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# CHINA-MONGOLIA-RUSSIA ECONOMIC CORRIDOR AND ENVIRONMENTAL PROTECTION COOPERATION

*The China-Mongolia-Russia Economic Corridor is in line with the common interests of the three countries in economic development, and has been accelerated since its proposal. To strengthen environmental protection cooperation is one of the key cooperation areas in "Program Planning for the Construction of China-Mongolia-Russia Economic Corridor", it accords with the direction for green "the Belt and Road" initiative development. These conditions determined the relevance and practical significance of the research. The authors justify why is it important to include Mongolia in the project "One Belt-One Road" and systematize the factors that determine the need to strengthen economic cooperation between Russia, China and Mongolia. Special attention is paid to the analysis of problems of environmental protection, improving the environmental situation in the regions of Russia, China and Mongolia, which are actively involved in the process of creating the Economic Corridor. Taking into account the identified factors, priority directions of tripartite cooperation in the sphere of environmental protection are formulated. This research provide the assessment of decisions in the sphere of state environmental policy of the three countries in terms of their accordance with the goals and priorities of the Economic Corridor and the long-term interests of each country. Also authors proposed some recommendations for improving the state environmental policy, taking into account the interests of the regions involved in the project of the Economic Corridor. In conclusion, it is noted that in the future within the framework of trilateral cooperation, the need for cooperation of the three countries in the use of water resources becomes particularly important. This issue will be the subject of further research.*

**Keywords:** China-Mongolia-Russia Economic Corridor, economic cooperation, economic development, water resources, environmental protection.

## Introduction

China, Russia and Mongolia are friendly neighbors with time-honored history and the longest border lines. In recent years, with the effective exchange and fusion of "The Belt and Road" initiative, "Eurasian Economic Union" strategy and "Prairie Road", cooperation of the three countries is entering a new stage of unprecedented political atmosphere, and increasingly perfecting dialogue mechanism. China-Mongolia-Russia Economic Corridor, as an important part of "The Belt and Road", is the three countries' important measure to meet the challenge of economic globalization and conform to the development requirements of regional economic integration. The Economic Corridor is not only the connectivity of infrastructure and facilities, but also the bridge of openness, inclusiveness and mutual learning among civilizations. Environmental protection is indispensable for economic sustainable development, therefore, strengthening the ecological and environmental cooperation is also the focus of "Program Planning of Construction of China-Mongolia-Russia Economic Corridor" [1,2].

## Building a China-Mongolia-Russia Economic Corridor Serves the Common Interests of Economic Development of the Three Countries

In September 11th, 2014, in the first meeting of the three countries leaders, President Xi Jinping proposed to make joint efforts to build a Silk Road Economic Zone, which is docking the Silk Road Economic Zone with Russia's Across the Eurasian Railway and Mongolia's Grassland Plan, and building a China-Mongolia-Russia Economic Corridor. This means that the Silk Road strategy will be expanded to the northeast to cooperation with Russia and Mongolia. One of the reasons the propose win positive response

from both Russia and Mongolia is because it meets the needs of the two countries economic strategy development. Since APEC 2012, Russia began to turn its national economic development strategy towards the Asia Pacific region, and the Ukrainian crisis and economic sanctions from the United States and other western countries followed by it, has made Russia more determined to “Look East”. Mongolia, on the other hand, sandwiched between China and Russia, since transition, in order to balance the relationship between the two neighbors, began to implement an all-round “third neighbor” foreign policy. When the domestic economy is going through a difficult time, it is in accord with Mongolia’s interests to strengthen economic cooperation with China and Russia. China is Mongolia’s largest trading partner, in 2013 the bilateral trade volume accounted for 51% of Mongolia’s total foreign trade. Russia has occupied the dominant position in Mongolia in many key industries. Second, China-Mongolia-Russia Economic Corridor can integrate the three countries’ interests. Strengthening interconnection of railway and highway construction, facilitating the clearance and transportation, promoting transit transport cooperation, and breaking the transportation bottleneck of economic and trade cooperation, could solve Mongolia’s problem of access to the sea and find the common interests for the three countries to cooperate in Northeast Asia. To build the economic corridor will not only bring opportunities for the development of the three countries, but also radiate to the rest of the East Asia region. Since the three countries are all members of the Great Tumen Initiative, the governments attach great importance to the construction of regional development. Therefore, China-Mongolia-Russia Economic Corridor can both interact with the “Tumen River International Cooperation Zone” and propel the trilateral cooperation of China, Japan and South Korea.[3] As a matter of fact, the Northeast Asian countries can be integrated economically, which pump life into the Northeast Asian regional cooperation,[4] and hopefully could create a miracle of middle uplift of the Silk Road Economic Belt.

