REPORT



Russia-China Dialogue: The 2020 Model





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Russian International Affairs Council Institute of Far Eastern Studies of the Russian Academy of Sciences Institute of International Studies at Fudan University

Authors:

From Russia:

S. Luzyanin, Dr. of History (Head); A. Kortunov, Ph.D. in History; A. Karneev, Ph.D. in History; V. Petrovsky, Dr. of Political Science; V. Kashin, Ph.D. in Political Science; A. Larionov, Ph.D. in Public Administration; I. Danilin, Ph.D. in Political Science; Y. Kulintsev; R. Mamedov; K. Kuzmina

From China:

Prof. Zhao Huasheng (Head); Liu Huaqin, Ph.D. in Economics; Prof. Shi Ze; Xing Guangcheng, Dr. of Law; Sun Wanhu; Feng Yujun, Dr. of Law; Yang Cheng, Dr. of Law; Li Yonghui, Dr. of Law; Song Niu, Ph.D.

Copy Editors:

I. Timofeev, Ph.D. in Political Science; E. Karpinskaya; K. Kuzmina; A. Larionova; D. Terkina

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The 6th annual report by RIAC, RAS Institute of Far Eastern Studies and the Institute of International Studies at Fudan University presents the common views of leading Russian and Chinese international affairs experts on the development of Russia–China cooperation in 2019 and the first quarter of 2020.

The authors assess the dynamics of bilateral interaction in the economic, military and technical fields, as well as in education, culture, media and tourism. The experts pay special attention to the global and regional contexts of Russia—China ties. Practical recommendations are formulated in order to bring the partnership to a new level. The 2020 report also focuses on new challenges and opportunities for Moscow and Beijing in the context of the COVID-19 pandemic. Given the Years of Scientific, Technical and Innovative Cooperation being held in 2020 and 2021, a special section of the paper is devoted to this area.

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The views and opinions of authors expressed herein do not necessarily state or reflect those of RIAC.

The full text is published on RIAC's website. You can download the report or leave a comment via this direct link: russiancouncil.ru/en/report58

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Summary

The annual "Russia—China Dialogue" report is aimed at conducting a regular analysis of the dynamics of Russia—China relations across a comprehensive range of areas as well as at providing expert recommendations on developing interaction between Moscow and Beijing. This report summarizes the results of bilateral cooperation in the 2nd—4th quarters of 2019 and the 1st quarter of 2020.

The COVID-19 pandemic that broke out in early 2020 has posed a serious challenge to Moscow-Beijing relations. The growing uncertainty in international relations, coupled with the global recession and the intensification of global and regional problems mean that Russia and China need to coordinate their stances and courses of action more closely. Additionally, COVID-19 has shown that Russia and China need to expand cooperation in combating non-conventional security threats and developing reliable mechanisms for joint action in emergencies.

The epidemic has also put a halt to economic ties and educational, touristic and cultural exchanges between the two countries, with numerous interaction formats having been suspended. Under the new circumstances, Russia and China should make full use of the potential of new technologies and actively develop e-commerce and online payments, distance learning and other similar formats. It is vitally important to ensure that the pandemic does not have a negative impact on mutual trust and interest in cooperation.

Russia—China relations are better than they have ever been, and there is still significant potential for advancing practical cooperation in a broad range of areas. While adhering to the principles of political equality and mutual respect, Moscow and Beijing should jointly formulate a long-term development strategy focused on specific goals and objectives in the key areas of cooperation.

Russia—China relations are developing against the backdrop of a difficult international situation. The United States views Russia and China as its strategic rivals and uses instruments of geopolitical and economic containment against them. U.S.—China relations have been deteriorating rapidly in recent years, which creates significant risks for the entire world and specific threats for Moscow.

The strategic partnership between Russia and China has acquired new regional and global dimensions: the countries are taking on greater responsibility for maintaining international peace, reforming multilateral institutions, and creating a new world order. The joint efforts of the two powers have also proved vital in resolving security and development issues in Afghanistan, the Middle East, Africa, the Korean Peninsula and other regions. While Moscow and Beijing may disagree on individual issues, they should maintain unity on the fundamental aspects of the world order and continue to contain destructive international trends. Creating a long-term strategic vision of the foundations of global development, formulating common conceptual stances in various regions, and developing joint security initiatives continue to be crucial tasks.

Collaboration within the Shanghai Cooperation Organisation (SCO) and BRICS remains a priority for Russia and China. Today, these groupings face similar strategic objectives in terms of the need for reform and greater efficiency, the development of the economic component of both organizations and the creation of an expanded network of partnerships based on them. The COVID-19 pandemic has also highlighted the importance of developing cooperation in global healthcare within these two groups. Russia and China could use Russia's dual presidency in the SCO and BRICS to eliminate problems and barriers that hinder the advancement of cooperation in principal areas, including trade, finance, innovations and others.

The countries maintain a traditionally high level of military and military-technical cooperation, which is manifested in regular exchanges between military structures, joint military exercises and, recently, joint air patrolling the Asia Pacific. Russia and China are working together to develop missile attack warning systems, which indicates a high degree of mutual trust in sensitive areas. It is important to note the heightened level of secrecy in a number of areas, which is a result of the increasingly complicated global military and political situation.

Russia and China continued to develop trade and economic cooperation in 2019, with mutual trade growing by 3.4 per cent, to more than \$110 bn. The structure of the Russia—China commodities turnover improved, most notably with trade in agricultural products increasing. Several major investment projects were completed and new agreements were concluded, including those involving regions. Collaboration continues on the creation of the necessary financial infrastructure. Cooperation in payment systems and online payments is developing, and the parties are working on increasing the share of payments in national currencies.

However, if the countries want to reach a new level of economic cooperation, they need to work hard to improve the investment climate and the transport and logistics infrastructure, increase mutual awareness and develop contacts between the business communities. Even though 2019 was marked by a large number of agreements involving large businesses, including state-owned companies, special attention should be paid to engaging small- and medium-sized enterprises in business contacts. Promoting cutting-edge Russian products on the Chinese market remains a relevant objective for Moscow.

2020 and 2021 have been designated the Years of Russian–Chinese Scientific, Technical and Innovation Cooperation. Collaboration in the area, particularly in the digital and aerospace spheres, as well as in some other directions, is intensifying due, among other factors, to global technological competition and external restrictions. The two countries are gradually transitioning from cooperation at the academic and theoretical level to joint R&D and the mass production of their best products. Cooperation is gradually gaining scale and depth, and is accompanied by the development of financial support for collaborative activities.

Active work in a range of priority areas is vital if the two sides wish to further develop mutually advantageous cooperation in science, technology and innovations. The issues of investment climates, the protection of intellectual property

rights and the development of a supporting infrastructure are still of special importance. In science, the parties need to improve the resource base, increase the number of joint events in areas of mutual interest and refine programming and planning documents. Particular attention should be paid to developing small- and medium-sized innovative enterprises. It remains crucial for Moscow to develop a comprehensive approach to cooperation with Beijing in this area and to launch a dialogue with China on aligning goals, objectives and priorities.

Russia and China have made significant progress in educational, cultural, media and touristic cooperation as well as in strengthening friendly ties between their peoples in recent years. Education serves as the fundamental component of the Russia–China interaction, and the emphasis must be placed on educating and training specialists in a broad range of professions. Russia–China cultural cooperation is also developing. For example, the number of joint film projects has grown significantly. Among the countries outside the former USSR, China has been the primary destination of outbound Russian tourism and the primary country of origin for inbound tourism. The increased influx of Chinese tourists in Russia has revealed certain infrastructural problems and the need to properly monitor the organization of tours.

The pandemic has forced the traditional formats of cooperation to be suspended. Under these circumstances, it is necessary first of all to develop remote formats of exchanges, distance learning, online workshops and cultural events.

The pandemic has significantly impacted the Russian and Chinese tourism industries, and they will not rebound quickly. However, the countries should be preparing for the resumption of tourism now, using the hiatus to eliminate long-standing systemic problems.

Given the increasing international tensions and the spread of disinformation about Russia and China, it is crucial that a favourable information backdrop for the cooperation is maintained. Exchanges between Russian and Chinese media should be developed further at various levels, and coordinated international information efforts should be undertaken.

Introduction

In recent years, Russia–China relations have been marked by the progressive development of their bilateral partnership, which is becoming truly comprehensive. Military and strategic cooperation has deepened and now extends into sensitive areas. The parties achieved a record trade turnover of \$110 bn and launched a series of major joint projects while simultaneously working on establishing a corresponding financial infrastructure. The target of 100,000 people being involved in educational exchanges between the two countries was almost achieved. With the emergence of a new economic paradigm and increasing global competition for technological leadership, Russia and China are focusing their cooperation on science, technology and innovations.

During the celebrations in honour of the 70th anniversary of Russia–China diplomatic relations in 2019, the parties declared the special features and principles of their comprehensive partnership and strategic collaboration in the new era. The main events on the 2020 cooperation agenda include joint commemorations of the 75th Anniversary of the End of World War II, launching the Years of Russian–Chinese Scientific, Technical and Innovation Cooperation, and holding SCO and BRICS summits in the year of Russia's presidency in both groupings.

In 2020, the pandemic caused by the novel coronavirus became a major uncertainty factor both in Russia—China ties and in the world as a whole. It is still unclear how fast humanity will manage to put an end to the spread of the disease and how destructive its consequences will be. The pandemic is a serious challenge to the life, health and welfare of the humankind, as well as to the economic development of many countries. Production and supply chains have been disrupted, and established communication models had to be revised. The pandemic has further increased the chaos in international relations and highlighted a series of systemic problems, including the ineffectiveness of international organizations and the fragility of regional balances. The global economic crisis that is unfolding today is already being compared to the Great Depression and the post-war years. The pandemic has aggravated U.S.—China tensions even further. Conflict potential, military threats and non-conventional security challenges are expected to rise both in individual regions and across the globe.

Under such circumstances, Russia and China's mutual support in international affairs and their constructive joint work to reduce tensions and ensure predictability and stability in global processes are more important than ever. Moscow and Beijing need to coordinate their positions on a comprehensive range of issues and for the long term, rather than on a case-by-case basis. They also need to develop a new understanding of international security that fully accounts for non-military threats.

Although Russia and China have demonstrated a high level of mutual trust throughout the pandemic, the situation nevertheless creates additional risks for bilateral cooperation. Public, educational, tourism and cultural exchanges have been completely suspended, the implementation of joint initiatives has ground

almost to a halt, and trade and investment are expected to drop against the back-ground of the global recession. Traditional problems in Russia—China relations that the countries have been working on for many years will likely worsen as well. These problems include, for example, the lack of mutual trust and understanding between the two peoples, and the underdeveloped collaboration infrastructure at all levels. Today, Russia and China should work especially hard so as not to lose the momentum of their cooperation in the post-pandemic world. New formats and areas of cooperation need to be developed, primarily those related to innovations and technologies. The parties need to analyse the difficulties they encounter in their collaboration more carefully in order to prevent long-term negative consequences from developing.

The Russian and Chinese expert communities should play an active role in carefully working through the difficulties in bilateral cooperation between the two countries, defining the contours of the post-coronavirus world and developing the optimal cooperation strategy under the new circumstances. The sixth annual *Russia–China Dialogue* report prepared by the Russian International Affairs Council, the Institute for Far Eastern Studies of the Russian Academy of Sciences and the Institute of International Studies at Fudan University is intended as a contribution to the open dialogue on these issues. The paper presents the results of an analysis of the Russia–China cooperation in the 2nd–4th quarters of 2019 and the 1st quarter of 2020.

1. Russia and China: Trends in the Development of the Comprehensive Partnership and Assessments of the Global Situation

1.1. New Trends and Areas in Russia–China Relations in the International Context

In 2019, Russia and China succeeded in further bolstering the existing strategic partnership between the two countries, which has reached a new regional, and, in some cases, global level. The new trends in Russia—China relations are related to Moscow and Beijing's wish to assume the role of the principal force in maintaining international peace, ensuring sovereignty and freedom of choice for people and states

Russia—China cooperation is developing in a difficult international context as the world order and the system of international relations are transforming rapidly and a global redistribution of power is taking place. Uncertainty is increasing around the world. We are witnessing a lack of responsibility, of a constructive agenda and of effective governance both worldwide and in individual regions, and the risk of local conflicts between states is growing. The United States has pivoted away from its strategic anti-terrorist course towards a rivalry with major powers. Washington sees Russia and China as strategic competitors. Not since the Cold War has the country been so actively using strategic containment instruments against Russia and China. These profound changes have created new challenges for the two countries in terms of their strategic partnership, but they have also created a number of opportunities. Given the common challenges, the two states are increasingly motivated to deepen their strategic collaboration, while expectations concerning their bilateral ties are growing.

Moscow and Beijing should assume greater responsibility in global governance and international security. The transformation of the international relations system and the changes of the balance of power do not happen overnight. Chinese experts note that the influence of the United States and the West will decrease gradually, while the role of countries with developing economies will grow slowly, and the West will still remain one of the main actors on the international stage.

Experts point to the opportunities that Russia—China cooperation will develop through the alignment of the Eurasian Economic Union (EAEU) and China's Belt and Road Initiative (BRI) and the creation of the Greater Eurasian Partnership. Expanding substantive and pragmatic collaboration between Russia and China plays an important part in ensuring prosperity, stability and security in the region. The relevant agendas for deepening cooperation between the two countries within the SCO, BRICS, the Russia—India—China strategic triangle and other venues are being developed. Thus, it will be important to abandon both the out-dated idea of dividing the continent into areas of influence and the desire for dominance. The consensus on interconnectedness in Eurasia should also become the specific

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agenda for trilateral cooperation with Europe. The Asia–Europe Meeting may be used for this purpose, or, alternatively, a new venue may be set up to conduct the dialogue between Russia, China and the European Union.

Moscow and Beijing pay great attention to their interaction within the United Nations, including coordination in the Security Council and the UN's principal institutions and commissions, especially given the UN's 75th anniversary in 2020. Russia and China support advancing the authority of the United Nations and the Security Council on issues of global governance and international security. However, the organization's activities have revealed certain problems in terms of its limited effectiveness and the need for reform. The five permanent members of the UN Security Council should assume the responsibility for its reform. A summit involving Russia, China, the United States, France and the United Kingdom may bring positive results.¹

Russia and China are permanent members of the UN Security Council. They have central positions in global governance and in resolving difficult political and diplomatic problems. As such, the two countries are involved in regulating international relations acting as the stabilizing force amid the growing chaos and unpredictability of today's world. In 2019 and 2020, Russia and China opposed to the fragmentation of international relations while supporting openness and freedom of trade, strengthening the international law system, and providing responses to the dangerous trends of dismantling existing international mechanisms and institutions.

Russia and China should act together to advance multilateral global governance and promote a new international system based on dialogue and cooperation between East and West, North and South, and between developed and developing and large and small countries. Moscow and Beijing should continue to advance multilateral platforms such as the G20, BRICS and the SCO. They could also create a venue for an inter-civilizational dialogue. In particular, China's standing Conference on Dialogue of Asian Civilizations could serve as a basis for a broader format. Interaction between Russia, China, India and Iran could form the core of such a dialogue, and it may very well move onto the global level and facilitate large-scale exchanges in the future. As such, it could serve as a nucleus for a similar dialogue in Eurasia. Holding such forums in different countries will, in turn, advance the development of mutual understanding and tolerance.

An international security dialogue involving Russia, China and the United States needs to be developed. It is highly unlikely that a trilateral summit will be organized in the near future. However, the parties could consider establishing semi-official annual consultations. A dialogue between Russia, China, the European Union and the United States would also be important for increasing the effectiveness of global governance and enhancing international security.²

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Russia: UN Security Council Permanent Members to Hold Online Summit // CGNT. April 27, 2020. URL: https://news.cgtn.com/news/2020-04-27/Russia-UN-Security-Council-permanent-members-to-hold-online-summit-Q2bHUypFiG/index.html

² Kazakhstan suggested to hold a meeting of parliamentarians from Russia, China, the US and the EU in Nur-Sultan // Diplomacy24. September 24, 2019. URL: https://www.diplomacy24.com/kazakhstan-suggested-to-hold-a-meeting-of-parliamentarians-from-russia-china-the-us-and-the-eu-in-nur-sultan/

It would also be worthwhile to promote comprehensive cooperation (on various projects and through the linking of mechanisms) between the new and traditional international financial mechanisms, in particular, the Asian Infrastructure Investment Bank, the New Development Bank and the International Monetary Fund (IMF), the World Bank, the European Bank for Reconstruction and Development and the Asian Development Bank, in order for them to assume different, yet joint responsibility for ensuring global and regional stability, development and prosperity.

There is a certain asymmetry in the current Russia—China partnership: political and military strategic cooperation is more advanced, while trade, economic and investment cooperation lags behind. This imbalance is not only due to the fact that Russia is behind China economically, but also to the objectives of the global development and positioning of the two countries. The military strategic cooperation between Moscow and Beijing is turning from a bilateral component of Russia—China relations into a major geopolitical factor of global significance, and the U.S.—China confrontation reinforces the trend.

The possible scenarios for the further rapprochement between Russia and China involve the strategic partnership being radically deepened through closer military and political cooperation. Several Russian experts believe that the most likely scenario is the creation of a certain quasi-alliance based on political consensus that is not framed in a special agreement.³ Military and political relations between the two countries have reached a level where even in the absence of a formal union, a potential adversary preparing an attack on one has to account for various joint response scenarios. Such strategic certainty will act as a deterrent for any hypothetical adversary and their allies. Russia and China retain their own approaches, which may differ on certain individual matters, yet the two states will remain united in their overall strategic assessment of the world order regarding, among other things, the need to contain the destructive trends in security and economic development that are being stoked by the United States in particular.

2019 was an anniversary year for both countries. First, Russia and China held celebrations in honour of the 70th anniversary of the People's Republic of China and the establishment of diplomatic relations between the two states. At the same time, the parties announced the Years of Russian–Chinese Scientific, Technical and Innovation Cooperation in 2020–2021. In June 2019, President of the Russian Federation Vladimir Putin and President of the People's Republic of China Xi Jinping signed the Joint Statement of the People's Republic of China and the Russian Federation on the Development of a Comprehensive Strategic Partnership for Collaboration in the New Era⁴. In addition, they signed the Joint Statement of the Russian Federation and the People's Republic of China on Strengthening Global Strategic Stability in the Modern Era.⁵

³ V. Kashin. Russia and China: Union or Strategic Uncertainty? // RIAC. August 19, 2019. URL: https://russiancouncil.ru/en/analytics-and-comments/analytics/russia-and-china-union-or-strategic-uncertainty/

⁴ Press Statement Following Russian – Chinese Talks // President of Russia. June 5, 2019. URL: http://en.kremlin.ru/events/president/news/60672

⁵ Ibid.

Russia-China relations have acquired new content and features in this new era.

- Inclusivity: Russia—China relations are based on common views and interests and on the desire to resolve contentious issues.
- Balance: Russia and China value not only the expansion and deepening of their interaction, but also the balance of all areas of that interaction. The countries jointly use the results of their cooperation on the basis of equality and mutual profitability.
- Sustainable development: Russia—China relations are significant both strategically and politically, and the increasing mutual interest serves as a solid foundation for the long-term development of relations between the two sides.
- Equity: Russia and China strictly adhere to the principles of impartiality, fairness and responsibility in their relations.
- High level: Russia—China relations are better than they have ever been which is
 manifested in the strengthening political trust and in cooperation between the
 two sides transitioning to a qualitatively new level.
- The pragmatic nature of cooperation: the political relations that have been
 developed are being transformed into practical action, and the demand for joint
 activities is increasingly being heard at the grassroots level. Vital interests are
 beginning to intertwine, and structural economic complementarity has started
 to appear. Together, all these factors result in accelerated cooperation that
 acquires qualitatively new content.
- The comprehensive nature of cooperation: Russia and China cooperate on a broad range of issues, including politics, the economy, security, science, technology, education, culture, media and tourism.

In the past, Moscow and Beijing tended to be reactive in terms of the strategic coordination of their efforts, dealing primarily with pressing issues, mostly matters of security. Experts noted a lack of common development goals, general principles and clearly defined measures for promoting interaction, and many cooperation concepts were vague and hard to implement. Certain difficulties remain in terms of mutual trust. It is important for Russia and China to develop a long-term strategy for fostering bilateral relations and jointly formulate goals and specific plans of further collaboration.

Russia and China should adhere to the principles of political equality and mutual respect. Certainly, the two countries have different conceptual approaches to cooperation, different cultural identities, business interests and economic conditions. Negative attitudes in bilateral relations need to be abandoned. The growth of China's economic and strategic power changes its position in terms of its relations with Russia, and Russia should adapt to these changes and build equal relations with China. Beijing also should develop parity relations with Russia based on mutual respect and the acknowledgement of Russia's status as a great power and its development potential, as well as on the long-term nature of the bilateral cooperation between the two countries.

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In 2020, against the backdrop of the global novel coronavirus pandemic (COVID-19), the strategic partnership between Russia and China is undergoing radical changes in comparison with the 2019 paradigm, with due account of the scale of the epidemic and the need to preserve the fundamental values and achievements of the cooperation between the two countries. The agendas for Moscow and Beijing moving forward will be dominated by a new understanding of security and the creation of a strategy for development and collaboration. National security cannot be based solely or largely on military potential: nuclear weapons and other modern arms cannot be used to fight infectious diseases such as coronavirus, climate change, environmental pollution, uncontrolled migration and other challenges.⁶

Due to the coronavirus pandemic, the new military, political, institutional, economic, environmental and other parameters of the world order are not yet entirely clear to the global expert community. We cannot rule out the possibility of this uncertainty and the growing imbalances being in some manner used by individual actors in international relations to either restore or boost their economic and political standing and their image at the expense of others. Under such circumstances, Russia and China will be forced to tackle a dual objective. On the one hand, they will need to act within the framework of global values and projects as responsible global powers attempting to contribute to the common cause of development and combating the pandemic. On the other hand, they will need to strengthen their own security. The two countries will be forced to balance global and national priorities. The role of the expert communities in Russia and China is increasing since the criteria and regularities of development, and the challenges and threats of the "post-coronavirus world," are virtually unknown.

1.2. Russia-China Cooperation in Combating the COVID-19 Pandemic

In 2020, the world faced the novel coronavirus pandemic (COVID-19). China was the first to suffer from the disease. Russia was hit later. The joint fight against the disease confirms the high level of partnership and mutual trust between Russia and China in the new era. Yet individual glitches in the cooperation in the area suggest that Russia—China collaboration in healthcare, biosecurity and other related areas needs to be improved.

The heads of state of the two countries repeatedly stated the need for cooperation in combating the pandemic. On January 31, 2020, President of the Russian Federation Vladimir Putin sent a telegram to President of the People's Republic of China Xi Jinping strongly supporting China in counteracting the coronavirus threat.⁸ On March 19, April 16 and May 6, President Putin and President Xi Jinping had telephone conversations emphasizing the need for cooperation in com-

⁶ I. Ivanov. Rethinking International Security for a Post-Pandemic World // Carnegie Endowment for International Peace. April 20, 2020.

URL: https://carnegieendowment.org/2020/04/20/rethinking-international-security-for-post-pandemic-world-pub-81584

⁷ Ibio

⁸ President Sent Message to Xi Jinping to Express Sympathy and Support to Coronavirus Victims // President of Russia. January 31, 2020. URL: http://en.kremlin.ru/events/president/news/62709

bating the epidemic. This topic has been repeatedly raised on various levels in the contacts between Russian and Chinese officials. The media in both countries has also demonstrated mutual support during the pandemic, as have regular Russian and Chinese citizens.

Russia and China supplied aid to each other for combating the COVID-19 epidemic. After its outbreak in China, Russia sent approximately 23 tonnes of humanitarian aid to Wuhan: it included masks, gloves, protective eye-glasses, protective clothing and other items. Approximately 2.27 million units were sent in total. Russia and China stepped up their cooperation in preventing and combating infectious diseases, and on February 5, 2020, the Ministry of Health of the Russian Federation sent five medical experts and epidemic prevention specialists to China. Scientists from the two countries continue to cooperate in research.

With the epidemiological situation in Russia worsening, China also provided aid: on April 2, 2020, the first shipment of anti-epidemic materials arrived in Moscow – approximately 268 cubic metres of items weighing about 25.5 tonnes. 11 On April 11, Chinese experts arrived in Moscow to assist Russian specialists and engage in joint anti-epidemic work. 12 Humanitarian aid was also sent to Russia from China's Heilongjian province. 13 Additionally, China's primary focus is on delivering means of coronavirus prevention to Russia. As of April 7, Russia had purchased 72 million medical masks from China. 14 On April 20, 2020, Vladimir Putin mentioned that Russia had received 150 million masks from China via various channels. 15 A contract with Chinese enterprises for 1.05 million protective clothing units was reported to have been signed. 16

Russia and China bolstered their scientific and technical cooperation in preventing and combating COVID-19, focusing on such issues as isolating the virus and developing a vaccine. Leading world specialists have been involved in the effort.

The pandemic has demonstrated the need to further deepen Russia-China cooperation in healthcare. The 2019 Joint Statement of the Russian Federation

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⁹ Telephone Conversation with President of China Xi Jinping // President of Russia. March 19, 2020. URL: http://en.kremlin.ru/events/president/news/63038; Telephone Conversation with President of China Xi Jinping // President of Russia. April 16, 2020. URL: http://en.kremlin.ru/events/president/news/63209

China Thanks Russia for its Assistance in Fighting Coronavirus // TASS. February 9, 2020. URL: https://tass.com/society/1118097

China Provides Russia With Over 20 Tonnes of Supplies for Combatting Coronavirus // TASS. April 14, 2020. URL: https://tass.com/world/1144441

¹² China Sends Medical Experts to Russia to Help Fight COVID-19 // CGTN. April 11, 2020. URL: https://news.cgtn.com/news/2020-04-11/China-sends-medical-experts-to-Russia-to-help-fight-COVID-19-PBshl0UoaQ/index.html

¹³ Chinese Province Sends 23 Tonnes of Humanitarian Cargo to Russia // Regnum. April 14, 2020. URL: https://regnum.ru/news/2915926.html (In Russian).; Harbin Gives Krasnoyarsk Territory Shipment of Protective Suits and Masks // RIA Novosti. March 30, 2020. URL: https://ria.ru/20200330/1569344177.html (In Russian).; Yakutia Receives Humanitarian Aid Shipment from China // TASS. April 3, 2020. URL: https://tass.ru/obschestvo/8158123 (In Russian).

Manturov: Russia Has Purchased 72 Million Medical Masks from China // Argumenty i Fakty. April 7, 2020. URL: https://aif.ru/health/coronavirus/manturov_rossiya_zakupila_u_kitaya_72_mln_medicinskih_masok (In Russian).

Meeting on Sanitary and Epidemiological Situation // President of Russia. April 20, 2020. URL: http://en.kremlin.ru/events/president/news/63229

Manturov: Russia Has Purchased 72 Million Medical Masks from China // Argumenty i Fakty. April 7, 2020. URL: https://aif.ru/health/coronavirus/manturov_rossiya_zakupila_u_kitaya_72_mln_medicinskih_masok (In Russian).

and the People's Republic of China on the Development of a Comprehensive Strategic Partnership for Collaboration in the New Era sets down rigorous requirements for cooperation in healthcare. 17 The statement specifically noted the importance of developing collaboration in health emergency response and relief as well as in diagnosing, preventing and controlling infectious diseases. The parties also declared that they would be increasing the level of scientific cooperation in this area. The agenda of the annual meetings of the Sub-Commission for Healthcare Cooperation of the Russian-Chinese Commission on Humanitarian Cooperation includes preventing and controlling infectious diseases and preventing outbreaks of infectious diseases in border areas. Cooperation is being developed between the Smorodintsev Research Institute of Influenza under the Ministry of Health of the Russian Federation, the Gamalei Research Institute for Epidemiology and Microbiology, and Chinese Center for Disease Control and Prevention, which includes workshops on infectious diseases (influenza, TB and HIV). Experts in the two countries hold meetings in order to promote the exchange of research findings and developing further cooperation. That being said, the mechanism of Russia-China scientific cooperation in preventing and controlling infectious diseases in emergencies has not yet been fully developed.

The theory and practice of the relevant Russian and Chinese institutions do not always coincide. According to China's data, the coronavirus genomes sequenced at the Smorodintsev Research Institute of Influenza and the Chinese Center for Disease Control and Prevention do not align, which means that Russia and China did not study the virus strains jointly. China did not give Russia a live coronavirus strain. The lack of comprehensive communication and effective cooperation leads to poorly coordinated work and slows down the joint development of vaccines and effective medications.

The parties need to enhance interaction in healthcare and combating non-conventional threats by creating feasible and effective mechanisms for joint activities in the field. In this regard, it is important to take full advantage of the opportunities offered by the Years of Russian–Chinese Scientific, Technical and Innovation Cooperation, particularly in such areas as combating and preventing epidemics, researching and developing vaccines and medications, training personnel and exchanging experience. Creating joint Russian–Chinese companies that use artificial intelligence and big data to manufacture anti-viral medications, virus testing and diagnostics equipment, and new-generation disinfection systems, appears to be a promising area of cooperation.

Additionally, Russia and China have not yet developed norms and mechanisms for disease prevention and control and aiding cross-border personnel in combating infectious diseases. There are different understandings of how the parties should act to prevent and control epidemics in border areas.

The two countries are taking comprehensive anti-epidemiological measures that

¹⁷ Press Statement Following Russian – Chinese Talks // President of Russia. June 5, 2019. URL: http://en.kremlin.ru/events/president/news/60672

¹⁸ China Never Gave Russia a Live Coronavirus Strain // Interfax. February 06, 2020. URL: https://www.interfax.ru/russia/694320 (In Russian).

have suspended Russia–China exchanges almost completely. On February 20, Russia placed a temporary ban on Chinese citizens entering the country.¹⁹ On March 27, it cancelled all flights to and from foreign countries.²⁰ And on March 30, it restricted traffic through land, rail, pedestrian, sea and multimodal border crossing points.²¹ Similarly, on March 28, China prohibited foreign citizens from entering the country.²² Finally, since March 29, Chinese airlines have only been allowed to have one weekly flight per country.²³

A number of anti-epidemic measures have elicited a mixed response in terms of the human rights of the citizens of the partner country. Approximately 80 Chinese citizens were deported from Russia for violating sanitary and epidemiological regulations, which caused a major stir in China.²⁴ During the epidemic, additional attention should be paid to consular issues. The legitimate rights and interests of Russian citizens in China and Chinese citizens in Russia must be ensured, including protecting their health and security and providing timely assistance to those who need it. It would be wise for governmental bodies to pay special attention to supporting citizens of the partner country who have found themselves in dire straits due to the epidemiological situation. In particular, assistance in visarelated matters and ensuring proper accommodation are of special importance.

The damage that expressions of nationalism causes to bilateral relations should not be ignored. It is thus important to advance mutual understanding between Russian and Chinese citizens. During the epidemic, there were cases where Chinese citizens felt they were discriminated against in Russia. Similarly, once the epidemiological situation stabilized in China, some Russian citizens encountered discrimination in China. ²⁵ Such cases, however, appear sporadic and will not have a destructive impact on bilateral relations.

1.3. Russia-China Relations and the American Factor

The American factor plays an important role in Russia-China relations, primarily in the geostrategic and military-political terms. This factor, however, is neither

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¹⁹ Russia Temporarily Bans Chinese Nationals from Entering Country Amid Coronavirus Outbreak // Euronews. February 19, 2020. URL: https://www.euronews.com/2020/02/18/russia-temporarily-bans-chinese-nationals-from-entering-country-amid-coronavirus-outbreak

Russia to Ground International Flights on March 27 Due to Coronavirus // Reuters. March 26, 2020. URL: https://www.reuters.com/article/health-coronavirus-russia-flights/russia-to-ground-international-flights-on-march-27-due-to-coronavirus-idUSL8N2BJ0NK

²¹ Decision Made to Temporarily Restrict Traffic through Land, Rail, Pedestrian, Sea and Multimodal Crossing Points on the Border of the Russian Federation and through the Overland Stretch of the Russia–Belarus State Border // The Russian Government. March 28, 2020. URL: http://government.ru/docs/39307/ (In Russian).

²² China Temporarily Closes its Borders to Foreign Nationals // NPR. March 26, 2020. URL: https://www.npr.org/sections/coronavirus-live-updates/2020/03/26/821972324/china-temporarily-closes-its-borders-to-foreign-nationals

²⁰ China to Significantly Reduce International Flights Amid Virus Concerns // Reuters. March 26, 2020. URL: https://www.reuters.com/article/us-health-coronavirus-china-aviation/china-to-significantly-reduce-international-flights-amid-virus-concerns-idUSKBN21D1W4

²⁴ Russia to Deport 88 Foreigners for Violating Coronavirus Quarantine // Reuters. February 28, 2020. URL: https://www.reuters.com/article/us-china-health-moscow-deportation/russia-to-deport-88-foreigners-for-violating-coronavirus-quarantine-idUSKCN20M252

²⁵ Chinese Hotels Refuse to Accommodate Russians, Fearing COVID-19 // RIA Novosti. April 9, 2020. URL: https://ria.ru/20200409/1569802941.html?fbclid=lwAR0Y4A2VuFxyt8I4pHcYehxn3_rxDedLnfXFXVF3ooaOY9ivTx dMi5Lf8NM (In Russian).

a prerequisite, nor the driver of the bilateral cooperation. It does not define the overall essence of Russia-China relations.

International relations have been marked in recent years by growing commercial, economic, geopolitical, military, strategic and technological tensions between China and the United States. The main topic of discussion between the United States and China in 2020 has been the coronavirus, as Washington wishes to hold Beijing accountable for the spread of the disease. Disinformation campaigns have been launched with the intent to discredit the official Chinese statistics. Putting pressure on China has become the key point in the 2020 U.S. presidential race, and it may serve as a pretext for imposing unilateral sanctions against China.

The U.S.–China rivalry is a long-term trend that will continue for the years to come. The pandemic only accelerates the confrontation between the two countries.

The consequences of this confrontation go beyond the relations between Beijing and Washington and, to some degree, impact almost all actors in international relations and the global economy. The scale of this impact is likely to grow in the foreseeable future and Russia is no exception. What is more, in addition to the systemic consequences that apply to all actors in global politics, Moscow faces equally important circumstances that are unique to Russia and stem from the U.S.—Russia—China triangle. One the one hand, the exacerbation of the U.S.—China confrontation opens up additional strategic opportunities, although Russia will have to exert significant efforts in order to make full use of them. At the same time, the deterioration of relations between China and the United States does not automatically mean that relations between Russia and the U.S. will improve. On the other hand, escalating tensions between Beijing and Washington create new challenges and risks for Moscow that are difficult to predict with any degree of accuracy and almost impossible to prepare for.

Russia's Role in the U.S.-China Military and Strategic Confrontation

The U.S.-China military confrontation will inevitably heighten in the foreseeable future. Currently, the crucial point for the United States consists in preserving its advantage, first of all, in its naval potential in the Asia Pacific and, second, in new innovative areas (space, cyberspace, autonomous weapons systems, etc.). However, we cannot rule out that the United States will exert expanded nuclear deterrent pressure on China. Russian experts believe that China, in turn, will strive to strip the United States of its unconditional military hegemony in the Asia Pacific and maintain its own comparable nuclear deterrent potential. China will continue the modernization of its armed forces, with an emphasis on technical equipment, flexibility, advanced mobility and the ability to project its military power to remote theatres of operations. The prospect of developing an effective U.S.-China arms control system does not appear to be particularly realistic. Moscow's interests lie in retaining, at least partially, the mechanisms of U.S.-Russia strategic arms control and making it trilateral with the involvement of Beijing. The lack of effective arms control mechanisms increases the overall risks to the stability of international relations, which is a problem for all of its actors, including Russia.

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In November 2018, Russia and China signed an agreement on cooperation concerning the peaceful use of the GLONASS and BeiDou satellite systems. Even though this is an example of civilian cooperation, navigation satellite groups could also be used for intelligence and as guidance systems for high-precision weapons. In 2019, Russia announced it would be assisting China in creating a state-of-the-art missile attack warning system. The deterioration of relations with Washington will further stimulate Beijing and Moscow to deepen and expand their collaboration in nuclear missiles, among other areas. At the same time, we can assume that, if Russia and the United States manage to at least partially preserve bilateral nuclear arms control mechanisms (primarily the New START), Moscow will gently push Beijing to look for ways to become involved in the strategic dialogue that will not be a burden for the country.

The naval confrontation is likely to become a major part of the rivalry between the United States and China. Russia has absolutely nothing to gain from the United States and China stepping up their naval confrontation in the Pacific or Indian oceans. Moscow cannot play a sufficiently active role in mitigating or preventing this confrontation. However, expanding Russia—China naval cooperation may pique the interest of the parties in joint naval exercises in areas that are far removed from China (the Mediterranean, the Persian Gulf), joint patrolling of some maritime travel routes (the Strait of Hormuz), or in participating in multilateral operations intended to ensure the security of specific offshore areas (similar to the international group for combating pirates off the coast of Somalia in 2009). In order to prevent further exacerbation of the strategic situation, it would be wise to stress multilateral cooperation modes, for instance, within the Shanghai Cooperation Organisation. As a way of reducing the risks of unintentional U.S.—China escalation, Russia could suggest that China use its experience of creating mechanisms for preventing incidents on the high seas.

