

Magdalena Środoń

THE ATTITUDE OF THE PEOPLE'S REPUBLIC OF CHINA TOWARDS THE ARCTIC

INTRODUCTION

Before World War II the polar regions were largely of interest to travellers as severe conditions in the region made it impossible to carry out broader actions. The situation has changed due to technical progress, which showed geostrategic advantages of the Far North. The progressive climate changes and shrinking of the permanent ice cover have led to the intensifying discussion on the exploitation of natural and biological resources of the Arctic Ocean and using the potential sea routes. With the development of possibilities to operate in the Arctic waters, the rivalry among the states interested in the extension of their influence in the Arctic Circle is getting stronger. One of the countries looking intently toward the north is China which engaged its capital and diplomacy in the Arctic several years ago. This article is devoted to the analysis of the general objectives of China's policy towards the Arctic region, with particular emphasis on the issue of natural resources, climate change, shipping and relations with the Arctic countries.

1. SCIENTIFIC RESEARCH

According to data published by the US Geological Survey, the Arctic may contain approximately 13% of unused crude oil and almost 30% of unused natural gas deposits¹. In addition to hydrocarbons, in the region there are

¹ Campbell, C. 2012. *China and the Arctic: objectives and obstacles*. U.S. – China Economic and Security Review Commission Staff Research Report, April, p. 5.

iron ores, zinc, copper, platinum, lead, gold and silver, rare earth metals and precious stones. Not without significance are abundant animate resources especially in view of fisheries development. The role of the polar regions is growing due to the potential trans-arctic trails. Global warming in the near future will lead to increased shipping opportunities. The opening of new waterways will significantly reduce the distances which should be covered when choosing traditional trails. The use of the Northwest Passage running along the coast of Canada and the Northern Sea Route along the coast of Russia would make it possible to bypass the Panama Canal and the Suez Canal resulting in the reduction in fuel costs and greenhouse gas emissions into the atmosphere.

Apart from arctic states, actors who theoretically are not connected with it show the growing interest in the Arctic region. An example is China, which in recent years has made increased efforts to strengthen its influence beyond the Arctic Circle. Despite the global crisis, China is still one of the fastest growing economies in the world. A number of other substantive criteria, such as the size of the territory, population, strategic location and nuclear potential, only strengthen China's position on the international arena².

The subject of particular attention of the Chinese government in the Arctic are issues regarded as essential for the vital interests of the country. Among the most important the following are mentioned: global climate changes and their impact on the incidence of extreme weather events and food production, providing access to Arctic marine arteries, obtaining opportunities for the exploitation of hydrocarbon deposits and access to fisheries.

China developed its activity in the polar regions relatively late. It was only in 1981, when the Chinese Arctic and Antarctic Administration (CAA) was established, which is now part of the State Oceanic Administration (SOA). The tasks of the CAA are securing the Arctic and Antarctic research programs in terms of logistics, that is the maintenance and provisions for stations in both polar regions. The first Chinese Antarctic operation was organised in 1984–1985. The research program implemented by China in the Arctic began a little later in 1988. The event was preceded by that establishment of the Polar Research Institute of China (PRIC) responsible for planning and coordinating all the scientific research actions carried out in relation to the Antarctic and the Arctic. Currently the PRIC is subordinate to the CAA³.

² Kopra, S. 2013. China's Arctic Interests. In: Heininen, L. ed. *Arctic Yearbook*. Northern Research Forum, Akureyri, p. 107.

³ Kubiak, K. 2009. Morskie złoża surowców i nowe szlaki żeglugowe. Chińska Republika Ludowa wobec problemów Arktyk. [Marine deposits of natural resources and new

In 1992 China launched a five-year research program in the Arctic Ocean, carried out jointly with a German university in Cologne and Bremen. The country, for a long time deprived of research facilities, in 2004 founded the first Chinese Arctic Station Yellow River in the area of Ny-Ålesund on Spitsbergen. A condition for conducting scientific research activities in the polar regions was the acquisition of suitable vessels. The first Antarctic expedition was secured by the ship Xiang Yanghong no 10, which due to the lack of specialised equipment was replaced with vessels J121 and Haiyang 4. In the absence of satisfactory results the Chinese authorities made a decision to acquire a Finnish ship Jidi equipped with ice strengthening, which was converted into a research and development vessel. After the withdrawal from service in 1994, its duties were taken over by the ship Xuelong purchased in Ukraine for 3.7 million USD. In 2010 thanks to this vessel it was possible to build a floating research station in order to conduct a 15-day mission on the Arctic Ocean, as part of the research on the evolution of sea ice in the region of the Barents Sea and the Chukchi Sea north of the Bering Strait⁴. In 2011 in order to continue supporting the projects in the polar regions, the Chinese government decided to invest 300 million USD in the construction of a new icebreaker allowing to conduct polar research from 2014. In total, in the years 1985–2012 China organised five Arctic and twenty-eight Antarctic expeditions. The increased activity in the southern hemisphere indicates that Antarctica is more accessible for China than the Arctic, mainly due to the legal mechanism binding in the region. The Antarctic Treaty of 1959 does not impose an obligation to issue a special permit by any country to build a research station. Before 2007 the Chinese conducted research mainly in four areas: biology, oceanography, glaciology and climatology. Only since 2007, after the Russians placed a titanium flag on the bottom of the Arctic Ocean, political issues have begun to be noticed⁵.

shipping routes. The People's Republic of China in the face of the problems of the Arctic.] *Rocznik Bezpieczeństwa Morskiego*, year III, pp. 131–132.

