The Black Sea Region Caught Between East and West

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ABSTRACT
Under the Belt and Road Initiative, China has become an increasingly important actor in the Black Sea Region, and this looks set to continue in the future. In the West, in particular in the United States and to a lesser extent in Europe, there has, however, been a tendency to see the growth of China as a potential threat to the West and Western interests. China has revealed geopolitical ambitions that challenge the leading role of the United States in the international system, as well as Western norms and values, and Beijing is widely seen as engaging in systemic competition with the West. As a result, there is a growing recognition in the United States that China has become a strategic competitor, and this view has been echoed in the European Union, which has designated China as a strategic rival. Although this strategic competition, at least between the United States and China, has been played out primarily, but not exclusively, in the South China Seas, there is growing concern that this rivalry is being transposed into other regions such as the Black Sea. In light of China’s engagement in the Black Sea Region (BSR), this article examines how this growing strategic competition between the United States and China, and to a lesser extent the European Union and China, is being played out in the Black Sea. In addressing this issue, this article examines Chinese engagement in each of the six littoral states and argues that Russia and Turkey have already tilted decisively toward China. Romania has firmly sided with Washington and Bulgaria with the European Union, whereas the two non-NATO and non-EU members of the BSR, Georgia and Ukraine, will be forced increasingly to make a difficult choice between East and West — between the security provided by Brussels and Washington as against the potential economic growth and investment provided by Beijing.

Introduction

Under the Belt and Road Initiative (BRI), China has significantly increased its engagement with and investments in the Black Sea Region (BSR).¹ As a result, it has expanded its economic and political influence, becoming an important player in the region.² In the West, in particular in the United States and to

¹The Black Sea Region is defined in this article as the six littoral states that border the Black Sea: These include Russia, Turkey, Romania, Bulgaria, Ukraine, and Georgia.

²B. Maçães, Belt and Road: A Chinese World Order (London: Hurst & Co. 2018).
a lesser extent in Europe, there has, however, been a tendency to see the growth of China as a potential threat. China has revealed geopolitical ambitions that challenge the leading role of the United States in the international system, and Beijing is widely seen as engaging in systemic competition with the West. As a result, there is a growing recognition in the United States that China has become a strategic competitor and this view has been echoed in the European Union, which has designated China as a strategic rival. As a result, many commentators have heralded the return of great power competition. Although this strategic competition, at least between the United States and China, has been played out primarily but not exclusively in the South China Seas, there is growing concern that this rivalry is being transposed into other regions, such as the Black Sea. Moreover, although President Joe Biden has adopted a more coherent and less belligerent China policy than his predecessor, there is every likelihood that partners and allies will increasingly have to choose between the United States and the European Union on one side and China on the other.

In light of China’s engagement in the BSR, this article examines how this growing strategic competition between the United States and China, and to a lesser extent the European Union and China, is being played out in the Black Sea. Due to the rise of Chinese engagement in the region, the Black Sea is an important but relatively new front in this strategic competition. How this competition plays out will have a profound effect on both international and European security, as the Black Sea sits at the strategic crossroads between East and West. In the face of this strategic competition, the decisions made by littoral states will therefore affect stability and security in the region and beyond in the long term. An examination of great power competition, as opposed to a simple comparative analysis of China’s BRI in the region, therefore allows for a more holistic understanding of the security dynamics in the BSR and how it is affected by changes in the international system. In examining strategic competition in the Black Sea, this article argues that given China’s growing influence in the region, many of the littoral states are likely to find themselves caught in the crossfire between China and the United States/European Union, and some of the smaller states will seek to balance somewhat precariously between these key players.

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3 Online Press Conference by NATO General Jens Stoltenberg Following the Second Day of the Meetings of NATO Ministers of Foreign Affairs', NATO, 2 December 2020.

4 E. A. Colby and A. Wess Mitchell, 'The Age of Great Power Competition', Foreign Affairs, January/February (2020); 'Renewed Great Power Competition: Implications for Defence — Issues for Congress', Congressional Research Service Report, 25 August 2020.

5 P. Breedlove and M. E. O’Hanlon, ‘The Black Sea: How America Can Avoid a Great Power Conflict’, Brookings, 15 December 2020.

6 M. Tourangbam and V. Anand, ‘Who Is Winning the US-China Power Battle?’, The Diplomat, 24 June 2020.
In making this argument, this article is divided into two sections. The first section examines the growing unease in Brussels and Washington over the increase in Chinese Foreign Direct Investment (FDI) under the BRI and the steps that have been taken to try to shape and, in the case of the United States, mitigate the competition posed by Beijing. It argues that while both the European Union and the United States share common concerns about the increase in Chinese engagement and investments, there are subtle differences, which make the choice between the European Union and China a little easier for the Black Sea EU member and aspiring member states in the region. In contrast, the increasingly aggressive attacks on China by the former Trump Administration has forced some of the littoral states to make some tough choices between Washington or Beijing, and this is likely to continue under President Biden. The second section then considers the level of Chinese engagement with each of the littoral states, as well as the importance of their relationship with the European Union and the United States. It argues that while Romania, and to a lesser extent Bulgaria, have already chosen a side, Georgia and Ukraine as aspiring EU members, and NATO partners rather than members, will face the difficult task of trying to keep Washington and Brussels close, while also maintaining and further developing economic cooperation with Beijing, particularly in light of the Covid-19 pandemic. As will be discussed toward the end of section two, given the strained relations between Washington and Ankara and between Washington and Moscow, as well as strained relations between the European Union and Ankara and the European Union and Russia, both Turkey and Russia have tilted firmly toward Beijing, and it looks increasingly like the choice between East and West for these littoral states has already been made.

Choosing Between the West and the East

Although the European Union and the United States share common concerns about the type and level of Chinese investment in the Black Sea region, there are subtle differences that could make the choices a bit less stark when it comes to EU pressure on the Black Sea EU member states, as well as aspiring members Georgia and Ukraine. European policy makers agree with the United States that China needs to be more transparent, open its markets, play by the rules, and level the playing field. They differ, however, on the methods used, with the European Union adopting a more cooperative, if increasingly skeptical, approach to Beijing. The European Union has,

7Trump’s Attacks on China Reach New Peak of “Pent Up” Grievances’, Bloomberg, 7 August 2020; ‘Remarks by President Trump on Actions Against China’, The White House, 29 May 2020.
8M. Esteban and M. Otero-Iglesias et al., ‘Europe in the Face of US-China Rivalry’, A Report by the European Think Tank on China, January 2020.
9P. Le Corre, ‘Testimony Before the House of Representative Foreign Affairs Committee’, 23 May 2018, https://docs.house.gov/meetings/FA/FA14/20180523/108355/HHRG-115-FA14-Wstate-LeCorreP-20180523.pdf.
however, adopted a new strategy on China, which recognizes China as a ‘strategic rival’ as there is evidence of growing unease among member states as to the degree of Chinese influence in many of the states and the divisive effect this has had and continues to have on European unity.

Disagreements between EU countries over China have been evident for some time. In 2016, Hungary and Greece fought to tone down an EU statement on a court ruling that struck down China’s claims in the South China Seas. Highlighting the extent of concern about divisions between EU member states over China, the German Chancellor, Angela Merkel, warned in February 2019 that EU states involved in infrastructure projects should maintain the bloc’s position on China to avoid allowing the European Union to be divided. A month later, the EU commission cautioned Italy against pursuing closer economic cooperation with China when Rome endorsed the BRI, warning that ‘every member country is obliged to respect the unity of the EU’.

In light of these concerns about China’s growing influence, the European Union has also adopted new defensive tools, such as the European investment screening mechanism. The FDI screening mechanism is a loose, non-binding cooperation and oversight system that envisages sharing information between member states about the potential for given investment to affect national security interests and empowers the Commission to take a more active role. Despite reaching agreement on this new process concerns remain, however, among some EU member states about the negative effect this might have on Chinese investment. Greece has complained that this screening mechanism could have an impact on Chinese investment in important European sectors such as defense and telecommunications. Indicating that the European Union does not speak with one voice on engagement with China, while Brussels attempts to rebalance the EU-China relationship, most EU member states remain firmly committed to penetrating the Chinese market, increasing Chinese investments, gaining contracts from the BRI, and increasing the number of Chinese tourists visiting their states.

