An aerial night photograph of Pechenga, a city in the Murmansk Oblast of Russia. The city is illuminated by its lights, with a prominent cluster of tall buildings in the center. The surrounding landscape is dark and flat, with some distant hills visible on the horizon. The sky is a deep blue, and the overall scene is captured from a high vantage point.

International Seaport Pechenga

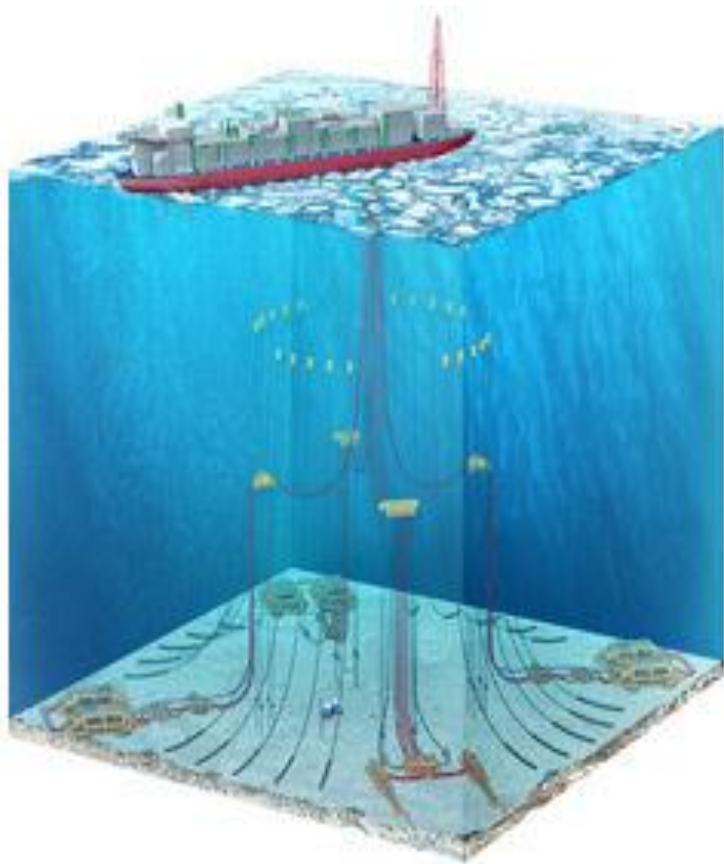
Prerequisites

- Ships entering the port of Ust-Luga require icebreaker escort;
- Freight traffic going through the port of Novorossiysk is subject to geopolitical risks from Turkey and may be limited by the congestion of Bosphorus;
- The Murmansk port has reached its growth potential limits for the near future;
- Plans for the development of hydrocarbon fields of the Arctic shelf;
- The need to promote geopolitical interests of Russia in the Arctic;
- Competition from seaports of neighboring countries for transit cargo traffic.

Freight base of ISP Pechenga (ISPP)

Shtokman field (1 of 2)

Shtokman – a strategic Russian project to further develop the Arctic shelf



Hydrocarbon reserves in the Arctic basin reach as much as 200 billion barrels of oil equivalent. This means that the Arctic could contain more than a quarter of the unexplored hydrocarbon reserves of the world. The Shtokman project opens an era of industrial development in the Arctic.

