



Conference Report

# The Impact of War Conflict on Sustainable Shipping: Conference Report

Xiaonan Zhao <sup>1</sup>, Xingyi Duan <sup>1</sup> and Yen-Chiang Chang <sup>1,2,\*</sup>

- School of Law, Dalian Maritime University, Dalian 116026, China; xnzhao122@163.com (X.Z.); singyidyun@gmail.com (X.D.)
- <sup>2</sup> Institute of Bohai and Yellow Sea Studies, Dalian Maritime University, Dalian 116026, China
- \* Correspondence: ycchang@dlmu.edu.cn

Abstract: The Russia–Ukraine conflict has had a significant shock to the global political and economic stable and sustainable order. The various sanctions it has triggered are accelerating changes in the world's power structure. This paper is a conference report regarding the seminar titled "The One-Year of the Russia-Ukraine Conflict and Global Shipping Safety," which was held on 25 February 2023 at Dalian Maritime University, China. The seminar made creative discussion surrounding the following topics: the impact of the Russia–Ukraine conflict on the safety and sustainability of shipping, the predictions and impact assessment of geopolitical relations, and sustainable economic development changing under the Russia–Ukraine conflict. Furthermore, this seminar also mentioned the opening of the Arctic shipping route and Arctic shipping safety, the application of ship insurance sanctions, the relationship between the China Railway Express and maritime cargo transportation, the significant relationship between economic sanctions and China's energy security, and naval and maritime safety. This conference report is relevant because it presents the full picture of the constructive discussion on the impact of the Russia–Ukraine conflict in the seminar and includes a literature review and further discussion surrounding the topic. A broader discussion on this subject matter attracted by this conference report is expected.

**Keywords:** Russia–Ukraine conflict; sustainability of shipping; China railway express; economic structure; political landscape; geopolitical



Citation: Zhao, X.; Duan, X.; Chang, Y.-C. The Impact of War Conflict on Sustainable Shipping: Conference Report. *Sustainability* **2023**, *15*, 12554. https://doi.org/10.3390/su151612554

Academic Editors: Marc A. Rosen and Assunta Di Vaio

Received: 2 May 2023 Accepted: 16 August 2023 Published: 18 August 2023



Copyright: © 2023 by the authors. Licensee MDPI, Basel, Switzerland. This article is an open access article distributed under the terms and conditions of the Creative Commons Attribution (CC BY) license (https://creativecommons.org/licenses/by/4.0/).

## 1. Introduction

The Russia–Ukraine conflict has been going on for over a year and is still ongoing. Through the interconnected international system and global market, the Russia–Ukraine conflict has slowed down and, in the future, will continue slowing down the progress of technical, environmental, economic, and social sustainability of human beings. Transportation connects all parts of the economy. The role of transport in sustainable development was first recognized at the United Nation's Earth Summit in 1992 and was highlighted in the conference outcome document, Agenda 21. At the 2012 United Nations Conference on Sustainable Development (Rio+20), transport and mobility were recognized as central elements of sustainable development [1]. In the 2030 Agenda for Sustainable Development, sustainable transport is mainstreamed into several SDGs and targets related to food security, health, energy, economic growth, infrastructure, and cities and human settlements. Shipping plays an important role in the transportation industry. The guarantee of shipping safety can provide a stable carrier for sustainable economic and social development.

In the Ukraine issue, reducing tensions and promoting peace talks is the preferred solution that is proposed by most countries. From a historical perspective, conflicts need to be solved through dialogue and negotiation [2]. Based on this consensus, this seminar was organized to provide constructive discussion about sustainable development, especially sustainable shipping under the impact of war conflict, and provide more Chinese solutions

Sustainability **2023**, 15, 12554 2 of 11

and wisdom for the construction of a human community of common destiny [3,4]. It was jointly organized by the Institute of Ocean Governance and Maritime Culture and the Dalian Maritime University Law School and held in a combined online and offline pattern. Experts and renowned individuals from different units and universities delivered speeches and exchanged views on this topic.

The study in this seminar on state conflict issues is innovative and cross-disciplinary. It brings together the disciplines of law, political science, economics, and sociology to provide a multifaceted and comprehensive analysis of the safety and security implications of state conflicts on sustainable development. Apart from focusing on the impact of the Russia-Ukraine conflict on the safety and sustainability of shipping, this seminar also focuses on geopolitical relations and sustainable economic development to take the predictions and impact assessments of the global change caused by the Russia–Ukraine conflict. The main issues discussed at this seminar were the relationship between the Russia-Ukraine conflict and the world political system, the relationship between the Russia–Ukraine conflict and the global economic system, the relationship between the Russia-Ukraine conflict and global shipping security, especially the shipping security of China, the operation of the China Railway Express in the Russia–Ukraine conflict background, and the relationship between the Russia-Ukraine conflict and military construction. In terms of global shipping safety, the seminar held in-depth discussions on issues such as the legal mechanism for ensuring shipping safety, Arctic shipping safety, sanctions on shipping insurance, and the military's role in shipping safety. Furthermore, the attending experts provided suggestions on China's response and demonstrated a vision for a peaceful resolution through joint negotiations.

