



Constructing a gas pipeline. Credit: [Wojciech Wrzesien / Shutterstock.com](#)

Sanctions, Shipping, and Sabotage: China and Russia Enter the 'Gray Zone' in the Baltic Sea

Dr. Kristina Spohr with Laurel Baker

In the small hours of October 8th—the day after Hamas attacked Israel and Russian President Putin celebrated his birthday—the Fenno-Estonian [Balticconnector](#) gas pipeline and two underwater fiber-optic cables linking Estonia with Finland and Sweden through the Baltic Sea were broken.

Subsea cable ruptures are not unusual per se. They frequently occur from [negligence or poor seamanship](#). Yet, the location, peculiar timing—just over a year after a series of explosions shut down the Russo-German Nordstream 1 and 2 pipelines—and several other suspicious factors rapidly rang alarm bells.

The specter immediately loomed large that the damage, caused by “[external activity](#)” and “[mechanical force](#),” was not an accident, but an act of deliberate and state-ordered sabotage. With mystery came political uncertainty. Russia’s small neighboring NATO states felt they had been put on notice, and scholars, [pundits](#), and policy makers questioned how NATO might react.

Within days, Finnish investigators reported that MarineTraffic [AIS data](#) showed two vessels, the Hong-Kong-flagged Chinese container carrier *NewNew Polar Bear* and the Russian

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Rosatomflot-operated *Sevmorput*, a nuclear-powered hydrographic icebreaker, traveling in tandem over all three sites at the times of the incidents. The 169m long *NewNew Polar Bear* and 260m long *Sevmorput* first sailed over the Estonia-Sweden cable near the island of Hiiumaa 133 kms (82 miles) before reaching the pipeline damage site in the Gulf of Finland between Inkoo and Paldiski. The two later crossed the Estonia-Finland cable 32 kms (20 miles) further East. By October 27th, Estonian President Kaja Kallas [stated](#), “We have reason to believe that the cases of Balticconnector and the communication cables are related.”

In the media, fingers quickly pointed at the Kremlin. After all, Putin in 2022 started the largest war in Europe since World War II, resulting in a deep freeze in relations between Russia and the West and prompting Finland to join NATO in April 2023. In addition to the Nordstream episodes, [many](#) also [suspected the Russian state](#) to be responsible for severing a comms cable between mainland Norway and [Svalbard](#) in 2022. Russia, therefore, has a history of antagonizing or intimidating its northwestern neighbors by possibly destroying critical data or energy infrastructure. More concerning was the thought that [China](#) might have collaborated with Russia to antagonize European states on their own turf.

The recent incidents in the Baltic Sea interpolate increasingly common displays of Sino-Russian rapprochement, leading many observers to interpret them as manifestations of an expressed and shared long-term vision to create a “[post-Western](#)” and “[multipolar](#)” world order. In fact, as some commentators pointed out, the PRC frequently [engages](#) in maritime harassment and subversion; just earlier this spring, Beijing was [blamed](#) for cutting two undersea internet cables connecting Taiwan and its outlying Matsu islands.

Regarding the Balticconnector event, the Kremlin dismissed any suggestion of its involvement as “[complete rubbish](#),” while proclaiming that any threats made against Russia were “[unacceptable](#).” China, in turn, laconically [declared](#) that it expected an “[objective, fair and professional](#)” investigation and [stood](#) “ready to provide necessary assistance in accordance with international law.” Thus far, neither Finland, Estonia, Sweden, nor NATO have specifically accused either Russia or the PRC of a deliberate attack. However, the [Atlantic Alliance](#) did respond, increasing patrols in the Baltic Sea and dispatching aircraft and minehunters to the region. Meanwhile, the plot over the two ships’ possible [collaboration](#) and its implications for [a Russia-China nexus](#) has thickened.

Until June 2023, the *NewNew Polar Bear*, originally built in Germany and subsequently operated by diverse international owners, sailed under a Cypriote flag and bore the name *Baltic Fulmar*. That month her management was taken over by Hainan Yangpu NewNew Shipping Line of China. Strangely, according to Finnish newspaper *Ilta-lehti*, a website found under the name of said company—established as recently as [2021](#) (!)—was not operational, but the location of its IP address was, notably, in Russia.

