Crimea, China and Alternative Trade Routes

The fact that China needs not only to diversify routes and sources of energy, but it is also not a secret they need to diversify alternative routes for finished products. What is the problem here? There are long-established and equipped sea routes connecting the coast of China through the Malakssky Strait, the Indian Ocean, the Strait of Suez, the Mediterranean Sea, and the Strait of Gibraltar and finally on to Europe, one of China’s main trading partners. This is exactly how trading with China occurs, for example, Germany, through the port of Hamburg. The latter is one of the largest ports in the world and second in Europe by cargo.

As for the route from the Mediterranean to the Black Sea, it passes through the Bosporus and Dardanelles straits and closes at the largest cargo port, Odessa, Ukraine. Hence, here quite a trivial question arises: why President Yanukovych need to fly in December of last year to Beijing in order to negotiate with the Chinese on the construction (the latter acted as an investor) of a deep sea port in the Crimea, which at the time was still a part of Ukraine?

On December 5 of last year Ukraine’s previous government signed in Beijing a memorandum between the companies, Kievgidroinvest and BICIM (PRC). Then on December 18, President Yanukovych wanted to go to Moscow, but the visit was interrupted due to the growing unrest in Kiev at the “Maidan,” which had at that time had no orange color, but rather was a distinct brown with a Russophobe smell to it.

Then the rather infamous events occurred, namely a coup, the illegal seizure of power in Kiev by the fascist thugs and incitement to civil war in the east. And while the terrorists were raging in Kiev terrorists jumping incessantly to prove their racial purity, the Crimean republic quietly separated from Ukraine, declared its independence and was reunited with Russia.

Thus, the question of building a deep-water port in Crimea by China has been for a while up in air due to change of ownership and problems at the newly opened, since 1945, “Eastern Front”.

Nevertheless, this does not remove the one question: why would China want to trade through the Crimea, if the same thing can be done via the port of Odessa? An explanation from Ukrainian media, (questionable source of information) at the time it was believed that Chinese merchant ships would unload in Crimea Chinese goods and would then be loaded with Ukrainian grain. And what prevented Ukraine from doing the very same, for example in Odessa, was never explained. Then, as it turned out, they perceived that Ukraine was an ancient part of the Great Silk Road and decided today to restore their “historical significance”. There is a drop of truth in that, but in times of Mongol khanates and its control of the Silk Road, Ukraine did not exist, but Crimea really was one of the marine terminals of the Silk Road. The northern route of the Silk Road went from Central Asia (Samarkand, etc.), skirting the Caspian Sea, passing through Malii Sarai heading in the direction of the Crimea. Here goods on the coast were accepted by Genoese merchants (from which they amassed huge fortunes by trade with the Hordes) and transported it to the European markets.

On June 19 of this year, Kommersant FM informed the public that a Chinese company, China Communications Construction Company, will build a bridge between Kerch on the Crimean peninsula and Taman in the Krasnodar region. An investor is willing to carry out calculations in rubles and make long-term commitments.
This issue was discussed during the recent visit of Vladimir Putin in Shanghai, this time it was mentioned by the head of Avtodor, Sergei Kelbakh. According to him, Chinese engineers have already visited Kerch, and on June 18, CCC-Company submitted a proposal of the Russian delegation headed by the Minister of Transport, Maxim Sokolov. The Chinese investor proposed two options for the project, a combined road/railway bridge or a tunnel.

It is expected that the Crimean side will be built a 17 km railway and about a 10 km road; next to Taman a 40 km long road and rail system will be built. According to the correspondent of Kommersant FM, Yana Lubnina, a bridge across the Kerch Strait proved to be one of the key themes discussed in Shanghai. Obviously, it will connect the future deep-sea port in the Crimea through Krasnodar with the Trans-Siberian railway. Next there are two options: branch to China through Kazakhstan (member of the Customs Union) and a route along the Mongolian border up ending in Vladivostok.

In Shanghai, as we know, a number of decisions relating to increasing the capacity along rail and road routes of China-Russia. Russian Railways and China Railway Corporation have agreed to develop infrastructure on rail and road traffic. The companies plan to develop the appropriate infrastructure at border crossings and the approaches to them to increase the capacity of railways, as well as increasing the volume of international traffic between countries and in transit through their territories.

From the 18th of June to the 20th, Sochi hosted the International Forum “Strategic Partnership1520”. The forum program was formed around the thesis of the need for market development based on a balance of interests between countries forming the perimeter of the East-West corridor and the three main pillars of the railway industry: transportation, infrastructure and rolling stock.

The agenda of the plenary discussion included the problems of the development of international transport corridors of the EU-1520- Asia-Pacific Region. The railway project developments that were discussed included Vienna - Bratislava - Kosice - Kiev - Moscow - Komsomolsk-on-Amur - Nysh - Yuzhno-Sakhalinsk - Cape Crillon - Wakkanai (Japan); Rotterdam - Moscow - Kazan - Novosibirsk - Krasnoyarsk - Irkutsk - Khabarovsk - Vladivostok - Busan (Republic of Korea).

So, the main problem for today's industrial leader of humanity, i.e. China, as was already mentioned, is to diversify energy supply routes as well as trade routes for the delivery of finished products. Alas, the policy of the United States, controlling the main maritime trade routes and straits, is now increasingly anti-Chinese and less adequate.

Diversification of energy supplies to China in many ways is close to a resolution, as evidenced by the number of agreements in the field of oil and gas that were concluded during Putin's visit to Shanghai. As for diversification of trade routes, there are two options in consideration today, the Northern Sea Route and road and rail routes based on the capabilities of the Trans-Siberian Railway.

Under these conditions, namely the construction of a deep-water port in the Crimea, the Trans-Siberian project is included as part of the development.

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