

China Begins Building Massive Pipeline for Russian Gas Imports

By [The Moscow Times](#)

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The pipeline, called the “Power of Siberia,” is the result of a \$400 billion, 30-year gas supply deal.

China on Monday officially began construction of a vast pipeline to import hundreds of billions of dollars worth of natural gas from Russia, news agency Interfax reported Monday.

The pipeline, called the “Power of Siberia,” is the result of a \$400 billion, 30-year gas supply deal signed by state-owned Russian energy giant Gazprom and its Chinese counterpart CNPC in May last year.

Russian Prime Minister Dmitry Medvedev and Chinese Deputy Prime Minister Zhang Gaoli on Monday took part in a groundbreaking ceremony for the pipeline via a video conference call, Interfax reported.

Medvedev pledged that the 4,000-kilometer pipeline would be completed “on time and in full,” with gas deliveries to begin in 2018, according to Interfax.

The gas supply deal was signed two months after Russia's annexation of Crimea from Ukraine provoked a confrontation with Europe and the U.S. that culminated in Western sanctions on Russia's energy and financial industries.

Russian pipelines have traditionally funneled gas to Europe, which is Gazprom's main export customer and provides over half of the company's revenues. Moscow is working to divert more gas to Asia through the Power of Siberia project and another pipeline to be built in Western Siberia with Chinese participation.

Monday's official announcement comes a month after Gazprom announced in May that construction work on the Chinese section of the pipeline had already begun.

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