In the opening speech, Bei-Ping Chu, vice president of Dalian Maritime University, stated that the Russia–Ukraine conflict is the most serious geopolitical military action in history since World War II, and it has caused significant impacts on the multilateral system of the United Nations and security system of the United Nations Security Council, as well as on the global political, economic, and security orders. There are divergent views on whether the Russia-Ukraine conflict will end, how it will end, and what the consequences will be. The 19th Communist Party of China National Congress explicitly proposed the construction of a strong transportation power. The 20th National Congress again emphasized the promotion of the construction of a strong transportation power [5]. In recent years, the central and local governments at all levels have carried out various practical efforts to build a strong maritime power and have achieved good progress [6]. At this historical moment, legal scholars should review the impact of the Russia-Ukraine conflict on global shipping safety and explore the relationship between geopolitical conflicts and shipping legal orders. It is perceived that the Russia-Ukraine conflict demonstrates that world risks are increasing and hegemonic power is strengthening. The U.S. sanctions against Russia in the Russia-Ukraine conflict have been broad, fast, and varied. In the transportation field, the United States and Western countries have closed many ports and transportation services to Russia [7]. In this era, when shipping is adopted as a sanctioning tool, both for China and the world, security governance has become an urgent problem. Building a national legal system for shipping security is an issue that needs to be addressed by all countries, especially given the increasing use of shipping as a tool for sanctions [8].

This paper is a conference report regarding the seminar and aims to present the full picture of the constructive discussion on the impact of the Russia–Ukraine conflict in the seminar and extends the relevant recommendations of authors in order to attract broader and further discussion on this subject matter. A better resolution of the negative impact of the Russia–Ukraine conflict will contribute to sustainable economic and social development. In order to provide a more comprehensive academic study of the issue, this paper will have a general literature review to comprehend relevant existing ideas surrounding the topic, then present the main ideas in the seminar and make a scientific argument.

Sustainability **2023**, 15, 12554 3 of 11

#### 2. Review of the Related Literature

#### 2.1. World Political Landscape and Global Economic Structure under the Russia-Ukraine Conflict

The intuitionistic effect of the Russia–Ukraine conflict is the increased tension in neighboring states [9]. Changing political camps and increasing the military budget are measures some politically sensitive countries would take. According to [9], as the most vulnerable to the crisis, NATO EU nations made the salient expansion of the military. The Russia–Ukraine conflict has been broadly treated as a turning point for European politics, security, and economy. In the view of [10], following the conflict in Ukraine, how the conflict rebuilds European politics and consolidates the return of geopolitics is the most salient question.

Political risk will lead to decreased investment and the changing of alternative economic partners [11], which affects the economic structure. The Russia–Ukraine conflict has caused the global economy to experience a slowdown in growth and a boost in inflation. The study by [12] demonstrated three probable aspects of the change in the global economics affected by the conflict. First, higher prices for commodities such as food and energy will further push up inflation, which in turn will devalue incomes and affect demand. Second, economies bordering Russia and Ukraine will be particularly affected by trade, supply chain, and remittance disruptions. Third, lower business confidence and increased investor uncertainty will put pressure on asset prices, leading to a tighter financing environment and potentially stimulating capital outflows from emerging markets. Reference [12] presented that if the above-predicted scenario truly happened, the war could fundamentally change the global economic and geopolitical order. They also illustrate that inflation is happening as the consequence of sharp increases in oil, natural gas, and food prices.

Since Russia and Ukraine are major utilities in the global grain market, the food crisis triggered by the Russian–Ukrainian conflict has a wide regional reach. The change in the global food supply chain is one of the manifestations of the impact of the Russia–Ukraine conflict on the economic structure. From the production and storage process to the transport logistics and retail process, almost all areas of the food supply chain would be impacted by the conflict; even consumers and other food-related industries are affected, especially in Europe and Africa [13]. As a net importer of several commodities, the European agricultural sector may suffer from the high costs of inputs which may lead to a food security crisis [14].

The Russia–Ukraine conflict would also challenge energy security in many regions and states. The EU is searching for solutions for increasing energy prices and reducing energy dependency on Russia [9]. States such as Germany and Italy are cooperating with alternative suppliers as solutions.

# 2.2. China Railway Express and Global Shipping Security under the Russia-Ukraine Conflict

Beginning in 2011, the China Railway Express has opened an important channel for overland freight transportation between China and Europe through the West, Central, and East lines. The crisis in Ukraine has caused significant fluctuations in global commodity prices, which have an impact on the downstream production and manufacturing industries. It also inevitably increases the risk of the cross-border trade and freight market, which makes the stability and reliability of the China Railway Express transport channel more uncertain [15]. According to [15], concerned about the impact of the sanctions, some international freight forwarders have switched their shipments from railway to shipping. [15] also illustrated that because of the sanctions from the US and Europe, the traditional Russian maritime logistics system has been disrupted by significantly limiting the two traditional Russian corridors on the Baltic and Black Seas.

Some scholars have analyzed the impact of the Russia–Ukraine conflict on shipping security from the Russian side. Sanctions linked to the Russia–Ukraine conflict have limited further Russian development of a nuclear icebreaker fleet [16]. According to [16], technology sanctions delayed the LNG project, and Russian Arctic projects would slow down because of the investment squeeze and uncertain market access.

