



# Delhi Policy Group

Advancing India's Rise as a Leading Power

## China Monitor

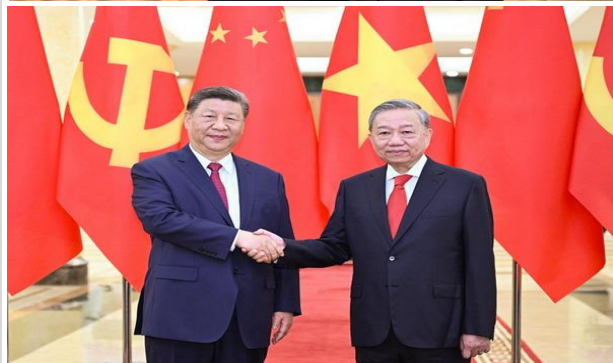
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## China Monitor Volume VIII, Issue 4 April 2025

### ABOUT US

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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 Ambassador Biren Nanda, Senior Fellow and Sanket Joshi, Research Associate, from open-source reports and publications.

### Cover Photographs:

*China's Ambassador to India Xu Feihong and India's Foreign Secretary Vikram Misri attended a reception marking the 75<sup>th</sup> anniversary of the establishment of China-India Diplomatic Relations in New Delhi on April 1, 2025. Source: [Website/Embassy of PRC in India](#)*

*Russian President Vladimir Putin and Wang Yi, the Director of China's Central Commission for Foreign Affairs met in Moscow on April 1, 2025. Source: [Website/President of Russia](#)*

*Chinese President Xi Jinping held talks with To Lam, General Secretary of the Communist Party of Vietnam, on April 14, 2025, in Hanoi. Source: [Website/MFA People's Republic of China](#)*

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## Abstract

The Chinese Embassy in India hosted a reception on April 1, 2025, to commemorate the 75th anniversary of the establishment of diplomatic relations, which was attended by India's Foreign Secretary Vikram Misri. Chinese President Xi Jinping and India's President Droupadi Murmu also exchanged congratulatory messages to mark the 75th anniversary of relations between the two countries. The "Kailash Mansarovar Yatra" is set to resume in June 2025.

Amidst a major escalation in the US-China trade war, on April 8, 2025, Beijing called upon India and China to unite and enhance economic collaboration to overcome challenges posed by the US's abuse of tariffs. On the other hand, India's Minister of Commerce and Industry, Piyush Goyal, made it clear that India would maintain its cautious approach to Foreign Direct Investment from China, ruling out any changes to the country's FDI policy towards land-border sharing neighbours.

On April 2, 2025, US President Donald Trump signed an executive order to regulate imports with a "reciprocal tariff" to rectify trade practices that contribute to a significant and persistent US goods trade deficit. Under this policy, the US imposed an additional 34 percent tariff on imports from China, further escalating the trade war. Following a series of back-and-forth tariff salvos, the US has now imposed a 145 percent duty on Chinese imports since January 2025.

Reacting sharply, on April 11, 2025, China imposed a reciprocal 125 percent tariff on imported US goods and cautioned that the US's tariff measures are an act of "unilateral bullying and coercion", which violates WTO rules and undermines the rules-based multilateral trading system. Chinese analysts noted that the trade chaos unleashed by the US has bolstered President Xi's prophecy of "profound changes unseen in a century" unfolding in international relations, signalling a global reordering in which American influence wanes and new powers rise.

Meanwhile, on April 23, 2025, President Trump urged China to negotiate a trade deal with the US, stating that the 145 percent tariff on Chinese goods is "very high" and he expects it to be reduced. Reacting to this, Beijing stressed that if the US wishes to engage in trade talks, it should cease "blackmailing and threatening China" and seek a dialogue based on equality, respect, and mutual benefit.

On April 2, 2025, the US imposed a reciprocal 20 percent tariff on imports from the European Union, underscoring the growing rift in the transatlantic alliance. On April 9, 2025, Chinese Premier Li Qiang and the President of the European Commission, Ursula von der Leyen, held a phone conversation. Premier Li criticised Washington's abuse of tariffs and urged China and the EU to advance economic globalisation, adhere to WTO norms, and promote free trade. On her part, Ursula von der Leyen stressed the responsibility of Europe and China as two of the world's largest markets in promoting a "free and fair trading system".

On April 1, 2025, Russian President Vladimir Putin met Wang Yi, the Director of China's Central Commission for Foreign Affairs, in Moscow. They reviewed preparations for President Xi's visit to Moscow scheduled to be held in May 2025 to attend Russia's 80th Victory Day, marking the end of Nazi Germany in 1945. Wang Yi urged China and Russia to stand up for the post-World War II global order and the UN-centric international system, while jointly promoting "multipolarity and democratisation of international relations".

Director Wang Yi addressed the BRICS Foreign Ministers' meeting in Rio de Janeiro, Brazil, on April 28, 2025. He noted that the international order is undergoing profound changes and urged BRICS to be at the forefront of the cause of global peace and development at this critical juncture. China called upon BRICS countries to jointly oppose US tariffs and cautioned that "compromising and retreating would only make the bully more aggressive".

President Xi visited Vietnam, Malaysia, and Cambodia from April 14-18, 2025, deepening mutually beneficial cooperation in Southeast Asia. According to the Chinese Foreign Ministry, even as the US imposed reciprocal tariffs on the three Southeast Asian countries, Xi's visit demonstrated China's commitment to good-neighborliness, multilateralism, and international trade norms.

