



## **SPIMEX hosted a meeting of the Russian Gas Society expert groups on development of domestic LNG market**

On 16 April 2021, a joint meeting of two expert groups of the Russian Gas Society (RGS) — “LNG and Natgas Conversion” and “On-exchange and e-trading” — was held in the office of the Saint Petersburg International Mercantile Exchange.

The topic of the event was “Prospects for organization of on-exchange trading in LNG”. The meeting was attended by Roman Samsonov, Executive Director of the Russian Gas Society; Sergei Trofimenko, Managing Director for Gas and Energy Markets at SPIMEX; Aleksandr Klimentiev, Advisor to the Permanent Representation of the Republic of Sakha (Yakutia) under the President of the Russian Federation, and experts from SPIMEX and the Russian Gas Society.

Participants to the event paid special attention to the plans contained in the Energy Strategy of the Russian Federation for the period up to the year 2035. The document was approved by Decree No. 1523-r of the Government of the Russian Federation on 09 June 2020. According to the Energy Strategy, LNG has to play an essential role in the development of the Russian domestic natgas market and in raising gasification level of the nation.

Efforts to expand the LNG market are expected to include further improvement in the natural gas extraction complex as well as in production,

transportation and sale of LNG, raising production capacities of the national gas chemical industry. A roadmap for development of the domestic market for low-tonnage LNG and the NGV markets adopted by the Russian Government in February 2021 should provide an additional impetus to the process.

Currently, SPIMEX is the main platform in Russia where organized trading in pipeline natural gas is being conducted. More than 89 billion cubic meters of natural gas - worth 279.3 billion Roubles – has been traded since the launch of Natural Section of the Exchange. Consumers from 51 constituent entities of Russia participate therein. The SPIMEX designated delivery points — Nadym and 622.5 km (Lokosovo) balancing points – via which the bulk of the natural produced in Russia is transported, may become key pricing points both for pipeline natural gas and, similar to foreign hubs, for LNG.

***The Saint Petersburg International Mercantile Exchange (SPIMEX) is Russia's largest commodity exchange offering a wide range of products traded both in its Commodities Section (refined oil products, crude oil, natural gas, LPG, timber and construction materials, fertilizers) and in its Derivatives Section. The Exchange's key task is to operate a transparent, fair and efficient price formation mechanism for Russian commodities. SPIMEX was founded in 2008.***