⁴ *Ibidem*.

⁵ Alexeeva, O., Lasserre, F. 2012. China and the Arctic. In: Heininen, L. ed. *Arctic Yearbook*, Northern Research Forum, Akureyri, p. 81.

2. NATURAL RESOURCES

According to the Chinese government, the main priorities of its operations are economic development and the energy security inextricably linked with it. In recent years, despite the global crisis, the Chinese economy has been developing at a stunning pace, as a result of which the country entered the era of new industrialisation. The increase in the consumption needs increased the energy demand, forcing in a natural way the strong entry of China on the world raw material markets. In order to maintain its economic growth, China has begun to import more and more oil. In the face of the surge in energy consumption of the Chinese economy the demand for natural gas has also increased. Although Arctic deposits of raw materials are relatively difficult to access and the number of countries interested in obtaining them increases, the Chinese authorities with increasing attention look at the north. The political stability of the area should be mentioned as one of the reasons for the Chinese interest in Arctic resources. In contrast to the regions from which China imports raw materials, namely the Middle East and Africa, the Arctic is a relatively calm region. If the countries adjacent directly to the Arctic Circle were able to solve problems related to the delimitation of maritime areas and the distribution of resources in such a way that the risk of conflict among them would be greatly reduced, the risk of suspension or disruption of supply to China would be incomparably smaller in relation to the current sources of import of hydrocarbons. The Chinese authorities have been seeking new areas of acquiring crude oil and natural gas for a long time. Among the most frequently mentioned have been Alaska and Eastern Siberia. The expansion in both these regions is of a capital nature and has already begun. In 2013, the Chinese energy company China National Petroleum Corporation (CNPC) and Russian Rosneft signed an agreement on establishing a joint venture company engaged in the exploitation of deposits of Eastern Siberia⁶. In turn, in 2014, in the presence of the presidents of China and Russia, the heads of the CNPC and Gazprom signed a 30-year contract for the supply of Russian gas to China. Two mining centres: Irkutsk (Kovykta deposit) and Yakut (Chajanda deposit) are to be the resource base. The agreement provides for gas export by a pipeline called the Power of Siberia which is to be built in

⁶ Blank, S. 2010. The Arctic: a future source of Russo-Chinese discord? *China Brief*, vol. X, no. 24, pp. 7–8; Gradziuk, A. 2014. Chińskie interesy we współpracy z Rosją. [Chinese interest in cooperation with Russia.] *Biuletyn PISM*, [Online] no. 71 (1183). Available at: https://www.pism.pl/files/?id_plik=17473 [Accessed: 11 May 2015].

the years 2015–2019⁷. The actions undertaken by the CNPC are part of the Chinese strategy to gain access to foreign deposits of hydrocarbons. Closer relations between the two countries in the energy sector are supposed to discourage China from using unconventional methods of obtaining natural gas, increasing dependence on supplies from Russia. China has long been looking for opportunities to reach for domestic shale gas resources. The involvement of Chinese companies in projects in North America is conducive to obtaining knowledge about the aspects of the shale gas industry operation⁸. Already in 2009 the United States and China announced a joint package of measures for the development of unconventional deposits. Barack Obama's visit to China in 2010 confirmed the agreement between the two countries on shale gas extraction and increasing the level of technology innovativeness. Purchasing of deposits of oil sands in Canada also fits into actions aimed to meet the growing Chinese demand for hydrocarbons.

Thus, in light of these considerations, China's share in the exploitation of Arctic deposits seems only a matter of time. Just now China is developing bilateral cooperation with Greenland, which using the increased autonomy and the right to control its natural resources, actively seeks ways to develop the raw materials industry and attract new investors. In 2009 a private mining company from Jiangxi Province acquired the right to search for metals and minerals in southern Greenland. In turn, in December 2014 the company General Nice Development Limited acquired an iron ore mine in the region of Isua, which is so far the biggest Chinese investment in the Arctic Circle⁹. China is also interested in obtaining access to Greenland's deposits of gold, copper, lead, platinum, uranium, diamonds and rare earth metals. It fiercely competes about the latter with the European Union, which has monitored problems of the development of the industry since China managed to monopolise the supply of these valuable elements. It should be clarified that about 30% of global rare earth metal deposits are located in the territory of China. Over the years, China had sold them at low prices, thus destroying the

⁷ Kardaś, S. 2014. Gazowe „partnerstwo” wschodnie: kontrakt Gazpromu i CNPC na dostawy gazu do Chin. [Eastern gas 'partnership': a contract of Gazprom and the CNPC on gas supply to China.] *Komentarze OSW*, no. 139, pp. 1–2.

⁸ Wiśniewski, B. 2011. Perspektywy rozwoju branży gazu łupkowego w Chinach [Prospects for the development of the shale gas industry in China.] *Biuletyn PISM*, [Online] no. 112 (861). Available at: http://www.pism.pl/files/?id_plik=9132 [Accessed: 11 May 2015].

