field of natural gas supplies from the Russian Federation to the People's Republic of China along the "eastern" route.

The agreements are in line with the Strategy for the Development of the Arctic Zone of the Russian Federation, since on the one hand they correspond to the economic development of a separate "Arctic" territory, on the other hand, they are aimed on improving the infrastructure and raising the living standards of the population. In particular, by agreement, 20% of the shares were purchased by the China National Oil and Gas Corporation, which obliges the party to support the project, for example, in the purchase of gas at least 3 million tons per year. The agreement fixes preferential tax and customs conditions for the parties [8].

Preferences for Russia are the fact that for the transportation of raw materials, the Chinese side will assist in the development and development of the route and in its operation, covering also the gas pipelines.

The development in the Arctic zone of the Russian Federation of a large fuel and energy project with foreign investment confirms that Russia supports the economic stability of the region and the status of the Arctic power. Thanks to the extraction of liquefied natural gas, economic cooperation with the countries of the Asia-Pacific region, the readiness for serious international cooperation and the "Russian turn to the East" are being established [2].

Thus, we see that international cooperation in the Arctic region has a great importance, first of all, for our country. Attracting foreign investment and ensuring economic development of the region and the oil and gas industry is now a promising direction of the domestic and foreign policy of our state. China's desire to participate in the development of the Arctic is also evident, although China is not an Arctic state. This country is interested in a long-term and stable cooperation with Russia, therefore, the country's leadership, federal and regional departments need to move to a new and more extensive level of international legal dialogue with potential investors.

The experience of the Yamal LNG project should be addressed for international cooperation, for example, in the Arctic territories of the Republic of Karelia. It has an advantageous geographical position, as it is a transport hub of the Baltic and Europe in general. The first steps on the way to cooperation with the PRC have already been made, and an agreement has been signed on the establishment of twin relations between the Republic of Karelia and the province of Fujian. The Chinese side has a number of proposals on bilateral relations in energy, food imports, tourism, science and education [6].

Using the example of Yamal LNG participation in the international gas field development project, Russia demonstrates the possibility of collaborating with other states, connecting their investments in general economic interests. Despite the economic and diplomatic sanctions, the Arctic remains a region of international cooperation through which

mutually beneficial cooperation between different countries is realized. It means that mutual understanding and security are ensured.

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