

Research on Strategic Shipping Development in China

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Abstract: With the unbalance relationship of strong demand and weak supply, China's strategic shipping is composed of carriage of goods by sea, marine replenishment and maritime security. China's economic strategy, in particular Chinese maritime policy, shows a high tendency of urging to develop China's strategic shipping, which aims to safeguard China's national interest. This paper explores the approach of balancing China's maritime interests safeguarding and the compliance of international maritime regulations by examining three dimension of strategic shipping capacity which includes shipping, port and lane. In addition, this paper creatively proposes the idea of merchant ships and ports for military application and gives some advice about the implementation measures and legal system of mechanism safeguarding.

Key words: Maritime, commercial vessels, military purpose, commercial ports.

1. The Ideas and Initiatives of China's Ability to Develop Strategic Ocean Shipping

In recent years, Chinese overseas interests expand globally at an unprecedented speed, Chinese maritime rights and interests, maintenance and expansion of maritime transport are confronted with the unprecedented pressures and challenges. Because China did not deploy military base worldwide just as the U.S. did, there is no fighting powerful aircraft carrier battle groups. Given to the complex international situation and China unique national conditions, this paper argues, from the "ports, shipping, airline", a three-dimensional perspective, to actively build Chinese strategic ocean shipping capability. Specifically, firstly, constructing overseas strategic port, which will achieve the strategic intent of commercial port to military; secondly, constructing national strategic transport fleet, which will achieve the

strategic intent of merchant ship to military; and finally, constructing security forces of maritime defense, which will achieve the strategic intent of utilization of marine resources and ensure maritime transportation security.

1.1 China Needs to Seize the Opportunities of the Reconstruction of Maritime Order, and to Provide Actively Ocean Public Products

With the development of economic globalization to the depth direction, China actively integrates into the world, and the world also needs China. In view of the international community calling on states' responsibilities, now there is a good opportunity to reconstruct the maritime order. Due to the complexity and diversity of interest of maritime security threats, Chinese peaceful rise means to assume more international responsibility. When there comes more and more problems of the United States on the provision of international public products, such as maritime safety, maritime navigation etc., China should timely and effectively provide international maritime public products, take more responsibilities

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and obligations, and maintain public safety at sea together with the United States, but be non-aligned with it.

Maritime public products include products such as the maintenance of the world ocean's publicity and openness, the freedom of navigation, the anti-piracy activities, and the protection of maritime good order [1]. The international community needs someone to provide these products. The U.S. Defense expert, Daniel Koster Chica, thinks that the reason that China pursues the maritime policy of "does not deploy overseas military bases" is to highlight Chinese path of peaceful development. Meanwhile, with the increase of Chinese overseas economic and political interests, China has adopted a flexible approach in terms of military deployment, for example, China escorted fleets to the Gulf of Aden [2].

1.2 China Needs to Construct Overseas Strategic Ports to Achieve "Commercial Ports for Military Strategic Function"

"21st Century Marine Silk Road" is based on the construction of ports along with maritime traffic, and China hopes that this proposal can link sea lanes from Southeast Asia to Hainan Sanya [3]. The main purpose of the strategy is foreign investment, and its main focus is to promote economic development of the country's hinterland through to build port fulcrum, so that it can form bilateral and multilateral economic cooperation zone and strengthen the strategic cooperation with the ports of Europe, North and South American countries, even countries near north and south poles [4]. October 2015, the Australian Northern Territory Government signed with Chinese companies Landbridge Group lease agreement which is worth of 506 million Australian dollars (362.65 million dollar). Landbridge Group obtained the right to operate for 99 years. The Port of Darwin, including Darwin offshore supply base, Ford Hill and dock facilities were leased to this Chinese enterprises closely with Chinese government. The Port of Darwin is one of the Australian northern

coastline strategic locations, stationed nearly 2,500 US marine soldiers [5].

