



Delhi Policy Group

Advancing India's Rise as a Leading Power

CHINA MONITOR

OCTOBER 2025

Authors

Biren Nanda

Sanket Joshi

Volume VIII, Issue 10



Delhi Policy Group

Core 5A, 1st Floor, India Habitat Centre, Lodhi Road, New Delhi- 110003

www.delhipolicygroup.org



Delhi Policy Group

Advancing India's Rise as a Leading Power

China Monitor
Vol. VIII, Issue 10
October 2025

ABOUT US

Founded in 1994, the Delhi Policy Group (DPG) is among India's oldest think tanks with its primary focus on strategic and international issues of critical national interest. DPG is a non-partisan institution and is independently funded by a non-profit Trust. Over past decades, DPG has established itself in both domestic and international circles and is widely recognised today among the top security think tanks of India and of Asia's major powers.

Since 2016, in keeping with India's increasing global profile, DPG has expanded its focus areas to include India's regional and global role and its policies in the Indo-Pacific. In a realist environment, DPG remains mindful of the need to align India's ambitions with matching strategies and capabilities, from diplomatic initiatives to security policy and military modernisation.

At a time of disruptive change in the global order, DPG aims to deliver research based, relevant, reliable and realist policy perspectives to an actively engaged public, both at home and abroad. DPG is deeply committed to the growth of India's national power and purpose, the security and prosperity of the people of India and India's contributions to the global public good. We remain firmly anchored within these foundational principles which have defined DPG since its inception.

China Monitor

The DPG China Monitor features developments related to China during the month and is compiled by our research team comprising Ambassador Biren Nanda, Senior Fellow and Sanket Joshi, Research Associate, from open-source reports and publications.

Cover Images:

Chinese President Xi Jinping and US President Donald Trump met in Busan, Republic of Korea, on October 30, 2025.

Source: [Official X Handle/Mao Ning MFA PRC Spokesperson](#)

The fourth plenary session of the 20th CPC Central Committee was held in Beijing from October 20-23, 2025. Source:

[Official X Handle/Mao Ning MFA PRC Spokesperson](#)

President Xi addressed the APEC Summit in Gyeongju, Republic of Korea, on October 31, 2025. Source: [Ministry of Foreign Affairs, PRC](#)

© 2025 by the Delhi Policy Group

Delhi Policy Group

Core 5A, 1st Floor,

India Habitat Centre,

Lodhi Road, New Delhi- 110003.

www.delhipolicygroup.org

China Monitor
Vol. VIII, Issue 10
October 2025

Contents

Abstract	1
Foreign and Security Policy	4
<i>I. China-India Relations</i>	<i>4</i>
<i>II. China-South Asia Relations</i>	<i>6</i>
<i>III. China-United States Relations</i>	<i>8</i>
<i>IV. China-European Union Relations</i>	<i>13</i>
<i>V. China-Russia Relations</i>	<i>14</i>
<i>VI. China-ASEAN Summit</i>	<i>15</i>
<i>VII. APEC Economic Leaders' Meeting</i>	<i>16</i>
Internal Developments	16
<i>Fourth Plenary Session</i>	<i>16</i>
<i>Key Developments and Addresses by Chinese Leaders</i>	<i>18</i>
Trade and Economy	19
Defence and Security	20
Technology	21

Abstract

The 23rd round of India-China Corps Commander Level Meeting took place on October 25, 2025, continuing the high-level military engagement between the two countries. Both sides shared the view that peace and tranquillity had been maintained along the border and agreed to make use of the existing mechanisms to resolve any issues that may arise on the ground along the LAC to maintain stability.

India's Defence Minister Rajnath Singh addressed the Army Commanders' Conference in Jaisalmer on October 24, 2025. In his remarks on the situation along India's Northern border, he stressed that India's balanced and firm foreign policy was demonstrated by the ongoing talks and de-escalation steps. He reiterated that India will continue to engage in dialogue, but at the same time will maintain its military preparedness along the border.

On October 9, 2025, China's Ministry of Commerce imposed a raft of new export controls on rare-earth materials, extending the scope of restrictions well beyond those imposed previously. Reacting sharply, US President Donald Trump threatened to impose an additional 100 percent tariff on imports from China and issue new export controls on "any and all critical software". However, he later pulled back on his threat, stressing that it was not sustainable.

The Chinese state media responded to the widening trade friction by asserting that the US should not be surprised by China's tit-for-tat export control measures, cautioning that Washington had overestimated its own leverage while underestimating China's ability to counteract. It added that President Trump's unilateral bullying and flip-flops on trade policy do not work with China, and negotiations should be based on mutual respect and trust.

Amidst this escalation of trade tensions, President Trump and President Xi held a meeting in Busan, Republic of Korea, on October 30, 2025, on the margins of the APEC Summit. President Xi, in his remarks, noted that, due to their differing national conditions, it is to be expected that occasional frictions may arise between China and the US. He stressed that China-US relations have remained stable as a whole and that the two countries should remain friends and partners.

Major outcomes at the Xi-Trump meeting included the US's reduction of 10 percent Fentanyl-related tariffs on China and the suspension of 24 percent reciprocal tariffs levied on China for an additional year. China will make corresponding adjustments to its countermeasures against the aforementioned US tariffs. The US will thus slash its overall average tariff on Chinese goods to 47 percent from 57 percent. Washington pledged to suspend its new rule announced on September 29, 2025, that would have expanded its Entity List, adversely impacting Chinese high-technology companies. In response to this commitment, Beijing will suspend its rare-earth export control measures announced on October 9, 2025, for one year.

Analysts stated that the Xi-Trump meeting may temporarily alleviate trade tensions; however, the two nations are expected to maintain a fundamentally competitive bilateral relationship, with both parties having an interest in managing competition.

On October 30, 2025, President Trump authorised the US Department of War to resume nuclear weapons testing, stating that he had "no choice" in the face of escalating global strategic competition. Beijing, on its part, urged Washington to adhere to its obligations under the Comprehensive Nuclear Test Ban Treaty and to take concrete actions to ensure global nuclear disarmament and non-proliferation that would ensure strategic stability.

