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Russia said Friday it had ordered the construction of an oil pipeline from its huge Siberian oilfields to the Pacific Ocean opposite Japan, in a move to boost export opportunities throughout East Asia and to the United States.

A "system of pipelines" with an annual capacity of 80 million tonnes would be built from Taishet in Siberia to Perevoznaya near Vladivostok and the eastern port of Nakhodka, the government said in a statement.

Energy-thirsty Asian rivals Japan and China have been furiously competing for several years for access to supplies from the world's second biggest oil exporter after Saudi Arabia.

But the 4,130-kilometre (2,560-mile) link to Nakhodka became the preferred option earlier this year after lengthy talks with Tokyo, which has said it would finance its construction.

No price tag was put on the project Friday, but Russian officials have said previously it would cost some 16 billion dollars (12 billion euros) or almost seven times the cost of the alternative option to China.

Moscow's decision to pump its vast eastern Siberian oil supplies towards Japan will come as a blow to China, whose energy-hungry economy has turned it into the world's second largest oil consumer after the United States.

Negotiations with China were complicated by environmental concerns, with neither side able to agree on the route.

And for Russia, the Pacific route means that besides Japan, it could supply oil to other countries in the region, including South Korea, and even, potentially, the west coast of the United States.

Officials in Beijing have raised the possibility that a branch of Russia's Pacific pipeline could be diverted eventually to China, where energy demand continues to outpace supply, but there was no mention of this in Friday's statement from Moscow.

But in a major sweetener for Beijing, Industry and Energy Minister Viktor Khristenko on Thursday announced that Chinese oil conglomerate CNPC could be offered up to 20 percent of the main asset of the dismembered Russian energy supplier Yukos.

In what would amount to a strategic energy tie-up between Russia and China, Khristenko said China National Petroleum Corporation (CNPC) could end up owning a significant chunk of the assets of Yuganskneftegaz, which pumps a million barrels a day and owns 17 percent of Russia's oil reserves.

Moscow has signed agreements with CNPC reflecting bilateral "strategic understandings" on the expansion of energy cooperation, deemed vital to long-term economic growth in both countries, he said.

Yukos founder Mikhail Khodorkovsky, a political enemy of President Vladimir Putin, was a strong supporter of the China option for the eastern Siberian pipeline. He has been in jail since October last year, facing fraud and tax evasion charges, and his company is being dismantled to pay a massive bill for back taxes.

Russia is also proposing to pump oil west towards the Adriatic and ports in Albania, Croatia and Greece, and north to serve North America via a Barents Sea port, as it strives to boost its ability to supply rising demand in

international markets.

In October Khristenko said Russia's international oil pipelines would transport 303 million tonnes a year by 2010 and 433 million by 2020. Last year the pipeline network handled 182 million tonnes of Russia's total exports of 223 million.

Russian production of crude oil should reach between 550 and 590 million tonnes per year by 2020 owing to development of resources in western Siberia and the far East, the energy minister has said.

The state energy agency has forecast oil production will increase by six to eight percent in 2004 from 2003 output of 421 million tonnes.

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