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Russia's Transport Pivot to the East: A Balancing Act Between Security Imperatives and Deepening Reliance on China

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Russia's transport policy is subordinate to its security objectives. Since Putin's regime perceives the West, and above all the United States, as an existential threat, the Kremlin's priority is therefore to become economically independent from it. For the Kremlin, the political rapprochement between the Russian Federation and China, which has been ongoing since the 1990s, was intended to be an instrument for limiting American power and building a so-called multipolar world, functioning on the principle of a concert of great powers. An important element of this policy of the Russian authorities was the process of diversifying and limiting economic ties with the West, mainly with Europe, and strengthening relations with Beijing, which is seen as a strategic ally. Initially, the main driver of trade growth was an increase in energy supplies to China. This was facilitated by the expansion of the pipeline and port network in the Asian part of Russia, connecting deposits in eastern Siberia with customers in China. The Eastern Siberia-Pacific Ocean oil pipeline (ESPO) and the port of Kozmino were launched in 2009, and the Power of Siberia gas pipeline in 2019[1].

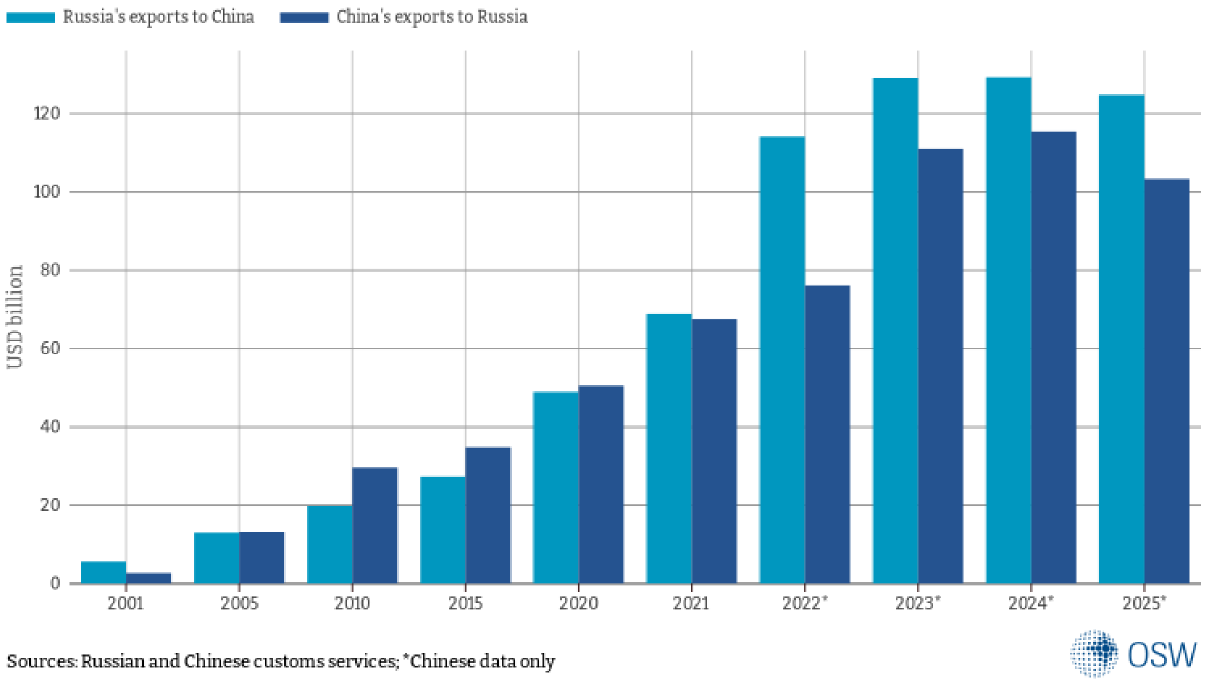
The Kremlin's increasingly aggressive policy, which led to Russia's illegal annexation of Crimea in 2014 and the start of the war with Ukraine, caused conflict with Western countries and further limited economic cooperation with them. Then the outbreak of a full-scale war with Ukraine and as a result massive sanctions forcing Russia to redirect its trade to the global south, mainly to China, have not led to change the Kremlin's transport policy priorities, but have only accelerated their implementation.

