

Russian East-bound Pipeline Routes and Regional Geopolitics

Xiaojie Xu, the Chief Researcher
Boodc Research, Beijing China

Russian east-bound pipeline of oil is a hot topic in the past 12 months in Russia, China and Japan. Although Russian side finally work out a way to build the long distant pipeline to its Nahadka with a section to Chinese Daqing, strategic interactions between Russia, Japan and China remain to be questioned. Generally speaking, regional cooperation is required. However, the geopolitical hurdles remain. In my presentation, based on general description of the northeast oil market conditions and both Chinese and Japanese responses to Russian energy strategy toward the Asia-Pacific rim, the priority will be given to geopolitical interests and hurdles to be tackled.

Firstly, energy security in China will be briefed and new policy making under the new administration under the leadership of Wen Jiabao in the March be emphasized. Some strategic consideration of energy security settings, domestic priorities, imports and stockpile as well as going abroad will discussed. However, Chinese strategy toward the Russia and the central Asia will be rethought. Chinese preferences to the Russian trans-border pipelines will be investigated with Chinese potential investment in Russia and political relations with Russia and Japan.

Japanese stance toward the Russian oil source is closely watched and concerned. So far, Japan work with both Russia and China concurrently for its best interests. Japanese governmental policy with Russia and Japanese commercial ties and dialogues with Chinese counterparts are in some way conflict each other. The presentation will address some Chinese concerns over these.

Finally, we have to find our the common strategic interests in the region and some key geopolitical hurdles ahead including traditional bilateral relations, energy requirements and national security settings.