# CHINA'S STRATEGY FOR SUSTAINING OIL TRADE RELATIONS WITH IRAN AMID UNITED STATES RESTRICTION (2018-2023)



Arranged by:

Satria Bagus Pamungkas 20200510127

Supervisor: Arie Kusuma Paksi, S.IP., M.A., Ph.D

# INTERNATIONAL RELATIONS STUDY PROGRAM FACULTY OF SOCIAL SCIENCE AND POLITICAL STUDIES MUHAMMADIYAH UNIVERSITY OF YOGYAKARTA

2024

#### SURAT PERNYATAAN KEASLIAN

Yang bertanda tangan di bawah ini:

Nama Mahasiswa	: Satria Bagus Pamungkas
NIM	: 20200510127

Dengan ini menyatakan bahwa penelitian dan penulisan skripsi sebagai tugas akhir yang berjudul "CHINA'S STRATEGY FOR SUSTAINING OIL TRADE RELATIONS WITH IRAN AMID UNITED STATES RESTRICTION (2018-2023)" adalah asli dan belum pernah diajukan oleh orang lain dalam proses tugas akhir untuk mendapatkan gelar akademik sarjana, baik di Universitas Muhammadiyah Yogyakarta atau jugar di perguruan tinggi lainnya.

. Dalam tugas akhir ini tidak terdapat karya atau pendapat yang telah ditulis atau dipublikasikan orang lain, kecuali tertulis jelas dicantumkan dalam daftar pustaka. Pernyataan ini saya buat dengan sesungguhnya dan apabila di kemudian hari ditemukan ketidaksesuaian dengan penyataan, maka saya bersedia menerima sanksi akademik dan diproses sesuai dengan ketentuan yang berlaku di Universitas Muhamadiyah Yogyakarta.

Yogyakarta, 1 Oktober 2024



Satria Bagus Pamungkas

#### PREFACE

The author would like to express his gratitude to God Almighty who has given His mercy and grace, so that the author can complete the thesis as a final thesis titled "CHINA'S STRATEGY FOR SUSTAINING OIL TRADE **RELATIONS WITH IRAN AMID UNITED STATES RESTRICTION (2018-2023)**". This thesis was written to fulfill the requirements for obtaining a bachelor's degree from the International Relations Study Program, Faculty of Social and Political Sciences, Muhammadiyah University of Yogyakarta. This thesis is a form of implementation of all the learning that the author has obtained during his lectures. The completion of this thesis as a final project cannot be separated from the help of many parties who have provided input to the writer. For this reason, the author would like to express many thanks to:

- Dr. Ir. Gunawan Budiyanto, M.P. IPM., as the Chancellor of Universitas Muhammadiyah Yogyakarta.
- Dr. Takdir Ali Mukti, M.Si., as Dean of the Faculty of Social and Political Sciences of Universitas Muhammadiyah Yogyakarta.
- Dr. Sugito, S.IP., M.Si., as the Head of the International Relations Study Program of Universitas Muhammasiyah Yogyakarta.
- 4. Arie Kusuma Paksi. S.IP., M.A., Ph.D, as the supervisor who has provided attention, guidance, devoted time, energy and provided direction while conducting research and preparing this thesis.
- Muhammad Zahrul Anam, S.Ag., M.Si., as an examining lecturer who has taken the time to test and provide helpful suggestions in the process of perfecting this thesis.
- Dr. Wahyuni Kartikasari, S.T., S.IP., M.Si as an examining lecturer who has taken the time to test and provide helpful suggestions in the process of perfecting this thesis.
- 7. The entire academic community of the International Relations Study Program, Muhammadiyah University of Yogyakarta, Mr. and Mrs. UMY HI lecturers for all the time and knowledge they have given, administrative staff and the IR Department who have helped with the administrative process.

8. The entire HI UMY extended family, especially the Class of 2020, have provided support and enthusiasm throughout their education in IR UMY.

Thank you to all parties who have contributed a lot during the author's education in IR UMY until the completion of the final assignment which the author cannot name one by one, may Allah SWT give you plentiful reward for all your kindness.