Sustainability **2023**, 15, 12554 4 of 11

# 3. Impact of the Russia-Ukraine Conflict on the World Political Landscape

All attendees agreed that the Russia-Ukraine conflict had strengthened the hegemonic system and reached a peak of political division in the world since World War II [17]. Han Wang, an outstanding expert with the Dalian Maritime University think tank and a professor at the Northwest University for Nationalities, gave a speech titled "Legal Issues of International Maritime Security and the Russia-Ukraine Conflict." He stated that the root cause of the Russia–Ukraine conflict is the hegemonic system that is stirring up trouble. The hegemonic system has increased the difficulty of combating imperialism and aggression in the world [18], especially in the Baltic Sea region. He added that one of the manifestations of the world political division caused by the Russia–Ukraine conflict is that many countries' political positions have wavered, and some countries have changed their foreign policies [19]. Taking Switzerland as an example, as a permanent neutral country recognized by the international community, after the Russia-Ukraine conflict occurred, Switzerland decided to participate in all sanctions plans previously developed by the European Union, prohibiting the export of goods and related services to the Russian energy sector, and prohibiting the provision of loans or other financial resources to companies active in the energy sector [20].

The undersigned, Zhirong Yu, a researcher at the East China Sea of Strategic Studies, Ningbo University, delivered a speech titled "Japan's Position, Attitude, and Goals in the Russia-Ukraine Conflict." He pointed out that another manifestation of the world political division is the geopolitical game caused by the sanctions and retaliation participated in by relevant countries in this conflict. Using Japan as an example, Mr. Yu introduced retaliation from Russia after Japan followed the United States in imposing sanctions on Russia in the Russia-Ukraine conflict. He said that the behind-the-scenes struggle between Russia and the United States is the cause of the Russia–Ukraine conflict [21]. Japan overly followed the United States in imposing a series of sanctions on Russia, and Russia then retaliated against Japan [22]. In addition to listing Japan among the 48 unfriendly countries and regions, Russia took measures such as banning the entry of Senior Minister Shinzo Abe and 63 high-ranking officials, suspending peace talks on the return of territory, expelling Russian diplomats stationed in Japan, excluding Japan from the economic development zone, ending the contract for the Samurai II project, and suspending negotiations on a fishing cooperation agreement, among other sanctions. With these sanctions and retaliation, the relationship between Japan and Russia rapidly worsened, leading to restrictions on trade, price increases, and a series of adverse consequences, and the hope for peace talks seems distant [23].

As Zhirong Yu said, parts of scholars hold the view that the root cause of the Russia— Ukraine conflict is a war between Russia and the U.S.-led NATO, and the Zelensky government is only a "puppet" controlled by the U.S. Russia is defending its core interests and strategic space. On the contrary, another voice holds the opinion that the conflict is caused by Russia being bent on the invasion of Ukraine [24]. The above two different views, however, do not affect the objective analysis of the change in the position of neutral countries. In addition to Switzerland, other European neutral countries also experienced a wave of political hesitation. Finland and Sweden decided to join NATO and participate actively in sanctions against Russia. Sweden even sent weapons directly to Ukraine [25]. During this conflict, the European Union's "strategic autonomy" strategy failed, resulting in significant economic and social costs [26]. There was a disagreement among European countries regarding their attitude towards the Russia-Ukraine conflict, and the EU and relevant countries faced a major strategic turning point [17]. In general, however, because of the concerted attitude of resistance to Russia, the relationship between the United States and Europe further improved, and NATO was revived through the supply of weapons and the creation of public opinion [27].

The root cause of the Russia–Ukraine conflict is the ambition of NATO to expand eastward, led by the United States. It is not advisable for NATO to continue to pursue a Cold War mindset. Similarly, it is not advisable for countries such as Japan, which pretend

Sustainability **2023**, 15, 12554 5 of 11

to resolve conflicts under the banner of solving them, but actually want to adjust their regional cooperation strategy. The experts attending this symposium unanimously agreed that the most urgent task in solving the Russia–Ukraine crisis is to promote dialogue and negotiations between the parties. Whatever the origins of this war, this is the most appropriate action for both sides of the conflict at the moment. Only by discarding a Cold War mentality can balanced, effective, and sustainable security architecture be constructed, thus maintaining the political stability of the world and the peace situation [28].

#### 4. The Impact of the Russia-Ukraine Conflict on the Global Economic Structure

Yan Li, a professor at the School of Navigation Economic and Management at Dalian Maritime University, delivered a speech titled "Impact of the Russia-Ukraine Conflict on the Supply Chain and the World Economy." She summarized the four aspects of the impact of the Russia-Ukraine conflict on the global economic landscape: First, the conflict caused an impact on the global economic recovery process [29]. Second, the rise in commodity prices poses a threat to inflation, and several countries face an increased risk of economic deceleration [30]. The conflict between Russia and Ukraine accelerated the adjustment of the global value chain and changed the original layout of the global supply chain. In the chip and automobile industries, for example, risk and security have become important factors affecting the layout of multinational enterprises [31]. Without the effect of the conflict, manufacturers would take achieving environmental objectives and maximizing their profits as the salient factors in order to achieve sustainable outcomes [32]. Since the conflict, many enterprises have chosen to sacrifice efficiency in order to ensure safety, which is clearly an unsustainable way to make profits. The return of US manufacturing to the country has accelerated the nearshore clustering of the global industrial chain and supply chain [33]. Third, the international financial system has taken a new turn. The chaos caused by the conflict between Russia and Ukraine has led to the formation of a multilateral payment and settlement pattern. The sanctions taken by the United States against Russia have damaged the previous financial order and the trend of "de-dollarization." Many countries are forging new payment systems. The decline in the dollar's dominance has triggered a restructuring of international reserve assets [34]. Fourth, the pattern of international trade and investment has changed. The change in the geographical relations between great powers has led to the construction of a new cycle of global trade. With the United States in the fold, nine rounds of sanctions led to a breakdown in Russia's interdependent trade relationship with Ukraine, and European countries began withdrawing from the Russian trading system [35].

