



Delhi Policy Group

Advancing India's Rise as a Leading Power

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China Monitor

The DPG China Monitor features developments related to China during the month and is compiled by our research team comprising Brig. Arun Sahgal (Retd.), Senior Fellow and Sanket Joshi, Research Associate, from open-source reports and publications.

Cover Photograph:

A delegation of the US Congress met with Tibetan leader the Dalai Lama in Dharmshala, India, on June 19, 2024. Source: [Official X Handle/Nancy Pelosi](#)

US Defence Secretary Austin met Chinese Minister of National Defence Dong Jun in Singapore on May 31, 2024. Source: [Official X Handle/Secretary of Defence Lloyd Austin](#)

President Xi Jinping addressed the Central Military Commission's (CMC) Political Work Conference in Yan'an, northwest China's Shaanxi Province on June 17, 2024. Source: [Xinhua](#)

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Abstract

On June 11, 2024, External Affairs Minister Dr. S. Jaishankar outlined the Modi government's approach to handling relations with neighbouring countries in its third term. On China, he emphasised that the focus would be on finding a solution to the vexed "border issue", signalling India's commitment to resolving the territorial dispute through dialogue and diplomatic channels.

On June 5, 2024, an exchange of greetings between Prime Minister Modi and Taiwan's President Lai Ching-Te on the former's election victory sparked controversy in China. As the two leaders expressed a desire to accelerate their growing economic, technological, and other ties, China's Foreign Ministry responded sharply and called on India to strictly adhere to the one-China principle and resist the political calculations of Taiwan's authorities.

According to reports, India is planning to rename over two dozen places in the Tibet Autonomous Region, in response to China renaming places in India's state of Arunachal Pradesh. This action follows deep historical research and is based on the sentiment of local residents.

Meanwhile, China expressed concern over a bipartisan US Congress delegation's meeting with the exiled Tibetan spiritual leader, HH the Dalai Lama, in Dharamshala, India on June 19, 2024. Earlier, on June 12, 2024, the US House of Representatives approved the "Promoting a Resolution to the Tibet-China Dispute Act". This bill recognises the distinct religious, cultural, linguistic, and historical identity of the Tibetan people and encourages direct dialogue between Chinese and Tibetan leaders to resolve their differences. It also assures the Dalai Lama that the US would not allow China to influence the choice of his successor. China, on its part, called upon the US to recognise the 14th Dalai Lama's "anti-China separatist nature" and to honour its commitments to Beijing regarding "Xizang" (Tibet).

US Secretary of Defence Lloyd J. Austin met with Chinese Minister of National Defence Dong Jun on May 31, 2024, on the sidelines of the Shangri-La Dialogue in Singapore. The two sides exchanged views on military-to-military relations, the Taiwan question, the South China Sea issue, the Ukraine crisis, and the Israel-Palestine conflict. Dong Jun warned that the US sending a delegation to the inauguration of Taiwan's new regional leader (President) Lai Ching-te violated the one-China principle. He criticised the Philippines for breaking promises in the South China Sea and expressed concern over the US deploying a mid-range missile system in the Philippines during military exercises.

On June 2, 2024, Chinese Defence Minister Dong Jun, in his address at the Shangri-La Dialogue, stressed that China remains a guardian of peace in the Asia-Pacific and that Beijing will not allow hegemony and power politics to harm the region. He warned that Taiwan is being used by external forces to contain China, affirming that the PLA would take decisive action to reunify the country. On June 21, 2024, China issued judicial guidelines on imposing criminal punishments on diehard Taiwan independence separatists.

China-Philippines tensions in the South China Sea showed no signs of abating. On June 17, 2024, the Chinese Coast Guard clashed with Philippine military personnel delivering humanitarian supplies to service members aboard the BRP Sierra Madre in waters near the Chinese-claimed Ren'ai Jiao (Ayungin Shoal). The Philippines and the US denounced China's aggressive actions that resulted in injuries to personnel and vessel damage. Reports in Chinese state media rejected the Philippines' accusations, claiming that Philippine military personnel rammed Chinese boats in response to normal law enforcement efforts by China's Coast Guard.

The Leaders' Communique of the G7 Summit held in Apulia, Italy on June 13-15, 2024, reiterated concerns about China's non-market policies and practices causing global spillovers, market distortions, and industrial overcapacity in various sectors. China's Foreign Ministry criticised the G7 for hyping up China-related issues and asserted that the group has deviated from its original purpose of steering the global economy and has become a political tool to maintain Western dominance.

On June 12, 2024, the European Commission provisionally concluded that the battery electric vehicles (BEV) value chain in China benefits from "unfair subsidisation" causing a "threat of economic injury to European BEV producers". China's Commerce Ministry termed the EU's tariffs on BEVs as "blatant protectionism" and warned that it reserves the right to file a lawsuit with the WTO as this practice distorts global supply chains in the automotive sector.