Given EU member states’ interest in China, the Black Sea region is therefore unlikely to be faced with concerted or consistent pressure from the European Union to limit their engagement with Beijing. This is despite both Ukraine and Georgia improving economic cooperation with the European Union with the signing of an Association Agreement, including a Deep and Comprehensive

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10A. Cottee, ‘Europe and China’s Sea Dispute: Between Normative Politics, Power Balancing and Acquiescence’, European Security, 28(4) (2019) pp. 473–92.
11R. Berschens and R. Krieger, ‘China Is Dividing Europe’, Handelsblatt, Germany, 7 March 2019, as reported on BBC Monitoring, monitoring.bbc.co.uk/.
12Ibid.
13‘Website Warns of “Price” for Chinese Investments in Balkans’, Balkaninsight.com, Sarajevo, 21 March 2018, as reported on BBC Monitoring, monitoring.bbc.co.uk/.
14M. Esteban and M. Otero-Iglesias et al., ‘Europe in the face of US-China Rivalry’, p. 23.
Free Trade Area (DCFTA). Instead, what is more likely to happen, is that the European Union will encourage Black Sea member states and aspiring members to abide by EU rules and regulations. The European Union is unlikely to put too much pressure on Black Sea littoral states, as Chinese investments in the Black Sea region are low when compared to the level of investments in Europe, in particular among the largest member states. Although the level of Chinese FDI in Europe reached USD 37 billion in 2016 and then halved in 2018, the investment in Central and Eastern Europe (CEE) has been much lower with the combined stock of Chinese FDI reaching just USD 1 billion in 2017.\footnote{V. Mackenaite, ‘Political Connectedness of Chinese Companies: A Perspective From CEE’, China Observers, 3 February 2020.} The export dependence of Germany, the United Kingdom, and France on China is far higher than any of the CEE countries, suggesting that the European Union is unlikely to criticise or challenge littoral states about the level of Chinese investment in the region, as this would smack of double standards.\footnote{T. Matura, ‘The Misguided Discourse on Chinese Influence in Central Europe’, China Observers, 2 April 2019.} Nonetheless, the European Union is Ukraine’s and Georgia’s main trading partner with 42 percent and 27 percent respectively of each country’s exports going to the European Union, ensuring that both states will be keen to be seen to abide by EU rules and regulations as far as possible on China and not alienate the European Union by becoming too dependent on Chinese investment.

Although sharing many of the same concerns as the European Union, the United States has adopted a much more robust and binary approach to China, putting many of the Black Sea states in a difficult position \textit{vis-à-vis} their most important strategic ally — the United States. As part of his strategy of putting ‘America first’, former President Donald Trump sought to reframe and rebalance US-China relations. His administration accused China of engaging in unfair trading practices and intellectual property theft and moved to alter its trade relations with Beijing.\footnote{‘Remarks by Vice President Pence on the Administration’s Policy Towards China’, The Hudson Institute, Washington, DC, 4 October 2018.} In light of these concerns, the United States imposed three rounds of tariffs in 2018 and one in 2019 on more than USD 360 billion of Chinese goods; China retaliated with tariffs on more than USD 110 billion of US products.\footnote{‘A Quick Guide to the US-China Trade War’, BBC News, 16 January 2029.} Further complicating matters for the Black Sea states, the Trump Administration also set Beijing up as its major geopolitical opponent, and the rhetoric against China increased significantly in the run up to the US Presidential elections in 2020.\footnote{‘Trump Says Coronavirus Worse’ Attack’ Than Pearl Harbour’, BBC News, 20 May 2020; J. Stavridis, ‘The Trump Administration Has Escalated Its Conflict With China Even Further. Here Is What Needs to Happen to ‘Stay out of War’, Time, 10 October 2018.} In March 2019 at an event to mark NATO’s 70th anniversary, Vice President Mike Pence warned that the rise of China would be one of the military alliance’s greatest challenges in the coming decade. Highlighting how member states could be put in a difficult position in
the future, Pence warned that the rise of China ‘will profoundly affect the choices NATO members will face, individually and collectively’.\textsuperscript{20} The deteriorating relation between the United States and China had a significant effect on the Black Sea region, as Washington tried to persuade allies to join a wider struggle against Beijing. This was clearly seen at the Munich Security Conference, when the former US Secretary of Defense, Mark Esper, explicitly stated that when it comes to China ‘we are asking our friends to choose’.\textsuperscript{21} The next section explores the level of Chinese engagement in each of the Black Sea littoral states and the extent to which the smaller littoral states can balance between Beijing and Washington if the United States continues to see China as a competitor.

**Georgia caught between a rock and a hard place**

Of all the Black Sea littoral states, Georgia has been the most active in securing Chinese investments, despite its close strategic relationship with the United States, and this looks set to continue in light of the pandemic. Georgia is seen by China as an important transportation and logistics hub linking Asia to Europe via the BRI.\textsuperscript{22} As a result, Chinese investment and trade with Georgia have increased significantly. Given the predicted contraction of Georgia’s economy in light of the pandemic, the government in Tbilisi will be keen to encourage further Chinese investment.\textsuperscript{23} Between 1992 and 2004, the overall volume of bilateral trade between Beijing and Tbilisi increased from less than USD 4 million to USD 823 million.\textsuperscript{24} China is also an important source of Foreign Direct Investment (FDI), although this has fallen off slightly from its peak of USD 218 million in 2014.\textsuperscript{25} As part of its commitment to become an important regional hub for trade, the Georgian government has developed ambitious plans to develop its maritime infrastructure along its Black Sea coastline, making Georgia’s ports an integral part of China’s BRI. As part of these plans, Tbilisi is looking to expand its largest port, Poti, where China already has important interests. Under an ambitious two-stage expansion plan, Poti port, which is a major seaport off the eastern Black Sea coast, will be modernized and upgraded.\textsuperscript{26}

\textsuperscript{20}C. Maza, ‘Forget Russia, Mike Pence Warns China Will Be One of NATO’s Greatest Challenges in Coming Decade’, *Newsweek*, 4 March 2019.
\textsuperscript{21}M. H. Fuchs, ‘How to Lose Friends and Strain Alliances’, *Foreign Policy*, 12 March 2020.
\textsuperscript{22}R. Topuria, ‘Georgia: The Key to China’s ‘Belt and Road’, *The Diplomat*, 28 April 2016.
\textsuperscript{23}IMF Seeks Georgia’s Economy Contracting by 5% in 2020’, *Reuters*, 16 September 2020.
\textsuperscript{24}J. Larsen, ‘Georgia: The Black Sea Hub for China’s “Belt and Road”’, *The Diplomat*, 3 May 2017, https://thediplomat.com/2017/05/georgia-the-black-sea-hub-for-chinas-belt-and-road/.
\textsuperscript{25}J. C. Daly, ‘China and Georgia Deepen Transit Cooperation’, *Eurasian Daily Monitor*, Javestown, 15(63) 23 April 2018.
\textsuperscript{26}APM Terminals Unveils Expansion Project for Georgia’s Poti Sea Port’, *SAFETY4SEA*, 5 February 2020, https://safety4sea.com/apm-terminals-unveils-expansion-project-for-georgias-poti-sea-port/.
The Georgian government also has ambitious plans to develop a deep-sea port, initially at Anaklia, which would not only bolster its position on the maritime silk road but also enable it to receive ships of any size and keep pace with the growing dynamic of freight transit, significantly increasing Georgia’s importance to Beijing. Developing a deep-water port is clearly important, as Georgia’s ports in Poti and Batumi are not deep enough for Panamax container ships, which means that freight entering or leaving Georgia has to be transferred to other ships in Istanbul or Constanta, leading to delays. Despite both US and Chinese support for the construction of this port, the project has been beset by problems. In a sign that Georgia might be forced to choose between its strategic ally, the United States, and its growing economic partner, increased Chinese investment in Georgia’s ports has been heavily criticized by the United States. During a visit by the Georgian Prime Minister, Mamuka Bakhtadze, to the United States, former US Secretary of State Mike Pompeo expressed his hope that Georgia would complete the building of a deep-water port, as it would ‘enhance Georgia’s relationship with free economies and prevent Georgia from falling prey to Russian or Chinese economic influence’. However, indicating that the United States was unhappy with the level of Chinese investment, Pompeo went on to describe both China and Russia as ‘pretend friends who do not have Georgia’s best interests at heart’.