Moreover, Russian *Port News* reported in July 2023 that NewNew Shipping Line, a subsidiary of Chinese transport and logistics group Torgmoll, was a new container carrier serving Sino-Russian trade along Russia’s Arctic coast in cooperation with Russian container terminal operator Global Ports. Especially eyebrow-raising was the fact that Chinese businessman [Ke Jin](#) appeared to concurrently serve as the “director” of Torgmoll and the so-called “representative in Russia” of NewNew



Shipping, personifying a deeply awkward [Sino-Russian entanglement](#).

Notably, [Rosatom](#) (the State Atomic Energy Corporation) granted *NewNew Polar Bear* a traffic permit this summer to traverse Russia's Northern Sea Route. The *Polar Bear*, a [small container vessel](#), is not particularly profitable in terms of cargo load. Specifically, the ship can carry up to 1,600 boxes and is normally clearly intended for shorter routes, when large, long-range crafts transport some 10,000-25,000 TEU. She is, however, a special ship. Built to the highest standards for operating through polar ice, she, together with four other similar NewNew Shipping Line vessels, set sail in July from St. Petersburg, via Kaliningrad and Arkhangelsk, to Shanghai (also calling at Qingdao and Tianjin). This voyage, along with China's previous commercial and scientific excursions into the Russian Arctic, plus the April 2023 FSB-Chinese Coast Guard [agreement](#), clearly serves to [underpin](#) China's maritime ambitions under Beijing's "Belt and Road" initiative.

Arriving in the PRC on August 4th, *NewNew Polar Bear* returned a month later—after some alleged repairs to its anchors—via Petropavlovsk-Kamchatsky (Sept. 13th) and Kaliningrad (Oct. 3rd), reaching St. Petersburg on October 8th. Though accompanied by *Sevmorput*, she was the [first container ship](#) to achieve an unassisted Arctic round-trip.

Between October 10th and 12th, both left once more for Asia. *NewNew Polar Bear* stopped at Kaliningrad on the 13th and arrived at the port of Archangelsk on the 22nd. Here, ominous [photos](#) soon surfaced of the Chinese ship without its anchors.

Two days later, Finland's central criminal police [reported](#) that an anchor, weighing 6 tons and missing

one of its prongs, had been lifted from the seabed. There, Finnish authorities found deep drag marks on both sides of the fractured pipeline. Finland's National Bureau of Investigation officially [announced](#) a parallel lack of "visual confirm[ation] that both front anchors of the [Chinese] vessel were in their place."

Meanwhile, Finns (and Norwegians) were merely able to look on as the runaway *Polar Bear* journeyed onward in international waters where they were unable to stop it. "Unresponsive" and clearly "reluctant" to voluntarily engage with Finnish authorities' enquiries, she stubbornly steamed North, set to rendezvous with Russia's *Sevmorput* in the Barents Sea before embarking on the long voyage east to the Pacific. Still, while growing evidence pointed to Chinese [culpability](#) in the pipe and cable incidents, authorities could not rule out Russian complicity, or full agency.

There were more awkward pieces to fit into the puzzle:

First, according to sources referred to by *The Economist* journalist, [Shashank Joshi](#), between October 6th and 8th, the *NewNew Polar Bear* appeared to have taken on a new *Russian* crew during its Kaliningrad stop before the alleged "sabotage" occurred. Second, when the Chinese ship left Arkhangelsk on October 25th, it bore a freshly updated [Rosatom NSR sailing permission](#) to last [until mid-November](#). In a sinister twist, the name of the ship's operator was switched from Hainan Yangpu NewNew Shipping Co. to the Russian-registered arm of Torgmoll. [Third](#), the choice of Russian ports, Rosatom's close shadowing of the Chinese ship, and the latter's unusual small size raised the possibility that Chinese and Russian sailors performed a potentially sensitive exchange of a [high-value](#) goods on the NSR to circumvent the international sanctions regime imposed on Russia.