President Xi addressed the "Central Conference on Work Related to Neighbouring Countries" in Beijing on April 8-9, 2025. He stressed that amidst global uncertainties, the country's neighbourhood diplomacy is entering a critical phase, asserting that China's relations with neighbouring countries are "currently at their best in modern times".

On April 25, 2025, President Xi chaired a CPC Political Bureau meeting to analyse the country's current economic situation. Xi noted that China has made progress in advancing high-quality development, however, he cautioned against external shocks and urged Beijing to be prepared for "the worst-case scenarios".

China's GDP grew by 5.4 percent year-on-year to CNY 31.8758 trillion (USD 4.42 trillion) in the first quarter of 2025. However, due to a widening US-China trade war, the IMF revised China's GDP growth forecast for 2025 to 4 percent from 4.6 percent, below Beijing's annual target of 5 percent. There were signs of downwards stress in the Chinese economy by the end of April, heralded by a worsening outlook for exports.

## Foreign and Security Policy

### I. China-India Relations

On April 1, 2025, Chinese President Xi Jinping and India's President Droupadi Murmu exchanged congratulatory messages to mark the 75th anniversary of diplomatic relations between the two countries.<sup>1</sup> In his remarks, President Xi reiterated the need for the two countries to embrace the "Dragon-Elephant Tango" that would serve the interests of the two countries and the "Global South" based on the principles of peaceful coexistence, mutual trust, mutual benefit, and common development.<sup>2</sup> Major issues touched by him included the importance of viewing bilateral relations from a long-term strategic perspective, jointly promoting a multipolar world, bringing greater democracy into international relations, and safeguarding peace and tranquility in border areas.<sup>3</sup>

According to a Xinhua report, India's President Droupadi Murmu underscored the need for stable, predictable, and friendly relations between India and China, and proposed to use the 75th anniversary of diplomatic relations as an opportunity to promote sound and steady bilateral relations.<sup>4</sup> It is to be noted that the 'Kailash Mansarovar Yatra' is set to resume in June 2025.<sup>5</sup>

The Chinese Embassy in India also hosted a reception in New Delhi on April 1, 2025, to commemorate the 75th anniversary of the establishment of diplomatic relations, which was attended by India's Foreign Secretary Vikram Misri.<sup>6</sup>

Amidst a major escalation in the US-China trade war, on April 20, 2025, China's Ambassador to India, Xu Feihong, called for greater economic collaboration between China and India.<sup>7</sup> He spoke about Beijing's intent to increase imports from India and urged New Delhi to provide fair treatment to Chinese businesses.<sup>8</sup> Moreover, the spokesperson for China's Embassy in India called

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<sup>1</sup> "Xi, Indian president exchange congratulations on 75th anniversary of ties", Xinhua, April 1, 2025

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

<sup>5</sup> "Launching of Kailash Manasarovar Yatra, 2025", MEA India, April 26, 2025

<sup>6</sup> "Chinese Embassy in India Held a Reception of the 75th Anniversary of the Establishment of China-India Diplomatic Relations", China's Embassy in India, April 2, 2025

<sup>7</sup> "China says it's ready to open market to import more Indian goods, urges 'non-discriminatory' stance for its firms", The Economic Times, April 20, 2025

<sup>8</sup> Ibid.



upon the two countries to unite to overcome challenges posed by the US's abuse of tariffs.<sup>9</sup>

On the other hand, India's Minister of Commerce and Industry, Piyush Goyal, emphasised that the "US-China trade face-off is an opportunity for India" to bolster its position in global trade.<sup>10</sup> He noted that the US is attempting to reset international trade rules with China, indicating a shift in global trade dynamics.<sup>11</sup> Piyush Goyal informed that India will maintain its cautious approach to foreign direct investment (FDI) from China, ruling out any changes to the country's FDI policy for its land-border sharing neighbours.<sup>12</sup>

India's trade deficit with China surged to USD 99.2 billion during the fiscal year 2024, primarily due to a significant rise in electronics and industrial inputs imports.<sup>13</sup> Due to higher tariffs in the US, New Delhi remains wary that China may flood India's market with cheap (low-cost) goods and has taken measures to protect the domestic industry through safeguard duties, minimum import prices, and anti-dumping measures.<sup>14</sup> On April 21, 2025, India imposed a provisional 12 percent safeguard duty on imported select steel products, especially from China.<sup>15</sup>

On April 23, 2025, China's Ministry of Foreign Affairs condemned the terrorist attack in India's Union Territory of Jammu and Kashmir (Pahalgam), which killed at least 26 tourists. Beijing emphasised its "opposition to terrorism in all forms" and expressed sympathy for the families of the victims.<sup>16</sup>

Among other developments, the Indian Navy is expected to commission a new naval base near Rambilli (Andhra Pradesh coastline) by 2026 to house nuclear submarines with stealth access to the Bay of Bengal amid China's growing influence in the Indian Ocean.<sup>17</sup>

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<sup>9</sup> "China turns to India after US tariffs 'abuse', says should stand together", The Economic Times, April 8, 2025

<sup>10</sup> "US trying to reset the rules of the trade game with China, says Piyush Goyal", The Economic Times, April 9, 2025

<sup>11</sup> Ibid.