On September 30, 2025, the Netherlands government seized control of the management of Nexperia, a Chinese-owned high-technology company, and removed its Chinese CEO, citing concerns about national security. Chinese analysts warned the Netherlands not to underestimate Beijing's resolve and capability to protect its companies' rights, describing Nexperia's seizure as "21st century piracy" that would worsen tensions between China and the European Union.

President Xi addressed the 32nd Asia-Pacific Economic Cooperation (APEC) Economic Leaders' Meeting in Gyeongju, Republic of Korea, on October 31, 2025. Xi shed light on growing global uncertainties and urged APEC to stay true to its founding mission of promoting economic growth through open development and inclusive economic globalisation.

The 20th CPC Central Committee held its Fourth Plenary Session from October 20-23, 2025. During this session, the Party adopted recommendations for formulating China's 15th Five-Year Plan (2026-30) for economic and social development. In his address, President Xi noted that the country's "socialist modernisation" would require unremitting hard work from successive generations of Chinese citizens and that the 15th Five-Year Plan period would be an essential part of this process as China strives to achieve modernisation by 2035 on all fronts.

A communique of the CPC's fourth plenary session announced that the Party had expelled nine senior military officers, continuing President Xi's disciplinary crackdown on the PLA, demanding absolute loyalty of the military and an end to corruption.

China's economy grew 5.2 percent year-on-year in the first three quarters of 2025. In the third quarter, the Chinese economy grew 4.8 percent, marking its slowest growth in a year.

Foreign and Security Policy

I. China-India Relations

The 23rd round of the India-China Corps Commander Level Meeting took place at the Chushul-Moldo border meeting point on October 25, 2025, continuing the high-level military engagement between the two countries. Both sides shared the view that peace and tranquillity had been maintained along the border and agreed to make use of the existing mechanisms to resolve any issues that may arise on the ground along the LAC to maintain stability.¹ This was the first meeting of the General Level Mechanism in the Western sector of the India-China border since the 24th round of Special Representatives talks held on August 19, 2025.²

Earlier, India's Defence Minister Rajnath Singh addressed Army Commanders' Conference in Jaisalmer on October 24, 2025. In his remarks on the situation along India's Northern border, Defence Minister Rajnath Singh stressed that India's balanced and firm foreign policy was demonstrated by the ongoing talks and de-escalation steps.³ He reiterated that New Delhi will continue to engage in dialogue, but at the same time will maintain its military preparedness along the border.⁴ In line with this, the new generation vehicle logistics hub for the Indian armed forces has been established in Leh, boosting the military's operational readiness.⁵ BRO completed the construction of the 70-kilometer Sumna-Lapthal-Topidunga road in Uttarakhand as part of New Delhi's efforts to enhance border infrastructure along the Sino-Indian border.⁶

Meanwhile, following a five-year hiatus, direct flights between India and China resumed on October 26, 2025.⁷ India's Ministry of External Affairs described the resumption of direct flights as a development reflecting a growing trend towards normalisation in bilateral ties with China.⁸ On its part, the Chinese Embassy in

¹ "23rd round of India-China Corps Commander Level Meeting", MEA India, October 25, 2025

² Ibid.

³ "Raksha Mantri reviews security situation & Indian Army's operational preparedness during Army Commanders' Conference in Jaisalmer; Visits forward areas of Tanot & Laungewala", PIB India, October 24, 2025

⁴ Ibid.

⁵ "Army's new generation vehicle logistics hub comes up in Leh to boost operational readiness", The Economic Times, October 16, 2025

⁶ "BRO constructs 70-km road along India-China border in Uttarakhand, boosting connectivity", The Tribune, October 21, 2025

⁷ "Resumption of direct flights will further facilitate cross-border travel," says Chinese Embassy spokesperson Yu Jing, The Economic Times, October 4, 2025

⁸ Ibid.

India hailed the resumption of direct flights between the world's two most populous countries, stating that it will facilitate cross-border travel, exchanges, and mutually beneficial cooperation.⁹ Reacting to this, Chinese analysts noted that the resumption of direct flights is merely the first step toward reviving China-India relations, and many other areas of cooperation, including student visas, cultural exchanges, and border trade, also need to be revived.¹⁰ They urged India to refrain from viewing China as an "imaginary adversary", break free of the "West's Indo-Pacific chess game", and chart a new trajectory for bilateral relations based on pragmatism.¹¹

Amidst continuing global trade uncertainties, China's Ministry of Commerce announced new export control measures on technologies related to rare earths on October 9, 2025.¹² In light of this, Beijing is reportedly seeking assurances from India that the heavy rare-earth magnets supplied by China will not be re-exported to the US.¹³ As China continues to weaponise its rare-earth export controls, India is negotiating trade agreements with countries in Latin America, such as Chile and Peru, to improve rare-earth mineral supplies.¹⁴ The Chinese government has also imposed export controls on lithium battery materials beginning on November 8, 2025, which could have an adverse impact on the supply chain for electric vehicles (EVs).¹⁵ China has suspended its exports of urea and speciality fertilisers such as TMAP (Technical Monoammonium Phosphate), which may negatively affect India's winter crop season.¹⁶

India's imports from mainland China in the first half of the financial year 2025-26 stood at USD 62.89 billion, an increase of 11.2 percent year-on-year, while exports to China amounted to USD 8.41 billion, an increase of 22 percent.¹⁷ Consequently,

⁹ Ibid.

¹⁰ "Much more awaits restoration between China and India beyond direct flights: Global Times editorial", Global Times, October 27, 2025

¹¹ Ibid.

