

The DPRK and Russia to Discuss Construction of Gas Pipelines

Kim Jong Il's visit to Moscow on August 20 is sparking interest for the future of economic cooperation between the two countries.

According to the KCNA, Russian President Dmitry Medvedev expressed interest to increase trilateral cooperation between the ROK-DPRK-Russia in the gas, energy, and railroad sectors. In the message sent from Medvedev to mark the 66th anniversary of independence from Japanese colonial rule, "plans to expand cooperation with the DPRK and the ROK in gas, energy, and railroad industry" were emphasized.

The cooperation projects are evaluated to have "great economic and political significance contributing to the stability in Northeast Asia and denuclearization of the Korean peninsula."

In July 4, the KCNA reported that the delegates from the Russian energy giant Gazprom headed by Chairman Aleksandr Ananenkov visited Pyongyang to discuss energy cooperation, although details of the visit was not elaborated. Ananenkov was reported to have met with North Korean officials in gas and oil industries to discuss bilateral cooperation in these areas.

Russia has also expressed interest in linking gas pipelines to export natural gas to South Korea via inter-Korean railroad system.

A spokesperson of the foreign ministry of the DPRK reported on the recent visit from the vice-foreign minister and chief representative of Russia on Six-Party Talks, Aleksei Borodavkin, this past March. In the statement, the Russian government expressed concerns for improving inter-Korean relations and stressed prospects of the tripartite economic cooperation projects with North and South Korea including the construction of railways, gas pipeline, and a transmission line linking the three countries. The DPRK also expressed support for the upcoming economic cooperation projects.

In result, the main agenda in the bilateral economic cooperation between Russia and North Korea entails railway, gas pipeline, and transmission line construction.

President Lee Myung-bak has met with the Russian president Medvedev in September 2008 in Moscow. At the summit, the two presidents reached an agreement to pursue projects to export Russian PNG or pipeline natural gas to South Korea through a pipeline via North Korea from 2015.

Immediately following the summit, South Korea's Korea Gas Corporation (KOGAS) and Russia's Gazprom signed a memorandum of understanding (MOU) to jointly study the possibilities of constructing a long-distance pipeline running from Vladivostok. Under the contract, Russia will send at least 7.5 million tons of natural gas annually for a period of 30 years through a pipeline to South Korea via North Korea.

This joint study between ROK-Russia is expected to serve as a momentum in bringing diverse economic cooperation between North and South Korea as well.

While it is still premature to judge the long-term outlook for such trilateral economic

cooperation, its effects are anticipated to contribute to stability and peace in the Northeast Asian region.