Objectives of Russian transport policy

The Kremlin's aggressive policy led to breakdown the relations with the West forcing Russia to redirect trade to the East. In 2025, Europe's share of Russian exports fell to below 14%, compared to 50% in 2021, while its share of imports fell from 42% to 26%[2]. During the same period, Asia's share rose from 40% to 78% in exports and from 47% to 67% in imports. At the same time, the People's Republic of China strengthened its position as the Russian Federation's main trading partner. Russia's trade with China increased by 55% during the four years of the full-scale war, accounting for 30% of Russia's total foreign trade in 2025[3].

Since the beginning of the 21st century, Russia and China have been strengthening their trade relations

Russia and China's exports to each other



Sources: Russian and Chinese customs services; *Chinese data only

The transport policy of Moscow was intended to ensure the servicing of Russian foreign trade towards the East, primarily the export of energy resources. As a result, Russia's activities focused on projects to aimed expand the railway network and gas pipelines towards Asia. Key projects to achieve this goal include[4]:

- **Expansion of gas pipeline infrastructure to increase supplies to China**. This turned out to be necessary as Gazprom's relations with its main customer – the EU – collapsed in 2022 due to the political decision of the Kremlin to instrumentalize the supply of the commodity[5]. In 2025, 40 billion m^3 of gas were delivered to China via the Power of Siberia pipeline, compared to 10 billion m^3 in 2021. Deliveries are also expected to increase in subsequent years. In 2027, a gas pipeline from Sakhalin via Vladivostok to China with a capacity of 10 billion m^3 per year is to be launched. The Kremlin is also seeking Beijing's agreement for the construction of the Power of Siberia 2 gas pipeline through Mongolia (with a capacity of 50 billion m^3 per year). So far, the parties have been unable to agree on the terms of cooperation.

- **Expansion of railway infrastructure in the Asian part of Russia**. During the four years of the war, the capacity of the route (consisting of two parallel main lines: the Trans-Siberian Railway ending at the port of Vladivostok and the Baikal-Amur Mainline (BAM) leading to the port of Vanino in Khabarovsk Krai), increased by 43 million tonnes to 187 million tonnes in 2025, which accounted for only 16% of all Russian rail transport. However, this network is still unable to meet the demand for transport in this direction. Although problems with access to the Trans-Siberian network affect all goods, priority is given to exports of coal, fuels, construction materials, grain and mineral fertilisers, which benefit from state preferences (e.g. quotas ensuring guaranteed deliveries or discounts on transport tariffs). As a result, the above-mentioned goods account for approximately 80% of all transport. According to the government's plans, it should be possible to transport around 270 million tonnes by 2035. The implementation of these plans is doubtful, as sanctions and falling revenues in Russia already forced Russian Railways to cut back on investments in 2025 r.