¹² "Xi Jinping's rare earth 'bazooka' sparks global alarm, race for supplies", The Economic Times, October 15, 2025

¹³ "China seeks India's assurance on no heavy rare earths diversion to US", The Economic Times, October 9, 2025

¹⁴ "India widens hunt for rare earths — eyes Chile, Peru trade deals to ease supply", The Economic Times, October 17, 2025

¹⁵ "Ola Electric & Ather Energy: Can you bet on India's EV stocks as China tightens lithium grip?", The Economic Times, October 16, 2025

¹⁶ "Specialty fertiliser prices set to surge as China suspends exports", The Economic Times, October 22, 2025

¹⁷ "China top source of imports in H1 FY26; New Delhi's trade deficit with Beijing hits \$54.4 billion", The Economic Times, October 17, 2025

India's trade deficit with China has widened to USD 54.4 billion in the first half of FY 2025-26. Amidst an increase in China's imports of Indian goods, China's Ambassador to India, Xu Feihong, reiterated Beijing's commitment to helping India offset the adverse impact of US tariffs and welcomed a greater number of high-quality Indian products into the Chinese market.¹⁸ Chinese analysts urged India to join the Regional Comprehensive Economic Partnership (RCEP) free trade agreement, which would help Beijing import more goods from India.¹⁹

On the other hand, China filed a complaint against India at the World Trade Organisation (WTO) over New Delhi's subsidies for electric vehicles (EVs) and batteries. Beijing claimed that these measures violate global trade rules and unfairly benefit Indian industries.²⁰ China's complaint comes as it intensifies efforts to boost exports of its electric vehicles (EVs) to India. Meanwhile, India opposed a China-led proposal at the WTO for an investment facilitation agreement, stressing that the WTO's core focus should be on trade in goods and services, not on non-mandated, non-multilateral issues such as investment.²¹

Among other developments, India is set to invest USD 77 billion to develop over 76 gigawatts (GW) of hydroelectric capacity from the Brahmaputra River basin by 2047.²² The plan encompasses 208 major hydropower and pumped storage projects across 12 sub-basins in India's northeastern region.

II. China-South Asia Relations

On October 13, 2025, China's Ministry of Foreign Affairs rejected reports that claimed Pakistan exported rare earth minerals to the US using Chinese equipment and technology, resulting in China enacting stricter export controls on rare earth trade. Beijing informed that its rare-earth export controls have nothing to do with Pakistan and that Pakistan's engagement with the US would not undermine China's interests or China-Pakistan partnership.²³ Pakistan's Defence Minister

¹⁸ Xu Feihong, China's Ambassador to India, Official X Handle, October 26, 2025

¹⁹ "China open to importing more from India if New Delhi joins RCEP, says Chinese economist Liqing Zhang", The Economic Times, October 6, 2025

²⁰ "China files complaint against India in WTO over EV, battery subsidies", The Economic Times, October 16, 2025

²¹ "India rejects China-backed WTO investment facilitation proposal", The Economic Times, October 23, 2025

²² "India unveils \$77 billion hydro plan as China builds upstream dam", The Economic Times, October 13, 2025

²³ "Chinese FM slams relevant reports on alleged Pakistan rare-earths exports to US as baseless, or even attempt to sow discord", Global Times, October 13, 2025

Khwaja Asif also assured Beijing that Pakistan's relations with the US would not jeopardise its relations with China.²⁴ Adding that, the China-Pakistan strategic partnership is time-tested since the 1950s.

On October 13, 2025, Chinese Premier Li Qiang met with Prime Minister of Sri Lanka, Harini Amarasuriya at the Diaoyutai State Guesthouse in Beijing. The Sri Lankan PM was in China for the Global Leaders' Meeting on Women.²⁵ Premier Li stated that China and Sri Lanka enjoy a deep traditional friendship formed over 68 years of diplomatic relations.²⁶

Harini Amarasuriya, the Sri Lankan Prime Minister, praised President Xi Jinping's keynote speech at the Global Leaders' Meeting on Women for playing a guiding role in advancing the cause of women's empowerment worldwide.²⁷ Sri Lanka reiterated its support for the "one-China principle" and acknowledged Taiwan, Tibet (Xizang), and Xinjiang as integral parts of China.²⁸ In order to advance Sino-Sri Lanka relations to a higher level, Colombo will continue to support China's Belt and Road Initiative and the Global Governance Initiative.²⁹ It is willing to deepen cooperation in investment, ports, infrastructure, agriculture, textiles, poverty reduction, and the digital economy with China.³⁰

Qi Zhenhong, the Chinese Ambassador to Sri Lanka, stated on October 29, 2025, that the use of the Chinese Yuan, or Renminbi (RMB), in Sri Lanka will strengthen macroeconomic stability and reduce foreign exchange risks as the country attempts to recover from its recent economic crisis.³¹ At the RMB Internationalisation Forum in Colombo, Amb. Qi stressed the importance of this process for a developing country like Sri Lanka that could boost Colombo's trade and investment flows.³²

²⁴ "China not worried about Pakistan 'flirting' with US: Pak Defence Minister Khwaja Asif", The Economic Times, September 27, 2025

²⁵ "Li Qiang Meets with Prime Minister of Sri Lanka Harini Amarasuriya", China MFA, October 13, 2025

²⁶ Ibid.

²⁷ Ibid.

²⁸ Ibid.

²⁹ Ibid.

³⁰ Ibid.

³¹ "China says greater use of RMB can support Sri Lanka's recovery", Daily FT Sri Lanka, October 31, 2025

³² Ibid.

III. China-United States Relations

Amidst an escalation of trade tensions over China's rare-earth export controls, US President Donald Trump and Chinese President Xi Jinping held a meeting in Busan, Republic of Korea, on October 30, 2025, on the margins of the APEC Summit.³³ President Xi, in his remarks, noted that, due to their differing national conditions, it is to be expected that occasional frictions may arise between China and the US, the world's two leading economies.³⁴ He stressed that China-US relations have remained stable as a whole and that the two countries should remain friends and partners.³⁵ Major issues discussed by President Xi included China's GDP growth of 5.2 percent in the first three quarters of 2025, confidence and capability to navigate risks and challenges, advancing China's modernisation without challenging or supplanting anyone, deepening reform and expanding opening up, and implementing the consensus reached during the US-China bilateral trade dialogue.³⁶

Major outcomes achieved through Xi-Trump meeting included the US's cancellation of 10 percent Fentanyl-related tariffs on China and the suspension of 24 percent reciprocal tariffs levied on China for an additional year.³⁷ China will make corresponding adjustments to its countermeasures against the aforementioned US tariffs.³⁸ The US would slash its overall tariff on Chinese goods to 47 percent from 57 percent.³⁹ The US pledged to suspend its new rule announced on September 29, 2025, that would have expanded its Entity List, adversely impacting Chinese high-technology companies.⁴⁰ In response to this commitment by Washington, Beijing will suspend its rare-earth export control measures announced on October 9, 2025, for one year.⁴¹ Another key commitment made by the two sides include the US suspending the Section 301 investigation into China's

³³ "Xinhua Headlines: Xi says ready to work with Trump to build solid foundation for bilateral ties", Xinhua, October 30, 2025

³⁴ Ibid.