On June 17, 2024, President Xi addressed the Central Military Commission's (CMC) Political Work Conference in Yan'an, a revolutionary base in northwest China's Shaanxi province. Xi emphasised the need to uphold the CPC's "absolute leadership" over the PLA and develop a "loyal", high-quality modern military. On June 27, 2024, former Chinese defence ministers, Wei Fenghe and Li Shangfu, were expelled from the CPC due to allegations of corruption and violations of the Party's rules and discipline.

The 20th CPC Central Committee will hold its third plenary session in Beijing from July 15-18, 2024, to further deepen reform and advance China's modernisation.

On June 25, 2024, President Xi congratulated the nation on the success of the Chang'e-6 mission, which brought back samples of material from the far side of the Moon.

Foreign and Security Policy

I. China-India Relations

External Affairs Minister, Dr. S. Jaishankar prior to assuming charge for the second time, in an interview outlined Modi 3.0 governments approach to handling relations with neighbouring countries which present unique challenges. On China, he emphasised that the governments focus will be on finding solution to the vexed "border issue", signalling India's commitment to resolving territorial dispute through dialogue and diplomatic channels.¹

A survey undertaken by the Global Times highlighted that as high as 90 percent of Chinese citizens willingness to learn more about India and visit important cities of Delhi and Mumbai. Approximately 30 percent of respondents wanted to visit India for short-term business visits. The survey also pointed to the consumption of Chinese electronics and other goods by Indian consumers. According to Qian Feng, director of the research department at the National Strategy Institute at Tsinghua University, "This indicates that more Chinese people are gradually recognising India's development and see India as an important force that may influence the global landscape in the future. They want to understand the real situation in India".²

The exchange of greetings between Prime Minister Modi and Taiwanese President Lai Ching-Te, on the former's victory in elections, and the desire of the two to accelerate their fast-growing ties in trade, technology, and other sectors sparked a controversy in China. China is against any type of interaction between Taiwan and other countries, claiming it to be an inalienable part of Chinese territory. Chinese foreign ministry spokesperson reminded India of its serious political commitments towards resisting the Taiwan authorities' political calculations.³

According to reports, India is planning to rename over two dozen places in the Tibet Autonomous Region, as a tit-for-tat response to China's unilateral renaming of villages in Arunachal Pradesh with Chinese names. As per reports, the list of places has been finalised by the Army's Information Warfare Division, backed by extensive historical research and opinions of local residents. This is

¹ "Modi 3.0: Jaishankar to prioritise China border issue, Pak terror solution", Business Standard, June 11, 2024

² "Nearly 70% Indian respondents believe close and cooperative relationship with China beneficial for India: GT survey", Global Times, June 13, 2024

³ "Why is China so annoyed over Modi's reply on X?", The Economic Times, June 8, 2024

meant to put across an Indian counter-narrative in local and international media.⁴

A meeting between Tibetan leader, HH the Dalai Lama and a bipartisan seven-member group of American lawmakers in Dharmshala, India has upset China. This follows a bipartisan bill passed earlier this month by the US House of Representatives which aims to push Beijing to hold talks with Tibetan leaders, to secure a negotiated agreement on Tibet and spur China to tackle Tibetan aspirations on historical, cultural, religious and linguistic identity. Beijing has always been against such interactions, accusing the Dalai Lama who wants genuine autonomy for his people to be splittist. The greater concern, however, is that such, interference by both the US and India can complicate the Chinese desire to choose his successor.⁵ Amidst this, President Xi visited the Tibetan Buddhist Hongjue Temple in Qinghai province on June 18, 2024, emphasising ethnic unity, the sinicisation of religion, and promoting the clean energy industry as well as international eco-tourism.⁶

In an unfortunate incident on June 22, 2024, a T-72 tank undertaking fording training sank in Shayok river in Western Ladakh. The accident took place at Saser Brangsa near the Line of Actual Control. All five personnel on the tank crew drowned. The latest reports indicate the body of one of the soldiers has been recovered.⁷

II. China-South Asia Relations

Pakistan's Prime Minister Shehbaz Sharif met President Xi Jinping in Beijing on June 7, 2024. Xi emphasised further deepening China-Pakistan's "all-weather strategic cooperative partnership", enhancing strategic communication, and building a community with a shared future towards maintaining regional peace and stability.⁸ Xi reiterated Beijing's resolve to build an upgraded version of China-Pakistan Economic Corridor (CPEC), while PM Sharif pledged to ensure the safety of Chinese nationals working in Pakistan.⁹

⁴ "Nomenclature war: India planning to rename over two dozen sites in Tibet", The Times of India, June 11, 2024

⁵ "Why has a visit by US lawmakers to India upset China? All you need to know", Business Standard, June 20, 2024

⁶ "Xi visits Tibetans and temple in western China, calls for ethnic unity", South China Morning Post, June 20, 2024