Yogyakarta, 1 Oktober 2024

Satria Bagus Pamungkas

#### **DEDICATION PAGE**

Alhamdulillahi Rabbil Aalamin, with all of my gratitude and appreciation, I give thanks to Allah SWT, who has provided me with guidance and gifts while I've been preparing my final thesis, which is one of the criteria for earning a bachelor's degree. The author would like to extend his heartfelt appreciation to everyone who helped, encouraged, and supported him while he was writing this final thesis. The author is pleased to have arrived at this stage. Author want to present this final thesis to:

- 1. This work is a testament to the love, support, and unwavering belief that my parents have shown me throughout my journey. To my beloved mother, Sutaryani and father, Paryanto, your guidance, sacrifices, and values have shaped who I am today, and for that, I am forever grateful. You have always been my pillars of strength, encouraging me to pursue my dreams with resilience and determination, even when I faced challenges. This achievement would not have been possible without you, and I dedicate this work to you both with all my love and deepest gratitude.
- 2. To my dear siblings Ika Ryanti, Riant Anggoro, and Tria Ayu Fatimah, this journey would not have been the same without your constant support and companionship. You have been my source of strength, laughter, and encouragement throughout all the challenges and triumphs. The bond we share has been a foundation for me, reminding me of the importance of family and togetherness. I am deeply grateful for your presence in my life, and I dedicate this work to you with all my love and appreciation for the countless ways you've enriched my life.
- 3. To my incredible friends, such as my classmate, J class and my house mate, that I can't mentioned your name one by one. This journey has been all the more fulfilling because of all of you. Your belief in me, even when I struggled to believe in myself, has meant the world. The shared laughter, countless conversations, and unforgettable memories have not only lightened the load but have given me the strength to push forward. In moments of doubt or exhaustion, your presence has been a constant reminder that I am never alone in this. Your

friendship has been a guiding light, offering comfort, perspective, and the joy that has made every step of this path brighter. I am endlessly grateful for your loyalty, kindness, and the way you have stood by me through it all. This work is a tribute to the bond we share, and I dedicate it to you with deep appreciation for the difference you've made in my life.

- 4. To my special partner, Angel, you have been my rock throughout this entire journey. Your endless calmness, patience, and trust in me have carried me through the toughest of times. In moments of doubt, you have been the voice that pushed me forward, and in moments of triumph, you are the person I most want to share it with. Your affection has given me the courage to dream bigger and work harder. This work is a reflection of your support as well as my endeavours. With all my might, I dedicate this to you, because I know that your presence has made every challenge worth facing.
- 5. To my esteemed thesis supervisor, Arie Kusuma Paksi, S.IP., M.A., Ph.D, your guidance and support have been invaluable throughout this journey. Your expertise and insights have shaped my research and helped me navigate challenges with confidence. Thank you for your patience, encouragement, and constructive feedback, which have pushed me to refine my ideas and elevate my work to new heights. Your belief in my potential has inspired me to strive for excellence, and I am profoundly grateful for the time and effort you dedicated to my development. This thesis stands as a testament to your mentorship, and I dedicate it to you with deep appreciation for all you have contributed to my academic journey.

## TABLE OF CONTENT

TABI	LE OF CONTENTii
CHAI	PTER I1
INTR	ODUCTION1
A.	Research Background1
В.	Research Question
C.	Theoritical Framework
D.	Hypothesis
E.	Research Method
F.	Scope of Research
G.	Research Structure
CHAI	PTER II11
FIND	INGS AND ANALYSIS11
1.	China and Energy Demand11
2.	US Sanctions to Iran and Its Impact to China Energy Supply16
3.	China's Tactics in Sustaining Oil Trade Relations
CHAI	PTER III
CO	NCLUSION
REFE	CRENCES

## LIST OF PICTURES

Figure 1. Total Final Consumption by Sources, China, 1990-2021	12
Figure 2. China's Total Crude Oil Import, Production, and Consumption	
Figure 3. Share of Energy Consumption, China	14

### LIST OF TABLES

Table 1. The Ghost Armada	•••••••••••••••••••••••••••••••••••••••	
Table 2. Independent Refineries "	'Teapots''	