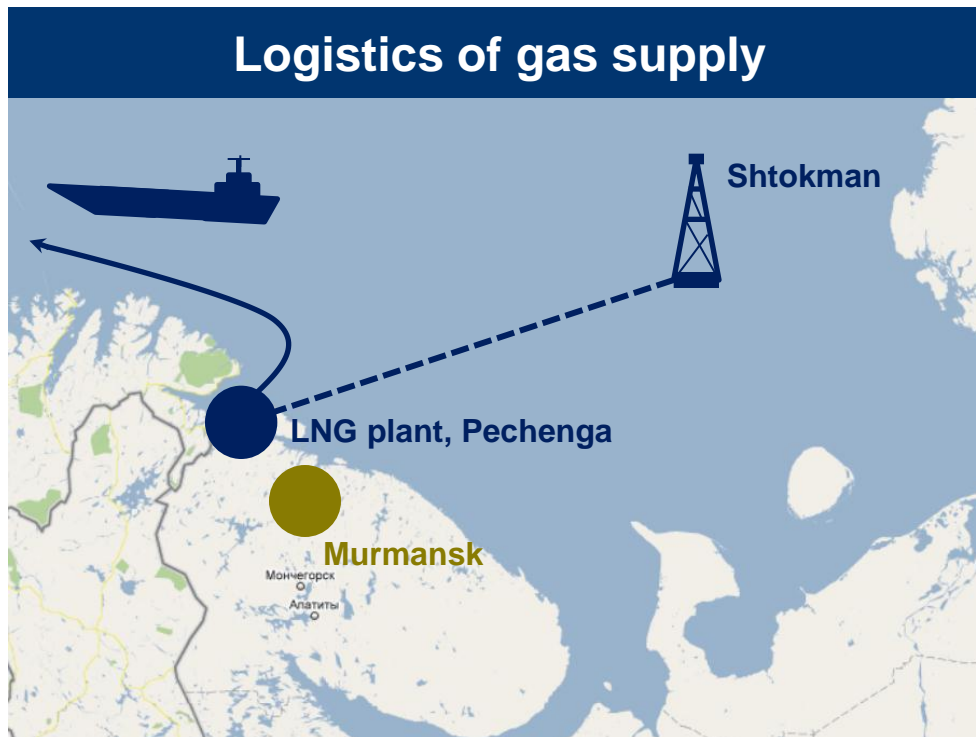
The field's reserves of C1 category are 3.9 trillion m³ of gas and 56 million tons of gas condensate.

Freight base of ISPP

Stokman field (2 of 2)

The optimal scheme of gas supply:

- Transportation via pipeline Shtokman - Port Pechenga
- Liquefaction on the plant in the port of Pechenga
- LNG transported by super-tankers to the world markets



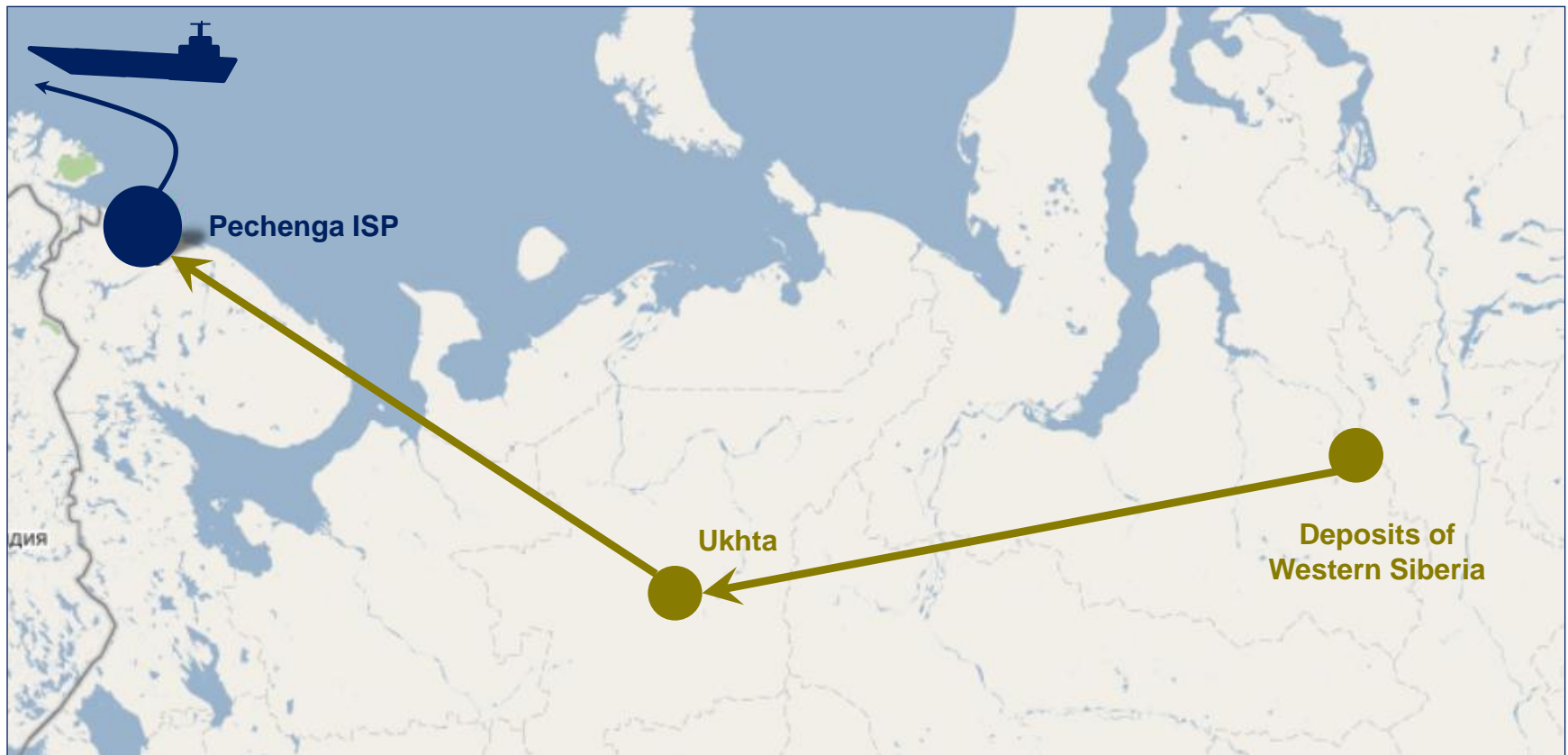
Construction of an LNG plant at the port of Pechenga will allow:

- Seamless delivery of LNG to North America and Europe;
- Participation in the gas trade on the spot-market;
- Usage of large non-ice class vessels

Freight base of ISPP

Novy Vankor

The Novy Vankor - Ukhta - Pechenga pipeline construction will annually export up to 80 million tons of oil to markets in North and South America. The oil terminal at Pechenga will provide direct loading for tankers up to 300 thousand tons d.w.t.



Freight base of ISPP

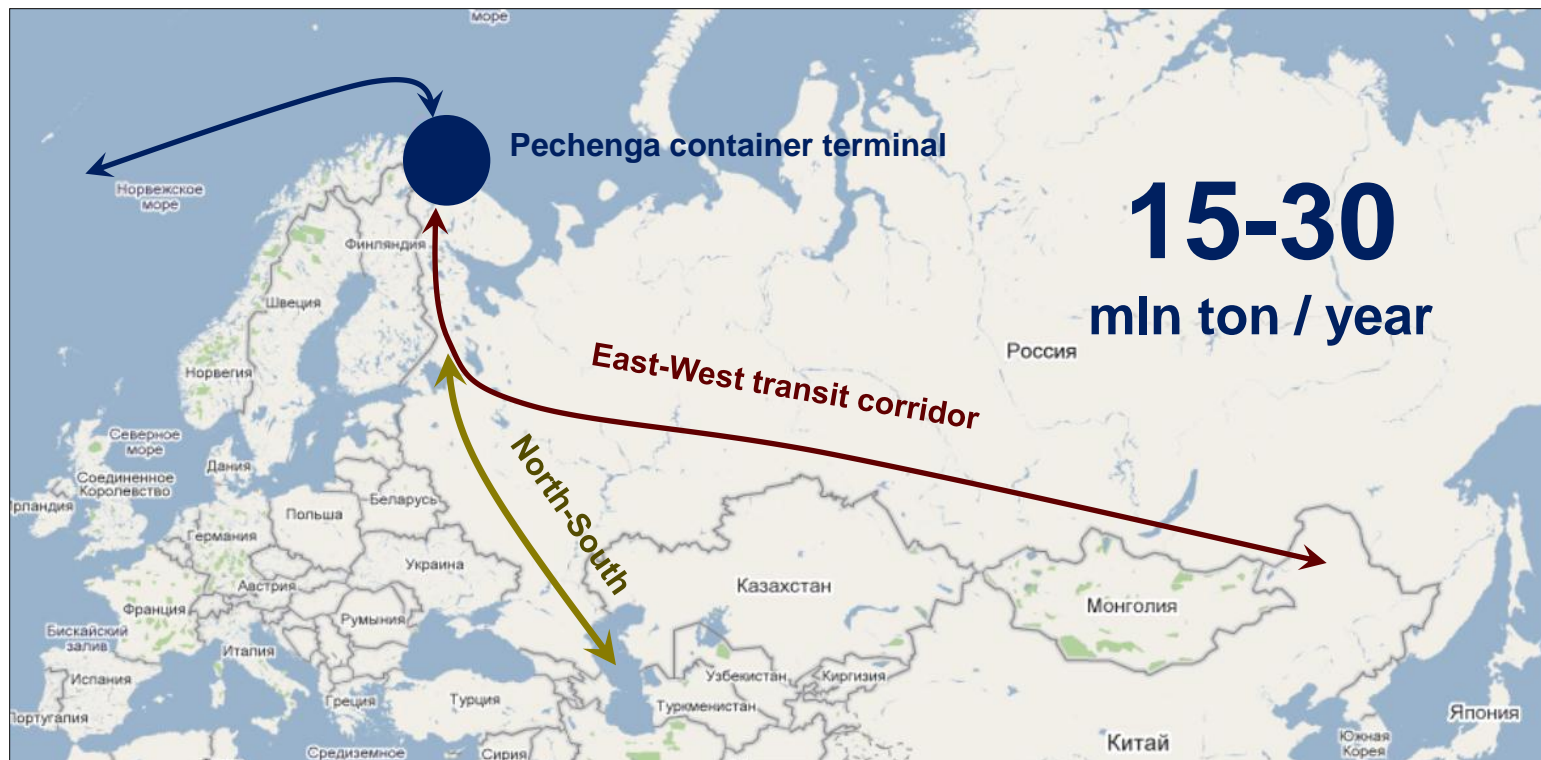
Transit corridors

North Freight corridor East-West

Mixed (sea and rail) traffic between the U.S. and China

Transit corridor North-South

India – Iran – Russia - Northern Europe



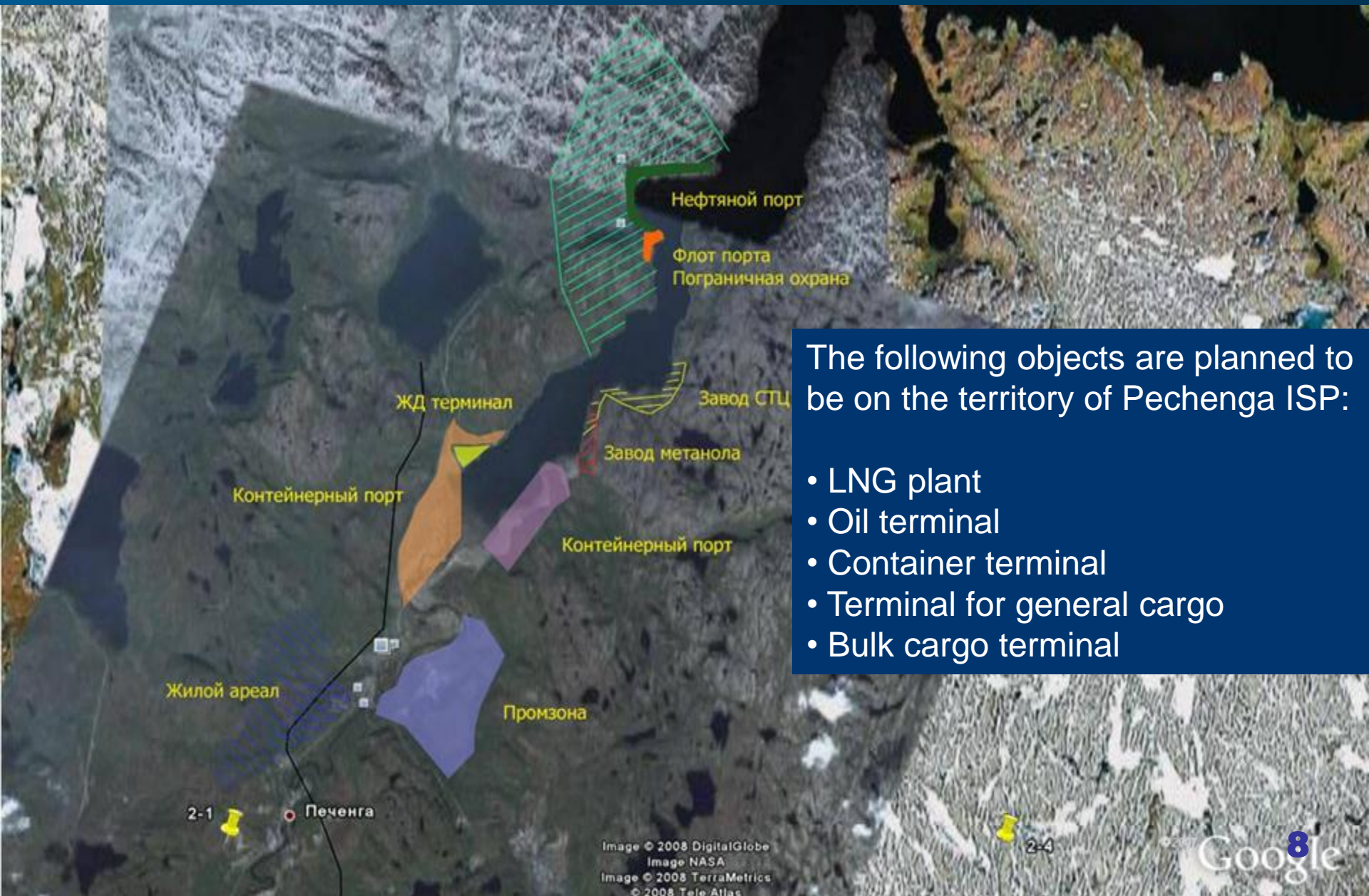
Territory of ISP Pechenga

Planned turnover of
Pechenga ISP at
the designed capacity

200
mln ton / year



Objects of ISP Pechenga



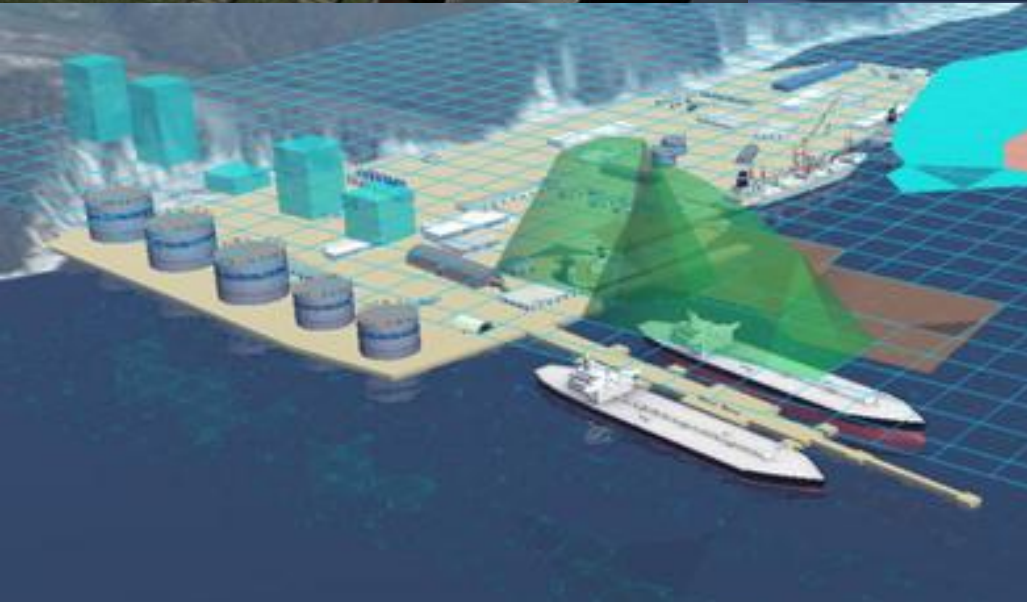
The following objects are planned to be on the territory of Pechenga ISP:

- LNG plant
- Oil terminal
- Container terminal
- Terminal for general cargo
- Bulk cargo terminal

LNG Plant



Oil terminal



Container Terminal



Bulk cargo terminal



Transport approaches to ISP Pechenga

Pechenga is located on a federal highway M-18 “Kola” and has access to the railway line Murmansk-Nikel. ISP construction assumes building new railway lines as well as an economically justified upgrading of the existing ones.



Benefits of ISP Pechenga (1 of 2)

- Year-round maintenance of ships with no ice-wiring costs;
- Ability to handle tankers with a displacement of 300k tons or more;
- Direct access to the ocean with no extra charges and without passage through the straits and channels;
- Absence of heavy traffic and naval bases that would limit ship turnover;
- Proximity of the port to the traditional sea routes;
- Good protection from wind-generated waves, which allows to operate without expensive wave-protection structures;

Benefits of ISP Pechenga (2 of 2)

- Availability of electric power facilities;
- Availability of basic transportation and social infrastructure;
- Reliable road and rail connections;
- Availability of areas suitable for placement of port areas and zones, entrances, warehouses and storages sufficiently remote from the existing residential housing;
- Availability of labor resources;
- Opportunity to build capacity for transshipment to the level of the world's largest ports.

Results of development of ISPP (1 of 3)



**Russian oil on the
markets of North and
South America**

Results of development of ISPP (2 of 3)

Diversification of Russian hydrocarbons supply channels to Western Europe



Results of development of ISPP (2 of 3)

Creating a new centre of economic development in Northern Russia

Social effect: 60 000 new jobs

Reducing the population attrition rate for the
Murmansk region

Revitalization of business

Geopolitical effect

Unquestionable dominance of Russia in Arctic