⁷ "5 Indian soldiers die near China border after tank sinks in river", South China Morning Post, June 29, 2024

⁸ "Xi meets Pakistani PM", Xinhua, June 7, 2024

⁹ "China says it is willing to upgrade economic corridor with Pakistan and deepen ties with Brazil", Associated Press, June 7, 2024

Reacting to the forthcoming visit of Prime Minister Sheikh Hasina to China in July 2024, the Chinese Ambassador to Bangladesh Yao Wen called it a “game-changer”. He stressed that this would lead to a new chapter (opening) in China-Bangladesh relations. The signing of an FTA is an issue the two countries are discussing to improve trade and investment and in achieving Bangladesh's “Vision 2041”, the Envoy added. A China-Bangladesh FTA would serve as a guarantee for the healthy and stable development of bilateral economic and trade cooperation between China and Bangladesh, the Ambassador asserted.¹⁰

Nepal and China have expressed commitment to further promote bilateral cooperation, during the 16th round of the Nepal-China diplomatic consultation mechanism meeting. As per the Nepalese foreign ministry, the two sides reviewed the whole gamut of their bilateral relations and assessed the progress made in implementing various agreements, Memorandums of Understanding signed, and decisions made in the past. Importantly, reports indicated that the BRI framework agreement agreed in 2017 which remained in limbo all these years over implementation modalities could be signed during the meeting. This will pave the way for joint selection, execution and funding modality of the projects to be selected under the BRI.¹¹

III. China-United States Relations

On June 4, 2024, marking the 35th anniversary of the Tiananmen Square massacre, US Secretary of State Antony Blinken paid tribute to the peaceful Chinese pro-democracy activists who were assaulted for standing up for freedom, human rights, and an end to corruption.¹² He reiterated that the US intends to work with the international community to hold China accountable for human rights abuses in Xinjiang, Tibet, and Hong Kong.¹³ Earlier, China's State Council Information Office published a report titled “Human Rights Violations in the United States in 2023”, asserting that racism, economic and social inequality, violation of women's and children's rights, and the struggles of undocumented migrants in the US threaten and impede the healthy development of human rights globally.¹⁴

¹⁰ “Envoy: PM Hasina's China visit will be a game-changer”, Dhaka Tribune, June 2, 2024

¹¹ “Nepal, China may ink BRI implementation plan today”, The Kathmandu Post, June 25, 2024

¹² “On the 35th Anniversary of Tiananmen Square”, US Department of State, June 4, 2024

¹³ Ibid.

¹⁴ “United States seriously threatens, hinders healthy development of world human rights cause”, People's Daily, June 3, 2024

President Biden, in an interview with Time magazine, raised questions about the growth prospects of China's economy.¹⁵ Reacting to this, a Xinhua commentary rejected Washington's adherence to the "China collapse" theory and shed light on the IMF's recent report in which it raised the forecast for China's GDP growth in 2024 from 4.6 percent to 5 percent.¹⁶

US Secretary of Defence Lloyd J. Austin met with Chinese Minister of National Defence Dong Jun on May 31, 2024, on the sidelines of the Shangri-La Dialogue in Singapore. The two sides exchanged views on military-to-military relations, the Taiwan question, the South China Sea issue, the Ukraine crisis, and the Israel-Palestine conflict.¹⁷ Dong Jun warned that the US sending a delegation to the inauguration of Taiwan's new regional leader (President) Lai Ching-te was in violation of the one-China principle and it sent wrong signals to separatist forces.¹⁸ He criticised the Philippines for breaking promises in the South China Sea and expressed concern about the US deploying a mid-range missile system in the Philippines for military exercises.¹⁹

Secretary Austin, on his part, reaffirmed the importance of maintaining open lines of military-to-military communication, expressed concern over the PLA's provocative activities around Taiwan, and stressed the importance of freedom of navigation in the South China Sea.²⁰ He also expressed concern about China's role in supporting Russia's defence industry which is fuelling the conflict in Ukraine.²¹

On June 2, 2024, Chinese Defence Minister Dong Jun, in his address at the Shangri-La Dialogue, stressed that China remains a guardian of peace in Asia-Pacific and that Beijing will not allow hegemony and power politics to harm Asia-Pacific.²² He warned that Taiwan is being used by external forces to contain China and that the PLA would take decisive action to reunify the

¹⁵ "Read the Full Transcript of President Joe Biden's Interview With TIME", TIME, June 4, 2024

¹⁶ "Xinhua Commentary: Washington's 'China collapse' claim outdated, devoid of facts", Xinhua, June 10, 2024

¹⁷ "Readout of Secretary of Defence Lloyd J. Austin III's Meeting With People's Republic of China (PRC) Minister of National Defence Admiral Dong Jun", US Department of Defence, May 31, 2024

¹⁸ "Chinese, US defence chiefs hold first in-person meeting since 2022", Global Times, May 31, 2024

¹⁹ Ibid.