China, Mongolia and Russia all put economic development as the primary task, the domestic economic development strategy has a meeting point in the national top-level design. “The Russian Far East and Baikal Region Economic and Social Development Plan” which came into effect in April 2013, and China’s Northeast Revitalization Planning, together promote the development of regional cooperation. In March 2014, Russian put forward the conception of “Across the Eurasian Development Zone”. As important means and goals of developing Siberia and the Far East, based on the construction of Siberia railway, the plan will promote the construction of oil and gas pipelines, high-tech industrial clusters and industrial park with modern science [5, 6]. In 2009 the Chinese government upgraded the “Changchun-Jilin-Tumen Guide Area” plan to a national strategy. The “Northeast China Opening Plan to the Northeast Asia (2012-2020)” issued in 2012, the “Opening Plan for Border Areas of Heilongjiang Province and Northeastern Inner Mongolia” issued in 2013, and the “Opinions on the Several Recent Major Policies that Support the Revitalization of the Northeast China” issued in August 2014 by the State Council, all provide policy support and external conditions for the cooperation of the three countries .

From the official proposal of Economic Corridor in 2014, to July 9, 2015, the leaders of the three countries approved the medium-term roadmap; and on June 23, 2016, the heads of the three countries signed the “Program Planning for the Construction of China-Mongolia-Russia Economic Corridor”. In less than three years, the Corridor has been advancing so fast, that it fully reflects the three sides’ determination to advance and strengthen the exchange and fusion of the development strategies. The three countries believe that “promoting economic corridor construction will facilitate regional economic integration and lay a solid foundation for the connectivity of infrastructure, the steady development of trade and investment, economic policy cooperation and cultural exchanges”, shows broad prospects for cooperation and development [ 7, 8].

## II. Environmental Protection and Cooperation in China-Russia Strategic Integration

At present, China and Russia are actively carrying out multi-level, all-round strategic cooperation integration, including China-Russian comprehensive strategic cooperation, the “Belt and Union” construction joint cooperation, the interactive cooperation between China and Russia’s eastern region revitalization and development strategies. Among them, Northeast China’s old industrial base revitalizing strategy and Russia’s “Look East” strategy are in accord with each other both in time and goal. With highly complementary factor endowments, and great potential for cooperation in industry interaction, the two

countries make full use of the favorable conditions to carry out the revitalization and development cooperation, which will in turn promote the steady development of the economy and society in the East adjacent areas of China and Russia.

With the strengthening of economic and trade relations between China and Russia, the environmental needs and environmental technology cooperation has become increasingly urgent. The close natural geographical relationship between China and Russia adds to the possibilities for cooperation in the protection of biological diversity between the two countries. In addition, the eastern part of China-Russian border is the traditional industrial intensive area, which provides unlimited commercial opportunities for environmental industry and technology cooperation between the two countries.

China-Russian bilateral environmental cooperation started in the early 1990s. In May 1994, the two countries' governments signed the "Agreement on Cooperation in Environmental Protection", which formally launched the process of environmental cooperation between the two countries. In February 2006, the two governments signed the protocol on the establishment of the environmental protection sub-committee under the mechanism of the regular meetings between the prime ministers of China and Russia, which marks a new stage in China-Russian environmental cooperation. In 2017 the new solid waste treatment cooperation project was officially launched, which actively promotes green technology, green finance and environmental protection industry cooperation.

The eastern borderline between China and Russia is up to 4300 km, most of which are water boundary. Heilongjiang River (Amur River) is the most important international boundary river between China and Russia. Because of the mobility of water, environmental problems are often trans-regional or even trans-national, need to be coped with through cooperation between neighboring areas or countries. For some time, due to the rapid economic development of border areas, the deepening industrialization and urbanization, as well as long-term neglect of governance and protection, the ecological environment problem of boundary river basin gradually become an indispensable factor of instability. In the summer/fall of 2013, the biggest flood since 1998 occurred in the Heilongjiang River Basin: 5.24 million people were affected in Heilongjiang Province; 2.52 million sq.km. crop affected; 18300 houses collapsed; and the direct economic losses amounted to about 1.9 billion Yuan [9]. Flood caused Heihe, Xunke, Jiayin, Luobei, Tongjiang, Fuyuan and other ports temporarily closed, a large number of merchants were forced to shut down. For the Russian Far East, the flood is the biggest in a century; the area affected amounts to 1 million square kilometers, and more than 140 residential areas were flooded, more than 60% of the cropland had no harvests [10], the affected population exceeded 50 thousand. Some islands in the border area, such as the Bolshoi Ussuriysky Island (called Heixiazi Island in Chinese), were engulfed by floods [11]. The Heilongjiang River floods in 2013 once again reminded us the urgent need of flood control in Heilongjiang River Basin, and the importance of strengthening the ecological environment protection of boundary river basin. The China-Russia cooperation in environmental protection, especially the cooperation between Heilongjiang province and the Russian Far East, is not only the need of the people of the two countries, but conducive to create a safe and reliable, economic prosperity, long-term stability and peaceful surrounding environment.

