

# **China-Russia Relations**

The People's Republic of China (PRC or China) and the Russian Federation (Russia) maintain a strategic and multifaceted relationship with extensive military, diplomatic, and economic connections. Although the contemporary China-Russia relationship began with the dissolution of the Soviet Union in 1991, the two countries share a longer history that has included periods of security and diplomatic cooperation, rivalry, and crises and a border war in the 1960s. Many experts trace the current dynamism of the relationship to 2014, when the reaction of the United States, the European Union (EU), and some other countries to Russia's first invasion of Ukraine, including sanctions, led Moscow to seek to strengthen its ties with China and other countries.

The two countries' apparent affinity has led some U.S. policymakers and Members of Congress to express concern that Beijing and Moscow constitute a de facto alliance, and to seek ways to counter their global influence. The PRC and Russia's bilateral relationship falls short of a mutual defense pact, more closely resembling a non-binding alignment based on shared opposition to what they describe as the U.S.-led international order. This common opposition has spurred cooperation between the two countries, but has not overcome their historical strategic mistrust. In the wake of Russia's renewed invasion of Ukraine starting in 2022, Russia's reliance on China's economic and political support has grown, increasing China's advantage in the relationship.

## **Key Features of the Relationship**

Building on the foundation of the 1991 Sino-Soviet Border Agreement, the 2001 Treaty of Good-Neighborliness and Friendly Cooperation, among other things, noted Beijing's and Moscow's satisfaction on border issues and set broad areas of cooperation ranging from economics and trade to counterterrorism. The renewal of the treaty in 2021 reflects the overall positive trajectory of relations.

The direction of the bilateral relationship appears, in part, to reflect close personal ties between Presidents Xi Jinping and Vladimir Putin. Since 2013, Xi and Putin have met numerous times and established regular dialogue mechanisms at lower levels. In 2019, PRC and Russian leaders announced their intention to develop a "Comprehensive Strategic Partnership of Coordination for a New Era," professing a "high degree of political trust" and "all-around cooperation."

Military cooperation between the PRC and Russia is significant, encompassing exchanges and joint exercises, as well as intelligence sharing and joint development of weapons systems. In November 2021, the two sides signed a Road Map for Military Co-operation for 2021-2025 to guide collaboration in this sphere. The PRC and Russia are founding members of the Eurasia-based Shanghai Cooperation Organization (SCO), an intergovernmental group mainly focused on security affairs.

The PRC and Russia also enjoy strong commercial and financial ties and are partners in their attempts to "de-dollarize" the global economy, which they see as beholden to the United States. (See CRS In Focus IF11885, *De-Dollarization Efforts in China and Russia.*) Both governments express opposition to the use of unilateral sanctions as tools of policy.

The PRC and Russia often cooperate and coordinate in multilateral settings, including the United Nations; the SCO; the BRICS grouping; and the Group of 20 (G20). In 2022, the PRC joined Russia in vetoing a U.S.-led draft U.N. resolution that would have tightened sanctions against North Korea over its missile launches. Where frictions may arise, the PRC and Russia have tried to harmonize the interests of overlapping ventures, such as the Belt and Road Initiative (BRI) and the Eurasian Economic Union (EEU).

## **PRC and Russian Perspectives**

PRC officials frequently describe the current moment as a "historic high" in the China-Russia relationship, with the two sides mutually supporting each other's positions on national sovereignty, security, territorial integrity, and economic development. For the PRC, one of the guiding principles of the relationship would seem to be flexibility, as is evident in its call to "form partnerships, not alliances." This approach has allowed it to distance itself from some of Russia's behavior in the international arena. Russia's role as a strategic partner in global affairs has at times been disruptive for the PRC, which values access to the markets, including capital markets, of the United States and Europe.

Russian concerns over China's economic advantage often are overshadowed by the benefits (and, perhaps, necessity) of greater economic, political, and military cooperation. Despite being aware of the practical benefits of a close relationship with the PRC, Russian policymakers remain guarded and harbor skepticism toward China's leaders. This includes avoiding the binding obligations of a formal alliance, especially commitments that could draw it into a potential conflict over Taiwan. Russian officials appear to reject the label of a "junior" partner and seek to manage the relationship on mutually beneficial terms.

# **Selected Issues**

## **Challenging the Global Order**

PRC and Russian officials view each other as partners in their efforts to challenge the U.S.-led global order. During a



phone call with Putin on December 30, 2022, Xi expressed that "in a changing and turbulent international environment, it is important that China and Russia remain true to the original aspiration of cooperation, maintain strategic focus, enhance strategic coordination," and "continue to be each other's development opportunity and global partner."