²⁰ "Readout of Secretary of Defence Lloyd J. Austin III's Meeting With People's Republic of China (PRC) Minister of National Defence Admiral Dong Jun", US Department of Defence, May 31, 2024

²¹ Ibid.

²² "China is guardian of peace in the Asia-Pacific who matches words with deeds: Global Times editorial", Global Times, June 2, 2024

country.²³ Secretary Austin, in his remarks, noted that, the Indo-Pacific region is more crucial than ever and that the US is defining a new era of security in the region based on convergence on all aspects of security.²⁴ Adding that, complementary initiatives and institutions, rather than just a single alliance or coalition, are producing a more effective network of partnerships for a free and open Indo-Pacific.²⁵ The US and China also maintained their communication on drug control, repatriation of illegal immigrants, and combating transnational crime.²⁶

The US continues to push for Taiwan's meaningful participation in the United Nations system and other international fora in addressing urgent challenges such as public health, food security, aviation safety, and climate change.²⁷ Notwithstanding, on June 21, 2024, China issued judicial guidelines on imposing criminal punishments on diehard Taiwan independence separatists.²⁸ Beijing sanctioned Lockheed Martin for its continued arms sales to Taiwan.²⁹ Meanwhile, 27 US defence contractors reportedly participated in the "Taiwan-US Defence Industry Forum" held in Taipei.³⁰

Among other developments, China denounced the US's efforts to spread false information about Chinese vaccines during the COVID-19 pandemic.³¹

IV. China-European Union Relations

The G7 Summit was held in Apulia, Italy on June 13-15, 2024. G7 Leaders' Communiqué reiterated concerns about China's non-market policies and practices causing global spillovers, market distortions, and industrial overcapacity in various sectors.³² G7 countries informed that they were not decoupling from China, but rather de-risking and diversifying supply chains

²³ Ibid.

²⁴ "The New Convergence in the Indo-Pacific": Remarks by Secretary of Defence Lloyd J. Austin III at the 2024 Shangri-La Dialogue (As Delivered)", US Department of Defence, June 1, 2024

²⁵ Ibid.

²⁶ "China, US security chiefs agree to keep talking on anti-narcotics cooperation", South China Morning Post, June 7, 2024

²⁷ "US, Taiwan seek to expand island's 'meaningful participation' in international community", South China Morning Post, June 23, 2024

²⁸ "China issues judicial guidelines on imposing criminal punishment on diehard "Taiwan independence" separatists", People's Daily, June 21, 2024

²⁹ "China takes countermeasures against Lockheed Martin", Global Times, June 21, 2024

³⁰ "Defence Ministry Spokesperson's Remarks on Recent Media Queries Concerning the Military", Ministry of National Defence PRC, June 16, 2024

³¹ "China slams US misinformation on vaccines", People's Daily, June 18, 2024

³² "Apulia G7 Leaders' Communiqué", G7 Italy, June 15, 2024

and cultivating resilience to economic coercion.³³ Major issues touched in the communiqué included concerns over Chinese support for the Russian defence industrial base, opposition to unilateral attempts to alter the status quo by force or coercion in the East and South China Seas, and maintaining peace and stability across the Taiwan Strait.³⁴ Chinese Foreign Ministry criticised the G7 for hyping China-related issues and asserted that the group has deviated from its original purpose of steering the global economy and has become a political tool to maintain Western dominance.³⁵

On June 12, 2024, the European Commission provisionally concluded that the battery electric vehicles (BEV) value chain in China benefits from "unfair subsidisation" which is causing a "threat of economic injury to European BEV producers".³⁶ The following provisional countervailing duties are likely to be imposed on imports of BEVs from China: 17.4 percent for BYD, 20 percent for Geely, and 38.1 percent for SAIC.³⁷

Chinese Commerce Ministry termed the EU's tariffs on BEVs as "blatant protectionism" and warned that it reserves the right to file a lawsuit with the WTO as this practice distorts global supply chains in the automotive sector.³⁸ During a meeting with the European Commission's Executive Vice-President Maros Sefcovic, Chinese Vice Premier Ding Xuexiang counselled that additional tariffs on Chinese EVs are not conducive to the EU's green transformation and global climate cooperation.³⁹ Meanwhile, China has launched an anti-dumping investigation into the EU's pork overcapacity.⁴⁰

V. China-Russia Relations

China did not attend the Ukraine Peace Summit hosted by Switzerland on June 15-16, 2024.⁴¹ A Global Times editorial noted that the "Ukraine Peace Summit

³³ Ibid.

³⁴ Ibid.

³⁵ "G7 communiqué hypes up China-related issues, full of arrogance, bias and falsehood: Chinese FM", Global Times, June 17, 2024

³⁶ "Commission investigation provisionally concludes that electric vehicle value chains in China benefit from unfair subsidies", European Commission, June 12, 2024

³⁷ Ibid.

