

**THE SEVENTH RUSSIAN-CHINESE
ENERGY BUSINESS FORUM**

Subject of the Forum:

Increasing the level of strategic interface
between Russia and China, strengthening our
comprehensive energy partnership

SPEECH

by Executive Secretary
of the Presidential Commission
for Strategic Development of the Fuel and Energy Sector
and Environmental Security

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Slide. Front Slide

1. Introduction

Dear Participants and Guests of the Forum!

In the beginning, I would like to express my deep **gratitude** to the President of the Russian Federation **Vladimir Vladimirovich Putin** and the President of the People's Republic of China **Xi Jinping** for their support and ongoing personal attention to the development of bilateral energy cooperation.

I would like to thank our Chinese friends and **Vice Premier of PRC Ding Xuexiang personally** for the warm welcome extended to the Russian delegation in Beijing. Let me welcome those participating in our today's event:

- **Wang Hongzhi**, Head of the National Energy Administration of the PRC;
- **Dai Houliang**, Chairman of the Board of Directors of CNPC.

Let me also welcome the Russian delegation led by **Alexander Valentinovich Novak**, Deputy Prime Minister of the Russian Federation and those present here today:

- **Sergei Evgenievich Tsivilev**, Minister of Energy of the Russian Federation;
- **Heads of Russian and Chinese companies**, as well as members of the expert, research and media communities.

This year, our Forum hosts representatives from **over 100** Russian and Chinese companies of the energy, financial, technology, transportation, and other sectors accounting for up to **40% of trade** between Russia and China. I would like to emphasize that energy accounts for approximately **70%** of the Russian **exports** to China.

Our forum today is of particular significance for the Russian-Chinese relations: this year, Russia and China are jointly commemorating **the 80th anniversary of the Victory** in the Great Patriotic War and the surrender of Japan, which ended World War II. Large-scale celebrations were held in

Moscow on May 9 and Beijing on September 3, they were attended by the leaders of our two countries, and caused an impactful international reaction.

To quote **Russian President Vladimir Putin**: "The memory of the joint struggle of the Soviet and Chinese peoples against German Nazism and Japanese militarism is an enduring treasure for us."¹

Slide. Trade volume between Russia and China confirms the special status of bilateral relations

2. Trade volume and supplies of Russian energy commodities to China

The trade volume trends between Russia and China in recent years clearly demonstrates the **special status** of our relations. Over the past twenty five years, economic cooperation between Russia and China has reached an unprecedented level. Two years ago, the goal of increasing bilateral trade to **200 billion dollars** ² was overperformed by **20%, ahead of target time**. Last year, mutual trade volume came to the record level of **245 billion dollars**.

Slide. Russia ranks fourth in bilateral trade with China

China, being a **strategic ally** of Russia, ranks first among our country's **international trade partners** (*34% of trade turnover in 2024*).

Russia, in turn, ranks fourth in bilateral trade with China.

Timely decisions to create a **modern infrastructure for hydrocarbons supply**, taken long before the closure of Western markets, became an important factor in **ensuring the energy security** of our countries.

In this hall, I would like to convey warm greetings to the then co-chair of the Russia-China energy dialogue, **the legendary Chinese leader Wang Qishan**, who was recognized by the Russian people as a **great friend of Russia**. **Wang Qishan** stood at the origins of creating the ESPO pipeline system, which became the guaranteed route for our supplies. His personal contribution gave a powerful impetus to our partnership in the areas of nuclear energy, gas and coal supplies, and electricity cross-flows.

¹ President of Russia, [Interview for Xinhua News Agency](#), August 30, 2025

² Regnum, [Putin declared an unprecedentedly high level of relations with China](#), December 14, 2023

By the end of 2024, our country secured almost **19%³** of **China's energy imports**, totaling approximately **100 billion dollars**.

Slide: The share of the yuan in China's foreign trade rose to 52%

3. Mutual settlements are moving out of the dollar zone

In recent years, **settlements between Russia and China** have been almost entirely **converted to national currencies**, and the share of the dollar and euro has shrunk to the level of statistical error. Since 2010, the share of **the yuan** in China's foreign trade has increased from 2% to **52%**, while the **US dollar's** share has almost halved, from 83% to **43%⁴**.

Slide: The role of gold in the world is growing

The dollar's position is weakening not only as a **means of payment**, but also as the **world's reserve currency**. **The use of the dollar as a sanctions weapon** contributes to this. Prerequisites are being created for the use of alternative instruments such as **gold**, the price of which, as a rule, rises on the eve of global crises. Today, it **takes the place of US Treasury bonds**, which are gradually losing their "safe harbor" status.