The geopolitical "containment" of Beijing through the formation of a broad coalition of mostly liberal democratic states in the Indo-Pacific that oppose China remains one of the main areas of U.S. pressure on China, with India seen as the main "counterbalance" to China. Russian experts believe that Beijing will strive to prevent the consolidation of the Indo-Pacific, viewing it as a mechanism for China's geopolitical entrapment. For Moscow, the emergence of a rigid bipolar relations system in Asia is also strategically dangerous, since it entails the loss of Russia's current room for manoeuvre that greatly benefits Russia's diplomacy today. Like China, Russia is not interested in further rapprochement between India and the United States, since it will inevitably produce problems for Russia—India relations. Therefore, every effort should be channelled into normalizing China—India relations. The trilateral RIC mechanism could be used for that purpose.

²⁶ Russia is Preparing to Ratify the Agreement with China on Navigation Satellite Systems // ABIZ. September 5, 2019. URL: http://www.abiz.ru/en/news/autocomponents/russia-is-preparing-to-ratify-the-agreement-with-china-on-navigation-satellite-systems

²⁷ Russia is Helping China Build a New Missile Attack Warning System, Putin Says // CBS News. October 4, 2019. URL: https://www.cbsnews.com/news/russia-to-help-china-build-new-missile-attack-warning-system-vladimir-putin-says-today-2019-10-04/

Anti-Russian Sanctions and the U.S.-China Trade War

To some degree, the American factor affects trade and economic cooperation between Russia and China. Against the backdrop of the Western sanctions, Russia has become more interested in developing cooperation with Chinese partners. Several experts believe that Russia could use the U.S.—China trade war to expand its presence on the Chinese market with a range of important commercial items, primarily hydrocarbons and foods. Nevertheless, we should not overestimate the importance of the American factor for developing Russia—China trade.

In 2014–2019. Russia's oil exports to China grew from 33.108 million tonnes²⁸ to 75.857 million tonnes, ²⁹ making Russia the leading supplier of oil to China. The rapid growth of Russian oil exports to China resulted in strategic adjustments in the international energy policy. The Power of Siberia gas pipeline was officially put into operation on December 2, 2019, and is supposed to have an annual export capacity of 38 billion cubic metres. 30 Russia's liquefied natural gas (LNG) has also entered the Chinese market. Starting in 2019. PetroChina intends to import 3 million tonnes of LNG from the Yamal LNG project annually.³¹ Nevertheless, the rapidly growing capacity of the Chinese market (primarily its gas market) could ensure large contracts for both Russian and American suppliers. Concerns about acute competition on the part of American LNG manufacturers appear unfounded, especially since China purchases LNG from other suppliers besides Russia and the United States (Australia and Qatar). If there are medium- and long-term challenges for Russia-China energy cooperation, they stem not from the competition with the United States as they do from the possible slowdown of the Chinese economy and the changing structure of China's energy consumption in favour of renewable energy sources.

The situation on the Chinese food market is similar. This is a large and rapidly growing market that will have enough room for several large exporters. By 2024, Russia hopes to increase its agricultural exports to China to \$9.5 billion.³² However, in some segments, Russia simply does not have the export potential to fill the vacuum that could appear should the United States' exports to China stop. For instance, today, Russia can only cover approximately 10 per cent of China's demand for soya beans, given that China accounts for 89 per cent³³ of Russia's

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²⁸ China Bought Record Amount of Oil in 2014 // The Moscow Times. January 23, 2015. URL: https://www.themoscowtimes.com/2015/01/23/china-bought-record-amount-of-russian-oil-in-2014-a43173

²⁹ The Coronavirus Epidemic Leads to Falling Oil Production Within OPEC+ (新冠肺炎疫情, 牵动着OPEC+"减产的心") // Haiyunquan. February 3, 2020. URL: https://www.hyqfocus.com/jsp/model.jsp?id=1812&modelType=2 (In Chinese).

³⁰ The Power of Siberia // Gazprom. URL: https://www.gazprom.com/projects/power-of-siberia/

³¹ Novatek Makes Decision on Volume of Purchases from Yamal LNG Plant // Vedomosti. March 30, 2014. URL: https://www.vedomosti.ru/business/articles/2014/03/31/novatek-nazval-svoyu-dolyu (In Russian).

³² Russian Plans to Increase Agricultural Exports to China to \$9.5 Billion by 2024 (俄计划至2024年将对华农产品 出口提高到95亿美元) // Sputnik. July 11, 2018. URL: http://sputniknews.cn/economics/201807111025857081/ (In Chinese).

³³ Krasnodar Region Now a Top-10 Russian Regions for Soya Yield // Kommersant. May 24, 2019. URL: https://www.kommersant.ru/doc/3981459 (In Russian).

total soya exports.³⁴ In other segments (such as wheat), Russia is capable of competing with the United States due to the lower transportation costs. In some instances (pork and beef), Russian exports to China are restricted not by American competition, but by unresolved phytosanitary issues. Settling these issues has been complicated by Beijing's dissatisfaction with Russian restrictions on the import of food from China, which, as the Russian side explains, are connected with safety requirements and the violation of Russian standards.³⁵

On the whole, Russia does not wish to replace the United States on the Chinese market, which is impossible in any case. Rather, its goal is to transition to a new level of economic collaboration with China entailing "in-depth" economic integration. What is more, we should bear in mind that Russia should proceed from its membership in the Eurasian Economic Union in its trade relations with China, which also complicates the process of achieving agreements.

The sanctions have significantly complicated Russia's investment and technological cooperation with the West in such areas as energy. It is one of the reasons why attracting Chinese investments and purchasing Chinese technologies appear to be promising avenues. In 2014, the two countries established the Intergovernmental Russian—Chinese Commission for Investment Cooperation.³⁶ In November 2019, the Commission held its sixth annual meeting, where it announced the launch of cross-border projects worth a total of over \$10 billion, and also considered 70 projects worth \$112 billion.³⁷ China has begun to actively invest in Russia's energy sector, pumping \$20.93 billion into the market in 2014–2019.³⁸ For instance, the Yamal LNG project received \$12 billion in loans (or 60 per cent of all its borrowed funds) from Chinese banks.³⁹ On June 7, 2019, Russia and China signed an agreement on the latter acquiring a share in the Arctic LNG 2 project.⁴⁰ Russia—China investment cooperation is developing, though it is not always stable (Table 1).⁴¹ At the same time, Chinese investments in Russia significantly exceed Russian investments in China.

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³⁴ For instance, according to Chinese data, the country consumes over 110 million tonnes of soya annually, while China itself produces only about 15 million tonnes and imports the remaining 95 million tonnes. In 2017 alone, China imported approximately 32.9 million tonnes of soya beans from the United States, while the total annual production of soya in Russia was 6 million tonnes.

³⁵ See, for instance: Russia Temporarily Bans Chinese Fish Import // News.ru. January 10, 2020. URL: https://news.ru/en/economics/russia-temporarily-bans-chinese-fish-import/?sign=535585770129374% 2C329781141595124; Russia Slaps Temporary Ban on Chinese Citrus Fruit Imports // Russia Business Today. December 30, 2019.

URL: https://russiabusinesstoday.com/agriculture/russia-slaps-temporary-ban-on-chinese-citrus-fruit-imports/

³⁶ The Intergovernmental Russian–Chinese Commission for Investment Cooperation // VEB.RF. URL: https://вэб.pф/o-banke/mezhdunarodnoye-sotrudnichestvo/mpk/ (In Russian).

³⁷ Russia and China Mull Dozens of Joint Investment Projects Worth \$112 bn // Russian Direct Investment Fund. November 26, 2019. URL: https://rdif.ru/Eng_fullNews/4741/

³⁸ China Global Investment Tracker // AEI. URL: https://www.aei.org/china-global-investment-tracker/

³⁹ Natural Gas from the Arctic: First Tanker Carrying LNG Docks (来自北极的天然气:中国首船亚马尔LNG到港) // Sohu. July 20, 2018. URL: https://www.sohu.com/a/242402793_825059 (In Chinese).

⁴⁰ Russia's Novatek, China's CNPC Sign Cooperation Agreement // TASS. November 1, 2017. URL: https://tass.com/economy/973642

⁴¹ China Invests Big Throughout the World, Yet Takes Money Away from Russia // Eurasianet. October 22, 2019. URL: https://russian.eurasianet.org/китай-масштабно-инвестирует-по-всему-миру-но-выводит-деньги-из-россии (In Russian).

Table 1. Russia-China Mutual Investments, \$100 million

Flow direction / year	2014	2015	2016	2017	2018
China to Russia	68.72	54.01	3.45	1.4	41.893
Russia to China	0.54	0.11	0.06	0.33	0.247

Source: Compiled by authors using data from: Statistics // Bank of Russia. URL: http://www.cbr.ru/statistics; Russia—China Economic Cooperation // Trade Mission to China. URL: www.russchinatrade.ru/ru/ru-cn-cooperation/

Both the United States and the European Union are imposing and will continue to impose restrictions on Chinese businesses gaining control of strategic infrastructure facilities and companies that form the backbone of the new technological paradigm (Industry 4.0). By increasing its appeal primarily for large private investors from China, Russia could attempt to re-channel some of the freed-up Chinese investment resources, but there are certain obstacles. First, Chinese companies are still warv of being hit by American secondary sanctions. Only state banks can afford to ignore the sanctions entirely, but these banks traditionally prefer to use their resources to loan money for targeted purchases of Chinese goods and services by foreign partners. Second, there is a shortage of largescale, commercially attractive investment projects in Russia. Chinese businesses also refer to the vague Russian legislation and the need to seek project support at a high political level in each specific case. Russian partners, in turn, note the unfavourable conditions put forward by the Chinese side when it comes to implementing infrastructural projects in Russia: loans are issued on the condition that government guarantees are in place; and only Chinese equipment, technology and labour are to be used.

In addition to systemic restrictions in trade and investment, the United States uses various pretexts to impose, on a wide scale, selective non-tariff restrictions on Chinese companies competing with U.S. businesses (the sanctions against Huawei is the most well-known case). Here, Washington's strategic objective is to prevent China from winning the technological war with the United States in key areas of the emerging technological paradigm. Beijing's response involves gradually decreasing China's dependence on American technological chains, for instance, U.S.-made software, and the creation of its own technological solutions. Russia has an opportunity to fit into the process of developing Chinese alternatives to American technological chains in those areas where Russia has certain relative advantages (information and biotechnologies, space, nuclear energy, etc.). Against the backdrop of the Western sanctions against Russia and the U.S.-China trade war, the governments of the two countries have already declared the Russian-Chinese Scientific, Technical and Innovation Cooperation Years in 2020–2021, although it is still difficult to gauge the real effect of bilateral collaboration in this area. For instance, on September 17, 2019, a joint symposium entitled "Cooperation in Scientific and Technological Innovations" was held in Tianjin. The event featured three concurrent special sessions on "smart" manufacturing, biomedicine and healthcare, and maritime engineering equipment. Approximately 200 cutting-edge Russian technological projects were pre-

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sented at the event, and over 20 strategic cooperation agreements were signed on technology transfer, institutional development, investment and development and the joint use of resources.

The key remaining issue is the preferred form of technological cooperation for each party. Russia would prefer to create institutional partnerships based on priority "technological platforms." The long-term risks for Russia in this area stem from the prospect of a global technological split and the gradual emergence of a global "technological bipolarity."

It would be in the interests of both countries to avoid infrastructural and technological dependence on each other, and this objective is especially relevant for Russia. Multilateral projects therefore are highly promising.

The United States is actively trying to form a united Western trade and investment front against China, with the involvement of EU countries, Canada, Japan, South Korea and other allies and partners. In calling for "Western solidarity," the United States does not stress trade, instead, it emphasizes common problems when dealing with Chinese partners – protecting intellectual property, opposing "unfair competition," preventing China from penetrating into strategic economic sectors, and collective opposition to "politically motivated" projects, among which the United States counts the BRI. "The united Western front" against China creates indirect threats for Russia, too, since new mechanisms for coordinating Western approaches to Beijing could also be applied to Moscow. It is beneficial for Russia to advance a rapprochement between China and Europe, China and Japan, and China and other East Asian states, provided that Moscow also becomes part of the new multilateral agreements, including those that mitigate the negative consequences that the U.S. sanctions have for Russia.

Education, Science, Social and Humanitarian Area

The American factor does not significantly affect educational and cultural cooperation between Russia and China, although it could give such ties an additional impetus. The caps on the number of Chinese undergraduates and graduates in American universities will most likely be one of the most visible and socially significant instruments in the area that the United States will use to put pressure on China. China is already actively developing a network of leading global-level universities and attracts a growing number of foreign students and professors. Given its deteriorating relations with the United States, Beijing will make additional efforts to "repatriate" Chinese faculty members from U.S. universities and develop ties between Chinese universities and non-Western partners. Russia could use this situation to bolster its standing on the Chinese education market, although so far, Moscow has rather limited opportunities in this area. Difficulties stem from the fact that the infrastructure of many Russian universities is outdated, few universities offer classes in English, it is difficult to obtain a student visa and, most importantly, Chinese graduates of Russian universities find it very difficult to find a job in their homeland upon completion of their studies. In order for existing limitations to not hamper educational cooperation with China, the same kind of priority should be given to exporting Russian educational services

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as it is to exporting Russian weapons. Additionally, solutions for expanding educational mobility opportunities in Eurasia could be developed at a multilateral level, for instance, within the SCO, BRICS, etc. The development of Russia—China educational cooperation would allow Russia to not only get a foothold in the promising Chinese market, but also to lay down a more solid social foundation for bilateral relations in general.

A similar situation as in higher education is emerging in U.S.-China scientific cooperation, with the United States tightening the terms for providing government financing for such cooperation, and the number of bilateral projects starting to shrink. Although we cannot rule out the parties tactically mitigating some of the restrictions, they most likely constitute a long-term trend that Beijing will have to respond to. This response will likely be the creation of a self-sufficient Chinese R&D ecosystem, with the possible involvement of foreign partners. In this situation, Russia has an opportunity to reach a new level of cooperation with China in fundamental science and R&D, although this will require overcoming certain administrative, financial and legal obstacles. For instance, the West remains the international priority for most Russian scientific centers. Developing interaction with China will require new skills, competences and personnel. It is also necessary to determine long-term interaction priorities. At the same time, it is still important for Russia to prevent a large-scale "brain drain." It would be in Russia's interests to create multilateral consortiums in priority R&D areas.

Even though U.S.-China relations are currently extremely strained, it is highly unlikely that the United States will offer direct government support to separatist movements in China. Nevertheless, there are grounds to believe that the United States will increasingly provide indirect support to regional separatism in China, primarily through private channels. At the same time, the United States will likely step up its diplomatic efforts in international organizations on such issues as respecting minority rights in China, attempting to influence global public opinion, and increasing financing for American public organizations working in that sphere. Given that the leaders of Russia and China hold similar stances on separatism, we can assume that opportunities for cooperation in this area will expand. Interaction is likely to develop in various forms: from joint voting in international organizations (including the United Nations) to exchanging experience in "neutralizing" the Western influence in their countries and contacts with civil society institutions. Countering separatism can be discussed in the SCO and possibly among BRICS countries, although the accession of India and Pakistan to the SCO will make it extremely difficult to achieve a unified approach to the problems of separatism.

The official stances of Russia and China are also close on issues of the United States supporting political opposition, promoting the "human rights" agenda, and liberal values. This proximity makes it possible to expand bilateral interaction in a variety of forms. It can be achieved through the coordination of the efforts of the two countries in international organizations and through the shaping of the global public opinion.

Most opinion polls indicate that anti-Chinese sentiments have been rising rapidly in the United States in a time when China is increasingly perceived as the country's main long-term rival. Given the accusations on China concerning the spread of the COVID-19 virus, the negative attitude to China will only become more magnified. This process will have long-term negative consequences and will be self-sustaining in nature, similar to the accusations of electoral meddling levelled against Russia. Entrenching "the image of the Chinese enemy" in the American public consciousness creates the prerequisites for an historically protracted era of a new Cold War, which could not possibly meet Russia's strategic interests. In any case, the growing sociocultural conflict between China and the United States could create specific opportunities for Russia. For instance, this conflict may indirectly make Russian films and pop culture more popular in China and may advance the future growth of Russia-bound Chinese tourism. However, in order to make use of these opportunities, Russia will need to mobilize its "soft power" at a higher and qualitatively new level.

At the same time, anti-Americanism definitely cannot and should not serve as the foundation for bolstering bilateral relations between Russia and China.⁴³

1.4. Agenda of the SCO and BRICS during Russia's Presidency

BRICS and the SCO in 2020

Today, BRICS and the SCO operate in complicated international and regional circumstances. After more than 10 years since their establishment, the groupings are at a transitional stage: the member states succeeded in creating a broad range of interaction platforms, and they remain engaged in an active dialogue on a variety of issues. However, not enough specific results have been achieved yet. What is more, after the SCO's enlargement, there is a risk that the organization could become less efficient in its decision-making.

The two platforms face similar objectives in their internal development and in advancing common stances on the global arena. It is important that both the SCO and BRICS focus on global security and stability, promote the democratization of international relations and make the voices of developing countries heard. Their members should represent independent opinions on key global security issues, including strategic stability and arms control. It is also important to promote peaceful political and diplomatic means of settling various regional crises, for instance, in Afghanistan, in the Middle East and on the Korean Peninsula. The subject of reforming the UN and its Security Council so that they would meet the requirements of the new era could receive an additional impetus when the UN celebrates its 75th anniversary. Reforming the World Trade Organization (WTO) and the International Monetary Fund remains a priority for BRICS and the SCO.

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⁴² U.S. Views of China Increasingly Negative Amid Coronavirus Outbreak // Pew Research Center. April 21, 2020. URL: https://www.pewresearch.org/global/2020/04/21/u-s-views-of-china-increasingly-negative-amid-coronavirus-outbreak/

⁴³ Russia Will be a Victim of a U.S.-China Clash (Nello scontro USA-Cina a perdere sarà la Russia) // Limes. December 30, 2019. URL: https://www.limesonline.com/cartaceo/nello-scontro-usa-cina-a-perdere-sara-la-russia?prv=true (In Italian).

Beijing and Moscow could offer specific recommendations on how to reshape these organizations.

The member states are interested in developing economic collaboration within both BRICS and the SCO. Expanding cooperation in the domestic markets of the two groupings is a crucial task. The member states need to remove barriers impeding the trade, economic and innovative cooperation and establish a multilateral platform for collaboration in innovations and other areas in order to take advantage of their complementarity. In this regard, it is particularly important to monitor the implementation of the economic cooperation agreements between BRICS and SCO member states and resolve problems that hamper collaboration. Among the promising areas for cooperation are the development of a roadmap for cooperation in trade, economy and investment through to 2025 and the conclusion of mutually beneficial agreements in this area. In the future, the states could move on to substantive discussions of BRICS and SCO free trade zones (FTZs). Given the global economic slump and the nascent financial crisis, establishing an SCO Development Bank and increasing the potential of the New Development Bank become increasingly relevant. Promoting coordination between traditional and new development institutions also appears promising.

It appears promising for BRICS and the SCO to create broader interaction platforms to serve as foundations for networks of partnerships based on cooperation with key partner countries and other international organizations, including regional ones. Multilateral mechanisms such as BRICS+ and BRICS Outreach could be used for this purpose. The SCO could also use such formats to energize its dialogues with its partners, in particular, SCO+. At the initial stages, multilateral interaction could be launched at the inter-agency level or by using track 1.5 and track 2 diplomacy (with the participation of leading think tanks), and after the necessary conditions have been created, the dialogue could be taken to the summit level.

In 2020, Russia's presidency in BRICS and the SCO will become an important factor in the Russia–China relations. Moscow and Beijing could use the advantages of Russia's dual presidency to take these mechanisms to a new level of development and transform them into models of global and regional governance.

A BRICS Summit and a Meeting of the SCO Heads of State were slated to be held in St. Petersburg on July 21–23, but have been postponed (until the autumn of 2020) due to the coronavirus.⁴⁴ When formulating the agendas of these summits, it is important to focus on improving the quality and effectiveness of cooperation and avoid formal and impractical interaction.

The Priorities of Russia's SCO Presidency

Russia has formulated the general priorities of its SCO presidency. Its first priority is to consolidate the member states and strengthen foreign political coordination in order to harmonize their positions on pressing international and regional issues and developing joint initiatives. It is necessary to enhance the coordination

⁴⁴ Russia to Postpone SCO, BRICS Summits - Kremlin // TASS. May 27, 2020. URL: https://tass.com/politics/1160995

of the member states in the UN and its specialized agencies. Plans also involve focusing on developing the SCO's ties with regional platforms and advancing practical collaboration formats developed by the SCO. The SCO should also enhance its practical cooperation and experience exchanges with the Association of Southeast Asian Nations (ASEAN), the Collective Security Treaty Organization (CSTO), the Commonwealth of Independent States (CIS), the Economic Cooperation Organization (ECO) and the EAEU. The SCO needs to bolster its standing in regional and international affairs.

The SCO should use the potential of national development strategies and integration projects to turn the organization into the backbone of equal, inclusive and mutually beneficial cooperation within the Eurasian space in the spirit of the Great Eurasian Partnership concept.

An important area is consolidating the SCO's key position on ensuring security and stability and the expansion of the instruments available for combating terrorism, extremism, and drug trafficking. Another pressing task is to modernize the Regional Anti-Terrorist Structure (RATS) and build up its functional potential. As Afghanistan is entering a period of crucial significance for peace in the country and the region as a whole, work on the issue is also important for the SCO.

Another priority is enhancing the inter-parliamentary dialogue within the SCO and holding the first meeting of the speakers of the legislative bodies of the member states.

Of particular relevance is the development of economic cooperation, especially in transportation, logistics, infrastructure, science, technology and innovations as well as collaboration between small- and medium-sized businesses. The organization's priority objectives at the moment are to restore the economic operations disrupted by the pandemic and use cooperation to advance the development of the SCO member states.

Russia also plans to focus its efforts on advancing humanitarian interaction within the SCO. This applies primarily to developing inter-civilizational ties and establishing and spreading common values. Education, healthcare, the environment, culture, tourism, sports and youth exchanges have been proclaimed the priority areas. Developing inter-regional collaboration in economic social areas is highly significant.

The celebrations of the 75th anniversary of the Victory in the Second World War provide an additional dimension for cooperation within the SCO in 2020.⁴⁵

The priorities of Russia's presidency in the SCO were discussed and elaborated at the organization's key platforms in 2019. The key SCO event in 2019 was the Bishkek Summit, during which participants discussed the current situation and the key directions of the organization's future development. Discussion topics included the promotion of economic and industrial development, the fight against extremism,

www.russiancouncil.ru

⁴⁵ Priorities of Russia's Presidency of the Shanghai Cooperation Organisation in 2019–2020 // Shanghai Cooperation Organisation. May 31, 2019. URL: https://eng.sco-russia2020.ru/russia_in_sco/20190531/987/Priorities-of-Russias-Presidency-of-the-Shanghai-Cooperation-Organisation-in-2019-2020.html

terrorism and drug trafficking, as well as other traditional and non-traditional security issues.⁴⁶ Additionally, the leaders of SCO member states proposed possible settlement scenarios for conflicts in Afghanistan and Syria. The principal outcome of the Summit was the signing the Bishkek Declaration, which, among other things, sets forth the SCO's initiative on drafting a UN Convention on Youth Rights.

At the SCO Heads of State Council Meeting in an expanded format, President of the Russian Federation Vladimir Putin detailed Russia's vision of the SCO's forward-looking activities in 2019–2020. In addition to general priorities of Russia's presidency, he emphasized:

- preventing the spread of terrorist and extremist ideas on the internet and preventing the criminal misuse of information and communication technologies (ICT) in general, with account, among other things, for the Concept for Cooperation between the SCO Member States in the Sphere of Digitalization and Information and Communication Technologies approved in 2019;
- resolving crisis situations and peacefully settling conflicts on the borders of SCO member states;
- expanding cooperation with Afghanistan in security, trade and humanitarian exchanges, additionally stepping up the activities of the SCO-Afghanistan Contact Group;
- assisting the peaceful settlement and economic restoration of Syria, combating terrorism in, and increasing humanitarian aid to the country;
- implementing the Joint Comprehensive Plan of Action and other initiatives. 47

Discussions on the SCO agenda during Russia's presidency continued at the 18th Meeting of the Council of Heads of Government of the Member States of the Shanghai Cooperation Organisation in Tashkent in November 2019. The Meeting emphasized the significance of deepening trade, economic, financial, investment, educational and sociocultural cooperation, and the importance of enhancing interconnectedness in the infrastructure, digital and energy sectors. The aims are to establish a Eurasian space of mutually beneficial partnership, parity cooperation, ensure regional security and sustainable development. The objectives of cooperation are also linked to overcoming the technological gap between the member states and shaping a favourable investment and business climate. The relevant priorities include digital economy, innovations and artificial intelligence. Another important area of cooperation is exchanging experience in national development strategies. The participants reaffirmed their commitment to the fundamental principles and rules of the World Trade Organization while

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⁴⁶ SCO Secretary General Holds Briefing on Results of Bishkek Summit for Members of China's Research Centers, Chinese and Foreign Mass Media // SCO Secretariat. June 21, 2019. URL: http://rus.sectsco.org/news/20190621/557670.html (In Russian).

⁴⁷ Speech at the Shanghai Cooperation Organisation Heads of State Council Meeting in Expanded Format // President of Russia. June 6, 2019. URL: http://en.kremlin.ru/events/president/transcripts/60750

⁴⁸ Joint Communique on the Results of the Eighteenth Meeting of the Council of Heads of Government (Prime Ministers) of Member States of the Shanghai Cooperation Organization // Shanghai Cooperation Organisation. URL: https://sco-russia2020.ru/images/17/16/171660.pdf (In Russian).

emphasizing the need to reform it in order to increase its efficiency and improve such crucial functions as dispute resolution, negotiations and monitoring. An updated Programme of Multilateral Trade and Economic Cooperation of the SCO Member States was approved with a view to expanding economic cooperation on mutually beneficial and equal terms, ensuring sustainable and stable development in the SCO region. It is necessary to develop an Action Plan for its implementation. It was also stressed that the member states should consistently carry out the 2016–2020 Action Plan for implementing the 2025 SCO Development Strategy and the List of Measures on Further Developing Project Activities in the SCO Area during the period 2017–2021.

A broad range of thematic events with a view to develop interaction in all areas have been planned for Russia's SCO presidency. We should note separately that the First Forum of Heads of Regions of the SCO Member States is set to be held in 2020. The Forum aims to promote systemic and substantive inter-regional interaction within the organization, as well as the exchange of experience and best practices in territorial development.⁵⁰

Priorities of the BRICS Presidency

The motto of Russia's presidency is "BRICS Partnership for Global Stability, Shared Security and Innovative Growth." In February 2020, St. Petersburg hosted the first Meeting of BRICS Sherpas or Sous-Sherpas held during Russia's presidency.⁵¹

The priorities of Russia's BRICS presidency focus on three main areas: strengthening multilateralism and promoting the common interests of the BRICS members on the global stage; trade, economic and financial collaboration; and sociocultural cooperation and people-to-people contacts.

The common objective of improved coordination of the stances of the BRICS member states at multilateral venues remains. Globally, the BRICS countries should promote a unified agenda based on respect for universally acknowledged principles and norms of international law that accounts for the rights of all states and strengthens the central role of the United Nations in the international system. Security remains a priority for BRICS: its member states should make collective efforts to respond to global challenges and threats, jointly combat terrorism, extremism, corruption, transnational crime and drug and arms trafficking, and develop cooperation in international information security. Space exploration and collaboration in strengthening the peaceful use of outer space are also on the BRICS agenda. Increasing attention is being paid within BRICS to developing ties with its partners in BRICS+ and BRICS Outreach formats.

⁴⁹ Joint Communique on the Results of the Eighteenth Meeting of the Council of Heads of Government (Prime Ministers) of Member States of the Shanghai Cooperation Organization // Shanghai Cooperation Organisation. URL: https://sco-russia2020.ru/images/17/16/171660.pdf (In Russian)

⁵⁰ Chelyabinsk to Host Over 20 Events within Russia's SCO Presidency and the Russian BRICS Chairmanship // Shanghai Cooperation Organization. February 18, 2020. URL: https://eng.sco-russia2020.ru/allnews/20200218/287183/ Chelyabinsk-to-host-over-20-events-within-Russian-SCO-and-BRICS-chairmanship.html

⁵¹ St. Petersburg hosts the 1st Meeting of BRICS Sherpas/Sous-Sherpas // BRICS Russia 2020. February 11, 2019. URL: https://eng.brics-russia2020.ru/news/20200211/100569/St-Petersburg-hosts-the-1st-Meeting-of-BRICS-SherpasSous-Sherpas.html

The BRICS member states should prioritize their cooperation in trade, economy and finance. Specific tasks include rethinking the Strategy for BRICS Economic Partnership; perfecting the New Development Bank and the BRICS Contingent Reserve Arrangement; developing and integrating the payment systems of the member countries; enhancing cooperation between tax, customs and antitrust agencies; and launching the full-fledged activities of the BRICS Women's Business Alliance established in 2019. Key areas for the joint development of the BRICS member states include mutual trade, energy, agriculture and food security, digital economy and innovations. The development of remote territories remains an important task for all the member states, as well.

Healthcare and emergency prevention and relief remain equally significant cooperation tracks.

Solid interpersonal ties are necessary to develop collaboration. In this regard, the BRICS member states need to continue working on stimulating cooperation between educational organizations and developing the BRICS Network University, building up its cultural, sports and media ties. From the point of view of deepening mutual trust between their peoples, it would be a good idea for the BRICS member states to pay special attention to intensifying youth contacts and developing public diplomacy. Parliamentary contacts would also help achieve these objectives.⁵²

The succession of events to be held during Russia's BRICS presidency include a large number of various thematic sessions, such as the BRICS Urbanisation Forum, the BRICS and SCO Cultural Festival, the BRICS Young Scientist Forum, the BRICS Youth Business Incubator and the BRICS Games.⁵³

The Impact of the Coronavirus on the Activities of the SCO and BRICS

In 2020, the activities of the SCO and BRICS have been affected by the novel coronavirus pandemic, which has presented a new challenge for the health and wellbeing of the peoples of the member states of both groupings, as well as a challenge for the global economic growth. The pandemic inhibits the implementation of events planned for Russia's presidency, since many have been rescheduled due to anti-epidemic measures.⁵⁴

In the early stages of the spread of the disease, when only China was affected, the SCO member states expressed their support for the Chinese people in combating the epidemic. In a special statement, the member states welcomed the measures taken in China, expressed their condolences to those who had lost loved ones, and wished speedy recovery to those who had been taken ill. They

S2 Priorities of the Russian BRICS Chairmanship in 2020 // BRICS Russia 2020. December 26, 2019. URL: https://eng.brics-russia2020.ru/russia_in_brics/20191226/1469/Priorities-for-the-Russian-Federations-presidency-of-BRICS.html

Standard Chelyabinsk to Host Over 20 Events within Russia's SCO Presidency and the Russian BRICS Chairmanship // Shanghai Cooperation Organization. February 18, 2020. URL: https://eng.sco-russia2020.ru/allnews/20200218/287183/ Chelyabinsk-to-host-over-20-events-within-Russian-SCO-and-BRICS-chairmanship.html

Set Russia Postpones BRICS, SCO Summits in July Over Pandemic // The Moscow Times. May 27, 2020. URL: https://www.themoscowtimes.com/2020/05/27/russia-postpones-brics-sco-summits-in-july-over-pandemic-a70399

confirmed their readiness to provide the necessary assistance to China and continue close cooperation in the spirit of the Declaration on Joint Countering of the Threats of Epidemics in the SCO Space released on June 10, 2018. They also called upon the global community to step up their interaction within the World Health Organization (WHO) to ensure the health of the public at the regional and global levels.⁵⁵

As the epidemic continued to spread, affecting the entire world, the SCO member states updated their joint activities. Healthcare experts of the member countries held a meeting to exchange experiences on combating the disease and stated that it was necessary to take the matter of anti-epidemic measures to the level of the Healthcare Ministers' Meeting.⁵⁶

The special Russian BRICS Chairmanship Statement stresses that the BRICS countries are committed to working together to bring the outbreak under control as soon as possible. The statement also noted that it was important to avoid discrimination and overreaction to COVID-19. Research cooperation in infectious diseases that pose threat to public health is especially relevant now. The BRICS states will make joint efforts and use cutting-edge methods and technologies, including test systems developed in BRICS countries, to detect, prevent and combat the spread of infections.⁵⁷

The 2020 SCO and BRICS summits cannot ignore the topic of COVID-19. The pandemic has demonstrated that cooperation in healthcare and the fight against non-traditional security threats should hold an important place in the collaboration agenda. In 2020, the SCO and BRICS member states could agree on joint actions in the global health area. The parties could take the experience of holding periodic meetings of the SCO's health ministers,⁵⁸ as well as the annual BRICS Health Ministers Meetings, into account.⁵⁹

The epidemic has shown once again that one of the SCO's important functional problems lies in the lack of mechanisms for a proper response to large-scale emergencies. This needs to be changed. Today, when "black swans" have practically become a norm, functioning in major unforeseen emergencies demonstrates the true role and capabilities of regional organizations. Consequently, the SCO needs to create a rapid emergency response mechanism.

⁵⁵ Statement of the Shanghai Cooperation Organisation on the novel coronavirus epidemic // Shanghai Cooperation Organization. February 13, 2020. URL: https://eng.sco-russia2020.ru/news/20200213/287088/Statement-of-the-Shanghai-Cooperation-Organisation-on-the-novel-coronavirus-epidemic.html

Vladimir Norov: Collective Efforts Needed to Fight Coronavirus // Shanghai Cooperation Organisation. April 15, 2020. URL: http://eng.sectsco.org/news/20200415/642598.html

⁵⁷ Russian BRICS Chairmanship Statement on the Novel Coronavirus Pneumonia Epidemic Outbreak in China 11 February 2020 // BRICS Russia 2020. February 11, 2020. URL: https://eng.brics-russia2020.ru/news/20200211/37803/Russian-BRICS-Chairmanship-Statement-on-the-Novel-Coronavirus-Pneumonia-Epidemic-Outbreak-in-China.html

First Meeting of Ministers of Health of SCO Member States Held in Astana // SCO Secretariat. November 18, 2010. URL: http://rus.sectsco.org/news/20101118/207.html (In Russian).

⁵⁹ UNAIDS Welcomes Resolute Fight Against AIDS Demonstrated by BRICS Health Ministers (艾滋病规划署欢迎金砖 国家卫生部长会议重申抗艾决心) // UN News. November 1, 2013. URL: https://news.un.org/zh/story/2013/01/186822 (In Chinese).

1.5. Russia-China Interaction on Security and Development Issues in Various Regions

The Korean Peninsula

2019 saw the stagnation of the U.S.–Korea nuclear dialogue launched in 2018. The 2019 North Korea–United States Hanoi Summit did not produce any results. Subsequent attempts by the parties to find a compromise were equally unsuccessful, with North Korea blaming the United States for being unwilling to meet them half-way and adjust America's unrealistic demands about the rapid dismantling of the North Korean nuclear programme. In early October, the U.S.–North Korea talks in Stockholm were broken off, and Pyongyang accused the U.S. representatives of being inflexible and unwilling to change their approaches and attitudes to North Korea. ⁶⁰ Subsequently, North Korea declared that, starting in 2020, it would no longer be bound by the obligations it undertook at the 2018 Singapore Summit and could start full-fledged testing of new types of weapons. Moreover, in early December, North Korea promised the United States a "Christmas gift," which the world took as Pyongyang preparing a high-profile weapons test. However, as of May 2020, North Korea's promises have not materialized as it has only held multiple short-range missile tests. ⁶¹

Against this backdrop, in 2019, Russia and China continued to pursue a coordinated policy on the Korean nuclear problem. The parties advocated for the settlement of the North Korean situation through the 2017 Russian—Chinese roadmap, which envisaged a step-by-step resolution of the problem through talks and mutual concessions without preconditions. On December 16, 2019 Russia and China submitted a draft UN Security Council resolution dealing with the partial lifting of the sanctions against North Korea in light of its compliance with the Security Council's resolutions. However, the United States objected. Russia and China continued to conduct talks with other Security Council members on a possible partial easing of some of the sanctions.

Afghanistan

In 2019, Russia and China continued their active interaction on the Afghanistan issue in both bilateral and multilateral formats. These interactions moved forward against the backdrop of the efforts of the United States to sign a peace agreement with the Taliban (banned in Russia), which would make it possible to reduce the number of U.S. troops in Afghanistan on honourable conditions. The agreement was signed in Doha on February 29, 2020. Formally, it paved the way for a

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North Korea breaks off nuclear talks with U.S. in Sweden // Reuters. 05.10.2019. URL: https://www.reuters.com/article/us-northkorea-usa-sweden/north-korean-and-u-s-negotiators-gather-for-nuclear-talks-in-sweden-idUSKCN1WK074

⁶¹ Ihid

⁶² China, Russia Propose Lifting Some U.N. Sanctions on North Korea, U.S. Says not the Time // Reuters. December 16, 2019. URL: https://www.reuters.com/article/us-northkorea-usa-un/china-russia-propose-lifting-of-some-u-n-sanctions-on-north korea idl ICK/RMAYK/20W

Russia, China to Hold More U.N. Talks on Lifting North Korea Sanctions: Diplomats // Reuters. December 30, 2019. URL: https://www.reuters.com/article/us-northkorea-usa-un/russia-china-to-hold-more-u-n-talks-on-lifting-north-korea-sanctions-diplomats-idUSKBN1YX0LD

political compromise on the Afghanistan problem, but in reality, it only disguised the political retreat of the United States – providing for the gradual withdrawal of American troops from Afghanistan while the Taliban undertook not to attack the forces of the U.S.-led coalition and promised not to offer their territory as a launch pad for attacks on the United States. The agreement also set the conditions for a ceasefire between the Taliban and the Afghanistan government and the subsequent launch of peace talks between the two parties. But the Taliban continued their military operations against the country's official authorities, even while they were engaged in a political dialogue with the United States, which was gradually reducing its military presence. 55

Russia and China contributed to the conclusion of the agreement through consultations involving the United States and other concerned parties. Following consultations in Moscow on October 24–25, 2019, Russia, China, the United States and Pakistan made a joint statement reflecting the common views of the parties on resolving the Afghanistan problem through the signing of a peace agreement between the Afghanistan government and the Taliban.⁶⁶ At the same time, throughout 2019, Russia and China coordinated their efforts and actively maintained their own contacts with representatives of the Taliban and the government of Afghanistan. The Afghanistan problem is also frequently addressed at the Shanghai Cooperation Organisation. On April 19, 2019, the SCO–Afghanistan Contact Group held a regular meeting on the issue.⁶⁷

West Asia and Africa

The Interests of Russia and China in West Asia and Africa

Russia and China have similar approaches and complementary policies on a number of issues in West Asia and Africa, although the countries pursue different interests in some areas. Moscow and Beijing agree on issues of maintaining regional security, advancing the solution of pressing problems and countering terrorism. However, Russian experts believe that this does not mean that the two parties have equally coordinated strategic approaches. This commonality could stem not from jointly formulated policies, but from an unintended tactical coincidence.