Yan Li pointed out that in the context of the changing global economic landscape, China's economic transformation faces challenges [36]. China should choose to invest deeply in cooperation with the European Union. It should promote the formation of a diversified cooperation framework and build a supply chain and logistics system that is "primarily owned by China and independently controllable." China should also do well in ensuring the supply and stability of major commodities, reasonably avoiding the risk of inbound inflation. Finally, China should promote the transformation of the financial market to a comprehensive system of structural opening and gradually promote the internationalization of the RMB.

Economic sanctions are widely used as a tool of war in modern international conflicts [37]. In April 2022, the World Bank and the World Trade Organization have already released reports indicating that the Russia–Ukraine conflict will have a serious negative impact on the global economy [38]. The Russia–Ukraine conflict and the measures taken by the West and Europe to sanction Russia have been the turning point in the globalization of economic development for more than 30 years [39]. These sanctions have not only caused long-term negative impacts on the Russian economy but have also added to the already fragile global economic growth, leading to a further increase in global inflation and causing secondary crises in various fields. The economic cycle between Russia and Europe has been broken, and the original international division of labor model has been damaged. The

Sustainability **2023**, 15, 12554 6 of 11

containment and competition between the world's major economies have become more intense, and security has become the theme of world economic development [39]. For some developing countries outside the region, the impact of the Russia–Ukraine conflict on their social policies is persistent. Taking Indonesia as an example, in order to ensure the supply of domestic markets under the impact of the conflict, the Indonesian government controls the export of palm oil, and some policies have become more protectionist and inward-looking [40]. Changes in the layout of the global industrial chain, resource extraction policy, and import and export policy are the inevitable effects of the Russian–Ukraine conflict. The stability of law and order in the special area could minimize geopolitical risks and keep the natural resources stable in the global economy [41]. It is obvious that the Russian–Ukraine conflict and the affected global economic conditions are counterexamples of the doctrine above.

The impact of the Russia–Ukraine conflict on the economic landscape of some countries is currently a matter of dynamic change, and it is not clear whether it is a crisis or a chance. However, undoubtedly the geopolitical tensions caused by the conflict make it increasingly difficult to promote stable and sustainable economic policies. During this conflict, the United States and its allies have portrayed China as a geopolitical threat, which has worsened the environment for China's external trade and investment cooperation. Multinational companies investing in China have to consider the potential geopolitical risks brought about by this situation, which has worsened China's economic investment environment. As Li pointed out, in this current economic climate, China should invest heavily in cooperation with the EU and avoid risks in order to address the challenges of economic transformation. Furthermore, in order to resist the risk of the Russian and Ukraine war, China should invest in improving production ability and energy types [42].

#### 5. Changes in the Operation of the China Railway Express

The changes in the China Railway Express are an important manifestation of the impact of the Russia-Ukraine conflict on the global economic landscape. Professor Kang Chen, a professor of shipping, economics, and management at Dalian Maritime University, and Professor Xiaonan Yang, a law professor at Sun Yat-sen University, analyzed and predicted the changes in the China Railway Express schedules from January 2022 to the present at a symposium. They emphasized that due to the impact of the Russia-Ukraine conflict, European customers were under pressure from sanctions and compliance issues and chose to avoid east and central routes that required passing through Russia [43]. Since the outbreak of the Russia-Ukraine conflict in 2022, 70% of the cargo volume of the China Railway Express has flowed to Russia, while 20% has flowed to Europe. Prior to 2022, 70% of the cargo volume of the China Railway Express had flowed to Europe, 20% had flowed to Russia, and 10% had flowed to the Eurasian countries [44]. Therefore, the Russia-Ukraine conflict directly caused disruption to trade between Russia and Europe [45]. China has become an alternative market for Russia's import of mechanical products from Europe. The Eurasian countries will become an important market for the China Railway Express service, and the long-term demand for Europe's market will still rely on sea transportation as the primary transportation method. In the future, the restoration and upgrading of capacity in Russia's Far East will have a significant impact on the product structure of the China Railway Express route to Russia.

Chen Kang and Yang Xiaonan said that due to Belarus's previous tendency to intervene in the Russia–Ukraine conflict, the main route that the China Railway Express now relies on exists in a reality with a risk of being cut off [46]. The cutoff of this route will have a significant impact on China's export trade to Europe and the structure of the regional industry and logistics system.

Before the Russia–Ukraine conflict affected it, the China Railway Express had a very strong competitiveness in the international logistics field, thanks to its unique logistics advantages and powerful transportation system, which provided momentum for stabilizing the global supply chain and promoting the economic recovery of the world [47]. If China

Sustainability **2023**, 15, 12554 7 of 11

wants to ensure the normal operation of the China Railway Express, it should enhance the monitoring and management of the train's departures and transportation processes, establish new hub aggregation centers, and add guard posts along the route for preventive protection against security risks. In addition, China should fully leverage the cooperation mechanism between the government railway departments of the countries along the route, such as Russia, to promote the normal operation of the China–Europe rail freight train.