<sup>12</sup> "China's India FDI dreams stalled: No policy shift coming, says Piyush Goyal", The Economic Times, April 12, 2025

<sup>13</sup> "China floods Indian markets as trade deficit soars past \$99 billion", The Economic Times, April 17, 2025

<sup>14</sup> "Lock, stock, and no cheap China imports", The Economic Times, April 10, 2025

<sup>15</sup> "Five steel goods face 12% safeguard duty", The Economic Times, April 22, 2025

<sup>16</sup> "Xu Feihong – China's Ambassador to India, Official X Handle, April 23, 2025

<sup>17</sup> "India to build underground nuclear submarine fortress to counter China as Bangladesh offers air base to Beijing near Chicken Neck", The Economic Times, April 7, 2025



## II. China-South Asia Relations

In the aftermath of a cross-border terrorist attack in India's Union Territory of Jammu and Kashmir (Pahalgam), on April 27, 2025, Wang Yi, the Director of China's Central Commission for Foreign Affairs and Pakistan's Deputy Prime Minister and Foreign Minister Ishaq Dar held a phone conversation. In his remarks, Director Wang Yi called for a swift and fair investigation of terror attack in Kashmir and reaffirmed China's support for Pakistan as an all-weather strategic partner, in safeguarding its sovereignty and security.<sup>18</sup>

During his four day visit to China, "Bangladesh's interim government adviser Muhammad Yunus said on March 31, 2025: "The seven states of India, in the eastern part of India - called the seven sister states are completely landlocked.<sup>19</sup> They have no way to reach the ocean. We (Bangladesh) are the only guardian of the ocean for the entire region (northeast India). So, this opens up a huge possibility for China - this could become an extension of the Chinese economy. Build things, market them, take them back to China, or export to the rest of the world."<sup>20</sup>

On April 27, 2025, Bangladesh's largest Islamist party - the Jamaat-e-Islami proposed the creation of an independent Arakan State in the Rohingya-majority areas of Myanmar during a meeting with the Chinese Communist Party at a Beijing hotel.<sup>21</sup> Speaking to reporters after the meeting, Jamaat Nayeb-e-Ameer Syed Abdullah Md Taher said, "1.2 million Rohingyas are now here in Bangladesh. They are living a very inhumane life... providing food and shelter is not a solution. The solution was to settle them in their own land ...[in] a new independent Arakan State...China can play the biggest role here because China has a great relationship with Burma".<sup>22</sup>

India and the United Arab Emirates agreed to develop an energy hub in Sri Lanka, India's Ministry for External Affairs said on April 4, 2025.<sup>23</sup> The three nations signed the pact for establishing the hub during Indian Prime Minister

<sup>18</sup> "Wang Yi holds phone talks with Pakistani deputy PM", Ministry of Foreign Affairs PRC, April 29, 2025

<sup>19</sup> "7 states of India are landlocked': Yunus says Bangladesh 'only guardian of ocean', invites China to make extension", The Times of India, April 1, 2025

<sup>20</sup> Ibid.

<sup>21</sup> "Bangladeshi Islamist Party Proposes Independent Rohingya State in Myanmar's Rakhine", The Irrawaddy, April 28, 2025

<sup>22</sup> Ibid.

<sup>23</sup> "India, UAE to develop Sri Lanka energy hub as Delhi competes with China for influence", Reuters, April 5, 2025

Narendra Modi's visit to Sri Lanka, the first by a global leader since the Sri Lankan President Anura Kumara Disسانayake took office in September 2024.<sup>24</sup>

A government inquiry into a new \$216 million international airport in Nepal's second-biggest city found that "irregularities and corruption" by officials and lawmakers had allowed a Chinese state-owned contractor to ignore its obligations and charge for work it never completed.<sup>25</sup> In a report released on April 20, 2025, a Nepalese parliamentary committee's investigation into the airport in Pokhara found that China CAMC Engineering, the construction arm of a state-owned conglomerate, SINOMACH, had failed to pay taxes, had not finished the project to specification and had used poor-quality construction, all because of corruption and a lack of oversight.<sup>26</sup>

China had celebrated the airport's construction in Pokhara as a "flagship project" of its Belt and Road Initiative. But Nepal has quietly rejected that designation, because it has complicated diplomatic ties with India.<sup>27</sup> In August 2024, Nepal's Communist Party led government, headed by K. P. Sharma Oli, who has close ties to Beijing, formally requested that China convert the \$216 million airport loan into a grant. Nepali officials have expressed optimism about the request, but there was no formal announcement about an agreement on the issue when Oli met Xi in November 2024.<sup>28</sup>

### III. China-United States Relations

On April 2, 2025, US President Donald Trump signed an executive order to regulate imports with a "reciprocal tariff" to rectify trade practices that contribute to a significant and persistent US goods trade deficit.<sup>29</sup> As part of this, the US imposed an additional 34 percent tariff on imports from China, further escalating the trade war.<sup>30</sup> Reacting sharply, China imposed a reciprocal 34 percent tariff on goods imported from the US.<sup>31</sup> Following a series of back-and-forth tariff salvos, the US has imposed a 145 percent duty on Chinese

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<sup>24</sup> Ibid.

<sup>25</sup> "China-built airport in Nepal littered with corruption, finds inquiry", Business Standard, April 20, 2025

<sup>26</sup> Ibid.

<sup>27</sup> Ibid.

<sup>28</sup> Ibid.

<sup>29</sup> "Regulating Imports with a Reciprocal Tariff to Rectify Trade Practices that Contribute to Large and Persistent Annual United States Goods Trade Deficits", The White House, April 2, 2025

<sup>30</sup> Ibid.