³⁸ "China reserves right to file lawsuits with WTO over new EU tariffs on Chinese EVs: commerce ministry", People's Daily, June 14, 2024

³⁹ "China calls EU tariff hikes 'protectionism', urges talks to resolve EV dispute", South China Morning Post, June 19, 2024

⁴⁰ "China targets EU pork 'overcapacity' with anti-dumping investigation after Brussels' EV action", South China Morning Post, June 17, 2024

⁴¹ "China calls for Russia-Ukraine peace talks 'as soon as possible' after skipping Swiss summit that shunned Moscow", South China Morning Post, June 16, 2024

achieved little” and stressed that any conference of this kind would not succeed without the participation of both, Russia and Ukraine.⁴²

Ukrainian President Volodymyr Zelensky accused China of acting as Russian President Vladimir Putin’s “instrument” and working with Moscow to disrupt the peace summit in Switzerland.⁴³ Further, NATO’s Secretary General Jens Stoltenberg assailed China for supporting Russia in Ukraine and warned that the growing alignment between Russia and its authoritarian friends in Asia highlights the need to work closely with NATO’s friends in the Indo-Pacific.⁴⁴ In light of this, Chinese state media expressed concerns about the expansion of NATO in Asia-Pacific asserting that “Stoltenberg is laying mines for the world”.⁴⁵ President Putin also accused NATO of moving into Asia-Pacific and posing a threat to countries in the region, including Russia.⁴⁶

Meanwhile, the US announced a new wave of sanctions targeting entities in Hong Kong and mainland China aimed at curbing Beijing’s ability to support Russia’s war efforts in Ukraine.⁴⁷ For its part, China announced export controls for military-related materials and tools, including components for bulletproof vests as well as equipment for aerospace parts and engines.⁴⁸ According to a South China Morning Post editorial, China’s ban on military exports is a positive step amid mounting Western pressure to refrain from supporting Russia in the Ukraine conflict.⁴⁹

As a further step in strengthening China-Russia space cooperation, President Putin signed into law on June 12, 2024, Russia’s cooperation with China on constructing the International Lunar Research Station (ILRS).⁵⁰

Among other developments, on June 6, 2024, President Xi congratulated the signing of an intergovernmental agreement for the China-Kyrgyzstan-

⁴² “Why will Ukraine Peace Summit ‘achieve little’?: Global Times editorial”, Global Times, June 17, 2024

⁴³ “Tougher China criticism by Volodymyr Zelensky over Ukraine complicates troubled Sino-EU ties”, South China Morning Post, June 4, 2024

⁴⁴ “China support for Russia in Ukraine compels Nato to seek Asian partnerships: top official”, South China Morning Post, June 18, 2024

⁴⁵ “Outgoing Stoltenberg is still laying mines for the world: Global Times editorial”, Global Times, June 19, 2024

⁴⁶ “Putin accuses NATO of creating a security threat for Russia in Asia”, Reuters, June 20, 2024

⁴⁷ “New US wave of Ukraine sanctions includes targets in Hong Kong and mainland China”, South China Morning Post, June 12, 2024.

⁴⁸ “China’s ban on military-use exports a good start”, South China Morning Post, June 14, 2024

⁴⁹ Ibid.

⁵⁰ “Putin signs into law joint building of lunar base with China as Beijing expands circle of friends in Moon exploration”, Global Times, June 13, 2024

Uzbekistan railway project.⁵¹ He referred to the railway project as a landmark strategic project that would enhance connectivity between China and Central Asia under the Belt and Road Initiative.⁵²

VI. BRICS Foreign Ministers Meeting

Chinese Foreign Minister Wang Yi addressed BRICS Foreign Ministers meeting in Nizhny Novgorod, Russia on June 10, 2024.⁵³ In his remarks, Wang Yi highlighted the strength of BRICS cooperation in the face of a “once-in-a-century transformation” in global politics.⁵⁴ Major issues touched by him included upholding multilateralism and developing a new blueprint for global development, safeguarding international peace and security by prioritizing political resolutions of hotspot issues (Ukraine and Gaza), and maintaining openness, inclusiveness, and win-win cooperation to advance BRICS cooperation.⁵⁵

At the BRICS Dialogue with Emerging Markets and Developing Countries, Wang Yi discussed China's Global Development Initiative (GDI) and Global Security Initiative (GSI) and urged the BRICS to strengthen solidarity and cooperation with the Global South.⁵⁶ Thailand, Malaysia, Venezuela, Kazakhstan, and Belarus are reportedly interested in joining BRICS.⁵⁷ In light of this, a Global Times editorial asserted that the inclusive nature of BRICS cooperation, rather than camp confrontation, makes it vibrant.⁵⁸

VII. Premier Li Qiang's Visit to New Zealand, Australia, and Malaysia

Premier Li Qiang visited New Zealand, Australia, and Malaysia from June 13-20, 2024. A South China Morning Post editorial stated that Premier Li's visit to Australia and New Zealand was intended to manage differences, while his visit to Malaysia strengthened bilateral ties.⁵⁹ Meanwhile, President Xi met

⁵¹ “Heads of state of China, Kyrgyzstan, Uzbekistan congratulate signing of intergovernmental agreement on railway project”, People's Daily, June 7, 2024

⁵² Ibid.