Some scholars have suggested that Chinese government should quietly connect their native military bases to military bases in Thailand (Songkhla), Myanmar (Coco Islands and Sittwe Port), plug Seychelles (Mahe Island), Pakistan (Gwadar), Bangladesh (Chittagong), Maldives (Gan Island) and Sudan (Port Sudan) and other military bases as an entity by establishing commercial ports, naval stations and monitoring stations, which could be extended in the South China Sea in the Pacific to the Arabian Sea in Indian Ocean, looking like the "string of pearls" strategically [6]. China should make full use of the ports controlled by overseas investment to construct maritime fulcrum of strategic maritime shipping capability, thus making up the short board that China does not have naval ports abroad and provide shipping, marine repairing, and salvage support etc.

1.3 China Needs to Construct the National Strategic Transport Fleets to Achieve "Merchant Military" Strategic Function

In recent years, the construction of Chinese civil ships grew very fast and China's shipbuilding industry has made great progress. According to the statistics of the China Classification Society, the new creative (reconstructive) ships of domestic voyages were 707 in 2011, 848 in 2012, 726 in 2013, and 702 in 2014. In addition, the number of new motorized marine fisher is more than 3,000 (see the table below) each year, which provide Chinese "military merchant" a rich material base [7].

The United States approved the *National Safety Maritime Policy, Merchant Shipping Act, Naval Ship Design Technology Convention* and other regulatory documents and in those laws and regulations, the designation and construction of civilian vessels were implemented in the national defense requirements as the important preparations of mobilizing civilian vessels in peacetime. Those vessels were regulated by

Table 1 Number of new motorized marine fisher.

Description of ship	2011		2012		2013		2014	
	Quantities	Tonnage/ten thousand tons	Quantities	Tonnage/ten thousand tons	Quantities	Tonnage/ten thousand tons	Quantities	Tonnage/ten thousand tons
Passenger ship	118	17.16	111	15.77	92	12.79	100	2.50
Cargo ship roll	7	5.34	1	0.88	0	0	0	0
Multi-purpose vessels	4	1.73	6	9.73	8	11.10	11	15.50
Container ship	17	8.34	17	9.86	10	13.10	8	5.40
Cargo ship	10	2.25	7	7.05	0	0	0	0
Bulk freighter	107	213.42	119	189.50	86	180.75	66	122.90
Tanker	85	29.55	142	47.70	125	33.69	52	16.20
Chemical tanker	48	13.32	62	14.38	53	14.25	51	11.80
Barge	5	4.24	3	0.54	10	2.72	9	4.60
Tug	92	4.12	84	3.95	53	2.58	64	3.40
Engineering Ship	20	3.12	35	5.92	14	1.31	32	2.50

Source: China Classification Society (2015).

regulatory constraints, encouraged by policies and financial subsidies, and controlled by other ways. Therefore, the responsibilities between government and the military could be distinguished, and the mechanism could be flexible throughout. Legal protection, administrative offices and standard specification constraints [8].

According to *National Defense Mobilization Law of China*, after the carrying out of the national defense mobilization, every entity and civics shall have the responsibility of serving and supporting national defense affairs. Commercial vessels are the most suitable for organic unit transportation, equipment material handling, casualty evacuation, dry or wet cargo supplying, port emergency repairing and construction and other marine strategic delivery supporting missions. What's more, commercial vessels shall also undertake the missions of battlefield damaged warships repairing, helicopter suspending safeguarding and marine rights protection. Through complying with the requirements of national defense, commercial vessels could take the military function economically and conveniently [9].

Therefore, Chinese government are expected to sign *the agreement of commercial vessels for military purpose* with China Ocean Shipping Group Co., LTD, China Merchants Energy Shipping, Sino Tran & CSC

Holdings Co., LTD and other state-owned enterprises. Ensuring commercial vessels' legal rights, meantime, creating reasonable economic compensation mechanism which can cater navy shipping's urgent demands.