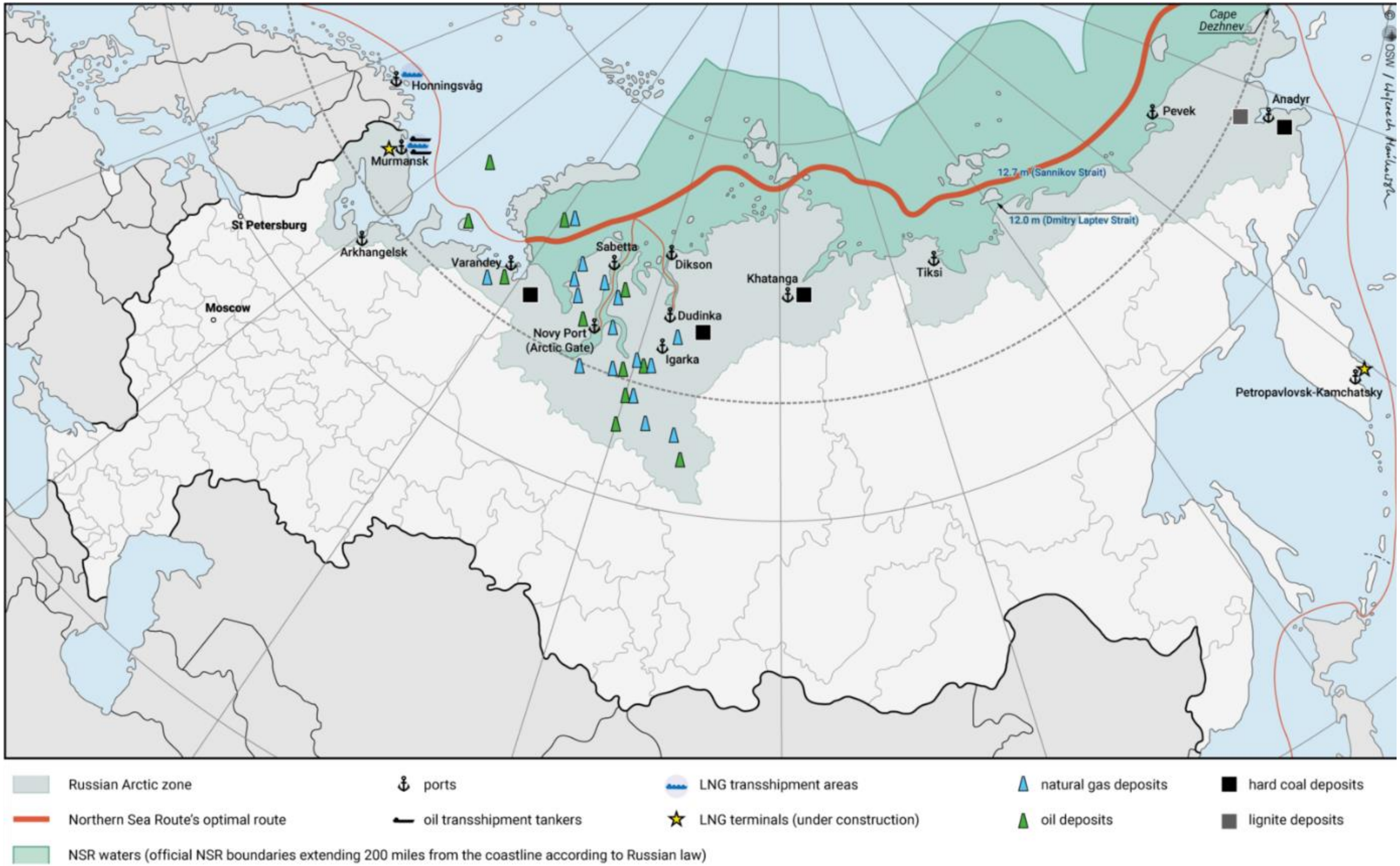
- **Expansion of the Northern Sea Route (NSR).** From the Kremlin's point of view, this route is primarily intended to increase exports of raw materials extracted in the Arctic, mainly energy resources, and to provide a shorter connection to Asia, e.g. for crude oil from Russian ports on the Baltic Sea (see Map below). This would reduce the burden on land transport routes leading to the East. In 2025, freight transport via this route amounted to less than 37 million tonnes (about 3 million tonnes more than in 2021), of which only about 8% was transit transport. The government's ambitious plans to increase NSR transport (to around 80 million tonnes in 2024) have not been realised due to sanctions and delays in the implementation of energy extraction projects in the Arctic (e.g. Arctic LNG 2 and Vostok Oil). In addition, the expansion of the Arctic fleet (especially icebreakers), land infrastructure (ports) and navigation systems (launch of new satellites) has also been delayed. As a result, Russia is still unable to ensure year-round operation of the eastern part of the route (from the Gulf of Ob)[6].