⁵³ “Pooling Strengths and Working Together For a Brighter Future of BRICS”, Ministry of Foreign Affairs PRC, June 11, 2024

⁵⁴ Ibid.

⁵⁵ Ibid.

⁵⁶ “Remarks by H.E. Wang Yi At the BRICS Dialogue with Developing Countries”, Ministry of Foreign Affairs PRC, June 11, 2024

⁵⁷ “Thailand ‘bravely’ lines up to join BRICS amid West’s confrontational narrative”, Global Times, June 22, 2024

⁵⁸ “Inclusiveness makes ‘greater BRICS cooperation’ vibrant: Global Times editorial”, Global Times, June 11, 2024

⁵⁹ “Li Qiang’s three-nation tour to repair and deepen China ties has positive results”, South China Morning Post, June 21, 2024

Vietnamese Prime Minister Pham Minh Chinh in Beijing on June 26, 2024. He emphasised the importance of China-Vietnam partnership to regional peace and stability and the promotion of the socialist cause worldwide.⁶⁰

Internal Developments

Key Addresses by Chinese Leaders and Developments

On June 28, 2024, President Xi addressed a conference marking the 70th anniversary of the Five Principles of Peaceful Coexistence which includes "mutual respect for sovereignty and territorial integrity", "mutual non-aggression", "mutual non-interference in internal affairs", "equality and mutual benefit", and "peaceful coexistence".⁶¹ In the face of increasing global instability, Xi urged the international community to adhere to the Five Principles of Peaceful Coexistence to advance world peace and development.⁶²

The United Nations General Assembly unanimously adopted a China-proposed resolution establishing June 10 as the 'International Day for Dialogue Among Civilizations'.⁶³ People's Daily stressed that this resolution reflects the essential elements of China's Global Civilization Initiative (GCI), which calls for dialogue and mutual respect among civilizations.⁶⁴

On June 12, 2024, President Xi delivered a video speech at the opening ceremony of the 60th anniversary of the United Nations Conference on Trade and Development (UNCTAD).⁶⁵ Among other things, Xi urged UNCTAD to advocate for an equal and orderly multipolar world, pursue inclusive economic globalisation, promote trade and investment liberalisation, and ensure that the global governance system is just and equitable.⁶⁶

On June 11, 2024, President Xi chaired the fifth meeting of the central commission for deepening overall reform.⁶⁷ The meeting focused on

⁶⁰ "Xi meets Vietnamese PM", Qiushi Journal, June 27, 2024

⁶¹ "Carrying Forward the Five Principles of Peaceful Coexistence and Jointly Building a Community with a Shared Future for Mankind", Ministry of Foreign Affairs PRC, June 28, 2024

⁶² Ibid.

⁶³ "Global Civilization Initiative conforms to trend, meets demand of times", People's Daily, June 14, 2024

⁶⁴ Ibid.

⁶⁵ "Xi delivers video speech to opening ceremony of UNCTAD 60th anniversary celebration", People's Daily, June 13, 2024

⁶⁶ Ibid.

⁶⁷ "Xi stresses improving modern corporate system with Chinese characteristics", People's Daily, June 12, 2024

improving corporate governance, both state-owned and private, to cultivate world-class companies, increasing grain production to ensure food security, and creating a globally competitive environment that fosters scientific and technological innovation.⁶⁸ As part of his remarks at the National Science and Technology Conference, Xi reiterated the need to accelerate modernisation and self-reliance in science and technology to achieve the long-term strategic goal of building a strong nation by 2035.⁶⁹ A special emphasis was placed on stimulating the development of "new quality productive forces" based on sci-tech and industrial innovation.⁷⁰ In line with this, President Xi's article on developing new quality productive forces was published in the Qiushi Journal – the flagship magazine of the CPC Central Committee.⁷¹

The 20th CPC Central Committee will hold its third plenary session in Beijing from July 15-18, 2024, to further deepen reform and advance China's modernisation.⁷²

Trade and Economy

Premier Li Qiang addressed the opening session of the World Economic Forum's annual meeting of the New Champions in Dalian on June 25, 2024.⁷³ He railed against the US-led West's decoupling from China in trade and technology and expressed confidence that the country would achieve its 5 percent annual growth target for 2024.⁷⁴ Meanwhile, analysts expressed concerns about China's growth prospects as the country's official manufacturing purchasing managers' index (PMI) fell to a three-month low of 49.5 in May 2024, down from 50.4 in April.⁷⁵ A PMI above 50 indicates expansion, while a PMI below 50 indicates contraction. Amidst escalating trade tensions between China and the West, a South China Morning Post report cautioned that China's exports could become an economic liability instead of an asset in the future.⁷⁶ However, the country has so far managed to maintain

⁶⁸ Ibid.