So, however awkward the *Polar Bear's* conduct, questions remain regarding the centrality of Russia's role in this disruption.

Regardless of whether the Baltic Sea incident was intentional, and whether the Russian or Chinese governments were directly complicit, Sino-Russian dual presence during the incidents unsettled Finns, Estonians, Swedes and Norwegians, further fraying nerves in an already volatile geopolitical environment and a regional theatre on edge. Given the many incongruities in Sino-Russian behavior on what's now effectively NATO's Northeastern flank, their active drive for political and economic synergies as they confront the "West," and their aggressive conduct and history of hybrid warfare elsewhere, strong suspicions over their motives and actual deeds persist.

Who, bar Russia (and to a lesser extent China), could benefit from sabotage against Western

Baltic-Sea infrastructure? Who would profit from causing upset and unease in an otherwise relatively peaceful and stable European neighborhood? What exactly were the roles of the Russian and Chinese states in the activities of the "private" companies involved? And what does this Balto-Arctic incident reveal about the Sino-Russian nexus with respect to a world order in flux?

The Russian Federation and the People's Republic of China under Putin and Xi [share](#) the view that they have been unjustifiably lambasted by Western voices and ostracized from international dialogue. They also conceive of a world order in which the U.S. is a declining and hypocritical hegemon, and at least rhetorically believe that it is time to recognize the global reality as "multipolar." As wars rage in Europe and the Middle East, it is possible that Beijing and Moscow perceive in the current

Cargo ship in the Baltic Sea. Credit: [Aastels / Shutterstock.com](#)



geopolitical chaos an opportunity to assert their mutual interests behind turned backs.

The Sino-Russian relationship has garnered much fanfare despite its [lukewarm achievements](#). While Putin and Xi appear to have a close “[friendship](#),” the actual Sino-Russian relationship suffers from poor operational integrity, asymmetries, and deep-seated mutual distrust among non-state actors.

Nonetheless, at the October 2023 BRI forum held in Beijing, Xi and Putin voiced reciprocal support for their own efforts to “[safeguard](#)” their national sovereignty and territorial integrity. In the Arctic context, the two states have collaborated on large-scale extractive projects (to limited success), and Russia allows China [unprecedented access](#) to the NSR under Rosatom’s careful observation. However, the Russian state clearly asserts that it is the preeminent Arctic power, and in the late 2010s expressed considerable pessimism toward China’s entry into Arctic governance. Thus, it is difficult to gauge the sincerity of their [fresh pushback](#) against their relationship just being a “marriage of convenience.” It remains unclear if these recent provocations signal further entrenchment of what is otherwise a [tepid](#) Sino-Russian relationship, movement toward a deliberately revanchist or revisionist agenda, or just a glancing alignment in interests.

The Russian state’s displeasure toward its Nordic and Baltic neighbors is predictable, given that all along its northwestern border—from Kirkenes to Kaliningrad—it now is flanked by NATO states. Moscow also demonstrates a willingness to upset Arctic security dynamics through [remilitarization](#), from Kola to Kamchatka. Yet, obviously provoking Finland, a new NATO member, seems strategically injudicious.

Even less clear is why *China* would be outwardly antagonistic in a region where it has vested

interests in [maintaining good relations](#). The PRC historically poised itself as a cooperative actor in the Arctic and Balto-Nordic region, claiming to pursue the “common interests of [mankind](#).” Beijing even went as far as to identify the PRC as a “[near-Arctic](#)” state in the hopes of being accepted by littoral and proximate governments as a constructive peer. Consequently, many Chinese voices emphasize that it is not in China’s interest to be revisionist in the Far North. At the same time, Western suspicions persist that the Chinese state is attempting to subtly project power and expand its gravitational influence through dual-use research, shipping, investments in extractive industries in Russia, Iceland, Greenland, and Canada, and other sub-state efforts. Hence, one might question why Beijing would be willing to bear such a reputational cost while both its domestic stability and international image teeter precariously. Why, when the CCP has been careful to not outwardly support Russia in the war in Ukraine through obvious material provisions, would Beijing choose to sloppily harass northern partners, except to possibly divert attention from either domestic woes or aggression toward Taiwan?