1.4 China Needs to Actively Optimize Ocean Routes to Ensure Their Safety

Marine transportation possesses the advantage of big capacity of shipping, yet the shortages such as high risk, long time and distance are also exist. How to plan existing routes reasonably and how to expand new routes now have already become the crucial issue of maritime transport routes strategy. Ocean route safeguarding is of importance to strategic shipping, which could enhance a nation to control and utilize ocean efficiently. Usually, it requires a strong navy force or maritime reserve force as backbone.

1.4.1 New Routes Webs Are Expected to Expanded

It's necessary to expand routes gradually to high seas and abyssal seas for shipping construction. Russian' "The Arctic Routes Strategy" could be learned to research the possibility of arctic exploration scientifically. As a country outside the arctic route area, China should corporate with countries inside this area such as Russia, Canada on Scientific research and commercial use, then, China could make its own arctic route strategy with the interests of itself focusing on

developing and utilizing arctic routes in order to have competitive advantage in international ocean struggle pattern as early as possible [10].

1.4.2 Existing Routes Web Improving

The existing container transport route layout should be improved as a result of container evolution adapting the demand of maritime transport and land transport facilitation. The development and improvement of maritime routes ceaselessly should be planed as a whole to consider the interests of foreign economic exchanges and the demand of states safety. Meanwhile, the features of container, oil tanker, break-bulk cargos, LNG, trolley and other multi-functional and large vessels should also be taken into consider [11]. China is required to gain the initiative in control shipping lanes for marine economy and national safety.

2. China Should Establish a Sound Mechanism and a Legal System of China's Country's Strategic Ability of Shipping

In order to improve the efficiency of defending the nation and promote strategic shipping ability, it is essential to study comprehensively the legal system of national defense transport and strategic shipping, coordinate the interests of national defense traffic participants, and handle the legal relationship between the countries, organizations and individuals as well as horizontal and vertical legal relationship at home and abroad, so that China can come from the mechanism system and legal system to ensure the strategic and the feasibility of the ability to develop maritime shipping.

2.1 To Establish and Improve Institutional Mechanisms of Strategic Shipping Capability

In recent years, maritime terrorism, the fight against ISIS, pirates and other non-traditional security threats have become increasingly frequent, there is a wide range of interests of global demand for the security of maritime transport, sea-lane and the marine utilization, which have laid a solid foundation for institutional mechanisms building.

2.1.1 Bilateral or Multilateral Maritime Cooperation Platform Mechanism Is Expected to Be Built

China should establish bilateral or multilateral security cooperation mechanism and platform with maritime transport important channel riparian countries based on the maintenance of maritime rights and interests, make full use of marine resources, and ensure the safety of maritime transport routes. China should build a platform for communication, dialogue and coordination, respect the interests of all parties and the interests of the demands of the appeal, resolve conflicts of interest and effectively prevent, and avoid conflicts at sea [12]. We should try to establish mechanisms of the maritime and security cooperation in the important content such as ports security, the maritime union, sea environmental protection, marine energy transportation, joint maritime rescue, which can increase our strategic shipping capabilities.

2.1.2 To Establish and Improve of the Bilateral or Multilateral Military Maritime Safety Coordination Mechanism

Usually, maritime military safety coordination mechanism is based on military security forum or in the form of international or regional forum of the military, typically, the CSCAP (Council on Security Cooperation in Asia and Pacific Region), the ASEAN Regional Forum and the naval seminars and so on. Since the U.S. carried out the "Return to Asia" strategic and paid more attention to the Asia-Pacific military security affairs, though there are differences and conflicts in maritime military security cooperation, but we should set up and keep mechanisms and institutions of communication and dialogue, coordinate the conflicts in practical way, put the divisions aside, and seek the common point, for example, the common interests of maritime counter-terrorism, striking ISIS and fighting piracy at sea, and fighting illegall hunting marine organization. China's military should transfer the passive participation into the active participation, try to fit in the Asia-pacific multilateral military cooperation mechanism dominated by United States,

find a point of interest balance in increasing mutual understanding and enhancing mutual trust [13].