<sup>31</sup> "China imposes 34% reciprocal tariffs on imports of US goods in retaliation for Trump's trade war", CNN, April 4, 2025

imports since January 2025, bringing the effective rate to about 156 percent.<sup>32</sup> While, China's tariffs on US goods stood at 125 percent as of April 11, 2025.<sup>33</sup> As part of its efforts to revive the shipbuilding industry, the US finalised port fees for Chinese-built and operated vessels docking at American ports.<sup>34</sup> In addition, a national security investigation has been launched by the Trump administration into the semiconductor industry of China, and tariffs are also being proposed against this industry.<sup>35</sup>

In light of these developments, China's Ministry of Commerce cautioned that the US's tariff measures is an act of "unilateral bullying and coercion" which violates WTO rules and undermines the rules-based multilateral trading system and the international economic order.<sup>36</sup> China restricted exports of dual-use products to 16 American companies, added 11 US companies to its "unreliable entity list", including drone manufacturers, and announced export controls on seven types of rare-earth minerals, including samarium, gadolinium, and terbium, among others.<sup>37</sup>

Further, on April 9, 2025, the State Council Information Office released a white paper titled "China's Position on Some Issues Concerning China-US Economic and Trade Relations".<sup>38</sup> In this paper, the Chinese government reiterated that "trade wars and protectionism produce no winners" and that the economic success of the two countries should be seen as an opportunity rather than a threat.<sup>39</sup> It noted that, as the two countries are at different stages of development with distinct economic systems, it is natural that Washington and Beijing have differences, and urged the two sides to cooperate based on mutual respect, peaceful coexistence, and mutual benefit.<sup>40</sup>

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<sup>32</sup> "Trump raises China tariffs to 125%, pauses those on most other nations for 90 days", South China Morning Post, April 10, 2025

<sup>33</sup> "China ups tariffs on American goods to 125%, will 'ignore' future US hikes", South China Morning Post, April 11, 2025

<sup>34</sup> "US hits Chinese ships with hefty port fees in trade war escalation", South China Morning Post, April 18, 2025

<sup>35</sup> "China's chip exports keep rising as US 'national security' review looms in trade war", South China Morning Post, April 14, 2025

<sup>36</sup> "China ups tariffs on American goods to 125%, will 'ignore' future US hikes", South China Morning Post, April 11, 2025

<sup>37</sup> "China imposes 34% reciprocal tariffs on imports of US goods in retaliation for Trump's trade war", CNN, April 4, 2025

<sup>38</sup> "China releases white paper on China-U.S. economic, trade relations", People's Daily, April 9, 2025

<sup>39</sup> Ibid.

<sup>40</sup> Ibid.

According to Chinese state media, the US's reciprocal tariffs on nearly 60 trade partners constituted a "severe setback for global trade"<sup>41</sup> and asserted that the "America First" trade policy approach cannot deny other nations the right to develop.<sup>42</sup> It claimed that economic globalisation cannot be impeded by trade barriers erected by the US.<sup>43</sup> However, on April 23, 2025, President Trump urged China to negotiate a trade deal with the US, stating that the 145 percent tariff on Chinese goods is "very high" and he expects it to be reduced.<sup>44</sup>

Reacting to this, Beijing stressed that if the US wishes to engage in trade talks, it should cease "blackmailing and threatening China" and seek a dialogue based on equality, respect, and mutual benefit.<sup>45</sup> Following reports that the US was asking countries to limit trade with China in exchange for tariff relief, China's Ministry of Commerce warned that trade deals made by countries at the expense of Chinese interests would not be tolerated.<sup>46</sup>

Analysts noted that the Trade chaos unleashed by the US has bolstered President Xi's prophecy of "profound changes unseen in a century" unfolding in international relations, signalling a global reordering in which American influence wanes and new powers rise.<sup>47</sup> US policies could result in further "internationalisation of the Yuan", undermining but not removing the dominance of the US Dollar in international trade.<sup>48</sup> Meanwhile, a South China Morning Post editorial urged Beijing to prioritise "domestic demand" and "forge new trade agreements around the world" to combat US tariffs.<sup>49</sup> In light of the widening US-China trade war, the IMF revised China's GDP growth forecast for 2025 to 4 percent from 4.6 percent, below Beijing's annual target of 5 percent.<sup>50</sup>

<sup>41</sup> "Xinhua Headlines: U.S. "reciprocal tariffs" mark severe setback for global trade", Xinhua, April 3, 2025

<sup>42</sup> 'America First' cannot deprive other nations of development rights: Global Times editorial, Global Times, April 10, 2025

<sup>43</sup> "Trade barriers cannot stop economic globalization: Global Times editorial", Global Times, April 9, 2025

<sup>44</sup> "White House Considers Slashing China Tariffs to De-Escalate Trade War", The Wall Street Journal, April 23, 2025

<sup>45</sup> "China says Trump trade tactics will backfire, like 'bargaining with a tiger for its skin'", South China Morning Post, April 21, 2025

<sup>46</sup> Ibid.