- **Expansion of port infrastructure**. Over the past twenty years, private entities have dynamically increased the throughput capacity of Russian ports in all waters surrounding Russia. In 2025, cargo handling in Russian ports amounted to approximately 885 million tonnes (20 million tonnes more than in 2021). However, only 70-90% of terminal's capacity is utilised due to numerous infrastructure constraints: insufficient railway ports access infrastructure, an overloaded auxiliary fleet serving ports, and neglect in the maintenance of fairways.

- **Development of transport routes towards the south**. Russia is involved in the development of the International North-South Transport Corridor (INSTC), which runs along three parallel routes through Central Asia, the Caspian Sea and the South Caucasus[7]. Its expansion would not only increase access to the countries of the global south: Pakistan, Afghanistan, Iran and Turkey, but also provide access to the Indian Ocean via Iranian ports. However, it is currently the least promising project due to the number of countries involved (difficulties in reaching agreement) and the enormous costs associated with ensuring significant transport along this route. Currently, approximately 20 million tonnes are transported through this corridor (compared to approximately 14 million tonnes in 2022), mainly via the western route through Azerbaijan[8].

Convergences and divergences of interests between Russia and China in transport sector

Russia's geographical location makes it an attractive partner in the development of transport routes providing China with better connectivity to Europe. The Kremlin's growing economic dependence on Beijing also increased the Kremlin's willingness to strengthen relations in this area. So far, despite certain limitations, both sides have successfully pursued their goals.



Honningsvåg
Murmansk
St Petersburg
Arkhangelsk
Varandey
Moscow
Sabetta
Dikson
Khatanga
Tiksi
Dudinka
Novy Port
(Arctic Gate)
Igarka
Pevek
Anadyr
Cape
Dezhnev
12.7 m (Sannikov Strait)
12.0 m (Dmitry Laptev Strait)
Petropavlovsk-Kamchatsky
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Russian Arctic zone
Northern Sea Route's optimal route
NSR waters (official NSR boundaries extending 200 miles from the coastline according to Russian law)
ports
oil transshipment tankers
LNG transshipment areas
LNG terminals (under construction)
natural gas deposits
oil deposits
hard coal deposits
lignite deposits

- China's Belt and Road Initiative

One of the key interests of China related to Russia in transport sector is accessibility to train transit for the Silk Railway connection with Europe. This mode of transport developed in the last 15 years constitutes quite important auxiliary channel of exporting goods from China on the still very profitable EU market. The connection has virtually never been price competitive with the sea route, though it serves well as a medium option for transporting goods. It is cheaper than air cargo and still relatively fast. The carriage of goods may take 10-12 days compared to mostly more than one month by sea, whereas by air it could take 3-10 days. It is also an important tool to strengthening the Chinese inland Western provinces to Europe without the need to lengthy transportation to the ports. Before the invasion of Ukraine, the China-Europe railway developed quite dynamically based on the logics of whole Sino-European trade – much more goods were imported from China than the other way around. Beijing has been aware that this means of transport, although it is a niche, helps to generate even larger trade surplus, thus the railway connection has been supported with generous subsidies. Especially it was used by companies from automotive, machinery, clothing and pharmaceutical industries. The connection proved its usefulness during the Covid-19 pandemic as due to transport bottlenecks and supply chains disruptions in ports railway were extensively used to supply the European market with all the needed goods and components.