According to China's official position, its participation in resolving security issues in West Asia and Africa does not involve fighting for its geopolitical interests in the region. Rather, it is based on compliance with the country's international commitments and on protection of its own interests abroad with a view to strengthening its influence in the region. At the official level, both Moscow and Beijing rely primarily on the principles of international law.

⁶⁴ U.S. – Taliban Peace Deal; What to Know // Council on Foreign Relations. March 20, 2020. URL: https://www.cfr.org/backgrounder/us-taliban-peace-deal-agreement-afghanistan-war

⁶⁵ Afghan Conflict: US Conducts First Air Strike on Taliban since Deal // BBC. March 4, 2020. URL: https://www.bbc.com/news/world-asia-51735315

⁶⁶ U.S., Russia, China and Pakistan Joint Statement on Peace in Afghanistan // U.S. Department of State. October 28, 2019. URL: https://www.state.gov/u-s-russia-china-and-pakistan-joint-statement-on-peace-in-afghanistan/

⁶⁷ SCO-Afghanistan Contact Group Held Its Third Meeting with SCO Participation in Bishkek // SCO Secretariat. April 19, 2019. URL: http://eng.sectsco.org/news/20190419/533099.html

In energy, the active policies of Russia and China are intended to ensure the stability of the global oil market. Since China relies on energy supplies from the Middle East, its strategic interests in the region are connected with the need to provide uninterrupted oil supplies and free movement along transportation channels.⁶⁸ As one of the world's largest oil exporters, Russia has traditionally enhanced its cooperation with the Persian Gulf states, which makes it possible to develop common policies on reducing oil production and affecting oil prices. Russia also supports the exploration of oil fields in various countries in the region.⁶⁹ The overall global economic instability in 2020 caused by the situation linked to COVID-19 was mostly responsible for the drop in global oil demand. The key members of OPEC+ failed to reach an agreement in a timely manner on curbing production, which resulted in volatile prices, strife on the global markets and attempts to squeeze out the competition. As a result, on April 12, 2020, Middle Eastern exporters, OPEC states and Russia. with the active participation of the United States, agreed on cutting daily production by 9.7 million barrels as part of the OPEC++ deal. 70 However, oil prices are expected to remain low throughout 2020, which entails multiple risks for Middle Eastern countries.

There are no fundamental differences in the political and economic interests of Russia and China in Africa. Moscow and Beijing view several African states as long-standing partners, and their economic cooperation with Africa is pragmatic. The structures of Russia's and China's trade with African states are different. China mostly exports electronics, equipment and metallurgy products,⁷¹ while Russia mostly exports foods, agricultural raw materials and machinery and equipment.⁷² Russia and China are not competitors in Africa. Russian experts believe that this is largely due to the incomparable volumes of their respective economic interactions: Russia's trade with African states equals just \$20 billion, while China's is \$148 billion.⁷³ However, despite the fact that the size of the countries' economic involvement in Africa differs considerably, they can work out the mechanisms for joint interaction on the continent.

The development of Russia-China interaction in West Asia and Africa would make it possible to promote regional security more effectively and balance the desire of the United States to consolidate its leadership in the region more successfully.

⁶⁸ L. Li. China: The Country's Energy Security and Its Cooperation with Russia, Kazakhstan, and Japan in Energy Resources // Tsentralnaya Aziya i Kavkaz (Central Asia and the Caucasus), 2007. No 1 (49). Pp. 128–140. (In Russian).

⁶⁹ N. Dembinskaya. Absolute Leader: Russia Will Take Over Oil and Gas Export Market // RIA Novosti. February 18, 2019. URL: https://ria.ru/20190218/1550952309.html (In Russian).

⁷⁰ As Demand for Oil Dries Up, OPEC and Allies Agree to Historic Cuts in Output // NPR. April 12, 2020.

URL: https://www.npr.org/2020/04/12/831261657/as-demand-for-oil-dries-up-opec-and-allies-agree-to-historic-cuts-in-output

V. Spivak. Russia and China in Africa: Allies or Rivals? // Carnegie Moscow Center. October 24, 2019. URL: https://carnegie.ru/commentary/80181

Russia's Exports to Africa Based on Food Items and Vehicles // TASS. October 15, 2019. URL: https://tass.com/economy/1083331

⁷³ Africa-Russia+: Achievements, Problems, Prospects: Joint Report of the Russian International Affairs Council (RIAC) and the African Business Initiative Union (ABI). Report No. 53/2020 / Andrey Kortunov, Nataliya Zaiser, Elena Kharitonova, Gabriel Kotchofa, Dmitry Ezhov, Lora Chkoniya // Russian International Affairs Council. Moscow: NP RSMD, 2020. P. 30.

West Asia still faces many problems: terrorism, U.S.—Iran tensions, the dead-locked nuclear deal, etc. Moreover, Turkey, Israel, Iran and other regional powers are all fighting to expand their influence in the region, which creates tensions. These regional security problems are important for Russia and China, and the two states should play the key part in their resolution.

Russia and China contribute to the economic development and post-war reconstruction of West Asian and African countries. On the one hand, Russia is the world leader in developing and promoting nuclear technologies.⁷⁴ Moscow has signed agreements on cooperation in peaceful nuclear development with Algeria, Saudi Arabia, Jordan and Egypt.⁷⁵ On the other hand, China has begun developing cooperation with countries in West Asia and Africa in the fields of science and technology, specialist training and technology transfer, thus promoting regional economic development.

Russia and China are steadily developing financial cooperation with the countries in the region. For instance, China has signed currency swap agreements with Qatar and other Middle Eastern oil-producing countries and started using the yuan in its crude oil deals with Iran. These steps advance payments in national currencies and decrease the risks of U.S. sanctions, although Russian experts are not convinced that these measures are effective.

Russian and Chinese Approaches to Security in West Asia and Africa

Russia and China promote peace and stability in West Asia and Africa. Russia uses instruments to ensure security through both military power and development assistance. Beijing, in turn, concentrates on assisting the development of Middle Eastern states and expends greater resources on such assistance than Moscow. The approaches of Russia and China to security differ but do not contradict each other.

In recent years, Russia has been steadily bolstering its military positions in the Middle East, filling the vacuum that has been left by, as many believe, the withdrawal of the United States from the Middle East.⁷⁷ Russia has reinforced its military presence in Syria.⁷⁸ Its involvement in helped the Syrian government forces regain control over the larger part of the country. Its engagement in the Astana process alongside Turkey and Iran resulted in the establishment and transformation of de-escalation zones, which made it possible to curtail the violence. Beijing, in turn, avoids military involvement in regional conflicts, focusing instead on developing the economic potential of its relations with Middle Eastern countries.

Nuclear Power in Russia // World Nuclear. June, 2020.
URL: https://www.world-nuclear.org/information-library/country-profiles/countries-o-s/russia-nuclear-power.aspx

Alexander Voronkov to Asharq Al-Awsat: Arab Region not Aware Yet of its Enormous Nuclear Potential // Asharq Al-Awsat. December 26, 2019. URL: https://english.aawsat.com//home/article/2053246/alexander-voronkov-asharq-al-awsat-arab-region-not-aware-yet-its-enormous

⁷⁶ China Buying Oil from Iran with Yuan // BBC News. September 8, 2012. URL: https://www.bbc.com/news/business-17988142

Militaries and Security in the Middle East and North Africa: An Anthology / [T. A. Makhmutov, R. Sh. Mamedov O. A. Pylova, eds.] // Russian International Affairs Council (RIAC). Moscow: NP RSMD, 2019. 268 p. (In Russian).

⁷⁸ Rumer E. Russia, the Indispensable Nation in the Middle East // Foreign Affairs. October 31, 2019. URL: https://www.foreignaffairs.com/articles/middle-east/2019-10-31/russia-indispensable-nation-middle-east

In June 2019, Joint Statement of the Russian Federation and the People's Republic of China on the Development of a Comprehensive Strategic Partnership for Collaboration in the New Era set forth the common stances of Russia and China on regional security, stressing that the Syrian question can only be resolved through political and diplomatic means. Moscow and Beijing note the importance of the Iranian nuclear deal, resolutely oppose unilateral sanctions and the extra-territorial application of national jurisdiction. They support the establishment of an independent and viable, fully sovereign Palestinian state within its 1967 borders, with East Jerusalem as its capital. The two states will continue to jointly contribute to ensuring security and development in Africa.

As for real involvement in regional affairs in the Middle East, Russia and China maintain contacts with all the actors concerned. Amid the tensions between Israel and Iran, Israel and Palestine, Turkey and the Kurds, and Saudi Arabia and Qatar, Moscow and Beijing are developing proper interaction with all parties as well as fostering collaboration in economic development. Against the backdrop of the U.S.-Iran escalation in the region, Russia and China have demonstrated their readiness to cooperate in order to prevent the situation from deteriorating into a crisis and developing into a full-fledged military confrontation in the Persian Gulf. In December 2019, Russia, China and Iran held joint naval exercises in the Gulf of Oman, thus demonstrating to the world their close cooperation.⁸² Despite this, the United States and Iran found themselves on the brink of war in early January 2020 following the killing by the American side of Iranian General Qasem Soleimani, commander of the Quds Force of the Islamic Revolutionary Guard Corps (IRGC).83 A crisis was eventually averted and the situation did not escalate. However, the episode once again showed that the interests of Moscow and Beijing require additional joint work on measures to overcome and mitigate the risks of Middle Eastern crises.

Russia and China oppose interference in the affairs of other states on the basis of ideology or in order to change the state system. This applies to West Asia and Africa as well. In particular, the two countries oppose the policy of toppling regimes through internal destabilization and violence.⁸⁴ In response to the "responsibility to protect" concept proposed by Western states⁸⁵ that supposedly grants them the right to use force and military intervention, Russia and China

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⁷⁹ Press Statement Following Russian – Chinese Talks // President of Russia. June 5, 2019. URL: http://en.kremlin.ru/events/president/news/60672

Russia-China Relations at the Start of New Historical Development // International Affairs. September 20, 2019. URL: https://interaffairs.ru/news/show/23868 (In Russian).

⁸¹ Press Statement Following Russian – Chinese Talks // President of Russia. June 5, 2019. URL: http://en.kremlin.ru/events/president/news/60672

⁸² Russia, China, Iran Start Joint Naval Drills in Indian Ocean // The Moscow Times. December 27, 2019. URL: https://www.themoscowtimes.com/2019/12/27/russia-china-iran-start-joint-naval-drills-in-indian-ocean-a68766

⁸³ U.S. Strike in Iraq Kills Qassim Suleimani, Commander of Iranian Forces // The New York Times. January 2, 2020. URL: https://www.nytimes.com/2020/01/02/world/middleeast/qassem-soleimani-iraq-iran-attack.html

Press Statement Following Russian – Chinese Talks // President of Russia. June 5, 2019. URL: http://en.kremlin.ru/events/president/news/60672

⁸⁵ I. Šimonović. The Responsibility to Protect. // The United Nations Organization. URL: https://www.un.org/en/chronicle/article/responsibility-protect Using Veto Power in UN Security Council. A Case File // TASS. July 30, 2015. URL: https://tass.ru/info/2154263 (In Russian).

have demanded that the areas for applying this concept be rigidly defined and strictly followed in order to avoid the concept being used broadly or arbitrarily, or from being abused. Moscow and Beijing believe that any decision on military intervention should be made by the UN Security Council and that it should be carried out within the framework of Chapter VII of the UN Charter. Russia and China advocate respect for every country's right to choose its own development path and insist on respecting the sovereignty and territorial integrity of the countries in the region.

Russia—China Interaction in the UN on Matters of Security in West Asia and Africa

In order to resolve security issues in West Asia and Africa, Russia and China use diplomacy within the UN to balance out the policies of Western countries. The two countries coordinate their actions at Security Council meetings on the Middle East and Africa, with Russia vetoing 16 draft resolutions and China vetoing nine. Both have repeatedly pointed out that the fate of Syria should be determined by the Syrian people themselves with the support of the international community, and that external forces should not interfere in resolving the crisis. The two countries strongly urge the global community to handle the Syrian question peacefully, using political dialogue, and even though all pressing matters cannot be fully resolved through diplomatic cooperation in the Security Council, such cooperation does make it more costly for the West to interfere in regional affairs.

China repeatedly supported Russia during the 2019 UN discussions on Middle East issues. At an open meeting on the Syrian political settlement, China welcomed the UN's efforts to advance political settlement of the Syrian question and supported the continuing Astana process. Beijing values compliance with the Idlib ceasefire agreement. Together with Russia, China submitted an alternative draft resolution on the humanitarian situation in Syria. Additionally, China supported the Collective Security Concept for the Persian Gulf proposed by Moscow. China's representatives also said that they "welcome any measures and initiatives that would positively influence regional peace and stability."

Proposals for Further Strengthening Russia-China Cooperation

According to Russian experts, the development of common positions is key to cooperation between Russia and China in West Asia and Africa. At the very least,

www.russiancouncil.ru

⁸⁶ Using Veto Power in UN Security Council. A Case File // TASS. July 30, 2015. URL: https://tass.ru/info/2154263 (In Russian).

⁸⁷ China's Vetoes During the Syrian Conflict // East Asian Forum. February 28, 2020. URL: https://www.eastasiaforum.org/2020/02/28/chinas-vetoes-during-the-syrian-conflict/

⁸⁶ China and Syria: in War and Reconstruction // MEI. July 9, 2019. URL: https://www.mei.edu/publications/china-and-syria-war-and-reconstruction

⁸⁹ China's Permanent Representative: Draft Resolution Submitted By "Humanitarian Troika" Not Constructive // TASS. September 19, 2019. URL: https://tass.ru/mezhdunarodnaya-panorama/6906519 (In Russian).

⁵⁰ China Backs Russian Plan for 'Collective Security' in Persian Gulf // CGTN. July 26, 2019. URL: https://news.cgtn.com/news/2019-07-26/China-backs-Russian-plan-for-collective-security-in-Persian-Gulf-IDEJRWKHLy/index.html

⁹¹ China Welcomes Russia's Collective Security Concept for Persian Gulf // TASS. October 8, 2019. URL: https://tass.com/world/1081952

the two countries need to align their stances more closely. Currently, there are no visible contradictions between the parallel courses that Russia and China are taking on the West Asian and African tracks. China could be more active in its support for such Russian initiatives as the Collective Security Concept for the Persian Gulf, or the two states could develop and spearhead such initiatives together. Additionally, Russia and China could engage the United States in resolving issues jointly with West Asian and African states where it does not run counter to the interests of all parties concerned. For instance, Moscow and Beijing (possibly via the United Nations) could develop joint measures for supporting the countries of West Asia and Africa in combating the COVID-19 pandemic. Nevertheless, there are major risks related to relations between the region's largest players that will not allow this scenario to materialize.

The trilateral cooperation between Russia, China and Iran needs to be strengthened, and interaction in energy and finance should continue. China has launched trading in yuan-nominated oil futures at the Shanghai International Energy Exchange. Iran can sell its oil in yuan there and carry out transactions via Chinese financial institutions, futures markets and clearing houses. Russia and China are developing a payment system as an alternative to SWIFT, Which could be used for China—Iran crude oil trade. Oil trade in yuan will further advance the Chinese currency's transformation into a global reserve currency. At the same time, concluding transactions without the use of dollars and the SWIFT system will make it possible to limit U.S. control in international payments and oil trade. Establishing an alternative financial system between Russia, China and its trade partners could help reduce the risks related to the sanctions that the United States imposed on Iran, although this could seriously damage relations between the U.S. and Chinese banking systems.

Russia and China need to steadily enhance the role of the Shanghai Cooperation Organisation. Both countries are interested in combatting terrorism and extremism in the Middle East. Moscow and Beijing could use the SCO as a platform for coordinating their policies and could play a more active role in handling regional security issues. These objectives could be achieved by establishing regional coordination institutes and bodies, increasing shipments of consumer goods and improving regional mechanisms for collective emergency response.

China to Open up Access to Yuan-Denominated Commodity Futures Contracts as Trade War Escalates // South China Morning Post. March 28, 2019. URL: https://www.scmp.com/business/china-business/article/3012161/china-openaccess-yuan-denominated-commodity-futures

⁹³ India-Russia-China Explore Alternative to SWIFT Payment Mechanism // The Economic Times. November 14, 2019. URL: https://economictimes.indiatimes.com/news/economy/foreign-trade/india-russia-china-explore-alternative-to-swift-payment-mechanism/articleshow/72048472.cms

2. Russia-China Cooperation in Eurasia

2.1. Co-Developing the EAEU and the BRI: Continuing Practical Cooperation

Russia and China had traditionally prioritized joint creation of a Eurasian space of mutually beneficial cooperation. The joint work on aligning the Eurasian Economic Union and the Belt and Road Initiative is a key component of this strategy.

The co-development of integration initiatives rests on economic and historical prerequisites, as well as on the growing complementarity between China and the Union's member states. Connecting these projects is a significant undertaking that is "aimed at 'sewing' two civilizational spaces" together. 4 According to Minister of Foreign Affairs of Russia Sergey Lavrov, harmonizing the EAEU and the BRI will lay the foundations for the formation of a new Eurasian geopolitical configuration that is open to all states and integration alliances without exception. 55

Cooperation in this area led to a number of practical results in 2019. In April, President Putin attended the Second Belt and Road Forum for International Cooperation. In his address, he stressed that the BRI rhymes with Russia's idea of establishing a Greater Eurasian Partnership. He also confirmed the EAEU's interest in continuing its comprehensive interaction with China in light of the BRI.96

On June 6, 2019, Russia and China signed an Agreement on the Exchange of Information on Goods and Vehicles Involved in International Transportation across the Customs Border of the EAEU and the People's Republic of China at the St. Petersburg International Economic Forum (SPIEF).⁹⁷ This exchange of information will make it possible to speed up customs clearing procedures for goods imported into the customs territories of the EAEU and China, thereby increasing the appeal of transit through the territories of the Agreement's signatories.⁹⁸

In October 2019, the Agreement on Trade and Economic Cooperation between the EAEU and China came into force. The agreement creates a legal framework for further interaction on a broad range of issues. Its objectives are to increase the transparency of regulatory systems, simplify trade procedures, reduce non-tariff barriers and develop cooperation on a broad range of issues.⁹⁹

⁸⁴ EAEU-China: Major Joint Efforts Are to be Expected // Eurasian Economic Commission. August 8, 2019. URL: http://www.eurasiancommission.org/en/nae/news/Pages/08-08-2019-2.aspx

SEAEU, Belt and Road to Create New Geopolitical Configuration in Eurasia // Ministry of Economic Development of the Russian Federation. September 26, 2019. URL: http://www.ved.gov.ru/eng/general/news/19/25669.html

Se Belt and Road Forum for International Cooperation // President of Russia. April 26, 2019. URL: http://en.kremlin.ru/events/president/news/60378

⁹⁷ EAEU and China signed Agreement on Customs Information Exchange // Eurasian Economic Commission. June 6, 2019. URL: http://www.eurasiancommission.org/en/nae/news/Pages/06-06-2019-3.aspx

⁹⁸ Ibio

⁹⁹ Heads of the EAEU Governments and China Have Issued Joint Statement on Occasion of Entry into Force of Agreement on Trade and Economic Cooperation between EAEU and PRC // Eurasian Economic Commission. October 25, 2019. URL: http://www.eurasiancommission.org/en/nae/news/Pages/25-10-2019-4.aspx

The EAEU member states and China still have much joint work to do to achieve tangible economic results from aligning the EAEU and the BRI.

Mutual trade has increased in recent years. As of year-end 2018, trade between the EAEU states and China had grown by 23 per cent to \$126.3 billion, with the EAEU's exports to China growing by 39 per cent. Mineral resources accounted for 72.5 per cent of the EAEU's exports to China, with timber and pulp-and-paper goods accounting for 7.6 per cent, and metals and metal goods accounting for 5.8 per cent. Meanwhile, China accounted for 16.8 per cent of the EAEU's foreign trade turnover, with the EAEU accounting for just 2.9 per cent of China's foreign trade. Preliminary data indicates that even though the EAEU's total trade turnover shrank in 2019, its mutual trade with China grew by 5 per cent to \$132.5 billion, with exports growing by 4 per cent and imports growing by 5.7 per cent. China now accounts for 18.1 per cent of the Union's foreign trade. Traditionally, EAEU—China foreign trade has been characterized by a negative trade balance, although this imbalance has been shrinking in recent years due to growing exports of mineral resources to China.

There is still great potential for the further development of mutual trade. The EAEU countries are also interested in developing large-scale investment cooperation with China. It is in the interests of all parties concerned to implement joint infrastructural initiatives and industrial cooperation projects. It would be especially wise to enhance cooperation in connecting research, technologies and innovations. Developing the appropriate financial and payment infrastructure is a necessary prerequisite for developing interaction in all areas.

2.2. Prospects for Russia-China Cooperation in the Arctic

Russia and China have devoted a lot of attention in recent years to their cooperation in the Arctic. Priority areas of interaction include the use of shipping routes, resource development, tourism, polar research and environmental protection.¹⁰⁴

The development of shipping along the Northern Sea Route (NSR) is being discussed with increasing frequency within the context of the alignment of the EAEU and the BRI. At the Second Belt and Road Forum for International Cooperation in April 2019, Vladimir Putin said that Russia believes in the prospects of creating a global competitive route that links Europe and Asia. This route can be established by connecting the NSR and China's Maritime Silk

¹⁰⁰ The EAEU's Foreign Trade with China in January–December 2018 // Eurasian Economic Commission. URL: http://www.eurasiancommission.org/ru/act/trade/catr/monitoring/Documents/Obzor3/EAЭC-Китай%20(январьдекабрь%202018).pdf (In Russian).

¹⁰¹ Ibid

The Eurasian Economic Union: Foreign Trade in Goods in January—December 2019 // Eurasian Economic Commission. February 25, 2020. URL: http://www.eurasiancommission.org/ru/act/integr_i_makroec/dep_stat/tradestat/analytics/Documents/2019/Analytics_E_201912.pdf (In Russian).

A. Ovannisyan. The EAEU and China: Key Cooperation Aspects // Orbeli Center. July 23, 2019. URL: https://www.orbeli.am/ru/post/251/2019-07-23/%D0%95%D0%90%D0%AD%D0%A1+%D0%B8+%D0%9A%D0%B8%D1%82%D0%B0%D0%B9 (In Russian).

¹⁰⁴ Press Statement Following Russian – Chinese Talks // President of Russia. June 5, 2019. URL: http://en.kremlin.ru/events/president/news/60672

Road.¹⁰⁵ At a Valdai Discussion Club session in October 2019, the President also noted the special importance of the prospective Arctic–Siberia–Asia route that would connect the ports of the Northern Sea Route and the Pacific and Indian Oceans.¹⁰⁶ China has confirmed its interest in cooperating in this area.¹⁰⁷

Implementing this ambitious objective requires the significant modernization of existing infrastructure and the building of new one. Key facilities include, among other things, the Northern Latitudinal Railway, railway approaches to the port of Sabetta and the Kuragino–Kyzyl railway.¹⁰⁸

Russia views China as a crucial partner in using the Arctic routes. ¹⁰⁸ On the one hand, Chinese companies could invest in large projects, supply technological solutions and carry out engineering and construction work. On the other hand, Chinese business is greatly interested in navigation along the NSR on the China—Europe route, assuming that the necessary infrastructure and favourable climatic conditions are in place, and there lie significant opportunities for building up the freight flow. For instance, in July 2019, China's COSCO Shipping said it was ready for 14 commercial container runs along the NSR. ¹¹⁰ Stepping up shipping along the route will advance the development of Russia's polar regions. While using the route, the countries should pay particular attention to environmental issues and sustainable development.

China is actively building ice breakers and ice-class ships. In July 2019, the Chinabuilt Snow Dragon II ice breaker was put into operation to conduct research and deliver supplies to research facilities in the Arctic and the Antarctic.¹¹¹ According to media reports, China is also planning to start building its own nuclear-powered ice breaker.¹¹²

China's COSCO Shipping is also involved in building ice-class tankers for transporting LNG from the Yamal LNG project. Sovcomflot, Novatek, COSCO Shipping and the Silk Road Fund signed an agreement on the establishment of a Maritime Arctic Transport LLC joint venture to develop freight shipping along

¹⁰⁵ Roundtable Discussion at Belt and Road Forum for International Cooperation // President of Russia. April 27, 2019. URL: http://en.kremlin.ru/events/president/news/60393

¹⁰⁶ Valdai Discussion Club Session // President of Russia. October 3, 2019. URL: http://en.kremlin.ru/events/president/news/61719

¹⁰⁷ Xi Jinping: Russia and China Staying in Tune with the Times // TASS. June 4, 2019. URL: https://tass.com/world/1061613

¹⁰⁸ Valdai Discussion Club Session // President of Russia. October 3, 2019. URL: http://en.kremlin.ru/events/president/news/61719

Russia, China and the Ice Silk Road // CGTN. November 5, 2019. URL: https://news.cgtn.com/news/2019-11-05/Russia-China-and-the-Ice-Silk-Road-LnAdYyCGie/index.html

¹¹⁰ NSR: At 26 Million Tonnes, Real Results Far Exceeded Forecasts // Kam 24. December 6, 2019. URL: https://kam24.ru/news/main/20191206/71990.html#sthash.ZOztgNoT.dpuf (In Russian).

¹¹¹ China focus: China's First Homegrown Polar Icebreaker to Start its Maiden Voyage // Xinhuanet. July 13, 2020. URL: http://www.xinhuanet.com/english/2019-10/15/c_138471652.htm

¹¹² Checking in on China's Nuclear Icebreaker // The Diplomat. September 5, 2019.
URL: https://thediplomat.com/2019/09/checking-in-on-chinas-nuclear-icebreaker/

MOL Names First Conventional LNG Tanker for Yamal // Sea News. September 25, 2019. URL: https://seanews.ru/en/2019/09/25/en-mol-names-first-conventional-lng-tanker-for-yamal/

Arctic water routes. 114

Russia—China ties in the Arctic also extend to resource exploration. At the Second Belt and Road Forum for International Cooperation, NOVATEK, China National Oil and Gas Exploration and Development Corporation (CNODC) and China National Offshore Oil Corporation (CNOOC) signed agreements on acquiring shares in the Arctic LNG 2 project.¹¹⁵ At SPIEF, Neftegazholding and China National Chemical Engineering No.7 Construction Co. signed a cooperation agreement on the Payakha project.¹¹⁶

Moscow and Beijing also cooperate in polar research. Scientists from both countries participate in the activities of the Multidisciplinary Drifting Observatory for the Study of Arctic Climate (MOSAiC) under the auspices of the International Arctic Science Committee (IASC).¹¹⁷ The roadmap for cooperation between the Russian and Chinese academies of sciences includes joint maritime expeditions in the eastern Arctic.¹¹⁸

China's increased activities in the Arctic prompt concerns on the part of several actors, first and foremost the United States, even though China is primarily focused on economic activities and research. For instance, the U.S. Secretary of State Mike Pompeo said that China's participation in regional economic initiatives allows it to build up military and strategic influence in the region. Such statements fit in the context of the growing U.S.—China global rivalry. At the same time, the Arctic states have also voiced certain concerns about China's strategic intentions in the Arctic. Consequently, it appears particularly important to foster a climate of mutual trust between Russia and China in Arctic affairs. When launching cooperation projects in the Russian Arctic, the advantages of all the parties need to be carefully assessed and their interests should be taken into account, with due consideration of the special status of Arctic states. The appropriate information support also needs to be established.

¹¹⁴ Sovcomflot, NOVATEK, COSCO, Silk Road Find Sign Joint Venture Agreement // SCF Group. June 7, 2019. URL: http://sovcomflot.ru/en/press office/press releases/item101590.html

Russia's Novatek to Sell 20 Percent in Artic LNG 2 to China // Reuters. April 25, 2019.
URL: https://www.reuters.com/article/us-russia-gas-novatek-cnodc/russias-novatek-to-sell-20-percent-in-arctic-lng-2-to-chinaidUSKCN1S11WY#:~:text=MOSCOW%20(Reuters)%20%2D%20Two%20Chinese.gas%20project%2C%20Arct-ic%20LNG%202.&text=Novatek%20gave%20no%20financial%20details%20in%20a%20statement%20announcing%20 the%20agreements

¹¹⁶ Largest Petrochemical Contract Signed Between China and Russia // China Daily. October 14, 2019. URL: https://www.chinadaily.com.cn/a/201910/14/WS5da403fba310cf3e355705af.html

¹¹⁷ L. Filippova. China's Research Potential in the Arctic // China in Global and Regional Politics. Historical and Current Perspectives, 2019 (24). P. 288. (In Russian).

¹¹⁸ Russian and Chinese Academies of Sciences to Sign Cooperation Roadmap // Trofimuk Institute of Petroleum Geology and Geophysics, Siberian Branch of the Russian Academy of Sciences (IPGG SB RAS). July 19, 2019. URL: http://www.ipgg.sbras.ru/ru/news/ran-i-akademiya-nauk-kitaya-podpishut-dorozhnuyu-18072019 (In Russian).

¹¹⁹ Pompeo to Latin America: "We Love You," China Doesn't // Washington Examiner. April 12, 2019. URL: https://www.washingtonexaminer.com/policy/defense-national-security/pompeo-to-latin-america-we-love-you-china-doesnt

3. Military and Military-Technical Cooperation between Russia and China

In 2019, Russia and China made significant progress in developing military cooperation. The parties maintained dynamic exchanges between military bodies, and joint exercises are growing in number and variety. At the same time, one cannot help noticing the increasing shortage of data on the state of military-technical cooperation.

3.1. Military-Technical Cooperation in 2019

In the past, Russia was the principal source of information on Russia—China military-technical cooperation. We can assume that the information policies of Russian manufacturers and weapons exporters have changed under the impact of sanctions, including CAATSA. Previously, in September 2018, against the backdrop of the many sanctions imposed against Russian weapons exporters, China itself was sanctioned for purchasing Russian weapons.¹²⁰

As a result, what can be stated with confidence is that the parties have retained a high level of military-technical contacts and signed a number of new documents. This was mentioned, in particular, in reports on the 24th meeting of the Russian-Chinese Intergovernmental Joint Commission on Military-Technical Cooperation chaired by Minister of Defence of the Russian Federation Sergey Shoigu and China's Vice Chairman of the Central Military Commission Zhang Youxia in Moscow on September 4, 2019. However, unlike in the past, there is no information on the content of the new agreements.

At a session of the Valdai Discussion Club, President of the Russian Federation Vladimir Putin said that Russia had assisted China in developing an early warning radar system. The system, which locks onto the launch and trajectory of an adversary's ballistic missiles, consists of several components, including a space-based echelon, a ground-based echelon and a system of data processing and control. China has been experimenting with a similar system since the 1970s. In the 1980s, an experimental early warning radar system in the Hebei province was dismantled. But in the early 2010s, China launched the construction of a new type of radar. Later, reports surfaced that China was working on the system's space-based echelon.

Vladimir Putin's statements did not reveal any parameters of Russia's participation in China's early warning radar system project. Based on the statement

¹²⁰ I. Kramnik. Sanctions for Weapons: Will the U.S. Be Able to Punish China? // Izvestiya. September 28, 2018. URL: https://iz.ru/793603/ilia-kramnik/sanktoii-za-oruzhie-smogut-li-ssha-nakazat-kitai (In Russian); I. Timofeev. Asia Under Fire of U.S. Sanctions // RIAC. November 20, 2019.

URL: https://russiancouncil.ru/en/analytics-and-comments/analytics/asia-under-fire-of-us-sanctions/

Russia and China to Sign Package of Documents on Military-Technical Cooperation // TASS. September 4, 2019. URL: https://tass.ru/armiya-i-opk/6840941?fbclid=lwAR2mA87XHNvGNvpVLAQTZIIUWEgVIA92LkmE_olmchlcUY15Y2uezQw-hb0 (In Russian).

Russia to Help China Develop an Early Warning System // The Diplomat. October 25, 2019. URL: https://thediplomat.com/2019/10/russia-to-help-china-develop-an-early-warning-system/

at his December 2019 press conference, it can be inferred that Russia is not building an early warning radar system for China, but is rather assisting China develop its own system. China was said to be capable of building the system on its own, but it can be done faster with Russia's assistance. Most likely, there are several separate contracts for technology development or transfer that have to be concluded with various Russian enterprises working on China's early warning radar system project. In particular, information has surfaced that a contract has been concluded with Russia's MAK Vympel for \$60 million. Vympel's CEO Igor Boyev said that the company's cooperation with China is related primarily to space monitoring. 124

Cooperation on an early warning radar system has major political implications. Previously, only the United States and Russia had their own early warning systems, as they are the most complex and top-secret types of military equipment. Cooperation in areas of such sensitivity suggests a high level of mutual trust that is usually typical for *de facto* allies.

The question of the future interaction between the early warning radar systems of the two countries remains open. If they have a real-time automated data exchange system, their early missile alert capabilities will increase sharply. The United States is attempting to create a similar global early alert system that obtains data in real time from radars deployed in allied states.

As to the previously concluded contracts in the sphere of military-technical cooperation, Russia fulfilled all its obligations under the 2014 contract for the delivery of two S-400 regiments to China in December 2019, when it completed the delivery of the second regiment that included two battalions, a regimental control point, radar systems, energy and auxiliary equipment, spare parts, tools and 120 surface-to-air missiles (two different types).¹²⁵

3.2. Military Interaction in 2019

Regular contacts between the ministers of defence of the two countries were used to advance international security forums launched by Moscow and Beijing. In particular, Minister of National Defence of the People's Republic of China Wei Fenghe visited Moscow in April 2019 and attended the 8th Moscow Conference on International Security. ¹²⁶ In return, Minister of Defence of the Russian Federation Sergey Shoigu attended the 9th Xiangshan Forum on International Security. ¹²⁷

¹²³ Russia Assisting China in Developing Early Warning Radar System // Interfax. December 19, 2019. URL: http://www.interfax-russia.ru/special.asp?sec=1735&id=1091416 (In Russian).

¹²⁴ Russia and China Cooperate in Space Monitoring // Finmarket. February 24, 2020. URL: http://www.finmarket.ru/news/5178192 (In Russian).

¹²⁵ Russia Completes Delivery of Second S-400 Missile System Regimental Set to China // TASS. January 27, 2020. URL: https://tass.com/world/1113113.

¹²⁶ Russian-Chinese Relations – a Key Factor in Ensuring Global Security // Ministry of Defence of the Russian Federation. April 25, 2019. URL: https://eng.mil.ru/en/mcis/news/more.htm?id=12227799@egNews

¹²⁷ Russian Defence Minister Arrives in Beijing to Attend Xiangshan Security Forum // TASS. October 20, 2019. URL: https://tass.com/defense/1084184

In December 2019, Russia and China held another scheduled round of strategic stability consultation attended by Secretary of the Security Council of the Russian Federation Nikolay Patrushev and Politburo member and Director of the Office of Foreign Affairs of the Central Committee of the Communist Party of China Yang Jiechi. At the meeting, the parties discussed military-technical cooperation and the situation in several regions, including the Korean Peninsula. 128

There was no information published on the 21st round of strategic consultations between the Russian and Chinese militaries being held in 2019, but this exchange may have taken place as part of one of the military visits.

In July 2019, it was reported that Russia and China were working on a new military cooperation agreement to replace the 1993 Agreement between the Ministry of Defence of the Russian Federation and the Ministry of Defence of the People's Republic of China. The agreement is expected to set forth new, more complex and advanced forms of military cooperation the two countries had transitioned to in the 21st century. The agreement is expected to set for the new, more complex and advanced forms of military cooperation the two countries had transitioned to in the 21st century.

In 2019, the parties continued the regular joint exercises they had previously launched. In May, the countries held the latest Naval Interaction exercises in the Yellow Sea. Russia sent the Varyag cruiser, the Admiral Vinogradov and Admiral Tributs destroyers and the Sovershenny corvette, while China sent the Harbin and Changchun destroyers, the Wuhu and Handan frigates and H-6L bombers. During the exercises, the parties practiced joint sea force air defence, among other things.¹³¹

Strategic Command Post Exercises are becoming an annual event. In September 2019, China joined Russia's strategic command post exercise Center-2019 (in 2018 it took part in Vostok-2018), sending 1600 Chinese troops, 300 units of equipment and 30 aircraft to take part in the exercise.¹³²

In April 2019, plans were announced to hold another Aerospace Security exercise (the third since 2016) – computer modelling of the joint actions of air and missile defence on the battle ground. However, there were no further reports later in the year on the exercise being held.