<sup>47</sup> "Opinion | Trump chaos is lending weight to Xi's prophecy of 'profound changes unseen in a century'", South China Morning Post, April 15, 2025

<sup>48</sup> "China's yuan sees payment popularity rise amid 'soaring volatility' in US Treasury market", South China Morning Post, April 21, 2025

<sup>49</sup> "Editorial | China's domestic demand is a key weapon in fight against Trump tariffs", South China Morning Post, April 17, 2025

<sup>50</sup> "IMF cuts 2025 growth forecast for major Asian economies, warns of global slowdown on trade worries", CNBC, April 22, 2025

Although US tariffs threaten China's economic growth, analysts observed that President Xi has consolidated power to levels unseen since Mao Zedong and that Chinese society is being prepared for a long fight against the US by strengthening censorship and surveillance to crush dissent.<sup>51</sup>

President Trump's nominee for the position of Ambassador to China, David Perdue, while speaking at a confirmation hearing before the Senate Foreign Relations Committee, reaffirmed the US's commitment to the "one-China policy". However, he emphasised that President Trump's strategy for China would involve "some pain" and called on allies to do more to counter China.<sup>52</sup>

Among other developments, the US and China held a meeting of the working group on maritime security in Shanghai on April 2-3, 2025. During the meeting, the PLA expressed concerns about the US military's dangerous activities near China that could cause misjudgment, jeopardising China's sovereignty and security.<sup>53</sup>

#### IV. China-European Union Relations

On April 2, 2025, the US imposed a reciprocal 20 percent tariff on imports from the European Union, underscoring the growing rift in the transatlantic alliance.<sup>54</sup> In light of this, on April 9, 2025, Chinese Premier Li Qiang and the President of the European Commission, Ursula von der Leyen, held a phone conversation. Premier Li criticised Washington's abuse of tariffs as demonstrating the US's "unilateralism, protectionism, and economic bullying" and urged China and the EU to advance economic globalisation, promote free trade, adhere to WTO norms, strengthen communication, expand mutual opening-up, and ensure stable supply chains.<sup>55</sup> He assured Europe that China has the means and confidence to offset external risks (shocks) to the economy, and Beijing remains confident of maintaining sustained and healthy economic growth.<sup>56</sup>

On her part, Ursula von der Leyen, President of the European Commission, stressed the responsibility of Europe and China as two of the world's largest

<sup>51</sup> "Xi Is Ratcheting Up China's Pain Threshold for a Long Fight With Trump", The Wall Street Journal, April 23, 2025

<sup>52</sup> "Donald Trump's pick for Beijing envoy affirms US commitment to one-China policy", South China Morning Post, April 4, 2025

<sup>53</sup> "PLA puts US military on notice over 'dangerous' activities near China", South China Morning Post, April 3, 2025

<sup>54</sup> "Annex: Country Reciprocal Tariff", The White House, April 2, 2025

<sup>55</sup> "China, EU committed to upholding free, open trade", China Daily, April 8, 2025

<sup>56</sup> Ibid.

markets in promoting a "free and fair trading system". She reiterated the need for China to reduce its industrial overcapacity and enhance access to European products and services in the Chinese market.<sup>57</sup>

Later, on April 11, 2025, President Xi met Spanish Prime Minister Pedro Sanchez in Beijing, reiterating that there would be no winner in a tariff war. He expressed confidence in China's self-reliance and pursuit of modernisation over the past 70 years, adding that China does not fear suppression.<sup>58</sup> Further, as part of their trade talks, China and the EU agreed to begin negotiations on electric vehicle (EV) pricing and signalled their readiness to initiate negotiations on market access.<sup>59</sup> In light of these developments, a Global Times editorial noted that the high-level dialogue between China and Europe sends a positive message that both sides are taking a pragmatic approach to cooperation, advancing economic globalisation, and injecting stability into the global economy.<sup>60</sup>

At a time when the US and China are engaged in a tit-for-tat trade war, analysts observed that Beijing is seeking to strengthen ties with two major blocs, namely ASEAN and the EU. Using this as leverage, the EU could push China to reduce its persistent industrial overcapacity.<sup>61</sup> It was also noted that, given US tariffs, its agenda regarding the annexation of Greenland, and abandonment of Ukraine, Europe is seeking a new orbit of partnerships in the post-American global order.<sup>62</sup>

## V. China-Russia Relations

On April 1, 2025, Russian President Vladimir Putin met Wang Yi, the Director of China's Central Commission for Foreign Affairs in Moscow. They reviewed preparations for President Xi's visit to Moscow scheduled to be held in May 2025 to attend Russia's 80th Victory Day, marking the end of Nazi Germany in

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<sup>57</sup> "Read-out of the phone call between President von der Leyen and Chinese Premier Li Qiang", European Commission, April 8, 2025

<sup>58</sup> "Xi says there is no winner in a tariff war", Xinhua, April 11, 2025

<sup>59</sup> "EU, China will look into setting minimum prices on electric vehicles, EU says", Reuters, April 11, 2025

<sup>60</sup> "What signals does Spanish Prime Minister's visit to China send?: Global Times editorial", Global Times, April 11, 2025

<sup>61</sup> "EU senses more leverage over Beijing as US and China wage superpower trade war", South China Morning Post, April 11, 2025

<sup>62</sup> "What comes next? Europe searches for a new orbit in a post-American order", South China Morning Post, April 6, 2025



1945.<sup>63</sup> In his remarks, Director Wang Yi urged China and Russia to stand up for the post-World War II global order and the UN-centric international system, while jointly promoting “multipolarity and democratisation of international relations”.<sup>64</sup> According to reports, North Korea's leader, Kim Jong-un, may also attend Russia's Victory Day to show solidarity between Russia, China, and North Korea.<sup>65</sup>

Amidst the ongoing conflict between Russia and Ukraine, Ukrainian President Volodymyr Zelensky revealed that over 150 Chinese mercenaries are involved in combat on behalf of Russia within Ukrainian territory.<sup>66</sup> China, on its part, dismissed allegations that it knows Russian efforts to recruit its nationals via social media as “unfounded allegations”.<sup>67</sup>

With higher tariffs in the European market posing a challenge for Chinese automakers, Russia has become the leading importer of Chinese cars.<sup>68</sup> The two countries are also enhancing connectivity in their border regions through the Heihe-Blagoveshchensk cross-border highway bridge.<sup>69</sup>