All countries in the world need to face the challenges of environmental protection and sustainable development. China and Russia should jointly carry out biotic population monitoring to improve the wildlife habitat in Heilongjiang and Amur Oblast. Strengthening the protection of the border areas of the Heilongjiang river basin is of great significance to biodiversity in China, Russia and even the whole world. At present, China and Russia have built 6 pairs of trans-boundary protected areas, and will continue to promote the China-Russia cross-border nature reserve network construction. In order to strengthen the Heilongjiang River ecological environmental protection and governance, specific recommendations are: Heilongjiang River environmental protection and governance should be included in the governments' agendas; cooperation agreements should be negotiated and signed; scientific planning should be jointly made by the two countries; rational development and utilization of the resources of Heilongjiang; unified command and coordination agencies should be established; multi-level cooperation mode should be established to strengthen the moral construction of ecological civilization and build a harmonious culture.

In aspects like pollution control, wildlife protection, and ecological information sharing the two countries' effort will bring the cooperation to a new level.

### **Environmental Protection and Cooperation in Strategic Coordination between China and Mongolia**

China and Mongolia's friendly relations and pragmatic cooperation has laid a solid foundation after years of development. In bilateral trade and investment, China has been Mongolia's biggest trading partner and source of foreign investment for 10 consecutive years. About 90% of Mongolian products are exported to China, and about 30% of the products are imported from China. To strengthen cooperation and realize common development is not only a clear political will of the two countries, but also the earnest expectation of peoples and enterprises from China and Mongolia. The Chinese and Mongolian leaders have also repeatedly stressed the need to develop bilateral strategic coordination, in order to achieve mutual benefit.

As the important support of "The Belt and Road" from the north line, Mongolia's "Prairie Road" also takes economic development as the main task, the coordination serves the common interests of both sides. As an important carrier of bilateral trade, transportation system is considered by both China and Mongolia as the breakthrough point of the development strategy. "The Mid- and Long-Term Development Program of Strategic Partnership between China and Mongolia" clearly points out that China is willing to continue to actively participate in the highway construction within the territory of Mongolia, and will participate in the investment and construction work of Mongolian railway construction to provide help to achieve transit transport the market. In the process of the "B&R" and "Prairie Road" cooperation, with China and Mongolia transportation system upgrading, and cross-border infrastructure gradually improving, the bilateral cooperation, such as import and export of light industrial products, development and utilization of mineral resources in Mongolia, to carry out agricultural planting and establishing agricultural park, tourism and medical services, have broad prospects of cooperation.

Under the framework of "B&R", China issued a series of "going-out" policies to encourage enterprises to expand the level of cooperation, carry out the equipment and production cooperation. Asian Investment Bank, Silk Road Fund, bilateral assistance and preferential loans, commercial banks and other financial capital will invest Mongolia as a key country. [12] However, in recent years, the rapid development of Mongolia's mineral resources has resulted in a number of environmental issues. In order to solve these problems, the Mongolian Parliament and government passed a series of laws and regulations to strictly regulate the environmental protection and restoration of mineral resources development industry mining area, water and forest protection near the mining area. Therefore, at a time that the depth and breadth of the bilateral cooperation has been continuously strengthened, it is necessary that we pay attention to avoid the risk, protect investment enterprises, and safeguard the interests of Chinese enterprises; at the same time, we must respect local laws, customs, increase environmental awareness in order to ensure the long-term, stable and healthy development of foreign cooperation and achieve mutual benefit and win-win situation.