In October 2019, the latest anti-terrorist exercise of the units of the National Guard of Russia and the Chinese People's Armed Police Force was held in the framework of Cooperation-2019 in Novosibirsk Region. The parties established a

Russia-China Consultations on Strategic Stability Concluded in Shanghai // TASS. December 4, 2019. URL: https://tass.ru/politika/7259811 (In Russian).

¹²⁹ Russia-China: a Limited Liability Military Alliance // The Warsaw Institute Review. May 18, 2020. URL: https://warsawinstitute.review/issue-2020/russia-china-a-limited-liability-military-alliance/

Russia Moves toward Military Cooperation Deal with China // The Moscow Times. July 23, 2019. URL: https://www.themoscowtimes.com/2019/07/23/russia-moves-toward-military-cooperation-deal-china-a66526

¹³¹ Russia–China Naval Interaction – 2019 Exercise Held in Yellow Sea // TASS. May 3, 2019. URL: https://tass.ru/armiya-i-opk/6398238?amp

China to Send Troops and Equipment to Russia to Center-2019 Exercise // RIA Novosti. August 29, 2019. URL: https://ria.ru/20190829/1558025375.html (In Russian).

¹³³ China, Russia Conduct First Joint Live-Fire Missile Exercise at Sea // The Diplomat. May 8, 2019. URL: https://thediplomat.com/2019/05/china-russia-conduct-first-joint-live-fire-missile-exercise-at-sea/

joint action in combating international terrorist groups at infrastructure facilities in wooded areas, using "all means at the disposal of special forces' units." ¹³⁴

China's military continued its active participation in the International Army Games. The Chinese military took part in 15 competitions, winning four of them. A number of the competitions were held in China. China's participation in the Army Games has therefore become another important channel for the sharing of experiences between the militaries of the two countries.

Long-range bomber patrolling in the Asia Pacific region has become a new high-prolife joint activity of the Russian and Chinese militaries, which patrolled off-shore in July 2019. Russia sent Tu-95MS bombers, while China sent H-6K bombers. The two countries thereby demonstrated their ability and readiness to jointly deploy bombers carrying cruise missiles. South Korea claimed that Russia's A-50, early warning and control aircraft, violated twice the air space over the islands, which are disputed by South Korea and Japan (South Korea calls them the Dokdo Islands, while Japan refers to them as Takeshima). Russia officially denied violating the air space of another state. 137

Overall, 2019 was a period of relatively rapid development of bilateral military-technical and military cooperation. The interaction was characterized by a higher level of secrecy in many areas due to the increasingly difficult military and political situation. Many joint events planned for 2020 may be postponed or cancelled because of the coronavirus pandemic.

¹³⁴ Russia's National Guard, Chinese Police to Hold Anti-Terror Drills in Siberia // TASS. October 4, 2019. URL: https://tass.com/defense/1081493

¹³⁵ Ranking of States – Army-2019 Participants // Army Games – 2019. URL: http://armygames2019.mil.ru/results_countries.html (In Russian).

¹³⁸ China Sends H-6K Bombers to Russia for Strategic Drills // Global Times. September 8, 2019. URL: https://www.globaltimes.cn/content/1163929.shtml

¹³⁷ Russia Denies its Strategic Bombers Violated South Korean Air Space // Reuters. July 23, 2019. URL: https://www.reuters.com/article/us-southkorea-russia-aircraft-denial/russia-denies-its-strategic-bombers-violated-south-korean-air-space-idUSKCN1UI0MT

4. Developing Russia—China Economic Cooperation

4.1. General Trends

Even though Russia and China faced a series of foreign and domestic problems in 2019, the two countries spent great efforts to ensure the sustainable development of bilateral trade and economic cooperation. The structure of trade is improving, with one of the main achievements being an increase in trade of agricultural products. The economic complementarity between the two countries is improving as well.

Russia—China trade relations have a significant growth potential and are stimulated, among other things, by China's transformation of its trade policy. It aims to diversify its exports and imports by strengthening the ties with its trade partners from developing countries.

Russian experts believe that, as the Russia—China turnover grew, the problems stemming from the different structures of their economies became more evident. As China develops in various technological areas, it is geared toward manufacturing high value-added products. As a result, the Chinese economy is growing faster and better than Russia's, which naturally determines the structure of trade between the two countries. Russia continues to sell mostly low value-added goods to China, in particular, mineral fuel, oil and petrochemicals, which restricts the prospects of further maximizing the advantages of trade interaction.

In 2019, Russia and China continued to make their financial markets more open and introduce innovations in the financial services sector. The two countries are expanding the use of national currencies in bilateral trade and investment, and they encourage the signing of rouble- and yuan-denominated foreign trade agreements. Russia and China continue to develop cooperation in payment systems, banking cards, and online payments. Certain improvements in Russia–China regional interaction are also emerging, which will ensure a solid foundation for development moving forward.

It is possible to change the trade structure and enhance economic interaction only with development of investment cooperation. It is necessary to create a portfolio of long-term investment projects with active government support and stimulate investment interaction between small- and medium-sized businesses.

It is important to constantly analyse the dynamics of bilateral economic cooperation and plan interaction, setting forth specific timeframes and steps to be taken to implement the projects. The latter measure is particularly relevant given the new opportunities that have become available following the announcement of 2020 and 2021 being the Years of Russian–Chinese Scientific, Technical and Innovation Cooperation.¹³⁸

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Russia, China Discussing Key Projects for Year of Scientific Cooperation // TASS. December 25, 2019. URL: https://tass.com/science/1103515

Negative trends in trade and investment cooperation are expected in 2020 against the backdrop of the COVID-19 pandemic, growing imbalances in the global economy and the unstable currency exchange rate in Russia. Experts expect that the pandemic, which has been accompanied by strict lockdown measures and restrictions on international travel and shipping, will hit the global economy as hard as the 2008 financial crisis did, with global economic losses expected to amount to at least \$1 trillion. The global energy and financial markets have experienced serious shocks. The Russian and Chinese economies have already been hit, and their growth in 2020 will be significantly limited.

Bilateral cooperation has faced unprecedented challenges. Russia and China need to reconsider their approaches to trade and investment, focusing on coordinating their efforts to combat the epidemic and provide the population with food, medical assistance and essential goods. Strict anti-epidemic measures have limited worker exchanges and negatively affected the economic activities of Russia and China. Investment projects have been delayed and air shipping and transportation services have been significantly impacted. It is therefore particularly relevant that the two states cooperate and implement specific measures to resume manufacturing and business activities. The parties need to make use of internet platforms, including cross-border e-commerce, distance medicine, distance learning, videoconferencing, etc. Expanding cross-border e-commerce through the use, for example, of China–Europe rail (Chongqing – Xinjiang – Europe) and China Post, can contribute greatly to maintaining the living conditions of the two populations during the epidemic.

4.2. Dynamics of Bilateral Trade

As of year-end 2019, according to the PRC Main Customs Administration, Russia—China trade turnover had grown by 3.4 per cent compared to the record-setting 2018, to \$110.76 billion. (Fig. 1). Russia's exports to China grew by 3.2 per cent to \$61.05 billion, while China's exports to Russia grew rapidly as well (3.6 per cent) to \$49.7 billion. The Federal Customs Service of Russia, the turnover amounted to \$110.9 billion (export – \$56.8 billion, import – \$54.1 billion). China's share in Russia's foreign trade grew from 15.7 per cent to 16.6 per cent. The growth rate of Russia—China trade exceeded the average foreign trade growth pace for both Russia and China over the same period. China remains Russia's largest trading partner, while Russia is China's tenth largest partner. Given the major successes of previous years, it would seem that trade turnover between Russia and China may be able to increase at a much faster pace.

Russia—China trade during the first quarter of 2020 reflected the significant cooperation potential of the two countries, even given the coronavirus epidemic and the related drop in Russia and China's commodity turnover with other states.

¹³⁹ China-Russia Trade Up 3.4% in 2019 Exceeding Record \$110BIn // BRICS Information Portal. January 15, 2020. URL: http://infobrics.org/post/30143

¹⁴⁰ Results of Russia's Foreign Trade with Principal States // Federal Customs Service of the Russian Federation. URL: http://customs.ru/folder/511 (In Russian).

According to Russian data, the trade turnover shrank slightly (by 2.8 per cent), with China's share in Russia's foreign trade increasing to 17.3 per cent. Meanwhile, Chinese data suggests that trade volume grew by 3.4 per cent compared to the same period in 2019, with Russian exports of goods and services to China growing by 17.3 per cent. These numbers were helped by the increased supply of medical products.

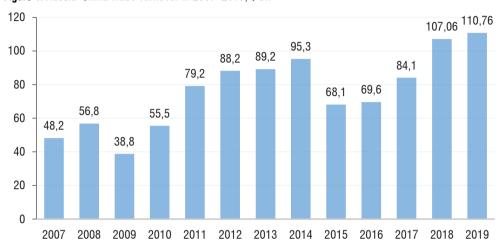


Figure 1. Russia-China Trade Turnover in 2007-2019, \$ bn

Source: Compiled by Alexander Larionov using data from: Russia–China Trade // Developing Russia–China Trade and Economic Cooperation / Russia–China Dialogue: The 2019 Model: Paper No. 46/2019 / Sergey Luzyanin, Huasheng Zhao, Andrey Kortunov, et al. Moscow: NP RSMD, 2019.

The biggest growth in Russian exports to China in 2019 was recorded in such categories as precious stones and metals (+64.9 per cent), fertilizers (+49.4 per cent), ores, slags and ash (+43.6 per cent), chemical products (+23.8 per cent) and agricultural products and foods (+12.2 per cent) (Table 2). There was a drop in high added value commodities such as machinery and equipment (-5.5 per cent). Additionally, exports dropped significantly for such commodities as paper, cardboard, and paper and cardboard goods (-17.9 per cent), mineral products (-12.2 per cent), timber and wood products (-8.8 per cent).

2019 saw a decrease in China's trade with its traditional partners – the United States (–14.6 per cent); Japan (–3.9 per cent); and South Korea (9.2 per cent). At the same time, there was an increase in China's trade with Australia (+10.8 per cent), Vietnam (+9.6 per cent) and Malaysia (+14.2 per cent). 143

¹⁴¹ Results of Russia's Foreign Trade with Principal States // Federal Customs Service of the Russian Federation. URL: http://customs.ru/folder/511 (In Russian).

¹⁴² China-Russia Trade 3.4% Pct in Q1 // Xinhuanet. April 24, 2020. URL: http://www.xinhuanet.com/english/2020-04/23/c_139002268.htm

¹⁴³ Russia—China Trade // Trade Mission of the Russian Federation to the People's Republic of China. URL: http://www.russchinatrade.ru/ru/ru-cn-cooperation/trade_ru_cn (In Russian).

Table 2. Commodity Structure of Russian Exports to China in 2019

Commodity group	Exports (\$ million)	Share in total exports (%)	Changes compared to 2018 (%)
Mineral fuel, oil, petrochemicals	42,619.3	69.8	0.8
Timber, wood products	4279.7	7	-8.8
Agricultural products and foods	3584.1	5.9	12.2
Non-ferrous metals	3135.1	5.1	3.4
Ores, slags, ash	2230	3.6	43.6
Chemical products	1264.6	2.1	23.8
Pulp, cellulose	868.3	1.4	-23.8
Fertilizers	763.7	1.2	49.4
Machinery and equipment	571.1	0.9	-5.5
Precious stones and metals	640.3	1	64.9
Paper and cardboard; paper and cardboard products	182.1	0.3	-17.9
Mineral products	97.3	0.1	-12.2

Source: Compiled by Alexander Larionov using data from: Russia–China Trade // Trade Mission of the Russian Federation to the People's Republic of China. URL: http://www.russchinatrade.ru/ru/ru-cn-cooperation/trade ru cn

There is a real opportunity to expand trade turnover between Russia and China. However, this potential will remain largely untapped if the current structure of the Russian economy, which determines the commodity positions of Russian exports to China, does not change. The export of goods with low added value significantly reduces potential export revenues from its trade with China. Consequently, Russia should strive to increase the share of products with high added value. Russia could use the opportunities afforded by various exhibitions to demonstrate developments in this area. One such venue is the China International Import EXPO in Shanghai, where Russia presented its designs in shipbuilding, aircraft building and the automobile industry in 2019.¹⁴⁴

The growth potential in trade turnover is traditionally linked with energy sources, which remain the main article of Russian exports to China: in 2019, crude oil accounted for nearly 70 per cent of Russia's exports to China. At the end of 2019, Russia accounted for about 15.7 per cent of all energy resources imported into China. Given the launch of the Power of Siberia pipeline, this share may

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¹⁴⁴ Guests Introduced to the Achievements of Russian Aircraft and Shipbuilding at the Opening of Russia's Pavilion During the 2nd China International Import EXPO // Trade Mission of the Russian Federation to the People's Republic of China. November 5, 2019. URL: http://www.russchinatrade.ru/ru/news/2019-11-05 (In Russian).

¹⁴⁵ Russia-China: We Will Trade // Rossiyskaya Gazeta. September 27, 2019. URL: https://rg.ru/2019/09/27/rossiia-i-kitaj-udvoiat-tovarooborot-k-2024-godu.html (In Russian).

¹⁴⁶ Ibid.

significantly increase.¹⁴⁷ Russia may also do well to increase in-depth processing of resources with a view to further delivering them to China.

At the same time, a significant defect of the current Russian export structure is its high dependence on demand for raw materials, which is significantly affected by the global situation. When the OPEC+ talks broke down in early 2020, crude oil prices on the global market dropped to \$20 per barrel, which is more than 70 per cent below the 2019 figure. 148 The COVID-19 pandemic prompted further instability on energy markets. Since demand for energy is falling due to the economic slump, bilateral trade in energy has also suffered. In January 2020, Russia's crude oil exports to China fell by 28 per cent in monetary terms, and by 36 per cent in real terms. 149 At the same time, China purchased record amounts of Russia's Urals oil during the 1st quarter of 2020. 150

Trade in agricultural goods has shown positive dynamics, with China's imports of Russian agricultural goods growing by 12.2 per cent in 2019.¹⁵¹ China primarily purchases seafood, oils, soya, flour, meat, dairy products and chocolate. Given the fact that Russia is developing its agricultural sector, its relatively low share in the structure of Chinese agricultural imports (just 2.5 per cent) means that trade in this area may be expected to grow further.¹⁵²

For instance, in early 2020, there were reports that Russkie Melnitsy (Russian Mills) had started exporting "Ryazanochka" flour to China's Hualian chain stores, 153 which was largely made possible by implementing the "Export of Agricultural Products of the Ryazan Region" project and with the support of the Trade Mission of the Russian Federation to the People's Republic of China. 154

The U.S.—China trade war opened up opportunities to expand exports of certain agricultural products to China. For example, in 2019, soya exports to China grew by 70 per cent, which was largely achieved through setting up Chinese manufacturing in Russia. 155 Today, approximately 20 medium and large Chinese agricul-

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¹⁴⁷ Power of Siberia // Gazprom. URL: https://www.gazprom.com/projects/power-of-siberia/

¹⁴⁸ Oil Falls Below \$20 Per Barrel after Agency Projects Coronavirus will Cause Record Slump in Global Demand // Markets Business Insider. April 15, 2020. URL:https://markets.businessinsider.com/commodities/news/oil-price-falls-iea-projects-record-slump-global-demand-coronavirus-2020-4-1029094158#

¹⁴⁹ Russian Sales of Oil to China Drop Almost One Third in January // RBC. March 18, 2020. URL: https://www.rbc.ru/economics/18/03/2020/5e707a7a9a7947ec6fa0a06d (In Russian).

¹⁵⁰ China Snaps up Russia's Expensive Urals Oil in Thirst for Sour Barrel // Reuters. June 1, 2020. URL: https://www.reuters.com/article/us-russia-oil-china-exclusive/exclusive-china-snaps-up-russias-expensive-urals-oil-in-thirst-for-sour-barrels-idUSKBN2382Y7

Russia–China Trade // Trade Mission of the Russian Federation to the People's Republic of China. URL: http://www.russchinatrade.ru/assets/files/ru-ru-cn-coop/%D0%A2%D0%BE%D1%80%D0%B3%D0%BE%D0%B2%D0%BB%D1%8F%20%D0%A0%D0%BE%D1%81%D1%81%D0%B8%D1%8F-%D0%9A%D0%B8%D1%82%D0%B0%D0%B9%202019.pdf (In Russian).

¹⁵² Russia and China Increase Investment in Joint Projects in Russian Far East and Arctic // Rossiyskaya Gazeta. November 4, 2019. URL: https://rg.ru/2019/11/04/rf-i-knr-uvelichili-investicii-v-proekty-na-dalnem-vostoke-i-v-arktike.html (In Russian).

¹⁵³ Ryazanochka Flour Now Sold in China // Ministry of Agriculture and Food of the Ryazan Region. URL: https://www.ryazagro.ru/news/12330/ (In Russian).

¹⁵⁴ Russian Flour Now Sold to Hualian, China's Popular Chain Store // Trade Mission of the Russian Federation to the People's Republic of China. January 16, 2020. URL: http://www.russchinatrade.ru/ru/news/2020-01-16 (In Russian).

¹⁵⁵ Feeding China // EKD. September 13, 2019. URL: https://ekd.me/2019/09/nakormit-kitaj/ (In Russian).

tural enterprises operate in Russia – they have established a complete production chain, from manufacturing and building warehouses to delivering finished products to China. Russian experts believe that Chinese manufacturers are attracted by the low cost of leasing land.

In order to stimulate bilateral trade in agricultural products, the two states are making significant efforts to remove non-tariff barriers. On July 26, 2019, the General Administration of Customs of the People's Republic of China confirmed that China had allowed the import of wheat from the Kurgan Region and soya from all Russian regions. ¹⁵⁶ Previously, China had allowed imports of wheat from six other Russian regions.

In 2019, deliveries of frozen poultry meat started. The growth in exports was a result of Russia taking measures to expand the list of suppliers allowed to export meat to China. ¹⁵⁷ In the first three quarters of 2019, deliveries of poultry meat totalled 18,700 tonnes worth \$41 million. ¹⁵⁸ Larger export volumes were made possible by continual work with China on expanding the list of Russian suppliers. The agreement allowing Russian producers of barley, corn and rape to enter the Chinese market was an important achievement. ¹⁵⁹

At the same time, a number of contradictions remain concerning the opening of markets. In July 2019, Russia suspended imports of Chinese nectarines, plums, cherries and apples. Subsequently, the Federal Service for Veterinary and Phytosanitary Surveillance suspended imports of Chinese citrus fruits on January 6, 2020. These measures are of concern to the Chinese side, which counts on the balanced development of trade in agricultural products. Chinese agencies have requested that the restrictions be lifted, but nothing has been done so far. Russia has stressed that these decisions have been taken because of the numerous instances of Chinese products being contaminated with hazardous elements that were banned from being imported to Russia.

The key problem in restricting the growth of agricultural exports to China is the lack of the necessary logistics infrastructure for shipping and storing products. Additionally, favourable economic conditions are required to increase production capacities, which is likely impossible without significantly cutting the cost of loans for Russian exporters.

The commodity structure of China's exports to Russia is largely dominated by high value-added products (Table 3). In 2019, China significantly increased its

¹⁵⁶ China Approves Wheat, Soy Imports from Russia // Reuters. July 26, 2019. URL: https://www.reuters.com/article/us-usa-trade-china-agriculture/china-approves-wheat-soy-imports-from-russia-idUSKCN1UL275

^{157 30} More Companies Make List of Poultry Meat Exporters to China // Agro Investor. March 20, 2019. URL: https://www.agroinvestor.ru/companies/news/31427-spisok-eksporterov-uvelichilsya-do-30/ (In Russian).

¹⁵⁸ Russian Poultry Exports Booming Thanks to China // Poultry World. February 20, 2020. URL: https://www.poultryworld.net/Meat/Articles/2020/2/Russian-poultry-exports-booming-thanks-to-China-543587E/

¹⁵⁹ Russia and China: We Will Trade // Rossiyskaya Gazeta. September 27, 2019. URL: https://rg.ru/2019/09/27/rossiia-i-kitaj-udvoiat-tovarooborot-k-2024-godu.html (In Russian).

Russia to Ban Import of Many Chinese Fruits // Produce Report. August 5, 2019. URL: https://www.producereport.com/article/russia-ban-import-many-chinese-fruits

¹⁶¹ Russia Imposes Temporary Ban on Chinese Citrus Imports // Euro Fresh. January 2, 2020. URL: https://www.eurofresh-distribution.com/news/russia-imposes-temporary-ban-chinese-citrus-imports

exports of ferrous metal goods (+21.9 per cent), furniture, mattresses and light fixtures (+21.5 per cent) and toys and sports equipment (+17.7 per cent). It also increased its exports of cutlery (+7.8 per cent), ceramics (+6.7 per cent) and chemical products (+6.3 per cent) to Russia. According to Chinese sources, exports of cars to Russia also grew significantly (over 60 per cent).

A drop in exports was recorded for agricultural products and foods (-6.3 per cent) in 2019. This was due to improvements in Russia's agro-industrial com-

 Table 3. Commodity Structure of Chinese Exports into Russia in 2019

Commodity group	Exports (\$ million)	Share in total exports (%)	Changes compared to 2018 (%)
Machinery and equipment	22,614	45.5	2
Clothes and shoes	5873.6	11.8	-8.7
Chemical products	4594.4	9.2	6.3
Pelts, fur skins, furs, products	3289.3	6.6	-0.6
Agricultural products and foods	1826.5	3.7	-6.3
Ferrous metals products	1541.7	3.1	21.9
Furniture, mattresses, light fixtures	1190.7	2.4	21.5
Toys, sports equipment	1186.1	2.4	17.7
Ferrous metals	697.6	1.4	1.8
Cutlery	508.5	1	7.8
Leather goods	431.4	0.9	-0.6
Articles made from non-precious stones	466	0.9	3.3
Mineral fuel, oil, petrochemicals	356.2	0.7	-5.1
Aluminium and aluminium products	412.2	0.8	1.2
Stone, gypsum, cement, asbestos mica products	290.5	0.6	-11.6
Ceramic goods	319.1	0.6	6.7
Paper and cardboard	272.4	0.5	-3.5
Glass and glass goods	247.3	0.5	4.9

Source: Compiled by Alexander Larionov using data from: Russia–China Trade // Trade Mission of the Russian Federation to the People's Republic of China. URL: http://www.russchinatrade.ru/ru/ru-cn-cooperation/trade_ru_cn

plex, which, in turn, contributed to an increase in the volume of Russia's relevant exports to China. Additionally, there was a decrease in Chinese exports of consumer goods such as clothes and shoes (–8.7 per cent), and paper and cardboard (–3.5 per cent), among other things.

E-commerce also grew in 2019, with AliExpress becoming an important cross-border trading platform for Russian consumers, Tmall opening an office in Russia, ¹⁶² and Russian Post opening a branch in China. ¹⁶³ These developments breathed new life into the development of this format. At year-end 2019, preliminary estimates put Russia—China e-commerce at over \$5 billion. ¹⁶⁴

4.3. Mutual Investment and Promising Joint Projects

Negative trends in Chinese investments into Russian economy have been observed for a number of years. In 2014, for example, Chinese investments totalled \$4.5 billion, compared to \$2.7 billion in early 2019. (Fig. 2). This means that Chinese direct investment has shrunk by \$1.8 billion over the past six years.

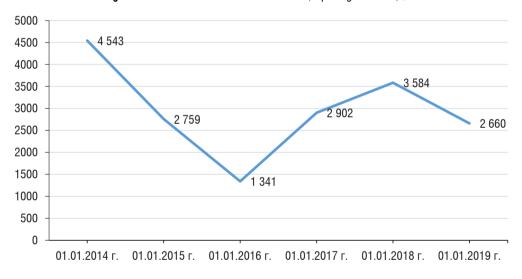


Figure 2. China's Direct Investment in Russia, Opening Balances, \$ million

Source: Compiled by Alexander Larionov using data from: Bank of Russia. URL: http://cbr.ru/statistics/macro_itm/svs/

Certain positive shifts emerged in 2019. Chinese data indicates that China's direct

¹⁶² Alibaba Launches New E-Commerce Platform in Russia // RT. September 28, 2017. URL: https://www.rt.com/business/404858-alibaba-russia-trade-platform/

¹⁶³ A Store Selling National Goods will Open on the Platform of Chinese Tmall Food & Fresh // Russian Export Center. September 4, 2019. URL: https://www.exportcenter.ru/en/news/a-store-selling-russian-national-goods-will-open-on-the-platform-of-chinese-tmall-food-fresh/

Russia-China Trade and Economic Cooperation Enters New Stage of High-Quality Development (中俄经贸合作步入高质量发展阶段) // RMHB. December 24, 2019.
URL: http://www.rmhb.com.cn/gd/201912/t20191224_800188316.html (In Chinese).

investment in Russia grew by 10.7 per cent between January and November 2019 compared to the same period of 2018. The countries signed engineering contracts worth a total of \$15.38 billion, which is five times more than the figures for the same period of 2018. Factording to Chinese statistics for 2018, Russia was tenth among the world's 20 leading states in terms of the volume of China's foreign direct investment. In addition, more than 1000 Chinese companies set up offices in Russia, employing over 23,000 people. According to data from the Bank of Russia, as of early October 2019, accumulated Chinese investment totalled \$3.4 billion. It should be noted that a number of experts point out the difficulties in calculating the volumes of mutual investment comprehensively, since investors use different foreign jurisdictions.

In 2020, amid the pandemic, the governments of Russia and China will make every effort to resume manufacturing and support the wellbeing of their peoples, which might negatively impact major investments in foreign projects. Strict antiepidemic measures in both countries have significantly reduced the flows of people and goods, which has complicated the implementation of joint projects. In addition, the construction of unfinished facilities has been suspended, and manufacturing deadlines have been postponed. The negative effects of the pandemic are expected to last longer for investment than for trade.

The instability of the development of investment interaction proves that a new model of Russia–China cooperation is needed, and that other promising areas of interaction need to be identified. This is further confirmed by the appearance of new areas of interaction, even though the volumes of investment are falling. If targeted projects are successful, changes in the overall investment dynamics can be expected.

Government-level interaction plays an important part in investments. The Eastern Economic Forum (EEF) is a particularly effective venue for promoting such interaction.

A total of 270 agreements were concluded at EEF 2019, which is a significant increase if compared to the 80 agreements signed in 2015 — more than three times the number (Fig. 3). The value of the contracts singed has also been steadily growing (Fig. 4).

Most joint Russia-China projects aim to develop the energy resources of the Far East and the Arctic.¹⁶⁷ For instance, at the 2019 Eastern Economic Forum, the Far East Investment and Export Agency and Sherwood Energy (Hong Kong) concluded an agreement worth 740 billion roubles (approximately \$11.5 billion at the time) to develop a natural gas field in West Yakutia and subsequently supply

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¹⁶⁵ China Expects Russian Records // Nezavisimaya Gazeta. December 15, 2019. URL: http://www.ng.ru/economics/2019-12-15/4 7752 china.html (In Russian).

Ministry of Commerce of the People's Republic of China: Press Conference of December 12, 2019 (商务部召开例行新闻发布会(2019年12月12日)// Ministry of Commerce of the People's Republic of China. December 12, 2019. URL: http://www.mofcom.gov.cn/xwfbh/20191212.shtml (In Chinese).

Russia and China to Increase Investments in Joint Projects in the Far East and the Arctic // Rossiyskaya Gazeta. November 4, 2019. URL: https://rg.ru/2019/11/04/rf-i-knr-uvelichili-investicii-v-proekty-na-dalnem-vostoke-i-v-arktike.html (In Russian).

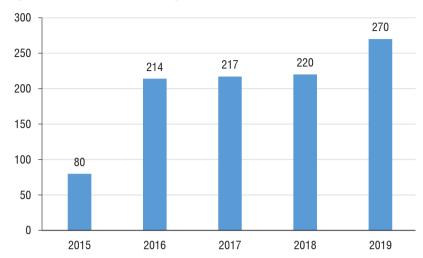


Figure 3. Number of Russia-China Agreements Concluded at the EEF

Source: Compiled by Alexander Larionov using data from: Expanding Cooperation // Rossiiskaya Gazeta. November 4, 2019. URL: https://rg.ru/2019/11/04/rf-i-knr-uvelichili-investicii-v-proekty-na-dalnem-vostoke-i-v-arktike.html (In Russian).

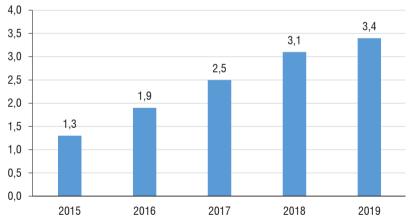


Figure 4. Total Price (trillion rubles) of Agreements Concluded at the EEF

Source: Compiled by Alexander Larionov using data from: Expanding Cooperation // Rossiiskaya Gazeta. November 4, 2019. URL: https://rg.ru/2019/11/04/rf-i-knr-uvelichili-investicii-v-proekty-na-dalnem-vostoke-i-v-arktike.html (In Russian).

energy resources to Asia Pacific. The success of such agreements hinges on government participation. Government performance guarantees increased project stability, which, in turn, results in greater expected profitability.

As for agriculture, at EEF 2019 the parties agreed to establish 15 livestock breeding complexes with a proposed capacity of 100,000 cattle, of which 45,000 are to

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be dairy cattle. ¹⁶⁸ The total cost of the project will be 45 billion roubles (approximately \$635 million). In the pharmaceutical sector, 10 billion roubles (around \$140 million) will be invested in the Harbin Pharmaceutical Group Holding project to transfer Hayao Pharmaceutical Plant to the Far East. ¹⁶⁹ These projects are made possible by active government support.

While the two countries have succeeded in reaching agreements on the implementation of large-scale projects in various sectors, the participation of small and medium-sized businesses in investment cooperation remains insignificant and needs additional support.¹⁷⁰ Government-level interaction mechanisms have been created to advance cooperation between Russian and Chinese entrepreneurs. The Russian–Chinese Business Advisory Committee supported by the Russian Direct Investment Fund (RDIF) promotes the launch and implementation of a series of projects.¹⁷¹ As of September 2019, Russian and Chinese entrepreneurs had discussed the possibility of implementing 70 joint projects worth a total of \$110 billion.¹⁷²

It should also be noted that various funds play a significant part in implementing investment projects. Such organizations take into account specific features of business models both in Russia and in China and guarantee that the deadlines for implementing joint initiatives are being met. The range of such funds was expanded in 2019. In June 2019, the decision was made to establish a Russia—China Science and Technology Innovation Fund with initial capital amounting to \$1 billion.¹⁷³ Its objective will be to bring together the potentials of the two countries in science and technology with a view to commercializing research results.

In 2019, an agreement was also reached on establishing a Russia–China Greater Bay Area Fund with a capital of \$1 billion.¹⁷⁴ The Fund will promote the expansion of Russian companies in China's Guangdong province. The decision to establish the fund was made at a meeting of the Intergovernmental Russian–Chinese Commission for Investment Cooperation, which confirms the key role that governments play in developing Russia-China investment cooperation.

Russia and China actively promote joint projects in nuclear energy, aviation, space, satellite navigation and information technologies. Companies from both countries in various forums, and not only the largest ones, such as the EEF, have

Russia and China to Increase Investments in Joint Projects in the Far East and the Arctic // Rossiyskaya Gazeta. November 4, 2019. URL: https://rg.ru/2019/11/04/rf-i-knr-uvelichili-investicii-v-proekty-na-dalnem-vostoke-i-v-arktike.html (In Russian).

¹⁶⁹ Ibid

¹⁷⁰ Russia and China: We Will Trade // Rossiyskaya Gazeta. September 27, 2019. URL: https://rg.ru/2019/09/27/rossiia-i-kitaj-udvoiat-tovarooborot-k-2024-godu.html (In Russian).

¹⁷¹ Third Meeting of the Russian-Chinese Business Advisory Committee // Russian Direct Investment Fund. URL: https://rdif.ru/Eng_photogallery122/

¹⁷² Russia and China are Looking at Launching Joint Projects Worth more than \$100 Billion // CNBC. September 10, 2018. URL: https://www.cnbc.com/2018/09/11/russia-china-consider-investments-worth-more-than-100-billion.html

¹⁷³ RDIF and CIC to Invest in Russia—China Science and Technology Innovation Fund // Russian Direct Investment Fund. May 5, 2019. URL: https://rdif.ru/Eng_fullNews/4095/

¹⁷⁴ RDIF, RCIF and Guangdong Utrust Agree Key Terms on Russia-China Greater Bay Area Fund // Russia Direct Investment Fund. November 26, 2019. URL: https://rdif.ru/Eng_fullNews/4735/

contributed to the successful development of investment cooperation. In particular, Russia–China cooperation in aviation and space in 2019 was largely bolstered through the interaction between the two parties at the Sixth Russia–China Engineering and Technology Forum.¹⁷⁵ A total of 15 agreements were signed at the Forum on the implementation of projects worth 8 billion yuan (approximately \$1.1 billion).¹⁷⁶ Russia's unique experience in complex engineering technologies shapes the demand for its products. An agreement was also signed in 2019 for Russian reactors to be installed as Units 7 and 8 of the Tianwan Nuclear Power Plant.¹⁷⁷

Initial results in a number of major projects were achieved in 2019. In particular, the Power of Siberia gas pipeline, which had been in construction since 2014, was officially put into operation on December 2, 2019. Power of Siberia will make it possible to supply gas to China under an agreement with China National Petroleum Corporation (CNPC) under a contract worth \$400 billion.¹⁷⁸ A total of 1 trillion cubic metres of gas will be delivered to China over the next 30 years, with annual deliveries reaching 38 billion cubic metres.¹⁷⁹ The Amur Gas Processing Plant is being built as part of the supply chain for delivering gas to China. The project will create about 3000 jobs.¹⁸⁰ The construction of these facilities became possible after a gas supply agreement was signed with China.

A series of targeted projects were launched in 2019 which, if successful, will help increase Chinese investment in Russia. However, one of the key limiting factors is the high level of uncertainty, which negatively affects how active Chinese investors are.

Protecting investors' rights remains an important task. The 2009 Agreement on the Promotion and Reciprocal Protection of Investments no longer meets the increased investment needs of businesses and needs to be amended. ¹⁸¹ Chinese experts believe that many provisions of the agreement have never been implemented and that there have been instances where investors' rights have been violated, which damages the long-term development of bilateral cooperation. China hopes that the Russian authorities will help resolve this situation and guarantee the protection of the rights and interests of investors, and Russia will continue to develop a transparent and stable business environment for investors.

Special emphasis should be put on creating an infrastructure that is geared

¹⁷⁵ China Plans to Cooperate with Russia in Internet Trade, Space and Aircraft Industry // TASS. March 15, 2019. URL: https://tass.com/economy/1048760

¹⁷⁶ Ibid

¹⁷⁷ Russia and China Signed the Contract for Russia-Designer NPP Construction on the New Site // Rosatom. June 5, 2019. URL: https://www.rosatom.ru/en/press- center/news/russia-and-china-signed-the-contract-for-russian-designed-npp-construction-on-the-new-site/

¹⁷⁸ Power of Siberia Gas Pipeline will be Put into Operation on December 2 // TASS. November 5, 2019. URL: https://tass.com/economy/1086956

¹⁷⁹ A Huge Siberian Pipeline Binds Russia and China, as Gas Flows for the First Time // The Washington Post. December 2, 2019. URL: https://www.washingtonpost.com/

¹⁸⁰ Amur Gas Processing Plant // Gazprom. URL: https://www.gazprom.com/projects/amur-gpp/

Agreement between the Government of the Russian Federation and the Government of the People's Republic of China on the Promotion and Reciprocal Protection of Investments // Electronic Collection of Legal and Regulatory and Technical Documents. April 9, 2009. URL: http://docs.cntd.ru/document/902029763 (In Russian).

towards stimulating cooperation between commercial entities with a view to eliminating uncertainty and decreasing the impact of the behavioural factor on the interaction.

There is an important restriction that stems from the current Russian economic structure. Chinese investments mostly go into areas with low added value (energy and agriculture). Improving the Russian economic structure will create new investment niches. Current financial restrictions are also significant barriers to interaction

4.4. Russia-China Financial Cooperation

Russia–China financial cooperation remains at a fairly low level. However, institutional conditions were created in a number of areas in 2019 to facilitate interaction.

In 2019, the Central Bank of Russia significantly increased investments in Chinese securities that now account for approximately 13.4 per cent of total investments, even outstripping those in American securities. The Bank of Russia's decision to diversify its securities to some extent stemmed from the sanctions against Russia. The Ministry of Finance of the Russian Federation intends to float yuan-nominated bonds in China.

Work continues on increasing the amount of mutual payments in national currencies. An Intergovernmental Agreement on Mutual Payments was concluded in 2019. At the initial stage, payments in national currencies will be made via VTB and China Merchants Bank. Payments will initially be carried out under government contracts. Difficulties in using national currencies are related to significant dependence on fluctuations on the international markets.

Certain successes in ensuring the independence of financial relations between Russia and China have been achieved in the establishment of a payment infrastructure. Russian banks will use the China International Payments System, China's alternative to SWIFT, to pay its partners. Chinese banks, in return, are planning to use Russia's SPFS, the Financial Message Transfer System. ¹⁸⁵ Since sanctions may be imposed on payments via SWIFT, discussions on creating an alternative are emerging. On the side-lines of the BRICS Summit in November 2019, Russia, China and India discussed the need to maintain payment stability. It was decided that an additional inter-bank payment system will be developed as an alternative to SWIFT. ¹⁸⁶

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Just the Way You Wanted: Bank of Russia Exchanges U.S. for China // RIA Novosti. October 4, 2019. URL: https://ria.ru/20191004/1559409369.html (In Russian).