Continued opposition by the new Biden Administration to Chinese investment in Europe and Eurasia puts Georgia in a difficult position, as the United States is its most important security ally. Since the Rose Revolution in 2003 brought to power a young pro-Western President, Washington has significantly increased its engagement, developing a robust security partnership with Georgia aimed at enhancing Georgia’s ability to defend its sovereignty and territorial integrity and improve its defense capabilities as it moves toward NATO membership. For the United States, Georgia also serves as an example of successful democratization in the Eurasian region, something Washington has traditionally been keen to support over the last decade. Georgia has also been a dependable ally to the United States in Afghanistan and Iraq, serving as an important logistics and transport hub for supplying allied forces in these areas. For Georgia the United States is a vital ally in its difficult relationship with Moscow. In 2008 a short, but brutal, war with Russia

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27G. Lomsadze, ‘Georgia’s East-West Project Mired in Controversy’, Eurasianet, 28 March 2019, https://eurasianet.org/georgian-east-west-project-mired-in-controversy.
28E. Gambino, ‘Georgia: Anaklia Port Project Failure Linked to Deeper Problems’, Channel One, 17 January 2020, as reported on BBC Monitoring, monitoring.bbc.co.uk/.
29M. R. Pompeo, ‘Statements to the Press With Georgian Prime Minister Mamuka Bakhtadze as Part of the U.S.-Georgia Strategic Partnership Commission’, US Department of State, Washington, DC, 11 June 2019, https://www.state.gov/statements-to-the-press-with-georgian-prime-minister-mamuka-bakhtadze-as-part-of-the-u-s-georgia-strategic-partnership-commission/.
30US Security Cooperation With Georgia’, Fact Sheet, Bureau of Political-Military Affairs, US Department of State, 21 May 2019.
31A. Mrachek, ‘Top Five Priorities for the U.S.-Georgian Relationship in 2020’, The Heritage Foundation, 31 January 2020.
cost Georgia Abkhazia and South Ossetia, which make up about 20 percent of its territory. Since then, Russia has used a variety of means to undermine and challenge Georgia’s security, including recognizing the breakaway republic’s independence, establishing military bases, and reinforcing their military strength by setting up combined military forces. In light of these challenges, the United States has remained a steadfast and loyal supporter of Georgia’s territorial integrity. In a visit to Tbilisi in August 2017, former Vice President Pence stated that the United States ‘strongly condemns Russia’s occupation of Georgia’s soil’. The United States has further increased its defense cooperation with Georgia in light of the Russian annexation of Crimea and essentially underwrites Georgian security, making a choice between Washington and Beijing potentially very difficult for the Georgian government. Since 2014, the United States has also provided USD 117.3 million in security assistance, including the provision of US Javelin anti-tank weapons system, and in 2018 US Army advisors began training the Georgian Armed forces. Highlighting just how important the security relationship is with Washington, the Georgian Prime Minister stated that ‘our focus on Western alliances is essential for us to protect our sovereignty and maintain peace and stability’. Given that relations between Georgia and Russia remain strained and very difficult, the United States is therefore a vital security ally, something that Tbilisi will be keen to hold on to.

Ukraine — the Importance of balancing between East and West

Despite getting off to a slow start, China’s interest in Ukraine has increased significantly over the last few years, and China is an important market for Ukrainian goods. For China, Ukraine is not only a potentially attractive logistic transit hub within the Belt and Road Initiative but is also as key producer of agricultural exports for Chinese markets. As a result, Chinese companies have focused on infrastructure and infrastructure enabling projects to increase Ukraine’s utility as a hub for agriculture. In 2015, China’s Oil and Food Corporation (COFCO) bought Noble Agri Resources, an international agricultural corporation with assets in Ukraine, and a year later it opened a grain terminal in the port of Mykolaiv in Ukraine. China’s Harbor

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32C. Welt, ‘Georgia: Background and US Policy’, Congressional Research Service, 17 October 2019.
33US Security Cooperation With Georgia’, Fact Sheet, Bureau of Political-Military Affairs, US Department of State, 1 August 2017.
34US Security Cooperation With Georgia’, Fact Sheet, Bureau of Political-Military Affairs, US Department of State, 21 May 2019.
35J. Haltiwanger, ‘Russia Has Bullied Georgia and Quietly Seized Territory for a Decade’, Business Insider, 24 October 2019.
36S. Gerasymchuk and Y. Potitita, ‘Ukraine-China After 2014: A New Chapter in the Relationship’; Friedrich Ebert Stiftun, Kyiv, 26 September 2018, https://library.fes.de/pdf-files/bueros/ukraine/14703.pdf.
37V. Zeneli and N. Haluhan, ‘Why China Is Setting Its Sights on Ukraine’, The Diplomat, 4 October 2019.
Engineering Company (CHEC) has also completed the first stage of the renovation of the Ukrainian Black Sea port of Yuzhny in Odessa and was also awarded a contract for the port of Chornomorsk.  

Out of all of the Black Sea littoral states, Ukraine faces the most challenging security situation and has sought to balance its desire for closer economic cooperation with China, something that is likely to increase in light of the effect of the Covid-19 pandemic on Ukraine’s economy with the vital security assurances offered by the West, in particular the United States. For Ukraine, the Russian annexation of Crimea and Moscow’s support for the separatists in the east of Ukraine has had a profoundly negative effect on its security — undermining its sovereignty and territorial integrity. Russia’s power projection in the Black Sea, including the significant buildup of Russian forces in Crimea, as well as ongoing tension in and around the Sea of Azov, has created a particularly challenging security environment for Kyiv. US support for Ukraine has increased significantly since 2014 in light of the adoption of a more revanchist foreign policy by Moscow. The stepping up of military and security assistance to Ukraine comes, however, amid deep strains in US-Russian relations over arms control, Russia’s intervention in Ukraine and Syria, and alleged Russian interference in the US elections. Ukraine is, as result, stuck on the front line of a renewed great power rivalry between the United States and Russia, and as such Kyiv’s relationship with China is in many ways far less contentious. Notwithstanding Ukraine’s growing economic cooperation with China, the United States still remains the primary guarantor of Ukrainian security and sovereignty.

Despite Ukraine’s concern that President Trump would adopt a more pro-Russian foreign policy, the former US Administration and Congress were resolute in their support of Ukraine’s security. The Trump Administration refused to recognize any of Russia’s claims over Crimea and expanded US sanctions against Russia, including Russian entities and individuals. In a clear sign of US commitment to Ukraine, in July 2018 former US Secretary of State Mike Pompeo issued the ‘Crimean Declaration’, which reaffirms the refusal of the United States to recognize Russia’s claims of sovereignty over Crimea and pledged to maintain this policy until Ukraine’s territorial integrity is restored. A year later, in February 2019, Secretary Pompeo reiterated US support for Ukraine when he issued a statement headlined ‘Crimea Is Ukraine’, and it must be returned to Ukraine’s control. He confirmed that the United States would maintain sanctions against Russia and reiterated

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38 ‘Chinese Company Signs Deal to Upgrade Ukraine’s Black Sea Ports’, Xinhua, 7 April 2018.
39 ‘Ukraine Needs Restart After Covid-19 Pandemic — Finance Minister’, 112 Ukraine, 18 September 2020; M. Druckman, ‘Can Post-Pandemic Ukraine Prevent Another Exodus?’, Atlantic Council, 28 May 2020; M. Czura, ‘The Economic Impact of the Covid-19 Crisis and Support from the EU Bank’, Forbes, 27 June 2020.
40 M. Giglio, ‘The Big Costs of Treating Ukraine Like Little Trumpland’, The Atlantic, 25 September 2019.
41 US Department of State, ‘Crimean Declaration’, 25 July 2018.
42 2019: US-Ukraine Relations: Both Pluses and Minuses’, The Ukrainian Weekly, 24 January 2020.
Washington’s ‘unbending support for Ukraine’s sovereignty and territorial integrity, within its internationally recognized borders including its territorial waters’.