³⁵ Ibid.

³⁶ Ibid.

³⁷ Liu Pengyu 刘鹏宇, Spokesperson of the Chinese Embassy in the United States, Official X Handle, October 30, 2025

³⁸ Ibid.

³⁹ "Trump-Xi meeting leads to US-China tariff cuts, deals on rare-earths, soybean purchases | 5 points", Mint, October 30, 2025

⁴⁰ Liu Pengyu 刘鹏宇, Spokesperson of the Chinese Embassy in the United States, Official X Handle, October 30, 2025

⁴¹ Ibid.

maritime, logistics, and shipbuilding industry for one year; China will correspondingly suspend its countermeasures against the US for one year.⁴²

Other major issues discussed in the meeting included expanding agricultural product trade (Soybeans), investment, and the TikTok deal.⁴³ On the issue of Ukraine, President Trump claimed that China and the US would work together to end the war and yet the two sides did not discuss China's energy imports from Russia.⁴⁴ The issue of Taiwan did not come up in the meeting.⁴⁵

Analysts stated that the Xi-Trump meeting may temporarily alleviate trade tensions; however, the two nations are expected to maintain a fundamentally competitive bilateral relationship, with both parties having an interest in managing competition.⁴⁶

Earlier, US Treasury Secretary Scott Bessent and Chinese Vice Premier He Lifeng held a meeting in Kuala Lumpur on October 26, 2025. The two sides described their trade dialogue as "constructive" and reached a "preliminary consensus" on addressing concerns on issues such as export controls, reciprocal tariffs, Fentanyl-related tariffs, the US Section 301 investigation into Chinese shipbuilders, and the possibility of expanding bilateral trade.⁴⁷

On October 9, 2025, China's Ministry of Commerce imposed a raft of new export controls on rare earth materials, extending the scope of restrictions well beyond those imposed previously. Reacting to this, Chinese analysts noted that Beijing is looking to solidify its near-monopoly status in the rare-earth minerals sector while countering US efforts to establish a presence in the critical minerals supply chain.⁴⁸ It is to be noted that rare-earth minerals are essential in the production of high-technology goods like electric vehicles, smartphones, and spacecraft. President Trump, on his part, threatened to impose an additional 100 percent tariff on imports from China and issue new export controls on "any and all critical

⁴² Ibid.

⁴³ Ibid.

⁴⁴ "Sometimes, you have to let them fight," Trump says on Russia's war in Ukraine", Politico, October 30, 2025

⁴⁵ "Taiwan issue not mentioned in meeting with Xi: Trump", Focus Taiwan, October 30, 2025

⁴⁶ "Open Questions | John J. Mearsheimer on unavoidable anarchy and what Trump gets right on China, Russia", South China Morning Post, October 27, 2025

⁴⁷ "China, US agree to preliminary framework deal in Malaysia, paving way for Xi-Trump talks", South China Morning Post, October 26, 2025

⁴⁸ "China rolls out flurry of export controls, 'major upgrade' to rare earth curbs", South China Morning Post, October 9, 2025

software” effective November 1, 2025.⁴⁹ Later, President Trump retreated on his threat of a 100 percent tariff, stressing that it was not sustainable.⁵⁰ Since China's export controls on rare earths are likely to affect industries worldwide, US Treasury Secretary Scott Bessent described Beijing as an "unreliable partner", framing recent trade friction as a battle between China and the rest of the world.⁵¹

Notwithstanding, Chinese analysts claimed that Beijing's export control on rare earth elements is intended to prevent illegitimate military applications, and that its export control model is similar to that of the US export control on semiconductor chips.⁵² China's Ministry of Commerce urged the US “not to distort and exaggerate” China's rare-earth export controls and accused Washington of adopting a “double standard” on the issue.⁵³ The Chinese state media responded to the widening trade friction by asserting that the US should not be surprised by China's tit-for-tat export control measures, cautioning that Washington has overestimated its own leverage while underestimating China's ability to counteract. Adding that, President Trump's unilateral bullying and flip-flops on trade policy do not work with China, and negotiations should be based on mutual respect and trust.⁵⁴

In a commentary in the South China Morning Post, analysts cautioned that China's export controls on rare-earth minerals are not just a response to recent US tariffs and export controls, but rather a response to ten years of US provocations on trade and high-technology.⁵⁵ It was also noted that the recurring trade frictions demonstrate that the differences between China and the US are too large to overcome, and that China's patience with the Trump administration has run its course.⁵⁶

Prior to Xi-Trump talks, the US had imposed port fees on Chinese-linked vessels as part of its efforts to curtail China's dominance in the global shipbuilding

⁴⁹ “Trump confirms Xi meeting, retreats on 100% tariffs: not sustainable”, South China Morning Post, October 17, 2025

⁵⁰ Ibid.

⁵¹ “US and China flex muscles as narrative war over trade tensions heats up”, South China Morning Post, October 16, 2025

⁵² Ibid.

⁵³ Ibid.