Slide: China and Russia are world leaders in gold production

Slide: Achieving China's development goals is impossible without increasing energy consumption.

4. Strategic vision of China's leadership

Our Energy Forum is taking place following the conclusion of the **Fourth Plenary Session** of the Central Committee of the Communist Party of China, which defined the country's key development priorities for the **15th Five-Year Plan**.

One of the key objectives of the 15th Five-Year Plan is to create the conditions for building a "**socialist modernized power**" by 2035, which assumes **doubling its GDP**. I would like to stress that **the consistent and forward-looking policy of the Chinese leadership** makes it possible to take

³ According to Trade Map, in 2024, China's energy imports amounted to 503.4 billion dollars, including 94.8 billion dollars from Russia.

⁴ Total payments from China to foreign counterparties and payments from foreign counterparties to China, [according to the State Administration of Foreign Exchange of China, data for January-September](#).

advantage of both the planned and market economies **simultaneously**. Due to that **synergy effect**, China can maintain an accelerated economic growth rate of approximately **5% per year**⁵. Clearly, such development trend assumes further **growth in energy consumption**.

Slide. China is the leader in the world science

Another important priority for China over the next five years is the development of "**new quality productive forces**" which should go along with establishment of "**emerging industries and industries of the future**".

China has already become a **global leader in research papers** in many technology areas. In terms of their number, the country is ahead of both the United States and the European Union. Furthermore, China ranks first in the world by the number of active **patents** for inventions.⁶

It is no surprise that eight Chinese universities are among the **top ten globally** in the distinguished Leiden Ranking which ranks universities based on the quantity and quality of their research publications.

Slide. China outstrips the EU in research investment

These achievements are underpinned by a tremendous **increase in investment in research and development**. Today, China's R&D funding exceeds the combined total of the **European Union**.⁷

Slide. China is the only industrial power today

Providing **35% of the global industrial production**, China, in fact, is **the only industrial superpower** today.⁸ The dependence of American manufacturing companies on Chinese components is **three times higher** today than the dependence of Chinese companies on the United States. But twenty years ago it was the other way around.

Slide. China's electricity consumption is more than twice as high as in the United States.

⁵ VEB Research and Expertise Institute, Overview of Events in China, October 20–20, 2025, October 27, 2025

⁶ Roscongress, China's Technological Breakaway, October 2024

⁷ Roscongress, China's Technological Advancement, October 2024

⁸ Center for Economic Policy Research, [China is the world's sole manufacturing superpower: A line sketch of the rise](#), 17 January 2024

5. China's role in the world energy

Today, China is a great energy power which is shaping a **new image of all global energy**. The country is advancing by leaps and bounds **towards building a new type energy system** which is a **synthesis of conventional and alternative sources**. Meanwhile, the West has taken the path of a known German philosopher **Jacob Boehme**, who propagated a magical way to achieve results. As our saying goes: "**at the pike's behest**" or "**with God's help**".

As a result, today the level of electricity generation in China is **more than twice as high** as in the United States. This situation is the opposite of what it was 20 years ago.

China accounts for a **third of world investments into the energy sector**. China's investment is expected to reach approximately **\$900 billion** this year, exceeding by **30%** the investment of **North America** as a whole, and by more than **one and a half times** the investment of Europe.⁹

Growth of economy, industrial consumption, development of regions and electrification of all spheres, including transport, housing and utilities have elevated China to **the first place in the world in terms of energy consumption**. Such needs for energy require a **special approach to energy security**.

Slide. Russia's unique resource base

6. Russia is a guarantor of world's energy security

Russia with its **unique resource base** can **ensure energy security** of the whole of **Eurasia**. The total **value of** our country's **natural resources** amounts to almost **100 trillion dollars**, which is nearly **twice** as much as the same indicator in the United States.

SLIDE: Russia's real contribution to the global economy is proportional to its share in the resource balance

Russia is a **key player** in the energy market, and its share in global **hydrocarbon exports** is approximately **15%**. Here, our cooperation is in full accordance with the directive formulated by the PRC President Xi Jinping at

⁹ IEA, [World Energy Investment 2025](#)

the 4th Plenary Session: "**Security is the prerequisite for development, while development is the guarantee for security**".¹⁰

Slide. Russia has become China's Oil Supplier No. 1

Russian energy supplies are a critical **supporting factor** for China to achieve its strategic goals. Over the past 10 years, thanks to the timely reorienting towards the East, Russia has become **China's number one oil supplier** with about **20%** share.