The United States has been equally supportive of Ukraine’s sovereignty and territorial integrity in the ongoing conflict with the Russian-backed separatists in the Donbas. The United States has actively supported the work of the Normandy Four and the Trilateral Contact Group, set up to implement the Minsk Agreement, by appointing a US Special Representative to Ukraine in July 2017. The US Special Representative, Kurt Volker, has been at the forefront of US criticism of the repeated failure of Russia to fulfill its commitments under the Minsk Agreement, referring to Russian activity in eastern Ukraine as an ‘occupation’. The US State Department has also condemned the ‘sham elections’ that took place in the separatist enclaves in November 2018, as well as the Russian government’s decision in April 2019 to grant Russian citizenship to residents in Donets and Luhansk. As well as supporting Ukraine’s sovereignty and territorial integrity against challenges from its larger revanchist neighbour, the Russian Federation, the United States has also been a key political ally in supporting Kyiv in its energy battles with Moscow. Russia is building an alternative gas pipeline to Europe to avoid using Ukrainian pipelines and paying Kyiv billions of dollars per year in transit fees. The Nord Stream 2 pipeline, which runs through the Baltic Sea, would effectively starve Ukraine of essential revenue, and the United States has been a staunch critic. Nord Stream 2 is seen by the United States as a Russian tool in its continued aggression against Ukraine and aims to prevent Kyiv from integrating more closely with Europe and the United States. In a clear sign of its opposition in late 2019, Washington imposed sanctions on companies involved in the pipeline construction.

Despite these commitments, the United States has cautioned against China’s increasing influence in Ukraine, reinforcing concerns about a roll back of Washington’s support if Kyiv continues to cooperate with China. During a visit to Kyiv, John Bolton, President Trump’s National Security Adviser at the time, told the Ukrainian government to avoid being lured into China’s orbit by what he called Beijing’s ‘debt diplomacy’. In a strongly worded response, the Chinese ambassador to Ukraine told the United States not to interfere in Kyiv’s affairs. This spat between China and the United States suggests that Ukraine is likely to find itself increasingly

43US Department of State, ‘Condemning Sham “Elections” in Russian-Controlled Eastern Ukraine’, 12 November 2018; US Department of State, ‘Russia’s Decision to Grant Expedited Citizenship to Residents of Russia-Controlled Eastern Ukraine’, 24 April 2019.
44Fact Sheet on U.S. Opposition to Nord Stream 2’, Bureau of Energy Resources, US Department of State, 27 December 2019.
45J. Masters, ‘Ukraine: Conflict at the Crossroads of Europe and Russia’, Council on Foreign Relations, 5 February 2020.
46Trump Adviser Bolton Tells Ukraine: Beware Chinese influence’, Reuters, 28 August 2019.
47Chinese Envoy Tells US Not to Meddle in Ukraine’s Affairs’, Reuters, 12 September 2019.
under pressure to choose a side — the United States or China. Given Ukraine’s high debt ratio and the pernicious effects of the coronavirus on the Ukrainian economy, an attempt to balance these two key actors will no doubt prove to be extremely difficult for President Zelensky.

Further complicating this apparently binary decision between economic growth and security, Chinese investments could serve to enhance, rather than diminish, Ukraine’s security. Increased Chinese investments, particularly in the Sea of Azov, could go some way to mitigating tensions between Ukraine and Russia. COFCO has also recently signed a Memorandum of Understanding to develop port infrastructure in Mariupol on the Sea of Azov in Ukraine. COFCO has plans to reconstruct two docking sites and will participate in the construction of a second stage for the port’s grain terminal and the creation of an entire transshipment complex for agricultural products.48 Since the construction by Moscow of a bridge across the Kerch Straits in 2017, Russian border guards have been inspecting and delaying most ships entering the Sea of Azov from the Black Sea via the Kerch Strait and heading toward the Ukrainian ports of Berdyansk and Mariupol.49 Tensions between Russia and Ukraine reached an all-time high in 2018, when Russian border guards rammed Ukrainian ships heading into the Sea of Azov and arrested 24 Ukrainian sailors. Chinese investment in Mariupol could therefore encourage Russian restraint both at sea and on land. Given the close strategic partnership between Russia and China, Moscow will be less willing to antagonize Beijing by holding up maritime traffic entering the Sea of Azov, and Beijing’s presence in the east of Ukraine could also increase the cost of Russia supporting the separatists in the Donbas. Essentially, if Ukraine can achieve a balance between East and West, then this might paradoxically offer complementary or even mutual reinforcing guarantees of its security.

Like the United States, the European Union will also have an effect in shaping Kyiv’s relationship and engagement with Beijing. The European Union is now Ukraine’s largest trading partner and has also been a strong supporter of Ukraine’s sovereignty and territorial integrity, and since 2014 Ukraine’s integration into the European Union and NATO has become a clear priority. In a sign of its attempt to move closer to the West, in 2019 Ukraine adopted a constitutional amendment declaring its ‘strategic course’ was securing membership of both these organizations.50 Although Ukraine has worked hard to build and cement its relationship with NATO, it has also developed a close and important economic relationship with the European Union. Ukraine recently signed an Association Agreement with the European

48 Analysis — The Port of Mariupol: A Chinese Piece in Ukrainian-Russian Azov Sea Puzzle’, PortSEurope, 13 February 2020.
49 D. Sanders, ‘Rebuilding the Ukrainian Navy: Maritime Security in a Highly Contested Environment’, in R. C. McCabe, D. Sanders, and I. Speller (eds.), Europe, Small Navies and Maritime Security (London: Routledge 2019) pp. 168–85.
50 ‘Ukraine President Signs Constitutional Amendment on NATO, EU Membership’, RFE/RL, 19 February 2019.
Union, which encourages Ukraine to harmonize with EU laws and also includes a Deep and Comprehensive Free Trade Area (DCFTA). The EU-Association Agreement is in effect a rule setter that has an explicit liberal economic agenda, which integrates Ukraine into the European single market and provides for implementation of EU product safety and quality in Ukraine. 51 It is, in essence, an important EU instrument of economic change in Ukraine. Under the DCFTA, Ukraine’s trade with the European Union has both increased and diversified, with Ukraine exporting new products to European markets.

Although the European Union has been a strong supporter of Ukraine’s sovereignty and territorial integrity, there are real and growing divisions within the European Union that could affect Ukraine’s security in the future. The European Union has strongly condemned the illegal annexation of Crimea by the Russian Federation and adopted a strict non-recognition policy, which has led to substantive sanctions against Russian officials and entities.52 The European Union has also supported the peaceful resolution of the conflict in the east and condemned the issuing of Russian passports to residents of the self-proclaimed separatist entities.53 However, at the G7 summit held in August 2019, the French President Emmanuel Macron announced that he would relaunch a campaign to improve relations with Russia, causing considerable unease in Kyiv.54 There have also been concerns among some EU members states that sanctions against Russia were damaging their economies, a criticism that is likely to become louder in light of the devastating effect of the coronavirus on many European states. In addition, EU support for Nord Stream 2 will further increase EU dependence on Russian energy, and the rerouting away from Ukraine will reduce Kyiv’s economic importance. In light of these developments and concerns, Ukraine will have to walk a precarious line in supporting EU measures on China to avoid antagonizing key members and risking a Russian reset policy that could see a partial lifting of EU sanctions against Russia.