This leaves open three possibilities as we consider if the October 8th incidents were intentional: that Chinese companies or individuals are actively working against Beijing’s directives, that there are no directives to contradict, or that Beijing privately condones antagonizing Western actors, perhaps by letting Moscow do the dirty work. If the latter is the case, this would be a stark departure from the placative language and upright behavior displayed at multilateral forums and in official CCP discourse, as China works to be seen to act within existing international frameworks.

Scholars and pundits have assigned actions like these recent cable and pipeline attacks names like “[hybrid](#)



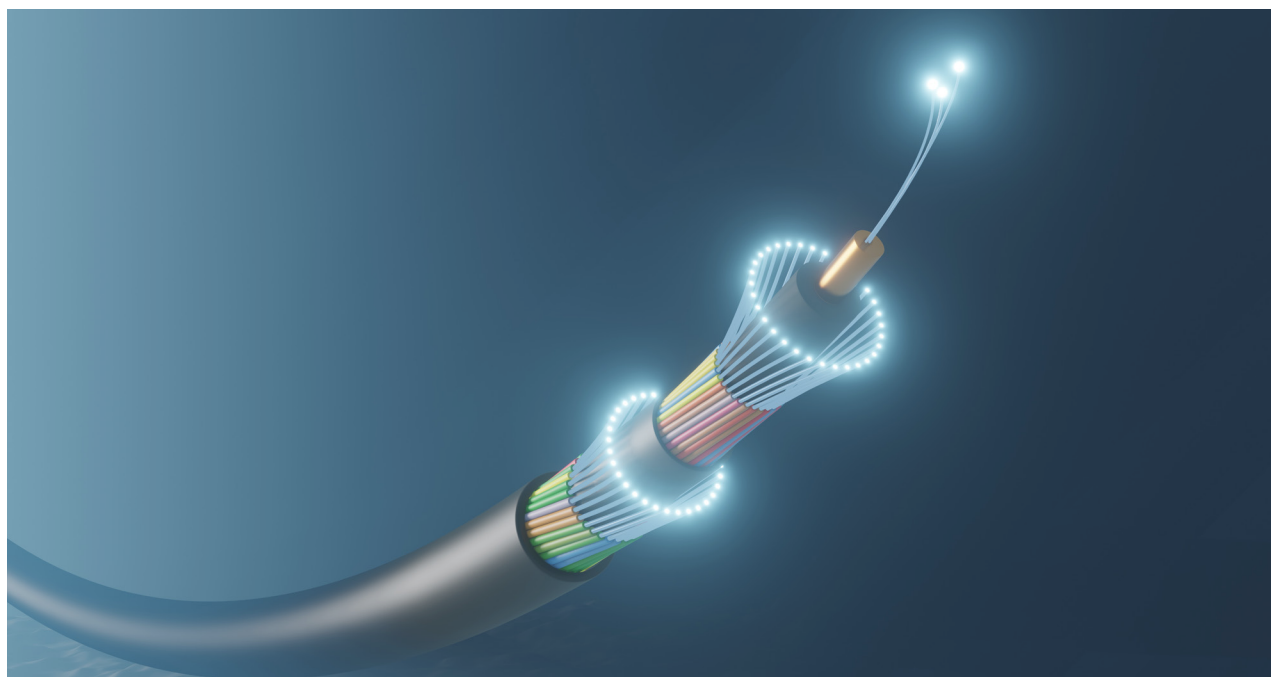
warfare,” “gray-zone warfare,” or, more recently, “sharp power.” Each of these terms possess **country-specific doctrinal** definitions or varying scholarly interpretations. However, they all try to describe how states project power through economic, political, or otherwise unconventional manipulation, or aggression that falls short of war. “Sharp power” specifically addresses states’ capacities to undermine faith in or the function of governing institutions. Gray-zone, or “sharp” techniques are **difficult to rebuke** because the agent who enacts them, the political or legal entity responsible for guarding against or penalizing them, and the appropriate punishments for them are frequently unclear. So, it is possible that Russia and China are exploiting loopholes in maritime law by obfuscating state or commercial responsibility, as they seek to escape discipline through causal ambiguity.