Ministry of Finance Named a New Term for Floating Yuan-Nominated Bonds // Vedomosti. October 17, 2019. URL: https://www.vedomosti.ru/finance/articles/2019/10/17/813990-minfin (In Russian).

Russia, China to Sign Agreement on Payments in National Currencies, Says Decree // TASS. June 5, 2019. URL: https://tass.com/economy/1061848

¹⁸⁵ Ibid

¹⁸⁸ Payments Linkage by China, Russia and India Can Challenge SWIFT Hegemony // Global Times. October 29, 2019. URL: http://www.globaltimes.cn/content/1168382.shtml

Financial cooperation involving private organizations is also developing rapidly. Russian financial institutions are starting to display a greater interest in working on China's market. Russian experts believe that the current national legislation, which assumes a high administrative burden on foreign financial institutions, is a significant barrier to entering the Chinese market. Credit Bank of Moscow is one such example. In November 2019, China Lianhe Credit Rating gave it a credit rating of AA+. It this project succeeds on China's market, other Russian banks may be expected to start working in China.

By early 2019, over 70 banks had joined the Russian-Chinese Financial Council spearheaded by Harbin Bank and Sberbank. At the fifth meeting of the Council in May 2019, the parties signed the Agreement on Cross-Border Cooperation in Fund Transfers between Harbin Bank and Sberbank, a Protocol of Intentions between Chinese Banks and Credit Bank of Moscow, and a Framework Agreement on Mutual Aid in Case of Liquidity Shortage between Council Members. 190

Harbin Bank and Russia's Asian-Pacific Bank successfully concluded the first transaction on shipping 15 million yuan (approximately \$2.1 million) in cash to Vladivostok via the dry port of Dongning in the Heilongjiang province. As of November 2019, Harbin Bank had brought around 7 billion roubles (approximately \$100 million) and 225 million yuan (\$31.5 million) into Russia, 191 and exported about 70 million roubles (around \$1 million). 192

Chinese experts note that the conditions for Russian issuers floating securities denominated in the partner state's currency on both the Russian and Chinese security markets are supported, and Chinese financial institutions are encouraged to invest in Russia-issued financial instruments. Russian investors are allowed to participate in transactions on China's futures market. Other promising areas include the gold market, the regulation of financial market infrastructure and interaction between Russian and Chinese depository and clearing houses.

4.5. Regional Interaction

It is a good idea when analysing trade and investment cooperation between Russia and China to look at specific examples of interaction between regions in the two countries. For Russia—China cooperation to continue at the regional level, it is the key condition for current investment projects to be implemented successfully.

¹⁸⁷ Credit Bank of Moscow Studies Options to Expand Business in China, Boosts Business Activity in Asia in General // Finmarket. November 27, 2019. URL: http://www.finmarket.ru/currency/news/5125150 (In Russian).

¹⁸⁸ Ibid.

¹⁸⁹ Harbin Bank at Forefront of Sino-Russian Financial Cooperation // Global Finance. July 5, 2018.
URL: https://www.gfmag.com/topics/sponsored-content/harbin-bank-forefront-sino-russian-financial-cooperation

¹⁹⁰ Fifth Conference of Russia-China Financial Council Members Held in Sanya (第五届中俄金融联盟成员大会在三亚召开) // Sina. May 23, 2019. URL: http://hlj.sina.com.cn/finance/qyjj/2019-05-23/detail-ihvhiews4018193.shtml(In Chinese).

¹⁹¹ Harbin Bank, Financial Bridge between China and Russia // Rossiyskaya Gazeta. December 30, 2019. URL: https:// rg.ru/2019/12/30/odin-iz-vedushchih-bankov-kitaia-aktivno-nalazhivaet-sotrudnichestvo-s-rf.html (In Russian).

¹⁹² New Head of Financial Cooperation between Heilongjiang and Russia (黑龙江对俄金融合作谱新篇) // Renmin wang. July 11, 2019. URL: http://hlj.people.com.cn/n2/2019/0711/c392866-33134128.html (In Chinese).

In 2019, the Years of Russia–China Regional Cooperation concluded. The parties based the development of interaction on the Russia–China Cooperation and Development Plan in Russia's Far East Region in 2018–2024 and the Plan for the Development of Agriculture in the Russian Far East, the Baikal Region and China's Northeast. 193

China is the principal trade partner, as well as the largest foreign investor, in the Russian Far East. In 2019, the region's trade turnover with China totalled \$10.48 billion, growing by 6.9 per cent. 194 China accounted for 80 per cent of total foreign investment in the Far East. 195

Completion of several large infrastructural projects contributed to developing regional interaction. In particular, the construction of bridges between Blagoveshchensk (Amur Region) and Heihe, and between Nizhneleninskoe (Jewish Autonomous Region) and Tongjiang, is almost finished.¹⁹⁶

In 2019, regional interaction was affected by the increase on the Russian side of export duties on unprocessed timber. Consequently, several processing enterprises were established in the Far East, and exports of high added value goods increased (the export of finished products grew by 80 per cent).¹⁹⁷

Chinese companies are interested in developing cooperation in agriculture and food production. The Heilongjiang Province established eight agricultural parks in the Russian Far East, and more than 600,000 hectares of crop areas have been developed. Making use of the advantages afforded by the advanced special economic zone, Huaxin¹⁹⁹ and Heihe Beifeng²⁰⁰ launched production in the Primorye Territory and the Amur Region, respectively.

At the same time, Chinese experts believe that the infrastructure in the Russian Far East does not meet modern logistical requirements to ensure large-scale commercial flows. Consequently, commercial expenditures are higher, including for food shipments, which blunts the country's international competitive edge. This applies, in particular, to crossings on the Russia—China border. Complicated

¹⁹³ Chinese Northeast-Russian Far East Regional Cooperation: Old and New Programmes // The Asia Dialogue. June 19, 2019. URL: https://theasiadialogue.com/2019/06/19/chinese-northeast-russian-far-east-regional-cooperation-old-and-new-programmes/

¹⁹⁴ Trade Partners of the Russian Far East: Four Regions Account for 87 Per Cent of Trade Turnover // Amurskaya Pravda. March 11, 2020. URL: https://www.ampravda.ru/2020/03/05/094369.html (In Russian).

¹⁹⁵ REFERENCE: Russia-China Inter-Country Relations // PRIME. September 5, 2019. URL: https://lprime.ru/state_regulation/20190905/830299541.html (In Russian).

¹⁹⁸ Construction of First Highway Bridge Linking Russia, China Completed // Radio Free Europe. November 30, 2019. URL: https://www.rferl.org/a/amur-highway-bridge-connecting-russia-china-construction/30300119.html

¹⁹⁷ Russia and China Increase Investment in Joint Projects in Far East and Arctic // Rossiyskaya Gazeta. November 4, 2019. URL: https://rq.ru/2019/11/04/rf-i-knr-uvelichili-investicii-v-proekty-na-dalnem-vostoke-i-v-arktike.html (In Russian).

¹⁹⁸ Russia-China Trade and Economic Cooperation Enters New Stage of High-Quality Development (中俄经贸合作步入高质量发展阶段) // RMHB. December 24, 2019.
URL: http://www.rmhb.com.cn/gd/201912/t/20191224_800188316.html (In Chinese).

¹⁹⁹ China and Russia Steadily Advance Mutually Beneficial Cooperation in Agriculture // Russian.China.org. November 8, 2016. URL: http://russian.china.org.cn/exclusive/txt/2016-11/08/content_39677796.htm (In Russian).

²⁰⁰ Russia-China Trade and Economic Cooperation Enters New Stage of High-Quality Development (中俄经贸合作步入高质量发展阶段) // RMHB. December 24, 2019.
URL: http://www.rmhb.com.cn/gd/201912/t20191224_800188316.html (In Chinese).

customs clearance procedures and the high cost of cross-border shipments on the Russian side have also been criticized. For example, according to Chinese data, the Pogranichny–Suifenhe border crossing checkpoint has a much lower handling capacity in Russia compared to China. In addition, the out-dated equipment and infrastructure make for very low customs clearance efficiency. Kraskino border crossing checkpoint allows approximately 2000 people over the course of eight hours, which is significantly less than China's Hunchun border crossing point, which can allow up to 10,000 people in an eight-hour period, as well as 600,000 tonnes of freight per year. The road checkpoint at the Blagoveshchensk–Heihe bridge and the rail checkpoint at the Nizhneleninskoe–Tongjiang bridge have not yet been put into operation, which impedes the development of bilateral trade, tourism and cross-border shipping through Russia. It generally hinders the conclusion of new agreements.

In China, the border province of Heilongjiang actively participates in Russia—China interaction. In August 2019, China approved the establishment of the Heilongjiang Pilot Free Trade Zone, whose principal goal is to establish a center for regional cooperation with Russia and Northeast Asia. As part of the project, China strives to create a highly efficient, high-quality free trade zone on the basis of the highest international standards. This pilot free trade zone could contribute significantly to Russia—China cooperation.

Inter-regional interaction in services, including medical ones has also increased. In December 2019, Suifenhe People's Hospital became one of the first in China to launch exports of traditional Chinese medical services. The focus is on medical care, staff training and research.²⁰²

Regional cooperation also developed beyond the Far East. In 2019, the Tula Region launched manufacturing of Haval cars (Great Wall Motors) supported by the Ministry of Industry and Trade of the Russian Federation. The project was made possible when a series of preferences was granted, although the Russian side put forward reciprocal demands that manufacturing be localized. Investment totalled approximately 42 billion roubles. The annual manufacturing capacity will be up to 150,000 cars. The project is successful, and if a proper marketing strategy is used, the relatively low share of Chinese cars on the Russian market could increase.

China Haier Group built an industrial park in Naberezhnye Chelny that includes a washing machine manufacturing plant, creating 350 jobs. The plant's slated

²⁰¹ China Announces New Free Trade Zones in Six Provinces // China Briefing. September 10, 2019. URL: https://www.china-briefing.com/news/china-free-trade-zones-six-provinces/

²⁰² Russia-China Trade and Economic Cooperation Enters New Stage of High-Quality Development (中俄经贸合作步入高质量发展阶段) // RMHB. December 24, 2019. URL: http://www.rmhb.com.cn/gd/201912/t20191224_800188316. html (In Chinese).

²⁰³ Focus on Tula; Haval F7 will be Launched Overseas, Attracting the Attention of More than 200 Domestic and Foreign Media // Haval Global. June 3, 2019. URL: https://www.haval-global.com/news_detail-3322.html

²⁰⁴ SPIC Chinese Style // AvtoPARK. August 1, 2019. URL: https://rg.ru/2019/08/01/minpromtorg-predostavit-lgoty-avtokompanii-iz-podnebesnoj.html (In Russian).

²⁰⁵ Great Wall Motors' Russian Factory Starts Operation // Xinhuanet. June 6, 2019. URL: http://www.xinhuanet.com/english/2019-06/06/c_138122049.htm

capacity is 500,000 washing machines a year.²⁰⁶ Mosinzhproyekt and China Railway Construction Corporation are continuing their cooperation on the construction of the Moscow Metro subway system and have signed a contract to develop the Michurinsky Prospekt transportation hub.²⁰⁷

According to Russian experts, the fact that Chinese investors know little about the specifics of doing business in various Russian regions, local administrative regulations and the possible advantages afforded by implementing joint initiatives may stand in the way of boosting cooperation in investment projects. It is thus necessary to work at the government level to raise awareness through targeted information campaigns intended to reduce informational asymmetry.

Tensions in U.S.-China economic relations may help foster regional interaction between Russia and China. According to media reports, the ongoing trade war could prompt China to move some plants to the Khabarovsk Territory. However, experience shows that it is necessary to carefully work through all the issues related to implementing joint projects. This is the lesson taught by previous attempts to build a bottling plant at Lake Baikal, where construction was ultimately suspended as a result of local protests, citing violations of environmental standards. Here is the suspended as a result of local protests, citing violations of environmental standards.

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²⁰⁰ Russia—China Trade and Economic Cooperation Enters New Stage of High-Quality Development (中俄经贸合作步入高质量发展阶段) // RMHB. December 24, 2019.
URL: http://www.rmhb.com.cn/qd/201912/t20191224 800188316.html (In Chinese).

⁷ Chinasa Buildars Eynand Matro Natwork in Mascow // Yinhuanat Anril 17 2010

²⁰⁷ Chinese Builders Expand Metro Network in Moscow // Xinhuanet. April 17, 2019. URL: http://www.xinhuanet.com/english/2019-04/17/c_137982862.htm

Experts: Transferring Chinese Plants to Khabarovsk Territory Will Result in Collapse // DVHAB. June 6, 2019. URL: https://www.dvnovosti.ru/khab/2019/06/06/100354/ (In Russian).

²⁰⁹ Court Stops Construction of Controversial Lake Baikal Water Bottling Plant // Russia Business Today. March 19, 2019. URL: https://russiabusinesstoday.com/environment/court-stops-construction-of-controversial-lake-baikal-water-bottling-plant/

5. Russia—China Relations in Science, Technology and Innovation

The cooperation between Russia and China in the field of science, technology and innovation (STI) has a set of specific features. While the military-technical exchange between the two countries is extensive and highly promising (e.g. the transfer and joint development of new technologies), in this section, we will discuss civilian science, technology and innovation, including commercial initiatives.

5.1. Development of Cooperation in Science, Technology and Innovation in 1992–2017

The "post-Soviet" stage of the Russia—China science, technology and innovation dialogue began in 1992, when the parties signed an intergovernmental agreement on scientific and technical cooperation that laid the groundwork for further partnership. During the 1990s, however, cooperation in science, technology and innovation was reduced to a small number of projects that were institutionalized to different degrees, all in the interests of the Chinese side. Examples include the agreements on the development of manned space exploration, which involved the transfer of certain technologies and solutions for the creation of spacecraft, spacesuits, etc., to China. 211

The situation began to change towards the end of the 1990s, and especially since 2000, when Russia entered a period of economic revival, systematically developing aviation, nuclear energy, a number of other traditional Russian technological sectors and, starting in the mid-2000s, innovative entrepreneurship. However, this process mainly focused on individual, although sometimes exceptionally large, projects. In 2000–2017, the key areas of science, technology and innovation cooperation also took shape.

Initially, the technological cooperation between Russia and China was dominated by major corporate projects with state participation, which were implemented in two main areas. First, there was successful cooperation in the nuclear field, from the construction of the Tianwan Nuclear Power Plant (first mentioned in a 1992 intergovernmental agreement, although construction actually started after a contract was made in 1997) to work on fast neutron reactors (such as the Chinese Experimental Fast Reactor [CEFR] and subsequent projects²¹²). Second, there is the development of civil aviation technology, which is still in its early stages. The most important project was the CR929 long-range wide-body aircraft, which had

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²¹⁰ On the Signing of the Agreement between the Government of the Russian Federation and the Government of the People's Republic of China on Scientific and Technical Cooperation // Electronic Fund of Legal and Normative and Technical Documentation. December 11, 1992. URL: http://docs.cntd.ru/document/901603256 (In Russian).

²¹¹ Krashennikova, L. China's Space Programme: From Soviet Rockets to its Own Space Station // RIAC. October 2, 2017. URL: https://russiancouncil.ru/analytics-and-comments/analytics/kosmicheskaya-programma-knr-ot-sovetskikh-raket-k-sobstvenno/ (In Russian).

²¹² TVEL Fuel Company of Rosatom will Supply Nuclear Fuel for China's CFR-600 Fast-Neutron Reactor // Rosatom State Corporation. January 11, 2019. URL: http://www.rusatom-overseas.com/media/news/tvel-fuel-company-of-rosatom-will-supply-nuclear-fuel-for-china-s-cfr-600-fast-neutron-reactor.html

been discussed since 2008. The relevant agreement was only signed in 2014, and in 2017 the United Aircraft Corporation and the Commercial Aircraft Corporation of China (COMAC) set up a joint venture, the Russia–China Commercial Aircraft International Corporation (CRAIC).²¹³ A number of other projects are also in the works, in particular the AC332 heavy-lift helicopter developed for the Chinese market by Russian Helicopters and the Chinese company Avicopter.²¹⁴

At the same time, there was the complex process of building relations between Russian research institutes and universities and Chinese private companies and related technical universities.²¹⁵

As the internet markets and venture capital business in Russia developed, Chinese players made individual investments in Russian technology companies and projects. For example, the Chinese giant Tencent purchased a stake in Digital Sky Technologies, owned by Mail.ru Group, in 2010; Rusnano and Thunder Sky created a joint venture to produce lithium-ion batteries the same year; Wangsu Science & Technology bought the Russian start-up CDNvideo in 2017; etc.²¹⁶

The 2000s and 2010s saw an expansion, albeit with serious exceptions, of contractual and trade relations in the field of high technologies. According to Russian experts, these relations were characterized by a pronounced imbalance. China imported advanced technologies, prototypes, equipment and materials from Russia, placed orders for design work, collaborated with Russian specialists in mechanical engineering, electronics (in the scientific sphere), new materials, bio-and nanotechnologies, instrumentation, medicine and agriculture. Russia, on its part, mainly imported Chinese products, equipment and, to a lesser degree, components (sub-products) and technologies in information and communications, manufacturing, the food industry, pharmaceuticals and biomedicine.

Against the backdrop of the two trends mentioned above and the hopes of gaining access to the rapidly growing Chinese market, there were occasional bursts of activity in developing joint technoparks and other innovative infrastructure. Approximately ten technoparks have been created since 1998, almost all of

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²¹³ Evidence is Building that China and Russia's Long-Haul Passenger Plane Won't Arrive on Time // CNBC. August 2020, 2020. URL: https://www.cnbc.com/2019/08/20/china-and-russia-want-the-craic-cr929-aircraft-to-challenge-airbus-and-boeing.html

²¹⁴ China, Russia Sign Heavy Helicopter Deal // China Military. August 28, 2019. URL: http://eng.chinamil.com.cn/view/2019-08/28/content_9604665.htm

^{**}Example 215** Russia—China Scientific and Technical Cooperation in the Context of the Belt and Road Initiative: Status and Problems [in Chinese —带一路背景下的中俄科技合作:发展现状和问题措施 // Chinaru. August 11, 2017. URL: http://www.chinaru.info/zhongejmyw/jingmaotegao/49308.shtml (in Chinese); Research Cooperation Projects between the Ural Branch of the Russian Academy of Sciences (UrORAN) and China // TASS. December 11, 2019. URL: https://tass.ru/press/6115 (In Russian); Scientific Cooperation in Russia // Huawei. URL: https://www.huawei.com/minisite/russia/scientific-cooperation.html (In Russian); China Will "Celebrate" U.S. 5G Success, Ren Says // Asia Times. May 27, 2019. URL: https://asiatimes.com/2019/05/china-will-celebrate-us-5q-success-ren-says

²¹⁶ Rusnano and Thunder Sky Group Set Agreement to Establish Joint Russian–Chinese Nanotech Plant // Rusnano. April 20, 2010. URL: https://en.rusnano.com/press- center/news/88490; Chinese Internet Giant Invests in CDNvideo, Russian Operator of Internet Content Delivery Networks // RVC. May 10, 2017. URL: https://www.rvc.ru/en/press-service/news/invest/106360/

them on Chinese territory.²¹⁷ These include the Russian–Chinese Center for the Industrial Development of New and High Technologies in Yantai, the Jiuhua Russian–Chinese Technopark in the Zhejiang province, the Center for Scientific and Technological Cooperation in the Heilongjiang province, the joint technopark in Changchun, the Guangdong–CIS International Technological Cooperation Union and the Druzhba Russian–Chinese technopark in Moscow.²¹⁸ However, estimations of their effectiveness in advancing science, technology and innovation cooperation and commercializing Russian developments in the Chinese market differ. Attempts to attract Chinese investors to Russian projects, including the Skolkovo Innovation Center, were successful until the end of the 2010s.²¹⁹

Despite the revitalization of science, technology and innovation relations that had continued up to 2018, this partnership was very small in scale, was not systematic and lacked depth, despite the abundance of official documents and the regular meetings of officials and leaders of the two countries, who emphasized the need to develop this sector, as well as the growing number of platforms for dialogue between scientists, innovators and businesses.

This situation can be explained in different ways. On the one hand, it is caused by the general underdevelopment of the Russian hi-tech sector. Apart from the digital segment (internet services, telecommunications, software) and certain areas of engineering (such as nuclear and missile systems), the situation has been difficult. Moreover, the greatest development challenges have been observed precisely in those industries that remained the basis of growth for the Chinese hi-tech sector until the 2010s, namely micro- and consumer electronics. On the other hand, as Russian experts note, objective factors persisting over the last 40 years led China to build a system of science, technology and innovation cooperation primarily with the United States and, to a lesser extent, with Western European countries and developed Asian economies. It is not surprising that Russia was not seen by the Chinese leadership or the corporate and scientific sectors as a significant or promising partner for a long time.

5.2. Current Stage of Development

The situation started to change in 2018 with the aggravation of the technological confrontation between the United States and China that started after Donald

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²¹⁷ Russian-Chinese Innovation Center // EASTEX. May 30, 2016. URL: https://ppt-online.org/128074 (In Russian); Russia-China Scientific and Technical Cooperation in the Context of the Belt and Road Initiative: Status and Problems [一 带一路背景下的中俄科技合作:发展现状和问题措施] // Chinaru. August 11, 2017. URL: http://www.eastex.ru/rossiysko-kitayskiy-innovacionnyy-centr http://www.chinaru.info/zhongejmyw/jingmaotegad/9308.shtml (in Chinese); China Opens the Door to Russian Innovators // Oblgazeta.ru. June 1, 2018. URL: https://www.oblgazeta.ru.deconomics/38414/ (In Russian); China, Russia Deepen Technological Ties // Defense One. October 4, 2019. URL: https://www.defenseone.com/threats/2019/10/china-russia-are-turning-each-other-tech-help-west-limits-access/160364/; Bendett S., Kania E. Policy Brief: A New Sino-Russian High-Tech Partnership // ASPI. 2019, No. 22, pp. 6–7.

²¹⁸ Zheng Cui. Scientific and Technical Cooperation of the Russian Federation and China in the Context of the Innovative Development of the BRICS Countries: Thesis for the Degree of Ph.D. in Political Science: 23/00/04 / Zheng Cui; scientific advisor: V.L. Andrianov // Lomonosov Moscow State University. Moscow, 2015, 229 pp.

²¹⁹ China to Build Research Center at Russia's Skolkovo Research Hub // TASS. November 10, 2014. URL: https://tass.com/economy/758992; Russia–China Hi-Tec Park to Be Set up at Skolkovo // BFM.RU. October 13, 2014. URL: https://www.bfm.ru/news/275719 (In Russian).

Trump came to power. The White House has taken a number of fairly effective measures to reduce scientific and technological interaction between the two countries, which has revealed a number of gaps in China's technological and scientific capacities, additionally motivating Beijing to develop its own potential. This process coincided with a geopolitical rapprochement between Russia and China, as well as another surge in Russian science, technology and innovation activity.

This led to a rapid intensification of scientific and technological cooperation, supported by clear political impetus on both sides. This interaction was characterized, on the one hand, by an emphasis on digital technologies, and, on the other hand, by the leading role of large Chinese private corporations. At the same time, the previous dynamics on a whole range of major bilateral projects in nuclear energy, aerospace and other traditional areas of cooperation were maintained.

The most significant commercial projects with a technological and/or innovative component involving Chinese penetration into the Russian market include the 2018 agreement between Alibaba Group, Mail.ru Group, MegaFon and the Russian Direct Investment Fund on the creation of the AliExpress Russia joint venture, as well as the agreements of MTS and VimpelCom with Huawei on the deployment of a 5G network in Russia.

An important aspect of Russia–China scientific and technical cooperation is the expressed interest of Chinese digital corporations in expanding and, most importantly, institutionalizing interaction in individual advanced technologies and technological products. In this context, we should first of all note Huawei's truly breakthrough decisions on the development of scientific and technical cooperation with Russia in the digital sphere. ²²⁰ During 2018–2019, the company brought cooperation with Russian research institutes and universities to a completely new level and invested in a network of centers of excellence for artificial intelligence.

Another giant of the Chinese digital industry, Alibaba Group, is also stepping up its activity on the Russian market. Even though it did not come through with its plans to open a laboratory of its Academy for Discovery, Adventure, Momentum and Outlook (DAMO Academy) global project in Moscow, as was announced in 2017,²²¹ the company has been gradually expanding its projects in Russia since 2018–2019, in particular through its Venture Fund.²²² Players from other industries, such as the China Aerospace Science and Industry Corporation (CASIC), are also cooperating with Russia in specialized information and communication technologies.²²³

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Huawei's Courtship of Moscow Leaves West in the Cold // Financial Times. June 21, 2020.
 URL: https://www.ft.com/content/f36a558f-4e4d-4c00-8252-d8c4be45bde4;
 Huawei Buys Russian Facial Recognition Company for 50mn // Russian Business Today. June 4, 2019.
 URL: https://russiabusinesstoday.com/technology/huawei-buys-russian-facial-recognition-company-for-50mn/

²²¹ Alibaba Launches Global Research Program for Cutting-Edge Technology Development // Alibaba Group. October 11, 2017. URL: https://www.alibabagroup.com/en/news/article?news=p171011a.

²²² ATURK Forum on Green Engineering at Irkutsk National Research Technical University Brings Together 24 Universities from Russia and China // IRNITU. September 16, 2019. URL: https://www.istu.edu/news/51768/ (In Russian).

²²³ Skoltech Space Center Takes Part in the Fifth China (International) Commercial Aerospace Forum // Skoltech. November 25, 2019. URL: https://www.skoltech.ru/en/2019/11/skoltech-space-center-takes-part-in-the-fifth-china-international-commercial-aerospace-forum/

Even beyond the digital sphere, technological dialogue with Russia is becoming more attractive for China. In addition to the rather traditional aerospace work, including the development of new materials and specific solutions, experts at the Skolkovo representative office in China note that recent years have seen a marked increase in the number of contracts in the field of technological development and the supply of technological products and services from the Russian Federation.

The gradual increase in the scale and depth of cooperation is accompanied by the development of a financial support system. In addition to venture capital arrangements, large investment funds have been created with the participation of Russian state capital. These include, first of all, the \$100 million Russian-Chinese Venture Fund, established by the Russia-China Investment Fund (RCIF) and the Chinese company Tus-Holdings, and the Russia-China Science and Technology Innovation Fund, founded by the Russian Direct Investment Fund (RDIF) and China Investment Corporation (CIC) and estimated at \$1 billion.²²⁴ In 2018, the Russia-China Investment Fund for Regional Development, also created by the RDIF and CIC in 2012, announced its intention to invest up to \$300 million in three existing and two new Skolkovo Ventures funds.²²⁵ Non-state actors have also made a contribution: in 2018, the Russia-China Technology Investment Fund was created with a capital of approximately \$100 million, co-invested by the Leader Management Company (a subsidiary of the VEB.RF state development corporation and Gazprom) and Shenzhen Capital.²²⁶ According to Skolkovo experts, private Chinese venture funds are also taking an increased interest in Russia. However, the share of Chinese venture investments in the Russian market is still small and amounts to about 1.5 per cent (according to 2017-2018 estimates),227 since many players take a wait-and-see attitude, studying the situation in Russia to assess the real potential of Russian business.

Finally, unlike in previous years, Chinese investors have started to show a growing interest in creating innovative infrastructure in Russia, especially for large-scale projects. In particular, Chinese entities have existing and planned investments in the Technological Valley of Moscow State University, Skolkovo and Tushino Technology Park. Apart from providing access to the potential of leading Russian universities, these decisions may be partly explained by a desire to demonstrate support for flagship projects of national or regional significance.

Russian experts see this as evidence that China has entered a new stage where it is systematically building channels to access Russian expertise and talent with

²²⁴ RCIF and Tus-Holdings of China Create Russia–China Venture Fund // Russian Direct Investment Fund. November 7, 2016. URL: https://rdif.ru/Eng_fullNews/1841/; Russia, China, Set up US\$1 Billion Technology Innovation Fund // Russia Briefing. June 4, 2019. URL: https://www.russia-briefing.com/news/russia-china-set-us-1-billion-technology-innovation-fund.html/https://rdif.ru/Eng_fullNews/4370/

²²⁵ China Will Look at Russian Startups // Kommersant. October 16, 2018. URL: https://www.kommersant.ru/doc/3771720 (In Russian).

²²⁶ Leader and Shenzhen Capital Sign Agreement on Creation of Joint Russian–Chinese Technology Fund // RVC. July 10, 2018. URL: https://www.rvc.ru/press-service/news/investment/131821 (In Russian).

²²⁷ Russia's Silicon Valley Looks to China for Capital, Impact // Forbes. October 17, 2018. URL: https://www.forbes.com/sites/rebeccafannin/2018/10/17/russias-silicon-valley-looks-to-china-for-capital-impact/#4ecdccde1e86.

²²⁸ Russian and Chinese Sides to Consider Building Innovation Park in Skolkovo // Interfax. September 11, 2018. URL: https://www.interfax.ru/vef2018/628757 (In Russian).

an emphasis on promising R&D teams and innovative small enterprises. Science, technology and innovation cooperation between Russia and China is expected to be further institutionalized through the creation of corporate R&D centers and ecosystems, increasing venture capital investments, etc. The current "digital" focus of this process is dictated by the state of the Russian scientific and technological complex and, equally importantly, by the Chinese leadership's emphasis on strengthening the Chinese electronics industry and its internet sector as a key factor in global competitiveness. At the same time, it is clear that China has broader goals in mind: from developing related technological areas to promoting cooperation in industries and markets that it considers a priority, such as space, aviation and pharmaceuticals.

Scientific cooperation is being intensified alongside this process. In particular, the Russian Academy of Sciences and the Chinese Academy of Sciences have approved a roadmap for joint research in 2019.²²⁹ China's priorities seem to fall within the same areas.

From the Russian side, it appears that the Chinese strategy for dialogue with the Russian Federation in science, technology and innovation is designed at least for the medium term and now only partially depends on the dynamics of U.S.—China relations. It is now completely clear that the American political elite will maintain its focus on containing China's technological development even in the post-Trump era. This leads Chinese authorities and companies to re-evaluate the possibilities of cooperation with the Russian Federation.

The approach to cooperation is also changing. The Chinese side declares that the current stage of science, technology and innovation cooperation represents a transition from a more traditional type of academic dialogue to deeper cooperation, joint research, the introduction of hi-tech solutions in production and their commercialization and internationalization. At the same time, the basic principles of mutual benefit, equality and complementarity, pragmatism and economic efficiency are emphasized.

A certain complementarity is due to the fact that Russia possesses significant human resources in science and an impressive capacity in terms of basic research, but lacks financial resources and experience in commercialization compared to China. According to Russian experts, this may indeed create the basis for a successful partnership, especially since Beijing officially makes it clear that Chinese contracts and investments will allow Russian science to develop but do not imply the mass import of personnel.

5.3. Prospects for Russia–China Science, Technology and Innovation Collaboration

According to Russian experts, China and Chinese corporations will continue to expand cooperation with Russia if they are granted marginally favourable domes-

www.russiancouncil.ru

²²⁹ Russia–China Scientific and Technical Cooperation Receives New Momentum for Stable Development // Ministry of Science and Higher Education of the Russian Federation. June 18, 2019. URL: https://www.minobrnauki.gov.ru/ru/presscenter/card/?id_4=1555 (In Russian); Chinese and Russian Scientists Identify Six Areas for Cooperation // TASS. July 19, 2019. URL: https://nauka.tass.ru/nauka/6681762 (In Russian).

tic economic conditions, if there is no catastrophic external impact (for example, a maximum tightening of anti-Russian sanctions) and if appropriate and effective measures are taken by the Russian federal ministries and agencies, including the Ministry of Science and Higher Education (which controls the system of universities and research institutes, including the large universities and research centers that were previously part of the Russian Academy of Sciences). However, instead of breakthroughs like Huawei's solutions, we should expect a phased development of cooperation with a very careful and sober assessment of intermediate results and the adaptation of specific solutions to specific tasks – from buying companies to inviting individual scientists and teams to China.

Despite its significant potential, Russia-China scientific and technological cooperation poses a number of difficult questions for Russia. First of all, there is a sort of a "strategic asymmetry." China seems to have a certain strategy of setting clear and concrete tasks, focusing on specific areas and choosing certain forms of interaction. The Russian side, unfortunately, does not appear to have such a systematic approach. Despite the fact that the Russian Federation is objectively interested in increasing its role in global value chains, including as a source of promising developments, certain efforts are clearly required to ensure that this process does not turn into a net donation of ideas, technologies and talent. In this sense, the lack of synchronization of government measures to develop the Russia-China technological dialogue with the Science and Digital Economy national projects, the National Technological Initiative, etc., causes certain concerns. Second, as any contradictions between the digital corporations of the Russian Federation and People's Republic of China are impossible or undesirable, a conflict of interests becomes apparent in terms of developing a dialogue with China and Chinese digital giants on the one hand and putting an emphasis on strengthening the leaders of the Russian digital economy on the other. Here, the Russian side also lacks a strategic vision, including with respect to the harmonization of interests.

This situation may change if the parties intensify discussions on the prospects for bilateral science, technology and innovation partnership during the Russian–Chinese Scientific, Technical and Innovation Cooperation Years to be held in 2020–2021. These years are intended to serve as an incentive to strengthen ties between representatives of the scientific and technical circles of the two states, exchange skilled personnel and deepen pragmatic project-based cooperation. According to preliminary data, Russia and China will hold approximately 800 events in 2020 and 2021, including high-level conferences, scientific and technical exhibitions, youth innovation and entrepreneurship competitions and exchanges of highly qualified specialists in the relevant fields. The most promising areas of cooperation, based on the output of the Russia–China Sub-Commission on Scientific and Technical Cooperation, include all key areas of the bilateral science, technology and innovation dialogue: basic research, artificial intelligence,

²³⁰ Russia, China to Hold Years of Scientific Cooperation in 2020-2021 // TASS. June 5, 2019. URL: https://tass.com/society/1061935

²³¹ Russia and China Confirm Plans for Cooperation in the Field of Science and Higher Education // Ministry of Science and Higher Education of the Russian Federation. December 5, 2019.
URL: https://m.minobrnauki.gov.ru/ru/press_center/card/?id_4=2254 (In Russian).

big data, new energy resources, new materials, ICT and the internet, biotechnology, aerospace, nuclear energy, agriculture and environmental protection.

In addition, 2020 will be a year of Russia's presidency of BRICS.

In both cases, the existing and newly created structures and platforms for dialogue can be used to develop a full-fledged Russian approach to the development of science, technology and innovation relations, as well as to organize a dialogue with the Chinese side on the harmonization of goals, objectives and priorities. However, this step has yet to be taken, which is hindered by a wide range of factors, from the lack of a relevant objective at the government level to the difficult relations between various actors in the Russian scientific and technical sphere and minor involvement of large Russian business in the discussion of these problems.

The development of science, technology and innovation cooperation is also negatively affected by circumstances common to all areas of cooperation between Russia and China

At the technical level, there is a shortage of competent specialists with sufficient foreign language skills, a lack of accessible information about markets and opportunities in both countries, and similar issues.

But there are more serious problems as well. According to Chinese experts, the investment climate in Russia is not favourable enough. In particular, the country's foreign investment protection and dispute resolution mechanisms seem to be ineffective. Chinese partners are wary of the problems of Russian scientific and business counterparties that arise from the specifics of local business culture and government regulation. Some of the most annoying factors noted by the Chinese side are the focus on quick results instead of long-term partnerships, overpricing (often also a consequence of the short-term focus), and the use of "grey" schemes. At the same time, the focus of interactions is often shifted to the simple purchase and sale of products or, in rare cases, to a one-time transfer of technologies instead of conducting joint work in strategically important areas. For Russian companies, traditional constraints include the limited access of foreign companies to a number of important segments of the Chinese market (the situation is expected to improve after the 2019 reforms), the leak or transfer of valuable intellectual property to local companies, difficulties for foreigners with no business experience in China in establishing business relations and complying with a set of national and regional regulations, and the hiring of personnel.

The problems of legal support and project management remain: many agreements, both at the government and corporate level, are not sufficiently thought out, which leads to many arrangements staying unfulfilled.

5.4. Potential Areas and Recommendations for Fostering Cooperation

The progressive development of Russia-China cooperation in science and technology can contribute to the promotion of all kinds of partnerships between the

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Russian Federation and the People's Republic of China. There is still some potential for increasing trade and investment in "traditional" areas (oil and gas, food supply, etc.), but it is not sufficient to bring the bilateral dialogue to a higher level. As a result, Chinese experts believe it would be a good idea to go beyond the traditional form of bilateral trade, combining ties in the fields of science, technology, trade and economics. They give priority to a strategy on promoting trade through science and technology. The most promising areas in this regard are the digital economy and artificial intelligence, the internet of things and the development of a digital currency and an appropriate payment system aimed at improving the framework for payments in national currencies.

Joint activities in advanced technologies could make a great contribution to the implementation of long-term plans for socioeconomic development and regional cooperation. On the one hand, projects in the digital economy, smart manufacturing, ICT, nuclear and green energy, bioengineering and bioeconomy and the aerospace industry are of fundamental importance in terms of achieving a "technological leap" in both countries, increasing the number of new high-performance jobs and ensuring the inclusive development of territories. On the other hand, the joint activities carry the potential to strengthen trade, economic, scientific, educational and cultural ties both between regions where Russia's and China's large scientific and technological centers are located and between areas where advanced technologies will create new conditions for bilateral export and cooperation.