⁹ *New strong force behind London Mining Greenland*. Available at: <http://naalakkersuisut.gl/en/Naalakkersuisut/News/2015/01/080115-London-Mining> [Accessed: 12 May 2015].

competition. Over time, Beijing began to limit exports of rare earth metals by putting limits on their supplies to world markets, which are reduced all the time. The shortage of rare earth metals hinders the development of new technologies, among others, the production of wind turbines, engines for hybrid cars, lasers, screens for computers and smart phones. It is not surprising that Western countries have begun to seek alternative sources of supply, turning toward Greenland¹⁰. Out of 14 elements which are on the EU list of critical raw materials, 9 of them are in an area of the island. In the framework of the European Innovation Partnership in the sphere of raw materials, which uses the accumulated capital and available human resources to continuously improve the processes of extraction and processing of raw materials in Europe, the EU signed a letter of intent with Greenland on extraction and exploitation of natural resources. Despite this, people around Antonio Tajani, the EU Commissioner for Industry, claim that the EU loses the competition with China for the access to the natural resources of Greenland¹¹. The regulation passed in late 2012 which allows foreign investors to pay salaries to its employees in accordance with the rules in force in their country, which is below the level of the minimum wage in Greenland, was treated as an overt manifestation of benevolence for the exertions to obtain privileges for the Chinese plans of exploiting Greenland's deposits¹².

A large part of the minerals and crude oil and gas fields are located in the exclusive economic zones of Arctic states. Knowing that some will not be able to start production on the industrial scale due to insufficient equity capital and the temporal unprofitability of the investments, the Chinese government is already trying to take advantage of the situation. Encouraging

¹⁰ Tomala, M. 2014. Status Grenlandii w świetle zmian klimatycznych. [The status of Greenland in the light of climate changes.] *Rocznik Bezpieczeństwa Międzynarodowego*, vol. 8, no. 1, pp. 114–115.

¹¹ Paszewski, T. 2013. *USA i UE wobec nowych wyzwań globalnych*. [The US and EU in the face of new global challenges.] Warszawa: Instytut Studiów Politycznych Polskiej Akademii Nauk, p. 41 and 45–46; *Zrozumieć politykę Unii Europejskiej – Przedsiębiorstwa*. [The European Union Explained – Enterprises.] European Commission, Directorate-General for Communication, The Publications Office of the EU, Luxembourg 2013, p. 11. Available at: http://europa.eu/pol/pdf/flipbook/pl/enterprise_pl.pdf [Accessed: 12 May 2015].

¹² Czarnecki, M., Kublik, A. Grenlandia po wyborach otworzy złoża metali ziem rzadkich. [Greenland after the election will open the deposits of rare earth metals.] [Online] Available at: http://wyborcza.pl/1,133092,13556869,Grenlandia_po_wyborach_otworzy_zloza_metali_ziem_rzadkich.html [Accessed: 5 May 2015].

domestic enterprises to carry out exploration activities, purchasing licenses and engaging in mining projects it seeks to achieve a position which will allow it to co-decide about the future of the region.

3. MARITIME ROUTES

A prospect of opening new shipping routes, which has arisen as a consequence of rapidly progressive climate changes, plays an important role from the point of view of the People's Republic of China. Beijing has long been interested in the development of the Arctic connections, and specifically in the possibility of shortening shipping routes to ports of the east coast of North America (the Northwest Passage) and European ports (the Northern Sea Route and the Northwest Passage). China is currently one of the biggest exporters of goods, while nearly 90% of the trade is transported by sea. Launching of new arteries would in the future reduce the cost of transport in foreign trade and thus increase the profitability and competitiveness of Chinese companies¹³.

According to some estimates around 2020 5–15% of Chinese trade, valued at approximately 683 billion USD, will be carried out through the Northern Sea Route. The results of the route profitability studies often differ and tend to be heavily overrated. Despite the large potential of the arctic routes, the use of them is not profitable at the moment for commercial shipping due to high insurance premiums, the lack of adequate infrastructure and difficult environmental conditions. Moreover, Chinese shipyards, although the largest in the world, have had no experience so far in building vessels capable of operating in polar conditions. It is unlikely that the industry will consider it a priority to adapt ships for the use on the Arctic routes. The change of the positions will probably take place as soon as the financial risks associated with the use of potential arteries is reduced. The most significant investment so far is the lease of the port of Rajin from North Korea by the Chinese Hunchun Chuangli Haiyun Logistics Company from the north-eastern province of Jilin. Although this company is a private company, the conditions of the agreement were agreed in collaboration with six Chinese ministries and the government of Jilin Province. Thanks to the agreement China has gained access to the Sea of Japan for the first time since 1938. Although no direct reference to the

¹³ Spears, K.J. 2009. China and the Arctic: the awakening snow dragon. *China Brief*, vol. IX, no. 6, p. 10.

Arctic region appeared, some believe that the port will be an Arctic haven of China¹⁴.

