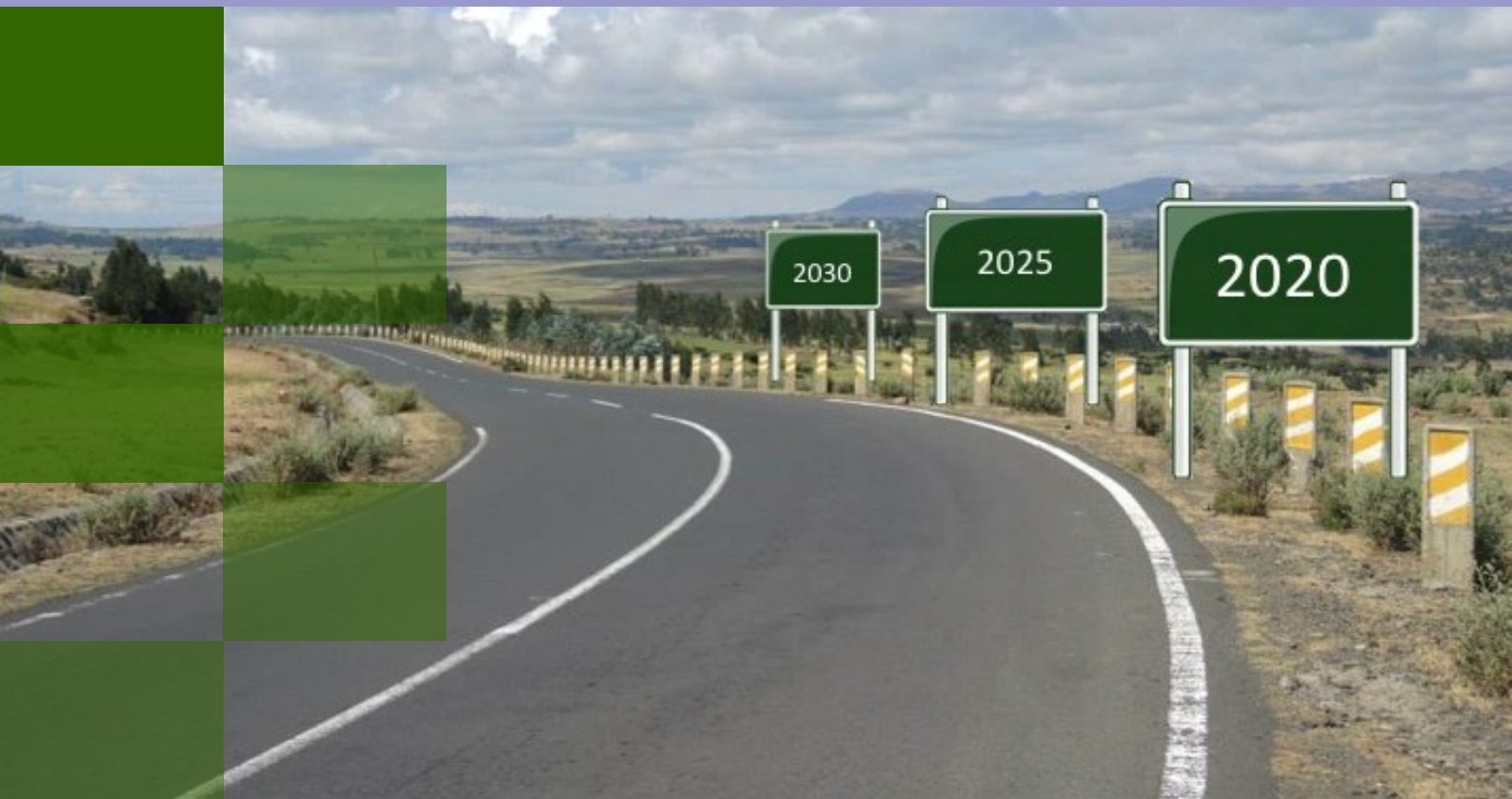


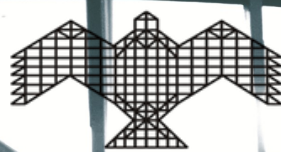
Trends. Threats. Projections

# China and the Arctic: Evolving Geopolitics

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Global warming has affected the Arctic region the most. The National Snow and Ice Data Center (NSIDC), at the end of its melt season in 2015 stated that the ice cover fell to the fourth lowest extent. In the same year, the Arctic ice declined at the rate of 13.4 each decade. Sea ice extent for December 2015 averaged 12.3 million square kilometres. Evidently, the data shows that ice is melting at a fast pace. Needless to mention, the Arctic region has become important due to the melting of the polar ice that has led to increasing economic opportunities, raw material, energy expansion and use of the new maritime route. As per 2009 report of the Arctic council's, Arctic Marine Shipping Assessment, the regular trans polar transport (for fourth month) will begin 2040. In 2009, the United States Geological Survey has already estimated that the Arctic contains over 90 billion barrels of oil, 1,669 trillion cubic feet of natural gas and some 44 billion barrels of natural gas liquids out of this 84 per cent may lay off shore. Given the growing importance of the region it is no surprise that China is profoundly interested in the region both for its strategic as well as economic value.

