

Policy Brief, 11/2021



Venturing to the North: The Chinese quest for Arctic legitimacy

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November, 2021

Abstract

China seeks to strengthen its circumpolar ties to gain legitimacy as an Arctic stakeholder. Meanwhile, the EU is following a similar path, attempting to balance the display of restraint and the desire to secure its own geopolitical interests in the Arctic region.

On 29 September 2021 the research Vessel Xuelong 2 returned from its 79-day-voyage to its homeport in Shanghai after completing [China's 12th scientific Arctic expedition](#), reportedly covering a distance of 14 000 nautical miles. This endeavor, which set out to conduct environmental research throughout the Chukchi Sea north of the Bering Strait, is only the latest example of the growing Chinese presence in the polar region. In fact, China's involvement in the Arctic steadily increased in recent years, and particularly since 2014, when President Xi Jinping publicly voiced the Middle Kingdom's ambitious intent of "[joining the ranks of the polar great powers.](#)" In doing so, he abandoned the tradition of Chinese restraint in the region, practiced prior to the Xi-administration. As an expression of this new-found confidence, the State Council of the People's Republic of China (PRC), published its first [white paper on China's Arctic policy](#) in 2018. This was a testimony of China's desire for agency regarding Arctic affairs, as the PRC seeks to establish itself as a major regional stakeholder and longs to live up to Xi's ambitious goal set in 2014.

This ELAS Policy Brief will highlight the main interests behind the PRC's Arctic engagement, as well as the strategic pathways chosen to secure those interests. Additionally, it will examine the newly released EU Arctic policy and analyze the potential trajectory and repercussions of subsequent EU actions in the region. Finally, it will explore the potential of Sino-European cooperation in the Arctic.

Keywords:

Arctic, China, EU

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China's Arctic Interests

While expanding its regional foothold marks the PRC's overarching objective in the Arctic, the country seeks to gain recognition as an Arctic stakeholder and to legitimize its presence in the region. It strives to ensure that the voices of non-Arctic states are being heard and respected in regional decision-making processes and for the littoral states not to carve up the region exclusively among themselves. This desire is driven by the overall geopolitical state of affairs, with China being the only great power in the northern hemisphere without direct access to the region.

More specifically, the following three closely intertwined interests can be identified in China's Arctic ambitions:

1) R&D

Since the completion of its first Arctic expedition in 1999, China steadily expanded its polar research capabilities in both the Arctic and Antarctic regions. Among other things, Chinese scientists have been conducting research on the unique environmental conditions of the region as well as on climate change and its manifold direct impacts on China and the world. Generally, the PRC seeks to expand its understanding of the polar regions and to utilize its knowledge to develop new and improved technologies. In fact, the PRC leadership considers the polar regions to be part of the so-called [new strategic frontiers](#), alongside the deep sea, space and cyberspace. Those are likely to become major areas of great power competition in the 21st century, which require the highest level of technological advancement in order to unlock their full economic and strategic potential, inter alia in terms of resource exploitation.

2) Shipping Routes

The second major interest is the development of maritime trade routes, and the Northern Sea Route (NSR) in particular. The NSR enables maritime trade to circumvent critical choke points on the route to Europe, such as the Strait of Malacca and the Suez Canal. While the container vessel Ever Given's accident in the Suez Canal in March 2021 highlighted existing vulnerabilities, it is particularly the Strait of Malacca that is considered to be the Achilles' heel of the Chinese economy. A blockade or other impairment of the strait could potentially have devastating consequences for the country's supplies; a scenario famously coined as China's "[Malacca Dilemma](#)" by former President Hu Jintao. In fact, in 2016, [almost 80% of China's crude oil imports and over 64% of China's maritime trade volume](#) passed through the South China Sea via the narrow waterway which, despite Chinese attempts to diversify maritime and overland trade routes, remains an indispensable lifeline for the PRC. In addition, the NSR could reduce the travel distance for cargo vessels between Asia and Europe by [approximately 40%](#), which might greatly reduce costs.