Economic issues are not the only ones because of which Beijing is interested in opening the Far North for seafaring for countries from outside the region. China is the leading importer of hydrocarbons. A large part of the energy resources is delivered to the Chinese market by sea. Thus, ensuring sustainable energy security of China is highly dependent on unconstrained and safe navigation. A weak point of China's energy policy is the 'Malacca dilemma' and specifically the risk of blocking transport through the Strait of Malacca, which links the Indian Ocean with the Pacific Ocean. It is difficult for Beijing to accept the fact that the United States controls the most important for the Chinese economy routes of oil tankers and merchant ships. The opening of the arctic routes, especially the Northern Sea Route, would reduce the dominance of the United States strongly present in the Pacific. In the future, in fact, regardless of the formal and legal status of the passage, the Russian Navy will play a leading role on the waters. In such a situation, the destabilisation of the communication by the United States will be unlikely. Navigation along the Northern Sea Route is a key element of the long-term cooperation agreement signed in 2010 by the largest Russian ship-owner Sovcomflot and the Chinese energy concern CNPC. Apart from the training of Chinese seamen, the agreement provides for cooperation and coordination of the transport potential of the trail¹⁵.

China, raising the issue of launching of the Northwest Passage and the Northern Sea Route, also has in mind the issues of increasing the degree of safety of seafaring, which is extremely important considering the fact that the Chinese merchant fleet reaches virtually every major Asian and European port. Both arctic arteries make it possible to avoid places which, due to their location are particularly vulnerable to terrorist attacks and the attacks by offshore pirates. A region sensitive to intentional interference is a strategic passage between the Mediterranean and the Red Sea, the route between Europe and the Far East in the area of the South China Sea and the Strait of Malacca, as well as the route which lies off the coast of Somalia. The intensity of piracy acts is connected not only with a direct threat to sailors' life, but also with a significant increase in the cost of freight. Annual losses resulting from

¹⁴ Jakobson, L., Lee, S.H. 2013. *The North East Asian states' interests in the Arctic and possible cooperation with the Kingdom of Denmark*. SIPRI, pp. 9–10.

¹⁵ Hong, N. 2012. The melting Arctic and its impact on China's maritime transport. *Research in Transportation Economics*, no. 35, p. 52.

this constitute from 0.01% to 0.2% of the total seaborne trade turnover, that is approximately 8 trillion dollars a year¹⁶.

The interests of many countries clash in the battle for free access to transarctic arteries. Canada and Russia strive to maintain tight control over routes running along their northern coasts, while others demand the right to free usage of both routes. Canada argues that the waters of the Northwest Passage are part of its internal waters and demands granting sovereign rights in this area. The United States along with the European Union, however, do not share the position of the Canadian government, claiming that the waters of the passage are part of the strait used for international navigation. China does not comment officially on the status of passage, but it certainly will be interested in securing the mechanism which in time will provide it with fast and secure access to markets. This does not mean that in the future Beijing will undermine the sovereign rights of Ottawa to the waters of the passage. China, like Canada, struggles with problems of determining the status of some marine areas. For example, it constantly emphasises that the Taiwan Strait area is a part of Chinese territorial waters and should not be open to international shipping, as demanded by the United States. An analogous case is the issue of the Qiongzhou Strait¹⁷. Some representatives of the Chinese authorities see a chance to reach a compromise on the Northwest Passage in the possibility of using a mechanism similar to the regime in force in respect of the Svalbard archipelago, which in practice would amount to granting Canada sovereign rights to the waters of the artery and other countries the freedom to use the route. Such a solution, however, seems unlikely, given the rigid stance of Ottawa on this issue¹⁸. The case of the Northern Sea Route is slightly different. The specificity of this route lies in the fact that it is not a strictly defined linear corridor, but the maritime area stretching from the Bering Strait to the Barents Sea, which runs through internal waters, the territorial sea and the exclusive economic zone, which means that, in accordance with international maritime law, three different navigation regimes could apply to it. Russia has tried to maintain control over the territories of both the

¹⁶ Środoń, M. 2013. Daleka Północ jako nowy korytarz transportowy. [The High North as a new transport corridor.] In: Żelichowski, R. ed. *Polityka światowa. Wybrane problemy. [World Affairs. Selected problems.]* Warszawa: Instytut Studiów Politycznych Polskiej Akademii Nauk, p. 84.

¹⁷ Lasserre, F. 2010. *China and the Arctic: threat or cooperation potential for Canada? China Papers*, no. 11, pp. 8–9.

¹⁸ Wright, D.C. 2011. *The panda bear readies to meet the polar bear: China and Canada's arctic sovereignty challenge.* Canadian Defence & Foreign Affairs Institute, pp. 6–7.

Arctic and the Northern Sea Route for many years, claiming that Arctic straits through which the route runs are its internal waters. Although this approach encounters disapproval of other countries, particularly the United States, in the situation where, in practice, it is impossible to take advantage of the freedom of navigation binding in the exclusive economic zone, without affecting the maritime areas that are under the sovereign authority of Russia, the route is considered a national sea route, subject to Russian jurisdiction and the legal status of the artery is regulated by internal legislation¹⁹.