# 6. The Relationship between the Russia–Ukraine Conflict and Global Shipping Security

More than 90% of China's foreign trade and import and export cargo transportation is achieved through sea transportation, which reached a high of 95% in 2021 [48]. As a supporter of peaceful solutions to the Russia–Ukraine conflict, China faces the major challenge of ensuring the robust operation of the shipping industry while avoiding the negative impact of the conflict. "Consider the Chinese shipping security legal guarantee system within the framework of the shipping security view" is the answer provided by experts at the symposium. Han Wang pointed out that in order to effectively respond to sanctions from the United States and Europe in the shipping field, China should actively explore the establishment of a legal guarantee mechanism for shipping security. The Russia-Ukraine conflict has led to changes in the world's political and economic landscape. In the current situation where there is an effective security governance mechanism for the global community, the risk of shipping security is particularly prominent, which directly affects the political and economic security of countries. When shipping restrictions are used as a tool for sanctions, it is important to prevent the negative impact of political competition on China's shipping security. China should establish and improve the legal guarantee mechanism for shipping security based on its own practical needs and provide the necessary thinking tank support for the sustainable development of the country's shipping industry [49].

Zhenfu Li, a Professor of Transportation Engineering and President of the Polar Maritime Research Center at Dalian Maritime University, focused on the impact of the Russia-Ukraine conflict on Arctic shipping safety and proposed measures to address the issue. He pointed out that due to the impact of the Russia-Ukraine conflict, the current Arctic governance has entered a substantive standstill [50]. The Arctic governance is currently experiencing a significant transition from cooperation to competition, from proactive to stalled, and then to a turning point [51]. This is both a challenge and an opportunity. The relevant countries should establish the Arctic Sustainable Development Council, focusing on aspects such as sustainable development and utilization of international seabed resources, polar governance, and other aspects, to promote the establishment of an international ocean new order that is consistent with the concept of the maritime community with a shared future. Boyu Lao, Assistant Professor of Law at Dalian Maritime University, pointed out that China may consider strengthening its cooperation with Russia in the development of Arctic shipping routes [52]. In response to sanctions from the United States and other countries, Russia's oil and gas products will increasingly be exported to the Asia-Pacific region in the future. China may become Russia's hub for accessing Asia and an indispensable partner for Russia.

The Deputy Dean and Professor of International Law at the School of Law of Southwest University of Political Science and Law, Jiang Zhou, focused on the application of ship insurance sanctions in the Russia–Ukraine conflict. He stated that the use of ship insurance sanctions against Russian-owned vessels poses a risk of interruption to their insurance, leading to an increase in ship insurance premiums for entering and exiting Russian ports. In addition, the risk of ship delay due to sanctions has increased, and the rights and interests of Russian crew members have been affected, facing severe challenges to their physical and mental health [53]. Professor Zhou pointed out that this round of ship insurance sanctions has served as a warning for China. The China Shipowners' Association has never become a member of the International Shipowners' Association. In this case, Chinese cruise

Sustainability **2023**, 15, 12554 8 of 11

ships and other vessels must dock in relevant countries, relying on the indirect supply of insurance and reinsurance by the International Shipowners' Association. This dependence on credit information leaves great room for punitive measures by the United States, the European Union, and other countries. Therefore, Zhou proposed that China should clarify the nature of ship insurance in the relevant regulations of the "Harmonized Maritime Law," distinguishing it from general commercial insurance and making specific provisions. At the same time, China should support its own shipowners' association and stimulate healthy competition between different shipowners' associations.

As an important event in the field of international military security, the Russia–Ukraine conflict also highlights the important role of military power in protecting maritime shipping security. Professor Weihai Li from the School of National Security of the China University of Political Science and Law pointed out that the Russia–Ukraine conflict has increased the challenge to China's energy supply security, the risk of energy channel safety, and the environmental safety risk. Kehong Wang from Dalian Maritime University's think tank expressed that China should carry out maritime shipping security protection work from various aspects such as navy strategy, weapons equipment, and military power. In the context of the Russia–Ukraine economic war, China needs to familiarize itself and adapt to the changes in the new era of comprehensive economic warfare, ensuring that both military and economic hands are strong.

In June 2022, the Joint Committee on International Trade Development said that the Ukraine War had raised global shipping costs and suppressed trade flows [54]. Analytical data has been available showing that a shock in geopolitical risk could significantly increase the cost of spot charter rates [55]. The impact of war on trade was illustrated as early as the first globalization, which was demonstrated by the study that nineteenth-century wars had a strictly contemporaneous impact on trade [56]. The sanctions imposed on Russia by the EU and its member states have had a significant impact on trade and shipping volume in the north range ports (Le Havre, Zeebrugge, Antwerp, Rotterdam, Bremen/Bremerhaven, and Hamburg, etc.) The growing supply crisis has led many countries that used to be closely developing with the EU and the US to look for partnerships in fast-growing countries such as China and India, which is reflected by the shipping volume [57]. In the context of increasingly saturated world markets, and as a potential alternative partner, China should seize the break of substituting trade partners to seek more trade opportunities with more favorable trade policies and a more convenient navigable environment.