3) Resources

The interest in developing the Arctic shipping routes goes hand in hand with China's third major interest: diversification of its resource supplies. This involves both "living" resources, such as fisheries, and "non-living" resources, most notably oil, gas, and rare earth elements (REE). China's demand for energy and raw materials will likely continue to grow, also in the

long term. Hence, China is keen on diversifying its resource supplies to avoid the risk of overdependence on individual sources.

Even though estimations of undiscovered “non-living” Arctic resources greatly vary, it is generally acknowledged that the region potentially harbors [significant quantities of resource deposits, and REE in particular](#). Due to the prevailing layers of ice and the resulting lack of accessibility, particularly the region’s sub-sea areas remain largely untouched, thus offering enormous untapped potential for the diversification of resource supplies.

Securing Chinese interests

In order to secure its interests, China has to make sure that the Arctic stakeholders see the benefits in cooperating with the PRC and consider the advantages of a Chinese presence in the region. Beijing is thus attempting to make itself indispensable in the region through “win-win agreements” in terms of research, infrastructure, trade, and resource extraction. Cooperation is explicitly seen as an [effective means to maximize regional influence](#), which ultimately serves to build up resilience against possible attempts to marginalize or even completely exclude China from the Arctic in the future.

Despite its accession to the Svalbard Treaty in 1925, China only began its active engagement with the region in 1996 when it joined the International Arctic Science Committee. Given its absence of an Arctic history, China had yet to build its own regional legacy and [develop a distinct Chinese Arctic identity](#), mapping out Chinese contributions in the region, while seeking legitimacy as an Arctic stakeholder. Part of China’s efforts lies in framing itself as a “near-Arctic state”; a term perpetuated by official sources since [its first appearance in 2012](#). Most recently, the official Chinese news agency Xinhua seized the opportunity of Xuelong 2’s return from its voyage to [repeat China’s self-proclaimed status of “near-Arctic state”](#) in an attempt to position Beijing also semantically among the Arctic stakeholders.

Its scientific endeavors, including its Arctic expeditions, along with other research activities are key components of China’s bid to establish itself as a legitimate Arctic stakeholder. The PRC stresses that [“the natural conditions of the Arctic and their changes have a direct impact on China’s climate system and ecological environment, and, in turn, on its economic interests in agriculture, forestry, fishery, marine industry and other sectors.”](#) Accordingly, in recent years, China steadily increased its scientific presence in the circumpolar region, where it constructed its first research outpost in 2004, the Yellow-River-Station on Svalbard. Since then, China has constructed several manned- and unmanned research outposts throughout the region, like for example the China-Iceland Arctic Observatory and a satellite receiver station in Sweden. This is accompanied by the large-scale [institutionalization of polar research](#), with the emergence of numerous Chinese think tanks and universities dedicated to the topic, such as the Shanghai-based Polar Research Institute of China. Furthermore, China is heavily [promoting international scientific exchange](#) through a number of multilateral platforms, like the China Nordic Arctic Research Center. Overall, Chinese contributions to the field are cherished by the scientific community, thus rewarding China with some degree of international legitimacy. In addition, even during periods of tense inter-state relations with the Arctic nations, for instance following Liu Xiaobo’s 2010 awarding of the Nobel Peace Prize and the subsequent freeze of Sino-Norwegian diplomatic relations, [scientific collaboration between Norway and China continued](#). Science diplomacy has thus shown its

effectiveness in securing a Chinese foothold in the Arctic, even amid prevailing political tensions.

In addition to increased legitimacy in the region, its research activities serve to advance China's technological prowess within and beyond the Arctic. Chinese companies are working inter alia to enhance their capabilities for seabed mining of REE under extreme polar conditions. Furthermore, the Chinese state-owned shipping company COSCO steadily improves its cargo vessels to seamlessly operate in the polar regions. In fact, between 2016 and 2019, [COSCO sent 30 vessels through the NSR for testing purposes](#), which also served to enhance overall Chinese maritime capabilities. Overall, Chinese researchers and engineers are working to adapt cargo vessels, drilling equipment, pipelines, fiber-optic cables and other technologies to the unforgiving conditions of the polar regions. The country is also developing its own icebreaker fleet, with the 2019 completed Xuelong 2 being the first indigenously built one. Furthermore, China reportedly aims to develop its [first nuclear-powered icebreaker](#), which would greatly enhance its operational range and further constitute an important milestone on the path to the country's first nuclear-powered aircraft carrier.