In 2013, President Xi Jinping used the popular catchphrase of 'Chinese Dream' which globally means changing the global landscape, which was shaped by the western countries. The realisation of the 'Chinese Dream' presents a vision for national revival and contributes to a new global landscape. Taking this forward, China started One Belt One Road (OBOR) initiative in 2015 that ultimately aims to redefine the global contours. This also suggests that China is looking forward to a great power status. Within the framework of Chinese Dream it is no surprise that China will grow its visibility in the Arctic region. There is also some incentive within the overall foreign Policy to include Far North as one of its priority. Furthermore, to achieve a 'great power status' China has to maintain a global presence. Over a period of time, Chinese Foreign policy has become diverse and all geared up to explore new areas.

In early 2015 when Presidents Barack Obama visited the Arctic region, five Chinese navy ships sailed off the coast of Alaska in the Bering Sea. It was a message to the US that China is trying to become a serious long term player in the Arctic. China has already started calling itself as 'near Arctic state'. If 2015 saw China actively pursuing the OBOR, the year 2016 will see a gradual Chinese move toward the Arctic. The article explores the economic and strategic interest of China in the region.

## Major Trends in the Arctic

China became net importer of oil in 1993 and is dependent on maritime routes for transportation of energy. The Chinese economy relies too heavily on transiting petroleum and other vital goods on oil tankers through the Malacca Strait that is rampant for piracy. The Arctic route can provide an alternative.

China has not issued any White papers on the Arctic region the only way to understand its policy and future ventures in the region is through its diplomatic moves. All major powers are equally interested in the region. Against this background, it is no surprise that China is showing its interest in the region as well. Three main reasons for China to be interested in this region; its prospective shorter international sea route from mainland to Europe, mineral and hydrocarbon resources and the related environmental issues of the region. At present China's involvement in the region is restricted mostly in the field of scientific research.

The energy rich Arctic region is governed by the Arctic Council. It was set up in 1996, as a intergovernmental forum to promote cooperation coordination and interaction among arctic states on sustainable development and environment protection issues in the Arctic region. The eight members are America, Canada, Denmark, Finland, Norway, Russia, Sweden and Iceland.



At the Arctic Council Ministerial meeting in Kiruna, China was given the Observer Status in the Arctic Council in May 2013. The other countries that were given the same status were India, Singapore, Japan and South Korea. China can never become a Arctic country because it lacks a territory above the Arctic Region 66.33'N. The northernmost county of China is Mohe county in Heilongjiang province at 52 degree22'N. Hence China calls itself as a 'near Arctic State.' The government of China handles Arctic and Antarctic jointly under polar affairs. The State Oceanic Administration (SOA) is the apex body under the government that deals with all the issues.

Notably, even before getting the 'Observer status', China was actively involved in the region. In 1999 a team from Beijing visited the Arctic. China's first Arctic scientific base, Yellow River Station was established on Svalbard Island of Norway on 28 July 2004. It is a multi-discipline, integrative research level and enhancing international exchange and cooperation. The Polar Research Institute of China (PRIC) is the main Chinese research institute for the study of the Earth's Polar Regions. The Institute manages four polar research stations (three in Antarctica and one in the Arctic), as well as the icebreaking research vessel Xue Long. Climate change, Arctic economic development and shipping are key topics for the joint research between the Nordic institutions and the Chinese member institutes. In June 2013, Ocean University of China and seven other research institutes were accepted as associate members of the University. On December 10th 2013, the PRIC and six institutes from the Nordic countries as well as three other institutes from China signed in Shanghai a Cooperation Agreement on the China-Nordic Arctic Research Center (CNARC) to formally mark the inauguration of CNARC. It serves as platform for academic research cooperation on the Arctic.

In 1993 China acquired Xue Long or the Snow Dragon which is China's first icebreaker from Ukraine. It is the largest non nuclear powered icebreaker in the world. It is the re-supply and scientific research platform of Chinese Arctic and Antarctic expedition. The new ship is been built under the contract of Finland is likely to be inducted in 2016. It is a symbol of China's increasing scientific interest in the region (The icebreaker falls under the supervision of the Chinese Arctic and Antarctic Administration which is a department of China's State Oceanic Division.) In September 2012, The Xue long completed a round trip voyage which included the North-eastern Sea route with a stop at Iceland for academic and scientific exchange. It has successfully completed expeditions in 1999, 2003, 2008, 2012 and 2014. It has already made 17 explorations in South Pole.