⁵⁴ “Washington should not be surprised by China's 'tit-for-tat': Global Times editorial”, Global Times, October 16, 2025

⁵⁵ “The View | Can Scott Bessent see China's trade counterstrike with clear eyes?”, South China Morning Post, October 21, 2025

⁵⁶ “Opinion | 3 signs China's patience with Trump is at an end”, South China Morning Post, October 17, 2025

industry.⁵⁷ In response, on October 14, 2025, China's Ministry of Transport announced new special port fees on ships owned or operated by US enterprises, organisations, and individuals.⁵⁸ Beijing informed that its countermeasures are against the US's erroneous actions and urged Washington to cease the unjust suppression of China's maritime shipping industry.⁵⁹

Another area of trade friction between the two nations is China's lack of soybean imports from the US in September 2025.⁶⁰ China is expanding its soybean import sources, with countries in South America, including Argentina, significantly increasing their exports to China.⁶¹ According to analysts, soybean imports will likely be a key bargaining chip for Beijing in the upcoming US-China trade talks.⁶²

US Secretary of War Pete Hegseth and China's Defence Minister Dong Jun met on the margins of the 12th ASEAN Defence Ministers Meeting Plus in Kuala Lumpur, Malaysia, on October 31, 2025.⁶³ Defence Minister Dong Jun noted that the meeting between President Xi and President Trump in Busan had provided strategic guidance for the steady development of China-US relations. He called upon the two sides to implement the consensus reached between their leaders and work towards building a military-to-military relationship based on mutual respect, equality, and peaceful coexistence. He reiterated Beijing's hope that the US would honour its commitment of not seeking China's containment and urged Washington to take a clear stand against "Taiwan independence" separatist forces.⁶⁴ Secretary Hegseth, on his part, emphasised the importance of maintaining a balance of power in the Indo-Pacific and reiterated the US's concerns about Chinese activities in the South China Sea, around Taiwan, and towards US allies and partners in the region. He maintained that the US does not seek a conflict with China and pledged to "stoutly defend its interests".⁶⁵ The two sides agreed to set up military communication channels to deconflict and de-escalate any problems that arise.⁶⁶

⁵⁷ "China unveils detailed measures for charging special port fees on U.S. ships", People's Daily, October 14, 2025

⁵⁸ Ibid.

⁵⁹ Ibid.

⁶⁰ "China's soybean imports surge as orders to US hit zero, and South America is cashing in", South China Morning Post, October 20, 2025

⁶¹ Ibid.

⁶² Ibid.

⁶³ Chinese defence minister meets U.S. counterpart in Malaysia, Ministry of National Defence PRC, October 31, 2025

⁶⁴ Ibid.

⁶⁵ Secretary of War Pete Hegseth, Official X Handle, October 31, 2025

⁶⁶ Secretary of War Pete Hegseth, Official X Handle, November 2, 2025

US-China tensions on Taiwan continued. On October 15, 2025, in response to the US's new National Defence Authorisation Act, passed by the Senate, which allocates USD 1 billion of military aid to Taiwan, China reiterated its opposition to any form of military contact between the US and China's region of Taiwan.⁶⁷ China's National People's Congress (NPC) designated October 25 as 'Commemoration Day of Taiwan's Restoration to China'. In light of this, Chinese state media stressed that Taiwan's restoration to China is symbolic of the victory of the Chinese nation over foreign aggression, as well as confirming the historical logic that Taiwan has been a part of China since ancient times, seized illegally by Japan, and returned to China after Japan's defeat in 1945.⁶⁸

On September 30, 2025, China's Ministry of Foreign Affairs issued a paper on the country's position on the UN General Assembly Resolution 2758, adopted in 1971, which recognised the representatives of the People's Republic of China (PRC) as the only legitimate representatives of China to the UN, and expelled the representatives of Chiang Kai-shek (Taiwan) from the UN.⁶⁹ The Chinese position paper asserted that the UNGA Resolution 2758 confirms the "one-China principle" and it brooks no challenge to its legitimacy, validity, and authority.⁷⁰ On the other hand, Taiwan's President Lai Ching-te, in his remarks marking Taiwan's National Day, stressed the importance of enhancing military expenditure and developing an air defence system called the "T-Dome", inspired by Israel's Iron Dome missile defence system and the US's Golden Dome missile defence shield.⁷¹

Among other developments, China rejected a US Congress report that alleged Beijing leveraged American higher education institutions for military research purposes.⁷² Further, the Chinese state media shed light on the intensifying "political polarisation in the US" and the federal government shutdown, asserting that the country has entered a downward spiral of decline.⁷³ The American middle

⁶⁷ "Mainland urges U.S. to stop sending wrong signals to "Taiwan independence" separatists", China Military Online, October 15, 2025

⁶⁸ "What does establishing this national commemorative day mean?: Global Times editorial", Global Times, October 25, 2025

⁶⁹ "China releases position paper on UN General Assembly Resolution 2758", People's Daily, October 1, 2025

⁷⁰ Ibid.

⁷¹ "Taiwan president: Israel's defence strategy a 'valuable model' for Taiwan", The Jerusalem Post, October 28, 2025

⁷² "China hits out at 'malicious' report that says it used US universities to boost military", South China Morning Post, October 9, 2025

⁷³ "Chinese state media says US 'dying from within' as Beijing drafts next 5-year plan", South China Morning Post, October 22, 2025

class is angry about the liberal intellectuals and elites who have ruled the country as per their own interests.⁷⁴

IV. China-European Union Relations

On September 30, 2025, the Netherlands government seized control of the management of Nexperia, a Chinese-owned high-technology company, and removed its Chinese CEO, citing concerns about national security.⁷⁵ Reportedly, the Dutch believed that chipmaker Nexperia's owners were planning to move its manufacturing operations to mainland China.⁷⁶ Reacting sharply, an editorial by the South China Morning Post described the seizure of Nexperia as "counterproductive", stating that it resulted from US and EU pressure as part of their ongoing trade and technology war with China.⁷⁷ China's state media warned the Netherlands not to underestimate Beijing's resolve and capability to protect its companies' rights, describing Nexperia's seizure as "21st century piracy" that would worsen tensions between the EU and China.⁷⁸

The EU expressed concerns about China's rare-earth export controls, cautioning that these measures would only worsen trade relations with China. In her remarks, Ursula von der Leyen, President of the European Commission, expressed the EU's intent to retaliate against China's export controls, particularly through the use of its anti-coercion instrument.⁷⁹ It is expected that the EU will harden its trade stance toward China in the near future, demanding that Chinese investors in Europe transfer technology to local companies.⁸⁰ Commenting on the EU's desire to have a more muscular trade policy approach towards China, analysts warned that since China is a key trading partner of EU member states such as Germany and France, Brussels cannot go too far in playing hardball.⁸¹

⁷⁴ "Open Questions | John J. Mearsheimer on unavoidable anarchy and what Trump gets right on China, Russia", South China Morning Post, October 27, 2025

⁷⁵ "Dutch seized Nexperia over fears Chinese owners planned to move chip production to China", South China Morning Post, October 18, 2025

⁷⁶ Ibid.