Different from the difficult scenario that the Russian shipping industry is facing, China should mainly learn relevant lessons and seize opportunities. Specifically, regarding how to ensure the safety of Arctic shipping, compared to other routes, the Arctic route can significantly save shipping time and financial costs. China should consider taking advantage of opportunities to cooperate with Russia to strive to completely open the Arctic route, allowing ships to pass through the Arctic sea area normally and quickly. Gao Zhiguo, former judge of the United Nations Tribunal for the Law of the Sea, also proposed that the impact of the Russia–Ukraine conflict reminds China to be vigilant against scenarios similar to the "Yin He" incident and to prevent countries such as the United States from affecting China's seaborne cargo transportation through tracking, monitoring, and boarding ship inspections. In necessary situations, preventive measures such as offshore escorts can be taken to ensure the safety of seaborne cargo transportation. Gao also suggested that China should take preventive measures such as safeguarding to ensure the normal operation of the China Railway Express.

#### 7. Conclusions

The Russia–Ukraine conflict has gone beyond the battlefield military confrontation between the two countries and has extended to games of power and influence between countries and regions in the political and economic fields. Powerful geopolitical factors are causing an evolution and deep adjustment in the economic sphere.

Sustainability **2023**, 15, 12554 9 of 11

This conflict has been the subject of ongoing debate and controversy around the world due to different profit motives, while how to respond to the new situation and develop new strategies is the most salient question that needs to be addressed by states. Noticing the debate and salient question, supported by existing literature and previous facts, this seminar provided a comprehensive analysis of the current political situation and made recommendations on the economic situation. This seminar points out that it was an unpromising sign that neutral countries were changing their neutral position and supporting one of the parties in the conflict. The world economic landscape has changed, and the shipping industry has suffered from volatility due to political factors. The seminar recommended that interested parties should seize opportunities for alternative trading partners and stabilize transport routes in order to maintain sustainable economic development. Meanwhile, the seminar points out that companies should change their operational strategies in light of the investment environment.

Experts attending the seminar also gave strategies that China should take to respond to this crisis. To maintain ship navigation safety and deepen the new era of comprehensive strategic partnership, China should seize opportunities for cooperation with Russia to completely connect the Arctic route. China should ensure the safety of large-scale goods trade with Europe, make early predictions of ship navigation safety, and prevent incidents such as the "Nord Stream pipeline leak" from happening again [58]. China should also strengthen the protection of cross-border cargo trains and ensure their normal operation. In addition, China should be vigilant about non-traditional terrorism activities with a political purpose, such as the chemical pipeline leakage incident, and prevent such activities from happening again. China may consider strengthening the monitoring of pipeline transportation, improving the emergency legal system for oil and gas pipeline accidents, and establishing a sound emergency response plan system. The effect of State conflicts on the technical, environmental, cultural, economic, and social sustainability of human beings is enormous.

Apart from presenting the contributive discussion from the seminar, this paper includes a general literature review and further discussion and advice arising from the seminar. Peace is a common enterprise of humanity, and solving the root cause of this crisis through peaceful negotiations, cooperation, addressing common challenges, and promoting common interests will lead to sustainable development and common prosperity. This paper aims to advance beneficial discussion and debate on how to address the crisis of political conditions, economic situation, and transportation in the conflict. Only by working together can we resolve the Ukrainian crisis and ensure the prevention of similar tragedies in the future.

**Author Contributions:** Conceptualization, X.Z., X.D. and Y.-C.C.; investigation, X.Z.; writing original draft preparation, X.Z. and X.D.; writing review and editing, X.Z. and Y.-C.C.; supervision, Y.-C.C.; funding acquisition, Y.-C.C. All authors have read and agreed to the published version of the manuscript.

**Funding:** The fieldwork is supported by the following project: Basic Research Funds for Central Universities, Humanities and Social Sciences, China. Grant No. 3132023705; 3132023531.

**Institutional Review Board Statement:** Not applicable.

**Informed Consent Statement:** Not applicable. **Data Availability Statement:** Not applicable.

**Conflicts of Interest:** The authors declare no conflict of interest.

## References

1. United Nations Department of Economic and Social Affairs. Available online: https://sdgs.un.org/topics/sustainable-transport (accessed on 20 June 2023).

2. Qiushi Web Page. Available online: https://en.qstheory.cn/2023-03/21/c\_870899.htm (accessed on 10 April 2023).

Sustainability **2023**, 15, 12554 10 of 11

3. Chang, Y.C. On Legal Implementation Approaches toward A Maritime Community with A Shared Future. *China Leg. Sci.* **2020**, *8*, 3–31.