## VI. President Xi's Visit to Vietnam, Malaysia, and Cambodia

President Xi visited Vietnam, Malaysia, and Cambodia from April 14-18, 2025, deepening mutually beneficial cooperation in Southeast Asia. According to the Chinese Foreign Ministry, as the US imposed reciprocal tariffs of 46 percent on Vietnam, 24 percent on Malaysia, and 49 percent on Cambodia, President Xi's visit to three Southeast Asian countries demonstrated China's commitment to good-neighborliness, multilateralism and international trade norms.<sup>70</sup> Analysts noted that Xi's visit to Southeast Asian countries was an appropriate foil to US tariffs and that trade agreements with countries in the

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<sup>63</sup> “Meeting with Foreign Minister of China Wang Yi”, President of Russia (Kremlin), April 1, 2025

<sup>64</sup> Ibid.

<sup>65</sup> “Will Xi, Kim and Putin meet in Red Square for Russia's Victory Day?”, South China Morning Post, April 13, 2025

<sup>66</sup> “More than 150 Chinese citizens fighting for Russia, Zelenskyy says”, Politico, April 10, 2025

<sup>67</sup> “Over 150 Chinese mercenaries fighting for Russia in Ukraine, Zelensky says”, South China Morning Post, April 10, 2025

<sup>68</sup> “Opinion | Amid tariff wars, Chinese carmakers are dominating Russian market”, South China Morning Post, April 1, 2025

<sup>69</sup> “Xinhua Headlines: China-Russia connectivity heats up in border regions”, Xinhua, April 6, 2025

<sup>70</sup> “Xi's Southeast Asia tour promotes good-neighborliness, mutually beneficial cooperation: Chinese FM”, Global Times, April 19, 2025



neighbourhood may help offset the damage caused by US tariffs to China's economic growth.<sup>71</sup>

During his visit to Vietnam, President Xi urged Beijing and Hanoi to create a community with a shared future by enhancing mutual strategic trust to a higher level, building robust security safeguards, enhancing high-quality mutually beneficial cooperation, intensifying people-to-people exchanges, pursuing multilateral coordination, and engaging in constructive maritime interactions.<sup>72</sup> The two countries upgraded their railway cooperation, seeking common development.<sup>73</sup> In Malaysia, President Xi and Prime Minister Anwar Ibrahim vowed to intensify regional cooperation in fields such as the digital economy, green economy, and artificial intelligence.<sup>74</sup> While, during a meeting between President Xi and Cambodian Prime Minister Hun Manet, the two sides elevated their relations to an "all-weather strategic partnership".<sup>75</sup>

## VII. China-Central Asia Foreign Ministers' Meeting

On April 26, 2025, Wang Yi, the Director of China's Central Commission for Foreign Affairs participated in the sixth China-Central Asia Foreign Ministers' Meeting held in Almaty, Kazakhstan.<sup>76</sup> According to a China Daily report, this meeting rejected the US tariffs and trade war and called for enhancing connectivity, promoting free trade and multilateralism.<sup>77</sup> The Central Asian countries pledged to synergise their national development strategies with China's Belt and Road Initiative, as well as combat terrorism, extremism, and separatism.<sup>78</sup>

## VIII. BRICS Foreign Ministers Meeting

Wang Yi, the Director of China's Central Commission for Foreign Affairs addressed 'BRICS' Foreign Ministers' meeting in Rio de Janeiro, Brazil, on April 28, 2025. In his remarks, Wang Yi noted that the international order is undergoing profound changes and that the BRICS should be at the forefront of

<sup>71</sup> "Editorial | Xi's charm offensive in Southeast Asia is perfect foil to Trump", South China Morning Post, April 18, 2025

<sup>72</sup> "Xi calls for deepening building of China-Vietnam community with shared future", People's Daily, April 15, 2025

<sup>73</sup> "Xi's Southeast Asia tour promotes good-neighborliness, mutually beneficial cooperation: Chinese FM", Global Times, April 19, 2025

<sup>74</sup> Ibid.

<sup>75</sup> Ibid.

<sup>76</sup> "China, Central Asia vow to uphold multilateralism", China Daily, April 28, 2025

<sup>77</sup> Ibid.

<sup>78</sup> Ibid.

the cause of global peace and development at this critical juncture in history.<sup>79</sup> To accomplish this, he stressed the importance of upholding universal security through China's Global Security Initiative (GSI), promoting dialogue for the resolution of the Ukrainian crisis and the Israel-Palestine conflict, adhering to multilateralism, and strengthening practical cooperation in counter-terrorism, deep-sea research, polar regions exploration, and outer space.<sup>80</sup>

Further, Wang Yi urged BRICS countries to jointly oppose US tariffs and cautioned that "compromising and retreating would only make the bully more aggressive". For this, he called on BRICS to oppose protectionism and support the multilateral trading system with the WTO at its core.<sup>81</sup> Other major issues discussed by him included reforming the global financial governance (IMF and World Bank) in a way that would serve the Global South more effectively, advancing green transformation, and sharing digital opportunities across the globe.<sup>82</sup>

## Internal Developments

### Key Developments and Addresses by Chinese Leaders

President Xi addressed the "Central Conference on Work Related to Neighbouring Countries" in Beijing on April 8-9, 2025. Xi stressed that amidst global uncertainties, the country's neighbourhood diplomacy is entering a critical phase, asserting that China's relations with neighbouring countries are currently at their best in modern times.<sup>83</sup> He informed that since the 18th CPC National Congress, China has promoted neighbourhood diplomacy, advocating the principles of amity, sincerity, mutual benefit and inclusiveness, reaffirming Beijing's intent to build a community with a shared future.<sup>84</sup> Major issues touched by him included upholding Asian values of peace, cooperation, openness and inclusiveness, using high-quality BRI cooperation for

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<sup>79</sup> "Wang Yi Attends the BRICS Foreign Ministers' Meeting", Ministry of Foreign Affairs PRC, April 29, 2025

<sup>80</sup> Ibid.