In this context, there are great concerns, particularly in the US, regarding the [dual-use character of Chinese Arctic-related technologies](#). This means that China's R&D activities in the Arctic could produce technologies that enable both civilian and military applications. Many Arctic-related technologies offer dual-use applicability and are being harnessed by the People's Liberation Army (PLA). For instance, improved hulls allowing cargo vessels to traverse the Arctic ice can also be utilized by the PLA Navy's warships. Furthermore, satellites intended to facilitate navigation in the Arctic, could potentially be used to guide high-precision strikes of cruise missiles in the region. Additionally, [research on the Arctic subsea areas is vital to adapting Chinese submarines](#) and underwater-drones to the harsh polar conditions underneath thick layers of sea ice, thus ultimately enhancing the PLA Navy's operational radius as well as the PRC's nuclear deterrence capabilities. Yet, China's current role in terms of hard security remains rather limited in the region, as the display of military force would greatly impede its quest for legitimacy and would not offer significant benefits. However, [the PLA Navy already operates in the Bering Sea](#) and with increased technological progress as well as greater accessibility of the Central Arctic Ocean, Chinese military ambitions could develop accordingly in the future.

While research and science diplomacy have long been at the forefront of Chinese undertakings in the Arctic, this is far from being the Middle Kingdom's only approach to the polar region. In line with its overarching geopolitical and geo-economic demeanor, the PRC has been utilizing its economic power to strengthen its bilateral ties with the Arctic states. Most Chinese efforts in this regard have been concentrated on Russia, which is unsurprising given the northern neighbor's geographic proximity, and strong emphasis on developing its Arctic presence. In fact, the Russian Arctic has been inextricably linked to the nation's economic future, with [90% of Russian gas production](#) projected to take place in the circumpolar region by 2035. At the same time, due to the prevailing western sanctions, Russia is in dire need of external financial and technological assistance in order to meaningfully develop these regions economically. This provides China with an opportunity to obtain access to the Russian Arctic by offering its advanced technology and investments. In this context, incorporating the Arctic region and particularly the NSR into the BRI was

considered a logical step for both sides. Under the BRI umbrella Chinese companies are eligible to receive government support when they invest in related projects. China's White Paper on the region [clearly encourages companies to participate in the development of Arctic infrastructure](#) within the framework of the Polar Silk Road. In Russia, the BRI was initially [perceived primarily as a challenge to its own influence in Central Asia](#). However, the imposed economic sanctions acted as a catalyst for the previously rather tentative intensification of Sino-Russian relations, as Moscow quickly began to see the potential benefits of engaging in further cooperation with China under the BRI, particularly regarding the development of its Arctic zone. Thus, the implementation of a number of large-scale pipeline projects such as the [Power of Siberia gas pipeline](#), which was negotiated shortly after the annexation of Crimea, were an expression of the Kremlin's strategic reorientation towards the East.

However, both countries share a troubled history and Russia is highly concerned about potential overdependence on Beijing and more generally about the growing Chinese influence in the Arctic, which might ultimately come at the expense of the Kremlin's own grip on regional affairs. Consequently, the record of joint Sino-Russian Arctic cooperation is rather mixed, with a great number of [projects having been announced at the highest level, but ultimately failing to materialize](#) inter alia due to diverging views regarding the scope of the partnership. While happily accepting Chinese investments, [Russian companies had been reluctant to grant the PRC's companies comprehensive access to sensitive steps of project development](#). However, given Russia's prevailing geo-economic weakness, and the high-risk mostly long-term character of potential investment returns, [Chinese companies operate with caution and have been unwilling to meet excessive Russian demands in terms of financial contributions and limited influence over management decisions](#). Therefore, Chinese companies have opted out of several projects, while increasingly demanding greater say as well as direct involvement in critical operational steps such as engineering and drilling activities [to build up their own know-how in polar resource exploitation](#). In this context, the Yamal Liquefied Natural Gas (LNG) project is often hailed as an exemplary Sino-Russian success story in the Arctic, and a blueprint for future cooperation. The joint venture, of which [Chinese state-owned enterprise CNPC holds 20%, and the Silk Road Fund another 9.9%](#), is supposed to supply LNG mainly to the Chinese and other Asian markets. However, Yamal LNG was originally developed with western partners, with the French company Total still holding 20% of the shares. Arctic LNG 2, another major gas extraction project in the Russian Arctic currently under construction, [shows a similar structure](#). While Chinese companies hold a combined 20% of the joint venture, French and Japanese corporations hold another 10% each. This is the result of Russia's aim to diversify its sources of investment in an attempt to avoid over-dependence on China, as well as of the unwillingness of Chinese companies to cover the lion share regarding high-risk long-term projects yielding uncertain profits.