The question therefore remains: why would Russia and China engage in a joint Balto-Arctic sharp power

campaign when the penalty would asymmetrically affect China’s reputation? Perhaps Moscow and Beijing feel the costs of limited mischief-making are acceptable, considering what they stand to gain by generating regional anxiety and recalibrating the current global order to be “**safe(r) for autocracy.**” If this is the case, it serves as a striking reminder to NATO and the EU of the necessity of unified and potent deterrents.

Putin has an obvious interest in reasserting Russia as a great power. He also likely knows that NATO members will find it hard to formulate a response to the legal and informational murk surrounding an odd Sino-Russian duo. Moreover, given China’s massive economic leverage and administrative self-possession, is unlikely that the Kremlin is forcibly dragging reticent private or state Chinese actors into its own disruptive agenda. Indeed, Beijing may be willing to play along because a weak Russia is not in the CCP’s long-term

Rendering of underwater communication cable. Credit: [Dragon Claws / Shutterstock.com](#)



interests. A Russian “loss” to the “collective West” would compromise their (at least loosely) coordinated effort to adjust the current order such that they each enjoy the privileges of a regional hegemon; the character of a true joint push for a novel global order is [less clear](#). Nevertheless, precedent suggests that even if Russian actors inevitably appear to be the driving force in the Balticconnector affair, Western allies should be concerned if *both* Beijing and Moscow now feel it is worth the political risk to interfere in the European theater.

Few now doubt that Russia and China did collaborate to some extent on the recent cable and pipeline breakages. The likelihood of three *accidental* instances of damage happening consecutively—especially given the notable drag caused by heavy ship anchors—is low. This saga naturally raises the question of how NATO will react, especially if investigators deem that a deliberate, state-mandated attack on NATO members’ civilian and commercial infrastructure took place.

For now, the defense alliance is working “closely with the private sector,” since private companies tend to be the owners and operators of pipelines and data or comms cables. Ironically, it was only in June 2023 that NATO [launched](#) a new center for protecting undersea infrastructure, in reaction to the still-unsolved explosions of Nordstream gas pipelines and the cutting of the SvalSat cable in early 2022, and amid heightened concern that Russia has been mapping Western energy supplies and internet hardware in the Northern waters around Europe. As NATO Secretary General Jens Stoltenberg [explained](#) “There’s no way that we can have NATO presence along also these thousands of kilometers of undersea infrastructure....But we can be better at collecting...intelligence, sharing

information, connecting the dots, because also in the private sector there is a lot of information” about ship movements and maritime surveillance.

What occurred this fall in the Baltic Sea has not been deemed to be a military act or an act of terrorism against any single state. But it is certainly a willfully malevolent and unlawful deed, intended to harm vulnerable underwater infrastructure and to disrupt vital civilian and commercial operations. Such a “limited” attack is not likely to trigger NATO Treaty’s [Article 5](#). Yet, especially if Beijing or Moscow were culpable of machinating the Sino-Russian business cluster or mandating the damage, NATO must offer a strong response to maintain credibility and deter future subversion.

Such an Alliance-wide reaction could potentially come out of applying [Article 4](#). Jens Stoltenberg in any case [left nobody in doubt](#) that the guilty party would “be met by a united and determined response from NATO.” For now, the Alliance is determined for “tensions [to] stay low in the High North.” But as Admiral Rob Bauer, Stoltenberg’s military advisor, [stated](#) in Reykjavik on 21 October 2023: Given the strengthening of interaction between Russia and China including though “[maritime security cooperation](#)” in Arctic waters, “[we cannot be naive and expect the NSR to be only used by commercial](#)” ships. The Balto-Arctic area is evidently crystallizing as an area of heightened strategic concern for [NATO](#). How Brussels envisions deterrence and will deal with the complex and often opaque Sino-Russian commercial and political nexus in practice remains to be seen.

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