- 4. Zhang, W.B.; Chang, Y.C.; Zhang, L.F. An ocean community with a shared future: Conference report. *Mar. Policy* **2020**, *116*, 103888. [CrossRef]
- 5. Duan, X.Y.; Chang, Y.C. The Relationship between the General Principles of International Law and UNCLOS: Conference report. *Mar. Policy* **2023**, *150*, 105552. [CrossRef]
- 6. Tian, H.M.; Khan, M.I.; Chang, Y.C. Maritime Traffic Law of the People's Republic of China and its implications in international law. *Mar. Policy* **2023**, *151*, 105570. [CrossRef]
- Available online: https://sputniknews.cn/20220421/1041039065.html (accessed on 10 April 2023).
- 8. Chang, Y.C. Accelerating domestic and international dual circulation in the Chinese shipping industry—An assessment from the aspect of participating RCEP. *Mar. Policy* **2022**, *135*, 104862. [CrossRef]
- 9. Desalegn, G.; Tangl, A.; Fekete-Farkas, M. From Short-Term Risk to Long-Term Strategic Challenges: Reviewing the Consequences of Geopolitics and COVID-19 on Economic Performance. *Sustainability* **2022**, *14*, 14455. [CrossRef]
- 10. Siddi, M. The partnership that failed: EU-Russia relations and the war in Ukraine. J. Eur. Integr. 2022, 44, 893–898. [CrossRef]
- 11. Mbah, R.E.; Wasum, D.F. Russian-Ukraine 2022 War: A Review of the Economic Impact of Russian-Ukraine Crisis on the USA, UK, Canada, and Europe. *Adv. Soc. Sci. Res. J.* 2022, *9*, 144–153. [CrossRef]
- 12. Kammer, A.; Azour, J.; Selassie, A.A. How does the Russia-Ukraine conflict profoundly affect the economies of various regions of the world? *Tsinghua Financ. Rev.* 2022. [CrossRef]
- Jagtap, S.; Trollman, H.; Trollman, F.; Garcia-Garcia, G.; Parra-López, C.; Duong, L.; Martindale, W.; Munekata, P.E.S.; Lorenzo, J.M.; Hdaifeh, A.; et al. The Russia-Ukraine Conflict: Its Implications for the Global Food Supply Chains. *Foods* 2022, 11, 2098. [CrossRef]
- 14. Rabbi, M.F.; Ben Hassen, T.; El Bilali, H.; Raheem, D.; Raposo, A. Food Security Challenges in Europe in the Context of the Prolonged Russian–Ukrainian Conflict. *Sustainability* **2023**, *15*, 4745. [CrossRef]
- 15. Cui, Y.P. Prospects for the Development of International Combined Railway Freight Transport in the Era of Post-Ukrainian Crisis. *Northeast. Asia Econ. Res.* **2022**, *6*, 97–108. [CrossRef]
- 16. Moe, A. The Northern Sea Route: A review of recent developments. Okhotsk Sea Polar Ocean. Res. 2023, 7, 13–16.
- 17. Smith, K. Geopolitical and Environmental Implications of the Ukraine Conflict; CIMR, Birkbeck, University of London: London, UK, 2022; ISSN 2052-062X.
- 18. Mangaraj, T.; Paikaray, P. US Hegemony in World Politics. Int. J. Law Manag. Humanit. 2022, 5, 1484–1497.
- 19. de Moraes, F.R. Arming a few dictators but not others: The politics of UK arms sales to Chile (1973–1989) and Argentina (1976–1983) EB/OL. *Br. J. Politics Int. Relat.* **2022**, 24, 324–342. [CrossRef]
- 20. Switzerland Adopts Further Sanctions against Russia. Available online: https://www.cnn.com/europe/live-news/ukraine-russia-putin-news-03-25-22/h\_faac0775e23d492e22f3032b915f0fcc (accessed on 10 April 2023).
- 21. NPR. Available online: https://www.npr.org/2022/03/01/1083664519/u-s-and-european-sanctions-against-russia-are-unprecedented-zarate-says (accessed on 10 April 2023).
- 22. Defen, B.; Wu, H.; Liang, X.M. New Changes in the Political and Economic Climate in the Northeastern Asia Area: The Case of the Russia-Ukraine Conflict. *Northeast. Asian Forum* **2022**, *31*, 3–23, 127. [CrossRef]
- 23. Japan-Russia Relations After the Russian-Ukrainian War. Available online: https://www.fpri.org/article/2022/06/japan-russia-relations-after-the-russian-ukrainian-war/ (accessed on 10 April 2023).
- 24. The NewYork Times. Available online: https://www.nytimes.com/2022/02/28/world/europe/switzerland-russian-assets-freeze.html (accessed on 20 June 2023).
- 25. Available online: https://news.ruc.edu.cn/archives/373855 (accessed on 10 April 2023).
- 26. Global Times. Available online: https://www.globaltimes.cn/page/202304/1289035.shtml (accessed on 20 April 2023).
- 27. Available online: http://news.cnr.cn/native/gd/20220511/t20220511\_525823309.shtml (accessed on 10 April 2023).
- 28. Ministry of Foreign Affairs of the People's Republic of China. Available online: https://www.fmprc.gov.cn/mfa\_eng/zxxx\_6628 05/202302/t20230224\_11030713.html (accessed on 10 April 2023).
- 29. Ukraine War Fueling Global Economic Downturn as Growth Projections Slide. Available online: https://news.un.org/en/story/2022/03/1114602 (accessed on 10 April 2023).
- 30. Kasuwa, P.F. The Russia-Ukraine Conflict: Economic Consequences on Europe and the World. *Nowa Polityka Wschod.* **2022**, *3*, 63–82.
- 31. UC News. Available online: https://www.uc.edu/news/articles/2022/04/gc-war-in-ukraine{-}{-}business-and-risk-management-implications.html (accessed on 10 April 2023).
- 32. Haber, N.; Fargnoli, M. Product-Service Systems for Circular Supply Chain Management: A Functional Approach. *Sustainability* **2022**, *14*, 14953. [CrossRef]
- 33. The Biden-Harris Plan to Revitalize American Manufacturing and Secure Critical Supply Chains in 2022. Available online: https://www.whitehouse.gov/briefing-room/statements-releases/2022/02/24/the-biden-harris-plan-to-revitalize-american-manufacturing-and-secure-critical-supply-chains-in-2022/ (accessed on 10 April 2023).
- 34. Earle, P.C. De-dollarization Has Begun. Available online: Aier.org/article/de-dollarization-has-begun/ (accessed on 10 April 2023).

