# Changes in Russia-China trade under the influence of the current environment and policies

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**1. Past trade between China and Russia**

In recent years, China-Russia trade has shown rapid growth. According to China's customs data, the trade volume between China and Russia will be $146.9 billion in 2021, exceed the $200 billion mark in 2023, and further increase to $244.8 billion in 2024, an increase of more than 1.6 times in three years, hitting a new record high of 2,913.

The trade structure is remarkably complementary: China mainly imports energy (crude oil, natural gas, coal) and agricultural products (grain, aquatic products) from Russia, accounting for more than 76 per cent of total imports; while Russia imports electromechanical products, automobiles, electronic equipment and other manufactured goods from China, filling the gap in the market after the withdrawal of Western companies913.

Key growth areas: Chinese auto exports to Russia reach 1.16 million units in 2024, accounting for 51 per cent of the Russian new car market, up sharply from 7 per cent in 2021; in energy trade, natural gas imports grow by 25 per cent, and crude oil imports remain stable213.

**2. Changes in the impact of the current political and international environment on the economy**

*A. Geopolitics and Western sanctions:*

After the Russia-Ukraine conflict, the West imposed comprehensive sanctions on Russia, and Russia was forced to shift its trade focus to Asia. China became its largest trading partner, accounting for 33.8 per cent of Russia's total foreign trade (for the first 10 months of 2024)15 .

China and Russia have strengthened co-operation through mutual political trust, resisting US-led ‘protectionism’ and advocating a multi-polar international order under the UN framework210.

1. *Volatility in international energy markets:*

India and other countries reduced their reliance on Russian oil due to oil price adjustments and transport costs, but China will still import 108 million tonnes of Russian oil in 2024, and the foundation of energy cooperation between the two sides is solid.615

Saudi Arabia and other Middle Eastern countries cut oil prices to Asia, intensifying competition in the global energy market, which may affect the long-term energy cooperation model between China and Russia6.

**3. The impact of policy and environmental changes on trade between the two countries**

*A. Policy-driven trade diversification:*

Local currency settlement and financial cooperation: China and Russia are gradually expanding the proportion of ruble and RMB settlements to reduce US dollar dependence, and plan to optimise the payment process through the central bank's electronic system1014.

Logistics and investment optimisation: the China-EU shuttle train and cross-border e-commerce have become new growth engines, the scale of electricity trade reaches 1.64 billion kWh in 2024, and energy pipelines and transport routes continue to expand210.

*B. Market substitution and industrial synergy:*

Following the withdrawal of Western companies from Russia, Chinese industrial goods have rapidly filled the market gap, such as automobiles, machinery and electronics dominating the market13.

Russia's opening of its agricultural market to China has increased the share of food exports to second place (after energy), driving trade structure optimisation815.

1. *Challenges and risks:*

Uncertainty in energy supply: Russian experts predict that oil exports to China may decline in 2025, and attention needs to be paid to the impact of low-priced crude oil from the Middle East on Sino-Russian energy cooperation610.

Logistics and standards barriers: insufficient logistics efficiency, differences in technical standards and lagging cooperation in emerging areas (e.g. artificial intelligence, green energy) may constrain long-term development1214.

**4. Forecasts and analyses of the future trade situation**

*A. Short-term outlook (2025):*

Trade volume may exceed US$300 billion, with the Year of Culture, cross-border e-commerce and trade in services becoming new growth points213 .

Energy co-operation will remain the core, but may shift to more stable areas such as natural gas and electricity, and the share of oil trade may decline slightly610.

1. *Long-term trends:*

Deepening strategic dependence: cooperation between China and Russia in areas such as Far East development and Arctic shipping lanes will deepen, resulting in closer industry chain integration1315.

Potential in emerging areas: biomedicine, artificial intelligence and green technology may become new directions for cooperation, but intellectual property rights and talent shortages need to be addressed1014.

1. *Risks and balance:*

Need to be wary of the potential impact on China-Russia trade of over-reliance on the single market and international political volatility (e.g., détente in Russia-U.S. relations)1115.

Both sides need to strengthen environmental and investment protection agreements to ensure the sustainability of cooperation12.

**5. Summing up**

China-Russia trade has bucked the trend of Western sanctions and geopolitical pressures, demonstrating remarkable resilience and complementarity. In the future, the two countries need to consolidate energy and industrial cooperation while promoting synergistic development in emerging areas, as well as addressing volatility in the international energy market and internal structural challenges, in order to achieve a more balanced and diversified trade pattern.