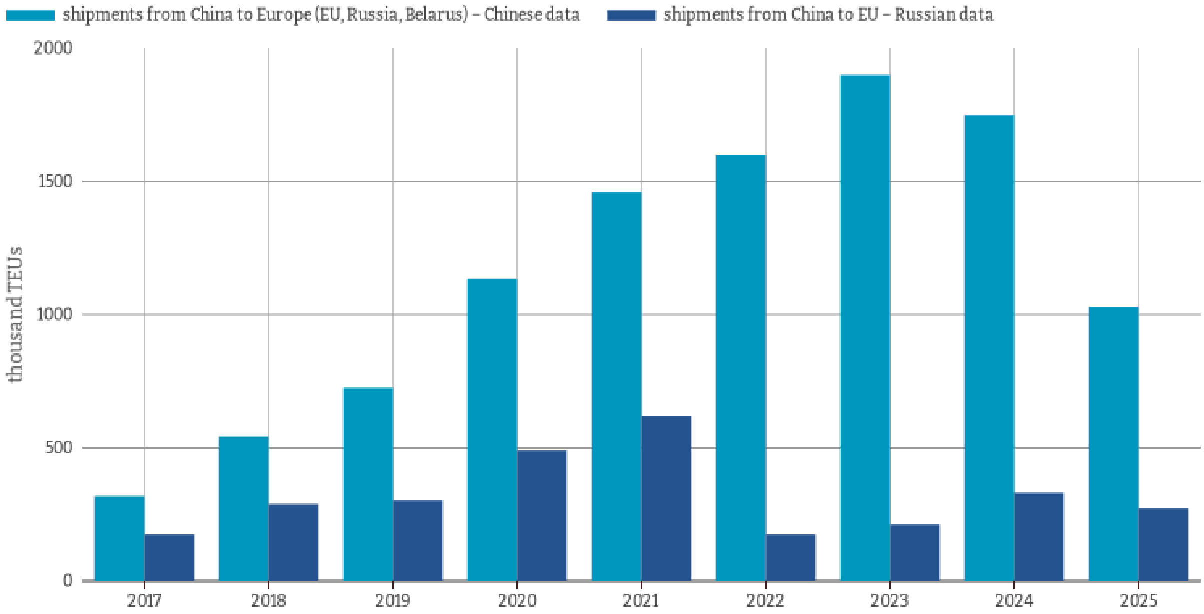
Initially (until 2014), the Kremlin was reluctant to embrace the Belt and Road Initiative, fearing that it could undermine Russia's hegemony in Central Asia. However, in 2014, after the annexation of Crimea, the Kremlin actively joined the project. Among other things, the state railways of Russia, Kazakhstan and Belarus established UTLC ERA, an operator of transit rail (container) services on the China-Europe-China route through the Eurasian Economic Union. However, unlike its neighbours, Russia decided not to take out Chinese loans to modernise and expand its railway network. The increase of demand for transport on this route during the pandemic gave Russia an opportunity to strengthen its position and increase its revenues, including from transit fees. The Kremlin sought to redirect some trains to the Russian ports on the Baltic Sea (mainly to Kaliningrad) to take over more value-added from the route using multimodal (land-sea) connections. In 2021, the Kaliningrad region's share of rail transport between Europe and the PRC increased to over 13%.

The invasion of Ukraine brought new factors into account. In 2022 the traffic on the China-Europe decreased and shipments via Kaliningrad were suspended, as many forwarders dropped this connection due to problems with insuring goods, moral reasons and less appetite for risk. The route was functional, but there was much less demand for it from the market. The transport capacity freed up in this way allowed to increase traffic between Russia/Belarus and China. This provided significant support for the reorientation of trade between these two countries (subject to sanctions) from the West to the East, especially given the limited transport capacity of the Russian Trans-Siberian Railway (see Chart).

However, after December 2023 demand for rail connections increased again due to Houthi attacks in the Red Sea, which limited maritime transport capacity through the Suez Canal. This time, though, Moscow was no longer so keen to resume transit on the China-Europe route, as it preferred to leave as much transport capacity as possible at the disposal of domestic exporters. For example, in October 2024, Russian customs authorities, under the pretext of reducing the risk of this connection being used to support Ukraine, banned the transit of approximately 350 categories of dual-use goods through Russia.