2.1.3 To Establish and Improve the Early Warning Mechanisms and Conflict Resolution Mechanisms

In view of the complexity, internationalism, uncertainty and hard-coordination of maritime security affairs, usually the United Nations, the International Maritime Organization (IMO) and other international organizations will coordinate and solve the maritime security affairs according to the “UN Charter”, UNCLOS and other international conventions, agreements, regulations. Crimes at sea like piracy, maritime terrorism and other violence, the security early warning mechanism for global emergencies should be established by the International Maritime Organization (IMO) and the national intelligence should be shared with each other to build a security command system together. It is needed to improve maritime dispute settlement procedures and mechanisms to resolve conflicts and provide negotiation, mediation, conciliation, judicial and other multi-channel, multi-selective settlement mechanism.

2.2 To Establish and Improve the Legal System of China's Strategic Shipping Capacity

Now we should seize the chance of revising the “National Defense Transportation Law”, to establish and improve relevant laws and regulations, improve the mechanism of military defense system constantly. Linking with the National Defense Act, the National Defense Mobilization Law and other laws drafted by nation, as well as the National Defense Transportation Law, the Regulations on National Defense Mobilization of Civil Transport Resources as well as the Compensation Regulations on National Defense Mobilization of Civil Transport Resources and other regulations and rules drafted by the State Council and the Military Commission [14].

2.2.1 To Study on the Legal System of Overseas Strategic Ports

We should try to get the approval of the National

People's Congress to put forward the establishment (preparation) of overseas military bases or troops in the Constitution, or get the approval of the Standing Committee of the National People's Congress to establish overseas strategic ports or protocol of garrison problems. Or we should try to get the approval of the Central Military Commission, the Department of Defense to formulate “Regulations on People's Republic of China Overseas Strategic Ports Construction”.

2.2.2 To Study on Legal Institutions of Merchants Ships for Military Usage

Although the state has required to implement the national defense, allocate civilian vessels rationally for national defense, however, those civilian vessels for military usage lack of related guarantee mechanism and there are some remaining compensation issues, currently the requirement still cannot meet the actual demands. For example, how individuals or organizations can do better should be more explicit in maritime transport to implement the national defense requirements and who shall bear legal responsibilities should be also explicit [15]. The National Defense Mobilization Law should be more explicit at construction projects and important products which are closely related to the national defense; the relevant supporting policies and institutional management responsibilities also should be more specialized, and try to establish and improve the national defense authority institutions and mechanisms. There should be publicity system and inquiry system of civilian vessels for military usage and compensation mechanism much closer to the market in the National Defense Transportation Law.

2.2.3 To Study on Legal Issues of the Development and Utilization of New Routes

The national safety of the extraterritorial North Pole areas, and expanding the interests of the Arctic channels not only become hot issues of international laws, but also are related to China's maritime strategic interests. Recently China has revised and promulgated

the “People’s Republic of China National Security Law”. It’s the first time for China to bring polar activities into the law. China insists to explore and develop the polar region in a peaceful way, to improve the abilities of the safe access, scientific investigation and development and utilization of the polar. At the same time, we should strengthen the international cooperation and maintain the security of China polar activities and other interests [11]. In the Forth Plenary Session of the 18th Central Committee of the Chinese Communist Party, we have explicitly put forward to strengthen the strategic deployment of foreign-related legal work, to pay great attention to participate in making the international rules, to increase China’s voice and influence in the international legal affairs, and to use legal means to safeguard China’s sovereignty, security and development interests.

3. Conclusion

China shall pay close attention to upgrade strategic shipping in view of current complex international situations and fierce struggling for sea power. Through borrowing the United States’ lessons, China can make a well preparations including developing ocean transportation, ocean replenishment, safeguarding and salvage capacities for extending sea rights and interest as well as enhancing maritime transportation capacity through commercial vessels and ports for military purpose in the three-dimension perspectives of strategic shipping factors (shipping, port and lane).

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