While Moscow aims to avoid dependence on Beijing, the same applies in the other direction. Russia is already China's largest crude oil and gas supplier and is certainly the most logical partner in the Arctic. However, China also wants to strengthen its bilateral ties with other circumpolar stakeholders. In fact, the PRC initiated or participated in a number of projects inter alia in Iceland, Finland and Greenland, such as mining of REE as well as the construction of airports and even a golf course. However, all these projects eventually failed to fully materialize, either due to environmental concerns ([cfr. the mining project in Greenland](#)) or due to strategic concerns and subsequent interference by the US, Denmark or

Finland (like in the case of the [airport projects in Greenland and Finland](#)). Furthermore, [loose ideas to connect Iceland and northern Europe to the polar Silk Road](#) have yet to develop into concrete plans of action. Therefore, despite numerous Chinese efforts, Beijing's engagement with the other Arctic nations still rests mostly on its science diplomacy. Yet, in recent years the PRC also greatly scaled up other forms of Track Two diplomatic engagement with the region. Among other things, Chinese scientists and business leaders actively participate in the Arctic Circle Assembly and similar events. Furthermore, China pursues cultural outreach by promoting Arctic tourism particularly in Russia, where [Chinese tourists accounted for almost 30% of all visitors](#) prior to the pandemic. However, the cancelled airport projects underline the limitations of Beijing's scientific diplomacy and other activities in terms of building trust and legitimacy, as suspicions about overall Chinese intentions in the Arctic may still prevail. Yet, in 2013, China was granted official observer status to the Arctic Council (AC), the region's main governance body encompassing the eight Arctic nations as full members, as well as several non-state actors and 13 non-Arctic states as permanent observers. It was a move that sparked heated debates among the Council members. Therefore, prior to joining the AC, China had to reassure the Arctic states that it [respected their sovereignty as well as the rules and norms inherent to the Arctic governance regime](#). A promise that has also been renewed in China's 2018 white paper.

As a matter of fact, China has been attempting to frame itself as a responsible and respectful Arctic stakeholder. It seeks to alleviate concerns about its involvement in the region, for example by [restating its commitment to existing regulatory international law](#), such as the United Nations Convention on the Law of the Sea or the International Maritime Organization's Polar Code. Furthermore, along with the EU, Japan, South Korea, and the Arctic states, China, which operates one of the largest high seas fishing fleets in the world, joined the [Central Arctic Ocean fishing moratorium](#) which entered into force in June 2021. This legally binding agreement bans commercial fishing in the Central Arctic Ocean, which will likely become more accessible in the future, for the next 16 years. Subsequently, it includes the option of renewal every five years. It is meant to give scientists the time to conduct research on the unique polar ecosystem and the potential environmental and social impacts of large-scale high seas fishing in the Arctic. Joining the moratorium certainly contributed to alleviating some concerns regarding China's presence in the region, while also consolidating its role as part of the regional governance regime. In fact, participation in the Arctic governance framework is an integral part of China's quest for legitimacy in the Arctic, aimed at securing the nation's long-term interests. Being granted permanent observer status to the AC was certainly an important milestone in that regard.

At least for now, China does not pursue an openly revisionist agenda with the objective of dismantling Arctic governance structures. However, inter alia a 2018 blue paper by Chinese academics invigorates the country's ambitions to graduate [“from a ‘rule follower’ to a ‘rule maker’”](#) in the circumpolar region. The paper, already considering China as an Arctic rule maker, calls on the PRC to retain a calm posture in the far North in order not to nurture anti-Chinese sentiments, and to steadily continue consolidating China's position in the Arctic. Hence, much of China's activity in the region aims at gaining recognition of its role as a responsible stakeholder and to secure a seat at the table within the Arctic governance structures. In this regard, to further its own objectives, China seeks to internationalize access to the maritime areas of the polar region beyond the littoral states' exclusive economic zones.