Scientific and technical cooperation could also contribute to the co-development of the Eurasian Economic Union and the Belt and Road Initiative. No significant results have been achieved in this area so far, and Russia and China need to work more effectively on the strategic planning of this alignment at both the state and academic levels. Co-development can be boosted through collaboration in the following areas: information technology for political dialogue, telecommunications to strengthen ties between the two countries, modern infrastructure technologies to enhance the logistics potential of both countries, advanced technologies to simplify customs clearance procedures and, as a result, facilitate free trade and the unhindered flow of goods, and technologies to promote electronic payments and electronic currencies. However, project duplication needs to be avoided. The Sub-Commission on Scientific and Technical Cooperation and industry associations could contribute to the implementation of this task.

There are several large framework areas in science, technology and innovation interactions that require special attention when implementing plans for long-term cooperation.

In academic science, where the partnership between the two countries is quite traditional and well-established, existing needs include improved resource allocation, an increase in the number of joint activities that will serve the mutual interests of the parties ("double" competitions, joint research programmes, the development of scientific infrastructure, providing scientists with mutual access to unique facilities and other scientific assets, etc.) as well as serious, thoughtful work on updating and improving programming and planning documents.

Considerable attention should be paid to the development of innovative small and medium-sized enterprises (SMEs) that are capable of making a significant contribution to the development of science, technology and innovation ties. Chinese and Russian technological SMEs have great potential and quickly adapt to changes in the market. However, when integrating research results into production, they encounter a lack of financial resources, which is often compounded by a lack of understanding of market processes and export support and internationalization mechanisms. Their activity could be bolstered, first of all, by increased support from venture funds, as well as joint scientific, technical and innovative funds, which would allow them to increase capital inflows, gain access to the necessary managerial and financial expertise, and enter markets through interaction with third parties in both countries.

It is important to strengthen cooperation through the use of technology zones and innovation centers. In China, there are more than 100 zones for the development of new and high technologies established at the state level, as well as several thousand technology parks and other similar structures. Russia, in turn, has 169 technology parks, several technology development zones, innovation clusters and technological "valleys" spread across 54 regions. They are mainly financed from the public funds and managed with the participation of government agencies. Russian technology parks and Chinese new and high technology development zones need to establish partnerships and implement joint projects of mutual interest. Such interaction, according to the Chinese side, can increase innovative potential, help expand production using high technologies, modernize the industrial base of the two countries and facilitate the creation of new technologies and industries.

With the deepening of Russia–China scientific, technical and innovative cooperation, intellectual property issues are becoming increasingly relevant. It is important to strictly comply with the provisions of the intergovernmental Agreement on the Protection of Intellectual Property Rights, 234 follow the joint Recommendations on the Legal Aspects of the Commercialization of Technologies, 235 constantly improve the rules for the use of technologies and establish effective mechanisms for dispute monitoring and resolution. Each agreement on scientific and technical cooperation has to include specific provisions to protect intellectual property.

Expanding science, technology and innovation cooperation requires the creation of a so-called "soft infrastructure," including a full-fledged market for specialized

²³² High Technology and Development Zones in China // Lehman, Lee & Xu. URL: http://www.lehmanlaw.com/resource- center/links/high-technology-and-development-zones-in-china.html.

²³³ "Technoparks of Russia 2019" Fifth Annual Review / L. V. Danilov, E. A. Kashinova, E. I. Kravchenko, M. M. Bukharova (Ph.D.), and M. A. Labudin // Association for the Development of Clusters and Technology Parks of Russia. Moscow: AKIT RF, 2019, p. 16.

²³⁴ Agreement between the Government of the Russian Federation and the Government of the People's Republic of China on the Protection of Intellectual Property Rights // Electronic Fund of Legal and Normative and Technical Documentation. URL: http://docs.cntd.ru/document/1901277 (In Russian).

²³⁵ Status and Prospects of Scientific and Technical Cooperation between China and Russia // People's Daily. October 19, 2004. URL: http://russian.people.com.cn/31857/33234/39566/2929134.html (In Russian).

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business services. Companies, especially small and medium-sized enterprises, need technical support, high-quality technical translations, as well as legal support and other services. In order to ensure the effective implementation of joint Russia—China projects, it would be wise to provide incentives for the creation of competent and reliable intermediary companies and consulting agencies that could provide such high-quality services on favourable terms. Training young professionals with the necessary skillsets remains a priority.

Finally, it is important to create a favourable informational background for interaction, which would help deepen mutual understanding and build trust between the two sides. The relevant agencies and media of the two countries should provide objective coverage of joint scientific and technical projects, refuting false messages and avoiding explicit anti-Chinese and anti-Russian rhetoric. Development institutions and scientific and analytical centers should provide stakeholders with the information they need to navigate the market and understand the scientific and technological landscape of both countries.

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6. Russia-China Cooperation in Education, Culture, Media and Tourism

6.1. The Context of the Collaboration in Education, Culture, Media and Tourism

The series of commemorative events honouring the 70th anniversary of the establishment of diplomatic relations between Russia and China provided an important background for the development of cooperation in 2019. In 2020, the sides are celebrating another important event, the 75th Anniversary of the Victory in World War II.

The friendly relations between the leaders of the two countries continue to be an important factor. This is clear from the statements made by Xi Jinping in which he states that he considers Putin his best friend and that their friendship does not depend on third parties. Putin's appearance with a cake for Xi Jinping's birthday during the SCO Summit in Central Asia also suggests that the two are close. Journalists have lost count of the exact number of meetings between Vladimir Putin and Xi Jinping, starting with Xi Jinping's first visit to Russia in spring 2013 after his appointment as President of the People's Republic of China. The number cited is "more than 30 times." 236 In the spring of 2019, Vladimir Putin took part in the Second Belt and Road Forum for International Cooperation. In June 2019, Xi Jinping led a delegation of more than 1000 Chinese officials at the St. Petersburg International Economic Forum. During the visit, he attended the signing of approximately 20 different agreements together with Vladimir Putin and became an honorary professor at St. Petersburg State University.²³⁷ A joint statement was signed on the development of a comprehensive strategic partnership for collaboration in the new era, which contained a large section on cooperation in areas, such as education, youth exchanges, health, culture and the arts, sports (including preparations for the 2022 Winter Olympics in Beijing), tourism, the protection of nature, forests and rare animals and the perpetuation of the memory of heroic figures.²³⁸ The friendship between Vladimir Putin and Xi Jinping was not overshadowed by the President of the Russian Federation's phrase at SPIEF 2019 that Russia would occupy the position of a "smart monkey" sitting on a mountain and watching the dragon and the tiger fight in the valley.²³⁹ However, the Russian leader explained that Russia's sympathies were on the side of China, since it was the United States that violated all the rules and customs of international cooperation.240

²³⁶ As Relations with U.S. Sour, Xi Describes Putin as 'Best Friend' at Moscow Meeting // NPR. June 6, 2019. URL: https://www.npr.org/2019/06/06/730200317/as-relations-with-u-s-sour-xi-describes-putin-as-best-friend-at-moscow-meeting

²³⁷ Xi Jinping, President of the People's Republic of China, Has Been Awarded an Honorary Doctorate from St. Petersburg University // St. Petersburg University. June 10, 2019. URL:https://english.spbu.ru/news/2936-xi-jinping-president-of-the-people-s-republic-of-china-has-been-awarded-an-honorary-doctorate-from-st-petersburg-university

²³⁸ Ibid.

²³⁹ Plenary Session of St. Petersburg International Economic Forum // The President of Russia. June 7, 2019. URL: http://en.kremlin.ru/events/president/news/60707

²⁴⁰ Vladimir Putin Interview to Mir Interstate Television and Radio Company // The President of Russia. June 13, 2019. URL: http://en.kremlin.ru/events/president/news/60741

In September 2019, the 20th meeting of the Russian–Chinese Intergovernmental Commission for Humanitarian Cooperation was held, chaired by Deputy Prime Minister Tatiana Golikova and Vice Premier Sun Chunlan.²⁴¹ Relations were discussed in the fields of education, sports, culture, archiving, digital development, the media, cinema, tourism, healthcare and youth exchanges.²⁴² Tatiana Golikova noted that significant potential for further cooperation exists in the healthcare sector (maternal and child health, cancer and epidemics, disaster medicine), youth entrepreneurship and innovation (a network of joint business incubators), physical education and sports and tourism. Sun Chunlan recalled that, during the meeting between Vladimir Putin and Xi Jinping in Moscow in June 2019, the parties agreed to include humanitarian ties among the five priority areas of bilateral relations.²⁴³

Close communication at the level of governments and major businesses continued to influence public opinion, especially in Russia. According to the Public Opinion Foundation, 62 per cent of Russians believe that China is the "closest and friendliest" country to Russia, compared to 54 per cent of respondents in 2014.²⁴⁴

The COVID-19 pandemic, which began in Wuhan, China, in December 2019, has had serious consequences for various areas of bilateral collaboration, primarily because the measures taken to contain the spread of the disease have led to an almost complete freezing of contacts. Caught in the province of Hubei, Russian citizens had to be evacuated by airplanes of the Russian Aerospace Forces. As the pandemic spread, international traffic was significantly limited; Russia and China introduced temporary restrictions on the entry of foreign citizens. Even if the anti-epidemic measures are eased in the second half of 2020, it does not seem likely that the traditionally high level of scientific, educational, cultural, tourist and sports exchanges will be achieved this year. Under these new circumstances, it is important to maintain the interest of the peoples of Russia and China in cooperation and make more active use of remote communication formats without compromising the quality of interaction.

6.2. Educational Cooperation between Russia and China in 2019

Cooperation in education appears to be one of the basic elements of sociocultural interaction between the two countries. The number of people who know the

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²⁴¹ 24th Regular Meeting of Russian and Chinese Heads of Government // The Russian Government. September 17, 2019. URL: http://government.ru/en/news/37872/

²⁴² Ibid

²⁴³ China and Russia Agree to Strengthen Humanitarian Cooperation // Xinhua. September 18, 2019. URL: http://russian.news.cn/2019-09/18/c 138399371.htm (In Russian).

²⁴⁴ Russians Do Not Think China is the Elder Brother of Russia [俄罗斯 人 眼中 的 中俄 中国 不是 大哥] // DW News. 07/06/2019. URL: http://news.dwnews.com/global/news/2019-06-06/60136596.html (In Chinese).

²⁴⁵ The Russian Defence Ministry Has Completed an Emergency Evacuation of Russians From the City of Wuhan and Hubei Province of the People's Republic of China to the Russian Federation // Ministry of Defence of the Russian Federation. February 5, 2020. URL: https://enq.mil.ru/en/structure/forces/aerospace/news/more.htm?id=12274350@egNews

²⁴⁶ Russia Suspends Chinese Citizens from Entry to Russia From Feb 20 // Reuters. February 18, 2020. URL: https:// fr.reuters.com/article/healthcareSector/idUSR4N29Z00Y; Russian Government Extends Entry Ban for Foreigners // TASS. April 29, 2020. URL: https://tass.com/politics/1151325The Global Quarantine has Already Ended, but Most of the Time Everyone is at Home" // Kommersant. April 15, 2020. URL: https://www.kommersant.ru/doc/4321794 (In Russian).

language of the partner state is an asset for the further development of bilateral relations.

In 2012, the parties signed the Action Plan for the Development of Russia—China Humanitarian Cooperation, ²⁴⁷ aiming to bring the number of people studying in partner states to 100,000 by 2020. As of 2019, the number of Chinese students studying in Russian universities was approximately 30,000. ²⁴⁸ China is the second largest source of foreign students in Russia after Kazakhstan. The number of Russian students in China is almost 20,000. However, if we take the number of students to include all categories of participants in short-term summer or winter schools, courses, delegation exchanges, as well as interns and business travellers, this figure rises to 80,000. During the 20th meeting of the Commission on Humanitarian Cooperation, Deputy Prime Minister Tatiana Golikova said that "the total number of bilateral student exchanges, including short-term educational programmes, has exceeded 90,000." ²⁴⁹ In 2020, the COVID-19 pandemic caused educational exchanges and many other educational contacts to be suspended or cancelled, and it is unlikely that the dynamics of these ties will be restored by the end of the year.

As of 2019, a total of 19 Confucius Institutes and five Confucius Offices operate in Russia. Russia has opened 35 Russian language and culture centers in China. The Russian language is now taught in 236 Chinese educational institutions. In Russia, the Chinese language is studied in around 230 educational institutions, and the total number of people studying Chinese amounts to 26,000.²⁵⁰ In 2019, Chinese became the fifth foreign language in which students can take the Unified State Exam.²⁵¹ In addition, starting in 2020, the results of this exam will be considered by universities in student applications.²⁵²

Eleven specialized associations of universities in Russia and China have been created, and there are such platforms as the Forum of Rectors of Russian and Chinese Universities. As regards inter-university relations, approximately 950 cooperation agreements²⁵³ have been signed (other sources put this figure at about 2500²⁵⁴).

²⁴⁷ Memorandum on the Implementation of the Action Plan for the Development of Russia–China Humanitarian Cooperation // Electronic Fund of Legal and Technical Documentation. December 6, 2012 URL: https://m.minobrnauki.gov.ru/ru/press_center/card/?id_4=2254 (In Russian).

²⁴⁸ Chinese Students in Moscow Optimistic amid Russia's COVID-19 Battle // EurAsia Info. April 14, 2019. URL: http://www.eurasiainfo.ch/en/chinese-students-in-moscow-optimistic-amid-russias-covid-19-battle/

²⁴⁹ 20th Meeting of the Russian-Chinese Commission for Humanitarian Cooperation // Government of Russia. September 16, 2019. URL: http://government.ru/news/37873/ (In Russian).

²⁵⁰ Regular Meeting of the Presidium of the Russian Academy of Sciences Held on September 24, 2019 // Russian Academy of Sciences. September 24, 2019. URL: http://www.ras.ru/news/shownews.aspx?id=f45dd95b-8cd1-459c-9dcc-849e76833eb9&print=1 (In Russian).

²⁵¹ Mandarin to Be Included on Russia's College Entrance Exam by 2019 // CGTN. November 30, 2018. URL: https://news.cgtn.com/news/3d3d514e7a59544f30457a6333566d54/share_p.html

²⁵² Ihio

zsa Current Status and Prospects of Russia-China Cooperation in Education [in Chinese 中俄 教育 合作现状 与 愿景] // Sinoss. June 13, 2019. URL: https://www.sinoss.net/2019/0613/87751.html (In Chinese).

²⁵⁴ Victor Koksharov: Russia-China Humanitarian Cooperation is Developing Rapidly [in Chinese 维克 多·卡克沙洛夫 : 俄中人文合作高速发展] // Ural Federal University. October 1, 2019.
URL: https://urfu.ru/cn/news/?news=28576&cHash=79d1753a1d748d623cd6a7f235fb90ea (In Chinese).

Moscow universities alone have signed over 200 cooperation agreements with universities in China.²⁵⁵

The role of the Shenzhen MSU–BIT University as a pilot project has been noted in the annual reports on the state of Russian–Chinese relations by RIAC, the RAS Institute of Far Eastern Studies and Fudan University. In July 2019, it was reported that 313 people were taking undergraduate and graduate programmes at the Joint University, including 285 citizens of China and 28 citizens of Russia, the CIS countries and Europe. Moreover, its development plan involves an increase in the number of students to 5000.²⁵⁶ The current number of students, including 2019 admissions, is 518.²⁵⁷

Problems have emerged in the existing formats of cooperation, such as the narrowness of areas and sectors of interaction Approximately 70 per cent of Russian students studying in China have chosen to major in Chinese language, while roughly 70 per cent of all students from Russia are on internships and not students of bachelor's or master's programmes. Educational cooperation needs to be improved based on the fact that the countries have different economic profiles: in Russia, the most promising areas are the aircraft and aerospace industries, as well as new materials and a number of other sectors, while China is more focused on light industry, electronics and communications. In addition to hitting exchange targets, critical research has to be done on the effectiveness of educational cooperation.

The COVID-19 pandemic poses new challenges for Russia and China in developing educational cooperation. The development of new formats of interaction in this area is becoming particularly relevant. It is especially important to closely monitor the problems that Russian and Chinese students currently face in the partner state.

6.3. Russia-China Cultural Relations in 2019

Fruitful cultural contacts continued between Russia and China in 2019. A number of high-profile Russian cultural figures, including Yuri Bashmet, Valery Gergiev and others, performed in China during the year. The Moscow Kremlin museums and the Palace Museum in the Forbidden City (Gugong) held cross-exhibitions in Moscow and Beijing.²⁵⁸

Cooperation in cinema has intensified and, considering the enormous capacity of the Chinese market, many Russian film production and film distribution companies are seeking to develop joint projects with Chinese partners. Films such as

²⁵⁵ Current Status and Prospects of Russia-China Cooperation in Education [in Chinese 中俄 教育 合作现状 与 愿景] // Sinoss. June 13, 2019. URL: https://www.sinoss.net/2019/0613/87751.html (In Chinese).

²⁵⁶ Russia and China Step up Cooperation in Science and Education // Ministry of Science and Higher Education of the Russian Federation. July 8, 2019. URL: https://minobrnauki.gov.ru/ru/press-center/card/?id_4=1625 (In Russian).

²⁵⁷ Plenary Meeting of the International Academic Conference on Russian—Chinese Relations // Russian Historical Society. September 6, 2019. URL: https://historyrussia.org/index.php?option=com_content&view=article&id=3064&catid=86 (In Russian).

²⁵⁸ The East Route. Heads of the Diplomatic Missions of Russia and China Speak about Cooperation in the New Year // Rossiyskaya Gazeta. January 20, 2020. URL: http://russian.news.cn/2019-09/18/c_138399371.htm (In Russian).

Lost in Russia, Looking Up, The Legend Hunters and the animated series Panda and Krosh are being prepared for release.²⁵⁹ At the same time, there have been a number of high-profile failures in this area. An example is the much-expected release of Viy 2: Journey to China, which involved such world-class stars as Jackie Chan and Arnold Schwarzenegger.²⁶⁰ Despite a budget of \$50 million and the star cast, the film failed at the box office, bringing in only \$5.6 million in Russia instead of the \$2 billion the creators expected. In 2019, the bankrupt Russian Film Group Corporation (RFG), which was involved in the creation of the film, sued the actors and the Chinese state-owned corporation China Film Group. The lawsuit claiming compensation of 217 million roubles (approximately \$3.1 million) was dismissed by the Moscow Arbitration Court. This story, of course, should be taken into account in future cooperation in this area.

In 2020, joint projects and initiatives were suspended or postponed due to the spread of COVID-19 and related anti-epidemic measures.

6.4. Interaction of Russian and Chinese Media in 2019

In 2019, Russia and China actively developed media cooperation both at the bilateral level and within the framework of international integration formats.

In honour of the 70th anniversary of the establishment of diplomatic relations between Russia and China, a multimedia campaign under the slogan "We are Together!" was conducted through a bilingual virtual reality mobile application developed by the Rossiya Segodnya news agency and China Radio International.²⁶¹ During the campaign, users engaged in interactive communication in the application itself, as well as on the VK and Weibo social platforms, where they posted photo and video greetings for two weeks in May 2019, which then were used to create a gigantic virtual birthday card. Around 16 million creative works were produced as part of the project, which attracted approximately 1 billion views and was very well received in both countries.

During the visit of President Xi Jinping to Russia, an agreement was signed between the Russian SPBTV MEDIA company,²⁶² which became the exclusive distributor of China Media Group (CCTV) content in the Russian Federation, and the Chinese Media Corporation. Under this agreement, the parties were to obtain a license and prepare the Chinese channels CGTN, CGRN- Russian and CCTV-4 for broadcast in Russia.

Rossiyskaya Gazeta and the China Media Group launched the joint analytical studio Russia and China: Events and Comments.²⁶³ The partners exchange informa-

²⁵⁹ China–Russia Cinema Cooperation Actively Developing // Xinhua. November 15, 2019. URL: http://russian.news.cn/2019-11/15/c_138558033.htm (In Russian).

²⁶⁰ Increasing Film Imports Show Closer Cooperation between China and Russia // Global Times. March 29, 2018. URL: https://www.globaltimes.cn/content/1095779.shtml

^{261 &}quot;We are Together!" Russia—China Multimedia Campaign Receives One Billion Views // Russia—China Friendship Committee for Peace and Development. June 7, 2019. URL: http://russian-chinese.com/2019/06/07/rossijsko-kitajskaya-multimedijnaya-akciya-my-vmeste-nabrala-milliard-prosmotrov/ (In Russian).

²⁶² China Media Group Inks a Deal with Russia's SPB TV // China Plus. June 7, 2019. URL: http://chinaplus.cri.cn/news/china/9/20190607/299890.html

²⁸³ CMG, Russia's Rossiyskaya Gazeta Newspaper Open Commentary Studio in Moscow // CGTN. June 6, 2019. URL: https://news.cgtn.com/news/3d3d414d784d544d35457a6333566d54/index.html

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tion and human resources in order to provide unbiased and detailed coverage of key events in the life of the two countries. The studio's work involves observers, leading experts and specialists in Russia—China relations. It seems that such steps will increase the level of mutual awareness of the Russian and Chinese peoples, contributing to the development of mutual understanding.

The Sub-Commission on Media Cooperation of the Intergovernmental Russian-Chinese Commission for Humanitarian Cooperation has proven its effectiveness. The 12th meeting of the Sub-Commission was held in Harbin in August 2019, where the parties agreed to hold joint media forums, book fairs and press tours, exchange television and radio content, organize student exchanges, jointly produce films, and set up the Cinema and TV Show Translation Center in Russia. Following the meeting, a memorandum of cooperation was signed between the Sputnik news agency and the Dongbeiwang (DBW) internet portal. As a result, Sputnik and DBW will increase exchanges of news content in Chinese and English, which will allow their audiences to monitor the development of current events on a national and regional scale.

One of the significant events timed to coincide with the meeting of the Sub-Commission on Media Cooperation was the Russia–China Television Week. The event featured seminars on the promotion of television programmes aimed at creating a platform for institutionalized cooperation between the two countries. A number of cooperation agreements were concluded between television companies from Buryatia and Primorye and Chinese regional television companies, as well as between SPB TV and Shanghai television. Such partnerships will contribute to the development of stronger contacts at the interregional level.

In the same context, Rossiya Segodnya and the Guangdong Radio and Television jointly organized the "Russia and Guangdong: Creating a Future Together" discussion forum, during which leading experts from Russia and China exchanged views on bilateral cooperation.²⁶⁷ The participants noted the importance of regional cooperation for the development of bilateral relations in the fields of culture, science and education.

Russia traditionally raises media cooperation issues at large international forums. The Eastern Economic Forum 2019, which featured the 5th Russia–China Media Forum, was no exception.²⁶⁸ More than 100 representatives of relevant agencies and media organizations from the two countries discussed strengthening coordination and mutual trust between the Russian and Chinese media, further developing exchanges, deepening understanding between peoples and highlighting

²⁶⁴ Russia and China to Hold 120 Joint Media Events in 2019–2020 // Ministry of Digital Development, Communications and Mass Media of the Russian Federation. August 14, 2019. URL: https://digital.gov.ru/ru/events/39258/ (In Russian).

²⁶⁵ The Kremlin's Expanding Media Conglomerate // Institute for the Study of War. August 15, 2019. URL: http://www.understandingwar.org/backgrounder/kremlin%E2%80%99s-expanding-media-conglomerate

²⁶⁶ China-Russia TV Week Begins in Northeast China // Xinhuanet. August 15, 2019. URL: http://www.xinhuanet.com/english/2019-08/15/c_138311086.htm

²⁶⁷ Presentation of China's Guangdong Province in Moscow // Sputnik News. September 19, 2019. URL: https://sputniknews.com/world/201909191076839712-presentation-of-chinas-guangdong-province-in-moscow/

^{288 5}th Russia-China Media Forum to be Held at EEF 2019 // Roscongress. August 13, 2019. URL: https://roscongress.org/en/news/5th-russiachina-media-forum-to-be-held-at-eef-2019/

model cooperation projects between the Russian Far East and regions of China. They also noted the special importance of peer learning and borrowing the best media practices in an era of digital transformation.

Media cooperation has been repeatedly discussed by representatives of Russia and China at multilateral platforms. In the second quarter of 2019, a series of Russia—China consultations on media interaction using new technology platforms took place in this format. At a specialized conference of countries collaborating with the Belt and Road Initiative, Russian media showed an increased interest in China's experience in introducing 5G technologies in the media industry. The Russian news agency TASS is among the founders of the Belt and Road News Network (BRNN). The BRNN website and a mobile application were later launched. In total, the Network includes 182 media organizations from 86 countries. The second quarter of 2019, a series of Russia and China at multilateral platforms. In the second quarter of 2019, a series of Russia and China at multilateral platforms. In the second quarter of 2019, a series of Russia and China at multilateral platforms. In the second quarter of 2019, a series of Russia and China at multilateral platforms. In the second quarter of 2019, a series of Russia and China at multilateral platforms. In the second quarter of 2019, a series of Russia and China at multilateral platforms. In the second quarter of 2019, a series of Russia and China at multilateral platforms. In the second quarter of 2019, a series of Russia and China at multilateral platforms. In the second quarter of 2019, a series of Russia and China at multilateral platforms. In the second quarter of 2019, a series of Russia and China at multilateral platforms. In the second quarter of 2019, a series of Russia and China at multilateral platforms. In the second quarter of 2019, a series of Russia and China at multilateral platforms. In the second quarter of 2019, a series of Russia and China at multilateral platforms. In the second quarter of 2019, a series of Russia and China at multilateral platforms. In the second quarter of 2019, a series of Russia and China at multilateral platforms. In the second quarter of 2019, a series of

During a meeting of the Council of National Coordinators of the SCO Member States in May 2019, the parties discussed issues related to strengthening cooperation in the areas of digitalization and information and communication technologies. The SCO Media Forum was held on the eve of the SCO Summit in Bishkek and was attended by more than 100 media representatives and relevant government agencies from 12 countries. One of the outcomes of the forum was the adoption of a resolution highlighting the need to create a specific mechanism governing media cooperation within the SCO and an effective platform to facilitate the practical interaction of media organizations.²⁷¹

Work in this direction was continued by Russian and Chinese media companies, which jointly launched an online system to exchange economic information in the framework of the Belt and Road Initiative.²⁷² This new information platform was initiated by Xinhua News Agency in order to improve the global system for disseminating economic and financial information. The project involves more than 30 leading international news agencies.

Mutual support and coordination of the Russian and Chinese media in the international arena seems to be an important area of cooperation, especially now, when the West takes advantage of being the leading voice in the world.

6.5. Tourist Exchanges in Cooperation between Russia and China

Tourist exchanges between Russia and China increased in 2019 (Table 4). China ranks first among non-CIS countries in the number of visits to the Russian Federation. Tourist flows from China have been on the rise since 2015 due to

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²⁶⁹ A New Sino-Russian High-Tech Partnership // Australian Strategic Policy Partnership. October 29, 2019. URL: https://www.aspi.org.au/report/new-sino-russian-high-tech-partnership

²⁷⁰ TASS Becomes Founders of Media Network under Belt and Road Initiative // TASS. April 23, 2019. URL: https://tass.ru/obschestvo/6367394 (In Russian).

²⁷¹ Resolution of the SCO Media Forum // SCO Secretariat. May 28, 2019. URL: http://rus.sectsco.org/news/20190528/543307.html (In Russian).

²⁷² Information System for Participants of the Belt and Road Initiative Goes Online // RIA Novosti. June 28, 2019. URL: https://ria.ru/20190628/1556019942.html (In Russian).

the relatively low cost of trips to Russia. Currency fluctuations provide additional opportunities for Chinese tourists.

Moreover, a number of projects are currently being implemented to promote Russia as a vacation destination for Chinese tourists. For example, an agreement was signed at the EEF on the involvement of the Arctic Ocean Holding Group in the creation of the Asian Village tourism cluster in Kamchatka.²⁷³ The goal is to further develop tourist exchanges between the regions of Russia and China, as well as twin cities and associations of small tourist cities.²⁷⁴

Table 4. Number of Inbound and Outbound Tourist Trips between Russia and China in 2014–2019, thousands

Year	2014	2015	2016	2017	2018	2019
Number of inbound trips from China to Russia	874	1122	1289	1478	1690	1883
Number of outbound trips from Russia to China	1731	1284	1676	2003	2018	2334

Source: Compiled by Alexander Larionov based on: Number of inbound tourist trips // Federal State Statistics Service of Russia. URL: https://www.gks.ru/free_doc/new_site/business/torg/tur/tab-tur1-1. htm; Number of outbound tourist trips // Federal State Statistics Service of Russia. URL: https://www.gks.ru/free_doc/new_site/business/torg/tur/tab-tur1-2.htm

At the same time, in the absence of systemic action from the Russian authorities responsible for regulating the tourism industry, the growing flow of Chinese tourists is becoming unbalanced. Much has been written and published on this subject over the past five years.²⁷⁵ As the scale of the problem grows, it has the potential to become a kind of irritant in bilateral cooperation.

A significant part of the Chinese tourist flow continues to be served by the shadow sector. The low quality of the services provided on such tours makes Chinese tourists less eager to vacation in Russia. Illegal Chinese guides often provide false information about Russia, while Russian guides are generally not allowed to work with Chinese tourists. A number of Russian media and expert publications say that the large tourist flow from China brings practically no funds to the Rus-

²⁷³ The Honka Company Will Build the First Spa Complex in Kamchatka // Blog Efestio. November 4, 2019. URL: https://blog.efestio.com/the-honka-company-will-build-the-first-spa-complex-in-kamchatka/

²⁷⁴ 24th Regular Meeting of Russian and Chinese Heads of Government // The Russian Government. September 17, 2019. URL: http://government.ru/en/news/37872/

The Yuan's Russian Vacation: Why Chinese Tourism Barely Benefits Russia's budget. March 28, 2018. URL: https://carnegie.ru/commentary/75921https://www.kp.ru/daily/27015/4077916/ (In Russian); Free Guests: How a Million Tourists from the China Wear down the Budget of St. Petersburg // Novye Izvestia. July 29, 2019. URL: https://newizv.ru/news/city/29-07-2019/besplatnye-gosti-kak-million-turistov-iz-knr-obnosyat-byudzhet-peterburga (In Russian); Putin Gets Report on Chinese Tourist Mafia, Promises to Deal with It // Turprom. September 6, 2019. URL: https://www.tourprom.ru/news/43247 (In Russian); Russia Flooded with Chinese Tourists. Why Is It Difficult to Make Money on It? // Sekret Firmy. July 9, 2019.

URL: https://secretmag.ru/opinions/rossiyu-zapolonili-kitaiskie-turisty-pochemu-na-nikh-slozhno-zarabotat.htm (In Russian); Russia Is Not Ready for the Influx of Chinese // Vzglyad. July 23, 2019. URL: https://vz.ru/economy/2019/7/23/988729.html (In Russian).

sian budget, since all the profits go to Chinese entrepreneurs who control hotels, restaurants, bus transport and souvenir shops.²⁷⁶ This means that strengthening control over the organization of tours is necessary for the further development of cooperation between Russia and China in tourism.

In the first half of 2020, the COVID-19 pandemic caused a temporary halt of the tourist flow in both directions.²⁷⁷ With the initial outbreak of the epidemic in China, the Russian Federal Service for Surveillance on Consumer Rights Protection and Human Wellbeing (Rospotrebnadzor) recommended that Russians leave the country and refrain from travelling there until the epidemiological situation is stabilized.²⁷⁸ As of February 3, 2020, a total of 5600 Russian tourists had been brought back from China, and most of them were vacationing on Hainan Island.²⁷⁹ Potential tours to China until June 2020 would have brought in 30,000–32,000 visitors from Russia.²⁸⁰

Later, Russia and China completely suspended the entry of foreign tourists. The dynamics of the spread of the coronavirus and the timeframes of the related restrictive measures suggest that mutual tourist flows will not recover to values approaching pre-crisis levels during 2020. It is expected that the income from tourism exchange between Russia and China will be greatly reduced until the end of 2020.

²⁷⁶ City of Pu. What the Chinese Tourism Business Has Done to Tsarskoye Selo // Fontanka.ru. July 16, 2019. URL: https://www.fontanka.ru/2019/07/16/111/ (In Russian).

²⁷⁷ Russia Suspends Visa-Free Tourist Travel to and From China Over Virus // Reuters. February 1, 2020. URL: https://www.reuters.com/article/us-china-health-russia-travel/russia-suspends-visa-free-tourist-travel-to-and-from-china-over-virus-idUSKBN1ZV3YP

²⁷⁸ Watchdog Warns Russians against Visiting Chinese City Over Coronavirus Outbreak // TASS. January 21, 2020. URL: https://tass.com/society/1111231

²⁷⁹ Unbought Tomatoes and Unsold Crabs. The Blow that Coronavirus Deals to the Russian Economy // BBC News. February 3, 2020. URL: https://www.bbc.com/russian/features-51328431 (In Russian).

Experts Find out How Many Russian Tourists Have Bought Tickets to China // RIA Novosti. January 30, 2020. URL: https://ria.ru/20200130/1564079379.html (In Russian).

Recommendations

Strengthening Strategic Partnership and Interaction on International Agenda Issues

- Russia-China cooperation is developing in a difficult international situation
 that is marked by an increase in conflict potential and the exacerbation of
 traditional and non-traditional security threats. In 2020, the coronavirus
 pandemic has become an additional factor of uncertainty on the global and
 regional levels.
 - As global leaders, Russia and China have a special responsibility in global governance and security. In today's turbulent times, Russia and China need to develop systemic and long-term interaction on international issues, and this should be accompanied by a common understanding of the threats to and goals of global development. The approaches of Moscow and Beijing to individual problems may not coincide, but it is important that the two countries maintain strategic unity on fundamental issues relating to the world order, promoting the development of global governance in the spirit of multilateralism, equality and mutual benefit, and containing unilateral, protectionist and other destructive tendencies in security and the economy.
- 2. In the context of the deepening of strategic partnership between Russia and China, it is particularly important to proceed from the principles of equality, mutual respect, mutual benefit and long-term cooperation, despite certain differences in the conceptual approaches of the two sides to interaction, as well as the differences in economic power, business interests and practices, and cultural identity. Moscow and Beijing should consider all the possible concerns of the partner country and be in constant contact with them in order to resolve any differences that may arise. This way, any potential issues will not have a negative effect on mutual trust and the development of cooperation as a whole.
 - The parties should continue to deepen pragmatic and substantive interaction in all areas and work to gradually eliminate the existing asymmetry in the military-strategic and trade and economic components of the partnership.
- 3. Russia and China have similar approaches to security problems in different regions. The continued coordination of their positions and the active joint work to reduce tensions in Korea, Afghanistan, the Middle East and other regions will help stabilize the situation and reduce the risks for Russian and Chinese interests. What is more, Russia and China need to develop a unified, or at the very least a consolidated, conceptual position in their interaction in Western Asia and Africa, with the countries supporting each other's initiatives in these regions. Greater results in the coordination of regional security policies area may be achieved through the more active use of the SCO.
- 4. The growing confrontation between the United States and China provokes further instability in international relations and creates additional risks for

Russian and Chinese development. It would be in Russia's interests to promote a dialogue on strategic stability and arms control involving Moscow, Beijing and Washington.

The U.S.—China trade war and the sanctions against Russia bring Moscow and Beijing closer together. While Russia is not in a position to replace the United States on the Chinese market completely, it could fortify its positions in the trade of hydrocarbons and agricultural products. Given the restrictions on investment and technological cooperation with the West, the two countries could form a closer technological partnership through the expansion of joint research projects and technology exchange. There is also potential for Russia to attract investment resources from China. The deterioration of educational and sociocultural cooperation between the United States and China gives Russia the opportunity to consolidate its positions on the Chinese education market, develop cooperation in fundamental science and R&D, and strengthen the social foundation of bilateral relations as a whole.

That being said, anti-Americanism cannot become the basis of the Russia-China partnership. To make the most of the cooperation potential in all areas, Russia and China need to remove administrative and financial barriers, resolve infrastructure and personnel issues and alleviate concerns about the growing interdependence of the two countries.

5. Russia and China continue to work together within the framework of universal and regional groupings and dialogue mechanisms. Moscow and Beijing support the central role of the United Nations in the international relations system, although joint work is needed to reform the organization and its Security Council. Cooperation within the G20, BRICS and the SCO are of particular importance for the two sides. By pooling their efforts, Russia and China can make a significant contribution to their improvement with a view to developing a more just and equitable world order and making the voices of developing countries heard in international affairs.

India is an important partner for Russia and China, and the three countries should make full use of the possibilities afforded by the RIC strategic triangle to coordinate their positions on global issues and address mutual concerns. Promoting inter-civilizational dialogue also looks promising, and interaction between Russia, China, India and Iran could be a good starting point for this.

6. Moscow and Beijing are faced with the task of increasing the effectiveness of the work of BRICS and the SCO, which are facing similar difficulties. Given the priorities of Russia's chairmanship of both associations in 2020, an emphasis could be placed on these tasks at their upcoming summits. The COVID-19 pandemic has highlighted the significance of the BRICS and SCO member countries working together to combat global health and security challenges. It would be wise to maintain regular contacts in this area, similar to the practice of holding meetings of the ministers of health within BRICS and the SCO.

Interaction within both mechanisms in the context of the global recession could come in the form of the further development of trade and economic

cooperation, including the expansion of mutual trade, the creation of a financial and payment infrastructure and the promotion of development institutions (for example, the activities of the New Development Bank and the work on the establishment of the SCO Development Bank). In addition, the creation of a network of BRICS and SCO partners on the basis of the "plus" and "outreach" formats looks very promising.

7. The current priority in Russia—China cooperation in Eurasia is to co-develop the Eurasian Economic Union and the Belt and Road Initiative to ensure cohesion and create a space for mutually beneficial interaction in the region. Serious joint work is needed on the part of the EAEU countries and China in order for the alignment project to achieve tangible economic results, including reducing non-tariff barriers, improving the efficiency of customs procedures and developing the transport and financial infrastructure. Cooperation in technology and innovation has become particularly relevant as the parties move deeper into the alignment process. Moscow and Beijing could also include the European Union in the dialogue on ensuring the interconnectedness of Eurasia.