There were no public comments from China on this issue. However, as Beijing's actions show, it is quite clear that China remains interested in the smooth functioning of the connection. In September 2025 when the Polish border used by the China-Europe railway was closed for two weeks due to drone attacks on the Polish territory, the Chinese minister of foreign affairs Wang Yi visited Warsaw. Although the visit was planned long before for talks about different issues, the matter of an opening of the border was also discussed.

A significant decline in container transport along the Silk Rail Road between China and the EU created space for the development of trade between China and Russia/Belarus.
Container rail transport between China and Europe



Source: CR Express; Eurasian Rail Alliance (UTLC ERA), a transportation and logistics company.

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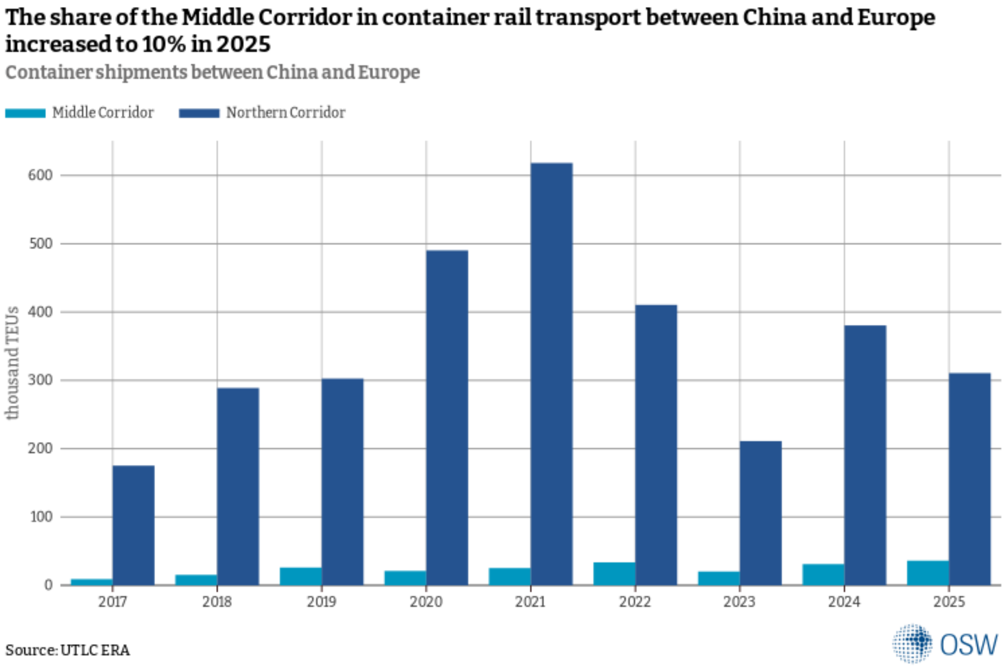
- Middle corridor/Trans-Caspian route

Middle Corridor is multimodal corridor with a much lesser role. Its basic drawback results from complexity of logistics. Transporting goods between China and Europe through this route requires at least one time loading and unloading goods from ships or ferries (once on the Caspian and mostly second time on the Black Sea). Apart from that the transit countries have not harmonized border inspection procedures what generates a lot of red tape and decreases efficiency of transport. Therefore, the Middle Corridor with transit times of 30-50 days for now poses no competition to Northern Corridor (10-14 days). Though there is also one significant advantage of the Middle Corridor – it circumvents Russia, letting the Central Asia to diversify its transport routes from Russia. Therefore, transit countries are striving to increase the competitiveness of this corridor and are investing in infrastructure development and conducting negotiations aimed at simplifying transport procedures[9].

The key question is position of Beijing towards this initiative. After the Russia's invasion of Ukraine, the countries of Central Asia and South Caucasus intensified its efforts to limit their transport dependence on Russia and tried to initiate more cooperation with China in this respect.

In 2023 Xi Jinping hosted representatives of Kazakhstan boasting deepening cooperation on the Middle Corridor during the Belt and Road Forum in Beijing. Since then, there is visible upsurge of the corridor's performance, which started to develop fast in the last two years and some new block trains from China to Europe were launched.