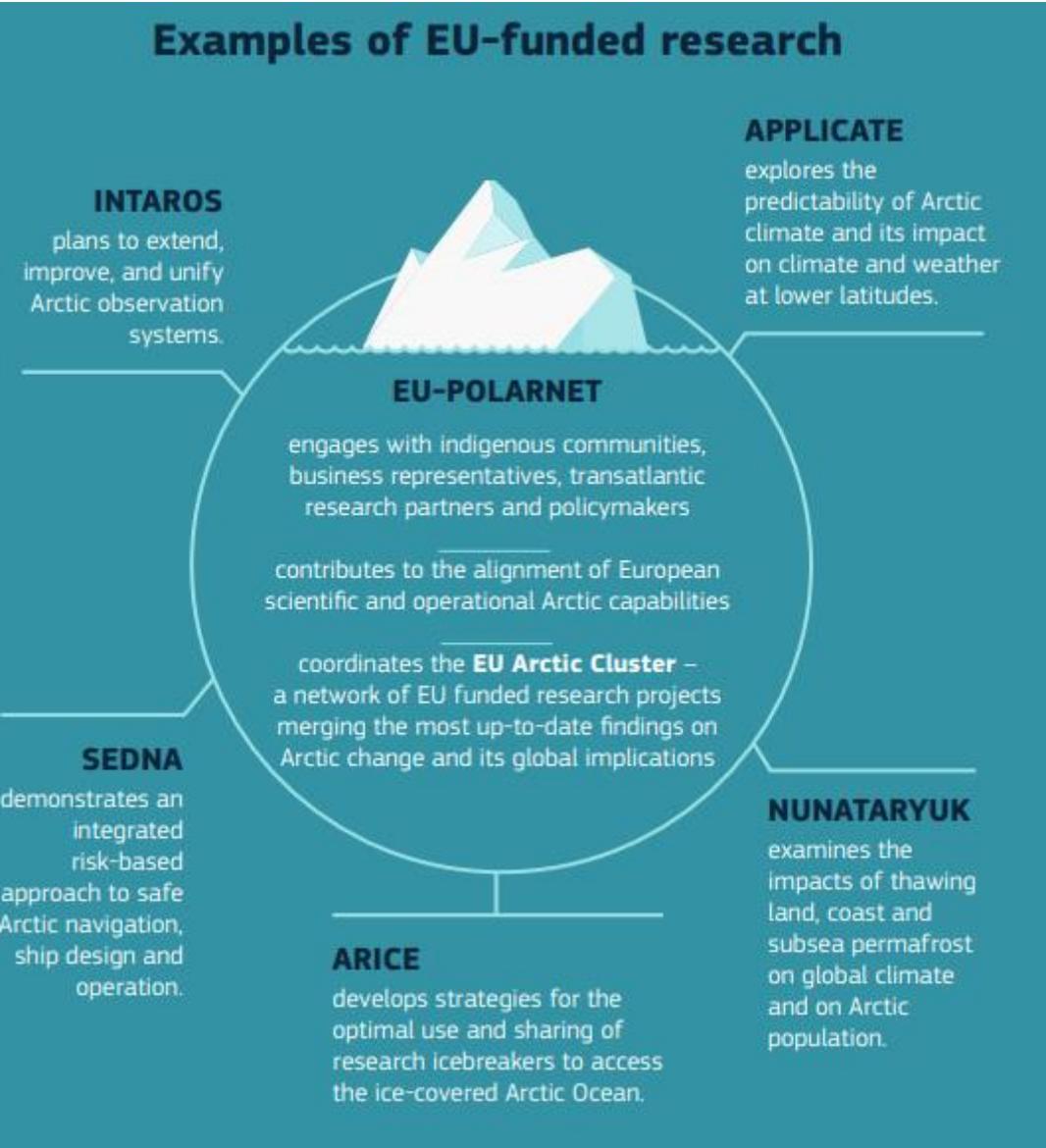
[“The North Pole belongs to all humanity.”](#) is a recurring phrase in Chinese state media and Rear Admiral Yin Zhuo already commented in 2010 that [“the Arctic belongs to all the people around the world as no nation has sovereignty over it.”](#) Overall, the PRC wants to make sure that the eight Arctic states will not carve up the area exclusively amongst themselves. Knowing that it will take time before the Arctic’s full economic and strategic potential can be harnessed, Beijing wants to make sure that once the time comes, it has secured its seat at the table and can actively contribute to shaping regional affairs.