4. CLIMATE CHANGES

Although the Chinese authorities are intent on the Arctic resources and the possibility of using the potential routes, it should be clearly stated that they have never laid claims to any part of the Arctic Ocean. Even if they put forward claims, they would be unjustified because China does not have a coastline in the region. Beijing often explains the growing interest in the Arctic by the necessity to conduct research on climate changes which occur much faster beyond the Arctic Circle than in other parts of the world. The Arctic plays a key role in the natural processes of a global nature. China believes it is one of the countries most vulnerable to the adverse effects of climate change. In 2011 about 430 million people were affected as a result of extreme weather phenomena and natural disasters connected with the processes occurring in the Arctic. The losses were estimated at 309.6 billion yuan²⁰.

Beijing hopes that the results of research projects carried out in the polar regions will be used by Chinese researchers to analyze conditions in the Himalayas, which are sometimes called the third pole. At first glance, it seems that the Arctic differs from the Himalayas. In reality, the two areas have a lot in common. The melting of Himalayan glaciers, just like of the Arctic ones, poses a real threat to the safety of people living in the region. In the end, the biggest rivers of south-east Asia are supplied with water from

¹⁹ Symonides, J. 2011. Perspektywy wykorzystania dla żeglugi międzynarodowej Północnej Drogi Morskiej w Arktyce. [Prospects for the use of the Northern Sea Route in the Arctic for international shipping.] *Stosunki Międzynarodowe – International Relations*, vol. 43, no. 1–2, pp. 52–53.

²⁰ Werz, M., Reed, L. 2014. *Climate change, migration, and nontraditional security threats in China complex crisis. Scenarios and policy options for China and the world.* Center for American Progress, pp. 5–8.

the glaciers of the Tibetan plateau. It is worth mentioning here that glaciers contain about 75% of global freshwater resources which are used by over 2.5 billion people. After collecting rainwater in the rainy season they release it evenly throughout the year, stabilizing water levels in rivers. It is clear, therefore, that along with melting glaciers, problems with water will worsen, which will negatively affect agriculture and hence the amount of produced food. Today, millions of people in China suffer from alternately occurring and increasingly intense floods and droughts, which result from, *inter alia*, climate change beyond the Arctic Circle. The consequences caused by the receding mass of Himalayan glaciers will magnify the negative effects caused by the changes taking place in the Arctic²¹. It is surprising that despite the awareness of the real risks of global warming, China's position on climate issues is not unequivocal. On the one hand, Beijing is aware of the consequences of the neglect of environmental problems. On the other hand, fearing the slowdown of the economic development pace, it avoids resolving issues related to the change of the energy balance structure. So far, carbon has played a major role in it and there is no indication that something has changed in this matter. Low energy efficiency of the Chinese economy and the costs which China would have to incur in order to reduce its energy consumption, explain why Beijing's involvement in international efforts to combat climate change is far from the expected.

5. CO-OPERATION WITH COUNTRIES IN THE REGION

Recognizing the potential which the opening of the Arctic brings to the world, China increasingly wishes to participate in decision-making processes which shape the future of the region. It is, ultimately, a member of the United Nations under the auspices of which the Convention on the Law of the Sea of 1982 was prepared. It is also a signatory to the Treaty of Paris of 1920, granting Norway the sovereignty over the Svalbard archipelago, and a member of the International Maritime Organisation responsible for safety at sea and prevention of marine environment pollution by ships. Thus, it can be said that it has an impact on the creation of certain frameworks of mechanisms of management of the Arctic region. It is obvious, however, that the position of China in the region has grown after 2013 when it obtained the

²¹ *Ibidem.*

permanent observer status in the Arctic Council, seen by many as a major international forum for cooperation in the Arctic.

The Arctic Council was established in 1996 on the initiative of eight countries – the signatories of the Arctic Environmental Protection Strategy (AEPS). Its main tasks include promoting cooperation and coordinating activities in the Arctic region by its members with the participation of indigenous peoples, especially in areas related to environmental protection and sustainable development. The membership in the Arctic Council has been divided into three categories. The first group consists of Member States (Denmark, Finland, Iceland, Canada, Norway, Russia, the United States, Sweden), the second of permanent participants (organisations representing Arctic Indigenous Peoples), the third of observers. States from outside the Arctic countries, intergovernmental and interparliamentary organisations and non-governmental organisations, which can contribute to the work of the Council, can apply for the observer status in the Arctic Council²².

In recent years, as a result of changes occurring in the Arctic region, the Council has grown in importance. Activities undertaken to strengthen its position both in the region and in international relations were reflected in the Nuuk Declaration signed in 2011, on the occasion of the Seventh Ministerial Meeting of the Arctic Council²³. The expression of the order established in the capital of Greenland were the establishment of a permanent secretariat for the Council, based in Trømso, and the development of the Agreement on cooperation in aviation and maritime search and rescue in the Arctic, which specifies for each Arctic state the area within which the country will bear full responsibility for the actions which are subject to the agreement. The Agreement expresses the willingness of the signatory countries to further strengthen cooperation in the Arctic, as well as the consent of these countries to the possible reform of the Council itself, which in the future may turn out to be inevitable²⁴.

²² Madej, M. 2013. *Rola Rady Arktycznej w definiowaniu współpracy w regionie*. [Role of the Arctic Council in defining regional cooperation.] *Studia Humanistyczno-Społeczne*, vol. 7, p. 68.

²³ The ministerial meeting is the most important form of interaction in the Council. Most member states are represented by the Ministers of Foreign Affairs, the secretary or undersecretary of state, or another competent minister, who formulate the directions of work of the Arctic Council, make decisions on projects proposed for implementation and decide on granting the status of a permanent participant or an observer.