Cooperation in the Arctic is another area that shows promise – the development the potential of the Northern Sea Route as a passage between Asia and Europe in particular, which would also contribute to the socioeconomic development of the Russian Arctic. Before Russia and China step up their cooperation in the Arctic, they first need to carefully weigh the options of potential joint projects in terms of their economic benefits and how they would serve the interests of both sides, taking the special status of the Arctic states into account.

8. Moscow and Beijing could step up their efforts to transform the global energy system and create a stable energy management architecture that takes the positions of developing countries into account. International energy cooperation is a promising area for development, specifically holding consultations with Japan and South Korea with a view to creating a multilateral mechanism in Northeast Asia

The COVID-2019 Pandemic

 The novel coronavirus pandemic has shown that the mechanism of Russia— China interaction in healthcare and emergency prevention and relief needs improvement.

This includes, first and foremost, stepping up communication, developing joint research projects, sharing the results of virological, epidemiological and medical studies, and promoting cooperation in medicine and healthcare. Moscow and Beijing could jointly develop standards for the prevention and control of infectious diseases.

It is important to develop interaction between regional medical institutions, centers and laboratories. Setting up joint companies to manufacture disinfection, testing and diagnosis systems for new-generation viral diseases, as well as hi-tech antiviral agents, could bring positive results.

10. The mechanism for protecting the rights of the citizens of the partner country during epidemiological crises needs to be worked out further, both in terms of ensuring adequate living conditions and access to medical care, and with regard to resolving visa and other administrative issues. The cooperation difficulties that the parties face today need to be carefully monitored and analyzed, as we do not want to see a rise in mutual distrust or a lack of interest in cooperation in the future.

Trade and Economic Cooperation

11. Trade is the main driver of economic interaction between Russia and China, and energy is typically seen as the best way to increase mutual trade. It is vital that the two countries look for ways to diversify the structure of their bilateral trade, especially given the volatility on the energy markets.

Agriculture may be a good way to go, although a number of phytosanitary issues need to be resolved and greater control over the goods that already move between the two countries, as well as improvements to the infrastructure and the efficiency of customs procedures, are needed before any significant increases in food trade can be made. Introducing full-cycle joint production in Russia, which would involve creating a favourable economic environment, including through the provision of preferential loans, may help increase trade turnover in this area.

It would be in Russia's interests to increase deliveries of high value-added products, which largely depends on how realistic it is to improve the country's economic structure. Russia's achievements in shipbuilding, aviation and the automobile industry also hold potential. Promising products in these areas could be presented at various international exhibitions, including those held in China

12. The task of building up mutual investments is as relevant as ever. We will not see an increase in Chinese investments into Russia unless the initiatives that have already been launched are successful. In this context, it is necessary to constantly monitor the progress of these projects and take the positives and negatives of cooperation into account when planning new initiatives. Such initiatives must be thorough and detailed and include estimates of the expected benefits, as well as guarantees that they are in line with the legislation and technical standards of the partner country.

It would be wise to expand the scope of interaction by identifying promising areas for such cooperation. The overall improvement of the Russian economy and the increased trade turnover between Russia and China will stimulate the creation of new niches and the improvement of the investment climate for Chinese investors.

The economic relations that have developed between Russia and China demonstrate the effectiveness of providing state guarantees for major projects that ensure the stability of economic ties. It is important to include small and medium-sized enterprises in this interaction, emphasizing the creation of

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infrastructure that is aimed at stimulating cooperation between commercial organizations, reducing the influence of the human factor, and eliminating uncertainty. In particular, it would be a good idea to develop intermediary structures that would help navigate local legislation and establish business contacts. Increased support from joint investment funds would also have a positive effect. The active participation of Russian and Chinese enterprises in international forums such as SPIEF and the WEF are another factor that contributes to the development of relations between businesses from the two countries.

Ensuring the protection of the rights of foreign investors and developing a transparent and stable business environment remain important tasks for the two countries, especially given the fact that Chinese entrepreneurs often view the Russian investment climate as unfavourable. At the same time, an information policy should be implemented at the state level to ensure entrepreneurs are aware of the current business environment in the partner country.

- 13. Trade and investment cooperation between Russia and China cannot be stepped up without developing the financial infrastructure. In the context of the sanctions against Russia and the U.S.—China trade war, increasing the share of national currencies in mutual settlements and developing an independent payment infrastructure, including the creation of an alternative to the SWIFT system that could also be used by third countries, continue to be priorities. In addition, it is important to support investments in securities denominated in national currencies.
- 14. Poor infrastructure development, particularly on the Russia-China border, is hampering the development of trade and economic cooperation and transport services, including on the regional level. A good way to increase trade flows and encourage the establishment of joint ventures would be to bring logistics facilities into line with modern requirements, modernize existing and open new checkpoints as well as speed up customs control procedures.
- 15. In the context of the negative impact of the coronavirus pandemic on the Russian and Chinese economies and the projected decline in trade and investment cooperation between the two countries, Moscow and Beijing should rethink their approaches to economic cooperation. Right now, the effective use of digital tools for business contacts, as well as online payments and the development of e-commerce, are key tasks. The supply of medical products and essential goods is also important. At the same time, we need to start developing measures now to restore business activities between the two countries and resume joint projects at an accelerated pace after the crisis.

Cooperation in Science, Technology and Innovation

16. The Years of Russia-China Scientific, Technical and Innovation Cooperation in 2020–2021 are projected to foster interaction in this area. A transition to a deep level of cooperation is needed, including joint research and development and the introduction of hi-tech manufacturing solutions that can then be commercialized and exported around the world. Moving to a new level of cooperation requires a certain harmonization of Russian and Chinese interests and strategies in this area. It is important to prevent the unidirectional export of highly skilled employees and advanced developments.

As the Russia-China partnership grows, so does the need for Russia to develop a systematic and integrated approach to cooperation in order to overcome the "strategic asymmetry" in the bilateral relations.

- 17. There is a long-standing tradition of technological cooperation between researchers from the two countries that is now in need of new programme planning documents and additional financing. Increasing the number of joint events is recommended, from academic competitions and scientific programmes to ensuring mutual access to unique facilities and assets.
 - The importance of stepping up the dialogue between science and business is determined by the level of interest in commercializing new technologies.
- 18. In terms of business interaction, it is of utmost importance to ensure the development of small and medium-sized innovative enterprises and involve them in such cooperation. Specialized investment funds that are made of public and private capital can help secure additional funding for these enterprises and ease their entry into the Russian and Chinese markets. Such funds play an important role in the implementation of large-scale projects.
 - Expanding partner ties and increasing the number of Russian and Chinese technology parks and innovation centers involved in joint projects can also help increase innovative potential.
- 19. In addition to developing cooperation in science, technology and innovation, a full-fledged market for specialized business services in this area should be created. Qualified and reliable intermediary companies and consultancies that provide technical support, technical translations, or legal support should be established. Young specialists with the necessary competencies and a high level of language proficiency should be fast-tracked for work in this area.
- 20. Particular attention should be paid to intellectual property issues, guided by the intergovernmental Agreement on the Protection of Intellectual Property Rights and the joint Recommendations on the Legal Aspects of the Commercialization of Technology and the Creation of Effective Monitoring and Dispute Resolution Mechanisms.
- 21. It is equally important to ensure favourable media coverage. Media in both countries should deliver unbiased coverage of joint scientific and technical projects, and relevant departments, research centers and other participants in the cooperation process should provide all interested parties with the necessary information.

Cooperation in Education, Culture, Media and Tourism

22. The importance of cooperation in education as the foundation for the development of the entire spectrum of relations between Russia and China means

that it deserves special attention from the state, business and academic circles. The focus of educational exchanges should not be on short-term internships and language courses, but rather on attracting students to take degree courses at universities in the partner country – and not in language studies, but in a specialization of the student's choice, with due account of what would open up greater opportunities in either Russia or China. What is more, we should not fixate on the number of students enrolled on exchange courses. Rather, we should focus on improving the quality of the education they receive. Academic and educational exchanges were suspended or even cancelled during the pandemic, which in turn shone a light on the urgent need to develop and improve new interactive education formats, including distance learning and videoconferencing. In the context of the anti-epidemic measures that have been taken, it is necessary to carefully monitor the difficulties that Russian students face in China and Chinese students face in Russia and to take a proactive approach.

23. The COVID-19 pandemic and the individual reactions to the spread of the disease affect public opinion and may lead to an increase in mutual distrust between the peoples of Russia and China. It is vital in the current geopolitical climate to prevent misinformation campaigns launched by third parties from shaping public opinion and avoid any kind of anti-Chinese and anti-Russian rhetoric.

It is important to keep the people of both countries aware of what is happening in the other country. To this end, the media in Russia and China should continue to provide objective and detailed coverage of key events in the life of the other state, as well as key events on the international agenda. Digital tools can be used for this.

It is becoming more important than ever for Russia and China to coordinate their information efforts on a global and regional scale, especially in conditions where the West takes advantage of the leading voice in the world.

- 24. The coronavirus pandemic has severely limited joint cultural initiatives. This is where the potential of digital formats such as online exhibitions and excursions and internet broadcasts of operas, ballets and plays should be used to their fullest. And let us not forget the potential of exchanges in the film arts, which is at an all-time high given the recent trend for Russian and Chinese filmmakers to collaborate on various cinematic projects. Co-produced content can continue in the current conditions, within the scope of the existing restrictions. When developing new projects, it is important to take the accumulated experience of cooperation into account and conduct an in-depth analysis of what Russian and Chinese audiences want.
- 25. The restrictions introduced in response to the COVID-19 pandemic have led to a severe decrease in tourist flows between Russia and China, and it is unclear whether they will rebound in the short term. However, the tasks of rebuilding interaction in the post-crisis period require that priority be given to long-overdue problems, such as modernizing the tourism infrastructure,

- improving the market as a whole and tightening control over the organization of tours.
- 26. The growth of global uncertainty, the emergence of new challenges for Russia-China cooperation and the need to search for new formats of, and growth points for, interaction in the context of the novel coronavirus pandemic make the expert dialogue and the open discussion of problems and possible solutions by the two sides particularly important. The transition to remote work opens up new opportunities for cooperation in the form of webinars and the publication of individual and joint analytical papers and articles.

Annex. Monitoring of the Key Events in Russia— China Relations in Q2—Q4 2019 and Q1 2020

Global Governance and Regional Security Architecture

04.04.2019	Development of joint action by Russia and China as part of the UN Security Council
09.04.2019– 10.04.2019	"Arctic: Territory of Dialogue" 5 th International Arctic Forum in St. Petersburg
09.04.2019– 12.04.2019	SCO Council of National Coordinators Meeting in Beijing
17.04.2019– 18.04.2019	14 th SCO Forum Meeting in Beijing
18.04.2019	Meeting between SCO Secretary-General Vladimir Norov and heads of the leading analytical centers from SCO member states in Beijing
25.04.2019– 27.04.2019	2 nd Belt and Road Forum for International Cooperation in Beijing
25.04.2019	Trilateral negotiations on the situation in Afghanistan in Moscow
29.04.2019	Meeting of Defence Ministers of the SCO Member States in Bishkek
15.05.2019	14th Meeting of Security Council Secretaries of the SCO Member States in Bishkek
15.05.2019	Meeting of the Heads of Regions of the SCO Member States in Chongqing
16.05.2019	Russia–China consultations on strategic stability in Moscow
17.05.2019– 20.05.2019	SCO Council of National Coordinators Meeting in Bishkek
22.05.2019	Meeting of the Council of Ministers of Foreign Affairs of the Member States of the SCO in Bishkek
27.05.2019	Boycott of the Palestinian Economic Forum announced in Manama
05.06.2019	Joint Statement of Russia and the People's Republic of China on Strengthening Global Strategic Stability in the Modern Era
08.06.2019– 09.06.2019	Meeting of G20 finance ministers and central bank governors in Fukuoka
09.06.2019– 12.06.2019	SCO Council of National Coordinators Meeting in Bishkek
10.06.2019– 11.06.2019	3 rd International Conference on Information Security in Khanty-Mansiysk
13.06.2019– 14.06.2019	SCO summit in Bishkek

15.06.2019	Fifth Summit of the Conference on Interaction and Confidence Building Measures in Asia (CICA) in Dushanbe
17.06.2019– 19.06.2019	14 th Meeting of Supreme Court Chief Justices of the SCO member states in Sochi
18.06.2019– 20.06.2019	10 th International Meeting of High Representatives for Security in Ufa
21.06.2019	1st Meeting of BRICS Energy Research Platform in Moscow
28.06.2019	BRICS summit in Osaka
28.06.2019– 29.06.2019	G20 summit in Osaka
04.07.2019– 05.07.2019	5 th Meeting of BRICS Special Envoys on the Middle East and North Africa in Brasilia
25.07.2019	China supports Russian plan for security in the Persian Gulf
28.07.2019	P5 and Iran joint commission on the nuclear deal in Vienna
01.08.2019– 02.08.2019	Meeting of the BRICS Counter-Terrorism Working Group in Brasilia
20.08.2019– 23.08.2019	SCO Council of National Coordinators Meeting in Moscow
22.08.2019	Joint initiative by Russia and China to convene a UN Security Council meeting
04.09.2019	First consultations of the SCO member states for the prevention of an arms race in outer space
16.09.2019– 19.09.2019	6 th BRICS International Competition Conference in Moscow
17.09.2019– 20.09.2019	SCO Council of National Coordinators Meeting in Beijing
18.09.2019– 20.09.2019	7 th Meeting of Heads of Territorial Authorities for Border Area Emergencies of the SCO Member States in Chelyabinsk
19.09.2019	Joint position of Russia and China at the UN Security Council on ceasefire in Idlib
19.09.2019	$2^{\mbox{\tiny nd}}$ meeting of heads of railway administrations of the SCO member states in Nur-Sultan
20.09.2019– 22.09.2019	International Municipal BRICS Forum in St. Petersburg
24.09.2019– 30.09.2019	74 th session of the UN General Assembly in New York
25.09.2019	Meeting of the Ministers of Foreign Affairs of signatories to the Iranian nuclear deal in New York

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26.09.2019	Meeting of BRICS Ministers of Foreign Affairs in New York
27.09.2019	Meeting of Heads of SCO member states' Environmental Protection Ministries in Moscow
01.10.2019	17 th meeting of the Prosecutors General of the SC member states in Bishkek
10.10.2019– 11.10.2019	Meeting of the SCO Special Working Group on Customs Cooperation in Moscow
11.10.2019	Russia-China consultations on the Middle East and North Africa in Moscow
12.10.2019	International counter-terrorism conference in Istanbul
14.10.2019– 16.10.2019	6 th BRICS Legal Forum in Rio de Janeiro
16.10.2019– 17.10.2019	18th Meeting of Heads of Special Services, Security Agencies and Law Enforcement Organizations in Sochi
17.10.2019– 18.10.2019	Meeting of BRICS High Representatives for Security Issues in Brasilia
17.10.2019 – 18.10.2019	7 th meeting of the SCO Special Working Group on IT in Bishkek
20.10.2019	Russia–China agreement on cooperation in cyberspace
20.10.2019– 22.10.2019	9 th Beijing Xiangshan Forum
25.10.2019	Four-party consultations in Moscow on peace in Afghanistan
28.10.2019	International Symposium on Development and Governance in BRICS
31.10.2019– 01.11.2019	7 th meeting of the Expert Working Group affiliated with the Meeting of Defence Ministers of the SCO member states
01.11.2019– 02.11.2019	18th Meeting of the Council of Heads of Government of the Member States of the SCO in Tashkent
06.11.2019– 07.11.2019	7 th Scientific and Practical Conference of the SCO Regional Anti-Terrorist Structure in Tashkent
07.11.2019– 09.11.2019	Moscow Non-proliferation Conference
08.11.2019	10 th SCO Meeting of Heads of Emergency Prevention and Relief Agencies in New Delhi
12.11.2019	SCO Expert Group on International Information Security in Moscow
13.11.2019– 14.11.2019	11th BRICS summit in Brasilia
15.11.2019	Russia–China declaration on cooperation on the internet

19.11.2019	3 rd UN–SCO high-level special event in New York
22.11.2019– 23.11.2019	Summit of G20 Ministers of Foreign Affairs in Nagoya
26.11.2019– 28.11.2019	Meeting of the Paris Pact Initiative in Shanghai
27.11.2019	Russia–China consultations on arms control in Beijing
28.11.2019	"SCO: Role and Importance for Security and Cooperation in Regional and Global Dimensions" conference in Moscow
02.12.2019	Russia–China consultations on security in Beijing
03.12.2019	Russia–China consultations on security in Shanghai
03.12.2019– 06.12.2019	SCO Council of National Coordinators Meeting in Beijing
06.12.2019	Meeting of the Joint Commission of the Joint Comprehensive Plan of Action in Vienna
09.12.2019	Meeting of Heads of International Military Cooperation of SCO Member States in Beijing
17.12.2019	Russia–China draft UN Security Council resolution on North Korea
18.12.2019	2 nd meeting as part of multilateral consultations on Afghanistan in Tehran
19.12.2019	Russia–China consultations on Syria in Moscow
19.12.2019	3 rd CICA Non-Governmental Forum in Chongqing
20.12.2019	Joint position of Russia and China at the UN Security Council on the draft Western resolution on humanitarian aid in Syria
03.01.2020	China's position on Russia's chairmanship of BRICS
04.01.2020	Telephone conversations between Ministers of Foreign Affairs of Russia and China
06.01.2020	Joint position of Russia and China at the UN Security Council on the attack on the U.S. Embassy in Baghdad
09.01.2020	Strengthened cooperation between Russia and China on the situation in the Middle East
09.01.2020	Round table on Afghanistan in Beijing
13.01.2020	Russia–China consultations on regional security issues in Moscow
14.01.2020	Meeting on the situation in Libya between Deputy Minister of Foreign Affairs of Russia Mikhail Bogdanov and China's Ambassador to Russia Zhang Hanhui in Moscow
17.01.2020	Friendly meeting of ambassadors of the SCO member states in Beijing
19.01.2020	Conference on the situation in Libya in Berlin

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24.01.2020	Joint position of Russia and China on holding a summit of permanent members of the UN Security Council
11.02.2020– 14.02.2020	SCO Council of National Coordinators' Meeting in Moscow
12.02.2020– 13.02.2020	Meeting of SCO Expert Working Group on Law Enforcement in Moscow
14.02.2020– 16.02.2020	56 th Munich Security Conference
18.02.2020– 20.02.2020	9 th meeting of the Expert Working Group affiliated with the Meeting of Defence Ministers of the SCO member states in Islamabad
20.02.2020– 30.06.2020	First BRICS Educational Internship Program in Vladivostok
25.02.2020	International Conference on Disarmament in Geneva
26.02.2020	Meeting of the Iran Nuclear Deal Commission in Vienna
26.02.2020	Joint position of Russia and China on Yemen at the UN Security Council
27.02.2020	Russia's position on possibilities of China's accession to New START
29.02.2020	Joint position of Russia and China on Syria at the UN Security Council
02.03.2020	Announcement of the SCO Peace Mission 2020 drills in Kemerovo
10.03.2020	Joint statement by the Foreign Ministers of five states on the Treaty on the Non-Proliferation of Nuclear Weapons
11.03.2020– 12.03.2020	Meeting of SCO Experts on Combating Illicit Drug Trafficking in Moscow
13.03.2020	Meeting of the BRICS Working Group for the Research of Competition Issues in Pharmaceutical Markets in Moscow

Political Dialogue

03.04.2019	Russia's position on China's Belt and Road Initiative
06.04.2019– 09.04.2019	Visit of a delegation of the Central Committee of the Communist Party of China to Moscow
10.04.2019	Meeting between Head of the Sakha Republic (Yakutia) Aysen Nikolayev and Governor of Heilongjiang Province Wang Wentao in St. Petersburg
25.04.2019– 27.04.2019	Working visit of a delegation of the Federation Council of Russia to Beijing
26.04.2019	President of Russia Vladimir Putin awarded honorary doctorate at Tsinghua University

26.04.2019	Meeting between President of Russia Vladimir Putin and President of the People's Republic of China Xi Jinping in Beijing
13.05.2019	Order of Friendship presented to Chinese Ambassador to Russia Li Hui
13.05.2019	Meeting between President of Russia Vladimir Putin and Minister of Foreign Affairs of the People's Republic of China Wang Yi in Sochi
13.05.2019	Meeting between Ministers of Foreign Affairs of Russia and the People's Republic of China in Sochi
22.05.2019	Meeting between Ministers of Foreign Affairs of Russia and the People's Republic of China in Bishkek
30.05.2019	Visit of a delegation of the Executive Office of the President of Russia to Beijing
30.05.2019	Negotiations between Aide to the President of Russia Anatoly Seryshev and Head of the Organization Department of the Central Committee of the Communist Party of China Chen Xi in Beijing
31.05.2019	State banquet of the Russian Embassy in Beijing
05.06.2019– 07.06.2019	State visit of President of the People's Republic of China Xi Jinping to Russia
05.06.2019	Negotiations between the leaders of Russia and the People's Republic of China in Moscow
05.06.2019	Announcement of two new formats of Russia–China interregional cooperation
05.06.2019	Joint Statement by the Russian Federation and the People's Republic of China on the Development of Comprehensive Strategic Partnership for Collaboration
06.06.2019	President of the People's Republic of China Xi Jinping awarded honorary doctorate from St. Petersburg State University
06.06.2019	Meeting between Prime Minister of Russia Dmitry Medvedev and President of the People's Republic of China Xi Jinping in Moscow
14.06.2019	Meeting of the leaders of Russia, China and Mongolia in Bishkek
15.06.2019	2nd Russia-China Forum on Interregional Cooperation in Harbin
17.06.2019– 18.06.2019	Meetings of Prosecutors General of Russia and the People's Republic of China in Khabarovsk
20.06.2019– 22.06.2019	First Russia-China Municipal Forum in Ryazan
28.06.2019	Meeting of the leaders of Russia, China and India in Osaka
28.06.2019	Meeting between President of Russia Vladimir Putin and President of the People's Republic of China Xi Jinping in Osaka

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17.07.2019	Visit of a delegation of the Ministry of Finance of the People's Republic of China to Moscow
18.07.2019	Meeting between Minister of Economic Development of Russia Maxim Oreshkin and Minister of Commerce of the People's Republic of China Zhong Shan in Beijing
24.07.2019	Meeting between Chairwoman of the Federation Council of Russia Valentina Matviyenko and Chinese Ambassador to Russia Li Hui in Moscow
26.07.2019	Meeting between the Ministers of Foreign Affairs of Russia and the People's Republic of China in Rio de Janeiro
26.07.2019	Meeting between Deputy Minister of Foreign Affairs of Russia Igor Morgulov and China's Ambassador to Russia Li Hui in Moscow
12.08.2019	Inauguration of China's new Ambassador to Russia Zhang Hanhui
21.08.2019	Meeting between Adviser to the President of Russia Anton Kobyakov and China's Ambassador to Russia Zhang Hanhui in Moscow
24.08.2019	Meeting between Chairman of the Russia–China Friendship Association Ivan Melnikov and China's Ambassador to Russia Zhang Hanhui in Moscow
27.08.2019	Meeting between Deputy Prime Minister of Russia Tatyana Golikova and Vice Chairperson of the Chinese People's Political Consultative Council Wang Yongqing in Kazan
05.09.2019	Meeting between President of Russia Vladimir Putin and Vice Premier of the People's Republic of China Hu Chunhua in Vladivostok
07.09.2019	Meeting between Governor of Primorye Oleg Kozhemyako and China's Ambassador to Russia Zhang Hanhui in Vladivostok
16.09.2019	23rd meeting of the Commission on Preparing Regular Meetings of the Prime Ministers of Russia and China in St. Petersburg
17.09.2019	24th Regular Meeting between Prime Ministers of Russia and the People's Republic of China in St. Petersburg
17.09.2019	Visit of Premier of the State Council of the People's Republic of China Li Keqiang to Russia
18.09.2019	Meeting between President of Russia Vladimir Putin and Premier of the State Council of the People's Republic of China Li Keqiang in Moscow
18.09.2019	20th Meeting of the Russian–Chinese Commission for Humanitarian Cooperation in St. Petersburg
25.09.2019– 26.09.2019	5th Meeting of the Inter-Parliamentary Commission on Cooperation of the Federal Assembly of Russia and the Standing Committee of the National People's Congress of the People's Republic of China in Moscow

25.09.2019	Meeting between President of Russia Vladimir Putin and Chairman of the Standing Committee of the National People's Congress of the People's Republic of China Li Zhanshu in Moscow
26.09.2019	Meeting between Speaker of the State Duma of Russia Vyacheslav Volodin and Chairman of the Standing Committee of the National People's Congress of the People's Republic of China Li Zhanshu in Moscow
26.09.2019	Meeting between Chairwoman of the Federation Council of Russia Valentina Matviyenko and Chairman of the Standing Committee of the National People's Congress of the People's Republic of China Li Zhanshu in Moscow
27.09.2019	Meeting of Ministers of Foreign Affairs of Russia and the People's Republic of China in New York
01.10.2019	Telegram from President of Russia Vladimir Putin to President of the People's Republic of China Xi Jinping on the 70th anniversary of the People's Republic of China
11.10.2019	Consultations between representatives of the Ministries of Foreign Affairs of Russia and the People's Republic of China on interference in the internal affairs of sovereign states
14.10.2019– 16.10.2019	Meeting between young talents of the Ministries of Foreign Affairs of Russia, the People's Republic of China and the Republic of India in Moscow and the Tver Region
17.10.2019	Meeting between Secretary of the Security Council of Russia Nikolai Patrushev and member of the Politburo of the Central Committee of the Communist Party of China Yang Jiechi in Brasilia
21.10.2019	Meeting between Deputy Minister of Foreign Affairs of Russia Andrey Rudenko and China's Ambassador to Russia Zhang Hanhui in Moscow
01.11.2019	Meeting between Prime Minister of Russia Dmitry Medvedev and Premier of the State Council of the People's Republic of China Li Keqiang in Tashkent
13.11.2019	Meeting between President of Russia Vladimir Putin and President of the People's Republic of China Xi Jinping in Brasilia
23.11.2019	Negotiations between Ministers of Foreign Affairs of Russia and the People's Republic of China in Nagoya
25.11.2019	Meeting between Minister of Foreign Affairs of Russia Sergey Lavrov and Vice Minister of Foreign Affairs of the People's Republic of China Le Yucheng in Moscow
25.11.2019	7th Meeting of the Dialogue Mechanism between the Ruling Parties of Russia and China in Beijing
25.11.2019	Meeting of a delegation of the United Russia Party and President of the People's Republic of China Xi Jinping in Beijing
25.11.2019– 26.11.2019	Meeting between the Deputy Ministers of Foreign Affairs of Russia and the People's Republic of China in Moscow
02.12.2019	Meeting between Secretary of the Security Council of Russia Nikolai Patrushev and President of the People's Republic of China Xi Jinping in Beijing

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03.12.2019	Meeting between Secretary of the Security Council of Russia Nikolai Patrushev and Mayor of Shanghai Ying Yong
04.12.2019	Meeting between a delegation of the Communist Party of Russia and representative of the Communist Party of China Zhao Leji in Beijing
05.12.2019	12th Plenary Session of the Russia–China Committee for Friendship, Peace and Development in Beijing
10.12.2019	Joint position of Russia and the People's Republic of China on politization of sport
18.12.2019	Telephone talks between the Ministers of Foreign Affairs of Russia and the People's Republic of China
23.12.2019	Announcement of the Years of Russia–China Scientific, Technical and Innovation Cooperation in 2020–2021
26.12.2019	Telephone talks between the Deputy Ministers of Foreign Affairs of Russia and the People's Republic of China
31.12.2019	Exchange of New Year greetings between the leaders of Russia and the People's Republic of China
19.01.2020	Meeting between President of Russia Vladimir Putin and Chief of the Central Foreign Affairs Commission Office of the Communist Party of China Yang Jiechi in Berlin
05.02.2020	President of Russia Vladimir Putin received letter of credence from China's Ambassador to Russia Zhang Hanhui
15.02.2020	Meeting between the Ministers of Foreign Affairs of Russia and the People's Republic of China in Munich
21.02.2020	Meeting between Deputy Minister of Foreign Affairs of Russia Sergey Vershinin and China's Ambassador to Russia Zhang Hanhui in Moscow
28.02.2020	Visit of a delegation of the Khanty-Mansiysk Autonomous District to the Embassy of the People's Republic of China in Moscow
02.03.2020	Meeting between Deputy Minister of Foreign Affairs of Russia Igor Morgulov and China's Ambassador to Russia Zhang Hanhui
12.03.2020	Telephone conversations between the Deputy Ministers of Foreign Affairs of Russia and the People's Republic of China
18.03.2020	Telephone talks between the Ministers of Foreign Affairs of Russia and China
27.03.2020	Telephone talks between the Ministers of Foreign Affairs of Russia and China

Military and Technical Cooperation

16.04.2019	Completion of delivery of Russian Su-35 fighters to China
23.04.2019	Participation of Russian vessels in the People's Liberation Army Navy parade in Qingdao

23.04.2019– 25.04.2019	8th Moscow Conference on International Security
25.04.2019	Meeting between the Minister of Defence of Russia and the People's Republic of China in Moscow
29.04.2019– 05.05.2019	Naval Interaction 2019 Exercise in Qingdao
20.06.2019	Russia–China General Staff talks in Moscow
30.06.2019	Announcement of a proposal for China to purchase a new batch of Russian Su-35 fighters
23.07.2019	Russian-Chinese air patrol in the Asia Pacific Region
24.07.2019	Start of deliveries of the second regimental set of S-400 to China
28.07.2019	Participation of a Chinese missile destroyer in a naval parade in Kronstadt
03.08.2019– 17.08.2019	5th International Army Games
04.09.2019	Meeting between Minister of Defence of Russia Sergei Shoigu and Vice Chairman of the Central Military Commission of the People's Republic of China Zhang Youxia in Moscow
04.09.2019	24th meeting of the Intergovernmental Russian–Chinese Commission on Military-Technical Cooperation in Moscow
16.09.2019– 21.09.2019	Participation of the People's Republic of China in the Tsentr-2019 exercise in the Orenburg Region
03.10.2019	Cooperation between Russia and the People's Republic of China on missile attack warning
10.10.2019– 21.10.2019	Cooperation-2019 Russian-Chinese counter-terrorism exercise in Novosibirsk
15.10.2019– 29.10.2019	7th Military World Games in Wuhan
21.10.2019	Meeting between Minister of Defence of Russia Sergei Shoigu and Vice Chairman of the Central Military Commission of the People's Republic of China Zhang Youxia in Beijing
13.11.2019	Russia takes part in the ASEAN counter-terrorism exercise in Guilin
25.11.2019– 30.11.2019	Russia, China and South Africa carry out joint maritime exercises in Cape Town
27.12.2019– 30.12.2019	Russia, China and Iran carry out naval drills in the Indian Ocean and the Gulf of Oman
27.02.2020– 03.03.2020	General Staff talks involving military representatives of the SCO member states in Kemerovo

Trade and Economic Interaction

04.04.2019	Round Table on Trade and Economic Cooperation between Russia and China in Moscow
05.04.2019	Launch of online sales of Russian-made products via AliExpress
08.04.2019	Meeting between a delegation of the Federal Service for Veterinary and Phytosanitary Surveillance (Rosselkhoznadzor) and Vice Minister of Agriculture and Rural Affairs of the People's Republic of China Qu Dongyu in Beijing
08.04.2019– 11.04.2019	28th meeting of the Russia–China Mixed Committee on Fisheries Cooperation in St. Petersburg
10.04.2019	Consultations between Rosselkhoznadzor and the General Administration of Customs of the People's Republic of China
12.04.2019	Exhibition of Russian food exporters in Guangzhou
12.04.2019	Publication of statistics on trade turnover between Russia and China
18.04.2019– 22.04.2019	Tianjin Trade and Investment Symposium 2019
23.04.2019	Russian-Chinese Seminar on Trade and Economic Cooperation in Moscow
24.04.2019	Russian-Chinese Seminar on Trade and Economic Cooperation in St. Petersburg
29.04.2019	Expansion of the list of Russian suppliers of dairy products to China
29.04.2019	International Youth Entrepreneurship Forum in Qingdao
05.05.2019	Measures to promote "Two Belts" in Jilin Province
11.05.2019– 15.05.2019	4th Silk Road international expo in Xi'an
14.05.2019– 16.05.2019	SIAL China 2019 international food exhibition in Shanghai
14.05.2019– 16.05.2019	Visit of a delegation of the Samara Region to Chongqing
16.05.2019	Russian–Chinese business forum in Moscow
16.05.2019– 17.05.2019	Astana Economic Forum in Nur-Sultan
17.05.2019	Meeting of the SCO Business Council in Bishkek
17.05.2019	Expanding Cooperation Boundaries business forum in Bishkek
23.05.2019	3rd meeting of the Council for Interregional Cooperation in the Volga–Yangtze format in Cheboksary

24.05.2019– 26.05.2019	International Amur-ExpoForum-2019 in Blagoveshchensk
24.05.2019	Presentation of a project for a cable car across the Amur River in Blagoveshchensk
24.05.2019– 26.05.2019	SCO Qingdao Forum on Economic and Trade Cooperation
31.05.2019	Meeting between heads of the Nizhny Novgorod Region and Anhui Province in Nizhny Novgorod
03.06.2019	Meeting between delegations of the Voronezh Region and Anhui Province in Moscow
04.06.2019	4th Russia-China Forum on Regional Cooperation in St. Petersburg
05.06.2019	Russia–China agreement on cooperation on gas processing
05.06.2019	Interdepartmental talks on the development of cooperation between Russia and the People's Republic of China in agriculture
05.06.2019	Meeting between the Ministers of Agriculture of Russia and the People's Republic of China in Moscow
05.06.2019	Russian-Chinese Memorandum of Understanding on the Promotion of Bilateral Trade
06.06.2019– 08.06.2019	St. Petersburg International Economic Forum
06.06.2019– 07.06.2019	2nd Russian–Chinese Energy Business Forum in St. Petersburg
06.06.2019	Agreement on supplies of Belyov Pastila to China
10.06.2019	Publication of statistics on trade turnover between Russia and China
12.06.2019	Start of imports of Russian timber to the Ningxia Hui Autonomous Region
15.06.2019– 19.06.2019	6th Russia–China Expo in Harbin
15.06.2019	5th Russian-Chinese Business Forum of Small and Medium Business in Harbin
15.06.2019	Memorandum of Cooperation in E-Commerce between the Trade Mission of Russia and Sinopec
01.07.2019– 10.07.2019	First stage of the Russian-Chinese Youth Business Incubator in China
10.07.2019	Publication of statistics on trade turnover between Russia and China
12.07.2019	Negotiations between representatives of the Ministries of Agriculture of Russia and the People's Republic of China in Beijing
16.07.2019	Start of RusAgro's shipments of soybeans to China
17.07.2019 – 24.07.2019	2nd stage of the Russian-Chinese Youth Business Incubator in China

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18.07.2019– 19.07.2019	Alibaba Global Course seminar in Moscow
21.07.2019– 22.07.2019	Visit of a delegation of Chinese entrepreneurs to Voronezh
29.07.2019	Permit granted to import barley from Russia into China
29.07.2019	China lifts restrictions on Russian soybean imports
29.07.2019	Visit of a delegation of Chinese entrepreneurs to Krasnodar
30.07.2019	Agreement on supplies of biodegradable packaging from China to the Ulyanovsk Region
05.08.2019	Start of rapeseed oil exports from the Omsk Region to China
08.08.2019	Publication of statistics on trade turnover between Russia and China
08.08.2019– 11.08.2019	7th China International Port Trade Expo in Suifenhe
10.08.2019	Suspension of fruit supplies from China
14.08.2019	Chayanda field connected to the Power of Siberia
15.08.2019– 16.08.2019	32nd Meeting of the SCO Commission of Ministries and Agencies Responsible for Foreign Economic Activities and Foreign Trade in Beijing
16.08.2019– 20.08.2019	Trade and Economic Fair in Erenhot
21.08.2019	Meeting of the Russia–China Intergovernmental Commission for Cooperation and Development of the Far East and the Baikal Region of Russia and Northeast China in Dalian
28.08.2019	8th Meeting of the Russian–Chinese Standing Working Group for Cooperation in the Field of Veterinary Surveillance, Phytosanitary Control and Food Safety in Qingdao
29.08.2019– 30.08.2019	First Oil & Gas Forum of Yakutia in Mirny
30.08.2019	Pilot Free Trade Zone opens in Heilongjiang
03.09.2019	Meeting between Head of PJSC Gazprom Alexei Miller and Vice Premier of the People's Republic of China Han Zheng in Beijing
04.09.2019– 06.09.2019	5th Eastern Economic Forum in Vladivostok
04.09.2019	1st shipment of Russian whole milk to China
06.09.2019	Meeting of the Russian–Chinese Intergovernmental Commission on Energy Cooperation in Beijing
09.09.2019	Publication of statistics on trade turnover between Russia and China