<sup>81</sup> "Wang Yi: Compromise and retreat will only make the bully more aggressive", Ministry of Foreign Affairs PRC, April 29, 2025

<sup>82</sup> "Wang Yi: Adhere to BRICS unity and cooperation and reform and improve global governance", Ministry of Foreign Affairs PRC, April 29, 2025

<sup>83</sup> "Xi calls for building community with shared future with neighboring countries", People's Daily, April 9, 2025

<sup>84</sup> Ibid.

development, pursuing the Asian security model, and prioritising dialogue and consultation.<sup>85</sup>

Ahead of COP 30, scheduled to be held in Brazil in November 2025, on April 23, 2025, UN Secretary-General António Guterres and Brazil's President Luiz Inácio Lula da Silva organised a virtual summit bringing together 17 national leaders, including Chinese President Xi Jinping, to accelerate global climate action.<sup>86</sup> Xi emphasised a multilateral approach to global climate governance, calling on the international community to safeguard the UN-centred international system, deepen international cooperation by prioritising green and low-carbon development, accelerate just green transition in developing countries through assistance by developed countries, and strengthen result-oriented actions.<sup>87</sup> Earlier, on April 3, 2025, President Xi participated in a tree planting activity in Beijing, emphasising the importance of building a beautiful China.<sup>88</sup>

## Trade and Economy

In the first quarter of 2025, China's GDP grew by 5.4 percent year-on-year to CNY 31.8758 trillion (USD 4.42 trillion). According to a Xinhua report, the country's economic growth model is demonstrating a structural shift from investment and exports toward domestic demand and innovation that will help it weather global uncertainties.<sup>89</sup>

Further, on April 25, 2025, President Xi chaired a CPC Political Bureau meeting to analyse the country's current economic situation. Although Xi noted that China has made progress in advancing high-quality development, he cautioned against external shocks and urged Beijing to be prepared for "the worst-case scenarios".<sup>90</sup> Major issues discussed by him included the need to coordinate China's domestic and foreign trade-related policies, pursue a proactive fiscal policy and a moderately loose monetary policy, expand high-standard opening-up, maintain market stability, and deal with external uncertainties with confidence.<sup>91</sup>

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<sup>85</sup> Ibid.

<sup>86</sup> "Xi addresses Leaders Meeting on Climate and the Just Transition, urging jointly advancing global climate governance", *Xinhua*, April 24, 2025

<sup>87</sup> Ibid.

<sup>88</sup> "Xi stresses pooling strength to build Beautiful China", *People's Daily*, April 4, 2025

<sup>89</sup> "Xinhua Headlines: Chinese economy firms up recovery in Q1, ready to navigate uncertainties", *Xinhua*, April 16, 2025

<sup>90</sup> "Xi chairs CPC leadership meeting on economic situation and work", *Xinhua*, April 25, 2025

<sup>91</sup> Ibid.

Before the US announced reciprocal tariffs, China registered a year-on-year export increase of 12.4 percent in March 2025; however, analysts articulated their apprehension that this may represent the “final hurrah” for the nation’s export machine, as exports are likely to decline in the ensuing months.<sup>92</sup>

To offset the impact of US tariffs on China’s economy, Beijing is focusing on measures to boost consumer spending. “China International Consumer Products Expo” and “Shopping in China” campaign are some of the initiatives aimed at boosting consumption in areas such as boutique shopping, refined cuisine, and cultural tourism.<sup>93</sup> Meanwhile, with China’s real estate prices continuing to decline and the financial markets experiencing turmoil due to US tariffs, the Chinese middle class is reportedly unsure whether to invest in Gold, US Dollars, or capital markets.<sup>94</sup>

Among other developments, as part of its efforts to achieve carbon neutrality by 2060, China’s State Council emphasised the importance of nuclear energy and approved the construction of 10 new nuclear reactors across five sites in the country.<sup>95</sup>

## Defence and Security

As part of President Xi’s purge of the PLA, General He Weidong, second-ranked Vice-Chairman of China’s Central Military Commission (CMC), may have been placed under corruption investigation. China has not yet issued an official statement on this issue.<sup>96</sup> The last time Gen. He Weidong appeared in public was on March 11, 2025, and he has not attended any key Party meetings since then.<sup>97</sup> While, CMC’s political work department head Miao Hua, who was placed under investigation for serious misconduct in November 2024, has been expelled from China’s National People’s Congress.<sup>98</sup>

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<sup>92</sup> “‘Final hurrah’: China’s exports up 12.4% in March amid pre-tariff rush”, South China Morning Post, April 14, 2025

<sup>93</sup> “China launches all-out effort to boost consumption as US trade war boils over”, South China Morning Post, April 14, 2025

<sup>94</sup> “Gold, dollars? China’s middle class unsure where to invest amid market chaos”, South China Morning Post, April 6, 2025

<sup>95</sup> “China amps up nuclear ambitions with 10 new reactor approvals for fourth straight year”, South China Morning Post, April 28, 2025