The EU's Arctic policy

The EU also has close ties to the region, with three EU member states being AC members (Sweden, Finland and Denmark) and two others having close relations to the EU (Norway, Iceland) as part of the European Economic Area. As a result, the Arctic features prominently in the European Union’s greater strategic considerations. After the conclusion of its public consultation process, the EU finally unveiled the [latest version of its Arctic policy](#) in October 2021. Throughout the document the Union seeks to strike a balance between its desire to keep existing geopolitical tensions from spilling over into the Arctic, and simultaneously acknowledging its own growing geopolitical interests in the region. With this paper, the EU accentuates its contributions to the Arctic region and reiterates its ambitions to be recognized as a responsible Arctic stakeholder. Much like the PRC, the EU reaffirms the exceptional regional role of the Arctic states, recognizing their sovereignty, while at the same time pointing towards the need for multilateral approaches and the involvement of external actors in order to overcome transnational challenges in the Arctic. Accordingly, the EU is highly integrated in a number of multilateral governance mechanisms that facilitate exchange with the Arctic states. Inter alia, the EU is greatly involved in Arctic governance fora, such as [the Barents Euro-Arctic Council and the Northern Dimension](#). Furthermore, it is strongly represented in the AC’s scientific working groups, despite being denied full observer status to the organization, which the EU is hoping to change in the future. Hence, the EU seeks to contribute to the regional governance framework and to actively participate in shaping Arctic affairs. Most of the EU’s engagement is concentrated on the Barents region, which comprises northern Europe including parts of Russia. This is a logical step, given the EU’s greater leverage due to the territories of its northern members and Norway as well as the fact that more than [80% of trans-Arctic shipping](#) currently traverses through the region. Particularly cooperation with the Russian Federation is considered to be of great importance in order to build up trust and maintain an open dialogue despite the prevailing geopolitical tensions.

Moreover, the EU aims to engage more actively in Track Two diplomacy and focus on scientific research and cultural outreach. Thus, the new policy explicitly names science diplomacy as an important means to strengthen ties with the region. Indeed, the EU is already engaged in a number of bilateral cooperation agreements, namely with Canada, the US, and Russia. There are numerous projects being financed under [Horizon Europe](#) and other EU investment programs. Regarding increased cultural outreach, the EU seeks to better connect with indigenous communities in the Arctic, and inter alia continue to enable academic exchange through the Erasmus+ program in its own northern regions, as well as with partners in Iceland and Norway. The European Commission also seeks to intensify its ties to Greenland by opening a representation office in the capital of Nuuk. Despite officially having left the European bloc in 1985 the autonomous territory of Greenland continues to be closely connected to the EU, which is set to further consolidate the partnership, particularly

in the area of green growth. Most recently, both sides also renewed their longstanding [Sustainable Fisheries Partnership Agreement](#), which used to be an [area of contention](#) before Greenland formally exited the EU.



Beyond that, the EU is highly engaged in strengthening its business ties with Greenland and other regions and communities in the Arctic. In this context, connectivity is an important issue for the EU in the circumpolar region. Connecting the sparsely populated and remote areas both digitally and physically will be one of the most important regional challenges, to which the EU is highly dedicated. This should be a priority for the EU’s cohesion policy to go forward, as it is necessary to fully integrate the Union’s northernmost regions and indigenous communities, as well as the remote areas of the EU’s external partners into the European market. This would also serve to reduce their reliance on other and potentially less sustainable sources of investment for their structural development. According to the EU’s new Arctic policy, such projects are to be developed under the Connecting Europe Facility 2021-2027. In addition, under the said framework, the EU recently adopted several Trans-European Transport Network (TEN-T) corridor extensions to include the Arctic regions and better connect a number of important sea-ports, with the aim to potentially