10.09.2019– 12.09.2019	Eurasian Economic Forum in Xi'an
17.09.2019	Visit of a delegation of the Omsk Region to Manchuria
17.09.2019	Joint statement by the Ministry of Economic Development of Russia and the Ministry of Commerce of the People's Republic of China on the development of a trade road map by 2024
20.09.2019	21st agricultural exhibition in Lianyungang
20.09.2019– 29.09.2019	First stage of the second wave of the Russian–Chinese Youth Business Incubator in Russia
24.09.2019	First Russian Agroexpress to China
25.09.2019– 27.09.2019	5th Small and Medium-Sized Business Forum of the SCO and BRICS Regions in Ufa
25.09.2019– 26.09.2019	SCO National Legal Services International Forum in Shanghai
25.09.2019	Meeting of the SCO Permanent Working Group on Agriculture in Bishkek
26.09.2019	18th Meeting of Ministers of the SCO member states responsible for foreign economic activities and foreign trade in Tashkent
02.10.2019– 05.10.2019	Russian Energy Week international forum in Moscow
10.10.2019	Start of tangerine exports from China's Yichang to Russia
10.10.2019	Visit of a delegation of the Tula Region to Beijing
14.10.2019	Publication of statistics on trade turnover between Russia and the People's Republic of China
14.10.2019– 23.10.2019	Second stage of the second wave of the Russian–Chinese Youth Business Incubator in China
16.10.2019	Visit of Russian entrepreneurs to Chongqing
22.10.2019	ASEAN-SCO: Trade and Investment Potential roundtable discussion in Jakarta
25.10.2019	Entry into force of the Agreement on Trade and Economic Cooperation Between the EAEU and the People's Republic of China
29.10.2019– 31.10.2019	3rd National Trade Fair for Chinese Industrial Equipment and Innovations in Moscow
29.10.2019– 09.11.2019	Visit of a delegation of Rosselkhoznadzor to the People's Republic of China
29.10.2019	Power of Siberia filled with gas

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05.11.2019– 10.11.2019	2nd China International Import Expo in Shanghai
07.11.2019	Launch of direct flights to deliver AliExpress products from China to Russia
12.11.2019	Russian robotics company opens representative office in Hong Kong
13.11.2019– 14.11.2019	BRICS Business Forum in Brasilia
15.11.2019	Publication of statistics on trade turnover between Russia and the People's Republic of China
18.11.2019	Opening of the Russian House in Chengdu
25.11.2019	Meeting on the Heilongjiang Free Trade Zone in Harbin
26.11.2019– 27.11.2019	Global forum on Cross-Border Cooperation in an E-commerce world in Xiamen
02.12.2019	Launch of the Power of Siberia pipeline
02.12.2019	First railway train with vegetable oil from the Penza Region dispatched to China
09.12.2019	Publication of statistics on trade turnover between Russia and the People's Republic of China
16.12.2019	Visit of a delegation of the Ningxia Hui Autonomous Region of the People's Republic of China to Tula
25.12.2019	First shipment of Rusagro's soybeans by rail from Russia to China
04.01.2020	Chinese Center to open in Saratov
06.01.2020	Restrictions on imports of citrus fruits and aquaculture from China
11.01.2020– 20.01.2020	International Shopping Festival in Guiyang
13.01.2020	Expansion of the list of Russian suppliers of poultry to China
15.01.2020	Launch of a system of large-scale sales of flour from Russia to the People's Republic of China
17.01.2020	Start of Russian beef supplies to China
21.01.2020– 24.01.2020	50th World Economic Forum in Davos
03.02.2020	Introduction of restrictions on the import of exotic animals from China to Russia
10.02.2020	Increase in exports of sawn timber from Russia to China
11.02.2020	Publication of statistics on railway traffic between Russia and the People's Republic of China
17.02.2020	Freight traffic from Xuzhou to Moscow restored

18.02.2020	Start of exports of Russian banana chips to China
20.02.2020	Reduced imports of fruit and vegetable from the People's Republic of China to the Far East
20.02.2020	Chinese exporters to Russia resume operations
21.02.2020	Imports of Russian fertilizers to Suifenhe
26.02.2020	Publication of statistics on non-commodity non-energy exports from Russia to the People's Republic of China
27.02.2020	Publication of statistics on natural gas supplies from Russia to the People's Republic of China
27.02.2020	Supplies of Chinese vegetables to Kamchatka resume
02.03.2020	Measures introduced to boost Russian imports of grains to China
03.03.2020	Reduction in tariffs imposed by Russian Railways on export shipments of coal to China
03.03.2020	Introduction of a simplified procedure for importing Russian fertilizers to Zhejiang Province
07.03.2020	Shipments of equipment for the processing of fats from China to Russia
13.03.2020	"Consumer Protection in the E-Commerce Age" round table in Moscow
17.03.2020	Start of rapeseed oil supplies from Krasnoyarsk to Nantong
19.03.2020	"Strategy for the BRICS Economic Partnership" conference in Moscow
30.03.2020	China increases purchases of Russian oil

Joint Projects, Financial and Investment Cooperation

12.04.2019	Russian-Chinese plant opens in Nizhnekamsk
24.05.2019	Chinese investments in the Bratskoye gas condensate field
03.06.2019	Establishment of a Russian–Chinese company for the production of secondary power sources in Voronezh
05.06.2019	Establishment of Russian-Chinese joint venture to sell LNG in China
05.06.2019	Russia and China establish AliExpress Russia joint venture
05.06.2019	Russian–Chinese intergovernmental agreement on settlements and payments
05.06.2019	Haier announces plans to localize production in Naberezhnye Chelny
05.06.2019	Russian-Chinese investments in China's pharmaceutical sector
06.06.2019	Great Wall Motor plant opens in Tula Region

06.06.2019	Chinese investments in the Nakhodka Mineral Fertilizer Plant
06.06.2019	Russian–Chinese investments in the construction of a mining and processing plant in Yakutia
06.06.2019	Agreement on strategic partnership between the RDIF and China Energy Engineering Corporation
10.06.2019– 13.06.2019	Meeting of the SCO Interbank Association Council in Bishkek
01.08.2019	Chinese investments in a Russian automobile factory in Tula Region
05.08.2019– 09.08.2019	Moscow Region investment potential presented in China
19.08.2019	Meeting between China's Ambassador to Russia Zhang Hanhui and representatives of organizations with Chinese participation in Moscow
20.08.2019– 21.08.2019	Showcasing of Russian investment projects in Beijing
21.08.2019	Meeting between the management of VEB.RF and China Development Bank in Beijing
22.08.2019	8th Russia–China Financial Dialogue in Moscow
28.08.2019	Haier washing machine plant opens in Naberezhnye Chelny
29.08.2019	Russia-China Regional Agreement on Oil And Natural Gas Production in Yakutia
03.09.2019	Memorandum of Understanding signed between the stock exchanges of Russia and the People's Republic of China
04.09.2019	China announces plans to invest in the world's largest methanol processing plant in Khabarovsk Krai
05.09.2019	Chinese investments in dairy production in the Russian Far East
10.09.2019	Round table on Russian–Chinese cooperation in Vladivostok
17.09.2019	Memorandum between the Ministry for the Development of the Russian Far East and Arctic and the Ministry of Commerce of the People's Republic of China on the opening of representative offices in the two countries
17.09.2019	Agreement on the key terms of the Russia–China Science and Technology Innovation Fund between the RDIF and China Investment Corporation
17.09.2019	Agreement on the establishment of the Russia–China Greater Bay Area Fund and comprehensive strategic partnership
17.09.2019	Creation of a joint venture to develop biopharmaceuticals
17.09.2019	Cooperation agreement between PJSC SIBUR Holding and Sinopec
11.10.2019	Chinese investments in a gas processing plant near the Gulf of Finland

16.10.2019	UnionPay cards to be accepted throughout Russia
29.10.2019	Announcement of plans to create Russian–Chinese joint venture in Shanghai to produce rubbers
14.11.2019	4th Leasing Conference in Moscow
20.11.2019	Memorandum of understanding between the Moscow Exchange and the China Foreign Exchange Trade System
26.11.2019	Russia-China Greater Bay Area Fund established
26.11.2019	Agreement on the construction of a Russian–Chinese mining and processing plant in the Irkutsk Region
26.11.2019	6th meeting of the Intergovernmental Russian–Chinese Commission for Investment Cooperation
28.11.2019– 29.11.2019	China Overseas Investment Fair (COIFair) in Beijing
02.12.2019	Russian-Chinese joint venture on aluminium production opens in Guangyuan
05.12.2019	Announcement of plans to establish a Russian–Chinese meat products plant in the Tver Region
09.12.2019	Announcement of plans to create the BRICS Pay payment system
17.12.2019	Chinese investments in the Alabuga Special Economic Zone in Tatarstan
19.12.2019	Start of construction of Arctic LNG 2 modules in China
25.12.2019	Chinese investments in the Amur Gas Processing Plant
13.01.2020– 14.01.2020	13th Asian Financial Forum in Hong Kong
21.01.2020	Announcement of plans to build grain terminal in Zabaykalsk
22.01.2020	Launch of AliExpress Russia payment system announced
10.02.2020	China invests in Kaliningrad plant that produces personal protective equipment
18.02.2020	China announces plans to invest in a scrap processing plant in Zabaykalsky Territory
04.03.2020	Chinese investments in an automobile engine plant in Tula

Cooperation in Transport and Infrastructure

02.04.2019	First rails laid on the cross-border bridge over the Amur River
16.04.2019	New agreement for the construction of the Moscow Metro signed with Chinese contractor
01.05.2019	Construction of a tunnel at a new section of the Moscow Metro completed

31.05.2019	Connection of the Russian and Chinese parts of the Blagoveshchensk-Heihe bridge
05.06.2019	Agreement between PJSC MTS and Huawei on developing 5G in Russia
06.06.2019	Joint venture established by PJSC TransContainer and COSCO SHIPPING
06.06.2019	Cooperation Agreement signed between PJSC Rosseti and China Energy in St. Petersburg
06.06.2019	Agreement on the exchange of information on goods and vehicles involved in international transportation across the customs border of the Eurasian Economic Union and the People's Republic of China signed in St. Petersburg
07.06.2019	Announcement of plans to establish Russian–Chinese joint venture on the basis of Maritime Arctic Transport Company
20.06.2019	Freight traffic starts on the Ulan-Ude-Xuzhou railway route
27.06.2019	Online economic information exchange system launched as part of the Belt and Road Initiative in Beijing
28.06.2019	First direct flight connects Shanghai and Vladivostok
04.07.2019	New route for freight railway traffic opens from Yantai to the Moscow Region
09.07.2019	Direct flights connect Xi'an and Vladivostok
15.07.2019	Chinese company completes construction of business center in Moscow
18.07.2019	Blagoveshchensk–Heihe cable car construction starts
26.07.2019	Linking of the Russian and Chinese sections of the Power of Siberia pipeline
29.07.2019– 31.07.2019	Meeting on expanding interaction of the SCO member states in transportation in Beijing
26.08.2019	Container route commissioned connecting the Khabarovsk Krai and Harbin
30.08.2019	High-speed container route commissioned connecting Bashkortostan and Chengdu
04.10.2019	First oil transported from Russia to the People's Republic of China via the Northern Sea Route
10.10.2019	Construction of a private motorway connecting Russia and China announced
12.11.2019	Launch of a multimodal China-Europe route via Baltiysk
12.11.2019	Russia-China agreement on cooperation on transport interchange hubs in Moscow
29.11.2019	Completion of the Blagoveshchensk–Heihe bridge construction
06.12.2019	SCO Round Table on Transport and Logistics Cooperation in Lianyungang
11.12.2019	Construction of railway terminal in Zabaykalsk to export grain to China announced
14.01.2020	Blagoveshchensk–Heihe bridge passed the final acceptance test before becoming operational

15.01.2020	Projects announced to build Primorye-2 in China
07.02.2020	Entry points reopen between the Russian Far East and the People's Republic of China
11.02.2020	Start of Russian coal shipments to China via Kazakhstan
20.02.2020	Freight traffic from Xuzhou to Russia restored
11.03.2020	New logistics warehouse opens as part of the Primorye-1 International Transport Corridor
12.03.2020	Blagoveshchensk-Heihe cable car construction resumed
21.03.2020	Electronic seals now used in transit of sanctioned freight across Russia to China

Cooperation in Science and Technology

01.04.2019	Center for Russian Studies opens in Beijing
04.04.2019	Rostec's position on implementing joint projects with China
10.04.2019	Agreement to establish a Russian–Chinese Center for Arctic research signed in St. Petersburg
11.05.2019	China joins project to build a spaceport in Chelyabinsk Region
15.05.2019	Rosatom concludes contract to build a nuclear power plant in China
22.05.2019– 30.05.2019	21st International Arctic Science Summit Week in Arkhangelsk
26.05.2019– 29.05.2019	International Medical Innovation Forum in Fangchenggang
29.05.2019	Russian-Chinese joint center on space weather established
05.06.2019	Establishment of the Russia-China Science and Technology Innovation Fund
14.06.2019– 16.06.2019	International conference on cooperation in education and scientific research in Harbin
14.06.2019	Launch of the Valley of Intellect ASRTU Russian-Chinese project
21.06.2019	Creation of a Russian–Chinese Research Center for Emerging Economies in Krasnoyarsk
23.06.2019– 28.06.2019	Khabarovsk Krai archive experts pay research visit to Harbin
01.07.2019– 21.09.2019	Training Chinese personnel for the Tianwan Nuclear Power Plant in Obninsk
04.07.2019	Third Meeting of the Russian–Chinese Sub-Commission on Archives Cooperation in Chengdu

09.07.2019	Rosatom launches supplies of nuclear fuel for the Chinese Institute of Atomic Energy
12.07.2019	Russian-Chinese Center for Atmospheric Optics opens in Hefei
19.07.2019	President of the Chinese Academy of Sciences Bai Chunli visits Moscow
19.07.2019	23rd Meeting of the Russia-China Nuclear Subcommittee in Nizhny Novgorod
19.07.2019	Rosatom launches supplies of nuclear fuel for the Tianwan Nuclear Power Plant
22.07.2019	Announcement of plans to create an international research station on the moon
22.07.2019– 26.07.2019	3rd BRICS Mathematics Conference in Kazan
23.07.2019– 24.07.2019	International Russia–China–Mongolia Think Tank Forum in Hohhot
02.08.2019	Agreement with China on satellite systems ratified
16.08.2019– 18.08.2019	All-China Innovation Week in Haikou
16.08.2019– 19.08.2019	Chinese Conference on Oncology in Chongqing
17.08.2019	Memorandum of Understanding between medical centers in Russia and China
21.08.2019– 25.08.2019	World Robot Conference in Beijing
22.08.2019 – 23.08.2019	World Laureates Forum in Sanya
26.08.2019– 28.08.2019	Smart China Expo in Chongqing
27.08.2019– 01.09.2019	China takes part in the MAKS-19 International Aviation and Space Salon in Zhukovsky
28.08.2019	Russian-Chinese aircraft project showcased at MAKS-19
28.08.2019– 30.08.2019	6th Meeting of the Russian–Chinese Committee on Satellite Navigation in Kazan
05.09.2019	7th Russian–Chinese Scientific Exploration of the Pacific Ocean
10.09.2019– 12.09.2019	16th International Science and Technology Exhibition in Manchuria
17.09.2019	Establishment of a Russian–Chinese data center for lunar and deep space research
17.09.2019	Agreement on cooperation in the coordination of Russian and Chinese lunar missions
25.09.2019– 26.09.2019	3rd Russia–China Innovation Dialogue in Shanghai

26.09.2019	SCO Forum of Information Technologies and Innovation Development in Tashkent
10.10.2019– 13.10.2019	5th International China Helicopter Exposition in Tianjin
10.10.2019	Agreement on supplies of Russian helicopters to China
20.10.2019– 22.10.2019	6th World Internet Conference in Wuzhen
22.10.2019– 26.10.2019	26th China Yangling Agricultural High-Tech Achievements Expo
29.10.2019– 31.10.2019	3rd National Trade Fair for Chinese Industrial Equipment and Innovations
01.11.2019	Plans to establish a Russian–Chinese engineering center in Russia to develop the CR929 aircraft announced
04.11.2019	Opening of a Russian–Chinese laser laboratory in Shanghai
06.11.2019	Rosatom supplies nuclear fuel for the Xudabao Nuclear Power Plant
12.11.2019	Russian–Chinese agreement on exchanging BIM technologies in construction
21.11.2019	5th Meeting of the Heads of Science and Technology Ministries and Departments of the SCO Member States in Moscow
27.11.2019	6th Russian-Chinese Engineering Technology Forum in Xiamen
05.12.2019	Opening of the Russian Research Institute at Tsinghua University in Beijing
10.12.2019– 11.12.2019	Meeting of the SCO Permanent Expert Working Group on Agriculture in Moscow
14.01.2020	Announcement of plans to develop Russian-Chinese telescope
15.01.2020	Visiting session of the Valdai Club in New Delhi
20.01.2020	Transfer of the nuclear island of power unit 3 of the Tianwan Nuclear Power Plant for permanent operation
20.01.2020	Announcement of plans to construct power unit 7 of China's Tianwan Nuclear Power Plant
21.01.2020	Russian-Chinese agreement to develop a nuclear reactor in China
23.01.2020	First engineers graduate as part of joint project to build the CR929 wide-body long-haul aircraft
10.02.2020	Research institutes in Russia and China join forces to fight coronavirus
20.02.2020	Russia and China announce plans to establish joint medical zone
25.02.2020	Rosnano completes studies of gas wells in China

04.03.2020	Launch of joint Russian-Chinese cloud platform SberCloud.Advanced announced
11.03.2020	Russian–Chinese plans for a space laboratory announced
14.03.2020	Negotiations on building Russian-Chinese bases on the moon

Cooperation in Education, Culture, Media, Tourism, Sports and Related Areas

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02.04.2019	Delegation from the Guangdong Province Government visits Moscow State University
04.04.2019– 05.04.2019	Seminar on Russian history of the 19th and early 20th centuries in Changchun
04.04.2019– 15.04.2019	Russian–Chinese painting exhibition in Yinchuan
05.04.2019– 06.04.2019	8th Open Crimea International Tourism Forum in Simferopol
14.04.2019– 21.04.2019	Russian cinema week in Beijing and Suzhou
16.04.2019– 29.04.2019	Chinese silk fashion exhibition in Moscow
16.04.2019– 28.05.2019	"Wildlife of China" photo exhibition in St. Petersburg
22.04.2019	Media conference of the Belt and Road Initiative nations
23.04.2019	Belt and Road News Network established in Beijing
25.04.2019– 02.05.2019	4th SCO Youth Camp in Qingdao and Beijing
27.04.2019– 06.06.2019	Motorcycle race along the Road of Friendship from Beijing to St. Petersburg
28.04.2019	Easter service at Shanghai Orthodox Church
29.04.2019	Giant pandas from China arrive in Moscow
28.04.2019– 07.10.2019	Russian pavilion at the International Horticultural Exhibition in Beijing
30.04.2019	Joint edition of the Code for the Designation of the Reign of Celestial Prosperity in Lanzhou
01.05.2019– 20.05.2019	The Vakhtangov Theater tours China
04.05.2019– 17.05.2019	Exhibition of Russian artists in Qingdao
08.05.2019	Meeting of a working group to promote Chinese books abroad in Harbin

09.05.2019	Immortal Regiment event held in Beijing and Guangzhou
11.05.2019	SCO international marathon in Cholpon-Ata
13.05.2019	Charity exhibition of Russian and Chinese artists in Heihe
13.05.2019– 21.06.2019	Photo exhibition of Chinese theatre art in Moscow
15.05.2019– 22.05.2019	Conference on Dialogue of Asian Civilizations in Beijing
15.05.2019– 16.05.2019	China takes part in the Chekhov International Theatre Festival in Moscow
15.05.2019– 16.05.2019	2nd SCO Women's Forum in Bishkek
15.05.2019	16th Meeting of Ministers of Culture of the SCO Member States in Bishkek
20.05.2019– 31.05.2019	"We are Together!" Russian–Chinese interactive campaign
23.05.2019	Forum of the Volga-Yangtze University Association in Cheboksary
24.05.2019	SCO Media Forum in Bishkek
25.05.2019	Presentation of the Generations of Friendship book in Beijing
27.05.2019– 05.06.2019	3rd International Festival of Theatre Schools of the BRICS countries in Moscow
28.05.2019– 31.05.2019	Exhibition of Great Russian and Chinese calligraphy in Moscow
29.05.2019– 30.05.2019	5th international conference "Russia and China: Cooperation in a New Era"
04.06.2019– 09.06.2019	3rd BRICS and SCO Student Spring International Festival in Stavropol
06.06.2019	Meeting with listeners of the Chinese Wisdom by Xi Jinping radio programme in St. Petersburg
08.06.2019– 16.06.2019	Great Altai 2019 International Tourist-Sports Festival
10.06.2019– 11.06.2019	11th Infoforum Yugra 2019 in Khanty-Mansiysk
12.06.2019	3rd Model SCO Youth Conference in Beijing
18.06.2019	Russian-Chinese university opens in Shandong Province
24.06.2019– 30.06.2019	10th Russian-Chinese Fair of Culture and Arts in Blagoveshchensk and Heihe

03.07.2019	Russian-Chinese joint media commentary studio goes live
05.07.2019	First group of Hunchun tourists travelling independently by car enter Russia
06.07.2019– 16.07.2019	2019 Silk Way Rally
06.07.2019– 07.07.2019	9th International Forum "Russian Literature of the 20 and 21 Centuries" in Shanghai
08.07.2019	Meeting between the Deputy Ministers of Education of Russia and the People's Republic of China in Moscow
14.07.2019	Complete Set of Translations by Cao Ying published in Shanghai
16.07.2019– 25.07.2019	6th Russian–Chinese Volga–Yangtze Youth Forum in Changsha
28.07.2019– 11.08.2019	Exhibition of Russian artists at the National Art Museum in Beijing
08.08.2019– 10.08.2019	Second presentation of the Eight Wonders of the SCO project in Dushanbe
14.08.2019	16th Meeting of the Tourism Subcommittee of the Russian–Chinese Commission for Humanitarian Cooperation in Vladivostok
14.08.2019	Memorandum of cooperation between the IA Sputnik news agency and the DBW internet portal
14.08.2019	12th Meeting of the Media Cooperation Subcommittee of the Russian–Chinese Commission for Humanitarian Cooperation in Harbin
14.08.2019– 21.08.2019	Russian–Chinese television week in Harbin
21.08.2019– 25.08.2019	26th Beijing International Book Fair
21.08.2019– 30.08.2019	Exhibition of Chinese Xieyi Paintings in Moscow
22.08.2019	Presentation of Chinese theatre art in Moscow
22.08.2019– 23.08.2019	"Oriental Wind" exhibition in Moscow
22.08.2019	Russian–Chinese photo tour across Jilin Province
22.08.2019	Plenary session of the Russia–China Committee for Friendship, Peace and Development in Beijing
22.08.2019– 27.08.2019	45th WorldSkills Competition in Kazan

22.08.2019– 23.08.2019	"Russia-China and the World" conference in Shanghai
23.08.2019– 01.09.2019	12th Spasskaya Tower festival in Moscow
26.08.2019– 30.08.2019	BRICS School international scientific and educational programme in Moscow
29.08.2019– 08.11.2019	Exhibition of the Moscow Kremlin Museums in Beijing
30.08.2019– 20.09.2019	8th Beijing International Art Biennale
03.09.2019	International Academic Conference on Russia-China Relations in Vladivostok
03.09.2019– 06.09.2019	"Russia–China. Marking the 70th Anniversary of the People's Republic of China" exhibition in Vladivostok
03.09.2019	5th Russia–China Media Forum in Vladivostok
06.09.2019	Delegation from Crimean Federal University visits Beijing
06.09.2019	Presentation of Beijing tourist attractions in Moscow
14.09.2019	Agreement signed to broadcast Soyuzmultfilm films in China
14.09.2019– 15.09.2019	"China: Great Heritage and New Era" exhibition in Moscow
16.09.2019	"Russia and Guangdong: Creating a Future Together" discussion forum in Moscow
18.09.2019	China awards Medal of Friendship to Russian citizen Galina Kulikova
20.09.2019– 22.09.2019	Exhibition of Great Chinese Calligraphy and Painting in Moscow
23.09.2019– 09.10.2019	4th BRICS Film Festival in Rio de Janeiro
24.09.2019	5th Russian–Chinese photo exhibition in Suifenhe
24.09.2019– 28.09.2019	Northern Sustainable Development Forum in Yakutsk
26.09.2019	Moscow-Beijing multimedia conference
09.10.2019	Official reception marking the 70th anniversary of diplomatic relations between Russia and the People's Republic of China in Beijing
11.10.2019	4th BRICS Ministers of Culture Meeting in Curitiba
12.10.2019	First Russian-Chinese "Dialogue with the World" Forum in Moscow

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17.10.2019– 19.10.2019	6th Forum of Rectors of Transportation Universities of Russia and China in Beijing
21.10.2019– 25.10.2019	Infoforum–China in Shenzhen
27.10.2019	Russia and China Women's Forum in Beijing
29.10.2019– 04.10.2019	Russian–Chinese Week of Youth Cultural Exchanges in Suifenhe
30.10.2019– 31.10.2019	BRICS Media Forum in Sao Paulo
31.10.2019– 05.11.2019	"Great Spirit of the Zhejiang Province Erudition" exhibition in Moscow
05.11.2019– 14.11.2019	Russian-Chinese Youth Media Camp in Wuxi
07.11.2019	Moscow-Beijing: Stories from a Family Album book presentation in Beijing
09.11.2019	4th Model SCO Youth Conference in Beijing
10.11.2019	Innovation and entrepreneurship student camp of the Association of Technical Universities of Russia and China in Guangzhou
13.11.2019	BRICS Women's Business Alliance established
14.11.2019– 16.11.2019	8th St. Petersburg International Cultural Forum
14.11.2019– 16.11.2019	3rd Russia–China Internet Media Forum and New Media Exchange Activities in Wuxi
15.11.2019	Russian–Chinese Memorandum on Enhancing Cooperation in Tourism
18.11.2019	Meeting of the World Media Summit presidium in Shanghai
19.11.2019– 25.11.2019	Russian Cinema Week in Beijing
21.11.2019	Agreement on cooperation between national parks of Russia and China
22.11.2019	President of the Russian Academy of Sciences Alexander Sergeev elected member of the Chinese Academy of Sciences
22.11.2019– 24.11.2019	Exhibition of Chinese Tea in Moscow
27.11.2019– 29.11.2019	Sino-Russian Sports Education Forum in Shanghai
29.11.2019– 29.03.2019	Festival of Chinese Lanterns in Moscow

01.12.2019– 11.12.2019	Performances of the China National Opera & Dance Drama Theater in Moscow and St. Petersburg
01.12.2019	SCO Kunming International Marathon 2019
08.12.2019– 11.12.2019	Festival of Russian culture in Beijing and Tianjin
08.12.2019	Forum of Russian–Chinese cinema cooperation in Sanya
10.12.2019– 16.12.2019	Week of Russian culture in Sanya
19.12.2019– 12.01.2010	Exhibition of Chinese art in Moscow
24.12.2019	Anniversary of China's Russian-language broadcasting
27.12.2019– 30.12.2019	3rd Forum of Young Russian and Chinese Writers in Shanghai
29.12.2019– 04.01.2019	Tchaikovsky Symphony Orchestra tours China
30.12.2019	Exhibition of Dunhuang art and culture in Moscow
09.01.2020	Announcement of a Russian–Chinese festival marking the victory in the Second World War
09.01.2020	Text of the Orthodox Christmas service published in Chinese in Hong Kong
10.01.2020	Chinese–Russian Forum of Contemporary Artists in Harbin
14.01.2019– 19.01.2019	Liaoning Ballet performs in Vladivostok
15.01.2020	Russian architectural studio to design museum in Sichuan Province
15.01.2019– 16.01.2019	Fifth Tiger Habitat Ranger Competition in Hunchun
24.01.2020	"Happy Spring Holiday" festival in St. Petersburg
17.02.2020– 17.03.2020	"Russia and China: Centuries of Friendship" exhibition in St. Petersburg
05.03.2020	Books by famous Nenets author translated into Chinese
07.03.2020	Sailors from the ship Neptune repatriated to Russia from Shanghai
12.03.2020– 13.03.2020	BRICS short film festival in Chennai
20.03.2020	Sailors from the ship Patriot repatriated to Russia from Guangzhou
27.03.2020	Hainan news portal launches Russian version

COVID-19 Response

02.01.2020	Enhanced sanitary control on the Chinese border in the Amur Region
21.01.2020	Enhanced health screening for those arriving in the Amur Region from China
21.01.2020	Enhanced health screening for passengers arriving in the Angara Region from China
24.01.2020	Flights from Wuhan to Moscow cancelled due to the coronavirus outbreak
25.01.2020	Sales of vacation packages to China suspended
26.01.2020	Chinese citizens who are suspected of carrying the coronavirus are banned from entering the Amur Region
28.01.2020	Blagoveshchensk-Heihe entry points temporarily reopen to bring tourists home
28.01.2020	Russia temporarily bans Chinese tourist groups from entering the country
29.01.2020	Russia extends the closure of entry points along the Chinese border
29.01.2020	Russia suspends rail links with China
29.01.2020	Russia develops a test system to diagnose COVID-19
29.01.2020	Russia and China start working on a vaccine against the coronavirus
30.01.2020	Russian e-visas for Chinese citizens suspended
31.01.2020	Limited operation of entry points along the Russian-Chinese border
31.01.2020	Russia limits air links with China
31.01.2020	Russia sends humanitarian aid to China
01.02.2020	Telephone talks between the Ministers of Foreign Affairs of Russia and China
01.02.2020	Russian work visas for Chinese citizens suspended
03.02.2020	All rail traffic between Russia and China suspended
03.02.2020	Ban on motor freight traffic between China and the Amur Region lifted
03.02.2020	All Russian tourist groups brought back from Hainan Island
03.02.2020	Russia bans imports of exotic animals from China
04.02.2020– 05.02.2020	Evacuation of Russian citizens from Hubei Province
04.02.2020	Entry restrictions on foreign citizens arriving from China
05.02.2020	Visit of a delegation of the Russian Ministry of Health and the Russian Federal Service for Surveillance on Consumer Rights Protection and Human Wellbeing (Rospotrebnazdor) to Beijing
05.02.2020	St. Petersburg events involving Chinese delegations cancelled

08.02.2020	Dusting Chinese comings on the companion response in Ct. Detemburg
00.02.2020	Russian–Chinese seminar on the coronavirus response in St. Petersburg
08.02.2020	Russia sends humanitarian aid to China
10.02.2020	China tests the Russian coronavirus detection system
14.02.2020	Russia suspends charter flights to China
20.02.2020	Russia bans individuals from bringing Chinese livestock products into the country
20.02.2020	Russia bans Chinese nationals from entering the country
27.02.2020	Russia-China consultations on the coronavirus response in Moscow
03.03.2020	Border area trade zone reopens in Suifenhe
06.03.2020	Aeroflot flights to China reduced
10.03.2020	Meeting of the General Assembly of the Alliance of International Science Organizations in Moscow postponed
16.03.2020	Chinese stages of the Silk Way Rally cancelled
17.03.2020	St. Petersburg announces plans to purchase surgical masks from China
17.03.2020	AliExpress Russia resumes operation in normal business hours
19.03.2020	Russian developments aimed at curbing the coronavirus transferred to China
20.03.2020	AliExpress Russia pays out compensation to Russian customers
20.03.2020	SCO and BRICS events in Russia postponed
23.03.2020	Shipments of Chinese surgical masks to Russia
23.03.2020	Heilongjiang Province sends humanitarian aid to Yakutia
26.03.2020	Alibaba sends humanitarian aid to the Ministry of Defence of Russia
26.03.2020	Extraordinary G20 Leaders' Summit on COVID-19
30.03.2020	Harbin sends humanitarian aid to the Krasnoyarsk Territory
31.03.2020	The Consulate General of the People's Republic of China in Vladivostok sends humanitarian aid to the Primorye Territory

About the Authors

Russian Side

Sergey Luzyanin (Head) – Dr. of History, Professor of the Higher School of Economics, Professor of MGIMO University, Member of the Russian International Affairs Council (RIAC)

Ivan Danilin – Ph.D. in Political Science, Head of Department of Science and Innovation at the Institute of World Economy and International Relations of the Russian Academy of Sciences

Andrey Karneev – Ph.D. in History, Head of the School of Asian Studies at the Higher School of Economics

Vasily Kashin – Ph.D. in Political Science, Head of the Section of International Military-Political and Military-Economic Problems of the Center for Comprehensive European and International Studies at the Higher School of Economics, Leading Research Fellow at the Center for the Study of Northeast Asia Strategic Issues and the Shanghai Cooperation Organization of the Institute of Far Eastern Studies of the Russian Academy of Sciences, RIAC Member

Andrey Kortunov – Ph.D. in History, RIAC General Director, RIAC Member

Yury Kulintsev – Research Fellow at the Center for the Studies of Northeast Asia Strategic Issues and the Shanghai Cooperation Organization of the Institute of Far Eastern Studies of the Russian Academy of Sciences

Alexander Larionov – Ph.D. in Public Administration, Leading Researcher at the Center for Strategic Forecasting and Planning of the Institute of Economic Policy and Economic Security Problems of the Financial University under the Government of the Russian Federation

Ruslan Mamedov – RIAC Program Manager

Vladimir Petrovsky – Dr. of Political Science, Chief Research Fellow at the Center for Russian-Chinese Relations Studies and Forecasting of the Institute of Far Eastern Studies of the Russian Academy of Sciences

Ksenia Kuzmina – RIAC Program Manager

Chinese Side

Zhao Huasheng (Head) – Professor of the Institute of International Studies at Fudan University

Liu Huaqin – Ph.D. in Economics, Professor, Director of the Institute of Europe and Eurasia at the Chinese Academy of International Trade and Economic Cooperation under the Ministry of Commerce of the People's Republic of China

Shi Ze – Professor at the China Institute of International Studies under the Ministry of Foreign Affairs of the People's Republic of China, Former Adviser to the Chinese Embassy in the Russian Federation

Xing Guangcheng – Dr. of Law, Professor, Academician, Director of the Institute of Chinese Borderland Studies at the Chinese Academy of Social Sciences (CASS)

Sun Wanhu – Former Deputy Head of the Department of International Cooperation of the Ministry of Science and Technology of China, Former Adviser on Science and Technology to the Chinese Embassy in the Russian Federation

Feng Yujun – Dr. of Law, Professor, Deputy Director of the Institute of International Studies, Director of the Center for Russia and Central Asia Studies at Fudan University

Yang Cheng – Dr. of Law, Professor at the Shanghai International Studies University, Executive President of the Shanghai Academy of Global Governance and Area Studies

Li Yonghui – Dr. of Law, Chief Research Fellow, Deputy Head of the Russia's Foreign Policy Department of the CASS Institute of Russian, Eastern European and Central Asian Studies

Song Niu – Ph.D., Professor of the Middle East Studies Institute at Shanghai International Studies University

Russian International Affairs Council

The Russian International Affairs Council (RIAC) is a non-profit international relations think tank on a mission to provide policy recommendations for all of the Russian organizations involved in external affairs.

RIAC engages experts, statesmen, entrepreneurs and members of civil society in public discussions with the aim of increasing the effectiveness of Russian foreign policy.

Along with research and analysis, RIAC is involved in educational activities aimed at creating a solid network of young global affairs and diplomacy experts.

RIAC is an active player on the public diplomacy arena, presenting Russia's vision on the key issues of global development on the international stage.

RIAC members are the leaders of Russia's foreign affairs community – diplomats, businesspeople, scholars, public leaders and journalists.

RIAC President Igor Ivanov, Corresponding Member of the Russian Academy of Sciences, served as Minister of Foreign Affairs of the Russian Federation from 1998 to 2004 and Secretary of the Security Council from 2004 to 2007.

Andrey Kortunov is the Director General of RIAC. From 1995 to 1997, Dr. Kortunov was Deputy Director of the Institute for U.S. and Canadian Studies of the Russian Academy of Sciences.

Institute of Far Eastern Studies of the Russian Academy of Sciences

The Institute of Far Eastern Studies (IFES) of the Russian Academy of Sciences (RAS) is a leading scientific research institution of the Russian Academy of Sciences. The institute conducts research work on fundamental problems and development of economy, history, foreign policy, philosophy and culture of China, Japan, Korea as well as international policy issues and economic integration in the Asia Pacific Region.

Since its establishment, the IFES RAS has become one of the largest research centers conducting integrated studies on the Northeast Asia problems, situation on the Korean Peninsula and relationship between Russia and the countries of the region.

The Institute of Far Eastern Studies continues the best traditions of over two hundred years of Russian oriental studies. Priority areas of its research activities are as follows: scientific support of a relationship program for Russia and its Far Eastern neighbours, development and security issues of the Northeast and Central Asia, studies on history, modern life, social and economic development and spheres of life of China, Japan, Democratic People's Republic of Korea and Republic of Korea.

Fudan University

Fudan University was established in 1905 as Fudan Public School. It was the first institution of higher education to be founded by a Chinese person, renowned modern educator Ma Xiangbo. The school's name was chosen from the "Biography of Yuxia" in the Classic of History (《尚书大传 虞夏传》), where the two characters fú 复 ("return") and dàn 旦 ("dawn") are found in the famous lines "Brilliant are the sunshine and moonlight, again the morning glory after the night," signifying continuous self-renewal, and expressing the hope that China will become a country with a strong higher education system run by Chinese intellectuals.

Fudan University was merged with Shanghai Medical University in 2000, forming a new, stronger Fudan University with a broader set of disciplines: medicine, sciences, and arts.

As one of the first participants in the 211 and 985 Projects, Fudan has developed into a comprehensive research university, with Departments of Philosophy, Economics, Law, Education, Literature, History, Science, Engineering, Medicine, and Management.

Fudan University celebrated its 100th anniversary in 2005.

Notes

Russian International Affairs Council Institute of Far Eastern Studies of the Russian Academy of Sciences Institute of International Studies at Fudan University

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Tel.: +7 (495) 225 6283 Fax: +7 (495) 225 6284 welcome@russiancouncil.ru

119049, Moscow, 8, 4th Dobryninsky pereulok

russiancouncil.ru