Russia to use space tech to develop energy sector

(Reuters) - Russia will employ technologies, initially meant for outer space research programs, to develop its vast energy sector, Energy Ministry said on Tuesday in yet another sign of the Kremlin's modernization drive.

The ministry said in a statement it signed a long-term agreement with Russian space agency Roscosmos "to secure effective exploration, production, transportation and usage of the energy resources by employing modern space technologies, products and services".

It said the agreement foresees usage of GLONASS, Russia's answer to the U.S. Global Positioning System (GPS), to remotely "probe" the Earth.

Modernization is a key goal of President Dmitry Medvedev, who wants to encourage high technology sectors in a country whose dependency on oil and gas was a key reason for it being the worst performer in the G20 during the latest economic crisis.

Russia, the world's top oil producer, ahead of Saudi Arabia, last year suffered its first decline in crude production in a decade due to weaker demand as a result of the global economic slowdown.

This year, it is poised to recover from the setback and post growth in oil extraction of around 2 percent, due to the development of new fields in East Siberia and an increase in crude prices.

(Reporting by Vladimir Soldatkin; editing by Lidia Kelly and Simon Jessop)

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