⁷⁷ "Editorial | In case of Nexperia, Dutch cure is proving to be worse than the disease", South China Morning Post, October 26, 2025

⁷⁸ "Netherlands should not underestimate China's resolve, capability to protect its rights: Global Times editorial", Global Times, October 14, 2025

⁷⁹ "Von der Leyen vows to strike back against China as EU feels rare earths squeeze", South China Morning Post, October 25, 2025

⁸⁰ "EU to insist on Chinese tech transfer, as it looks to 'flex its muscles' on rare earth curbs", South China Morning Post, October 14, 2025

⁸¹ "Editorial | Europe can only play so much tech hardball with China", South China Morning Post, October 18, 2025

Amidst widening trade tensions between China and the EU, China's Commerce Minister Wang Wentao and the EU's Commissioner for Trade and Economic Security Maros Sefcovic held a video meeting. Both sides affirmed their shared willingness to manage differences through dialogue and maintain the stability of global supply chains.⁸² Meanwhile, in Hangzhou, Wang Yi, the Director of China's Central Commission for Foreign Affairs, met Emmanuel Bonne, Diplomatic Adviser to the French President Emmanuel Macron. In his remarks, Wang Yi reiterated the need for the EU to pursue "strategic autonomy" in its ties with China, adding that the two sides had no geopolitical conflict or fundamental clash of core interests.⁸³

Among other developments, a meeting between members of the European Parliament and delegates from China's National People's Congress (NPC) took place in Brussels on October 16, 2025, the first such meeting in seven years. There were stark differences between the EU and China during the meeting regarding issues such as the Ukraine conflict, China's strategic partnership with Russia, NATO's right to exist, as well as peace and stability in the Taiwan Strait.⁸⁴

V. China-Russia Relations

Russian President Vladimir Putin addressed the annual meeting of the Valdai International Discussion Club in Sochi on October 3, 2025. In his remarks, President Putin discussed Moscow's intent to align its vision of Eurasian security closely with China's Global Governance Initiative (GGI).⁸⁵ Major issues touched by him included Russia and China's events marking Victory in the Second World War in 1945, introducing a visa-free policy for Chinese citizens, and working with BRICS and SCO to establish a new Eurasian security framework.⁸⁶

Russia remained China's top crude oil supplier in September 2025, despite the threat of US and European sanctions, illustrating Beijing's defiance of the West.⁸⁷

⁸² "China, EU show willingness to manage differences through dialogue", People's Daily, October 23, 2025

⁸³ "China frames message of partnership for EU members to take to Brussels", South China Morning Post, October 16, 2025

⁸⁴ "Brussels and Beijing lawmakers spar over Russia, Taiwan in first talks since 2018", South China Morning Post, October 16, 2025

⁸⁵ "Putin says China's Global Governance Initiative closely linked to Russia's vision for Eurasian security", People's Daily, October 6, 2025

⁸⁶ Ibid.

⁸⁷ "China's crude oil imports from Russia rise in September despite US pressure", South China Morning Post, October 20, 2025

To cripple the Russian economy, the EU sanctioned a total of 15 mainland Chinese or Hong Kong-registered entities for illicit trade with Russia, including state-owned companies involved in crude oil trade.⁸⁸ Reacting to this, Beijing warned Brussels that most countries worldwide, including those in Europe and the US, continue to trade with Russia, and that the West was not in a position to criticise normal cooperation between China and Russia.⁸⁹

On October 26, 2025, Russian President Vladimir Putin announced that the country had successfully tested its nuclear-powered Burevestnik cruise missile with a range of 14,000 km.⁹⁰ Chinese analysts observed that the Burevestnik cruise missile demonstrates Russia's push for next-generation weapon systems, which would enhance Moscow's strategic deterrence and could alter the balance of global nuclear forces.⁹¹

VI. China-ASEAN Summit

Chinese Premier Li Qiang addressed the 28th China-ASEAN Summit in Kuala Lumpur, Malaysia, on October 28, 2025. In his remarks, Premier Li shed light on the military parade held in Beijing in September 2025, marking the 80th anniversary of China's Victory in the World Anti-Fascist War.⁹² He noted that a number of ASEAN leaders attended the parade in Beijing and praised the fact that China and Southeast Asian nations fought against tyranny and achieved their independence.⁹³ The two sides signed the China-ASEAN Free Trade Area 3.0 Upgrade Protocol that would further expand their economic and trade cooperation.⁹⁴ Major issues discussed by Premier Li included opposing unilateralism and protectionism, consolidating strategic mutual trust by speeding up consultations on the Code of Conduct (COC) in the South China Sea, accelerating trade and investment liberalisation, and forging stronger people-to-people bonds.⁹⁵

⁸⁸ "EU sanctions state-linked Chinese oil companies over Russia war support", South China Morning Post, October 23, 2025

⁸⁹ Ibid.

⁹⁰ "Russia reportedly carries out test of nuclear-powered cruise missile; test yields strategic significance: Chinese experts", Global Times, October 26, 2025

⁹¹ Ibid.

⁹² "Remarks by Chinese Premier Li Qiang at the 28th China-ASEAN Summit", MFA PRC, October 28, 2025

⁹³ Ibid.

⁹⁴ Ibid.

⁹⁵ Ibid.