⁶⁹ "Xi stresses sci-tech modernization, innovation", Qiushi Journal, June 25, 2024

⁷⁰ Ibid.

⁷¹ "Qiushi Journal Issue Preview: No.11, 2024", Qiushi Journal, June 28, 2024

⁷² "CPC leadership to hold reform-themed plenum on July 15-18", Xinhua, June 27, 2024

⁷³ "Premier Li hits out at decoupling, voices GDP confidence at 'Summer Davos': as it happened", South China Morning Post, June 25, 2024

⁷⁴ Ibid.

⁷⁵ "Explainer | Warning sign for China's economic growth? 4 takeaways from May's PMI data", South China Morning Post, June 6, 2024

⁷⁶ "China's exports could go from economic asset to liability as trade tensions multiply, analysts say", South China Morning Post, June 20, 2024

robust export growth, with exports rising 7.6 percent year-on-year in May 2024 to USD 302.4 billion.⁷⁷

With China's new energy products facing mounting trade barriers in global markets, Beijing has committed to optimising its massive capacity while refuting concerns of overcapacity in the industry.⁷⁸ According to Wang Shijiang, deputy director of the Electronic Information Department of the Ministry of Industry and Information Technology, China's new energy industry is dominated by private companies whose decision-making is driven by the market, so market competition will eventually eliminate the inefficient/backward production capacity in the country's green sector.⁷⁹

New home prices in China have reportedly slumped to their lowest level in nearly ten years, despite Beijing's property rescue plan announced in May 2024.⁸⁰ Among other developments, Premier Li Qiang called for nurturing a high-quality venture capital industry serving China's high-technology sector.⁸¹ While, analysts shed light on the prospects of China replicating its success in EVs, batteries, and solar panels in the Green Hydrogen industry.⁸²

Defence and Security

On June 17, 2024, President Xi addressed the Central Military Commission's (CMC) Political Work Conference in Yan'an, a revolutionary base in northwest China's Shaanxi province.⁸³ Xi emphasised the need to uphold the CPC's "absolute leadership" over the PLA and develop a "loyal", high-quality modern military.⁸⁴ To honor the memory of late revolutionary leaders such as Mao Zedong, Zhou Enlai, and Zhu De, Xi visited their residences in Yan'an and stressed that the Yan'an conference marks a return to the military's roots.⁸⁵ Meanwhile, on June 27, 2024, former Chinese defence ministers, Wei Fenghe and Li Shangfu were expelled from the CPC due to allegations of corruption

⁷⁷ "Explainer | China's exports set to 'defy' tariffs: 5 takeaways from May trade data as shipments rose", South China Morning Post, June 8, 2024

⁷⁸ "China vows new-energy regulations to optimise industry, while still refuting overcapacity", South China Morning Post, June 13, 2024

⁷⁹ Ibid.

⁸⁰ "China's May new home-price index defies rescue, chalks up biggest fall in nearly 10 years", South China Morning Post, June 17, 2024

⁸¹ "Chinese premier chairs State Council executive meeting", People's Daily, June 8, 2024

⁸² "Green hydrogen: can China replicate its success in EVs, batteries and solar panels?", South China Morning Post, June 15, 2024

⁸³ "Xi stresses PLA's political loyalty at crucial meeting held in old revolutionary base", Global Times, June 20, 2024

⁸⁴ Ibid.

⁸⁵ Ibid.

and violations of the Party's rules and discipline. Their case has been transferred to procuratorial organs of the military for examination and prosecution.⁸⁶

Amidst escalating cross-strait tensions, Admiral Samuel Paparo, Commander of the US Indo-Pacific Command, warned that if China invades Taiwan, the US would turn the Taiwan Strait into an unmanned (drone) "hellscape" using several classified capabilities.⁸⁷ Analysts noted that the PLA could counter large numbers of US drones equipped with advanced AI capabilities but warned Beijing that Admiral Paparo's comments signal a shift in Washington's policy of ambiguity on Taiwan.⁸⁸ President Biden, on his part, reiterated that the US does not seek independence for Taiwan, but will defend Taiwan if China unilaterally attempts to change the status quo.⁸⁹ Due to the increasing risk of high-seas confrontation with the US, the PLA reportedly acknowledged a strategic shift from conventional submarines to nuclear-powered submarines to enhance its long-distance naval combat capability and deterrence.⁹⁰