Although the growing importance of alternative transport routes to limit their dependence on Russia, Moscow's response to plans to develop the Middle Corridor is cautious. The Kremlin is aware of the low competitiveness of this corridor, which does not allow the countries of the region to become completely independent from Russia. This is even more so because it does not enable a significant increase in energy supplies from the region to the West (currently, 80% of Kazakh crude oil exports are transported through Russia). Moreover, in the short and medium term, the development of the Central Corridor may serve Moscow's interests. The expansion of railway infrastructure in the South Caucasus also increases trade opportunities between Russia and Turkey (and, via Turkish ports, with the Global South).



- **Northern sea route (NSR).** Although China does not border the Arctic Ocean, it defines itself as a "near Arctic state". It is actively conducting research in this region and developing its Arctic fleet, including icebreakers and research vessels. One of the main elements of China's policy in this region is to increase the use of the Northern Sea Route to shorten transport between Asia and Europe[10]. In this regard, Beijing is strengthening its cooperation with Russia on this issue. In 2024, the two countries established a bilateral subcommittee on cooperation on the NSR (two meetings have already been held). According to the plans, the countries intend not only to increase freight transport on this route, but also to cooperate in the construction of an Arctic fleet and the modernisation of ports and logistics centres. In addition, Chinese ship crews are to undergo training at Russian universities.

In 2025, Chinese shipping companies made 23 voyages on this route (compared to 14 in 2024), with only one of them going from China to ports in Western Europe, while the rest served Russian ports[11]. In addition, Russian oil extracted in the Arctic (exported via the Novy Port terminal) and LNG produced at two projects co-owned by Chinese entities also reach China via this route. CNPC holds a 20% stake in Yamal LNG and the Silk Road Fund holds 9.9%, while CNPC and CNOOC are investors in Arctic LNG 2 (each with a 10% stake).

Sanctions that have cut Russia off from Western technology and international capital markets have made it very difficult for the Kremlin to develop the Arctic, causing delays in the implementation of planned projects. According to the Russian authorities, cooperation with China should help to overcome these difficulties. This applies in particular to the construction of Arctic-class ships, financial support for the modernisation and expansion of coastal infrastructure and navigation systems (especially the supply of microelectronics necessary for satellites), as well as technological and capital support for the development of natural resources in the Arctic.

However, the Kremlin treats the Arctic as an area of strategic importance for Russia's security and economic development due to its rich mineral resources. As a result, the Russian authorities are seeking to maintain full control over the Arctic development programme and are severely restricting the direct participation of foreign investors, including Chinese ones, in projects in the region. On the other hand, China is not interested in sharing its advanced technologies with anyone, including Russia (or does not have the technologies necessary for the Russian LNG sector). Despite these limitations, however, there is still significant potential for cooperation between the two countries in the Arctic, and a further gradual increase in the use of the Northern Sea Route for the transport of goods between Asia and Europe is to be expected.

Conclusions

- The transport sector plays an important role in the developing cooperation between Russia and China. Both countries are interested in deepening relations in this area. Russia's main goal is to expand connections enabling the export of natural resources, while China is primarily interested in the transit of goods to Europe through Russian territory. Both countries are testing each interests trying to find right equilibrium.
- Both countries have been so far able to find and acceptable solution in the Belt and Road Initative. From Beijing’s perspective facilitating transit through Russia helps to improve connectivity with Europe and better infrastructure makes it easier to expand on the Russian market. Kremlin despite being distrustful towards the Belt and Road Initiative decided to engage in it to achieve revenues and value-added from transit. However, the cooperation became more complex after the invasion of Ukraine as Russia needed railway capacities for its domestic needs and did not want the connection to be used to supply Ukraine and.
- In the long run, Russia’s and China’s positions on the Middle Corridor diverge. The project violates Kremlin’s interest bypassing Russian territory with potential to make Central Asia less dependent on the connections going through Russia. Thus, Beijing is carefully developing Middle Corridor not to provoke Moscow. For now, Russia tolerates efforts to build the corridor seeing an opportunity to strengthen relations with the Global South and use it to circumvent sanctions. Though due to bottlenecks on the Caspian Sea only opening transport routes through Iran could constitute a breakthrough facilitating transport of Central Asia with Europe and hit to Russia's interests in the region.
- Cooperation in the Arctic has been limited so far, but Russia and China have been dynamically developing it for the past four years. Beijing has ambitions to gain access