Owing to higher efficiency of purchasing Russian oil versus an alternative from the Middle East, the cumulative **economic effect for China** from the year of 2022 in our estimates is about **20 billion dollars**.

Slide. Majors do not replace their resource base

Today, the global oil industry continues to suffer from **underinvestment**. **Exploration** spending has been particularly drastically reduced. This is one of the reasons why the **organic reserve replacement ratio** at **Western oil majors** has been only around **40%** over the past five years. Meanwhile, at Rosneft, this figure consistently **exceeds 100%** thanks to its **larger resource base** and highly efficient exploration.

Slide. By 2030, oil imports to China may increase by 1.4 million barrels per day

The growth drivers for global oil consumption are located in the **Asia-Pacific region**, primarily **China**. Forecasts of world's leading analytical agencies indicate that by 2030, oil imports to China may grow by **1.4 million barrels per day**.¹¹ The IEA forecast that neighboring **India's** oil demand will increase by **two and a half million barrels per day** over the next ten years.

One of the key drivers of oil demand is the **petrochemical sector**. China has become the world's largest **exporter of petrochemical products**.

¹⁰ Xi Jinping, The Explanation of the Recommendations of the Central Committee of the Communist Party of China (CPC) for Formulating the 15th Five-Year Plan for National Economic and Social Development.

¹¹ Rosneft's estimate is based on data from the Energy Institute, IEA, OPEC, US Department of Energy, and SIA Energy. Note: Imports include crude oil and petroleum products.

According to Oxford University, this sector will provide for the country's oil consumption increase of **more than one million barrels per day** by 2030.

Slide. China is leading the way in the construction of coal power generation facilities

I would like to specifically note **the coal sector**, which is getting its **second breath** today. Last year China issued permits to build about **100 gigawatts** of new coal-fired power generation.¹² Unlike many Western countries, China understands very well that **alternative energy can only complement conventional energy**, but not replace it. As China's President Xi Jinping said, "**establish the new before abolishing the old**". Russia accounts for **over a quarter of China's coal imports**.¹³

Our cooperation is dynamically developing in **the gas sector** as well. Our country is strengthening its position as the **largest gas supplier to China with over 20% share**.

Slide: China is a leader in the production chain of renewable energy

7. Diversifying China's energy mix

The challenges facing China's economy create a need for **the country's energy mix diversification** aimed at achieving **independence from geopolitical instability** and the associated risks. In the apt words of Chinese President Xi Jinping: "**The rice bowl of energy must be firmly held in our own hands.**" Partnership in this area is one of our priorities.

Today China has become a renowned **world leader in renewable energy**. In recent years, China is the one that has commissioned the highest volume of new renewable generation capacity, and now hosts over **70% of the world's manufacturing capacity for the "green" economy equipment**¹⁴.

Slide: China is leading the way in the nuclear generation development

¹² IEA Data

¹³ Data of the General Administration of Customs of the PRC

¹⁴ BloombergNEF, [China Dominates Clean Technology Manufacturing Investment as Tariffs Begin to Reshape Trade Flows](#), April 2025.

China is also a leader in the commissioning of **nuclear power** capacities. Over the past ten years, this country's installed capacity of nuclear generation has **increased 5-fold approaching 60 gigawatt**. The forecast is that it will exceed **160 gigawatt** by the year of 2035. **35 more reactors for the total capacity of 38 gigawatt** are at the construction stage in **China**. This is equal to the total capacity of all the nuclear power plants being built in the rest of the world. China is by a wide margin followed by: **Canada** building 7 reactors, **India** - 5 reactors, and **South Korea** - 4 reactors¹⁵. The recently announced ambitious plans of the **United States** on the development of their own nuclear generation are still **on paper only**.

Slide: Cooperation between Russia and China in the nuclear energy sector

It is important to note that in the development of its nuclear power sector **China** relies on the latest technological achievements of the leading nuclear powers, first and foremost **Russia**. With the help of our country, four power units of the **Tianwan nuclear power plant** have been built in China. In the next few years, the plan is to complete four more nuclear power units of the **Tianwan and Xudapu nuclear power plants**.

Russia is also assisting China in the implementation of a project to build a **fast neutron reactor** that features **deeper fuel burnout and higher efficiency**.¹⁶ Let me remind you that our country is **the only holder** of this technology.

As for the economics of such projects in the nuclear energy sector, the effective construction cost of an NPP using the most contemporary Russian **VVER-1200** reactor is two times as low as that of the American **AP 1000**.

Partnership is developing in the supply of raw materials and the production of **fuel cells** using Russian technologies.

