



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

Cover Images:

World leaders gather on the rostrum created for China's Victory Day Military Parade in Beijing on September 3, 2025. Source: [Official X Handle/Mao Ning MFA China Spokesperson](#)

The US and China held their trade dialogue in Madrid on September 14, 2025. Source: [Xinhua News Agency/Xing Guangli](#)

The PLA displayed its weapon systems at the Victory Day parade held in Beijing on September 3, 2025. Source: [China Military Online](#)

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Abstract

On September 8, 2025, India's External Affairs Minister Dr. S. Jaishankar addressed the BRICS Virtual Summit, reaffirming the importance of a stable and predictable environment for global trade and investment, as well as fair and transparent economic practices. He also focused on India's large trade deficits with BRICS partners, urging the grouping to review trade flows among its member-states. President Xi, on his part, affirmed that amidst rising "hegemonism", unilateralism, and protectionism, BRICS should lead the Global South and advance cooperation based on the principles of openness, inclusiveness, and win-win cooperation.

Reacting to the BRICS Virtual Summit, Chinese analysts stated that the group does not seek an open conflict with the US; rather, it is a trading bloc that is looking to promote long-term resilience amid global instability and geopolitical tension.

Continuing the high-level strategic engagement between China and the US, President Trump and President Xi held a phone conversation on September 19, 2025. The two sides described their talks as productive, focusing on issues such as trade, Fentanyl, the Russia-Ukraine conflict, and the TikTok deal. President Xi approved the sale of Chinese-owned TikTok's US operations, stating that Beijing respects the wishes of the company in question and welcomed business negotiations according to market principles.

Following the fourth round of the US-China trade dialogue held in Madrid and the subsequent phone call between Xi and Trump, Chinese state media observed that the strategic guidance provided by the Heads of State is leading China-US relations in the right direction, ensuring a steady development of bilateral relations. On the other hand, the US added several Chinese high-technology companies to its Entity List, restricting their access to American technologies. On its part, China announced an anti-dumping probe into analog chips imported from the US.

Chinese Premier Li Qiang and the President of the European Commission, Ursula von der Leyen, met on the margins of the UN General Assembly in New York on September 24, 2025. Premier Li urged the EU to maintain open markets for trade and investment, comply with WTO rules, and promote fair competition. Ursula von der Leyen, on her part, conveyed Europe's intent to cut off Russia's revenue streams to end the conflict in Ukraine, and urged Beijing to use its influence on

Moscow to put an end to the killing.

Notwithstanding, China and Russia signed a memorandum on the construction of the “Power of Siberia 2” gas pipeline through Mongolia. Reacting to this, analysts stressed that China's blessing for the Power of Siberia 2 gas pipeline underscores Beijing's disregard for Western demands that it hold back from deepening its partnership with Russia.

The PLA held a high-profile military parade in Beijing on September 3, 2025, to commemorate the 80th anniversary of “China's Victory in the War of Resistance against Japanese Aggression and the World Anti-Fascist War” (World War II). In his remarks, President Xi paid tribute to those veterans who fought in the War of Resistance and called upon nation-states to treat each other as equals, maintain common security, promote coexistence, and eliminate the root causes of war to prevent the recurrence of historical tragedies such as World War II.

China's Victory Day military parade was attended by, among other leaders, the President of Russia, Vladimir Putin, and the President of the Democratic People's Republic of Korea, Kim Jong Un. The PLA showcased its “nuclear triad” for the first time in public, which included Jinglei-1 (JL-1) air-based long-range missile, Julang-3 (JL-3) submarine-launched intercontinental missile, and Dongfeng-31 (DF-31) and Dongfeng-61 (DF-61) land-based intercontinental missiles. In light of this, analysts observed that the presence of Russian and DPRK leaders at the military parade sent a strong signal of unity against the West and that the PLA is not simply trying to catch up with Western militaries; rather, it is preparing for future warfare.

On September 18, 2025, China's Defence Minister Dong Jun addressed the 12th Beijing Xiangshan Forum. He urged the international community to never forget the lessons of China's War of Resistance against Japanese aggression and oppose the resurgence of hegemonism and bullying. He reiterated that “Taiwan's return to China is an integral part of the post-war international order” and that the PLA would not allow any separatist movement to succeed.