## Evolving Geopolitics in the Arctic Region

Even before the ice has started melting the geopolitics is already taking shape. In 2009, then Assistant Foreign Affair Minister described the Arctic region as 'global common' and said that the region occupies a 'unique position for all of us as human kind'. In 2012, PLAN Rear Admiral Yin Zhou described the North Pole and surrounding areas under the 1982 UNCLOS.

With the global warming at current pace, soon the Arctic is expected to be ice free. There are three main shipping routes across the Arctic region; Northeast Passage, Northwest Passage and Central Arctic Shipping Route. There are five Arctic coastal states; the US, Canada, Russia, Norway and Denmark. Amongst them Russia is claiming Lomonosov Ridge, if this is accepted Russia will possess nearly half of the Arctic. In addition, there are four more territorial disputes.

China became net importer of oil in 1993 and is dependent on maritime routes for transportation of energy. The Chinese economy relies too heavily on transiting petroleum and other vital goods on oil tankers through the Malacca Strait that is rampant for piracy. President Hu Jintao had called this as 'Malacca Dilemma'. The Arctic route can provide an alternative to the existing maritime trade routes. The northeast and northwest region is of immense importance to China. It connects China to Europe by cutting 8000 miles and 15000miles.

China has been advocating that Arctic is still under international waters and widely supports the term 'global commons' vis-a-vis the Arctic. It is closely watching the policy of littoral states towards the region and is trying to build gather supports from other countries that will share Chinese concerns on the issue of 'global commons' to Arctic resources, high seas and seabed resources.

Needless to mention, the northern Siberian coast is of great importance to China as it seeks to export goods to Europe and beyond faster and cheaper.

There is growing need of oil and mineral resources in the mainland. The Arctic can cater to China's future needs. In June 2014, a strategic assessment prepared by Defence Policy Research Centre of the Academy of Military Science of PLA pointed, the Arctic as a key source of oil and gas as well as means of transport fossil fuels and other goods, even going as far to suggest that the region could be a 'new Middle East and provide a new lifeline for China. Notably, access to the resources is crucial to China's future economic, political and military expansion as a global power. It is already engaged in five year assessment 2011-2016 of the polar resources and governance that will help to formulate a better policy towards the region.

At the bilateral level, China is engaging in proactive diplomacy with the Arctic states; Iceland, Greenland, Denmark, Norway and Sweden. Also it is trying to avoid any conflict states such as Russia, Canada and the US that are closely associated with the region. China has also started developing bilateral relations with Arctic states. Unlike, the South China Sea and the East China Sea Chinese policies in the region will be pragmatic and no aggressive policies can be expected in this region. China has been advocating that Arctic is still under international waters and widely supports the term 'global commons' vis-a-vis the Arctic. It is closely watching the policy of littoral states towards the region and is trying to build gather supports from other countries that will share Chinese concerns on the issue of 'global commons' to Arctic resources, high seas and seabed resources.

Interestingly, in 2013 India was also granted the 'Observer Status' along with China. Since 2008, India already has a research station called Himadri and is looking forward to induct a Polar Research Vessel (ice-breaker, research cum supply vessel). Indian interests are not as assertive as the Chinese wherein they have declared themselves as 'near arctic state. Nonetheless, recently India is trying to expand its diplomatic relation with the littoral countries of the region.

In 2014 President, Pranab Mukherjee became the first Indian President to visit Norway and Finland. During his visit he emphasised that Indian interest in the region is restricted to scientific and technological development. In December 2014, during the visit of Russian president Vladimir Vlasimirovich Putin to India participation of India's ONGC Videsh limited (OVL) in oil exploration was discussed. In May Rosneft and OVL signed memorandum of understanding involving cooperation on the Russian Arctic shelf as part of the international consortium. Another Russian company, Gazprom Neft has also shown interest to work with Indian oil and gas companies in the Arctic region. Evidently, India has started showing its interest in the Arctic region in a more pronounced manner and is making efforts to gain strategic foothold in the region.

At present, we can see that both the Asian giants are spreading their wings. It is too premature to say that whether India and China will again be jostling over the resources. China is advocating for the peaceful use of the Arctic region for scientific and economic purpose. The frequency to send ships to the region to further its own interest will be a critical test of Chinese foreign Policy. Vice Foreign Minister of China, Zhang Ming at the China Country Session of the Third Arctic Circle Assembly, said "What has happened shows that China is a constructive participant in and partner of cooperation in Arctic affairs. Going forward, China is willing and able to make even greater contribution to the sustainable development of the Arctic". A forecast for the region in 2016 can be drawn on the development in the region up till now. A second ice breaker is likely to be inducted this year. Hence, one more expedition can be predicted for the region by China this year.

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Views expressed are author's own.