connect them to the NSR. This would offer great potential for cooperation with Russia and partners in Asia. Furthermore, the EU sees the Arctic as an important region for the diversification of its resource supplies. To date, it remains highly dependent on China in terms of critical minerals, as [the PRC provides 98% of the EU's REE and 93% of its magnesium demand](#). This constitutes a severe strategic vulnerability. It is therefore imperative to secure other sources of raw material supply, as the EU aims to pursue an [“open strategic autonomy.”](#) Hence, in an effort to diversify its resource supplies, and in accordance with the European Commission's raw material plan, the EU looks to the North, where substantial deposits of REE are supposedly located. In addition to potential mining projects in Sweden and Finland, the EU is also directing its attention to Greenland, Canada and other Arctic stakeholders, in an attempt to satisfy its demand for valuable minerals. However, [environmental concerns](#) complicate the implementation of related plans.

Environmental and climate concerns further beget the new policy document's arguably most contentious issue. In fact, the EU pledges to [“push for oil, coal and gas to remain in the ground.”](#) and to create an international legal framework that bans the development of currently unexploited deposits, as well as the sale and purchase of hydrocarbons originating from such sources. This is part of the EU's approach to mainstream its Green Deal and the promotion of a Blue Economy into its external actions. Predictably however, this pledge sparked backlash especially from [Norway](#) and [Russia](#), whose economies heavily depend on the extraction of hydrocarbons. Although it is questionable whether such exploitation, particularly of crude oil, [would even be profitable in the future](#), the idea of a ban appears rather ambitious at the moment. The reality is that some Arctic states regard the resource-related development of their circumpolar regions as crucial for their future development. Therefore, should the EU attempt to pursue such a policy internationally, a number of Arctic states would likely perceive it as an encroachment on their territorial sovereignty in the region, thus potentially weakening the EU's legitimacy in the Arctic. This could impair its prospects for official recognition in the AC and likely encourage further Chinese engagement and particularly cooperation with Russia.

Voices from within the European Parliament, as well as from outside the institutions had been calling on the European Commission [to include matters of security in the new Arctic policy](#), particularly in response to Russian and Chinese activities in the region. Former French Prime Minister Michel Rocard even claimed the Arctic was [“a second Middle East.”](#) In fact, security matters need to be addressed, as they are becoming more prominent in the Arctic discourse. However, while valid concerns arguably exist, the EU should consider both its realistic role in the region as well as the potential costs and benefits of further antagonizing China and Russia. Indeed, characterizing them as security threats in the region would likely only inhibit the potential for fruitful cooperation and drive them closer together. Instead, the EU should continue to engage in constructive dialogue with Russia, China and all other stakeholders in the region.

In this regard, the EU's Arctic envoy Michael Mann stressed that, [“we are not hard security providers, and we don't have anything approaching a European army, so, for us, the idea of security includes things like health issues, environmental issues and search-and-rescue.”](#) This is also reflected in the current policy document, in which the EU strongly accentuates its capabilities and further highlights its potential contributions to the region. Inter alia, there is a great demand for search-and-rescue (SAR) operations in the remote northern region, where

the EU is well-equipped to contribute with its maritime security expertise and specialized space infrastructure such as the [Galileo Return Link Service](#). This might even open up opportunities for SAR-cooperation with Russia along the NSR. In this regard, the EU also promotes closer international cooperation in the Coast Guard Forum and intends to propose further joint initiatives, in particular regarding cooperation on disaster prevention and resilience, modelled after its own Union Civil Protection Mechanism.

Generally, the EU would be well advised to continue to attempt a separation of Arctic affairs from the broader geopolitical situation as much as possible, as any escalation in the Arctic would negatively affect the EU's regional and global objectives. The potential as well as the need for cooperation on Arctic affairs with Russia seems relatively obvious. It is the key actor in the Arctic without whom little can be achieved in the future. Good relations with the Russian Federation are therefore essential to easing the tensions in the Arctic and beyond. The ongoing sanctions and the suspension of joint dialogues in a number of international fora have had little effect other than hardening the fronts and bringing Russia and China closer together. Resuming cooperation with Russia would be advisable, especially in the context of growing Sino-Russian interdependence. However, at least given the current political climate, only a limited rapprochement will likely be possible.