**Romania has already picked a side**

Unlike Georgia, Ukraine, and Bulgaria, Romania has in effect already picked a side and prioritized its strategic relationships with Brussels and Washington over Beijing. For Romania, its EU and NATO membership, as well as its strategic partnership with the United States, are the core pillars of its foreign policy.55 China is simply not a strategic priority, given the perception in

51 T. Kachka and V. Yermolenko, ‘What Might Be Next in EU-Ukraine Relations?’, EUObserver, 28 February 2018.
52 ‘Facts and Figures About EU-Ukraine Relations’, EAP Summit Factsheet 2020, https://www.euneighbours.eu/sites/default/files/publications/2020-03/EAP%20SUMMIT%20FACTSHEET_Ukraine_EN.pdf.
53 ‘EU Remains Committed to Non-Recognition of Crimea Annexation’, Reuters, 27 February 2020.
54 M. Temnychy, ‘Is Europe Giving Up on Ukraine?’, Atlantic Council, 22 October 2019.
55 ‘Romanian Foreign Policy in 2020’, Radio Romania International, 24 January 2020, https://www.ri.ro/en_gb/romanias_foreign_policy_in_2020-2610749.
Bucharest that Moscow is the greatest threat to security and that this can only be addressed by a close alliance with the West rather than with the East. As such, Romania has prioritized its relationships with Washington and the European Union, which are seen as the key providers of security against Russia in the Black Sea. In addition, in seeking to build its Western profile, Bucharest has also adopted a narrative of defending what might be seen largely as Western values, which also puts it at odds with Beijing. For Romania, these values include the promotion of multi-laterism, freedom, democracy, and the rule of law.\textsuperscript{56} The recent diplomatic spat between Beijing and Bucharest, where China attempted to bully Romania into sending its president to a landmark summit, also illustrates deep distaste in Bucharest for the way in which China does business. Chinese action triggered negative memories of how Soviet Moscow conducted itself and how Russia still does business — something Bucharest very much wants to avoid being part of in the future. In a clear sign of Romania’s distrust of China, the way it conducts business, and its values, a high-level Romanian political official recently stated that Beijing appeared ‘to be trying to impose their own model on us’ and that ‘the Chinese have shown the same aggressive behaviour as Russia’.\textsuperscript{57}

In light of Bucharest’s key foreign policy goals, Romania has moved to further strengthen its relationship with the United States, especially in the military sphere.\textsuperscript{58} This has included expanding and modernizing the Mihail Kogalniceanu military base in eastern Romania used by the United States and the hosting of key elements of the US European Phased Adaptive Approach missile defense system. Romania, like Bulgaria, has also worked hard to become a full member of the European Union. Since joining the alliance in 2007, Bucharest has in effect been on probation and has yet to join the Schengen zone of passport free travel and is currently under a special program to monitor corruption. Nonetheless, in 2019 Romania not only pulled off a successful six-month presidency of the European Union, its first time in that role, but has also made considerable progress integrating into Europe. Romania is therefore very keen to be seen a loyal member of the European Union, engaged in democratic transformation and abiding by its norms and values, as a way of ensuring its full membership of the Schengen zone.

As China’s closest European ally during the Cold War, Bucharest has nonetheless also maintained cordial relations with Beijing within the 17+1 framework. Bucharest has, however, adopted what might be described as a very cautious approach to China, demonstrating that its close strategic relationship with Washington and its economic relationship with Brussels

\textsuperscript{56}The President of Romania, ‘Foreign Policy’, President of Romania website; also see I.-S. Jojaagust, ‘Dealing With the Russian Lake Next Door: Romania and Black Sea Security’, \textit{War on the Rocks}, 15 August, 2018.

\textsuperscript{57}M. Rosca, ‘Romania Reveals the Limits of China’s Reach in Europe’, \textit{China Direct}, 3 March 2021.

\textsuperscript{58}I. Putintsev, ‘Romania Foreign Policy After NATO and EU Accession’, \textit{MEMO}, 2019, https://www.imemo.ru/en/jour/meimo/index.php?page_id=685&id=9365&jid=&&ij=. 
take priority over Chinese economic investment. As US-Chinese relations have deteriorated and the EU has increasingly adopted a tougher stance on Chinese investments, projects with Beijing have been cancelled. In a clear sign of Bucharest prioritizing Washington, after a meeting at the White House in August 2019 the Romanian and US Presidents issued a joint statement that effectively curtailed Chinese investment in Romania’s 5G telecommunications network. The statement signed by Presidents Donald Trump and Klaus Iohannis stated that the two leaders would ‘seek to avoid the security risks that accompany Chinese investment’ in the development of a 5G network. The former Romanian Prime Minister Victor Ponta, who had initially supported closer ties with Huawei, stated unequivocally that Romania ‘has to stick with America and Europe’ in the development of Romania’s 5G network for security reasons, even if Chinese technology was cheaper.

Chinese investment in Romania’s energy sector has therefore been stalled due to Bucharest’s strategic priorities. In 2014, China’s General Nuclear Power (CGN) won the public tender to develop Bucharest’s aging nuclear power plant located near its southeast Black Sea coast, and five years later China agreed to construct two nuclear reactors at the Cernavodă nuclear power plant. In January 2020, however, the Romanian Prime Minister, Ludovic Orban, announced the cancellation of this deal with the Chinese to expand Romania’s nuclear power plant. The official and unofficial explanation for this cancellation highlights the importance of Bucharest’s two key relationships — with Brussels and with Washington. In an interview, Prime Minister Orban stated that the partnership with China was not going to work as all investments in Romania’s energy sector would now depend on the European Green Agreement that plans to make the European Union climate neutral by 2050. This decision was made by Bucharest despite the agreement explicitly granting member states the right to decide on the technologies that they will use to meet these climate change objectives, meaning that Bucharest could still comply with the agreement and pursue its nuclear energy option with China.

59. O. Oehler-Şincai, ‘Romania’s Relations With the US and China: Hard Strategic Choices in Tough Times’, Europe in the Face of US-China Rivalry. A report by the European Think-Tank Network on China, January 2020, pp. 139–44; H Curtin, ‘Not Really Probing the East: Romania’s Position on Chinese Investments’, The Jamestown Foundation, China Brief 19(7), 26 September 2019.
60. ‘Romania Considers Keeping Huawei out From Its 5G Network’, RFE/RL, 21 August 2019, https://www.rferl.org/a/romania-considers-keeping-huawei-out-from-its-5g-network/30121648.html.
61. ‘Romania Mulls Excluding Huawei From Its 5G Network’, Business Standard, 21 August 2019, https://www.business-standard.com/article/pti-stories/romania-mulls-excluding-huawei-from-its-5g-network-119082101058_1.html.
62. ‘Romania Should Be Open to Everyone, But It Must Still Be With America and China’, G4media.org, 23 March 2019, https://www.g4media.ro/video-ponta-in-legatura-cu-scandalul-huawei-romania-trebuie-sa-fie-deschisa-la-toata-lumea-dar-trebuie-sa-tina-totusi-cu-america-si-cu-europa-fostul-premier-a-inchelat-memorandul-cu-compania.html.
63. ‘Romania and China Seal Deal for Cernavoda Nuclear Plant Expansion’, Romanian Insider, 9 May 2019, https://www.romanian-insider.com/romania-china-seal-deal-nuclear-plant.
64. B. Neagu, ‘Romania to Cancel Nuclear Deal With Chinese Company’, EURACTIV.ro, 27 May 2020.
65. D. Dalton, ‘ Romania/Prime Minister Says Cernavoda Deal With China Will Be Cancelled’, Nucnet.org, 23 January 2020, https://www.nucnet.org/news/prime-minister-says-cernavoda-deal-with-china-will-be-cancelled-1-4-2020.
However, Bucharest is clearly prioritizing its relationship with the European Union. In addition, Washington’s decision to add four nuclear entities to a trade blacklist in August 2019, accusing them of helping to acquire advanced nuclear technology for military use in China, also played an unofficial role in shaping Bucharest’s decision to cancel the nuclear partnership with Beijing. The inclusion of CGN on the ‘entity list’ by the US Department of Commerce effectively blacklisted the company, making Bucharest’s future cooperation with China on this project too costly strategically.

**Bulgaria — prioritizing the EU over China**

Bulgaria is also likely to come under pressure from Brussels to adopt EU policy toward China. However, as a member of NATO, its choices are likely to be less binary than for Georgia and Ukraine, who run much higher risks, particularly in antagonizing Washington. For Bulgaria, the main axis in its foreign policy is between Brussels and Moscow rather than between the United States and China. Bulgaria’s main foreign policy priority is relations with the European Union, in particular with the most influential countries such as Germany and France. Bulgaria has, however, always had a unique and special relationship with Russia. Bulgarian-Russian relations date back to the 19th century, when Russia helped Bulgaria fight for independence. Despite their close relationship, Bulgaria was on the opposite side to Russia during both World Wars, and more recently there has been growing unease about Russia’s meddling in Bulgarian domestic politics and its energy dependence on Moscow. Nonetheless, Sofia has sought to preserve its bilateral relationship with Moscow while remaining committed to broad EU objectives, particularly on China. Bulgaria has traditionally adopted a very balanced approach to its relationship with the Russian Federation. Bulgaria’s National Security Strategy for 2011–2020, for instance, outlines the commitment of Bulgaria to the Euro-Atlantic community, while also stating that there is a need for the establishment and maintenance of EU and NATO relations with the Russian Federation. Although EU membership has had a limited impact on Bulgaria’s relationship with Russia, it does constrain Bulgaria’s engagement with China.