²⁴ *Nuuk Declaration on the Occasion of the Seventh Ministerial Meeting of The Arctic Council 12 May 2011*, Nuuk, Greenland. Available at: <http://arctic-council.npolar.no/>

The Arctic Council has long attracted the attention of actors from outside the region who in obtaining the observer status saw an opportunity to highlight their presence and develop interests in the Arctic. China, having the *ad hoc* observer status since 2007, has tirelessly sought to obtain the permanent observer status. In order to achieve this goal it had to accept the criteria tightened in the Declaration of Nuuk, i.e. to recognise sovereignty and sovereign rights of the Arctic region and to demonstrate political will and financial capacity necessary to fulfil the obligations arising from the participation in the work of permanent participants and indigenous peoples organisations. An obligation was imposed on the observers to submit reports on their activities and inform the Council about undertaken actions which from its point of view may turn out to be relevant²⁵. The new rules were met with disapproval from the Chinese side, which concerned about the attitude of the Council, criticised its tendency to strengthen cooperation with contemporary observers and the reluctance to accept new members. The feelings of the Chinese were reflected in the words of Gou Haibo, a former director of the MFA's Department of Treaty and Law, who in 2011 wrote: 'The Arctic states have generally expanded their sovereign and jurisdictional rights within the Arctic (...). Interregional issues like shipping, resource exploration, and environmental protection have required cooperation between the Arctic and non-Arctic states, which could potentially lead to the weakening of Arctic states' monopolistic position within the region. Given that cooperation is required with non-Arctic states, it is impossible for non-Arctic states to simply be the passive users of Arctic sea routes. Nor can non-Arctic states simply be the end consumers of the region's energy and resources. Rather, they need to actively participate in the decision-making and management processes within the Arctic region'²⁶.

Consequently holding the position that discussions on the issues of the region should take place among countries that could be affected by climate change in the Arctic, in 2013 China applied for the permanent observer status. The application of the Chinese authorities was supported by Denmark,

accms/export/sites/default/en/meetings/2011-nuuk-ministerial/docs/Nuuk_Declaration_FINAL.pdf [Accessed: 30 April 2015].

²⁵ Wright, D.C. 2013. China's Growing Interest in the Arctic. *Journal of Military and Strategic Studies*, vol. 15, no. 2, pp. 55–57; *Senior Arctic Officials (SAO) Report to Ministers*, Nuuk, Greenland, May 2011, p. 50. Available at: http://www.arcticobserving.org/images/pdf/Board_meetings/5th_tromso/sao_report_to_ministers_-_nuuk_ministerial_meeting_may_2011.pdf [Accessed: 30 April 2015].

²⁶ Jakobson, L., Lee, S.H. *The North East Asian States' Interests in the Arctic...*, pp. 13–14.

Iceland, Finland, Norway and Sweden. Canada, Russia and the United States did not take the floor on this matter. The question of the extension of the group of observers divided the permanent members of the Arctic Council for several years. The ministerial meetings which were held in 2009 and 2011 resulted in postponing all applications. Finally, during the eighth ministerial meeting in Kiruna, Sweden, in May 2013, as a result of its intensive efforts, China gained the status of a permanent observer in the Arctic Council.

China's claims to the Arctic are grounded in the Convention on the Law of the Sea of 1982, but only in the area which lies beyond the exclusive economic zone of the Arctic states. The People's Republic of China, unlike the Arctic countries, cannot exercise sovereign rights in the region because it does not border the Arctic Ocean. Referring to the provisions of the Convention on the Law of the Sea of 1982, China demands respect for its rights in the area which was considered the common heritage of humanity. It is expected that this area will shrink by 2/3 if the claim of the Arctic states is fully recognised, which will severely weaken the possibility to use the resources by non-Arctic countries. Thus, China undertakes attempts to strengthen its position among other countries in advance.

There is no doubt about the fact that the Chinese authorities want to actively participate in shaping Arctic governance processes. With the rise of interest in the region, we can observe the increasing involvement of China in the development of relations with the Arctic countries on the bilateral and in multilateral plane. Cooperation is an element that helps to influence what happens beyond the Arctic Circle, so the principle of international cooperation found expression in a speech of the Chinese ambassador in Norway, Zhao Jun, in January 2013 at the conference on Arctic Frontiers in Tromsø, who asserted that China respects the sovereignty and sovereign rights of the Arctic states in the region, supports the principles and objectives of the Arctic Council, and attaches importance to environmental protection and research, while admitting that conducting them without the support of the Arctic states would not be possible. He also expressed hope for strengthening scientific cooperation with the countries of the region in terms of sharing research results, so that they may contribute to peace, stability and sustainable development of the region²⁷. China has organised many scientific expeditions with the participation of researchers from other countries. In

²⁷ *Speech by Chinese Ambassador Zhao Jun at the Arctic Frontiers Conference*, 21 January 2013. Available at: <http://www.arcticfrontiers.com/arctic-frontiers/archive/2013-geopolitics-and-marine-production-in-a-changing-arctic/downloads/conference-presentations/monday-21-january-2013/68-09-zhao-jun/file> [Accessed: 9 May 2015].