Sustainability **2023**, 15, 12554 11 of 11

35. Altman, S.A.; Bastian, C.R. Harvard Business Review. Available online: https://hbr.org/2022/04/the-state-of-globalization-in-2022 (accessed on 10 April 2023).

- 36. Wang, Z.; Li, Y.Q.; Jiang, F. The Russia-Ukraine Conflict, Global Political and Economic Transition, and Its Impact on China. *Russ. Res.* **2022**, 235, 20–54.
- 37. Mulder, N. The Economic Weapon: The Rise of Sanctions as a Tool of Modern War; Yale University Press: New Haven, CT, USA, 2022.
- 38. The World Bank. Available online: https://www.worldbank.org/en/news/press-release/2022/04/26/food-and-energy-price-shocks-from-ukraine-war (accessed on 10 April 2023).
- 39. China Daily. Available online: https://cn.chinadaily.com.cn/a/202303/21/WS64190071a3102ada8b234772.html (accessed on 10 April 2023).
- 40. Christina, B.; Nangoy, F. Indonesia Tightens Palm Oil Export Curbs in New Hit to Global Supplies. Available online: https://www.reuters.com/business/energy/indonesia-tightens-palm-oil-export-curbs-new-hit-global-supplies-2022-03-09/#:~:text=Since%20Indonesia%20started%20restricting%20palm%20exports%20in%20late,said%2C%20estimating%20 domestic%20sales%20at%20around%20573%2C890%20tonnes (accessed on 10 April 2023).
- 41. Zhang, Y.; Zhang, L.; Yu, H.; Tu, Y. Does Geopolitical risk drive natural resources extraction globally? A Case of Global. *Resour. Policy* **2023**, *82*, 103450. [CrossRef]
- 42. Zhou, X.Y.; Lu, G.; Xu, Z.C.; Yan, X.; Khu, S.-T.; Yang, J.; Zhao, J. Influence of Russia-Ukraine War on the Global Energy and Food Security. *Resour. Conserv. Recycl.* **2023**, *188*, 106657. [CrossRef]
- 43. A Brake on the China-Europe Train: How the War in Ukraine Impacts on the New Silk Route. Available online: https://piernext.portdebarcelona.cat/en/logistics/a-brake-on-the-china-europe-train/ (accessed on 10 April 2023).
- 44. Belt and Road Initiative Web Page. Available online: https://www.cfr.org/belt-and-road-initiative (accessed on 10 April 2023).
- 45. Chen, Y.Y.; Jiang, J.X.; Wang, L.; Wang, R.S. Impact assessment of energy sanctions in geo-conflict: Russian–Ukrainian war. *Energy Rep.* **2023**, *9*, 3082–3095. [CrossRef]
- 46. Available online: https://chinese.aljazeera.net/opinions/2022/10/17/Joining (accessed on 10 April 2023).
- 47. The People's Daily. Available online: http://world.people.com.cn/n1/2020/1130/c1002-31948560.html (accessed on 10 April 2022).
- 48. Available online: http://m.news.cctv.com/2021/05/27/ARTIRPCYh7L5A7WygdO0a4l2210527.shtml (accessed on 10 April 2022).
- 49. Yan, E.P. The Website of the China Ocean Development Research Center. Available online: https://aoc.ouc.edu.cn/2019/0415/c9821a237466/page.htm (accessed on 10 April 2022).
- 50. Arctic Governance after the Ukrainian Crisis. Available online: https://sites.tufts.edu/fletcherrussia/arctic-governance-after-the-ukrainian-crisis/ (accessed on 10 April 2022).
- 51. Li, Z.F.; Wang, T.T.; Xue, F. Main Views and Debates on the China-Related Arctic Issues. Dalian Marit. Univ. J. 2022, 21, 1–10.
- 52. Commerce Ministry. Available online: http://jingji.cctv.com/2017/11/09/ARTIfUE9G2n2bGQQAzOBBgJ1171109.shtml (accessed on 10 April 2023).
- 53. The EU Moves to Bar Insurance on Ships Carrying Russian Oil. It'd Be a Big Blow. Available online: https://www.npr.org/2022/0 6/03/1102990015/the-eu-will-likely-bar-insurance-on-ships-carrying-russian-oil-itd-be-a-big-blow (accessed on 10 April 2023).
- 54. Available online: https://news.un.org/zh/story/2022/06/1105232 (accessed on 10 April 2023).
- 55. Michail, N.A.; Melas, K.D. Geopolitical risk and the LNG-LPG trade. *Peace Econ. Peace Sci. Public Policy* **2022**, *28*, 243–265. [CrossRef]
- 56. Karlsson, L.; Hedberg, P. War and trade in the peaceful century: The impact of interstate wars on bilateral trade flows during the first wave of globalization. *Econ. Hist. Rev.* **2021**, *74*, 809–830. [CrossRef]
- 57. Wedemeier, J.; Wolf, L. Navigating Rough Waters: Global Shipping and Challenges for the North Range Ports. *Intereconomics* **2022**, *57*, 192–198. [CrossRef]
- 58. Available online: https://world.gmw.cn/2023-03/02/content\_36402220.htm (accessed on 10 April 2023).

**Disclaimer/Publisher's Note:** The statements, opinions and data contained in all publications are solely those of the individual author(s) and contributor(s) and not of MDPI and/or the editor(s). MDPI and/or the editor(s) disclaim responsibility for any injury to people or property resulting from any ideas, methods, instructions or products referred to in the content.