China's National Bureau of Statistics (NBS) assessed that the country's economy is “stable”, but cautioned that it “confronts multiple risks and challenges” owing to uncertainty in the external environment.

The fourth plenary session of the 20th CPC Central Committee will be held in Beijing from October 20-23, 2025. During this session, the Party will discuss major issues related to the formulation of the country's 15th Five-Year Plan (2026-30) for national economic and social development.

Foreign and Security Policy

I. China-India Relations

On September 8, 2025, Chinese President Xi Jinping and India's External Affairs Minister Dr. S. Jaishankar addressed the virtual BRICS Summit, which was chaired by Brazilian President Luiz Inácio Lula da Silva. In his remarks, President Xi reiterated that, amidst rising hegemonism, unilateralism, and protectionism, BRICS should lead the Global South and advance cooperation based on the principles of openness, inclusiveness, and win-win cooperation.¹ Towards this end, he called for upholding multilateralism through China's Global Governance Initiative (GGI), promoting economic globalisation by upholding the multilateral trading system with the WTO at its core, and pursuing common development through the Global Development Initiative (GDI) and high-quality Belt and Road (BRI) cooperation.² Major issues discussed in the meeting, as per the Chinese readout, included concerns about "bullying acts" disrupting the international order, making good use of the Group of Friends for Peace on the Ukraine crisis, and supporting a Two-State solution to the Israel-Palestine conflict.³

On his part, Dr. S. Jaishankar, India's Minister of External Affairs, expressed concern about the current state of the world, stressing that the existing multilateral system appears to be failing the world.⁴ He reaffirmed the importance of a stable and predictable environment for trade and investment, as well as fair and transparent economic practices.⁵ EAM Dr. S. Jaishankar shed light on India's big trade deficits with BRICS partners, urging the group to review trade flows among its member-states.⁶ Major issues discussed by him included reforming multilateralism, especially the UN Security Council, creating resilient and stable supply chains, democratising manufacturing and encouraging their growth in different geographies, seeking an early end to the ongoing conflicts, and deepening cooperation on climate-related issues.⁷

¹ "President Xi Jinping Attends Virtual BRICS Summit and Delivers Important Statement", MFA PRC, September 8, 2025

² Ibid.

³ Ibid.

⁴ "EAM's remarks during virtual Summit of BRICS Leaders (September 08, 2025)", MEA India, September 8, 2025

⁵ Ibid.

⁶ Ibid.

⁷ Ibid.

As Prime Minister Narendra Modi skipped the BRICS virtual summit, Chinese analysts claimed that this demonstrated India's careful balancing act with the US, as New Delhi does not seek to further enrage President Trump, who has described BRICS as “anti-American”.⁸ A South China Morning Post editorial stated that the BRICS countries do not seek an open conflict with the US; rather, they are a trading bloc that is looking to promote long-term resilience amid global instability and geopolitical tension.⁹

Amidst a steady deterioration in relations between India and the US since May 2025, Chinese analysts cautioned that India would be strategically naïve to count on the US's favours. Adding that, although the US needs partners to counterbalance China, that does not necessarily mean it needs India, nor is Washington willing to assist another Asian power rise that may challenge the dominance of the US-led West.¹⁰

On September 5, 2025, President Trump suggested that the US had lost India and Russia to “deepest and darkest China”, following the interaction between the leaders of Russia, India, and China (RIC) on the margins of the SCO Summit in Tianjin.¹¹ Reacting to this, China's Embassy in Washington, D.C., stressed that China's relations with other countries aim to enhance common interests, rather than targeting third parties.¹² Beijing asserted that all countries should be treated equally and no country should be used as a pawn in a geopolitical struggle.¹³

A military parade was held in Beijing on September 3, 2025, marking the 80th anniversary of China's victory in the war of resistance against Japanese aggression and the World Anti-Fascist War (World War II). In light of this, Xu Feihong, China's Ambassador to India, urged both Beijing and New Delhi to carry forward the spirit forged during the War of Resistance, oppose hegemony, power politics, and trade wars, while promoting the common interests of the Global South.¹⁴ He

⁸ “Brics virtual rally falters as members appear leery of exacerbating US trade war”, South China Morning Post, September 9, 2025

⁹ “Editorial | Brics is looking for resilience, not an open clash with the US”, South China Morning Post, September 10, 2025

¹⁰ “Opinion | Why India would be strategically naïve to count on the US' favour”, South China Morning Post, September 21, 2025

¹¹ “Trump suggests India is moving towards ‘deepest, darkest’ China orbit”, South China Morning Post, September 8, 2025

¹² Ibid.