VII. APEC Economic Leaders' Meeting

President Xi addressed the 32nd Asia-Pacific Economic Cooperation (APEC) Economic Leaders' Meeting in Gyeongju, Republic of Korea, on October 31, 2025. Xi shed light on growing global uncertainties and urged APEC to stay true to its founding mission of promoting economic growth through open development and inclusive economic globalisation.⁹⁶ Towards this end, he called for safeguarding the multilateral trading system with the WTO at its core, building an open economic environment in the region by aligning RCEP and CPTPP, keeping industrial and supply chains stable, and advancing digital and green transformation of trade.⁹⁷

Internal Developments

Fourth Plenary Session of the 20th CPC Central Committee

The 20th Central Committee of the Communist Party of China (CPC) held its fourth plenary session in Beijing from October 20-23, 2025. During this session, the CPC adopted recommendations for formulating China's 15th Five-Year Plan (2026-30) for economic and social development.⁹⁸ In his remarks, President Xi noted that the country's "socialist modernisation" would require unremitting hard work from successive generations of Chinese citizens and that the 15th Five-Year Plan period would be an essential part of this process as China strives to achieve modernisation by 2035 on all fronts.⁹⁹ He reiterated that China's economy is firmly anchored on solid foundations, but cautioned that uncertainties and unforeseen factors are rising.¹⁰⁰

The six major guiding principles for the 15th Five-Year Plan period include upholding the CPC's leadership, adhering to a people-first approach, pursuing high-quality development, comprehensively deepening reform, promoting interplay between an efficient market and a well-functioning government, and ensuring both development and security.¹⁰¹ The seven major objectives include achieving significant advancements in high-quality development, substantial

⁹⁶ "Building an Inclusive Open Asia-Pacific Economy for All", MFA PRC, October 31, 2025

⁹⁷ Ibid.

⁹⁸ "Communique of the Fourth Plenary Session of the 20th Central Committee of the Communist Party of China", MFA PRC, October 23, 2025

⁹⁹ Ibid.

¹⁰⁰ Ibid.

¹⁰¹ Ibid.

improvement in scientific and technological self-reliance, comprehensively deepening reform, cultural and ethical progress across society, improving the quality of life, advancing the Beautiful China initiative, and strengthening the national security system.¹⁰²

Major issues discussed in the meeting included building a modern industrial system and reinforcing the foundations of the real economy, pursuing the development of new quality productive forces through high-technology innovation, expanding domestic demand, safeguarding the multilateral trading system, and pursuing high-quality Belt and Road cooperation.¹⁰³ The Party leadership also emphasised the importance of advancing rural revitalisation, coordinated regional development, promoting common prosperity, accelerating the country's green transition, achieving the Centenary goals of the PLA's modernisation, and advancing the Party's self-reform.¹⁰⁴

A Global Times editorial, in response to the CPC's Fourth Plenary Session communique, expressed confidence in China's ability to provide sustained momentum to the global economy, citing its extensive market, advanced industrial system, and ongoing reform efforts.¹⁰⁵ Adding that, in the backdrop of rising unilateralism and bloc confrontation, this roadmap represents the CPC's commitment to advancing China's modernisation and provides a new option for modernising countries around the globe.¹⁰⁶

Chinese analysts indicated that, during the 15th Five-Year Plan period, Sino-American relations may not get any better. Against this backdrop, Beijing is expected to prioritise high-quality development, with a particular emphasis on technological self-reliance and innovation.¹⁰⁷ They compared the external challenges faced by China today with those faced by the country in the 1950s. It was argued that, amidst the widening strategic competition with the US, China is facing another moment of reckoning at a crossroads between pressure and transformation.¹⁰⁸

¹⁰² Ibid.

¹⁰³ Ibid.

¹⁰⁴ Ibid.

¹⁰⁵ "What China's 15th Five-Year Plan will bring to the world: Global Times editorial", Global Times, October 25, 2025

¹⁰⁶ Ibid.

¹⁰⁷ "Editorial | 5-year plan offers hope of stability amid global uncertainty", South China Morning Post, October 24, 2025

¹⁰⁸ "As China's leaders chart the next 5-year plan, they hear echoes from long ago", South China Morning Post, October 22, 2025

It is noteworthy that nearly one-sixth of the 376 officials who held seats on the CPC Central Committee when President Xi's third term began in 2022 were absent from the party's fourth plenary session. This highlights the constant purges carried out by President Xi in the military and the Party as a whole, reinforcing his authority.¹⁰⁹

Key Developments and Addresses by Chinese Leaders

Marking the 30th anniversary of the Fourth World Conference on Women held in Beijing in 1995, President Xi addressed the Global Leaders' Meeting on Women on October 13, 2025. In his remarks, President Xi noted the important role played by women in the advancement of human civilisation, emphasising the shared responsibility of the international community towards empowering women.¹¹⁰ Major issues discussed by Xi included jointly fostering an enabling environment for women's growth and development, pursuing economic globalisation that would benefit women, and reforming the global governance framework to protect women's rights and interests.¹¹¹

Shanghai hosted the Second World Conference on China Studies under the theme "Historical and Contemporary China: A Global Perspective" on October 14, 2025. The conference provided a holistic perspective on China's ancient civilisational vision, in conjunction with an understanding of contemporary China, which is undergoing profound changes as it continues its modernisation process.¹¹²

Wang Yi, the Director of China's Central Commission for Foreign Affairs, addressed the 23rd Lanting Forum in Beijing on October 27, 2025. In his address, Wang Yi discussed global challenges in the midst of rising unilateralism and emphasised that China's Global Governance Initiative (GGI) provides an answer to contemporary issues.¹¹³ He shed light on core tenets of GGI, which include sovereign equality, respect for international rule of law for a just and orderly global governance system, multilateralism for global cooperation, a people-centred approach for inclusive outcomes of global governance, and achieving real

¹⁰⁹ "Xi Jinping's Purges Shrink Ranks of China's Communist Elite – and Boost His Power", The Wall Street Journal, October 23, 2025

¹¹⁰ "Carrying Forward the Spirit of the Beijing World Conference on Women and Promoting the New and Accelerated Process for Women's All-Round Development", MFA PRC, October 13, 2025

¹¹¹ Ibid.