1999 four scientists from Japan, Russia and South Korea joined the Arctic expedition organised by China. In 2003 a similar expedition was joined by thirteen researchers from Finland, Japan, Canada, South Korea, Russia and the United States. In 2008 eleven scientists got involved in China's Arctic expedition and in 2010 – eight. Chinese scientists have also participated in several exchange programs and have entered into cooperation with Arctic research centres around the world²⁸.

As far bilateral relations are concerned, China tries to cooperate with all countries in the region. The United States, although it has not ratified the Convention on the Law of the Sea of 1982, remains an important player in Arctic issues. The problems of the region were discussed, for example, during the third round of the US-China strategic and economic dialogue in 2011, and during the fourth round in 2012. The same was true during Prime Minister Stephen Harper's visit to China in 2012, as the leading theme of the meeting was China's interests in the Arctic. In 2012 Chinese President Hu Jintao visited Denmark. It was the first presidential visit since the establishment of diplomatic relations between the two countries. Although the Arctic issues were not a subject of the meeting, China hoped that it would be conducive to obtaining support for the application for the permanent observer status in the Arctic Council. The same year, Chinese Prime Minister Wen Jiabao visited both Iceland and Sweden. Chinese leaders' visit to the Nordic countries testified to the increase of the role of these countries, not only in Chinese diplomacy, but also on the economic and scientific planes. The visit to Iceland was especially fruitful as it ended with the signing of six agreements and declarations, two of which were directly related to the development of the Arctic²⁹. In 2013 the Chinese energy concern CNPC signed an agreement with the Icelandic energy company Eykon Energy Company to search for oil off the northern coast of the island and announced collaboration in the development of geothermal resources. As far as Chinese-Norwegian relations are concerned, they had been regarded as correct until Liu Xiaobo was awarded the Nobel Peace Prize. In August 2010, two months before its awarding, the Norwegian foreign minister was received in Beijing among the enthusiastic declarations about the Chinese-Norwegian cooperation in the Arctic. The event was reported by Chinese media. After honouring Liu Xiaobo the relations between the

²⁸ Sun, K. 2013. *China and the Arctic: China's interests and participation in the region*. East Asia-Arctic Relations: Boundary, Security and International Politics, paper no. 2, pp. 3–4.

²⁹ Jakobson, L., Peng, J. 2012. *China's arctic aspirations*. SIPRI Policy Paper no. 34, pp. 19–20.

two countries practically froze. The award for the person whom the Chinese authorities regard as a criminal trying to sabotage the socialist system, was received in China as the evidence of bad intentions of Western countries. In March 2013 the Chinese-Norwegian relations warmed up. China resigned from the apology expected from the government of Norway, recognizing that the Nobel Committee is not dependent on the Norwegian authorities. Remaining in the conflict did not serve Chinese interests, particularly because Norway is one of the leading oil producers and a leader in conducting mining operations in Arctic conditions³⁰.

In terms of the legal order of the Arctic, the position of the Chinese government comes down to acknowledging the current regime as a solid legal basis for the settlement of disputes connected with the delimitation of maritime areas, environmental protection, navigation and scientific research. In a statement posted in 2010 on the website of the Chinese Ministry of Foreign Affairs Hu Zhengyu, Assistant Minister of Foreign Affairs, wrote that the recognition and respect for mutual rights is the legal basis for the development of cooperation between the Arctic and non-Arctic states. He also noted that, in accordance with the Convention on the Law of the Sea of 1982 and other relevant international laws, the Arctic countries wield sovereign rights in the region, while non-Arctic countries are entitled to conduct research, use the navigation routes and resources of the Arctic Ocean. Reading this statement leads to a simple conclusion. China does not waive the right to vote on Arctic matters. It will supervise the process of determining the final borders beyond the Arctic Circle, studying the applications for the extension of the outer limits of the continental shelf submitted by the circumpolar countries to the Commission on the Limits of the Continental Shelf. It is even possible that by using solutions provided by the Convention on the Law of the Sea 1982 China will contest some of them³¹.

The motives of China's growing interest in the Arctic are variously interpreted, which is evident especially in the materials published in the countries actively participating in the rivalry for the control in the region. China's involvement is seen as a threat or an opportunity to improve the quality of management of the Arctic. Some of the concerns seem justified,

³⁰ Wright, D.C. 2011. The dragon eyes the top of the world. Arctic policy debate and discussion in China. *China Maritime Study*, no. 8, pp. 33–34.

³¹ Kämpylä, J., Mikkola, H. 2013. *The global Arctic: the growing Arctic interests of Russia, China, the United States and the European Union*. The Finnish Institute of International Affairs. Briefing Paper no. 133, pp. 5–6.

especially when one tracks the comments of some Chinese notables. In March 2010 Rear Admiral Yin Zhuo appealed to his countrymen, for the sake of the size of the Chinese population, not to remain passive observers of the situation shaped in the Arctic by the circumpolar states, adding in the reasoning that, in accordance with the Convention on the Law of the Sea of 1982, the North Pole with the surrounding area is the common good and does not belong to any country³². Yin Zhuo's statement caused general consternation, perhaps because it was initially incorrectly cited and therefore misinterpreted. It concerned Rear Admiral's alleged statement that no country exercises sovereign rights over the area around the North Pole. Some understood Yin Zhuo's words as an announcement that the Chinese side is going to take more decisive action in the Arctic. Others accused Beijing of hypocrisy, stressing that China demands actions in the interest of humanity from circumpolar countries, while itself often ignores them³³.