¹³ Ibid.

¹⁴ “Must firmly oppose any form of tariff and trade wars”, says Chinese Ambassador to India Xu Feihong”, The Economic Times, September 23, 2025

reiterated China's commitment to work with India to strengthen mutually beneficial cooperation and advance friendly exchanges at all levels.¹⁵ Meanwhile, at China's Victory Day parade, analysts observed that the PLA displayed its "nuclear triad" for the first time in order to project military strength and deter strategic competitors such as the US, India, and Japan.¹⁶

India's Ministry of Defence is considering setting up a "strategic critical minerals reserve" as a response to China's weaponisation of rare-earth export controls.¹⁷ India is also reportedly working with the rebels in Myanmar (Kachin Independence Army) to obtain rare-earth samples, aiming to diversify the rare-earth magnet supply chain away from China.¹⁸

Among other developments, India is planning to bolster connectivity in its northeast region, bordering China, Bangladesh, Myanmar, and Bhutan, by investing INR 300 billion (USD 3.4 billion) to construct 500 km of railway lines, including bridges and tunnels.¹⁹ Indian Navy's modernisation program is also on schedule with the goal of building a blue water navy with 200-plus ships that are capable of reaching any corner of the globe by 2035.²⁰

II. China-South Asia Relations

President Donald Trump has called upon the US military to take back the 'Bagram Airbase' in Afghanistan, citing it as a strategically significant base located close to Chinese nuclear facilities in Xinjiang. In a joint statement issued on September 25, 2025, China, Russia, Pakistan, and Iran reaffirmed their opposition to the establishment of US military bases in the war-torn country.²¹

China-Bangladesh relations appear to have become rock-solid, with economic and cultural exchanges expanding steadily. The Chinese Embassy in Bangladesh and a

¹⁵ Ibid.

¹⁶ "China's show off to India and the world has a caveat — tomorrow's arsenal lacks today's bite", The Economic Times, September 9, 2025

¹⁷ "India mulling strategic rare earth reserve, top defence official reveals", The Economic Times, September 20, 2025

¹⁸ "India explores rare-earth deal with Myanmar rebels after Chinese curbs", The Economic Times, September 10, 2025

¹⁹ "India is said to plan \$3.4 billion rail lines near China border", The Economic Times, September 12, 2025

²⁰ "How India aims to build a blue-water Navy of 200+ ships capable of reaching any corner of the globe", The Economic Times, September 13, 2025

²¹ "Beijing leads push against Trump's bid to reclaim Afghanistan's Bagram airbase", South China Morning Post, September 26, 2025

Dhaka-based university jointly organised the inaugural "Dhaka-China Day" on September 25, 2025, at which dignitaries highlighted the growing cooperation between the two countries.²²

In his remarks, Chinese Ambassador to Bangladesh Yao Wen said that China and Bangladesh have witnessed a deepening of political mutual trust, closer economic cooperation, and extensive people-to-people exchanges over the past 50 years.²³ "Bilateral relations have achieved remarkable progress", he said, noting that "the annual number of personnel exchanges between China and Bangladesh has reached nearly 200,000, a record high".²⁴ Both sides are expected to deepen their practical cooperation across a wide range of fields, reinforce their exchanges of governance experience, and elevate bilateral relations to new heights.²⁵

In response to a growing partnership between China and Bangladesh, analysts noted that China turned Pakistan into a vassal state through its debt diplomacy, and now, it is trying to do the same with Bangladesh, whose economy is in ruin. As a result, Beijing's interests have converged with the interests of Pakistan and Bangladesh in India's backyard.²⁶

The governments of Hong Kong, Sri Lanka, Chile, and Bangladesh are seeking to join China's Regional Comprehensive Economic Partnership (RCEP), the world's largest trade bloc. The RCEP currently consists of China, Japan, South Korea, Australia, New Zealand, and all ten members of the Association of Southeast Asian Nations (ASEAN).²⁷

Nepal's Prime Minister K.P. Sharma Oli met Chinese President Xi Jinping on August 30, 2025, on the margins of the SCO Summit. The Embassy of Nepal in Beijing said that, during the meeting, Mr. Oli highlighted Nepal's "strong objection" to India-China restarting trade through 'Lipulekh Pass', which Kathmandu considers to be part of its sovereign territory.²⁸

²² "Sino-Bangladeshi friendship hailed", China Daily, September 27, 2025

²³ Ibid.