Sharing many of the concerns of the other EU members about the level and effect of Chinese investment in Europe, Bulgaria has been slow to embrace China and has acted primarily within the limits sets by the EU and its institutions. Bulgaria’s absence from the first Belt and Road Forum in 2017

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66 U.S. Nuclear Engineer, China General Nuclear Power Company and Energy Technology International Indicted in Nuclear Power Conspiracy Against the United States, Department of Justice, Office of Public Affairs, 14 April 2016.
67 H. Ciurtin, ‘Not Really Probing the East: Romania’s Position on Chinese Investments’, The Jamestown Foundation, China Brief 19(7), 26 September 2019.
68 E. Kandilarov, ‘Main Trends and Characteristics of the Bulgarian Foreign Policy in 2019’, China-CEE Institute, Weekly Brief, December 2019.
69 A. Grashkin, ‘Russia’s Political Influence in Bulgaria’, Foreign Policy Research Institute, 31 January 2020.
and failure to send senior politicians to previous 16+1 summits with China all indicate Sofia’s restrained approach to China. However, the successful EU-China summit in April 2019, in which there was an agreement to deepen the EU’s engagement with China, albeit based on more reciprocal conditions governing economic relations, created the opportunity for Bulgaria to engage more with Beijing. As a result, at the eighth 16+1 summit the Bulgarian Prime Minister Boyko Borisov met with his Chinese counterpart Li Keqiang to discuss future Chinese investment and projects in Bulgaria. Despite adopting a more positive approach to Chinese investment, the Bulgarian Prime Minister has made it clear that any cooperation with Beijing must complement the EU-China strategic partnership respecting the principles of openness, reciprocity, equal treatment, and the rule of law.70

Although the European Union has proved decisive in shaping Bulgarian relations with China, Sofia’s relationship with the United States has been slightly less important in shaping its engagement with Beijing. Bulgaria’s foreign policy priority remains the European Union, but Sofia has nonetheless also sought good relations with Washington due to the importance of its NATO membership, as well as concerns about security and stability in the Balkans and Black Sea region. Bulgarian-US cooperation, particularly in defense, has been long standing. In 2006, Bulgaria and the United States signed an agreement to cooperate in defense, and Bulgaria hosts joint Bulgarian-US military facilities. In a sign of the importance of its relationship with Washington/NATO, Bulgaria has also agreed to set up a NATO Naval Coordination Center for the Black Sea area in Varna to allow the alliance to strengthen its presence in the Black Sea region. In an attempt to further strengthen their relationship, the First Session of the Bulgaria-US Strategic Dialogue took place in January 2020. During this meeting, the two sides discussed their strategic partnership and the specific areas of cooperation, including defense and security, counter-terrorism, energy security, law enforcement, education, and people-to-people contacts.71 Suggesting that the traditional balance between the United States and Russia might be shifting slightly more toward Washington, relations between Moscow and Sofia have cooled recently in light of several serious diplomatic scandals involving allegations of Russian espionage. Moscow has also expressed its displeasure at the delay in the construction of the Bulgarian section of the Turkstream energy project, which would link Russian pipelines to Europe through Turkey and Bulgaria. In light of US disapproval of Bulgaria’s engagement in this project, Sofia has made concerted efforts to diversify the sources of its natural gas supplies by

70E. Kandilarov, ‘21st EU-China Summit, 8th 16+1 Summit and the Second Belt and Road Forum 2019 — Reflections from Bulgaria’, in Chen Xin (ed.), When CEE Countries Meet With China in April 2019, China-CEE Institute, Budapest, November 2019.

71E. Kandilarov, ‘Outlook of the Bulgarian International Relations in 2020 Year’, China-CEE Institute, January 2020.
buying American LNG and launching the construction of a new gas inter-system connector with Greece, as a means of reducing its dependence on Moscow.72

Given Bulgarian initial skepticism, Chinese investment has therefore remained limited in comparison to other Central and East European states.73 In light of the EU-China agreement, Bulgaria has, however, taken the opportunity to develop a closer relationship with Beijing. In July 2019, there was an official state visit to China of the Bulgarian President Rumen Radev marking the 70th anniversary of the establishment of diplomatic relations between the two states. During the visit, Radev outlined three key projects that would strengthen bilateral relations. These included the establishment of a direct Beijing–Sofia flight, the opening of a Chinese bank in Bulgaria, and the construction of a Bulgarian-Chinese Centre for Research and Innovation in Sofia. In 2019, the two states also agreed to upgrade their relationship to a strategic partnership.74 In light of these positive developments, Chinese trade with Bulgaria increased by more than 5 percent in 2019, and China has become Bulgaria second-largest export partner among non-EU countries.75 China is also looking to increase its investments in Bulgaria. For the Chinese, Bulgaria is recognized as a useful logistics and transportation hub into Europe, giving Beijing direct access to the EU single market. In 2019, the China Machinery Engineering Corporation signed a USD 120 million contract with the Joint stock company Logistical Centre-Varna for the joint development of port infrastructure in Varna. This development will create the first modern port in Bulgaria equipped with warehouse facilities, and it will also greatly improve Varna’s cargo handling capacity.76 In addition, in August 2019 the state-owned Chinese National Nuclear Corporation, along with South Korea and Russia, sent a letter of interest as part of a potential bid to install and run two Russian-made reactors in Bulgaria’s Belene nuclear facility on the river Danube.77 Bulgaria had cancelled the Belene nuclear project in 2012 in the face of pressure from the United States and the European Union to limit its energy dependence on Russia, which had been under contract to build the reactor.

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72M. Seroka, ‘Tensions in Bulgarian-Russian Relations’, OSW Centre for Eastern Studies, 18 September 2019.
73R. Filipova, ‘Chinese Influence in Bulgaria: Knocking on a Wide Open Door?’, China Observers, 8 September 2019.
74‘Bulgaria and China Enter Strategic Partnership’, Novinite.com, 10 August 2019.
75‘China’s Trade With Bulgaria up 5.1% in 2019’, Xinhuanet, 7 February 2020; E. Kandilarov, ‘Outlook of the Bulgarian International relations in 2020 Year’, China-CEE Institute, Weekly Briefing, January 2020.
76‘China Secures Bulgaria Foothold’, Port Strategy, 18 April 2019, https://www.portstrategy.com/news101/world/europe/cmecc-secures-us5135.5m-bulgarian-port-project.
77T. Tsolova and M. Kiselyova, ‘UPDATE 1-Bulgaria Nuclear Project Attracts China and S. Korea Interest-Sources’, Reuters, 19 August 2019, https://www.reuters.com/article/bulgaria-energy-nuclear/update-1-bulgaria-nuclear-project-attracts-china-and-s-korea-interest-sources-idUSL5N25F3ST.
Turkey and Russia tilt increasingly toward China

Given the poor state of relations between the West and Turkey, Ankara is perhaps the least likely of the three Black Sea NATO member states to face pressure from Washington or the European Union to take sides in the ongoing rivalry between Washington and Beijing. Growing tensions between Turkey and the United States have raised serious questions about the future of their bilateral relationship and have led Ankara to tilt increasingly toward China. The damaging effect of the pandemic on the Turkish economy is likely to increase Ankara’s engagement with China. The rollback of democracy and the refusal of the United States to hand over the Turkish cleric Fethullah Gulen, for allegedly instigating the 2016 Turkish coup, have also created a growing chasm between Washington and Ankara. Diverging policies and perspectives over Syria and Libya and energy exploration near Cyprus as well as the decision to purchase an advanced air defense system from Russia have further damaged relations between Turkey and the United States. The Trump Administration also played a role in the breakdown of relations. President Trump imposed sanctions on Turkey and at one point vowed to ‘devastate’ Turkey’s economy after Turkish forces entered northern Syria to attack US-backed Kurdish fighters. These numerous points of tension have raised questions about the alliance between the two countries, as well as Turkey’s commitment to NATO and its Western orientation. In response to Turkey’s decision to purchase the Russian S-400 air defense system, then Vice President Mike Pence stated that Turkey must choose whether it wants ‘to remain a crucial partner of the most successful military alliance in history, or does it want to risk the security of that partnership by making such reckless decisions that undermine our alliance?’