Today, **Russia** is the only country in the world with expertise in the **entire technological chain of the nuclear fuel cycle**, from uranium mining to nuclear fuel disposal.

Many countries would want to possess a full-cycle nuclear technology. However, we should not forget that atom splitting technology refers to **dual–**

¹⁵ World Nuclear Association, [Nuclear Power in China](#)

¹⁶ Rosatom, [Fast, Sodium-based, upgraded](#), July 2023.

use technologies. So, **non-proliferation of nuclear weapons** has to be given very close attention. We need to understand if we want a further **expansion of the nuclear club.** There has to be **compliance with special obligations** by the recipient of such technologies. In this regard, our joint position is **non-proliferation.**

Slide: Russia and China have a competitive advantage in the form of cheap electricity

8. Without Russia and China, the West is doomed to a deep crisis

Recently, the International Energy Agency announced that the **world is entering the era of electricity.**¹⁷ This statement is rather amusing, since Thomas Edison believed that this happened back in 1879.

The efficiency with which Russia and China supply their economies with electricity is the foundation of our development, **our natural advantage.** It is a fundamental factor in our competitiveness.

Owing to a forward-looking energy policy, today the cost of electricity for the industrial sector in our countries is more than **two times lower** than in the United States and **three to four times lower** than in some EU countries.

Let me remind you that, like China, **Russia** has been under **increasing external pressure** for many years with the primary goal to **push two our countries out of the global market.** The experience of the last ten years has shown that these attempts are **doomed to failure.** I want to recall the words spoken on the first day of the Great Patriotic War by our country's leadership. Today, they are more relevant than ever: "**Our cause is just, the enemy will be defeated, victory will be ours!**"

The West's continued **aggressive policy of sanctions** against both Russia and China will undoubtedly bring about **another economic crisis** in Western countries. Not all Western politicians realize the risks they face. Local goals are being set to **strengthen sanctions in the energy sector, energy assets are being seized** in international jurisdictions, and instead of achieving the stated goals, energy consumers in Western countries are already in a **dramatic situation.**

¹⁷ IEA, [The world is moving at speed into the Age of Electricity](#)

At present with the average oil market price of **60 dollars per barrel**, an American car owner **pays three dollars for a gallon of gasoline**. At the same time with the current electricity price of **18 cents per kilowatt-hour** (for households) which is **over 6 dollars for a gallon of gasoline**, a consumer of electricity in the United States actually **pays 125 dollars per barrel of oil equivalent**.

In the **European Union**, electricity prices are even higher. In **Germany** and **Italy**, electricity prices of around **40 cents** per kilowatt-hour (for households) translate into **14 dollars for a gallon of gasoline**, which is equivalent to **300 dollars per barrel of oil equivalent**. Continued sanctions pressure may lead only to a **multiple increase** in real prices.

The forecast is very **realistic**. Such electricity costs will **hinder the development of new projects**, including data centers, will make it virtually **impossible** to convert transport to electric traction, will require increased budget expenditures to subsidize housing and utilities, and ultimately will create the preconditions for a decline in economic potential and a sharp increase in household spending in Western countries.

Deprived of access to Russia's competitive resource base and China's component base, our Western opponents may lose their **technological and economic identity**, which will create the preconditions for the realization of **risks of civilizational re-division**. As the outstanding Chinese strategist and sage Sun Tzu said: **“Tactics without strategy is just vanity before defeat.”**

At the same time, the **synthesis of Russian resources and Chinese technological platform** reliably ensures the stable development of our economies, taking into account the **priorities of domestic consumption**.

Slide. Picture of Xi Jinping and Vladimir Putin

9. Conclusion

In conclusion, I would like to note that in the coming years, the global economics will go through **profound and complex changes**, the first signs of which we already evidence - rising debt, loss of confidence in the established financial system, search for alternatives, including gold, population growth in developing counties, uncontrolled migration, new sources of energy consumption growth, including DPSs, which change the balance and deprive

consumers of available energy. Deepening our strategic cooperation is **the key to countering these global challenges. Asymmetric responses** will be found.

In this connection The Book of Changes stages as follows: "**When people share a common spirit, their shared strength is so great that it can cut through the strongest metal and overcome any obstacle.**"

I would like to conclude my speech with a practical call that was made back in 1961 at the XXII Congress of the Communist Party of the Soviet Union: "**Our goals are clear, our objectives are defined. Let's get to work, comrades!**" **You couldn't have said it better.**

I congratulate you on the opening of the Seventh Russian-Chinese Energy Business Forum and wish you fruitful work.

Thank you for your attention!