The increased activity of Chinese diplomacy gave birth to a question about China's possible military presence in the Arctic. In 2011 Chinese businessman Huang Nubo asked the Icelandic government for permission to buy 300 square kilometres of land in the northern part of the island, officially in order to develop an ecotourism resort. Iceland rejected the offer because of suspicions about China's intention to build a naval base³⁴. The lack of consent does not mean the cessation of attempts to join the existing system of relationships. China carefully observes military actions of the Arctic states. The more Beijing will be dependent on the northern arteries and the supply of arctic raw materials, the sooner it will take action to introduce submarines and ships in the region, for example under the guise of the participation in exercises or rescue missions, especially because geo-strategic advantages of the Arctic have been known for a long time³⁵.

In 2012, President Hu Jintao called for a decisive defence of Chinese interests and rights at sea, announcing at the same time the transformation of China into a naval power. In turn, in early 2013 newly elected President Xi Jinping announced that China will stick to the road of peaceful development, but will never give up its legitimate rights and will not sacrifice its vital

³² Spears, K.J. 2011. The snow dragon moves into the Arctic Ocean basin. *China Brief*, vol. XI, no. 2, p. 13.

³³ Sun, K. *China and the Arctic...*, p. 5.

³⁴ Robinson, R.W. 2013. *China's 'long con' in the Arctic*. A Macdonald-Laurier Institute Publication, p. 4.

³⁵ Rainwater, S. 2013. Race to the north, China's Arctic strategy and its implications. *Naval War College Review*, vol. 66, no. 2, pp. 75–76.

interests. He assured that China will participate in multilateral trade, but it will not swallow the bitter fruit of restraining its sovereignty and security risks. Although at the moment the Arctic is not officially mentioned among the areas of strategic importance for China, it cannot be ruled out that in the future it will be included to this group as a result of the increase of China's role in the world economy³⁶.

SUMMARY

Although China has not presented an official strategy for the Arctic, it is actively engaged in the political life of the region, demonstrating the interest in both positive and negative effects of the occurring changes. Chinese financial background and research and scientific potential may in the future contribute to a better knowledge and understanding of the development of environmental processes in the Arctic, as well as to the effective use of potential perspectives regarding the exploitation of natural resources and the development of Arctic shipping. Meanwhile, the Chinese authorities are cautious in their activities, being aware of achieving greater benefits from the cooperation with the Arctic states. The rhetoric of the representatives of the Chinese authorities – conflicting at times – results from the fear of marginalisation of the role of China, and eventually its exclusion from the decision-making process regarding the management of the region. Conducting effective policy in international forums, especially in bilateral relations with the Nordic countries and Russia, undoubtedly strengthens the position of China in the Arctic. The effects of this process, together with the increase of its global role might in the long run be very significant for international relations.

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³⁶ Kopra, S. China's Arctic Interests..., p. 116.

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THE ATTITUDE OF THE PEOPLE'S REPUBLIC OF CHINA TOWARDS THE ARCTIC

Summary

Transformations of the Arctic region cause serious implications for both the Arctic countries and other participants of international relations. For the sake of geographical, economic and political conditions, China is one of the countries which pay special attention to monitoring the developments beyond the Arctic Circle. This article examines aspects of Chinese interest in the region in terms of access to raw materials, the future opening of Arctic shipping routes and opportunities to realise research, while rising the problem of the relations with the Arctic countries.

CHIŃSKA REPUBLIKA LUDOWA WOBEC REGIONU ARKTYKI

Streszczenie

Przeobrażenia regionu arktycznego wywołują poważne implikacje zarówno dla krajów arktycznych, jak i pozostałych uczestników stosunków międzynarodowych. Przez wzgląd na uwarunkowania geograficzne, ekonomiczne i polityczne jednym z państw, które ze szczególną uwagą obserwuje rozwój sytuacji za północnym kołem podbiegunowym, jest Chińska Republika Ludowa. Niniejszy artykuł analizuje aspekty chińskiego zainteresowania regionem w kontekście dostępu do surowców, przyszłego otwarcia arktycznych szlaków żeglugowych oraz możliwości realizowania badań, poruszając jednocześnie problem relacji z państwami arktycznymi.

КИТАЙСКАЯ НАРОДНАЯ РЕСПУБЛИКА В ОТНОШЕНИИ АРКТИЧЕСКОГО РЕГИОНА

Резюме

Преобразования арктического региона влекут за собой серьёзные последствия, значимые как для государств Арктики, так и для остальных участников международных отношений. В связи с географическими, экономическими и политическими условиями одним из государств, с особым вниманием, наблюдающим за развитием ситуации за северным полярным кругом, является Китайская Народная Республика. Настоящая статья рассматривает аспекты китайского интереса к региону в контексте доступа к сырью, открытия арктических морских путей в будущем, а также возможности реализации исследований, одновременно обращаясь к проблеме отношений с арктическими государствами.