Ankara’s relationship with the European Union has also been particularly strained and difficult over the last few years, explaining Turkey’s increasing tilt toward China. Relations have been damaged by what the European Union sees as the ‘continuing and deeply worrying backsliding on the rule of law and on fundamental human rights’ in Turkey. Turkey is increasingly seen as having distanced itself from the European Union’s democratic norms to such an extent that progress on Turkey’s EU accession bid is widely seen as no longer realistic. In addition, the European Union’s unanimous condemnation of Turkey’s military incursions into Syria, with many EU states seeing this

78L. Pitel, ‘Turkey’s Economy Suffers Historic Contraction in Second Quarter’, The Financial Times, 31 August 2020.
79S. A. Cook, ‘Neither Friend nor Foe: The Future of US-Turkey Relations’, Council on Foreign Relations Press, November 2018.
80J. Zanotti et al., ‘Turkey: Background and US Relations in Brief’, Congressional Research Service, 7 April 2020.
81T. Barnes, ‘Trump Threatens to “Devastate” Turkish Economy if it Attacks Kurdish Militants in Syria’, The Independent, 14 January 2019.
82Pence Hits Out at Germany and Turkey Over NATO Commitments’, Financial Times, 3 April 2019.
83M. Pierini, ‘Can Turkey’s Prickly Relationship With the EU Be Repaired?’, Carnegie Europe, 7 November 2019.
84S. Demirtaş, ‘A Difficult Week for EU-Turkey Ties’, Hurriyet News, 13 March 2019.
85M. Pierini, ‘Options for the EU-Turkey Relationship’, Carnegie Europe, 3 May 2019.
as a domestic political operation rather than a fight against ISIS, further strained already difficult relations.\textsuperscript{86} Angered by the European Union’s response, the Turkish President, Recep Tayyip Erdogan, defended Turkey’s actions and threatened to open the door to Europe for 3.6 million Syrian refugees, currently in Turkey, if European countries labeled Turkey’s military incursion in Syria as an occupation.\textsuperscript{87} The resurgence of nationalist feeling in Turkey, mainly as a result of the leadership’s alliance with Turkey’s far right ultraconservative Nationalist Movement Party (MHP), has also created an environment in which the pro-EU element of Turkey’s political spectrum has been increasingly marginalized, also explaining the tilt toward China.\textsuperscript{88} More recently, tensions between Turkey and a key EU member, France, have heightened in light of different threat perceptions and security concerns in Libya and Syria, which risks further damaging Turkish-EU relations. French President Emmanuel Macron described Turkey’s support for the UN-backed government in Tripoli as ‘criminal for a country which claims to be a NATO member’. Although France insists that it remains neutral in the Libyan conflict, there have been allegations that Paris has been an important political supporter of the insurgent General Haftar, who is backed by Russia, Egypt, and the United Arab Emirates.\textsuperscript{89} The fallout between these two states has further widened as Turkish warships allegedly prevented a French frigate from inspecting a Turkish merchant ship suspected of smuggling arms to Libya.\textsuperscript{90} France has also demanded that the European Union hold talks on Turkey’s long-standing aspirations to join the alliance, and the French Foreign Minister Jean-Yves Le Drian has claimed that France will discuss with its allies possible new EU sanctions against Turkey.\textsuperscript{91}

Although the European Union remains a crucial partner for Turkey in the fields of trade, Foreign Direct Investment and technology transfer, strained and difficult relations, and an urgent need to address its economic slowdown have therefore seen Ankara tilt more toward China. Although Turkish trade with China and Chinese investment in Turkey remain low, the Turkish government has increasingly sought closer economic ties with China. In response, Chinese direct investment in Turkey has increased significantly, with Beijing looking to double its Foreign Direct Investment to USD 6 billion by 2021.\textsuperscript{92} China sees Turkey as a useful means of diversifying its overland rail routes to European markets, which could make Turkey an important transit country for its goods. "Turkey and China have worked

\textsuperscript{86}J. Barigazzi, ‘EU Finds Agreement on Turkey [But Only Just]’, POLITICO, 14 October 2019.
\textsuperscript{87}‘Turkey Threatens EU Critics With Open Border as Syria Conflict Intensifies’, Reuters, 10 October 2019.
\textsuperscript{88}M. Pierini, ‘Can Turkey’s Prickly Relationship With the EU Be Repaired?’
\textsuperscript{89}M. Peel, ‘France Escalates Turkey Dispute by Quitting NATO Naval Mission’, The Financial Times, 1 July 2020.
\textsuperscript{90}M. Peel, ‘French Spat With Turkey Over Libya Lays Bare European Divisions’, The Financial Times, 6 July 2020.
\textsuperscript{91}A. Wilks, ‘Turkey-France Rivalry; What’s Behind Paris and Ankara’s War of Words’, The National, 30 June 2020.
\textsuperscript{92}‘China Increased Foreign Direct Investments Into Turkey’, Global Policy and Analysis Think Tank, 2019, https://eurasIAfuture.com/china-increases-foreign-direct-investments-into-turkey/.
together to align President Erdogan’s ‘Middle Corridor’ infrastructure strategy with China’s BRI. Turkey’s Middle Corridor initiative aims to create a belt of prosperity in the eastern part of Turkey, encourage Chinese investment, and allow Turkey to become a hub for China-European trade as well as diversify Ankara’s energy supplies.93

The Russian Federation, in common with Turkey, has also increased its cooperation with China in light of poor relations with the West, and given the pandemic, this looks set to significantly increase in the future, making it much harder for Moscow to achieve a balance between East and West. After the annexation of Crimea, and the imposition of sanctions by both the United States and the European Union, Russia has expanded its economic and security ties with Beijing. China has become the dominant trade partner with Russia, and this has begun to increase in light of the pandemic. Since the Ukraine crisis in 2014, Russian exports and imports with its top 10 trade partners have decreased, except for China. From 2014 to 2019, Russia-China trade volumes rose by 17 percent.94 Last year, bilateral trade almost reached USD 110 billion, and Putin and Xi announced a new trade goal of USD 200 billion by 2024 between the two countries.95 This close economic relationship has increased further in light of the pandemic. As China’s trade volume with the outside world plunged by 8.4 percent, trade with Russia increased by 3.4 percent to USD 25.4 billion in the early months of 2020.96 The pandemic has also led to the reorientation of Russia’s trade from West to East, gradually reducing Russia’s share of exports that go to the European Union and slowly increasing Russian exposure to China.97 Russia and China have also increased their energy cooperation. Russia overtook Saudi Arabia as the top oil supplier to China, shipping 18 percent more in 2020 than the previous year, which has led to a gradual reorientation of oil exports from West to East.98 In addition, the launch of the Power of Siberia pipeline in December 2019 is the largest gas project in its history and a clear symbol of the close economic relationship between Beijing and Moscow. This new cross-border pipeline supplies natural gas from Russia to China.

Russia and China have also increased their security and military cooperation, and this looks set to continue. For more than a decade, Russian and Chinese militaries have been training together.99 Russia and China regularly conduct bilateral drills and have increasingly participated in multilateral military exercises of increasing size and complexity. In September 2020,

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93B. Yinanç, ‘Silk Road Train “First Step Towards a Game Changer”’, Hurriyet News, 11 November 2019.
94A. Lukin, ‘The Russia–China Entente and Its Future’, International Politics, 13 June 2020, https://doi.org/10.1057/s41311-020-00251-7.
95J. E. Hillman, ‘China and Russia: Economic Unequals’, Centre for Strategic and International Studies, July 15, 2020.
96A. Gabuev, ‘The Pandemic Could Tighten China’s Grip on Eurasia’, Carnegie Moscow Centre, 24 April 2020.
97A. Gabuev and T. Umarov, ‘Will the Pandemic Increase Russia’s Economic Dependence on Russia?’, Carnegie Moscow Institute, 8 July 2020.
98Ibid.
99D. Trenin, ‘China and Russia Are Partners, But Not Quite Allies’, Defence News, 2 December 2020.
China joined Russia and a host of other states in ‘Kavkaz 2020’, the largest Russian military exercise in 2020 focusing on defensive tactics, encirclement and battlefield control, and command. Their security relationship has also been complemented by a robust trade in arms since the 1990s, with Russia’s defense industry relying on China as a critical buyer of its outputs at a time when the country’s own defense budgets could not sustain it. In October 2019, President Putin confirmed that Russia was assisting China in creating an early warning missile detection system. Helping China develop a system operated only by the United States and Russia as part of their strategic deterrence capability suggests a qualitative shift in Sino-Russian security cooperation.

