

China Signs for 20% of Novatek's Yamal LNG Project

By [The Moscow Times](#)

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China National Petroleum Corporation on Thursday acquired a 20 percent stake in Novatek's major Arctic liquefied natural gas project.

The deal follows a tentative agreement about the purchase, which the companies reached in June.

Paying an undisclosed sum, CNPC is now joining France's Total as a partner of the \$20 billion Yamal LNG project.

President Vladimir Putin and his Chinese counterpart Xi Jinping attended the ceremony of signing the purchase deal on the sidelines of the Group of 20 forum in St. Petersburg, a meeting of representatives from the world's leading economies.

"The agreement we signed is an important step ... that will foster a reliable supply

of ecologically clean energy resources for the fast-growing Chinese economy," CNPC chairman Zhou Jiping said in a statement.

Novatek chief Leonid Mikhelson said the project gained a "strong partner."

Novatek, which is now left with 60 percent of the venture, could bring on another partner before the end of this year, Mikhelson told reporters. The company is negotiating with several candidates, he added.

Novatek said earlier it would be content with 51 percent of Yamal LNG.

Yamal LNG plans to build a plant to make 16.5 million metric tons of LNG a year and start shipments in 2016. The project also requires construction of an airport and port on the Arctic Ocean.

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