A number of experts contend that while the PRC and Russia both appear to reject the current world order, their visions of what ought to replace it may not be consistent. Many analysts view the PRC as a "revisionist" power working to change certain aspects of the existing order, possibly with the intention of superseding it in the long run. PRC officials often depict China's vision for global order as based on the principles of state sovereignty and non-interference in domestic affairs, and contrast it with the current order, which they describe as having subordinated these principles to human rights and interventionism. Russian policymakers argue that the existing global order ignores the position and sovereignty of great powers other than the United States, and denies other powers what Russian policymakers view as legitimate spheres of influence. Russian leaders therefore attempt to push back against what they see as U.S. unipolar overreach, and to remind the United States of Russia's great power status and role in the international system.

#### **Defense Cooperation**

The PRC and Russia are close partners in military and defense affairs. The PRC historically has been a major buyer of Russian arms to modernize its military. Defense trade has become more complex as the PRC's defense industry has grown more sophisticated, reportedly increasing Russian concerns about technology transfer and intellectual property violations. Russia's defense industry relies on importing key components and investment from China for the development of advanced weapon systems.

The two countries conduct combined military exercises, developing interoperability, and increasing defense sector cooperation and joint arms development. Russia has sought to increase its participation in military exercises with the PRC, including at the strategic and tactical level, as well as naval exercises and air patrols in the Asia Pacific. Russia arguably conducts these exercises to develop interoperability with PRC forces and to signal that Russia remains a player in the region. In August 2023, a joint PRC and Russian flotilla conducted a maritime patrol in areas including the vicinity of Alaska.

#### **Energy and Economics**

Economic relations between China and Russia are asymmetrical; China's economy is considerably larger and more dynamic. China is Russia's second largest export market after the EU; Russia is China's ninth largest. Russia's role as a key provider of PRC energy imports is a defining feature of the bilateral relationship. According to PRC customs data, Russia tied Saudi Arabia as China's largest source of crude oil in 2022, providing approximately 17% of China's total imports. China's planned transition away from coal potentially could lead to a greater role for Russian hydrocarbons (including "green coal" and natural gas). The Power of Siberia Pipeline, which is expected to reach full capacity by 2027, could make China one of the largest individual importers of Russian natural gas. (For more on economic relations between China and Russia, see CRS In Focus IF12120, *China's Economic and Trade Ties with Russia.*)

#### Impact of Russia's 2022 Invasion of Ukraine

Russia's invasion of Ukraine has drawn increased scrutiny to the Beijing-Moscow relationship, including questions regarding the extent to which China is willing and able to relieve sanctions pressure on Russia. China has avoided public condemnation of Russia's actions, even though some observers believe Russia's invasion strained relations. According to these observers, China was unaware of Russia's plans and remains unwilling to be drawn into the conflict. Russia, meanwhile, appears to be turning to China to circumvent Western sanctions, including selling oil and purchasing critical components for its defense industry. A July 2023 report by the Office of the Director of National Intelligence found that the PRC has become "an even more critical economic partner for Russia" since the latter's 2022 invasion of Ukraine.

Some trade data suggests some PRC firms may be providing dual-use goods to Russia that may be contributing to its war effort. However, it is unclear whether and to what extent these activities are statedirected. Media reports suggest the PRC government is selective in its engagement, allowing transactions that maximize advantages to China—such as buying oil at a discount—but is unwilling to supply lethal weaponry.

The Biden Administration has repeatedly warned China against assisting Russia's invasion of Ukraine. In January 2023, State Department Spokesperson Ned Price stated: "We've been very clear with the PRC, including in private [ ... ] about any costs that would befall the PRC should they decide to assist Russia in a systematic effort to evade U.S. sanctions or in the provision of security assistance that would then be used against the Ukrainian people in Ukraine." Sixteen firms registered in China have been sanctioned pursuant Executive Order 14024 in connection to Russia's invasion.

## **Issues for Congress**

U.S. policymakers, including in Congress, have identified countering coordinated PRC and Russian challenges to the current international order as a top national security priority. Both the Trump and Biden Administrations included such language in their national security strategies. The James M. Inhofe National Defense Authorization Act for Fiscal Year 2023 (P.L. 117-263) requires a report on whether and how the PRC has provided support to Russia with respect to its war against Ukraine. The Consolidated Appropriations Act, 2023 (P.L. 117-328) appropriated \$325 million and \$300 million, respectively, for the Countering PRC Influence Fund and Countering Russian Influence Fund. The 118th Congress may review how these funds are being used to counter PRC and Russian narratives. It may also consider how sanctions, including sanctions on PRCbased entities, may affect China-Russia relations.

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