¹¹² "The world has never been more eager to understand 'What is China': Global Times editorial", Global Times, October 15, 2025

¹¹³ "Wang Yi: All Countries Should Stand Together to Tackle Pressing Challenges and Shore up the Weak Links in Global Governance", MFA PRC, October 27, 2025

results.¹¹⁴ In line with this vision, China inaugurated the International Organisation for Mediation (IOMed) in Hong Kong SAR on October 23, 2025.¹¹⁵

The CPC Central Committee's flagship magazine, the Qiushi Journal, published an article by President Xi Jinping on the Chinese Nation and another on the implementation of China's global initiatives, such as GDI, GSI, GCI, and GGI.¹¹⁶

Trade and Economy

On October 20, 2025, China's National Bureau of Statistics informed that the country's economy grew 5.2 percent year-on-year in the first three quarters of 2025.¹¹⁷ In the third quarter, the Chinese economy grew 4.8 percent, marking its slowest growth in a year.¹¹⁸ Overall, the country's GDP stood at CNY 101.5 trillion (about USD 14.3 trillion) in the first three quarters of 2025.¹¹⁹ Beijing noted that, amidst increasing external uncertainties, China's economy has maintained its stability with steady growth.¹²⁰

However, analysts expressed concerns about a slump in the country's manufacturing activity, which has remained in contraction since April 2025.¹²¹ Despite trade war uncertainties, in September 2025, China's exports expanded 8.3 percent year-on-year to USD 328.6 billion.¹²²

The Chinese government issued a notice on October 9, 2025, emphasising the intent to "support fair, open, and lawful market competition" that would curb disorderly price competition, restore healthy market order, protect fair competition, and advance high-quality development.¹²³

¹¹⁴ Ibid.

¹¹⁵ Xu Feihong, China's Ambassador to India, Official X Handle, October 23, 2025

¹¹⁶ "Xi's article on community for Chinese nation to be published", People's Daily, October 1, 2025

¹¹⁷ "China's GDP expands 5.2 pct year on year in first three quarters", People's Daily, October 20, 2025

¹¹⁸ Ibid.

¹¹⁹ Ibid.

¹²⁰ Ibid.

¹²¹ "China manufacturing slump deepens to 6-month low in October, as PMI misses estimates", CNBC, October 30, 2025

¹²² "China's exports defy expectations in September under weight of trade war uncertainty", South China Morning Post, October 13, 2025

¹²³ "Measures seek to curb disorderly price competition", People's Daily, October 11, 2025

Defence and Security

The communique of the CPC's fourth plenary session issued on October 23, 2025, informed that the Party had expelled nine senior military officers, continuing President Xi's disciplinary crackdown on the PLA, demanding absolute loyalty of the military and an end to corruption.¹²⁴ These officers included He Weidong (former Vice Chairman of the CMC), Miao Hua (former Chief of the CMC Political Work Department), He Hongjun (former Executive Deputy Chief of the CMC Political Work Department), Wang Xiubin (former Executive Deputy Chief of CMC Joint Operations Command Center), Lin Xiangyang (former Commander of the PLA Eastern Theatre Command), Qin Shutong (former Political Commissar of the PLA Army), Yuan Huazhi (former Political Commissar of the PLA Navy), Wang Houbin (former Commander of the PLA Rocket Force), and Wang Chunling (former Commander of the PAP). Zhang Shengmin was appointed as Vice Chairman of the Central Military Commission (CMC).¹²⁵

On October 30, 2025, President Trump authorised the US Department of War to resume nuclear weapons testing, stating that he had "no choice" in the face of escalating global strategic competition.¹²⁶ This development comes as Russia and China both pursue nuclear force modernisation to enhance strategic deterrence.¹²⁷ Beijing, on its part, urged Washington to adhere to its obligations under the Comprehensive Nuclear Test Ban Treaty and to take concrete actions to ensure global nuclear disarmament and non-proliferation that would ensure global strategic stability.¹²⁸

China-Philippines tensions continued in the disputed South China Sea.¹²⁹ Reacting to recurring friction between Beijing and Manila, analysts cautioned that strategic miscalculation in the SCS could result in significant problems, since the US and China hold fundamentally different views regarding the disputes in the SCS.¹³⁰ As for Taiwan, it was noted that the PLA currently does not possess the military

¹²⁴ "Communique of the Fourth Plenary Session of the 20th Central Committee of the Communist Party of China", MFA PRC, October 23, 2025

¹²⁵ Ibid.

¹²⁶ "China urges America to 'earnestly abide' by global nuclear testing ban after Trump orders weapons testing", Mint, October 30, 2025

¹²⁷ Ibid.

¹²⁸ Ibid.

¹²⁹ "Regular Press Briefing of the Ministry of National Defence on October 17, 2025", China Military Online, October 17, 2025

¹³⁰ "Open Questions | John J. Mearsheimer on unavoidable anarchy and what Trump gets right on China, Russia", South China Morning Post, October 27, 2025

capability to conquer the US-backed Taiwan through an amphibious operation.¹³¹

To overcome shortcomings in the PLA's integrated joint operational capabilities, the Chinese military continues to stress the importance of "deep integration" of "equipment, battlefields, personnel, and training conditions".¹³² Chinese analysts also shed light on the PLA's collaborative combat aircraft (CCA) development that could change the shape of air warfare.¹³³

Technology

To attract young talent from around the world in the field of Science and Technology, China has introduced the K visa on October 1, 2025. The Chinese state media presented the K visa as demonstrating the country's institutional opening-up and pursuit of economic globalisation.¹³⁴ Adding that, for decades, the US was the final destination for global talent; however, China has now emerged as an attractive destination for high-technology professionals.¹³⁵

China's Burning Plasma Experimental Superconducting Tokamak (BEST), a "nuclear fusion" experiment project under construction in Hefei, east China's Anhui Province, has reached a milestone with the successful installation of its first key component, the Dewar base. This marks progress towards electricity generation from nuclear fusion.¹³⁶

¹³¹ Ibid.

¹³² "China's military mouthpiece calls for 'deep integration' to beat joint operation weakness", South China Morning Post, October 13, 2025

¹³³ "Chinese experts analyse US Navy's reported collaborative combat aircraft development, see China, US in leading positions in manned-unmanned teaming", Global Times, October 19, 2025

¹³⁴ "How should we view China's decision to add K visa?: Global Times editorial", Global Times, September 29, 2025

¹³⁵ Ibid.

¹³⁶ "China achieves milestone in compact fusion project with key component installation", People's Daily, October 3, 2025



Delhi Policy Group
Core 5A, 1st Floor,
India Habitat Centre, Lodhi Road
New Delhi - 110003
India

www.delhipolicygroup.org