<sup>96</sup> “PLA loses another top dog as Xi Jinping purges the military”, The Economic Times, April 15, 2025

<sup>97</sup> “Absence of Chinese general He Weidong from Politburo study session fuels speculation”, South China Morning Post, April 28, 2025

<sup>98</sup> “Senior PLA ideology official Miao Hua removed from China’s top legislature”, South China Morning Post, April 30, 2025

On April 1-2, 2025, the PLA conducted a military exercise titled 'Strait Thunder-2025A' around Taiwan, in response to Taiwanese President Lai Ching-te's stubborn adherence to a separatist agenda.<sup>99</sup> During this exercise, naval blockading manoeuvres and simulated strikes against Taiwan's energy infrastructure and port facilities were conducted.<sup>100</sup> In addition to sending a message of deterrence to Taiwan, analysts warned that this exercise carried a message to the US and Japanese forces stationed on the Ryukyu Islands.<sup>101</sup> On the other hand, the US continued its arms sales to Taiwan, with Taipei receiving the first batch of F-16V fighter jets.<sup>102</sup>

Amidst continuing tensions between China and the Philippines<sup>103</sup> in the South China Sea, the US State Department approved the sale of 20 F-16 Block 70 aircraft to Manila to increase its defence capabilities.<sup>104</sup> Reacting sharply, China's Ministry of National Defence warned that this demonstrated Washington's intent to create trouble in the region and cautioned Manila against counting on foreign assistance to achieve its goals. Beijing also warned Manila not to play with fire after Philippine Armed Forces chief General Romeo Brawner Jr. urged the country's Northern Luzon Command to prepare for a Taiwan contingency.<sup>105</sup>

The US Director of National Intelligence's 2025 Annual Threat Assessment highlighted China as the biggest military and cyber threat to the US and warned that the PLA may use large language models to conduct deceptive information operations.<sup>106</sup> China's Ministry of National Defence rejected the US's claim and accused Washington of posing a significant cyber threat to the world through surveillance and hacking.<sup>107</sup> China also expressed concerns about the US's

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<sup>99</sup> "PLA Eastern Theater Command wraps up joint drills around Taiwan island", Global Times, April 2, 2025

<sup>100</sup> "The PLA's "Strait Thunder-2025A" Exercise Presents Further Efforts to Isolate Taiwan", Global Taiwan Institute, April 16, 2025

<sup>101</sup> "PLA wraps up drills aimed at 'paralysing' Taiwan and sending message to US and Japan", South China Morning Post, April 2, 2025

<sup>102</sup> "Regular Press Briefing of the Ministry of National Defence on April 9, 2025", MND PRC, April 9, 2025

<sup>103</sup> "China and Philippines unfurl competing flags on disputed South China Sea sandbars, reviving tensions", CNN, April 28, 2025

<sup>104</sup> "Philippines Security Soars with Latest F-16 Platform: U.S. Approval Paves Way for Enhanced Air Power Capabilities and Self-Reliant Defence Posture", Lockheed Martin, April 25, 2025

<sup>105</sup> "'Don't play with fire': Why is China angry at Philippines amid Taiwan tensions? Answer: 20 American F-16 jets are coming...", WION, April 3, 2025

<sup>106</sup> "Regular Press Briefing of the Ministry of National Defence on April 16, 2025", MND PRC, April 16, 2025

<sup>107</sup> Ibid.

reported plans to hike its defence budget to USD 1 trillion for the first time in 2026 to enhance its military lethality and combat readiness.<sup>108</sup>

## Technology

On April 26, 2025, while chairing a group study session of the CPC Political Bureau, President Xi reiterated the need to promote the healthy and orderly development of a new generation of artificial intelligence (AI) technologies.<sup>109</sup> To gain a first mover advantage in AI technology, he emphasised the importance of making breakthroughs in fundamental theories. Major issues touched by him included establishing an industry-academia-research-application collaborative innovation system led by enterprises, accelerating the construction of computing power infrastructure, providing policy support for AI through intellectual property rights, and deepening international cooperation on AI while bridging the global technology divide, especially in the Global South.<sup>110</sup>

China's Lunar exploration programme continues to make advancements across research, high-technology innovation, and international collaboration. Wu Weiren, the chief designer of China's lunar exploration programme, informed that the country plans to launch the 'Chang'e-7 mission' in 2026 to explore the south pole of the Moon for resources, and the Chang'e-8 mission is set for around 2028 to conduct in-situ experiments for the utilisation of lunar resources.<sup>111</sup> Meanwhile, on April 24, 2025, the Shenzhou-20 crewed spacecraft was launched from Jiuquan Satellite Launch Centre in northwest China as part of the development and application stage of China's space station.<sup>112</sup>

On April 19, 2025, "humanoid robots" from Chinese universities, research institutes, and private enterprises participated in the Beijing half-marathon. According to Chinese state media, this shows the country's growing technological expertise, and rather than going it alone, the international community should work together to achieve technological progress.<sup>113</sup>

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<sup>108</sup> Ibid.

<sup>109</sup> "Xi Focus: Xi urges promoting healthy, orderly development of AI", Xinhua, April 26, 2025

<sup>110</sup> Ibid.

<sup>111</sup> "Interview: China's lunar exploration achieves systematic progress, says chief designer", People's Daily, April 2, 2025

<sup>112</sup> "China launches Shenzhou-20 manned spaceship: a milestone in the country's space journey", People's Daily, April 28, 2025

<sup>113</sup> "The 'humanoid robot half-marathon' leaves behind insights that go beyond medals: Global Times editorial", Global Times, April 21, 2025



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