to the region's resources and open transit routes to Europe. Meanwhile, Moscow, being cut off from capital and technology as a result of sanctions, is seeking support from China to overcome these limitations. However, the Kremlin has its own red lines and will want to retain full control over its strategic resources. Nevertheless, there is no doubt that there is significant potential for cooperation between the two countries in the Arctic, and we can expect to see a further gradual increase in the use of the Northern Sea Route for the transport of goods between Asia and Europe.

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[1] More on this topic: M. Bogusz; J. Jakóbowski; W. Rodkiewicz; The Beijing-Moscow Axis: The Foundations of an Asymmetric Alliance; OSW, Warsaw 2021; https://www.osw.waw.pl/en/publikacje/osw-report/2021-11-15/beijing-moscow-axis

[2] In 2022, Russia suspended the publication of detailed foreign trade data. It only presents aggregated data broken down by continent.

[3] The General Administration of Customs of the People's Republic of China (GACC), February 2025.; http://english.customs.gov.cn/Statistics/Statistics

[4] For more details, see Распоряжение Правительства Российской Федерации от 27 ноября 2021года №3363-р «Об утверждении Транспортной стратегии Российской Федерации до 2030 года с прогнозом на период до 2035 года», Ministry of Transport of the Russian Federation, mintrans.gov.ru.

[5] A. Łoskot-Strachota, M. Kędzierski; Imperium kontratakuje: narastający kryzys w UE po zmniejszeniu dostaw rosyjskiego gazu. OSW, Warsaw 2022; https://www.osw.waw.pl/en/node/30351

[6] For more details, see S. Kardaś, I. Wiśniewska; Północna Droga Morska w polityce Rosji; OSW, Warsaw 2021; https://www.osw.waw.pl/en/node/28999

[7] For more details, see E. Vinokurov, A. Ahunbaev, N. Usmanov, A. Zaboev, International North–South Transport Corridor: Investments and Soft Infrastructure, Reports and Working Papers 22/2, Eurasian Development Bank, April 2022, at: papers.ssrn.com

[8] For more details, see I. Wisniewska, Pivot to the east. Russia's transport policy; OSW, Warsaw 2024; https://www.osw.waw.pl/en/publikacje/osw-report/2024-11-06/pivot-to-east

[9] Popławski et al. (2024), The Middle Corridor: A Eurasian alternative to Russia, OSW Report, Warsaw; https://www.osw.waw.pl/sites/default/files/OSW-Report_The-middle-corridor_net_7.pdf

[10] The transport time from China to Northern Europe via the Arctic route is approximately 18–20 days, compared to 40–55 days when travelling via the Suez Canal or the Cape of Good Hope. However, due to difficult weather conditions, only ships with reinforced hulls (Arctic class) can use this route, often requiring the assistance of icebreakers. Due to the weakness of Russian infrastructure, and above all the insufficient number of icebreakers, this route is only available to most ships during the summer season, from July to November.

[11] Chinese companies have been testing the Northern Sea Route for almost 15 years. For example, China's largest shipping company, COSCO Shipping Lines, made a total of 42 voyages between 2013 and 2021, but suspended operations on this route after the outbreak of the war with Ukraine. After the collapse of the Northern Sea Route transit shipments in 2022, Chinese companies returned to this route in 2023 to serve connections between China and Russian ports (Kaliningrad, Saint Petersburg, Murmansk and Arkhangelsk). In 2023, they made eight such voyages.