Prospects of Euro-Chinese Arctic cooperation

In addition to increased European cooperation with Russia in the Arctic, Sino-European cooperation also harbors great potential. In fact, both have similar objectives and could potentially work together, using their combined diplomatic and economic weight, as well as their technological capabilities, to develop a joint approach. Both parties, which make up a combined seven out of 13 permanent observers to the Arctic Council (China, France, Germany, Italy, the Netherlands, Poland and Spain), are interested in securing access to the region for non-Arctic states. Both sides are invested to conduct research, exploit strategic resources and develop viable shipping routes. The EU, which sees itself as a “[rule-setter](#)” in the Arctic, previously proposed the introduction of a [comprehensive multilateral governance regime](#) in the spirit of the Antarctic Treaty, including Arctic as well as non-Arctic actors. However, many Arctic states rejected it, as they feared losing their exceptional status in the region. Hence, despite the central role of the Arctic Council, overall regional governance remains [fragmented](#), with a number of independent fora and mechanisms. Therefore, a united Euro-Chinese bloc could greatly contribute to shaping Arctic affairs by pursuing a joint strategy and offering expertise, technology and financing in various fora, as well as potentially developing new ones which are open to Arctic and non-Arctic partners alike.

Both sides could gain a lot from further mainstreaming Arctic issues in their bilateral talks or even forming an EU-China dialogue on Arctic issues. Through such a forum or similar mechanisms, they could discuss how to effectively pool their resources to best achieve common objectives. Intensifying joint research collaboration could be a feasible starting point for enhanced bilateral cooperation, for example via the creation of an EU-China-Arctic research institute, which could function as a coordinating hub for Sino-European research cooperation in the Arctic, monitored by the EU. Concerns about potential dual-use technologies resulting from such research might be warranted on both sides. Furthermore, trying to exclude China from scientific data collected in the Arctic will only lead to them building up their own closed capabilities.

Moreover, the EU and China should work closely together on the issue of the NSR. The shipping route harbors great potential and would be highly beneficial for both partners, even though developing the necessary infrastructure poses enormous technological and financial challenges. Yet, through selective joint ventures between European, Russian and Chinese companies, the risks could be apportioned among all stakeholders, without any one of them shouldering too much of the burden. In that regard, the EU should limit its involvement to those projects which are environmentally and socially sustainable in line with the policy provisions of the European Green Deal, and include the consultation of indigenous communities. In fact, in recent years, Brussels has already begun to [adapt its usual top-down regulatory approach to the political and social conditions in the Arctic](#), by increasingly consulting local and regional stakeholders.

In addition, Sino-European infrastructure cooperation in the Arctic could develop far beyond the NSR. [The Commission's 2019 EU-China strategic outlook](#) already mentioned the EU-China Connectivity Platform as an opportunity to strengthen bilateral cooperation, for example regarding improved railway infrastructure in line with the Trans-European Transport Networks Policy. However, projects such as the Arctic Corridor railway between the northern Norwegian town of Kirkenes and Rovaniemi, Finland, have been thwarted in the past due to concerns regarding their [viability and social impact on indigenous groups](#). Yet, this should not be a reason to abandon ambitious connectivity projects altogether, as the Arctic is a fast-evolving region that offers great potential for the synergy between the EU's planned northern TEN-T expansion and China's Polar Silk Road initiative. However, the EU will need to ensure that local and indigenous stakeholders are included in the process, and that all parties adhere to European regulations.

In sum, Sino-European cooperation in the Arctic could ensure the sustainable development of the region's shipping routes and other connective infrastructure, as well as help to secure a voice in circumpolar affairs both for Arctic and non-Arctic states, while protecting regional cultures and environments. Such an approach could help to reduce geopolitical tensions in the Arctic, and potentially serve as a beacon of fruitful cooperation that could function as an example of best practice and ideally be replicated elsewhere. However, this would certainly require a great deal of compromise and good will on all sides. Yet, as for example the preemptive fishing moratorium in the Central Arctic Ocean demonstrates, such cooperation is not unthinkable.

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