



# China Reform Monitor No. 1376

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## HOW CHINA HELPS PYONGYANG EVADE SANCTIONS

On the sidelines of the Shangri-La Dialogue in Singapore, acting U.S. Defense Secretary Patrick Shanahan provided his Chinese counterpart, Wei Fenghe, with a 32-page book of satellite images of North Korean ships receiving shipments of oil in China's sovereign waters. The photos, which included dates, times, locations and descriptions, are proof that Beijing is enabling Pyongyang to violate UN sanctions. In one photo dated June 7, 2018 a North Korean-flagged oil tanker, the Kum Un San 3, is connected via hoses to the M/V New Regent, a Panama-flagged tanker. "I gave him this beautiful book [and] said this is an area where you and I can cooperate," Shanahan said after the meeting. China has agreed to the UN sanctions against North Korea and in March, the Security Council said North Korea had been engaged in a "massive" increase in ship-to-ship transfers of petroleum and coal. The U.S. Navy has been working with South Korea, Japan, Australia, New Zealand, Canada and France, to catch such sanctions violations. (Associated Press, June 11, 2019)

## XI VISITS PYONGYANG, PENS RARE OP-ED

Xi Jinping has met North Korean leader Kim Jong-un during a two-day visit to Pyongyang – the first by a Chinese leader to North Korea in 14 years, and Xi's first since taking power in 2012. The meeting is the fifth meeting between the two leaders in 15 months, with the other four taking place in China. Thousands lined Pyongyang's streets to welcome Xi, who praised Pyongyang's efforts towards denuclearization. The visit allowed the two leaders to "agree on some concrete co-operation projects," said the official *China Daily*. The day before his arrival, Xi published a rare front-page editorial in North Korea's *Rodong Sinmun* newspaper calling for "strengthened strategic communication and exchanges," and reiterating that "China supports North Korea for maintaining the right direction in resolving the issue of the Korean peninsula politically." (BBC, June 20, 2019)

## PLA JETS BUZZ CANADIAN SHIPS IN THE EAST CHINA SEA

According to Canada's Department of National Defense, two Su-30 PLA fighter jets buzzed a Canadian warship and supply vessel operating in international waters in the East China Sea. Flying about 30 meters above the ocean, the warplanes came within 300 meters of the frigate HMCS Regina and MV Asterix, which were part of the UN enforcement of sanctions on North Korea. Canada's military also reported that the crew of a Chinese fishing boat pointed a laser at a Canadian CH-148 Cyclone helicopter operating near the Taiwan Strait. Last year, Chinese fighter jets buzzed a Canadian CP-140 patrol plane in international airspace as it monitored the sea lanes for ships and tankers violating the UN sanctions on North Korea. Japan, Australia, and New Zealand have also been harassed during UN sanctions enforcement patrols. (Canada Broadcasting Corp., June 21, 2019)

## PLA WARSHIPS DOCK IN SYDNEY

Most Australians, including New South Wales Premier Gladys Berejiklian, were shocked when three PLA warships with more than 700 Chinese sailors arrived in Sydney for four days. The warships, which docked at Garden Island naval base on the 30th anniversary of the Tiananmen Square crackdown, include the frigate Xuchang, which was outfitted with surface-to-air and anti-submarine missile systems, the auxiliary replenishment ship Luoma Hu, and the landing helicopter dock Kunlun Shan. "It may have been a surprise to others, but it certainly wasn't a surprise to the Government," said Prime Minister Scott Morrison. Although there have been reciprocal naval visits, these are the largest PLA vessels ever to visit Australia. Members of the Chinese community learned about the visit via WeChat and waved flags as the ships entered the harbor. (news.com.au, June 5, 2019)

## **AUSTRALIAN TRUST IN CHINA AT LOWEST POINT IN 15 YEARS**

According to the Lowy Institute, Australian views toward China have reached their lowest point in 15 years. Only 32 percent of respondents said they trust China either a "great deal" or "somewhat" to act responsibly in the world, down from 52 percent the year before. Similarly, only 30 percent of Australians have confidence in Xi Jinping to do the right thing in world affairs – a 13 percent drop from last year. Close to half of Australians also think foreign interference in politics is a critical threat, an eight percent increase from last year. Meanwhile, about 70 percent of Australians believe their country is too economically dependent on China, that their government is allowing too much Chinese investment, and support the government doing more against China's military, even at the expense of the bilateral economic relationship. More than half of those polled said they think the U.S.-Australia alliance makes the country safer from China, but most also believe the Trump administration has weakened the partnership. (SBS News, June 26, 2019)