In addition to trade, energy, and security cooperation, Moscow is also turning to Beijing for financing and technology. In response to US financial restrictions, Russia is seeking to lower its dependence on dollar transactions so a growing proportion of Russia’s trade with China is conducted in rubles and yuan. China has facilitated this exchange by providing Russian state corporations with long-term loans. Russia is also increasingly reliant on Chinese technology. In 2016, China became the number one source for Russia’s industrial equipment, and this trend has continued with China supplying 28 percent of all technology-related imports in 2019. In light of the continuation of poor relations between the United States and Russia and Moscow’s inability to develop home-grown technology, Russian dependence on Chinese technology will increase, and it will find itself moving more and more into China’s ‘geo-technological’ sphere.

As a result of these developments, Moscow is seen as increasingly at risk of becoming part of a Pax Sinica, a Chinese sphere of influence, ultimately hampering its ability to advance its own interests and maintain an equilibrium in any potential Sino-American confrontation. This concern about Russia moving away from the West toward China was recognized by French President Emmanuel Macron, who as part of the reset discussed earlier argued that Russia should be provided with options by the West to avoid Moscow

100 K. Wong, ‘Chinese Troops to Take Part in Russia’s Kavkaz 2020 Military Exercises’, South China Morning Post, 10 September 2020.
101 E. Rumer, R. Skolosky, and A. Vladicic, ‘Russia in the Asia-Pacific: Less Than Meets the Eye’, Carnegie Endowment for International Peace, September 2020, https://carnegieendowment.org/files/SokolskyRumer_Asia-Pacific_FINAL.pdf.
102 Development of Russia-China Relations Is Priority for the Countries, Says Xi Jinping’, TASS World News, 2 December 2019; F. Sassì, ‘What the Power of Siberia Tells Us About China-Russian Relations’, The Diplomat, 7 December 2019.
103 D. Trenin, ‘European Security Is Becoming Euro-Asian’, Carnegie Moscow Centre, 18 December 2019.
104 A. Gabuev and T. Umarov, ‘Will the Pandemic Increase Russia’s Economic Dependence on China?’
105 M. Kofman, ‘The Emperors League: Understanding Sino-Russian Defence Cooperation’, War on the Rocks, 6 August 2020.
106 D. Trenin, ‘European Security Is Becoming Euro-Asian’.
107 D. Trenin, ‘How Russia Can Maintain Equilibrium in the Post-Pandemic Bipolar World’, Carnegie Moscow Centre, 1 May 2020.
turning into ‘China’s vassal’. Although it is clear that closer relations with China have strengthened Russia’s geopolitical and geo-economic positions, there are serious risks for Moscow in moving closer to Beijing.

Although discussions of Moscow as a ‘junior’ partner to Beijing have been overstated, there is nonetheless an asymmetry in relations that is likely to increase, which could have major implications for Russia. Beijing is a genuine global competitor to the West with a strong economy whose expanding global clout is not dependent on military power but on economic penetration. In light of this very real asymmetry in power, there is a risk for Moscow that, at some point in the future, this difference might be successfully exploited by the Black Sea littoral states. In essence, although there is no evidence of any attempt by the littoral states to exploit differences in power and priorities between Moscow and Beijing, Belarus’s relationship with China sets a telling precedent of the way in which BRI recipients could play Beijing and Moscow off against the other. Over the last few years, the Belarussian President has increasingly exploited differences between China and Russia to maintain independence from Moscow and remain in power. In the face of growing pressure from Moscow for closer political integration and tensions over the control of oil supplies, President Lukashenko has tilted increasingly toward a more sympathetic and less demanding investor and partner — Beijing. As a result, Foreign Direct Investment from Beijing has increased by 200 times over the last 10 years, and in December 2019 China’s Development Bank agreed to provide Belarus with a loan worth close to USD 500 million.

Although Chinese interests in Belarus appears to be waning in light of the ongoing domestic crisis in Minsk and its increasing international isolation, Lukashenko has clearly demonstrated that there are exploitable differences between Beijing and Moscow — which might prove an interesting lesson for the BSR.

**Conclusion**

China has become an increasingly important actor in the Black Sea Region. As the Chinese economy recovers from the pandemic, China will continue to increase its engagement in the region, and some of the littoral states are therefore likely to face the prospect of trying to balance between East and West. Both Georgia and Ukraine have been badly hit economically by the Covid-19 pandemic, and as non-EU members both will be looking to China to

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108 Emmanuel Macron in His Own Words (English), *The Economist*, 7 November 2019.
109 J. Bugajski, ‘China’s Eurasian Ambitions’, Centre for European Policy Analysis, 30 April 2019.
110 R. Pantucci, ‘Why Russia and China Are Competing to Woo Belarus’, *The Spectator*, 2 June 2021.
111 D. Istrate, ‘Belarus Continues China Pivot’, *Emerging Europe*, 17 December 2019.
112 R. Standish, ‘Is China Cooling on Belarus’s Lukashenka?’, *RFE/RL*, 5 March 2021.
113 L. Kuo, ‘China Becomes First Major Economy to Recover From Covid-19 Pandemic’, *The Guardian*, 19 October 2020; L. He, ‘China’s Economy Shrugs Off Global Slump as Shoppers Join the Recovery’, *CNN Business*, 15 September 2020.
help regenerate their economies. Despite this need for Chinese investments, both states will also be acutely aware of the need to keep both Washington and Brussels on side at the same time. For Georgia and Ukraine, this will mean being seen by Brussels to abide by its rules and regulations on Chinese investments, as the European Union is an important market for both states, and as importantly for Kyiv the European Union has been steadfast in applying sanctions against Russia in light of its annexation of Crimea in 2014. In addition, as the United States has unequivocally supported the sovereignty and territorial integrity of both Ukraine and Georgia, both states will be cautious of pursuing additional Chinese engagement if it risks damaging relations with the new administration in Washington. In the near future, both Kyiv and Tbilisi will therefore have to try to find an acceptable balance between East and West — Chinese economic engagement against Western security assurances. If they are unable to achieve this, both states might be forced to choose between China and the West, which will have long-term implications for their security and stability.

As full members of NATO, the choice for Bulgaria and Romania is far less stark than for Ukraine and Georgia. As has been discussed, Romania has already pinned its colors very firmly to the Western mask and chosen Washington over Beijing. Bulgaria has also favored closer cooperation with the EU over China, although this looks like it might shift slightly in the near future as Sofia looks to embrace closer cooperation with Beijing. Due to their strained and difficult relationship with both the European Union and the United States, the two remaining Black Sea littoral states, Russia and Turkey, on the other hand, have chosen to tilt increasingly eastward. In light of the challenges facing the Turkish economy, which look set to worsen with the pandemic, Ankara has been particularly keen to embrace China, and investment by Beijing looks set to increase in the future. This tilt eastward by Ankara could be an additional source of tension between the United States and Turkey and could also have serious repercussions for the future of NATO. Like Ankara, Moscow has also chosen to tilt increasingly toward China in light of its difficult relationship with both the European Union and the United States. Despite their apparent strategic partnership and close relations, an increase in Chinese engagement in the BSR is, in the long term, likely to reduce Russia’s influence in what Moscow has traditionally seen as its ‘near abroad’ — the Black Sea Region. As Chinese influence in the BSR increases, Moscow is likely to find its room to maneuver severely curtailed, as Beijing will be keen to protect its interests and investments and promote stability in the region.

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