²⁴ Ibid.

²⁵ Ibid.

²⁶ "Concern for India as debt diplomacy sees Bangladesh, Pakistan converge with China", India Today, July 12, 2025

²⁷ "Hong Kong, Sri Lanka, Chile and Bangladesh seeking to join RCEP trade bloc", Reuters, September 25, 2025

²⁸ "In Tianjin, PM Oli expresses Nepal's "strong objection" to India-China trade through Lipulekh Pass", The Hindu, August 30, 2025

Following Nepal's "Gen Z Protests", China welcomed the appointment of Sushila Karki as Nepal's interim Prime Minister, reaffirming its support for Nepal's sovereignty and political independence. Beijing described the China-Nepal relationship as a "time-honoured friendship" and emphasised its commitment to the 'Five Principles of Peaceful Coexistence'. China hopes that people from all circles of Nepali society will "properly handle" the country's domestic issues and restore social order and national stability as soon as possible, a spokesperson at the Chinese Foreign Ministry said on September 10, 2025.²⁹

The Ambassadors of India and China, on September 23, 2025, separately called on Nepal's Finance Minister Rameshwor Khanal, following the toppling of the K.P. Sharma Oli government. Khanal was among the ministers appointed by Prime Minister Sushila Karki soon after taking charge of the caretaker government. During the meeting, Indian Ambassador Naveen Srivastava said that India is always with Nepal for extending all types of cooperation.³⁰

On September 7, 2025, the China-Nepal "Sagarmatha Friendship 2025" joint army training was held at a training base in Nepal. The participating Chinese troops were selected from a unit under the Chinese PLA Xizang Military Command. Under the theme of joint counter-terrorism operations, the training was divided into two phases, namely mixed-group joint training and live-force comprehensive drills. The joint training further deepened the friendship between China and Nepal and strengthened the joint counter-terrorism capabilities of both sides.³¹

III. China-United States Relations

Continuing high-level strategic engagement between China and the US, President Trump and President Xi held a phone conversation on September 19, 2025. The two sides described the talks as productive, focusing on issues such as trade, Fentanyl, the Russia-Ukraine conflict, and the approval of the TikTok deal.³² Both leaders are likely to meet at the APEC Summit in South Korea in October 2025, and President Trump may visit China in early 2026.³³ President Xi, on his part,

²⁹ "China Welcomes Sushila Karki As Nepal's Interim PM, Highlights Time-Honoured Friendship", NDTV India, September 14, 2025

³⁰ "Indian and Chinese envoys meet Nepal finance minister to discuss cooperation", The Economic Times, September 23, 2025

³¹ "China-Nepal "Sagarmatha Friendship 2025" joint army training kicks off", MND PRC, September 8, 2025

³² US President Donald J. Trump, Official Truth Social Handle/@realDonaldTrump, September 19, 2025

³³ *Ibid.*

approved the sale of Chinese-owned TikTok's US operations, stating that Beijing respects the wishes of the company in question (ByteDance) and welcomed business negotiations according to market principles.³⁴ Consequently, on September 25, 2025, President Trump signed an executive order planning the sale of TikTok's US operations to American and global investors to address national security concerns.³⁵

According to analysts, the Chinese are likely to use the US-China deal on TikTok as leverage to obtain other, far more significant concessions in bilateral trade and economic relations.³⁶ Following the fourth round of US-China trade dialogue held in Madrid and the subsequent phone call between Xi and Trump, Chinese state media observed that the strategic guidance provided by the Head of State diplomacy is leading China-US relations in the right direction, ensuring a steady development of bilateral relations. Adding that, Beijing and Washington working in the same direction is a blessing for the world.³⁷ A South China Morning Post editorial noted that the third phone call between Xi and Trump this year indicates that some progress was being made in stabilising fraught relations, but cautioned the two sides to remain alert to unexpected incidents that could disrupt the relationship.³⁸