Mongolia's environmental problems have become increasingly prominent due to global warming: 70% of the country's land faces various degrees of desertification, and there is a growing trend. The latest statistics showed that Mongolia has three large lakes, and rivers, streams 6646, among which 551 are drying or already dry. Among the 3613 medium and small-sized lakes and marshes, 483 of which run dry. Thus, the country's rivers and lakes are in a serious condition, water resources are becoming increasingly scarce, and the wetland area has reduced sharply. 90% of the homeland is facing the challenges of desertification and soil degradation. Grassland animal husbandry is the basic industry of Mongolia, accounting for 20% of the total national production. The traditional production mode has been long connected to its ecological fragility. The accelerating pace of economic growth, increase of grassland and rangeland use intensity, especially the increase of goat breeding, all accelerate the grassland degradation, leading to grassland desertification and soil erosion. Mongolia national mining industry has developed rapidly, and has become a pillar industry of the country, but the process of development also caused great

damage to the environment, the mining area of the natural restoration work is not satisfactory. The diminishing of the role of ecological barrier, air pollution, water pollution, soil pollution and environmental problems have become increasingly prominent, caused great harm on residents' health and the habitat, seriously restricted the sustainable development of agriculture and animal husbandry, industry and mining industry, and will pose potential threat to the ecological economic security. Under the dual effects of natural factors and human activities, the grassland ecology in Mongolia is deteriorating.

There is direct geographical contact between China and Mongolia, with Mongolia bordering on China in the East, West, and South. The junction of the two nations from West to East are desert area, grassland and forest areas, among them most of the area is the major animal husbandry district for both nations, facing with similar ecological environmental problems of desertification, vegetation restoration, air pollution etc, thus the common governance of environmental problems is practicable. In 1990 China and Mongolia signed cooperation agreement on protecting natural environment according to the spirit of the China-Mongolian Friendship and Cooperation Treaty in 1960. The cooperation includes the technique of control of quicksand and soil weathering and erosion, protection and rational use of Gobi desert and grassland pasture, preventing surface water resource depletion, environmental assessment of natural conditions and basic research and applied research of natural protection. [13] On December 17 2012, the two sides signed a memorandum of understanding on cooperation in environmental protection between the two countries, in order to strengthen cooperation in ecological protection and biodiversity protection, dust storms and desertification monitoring and control, and pollution prevention and other fields. The two sides also agreed to carry out cooperation in the protection of rare wild animals Mongolian Gobi Bear.

In the future, under the joint efforts of both sides, the environmental protection cooperation should be advanced in the fields of combating desertification, water resource protection and renewable energy development and utilization. For a long time, China and Mongolia are suffering from sandstorms, so there is urgent need to carry out cooperation in the prevention and control of sand storms. Due to financial difficulties and lack of appropriate technical means, Mongolia needs to cooperate with china in the field of forestation. Especially Mongolia's "Green Great Wall" forest construction plan needs specific guidance of Chinese forestry experts, how to carry on the water storage irrigation also needs to learn advanced technology from China. [14]

Mongolia's water shortage is increasingly prominent. China and Mongolia have a lot in common and many to cooperate in the field of water resources: China can use its rich experiences on water resources planning, development and utilization, and ecological restoration; to enhance cooperation with Mongolia in the fields of water conservancy research, basin regional water resources investigation, evaluation and planning, water infrastructure planning, design, construction and management, ecological restoration of rivers and lakes, and water resources utilize and protection [ 15 ].

Mongolia has solar and wind energy resources which exceed the world's average level. Vigorously developing wind energy is an important part of Mongolia's renewable energy development plan. Data show that 10% of the country's land area can use wind energy, 13 provinces have more than 20 thousand megawatts of power generation, 9 provinces have more than 50 thousand megawatts of wind power generation capacity. In addition to wind resources, there are 270 ~300 sunny days every year in Mongolia, providing the conditions for the use of solar energy resources. Bilateral cooperation between China and Mongolia can not only meet the demand of Mongolia, but export the excess renewable energy to China, South Korea and Japan and other countries to build a true green economy.

### **China-Mongolia-Russia Water Resources Cooperation**

Environmental protection cooperation between the three countries located in the "China-Mongolia-Russia Economic Corridor" must be enforced. Water is the source of life, also a scarce resource. Water is scarcity in the China-Mongolian contiguous areas; whereas the freshwater resources are extremely rich in the Selenga and Lake Baikal. For this region with abundant water resources, north-to-south water diversion project only uses a drop in the bucket; but for southern Mongolia and northern China, the water diversion project is the most important strategy for changing ecological environment and development bottleneck. In



recent years, from some of the Russian politicians' speeches, there are signs show that Russia's changing its attitudes towards Lake Baikal north-to-south water diversion, which prove the increasing feasibility of international water resources cooperation between China, Mongolia and Russia. China-Mongolia-Russia Economic Corridor can be the best platform to effectively carry out cooperation in water resources between the three countries. It is hoped that the governments of the three countries will reach an agreement as soon as possible, which will bring great benefits to the development of Russia's Siberia and the Far East, as well as China and Mongolia.

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