China-Philippines tensions in the South China Sea showed no signs of abating. On June 17, 2024, the Chinese Coast Guard clashed with Philippine military personnel delivering humanitarian supplies to service members aboard the BRP Sierra Madre in waters near the Chinese-claimed Ren'ai Jiao (Ayungin Shoal).⁹¹ The Philippines and the US denounced China's illegal and aggressive actions that resulted in personnel injury and vessel damage.⁹² Reports in Chinese state media rejected the Philippines' accusations, claiming that Philippine military personnel rammed Chinese boats in response to normal law enforcement efforts by China's Coast Guard.⁹³ Further, based on reports that the Philippine and US Marine Corps conducted the Marine Aviation Support Activity (MASA) exercise and the US' deployment of MQ-9A Reaper Drones to the Philippines for intelligence sharing, Beijing asserted that this indicates the

⁸⁶ "In a first, China accuses former defence ministers Li Shangfu and Wei Fenghe of corruption", South China Morning Post, June 27, 2024

⁸⁷ "US plans to turn Taiwan Strait into 'unmanned hellcape' if China invades: top admiral", South China Morning Post, June 11, 2024

⁸⁸ "China drones can counter US 'hellscape' in Taiwan Strait: analysts", South China Morning Post, June 12, 2024

⁸⁹ "Read the Full Transcript of President Joe Biden's Interview With TIME", TIME, June 4, 2024

⁹⁰ "Chinese military focusing on nuclear-powered subs with eye on US Navy: analysts", South China Morning Post, June 21, 2024

⁹¹ "DFA STATEMENT ON THE RORE INCIDENT ON 17 JUNE 2024", Department of Foreign Affairs Philippines

⁹² Ibid.

⁹³ "Exclusive: Philippine personnel ram Chinese boats, spray unknown liquids at China Coast Guard during illegal intrusion near Ren'ai Jiao", Global Times, June 21, 2024

source of escalating regional tensions.⁹⁴ To deter China, the US, Japan, and the Republic of Korea are planning a new multi-domain trilateral exercise.⁹⁵

As part of his remarks on “a more competitive approach” to arms control, Pranay Vaddi, US National Security Council's Senior Director for arms control, indicated that Washington may need to deploy additional strategic nuclear weapons in the years to come to deter growing threats from Russia, China, and North Korea.⁹⁶ Reacting to this, China called upon the US to “reflect on its behaviour” (nuclear policy) and reduce its nuclear arsenal.⁹⁷ Meanwhile, the annual report of the Stockholm International Peace Research Institute (SIPRI) informed that China has accelerated its nuclear weapons build-up and now possesses 500 warheads. It cautioned that “the role of nuclear weapons is expanding as geopolitical relations deteriorate”. The US has 3,708 nuclear warheads while Russia has about 4,380.⁹⁸

During a speech at a forum in Washington, US Joint Chiefs of Staff Chairman Air Force General CQ Brown, Jr. emphasized that China, Russia, North Korea, Iran, and violent extremists pose strategic challenges to the US and its allies, and in some respects, they are working together.⁹⁹ Chinese Ministry of National Defence rejected the US's “Cold War mentality” and “hegemonism” urging Washington to rectify its strategic perception of China.¹⁰⁰

Technology

The US continues to press its allies, including Japan and the Netherlands, to impose new restrictions on China's semiconductor industry, in particular its ability to produce high-bandwidth memory (HBM) chips required for artificial intelligence (AI) development.¹⁰¹ Analysts warned that Nvidia's new chip architecture, ‘Blackwell Ultra’ and ‘Rubin’, due for launch in 2025 and 2026

⁹⁴ Defence Ministry Spokesperson's Remarks on Recent Media Queries Concerning the Military, Ministry of National Defence PRC, June 16, 2024

⁹⁵ “US, South Korea and Japan send clear message with new joint military drill”, South China Morning Post, June 7, 2024

⁹⁶ “US may deploy more strategic nuclear arms to deter threats from China, Russia: Biden aide”, South China Morning Post, June 8, 2024

⁹⁷ “China urges US to ‘reflect’ on nuclear arms policy”, South China Morning Post, June 9, 2024

⁹⁸ “Role of nuclear weapons grows as geopolitical relations deteriorate—new SIPRI Yearbook out now”, SIPRI, June 17, 2024

⁹⁹ “Defence Ministry Spokesperson's Remarks on Recent Media Queries Concerning the Military”, Ministry of National Defence PRC, June 16, 2024

¹⁰⁰ Ibid.

¹⁰¹ “Tech war: US seeks help of allies Japan and Netherlands to curb China's AI chip progress”, South China Morning Post, June 19, 2024

respectively, produced by TSMC using its 4-nanometer process, will increase the technology gap between the US and China in the field of AI.¹⁰²

On June 25, 2024, President Xi congratulated the nation on the success of the Chang'e-6 mission, which brought back samples from the far side of the Moon.¹⁰³

¹⁰² AI chip gap between US and China widens, but Huawei begs to differ, Inside China Tech newsletter SCMP, June 8, 2024

¹⁰³ "Xi extends congratulations on complete success of Chang'e-6 mission", Qiushi Journal, June 26, 2024



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