On the other hand, the US-China high-technology war continued unabated. The US added 35 Chinese companies, including Shanghai Fudan Microelectronics Group to its Entity list, restricting their access to American technologies.³⁹ On its part, China announced an anti-dumping probe into analog chips imported from the US.⁴⁰ Beijing also issued a statement accusing US chipmaker Nvidia of violating the country's antimonopoly laws and terms of approval for its acquisition of Israel-based Mellanox Technologies in 2019.⁴¹ China has hardened its stance on Nvidia chips, with Huawei Technologies releasing new hardware that

³⁴ "Xinhua Headlines: Xi says China, U.S. can achieve mutual success, shared prosperity", Xinhua, September 20, 2025

³⁵ "Trump signs order declaring TikTok sale ready and values it at \$14 billion", The Economic Times, September 26, 2025

³⁶ "Xi hints TikTok deal has his blessing – if Trump makes concessions elsewhere", CNN, September 20, 2025

³⁷ "A China-US relationship working in the same direction is a blessing for the world: Global Times editorial", Global Times, September 20, 2025

³⁸ "Editorial | US and China must build on positive Xi-Trump call to stabilise ties", South China Morning Post, September 23, 2025

³⁹ "New tech war salvos fired even as US-China seek trade deal", Inside China Tech Newsletter, South China Morning Post, September 20, 2025

⁴⁰ Ibid.

⁴¹ Ibid.

it claims can deliver world-class computing that will boost China's artificial intelligence industry.⁴² Amidst China's high-tech self-reliance drive, the CEO of OpenAI, Sam Altman, cautioned the US that its export controls may not impede China's advances in AI.⁴³

The Foreign and Defence Ministers of China and the US also held phone calls during the month. On September 10, 2025, in his conversation with US Secretary of State Marco Rubio, the Director of China's Central Commission for Foreign Affairs, Wang Yi, urged the two sides to manage differences properly, explore opportunities for cooperation, and promote the steady development of bilateral relations.⁴⁴ Director Wang Yi emphasised that the US must act with caution when it comes to China's core national interests, such as Taiwan, and work together as they did during the Second World War for peace and prosperity.⁴⁵

Moreover, a US House of Representatives delegation visited China, the first such visit since 2019. Reacting to this, a Global Times editorial stressed that in recent times, the US Congress has been instrumental in creating friction between Beijing and Washington through legislation on Taiwan, Hong Kong, Xinjiang, and other aspects of strategic competition. It claimed that a key message of the US House delegation's visit to China is that communication between the two sides has improved, and anti-China proposals do not obscure US lawmakers' willingness to enhance exchanges with China.⁴⁶

President Trump announced the US's plans to impose a 100 percent tariff on the imports of branded or patented pharmaceutical drugs beginning October 1, 2025. Kitchen cabinets and bathroom vanities will be subject to a 50 percent tariff, upholstered furniture will be subject to a 30 percent tariff, and heavy trucks will be subject to a 25 percent tariff.⁴⁷ Meanwhile, a proposal submitted by the Mexican government to its Parliament proposes imposing a tariff of up to 50 percent on a range of imports from nations with which Mexico does not have a free trade

⁴² "Tech war: Huawei trumpets AI computing breakthrough for China ahead of Xi-Trump call", [South China Morning Post](#), September 18, 2025

⁴³ "US underestimating China's AI progress, OpenAI's Sam Altman says", [South China Morning Post](#), August 19, 2025

⁴⁴ "Wang Yi Has a Phone Call with U.S. Secretary of State Marco Rubio", [MFA PRC](#), September 10, 2025

⁴⁵ Ibid.

⁴⁶ "US Congress members' 'rare China visit' conveys three signals: Global Times editorial", [Global Times](#), September 22, 2025

⁴⁷ "Trump Declares 100% Tariff On Pharma Imports From October 1, India May Be Hit", [NDTV](#), September 26, 2025

agreement. Reacting sharply, Chinese state media cautioned Mexico not to yield to US coercion, as it will have to sacrifice its national interest to serve US geopolitical strategies.⁴⁸

China is preparing for a protracted trade war with the US, with bumper soybean imports from Brazil and other South American countries. Reportedly, US soybean farmers are urgently seeking a trade agreement with China because China has not imported any soybeans from the US this year.⁴⁹

Among other developments, the assassination of conservative activist Charlie Kirk and the killing of Ukrainian refugee Iryna Zarutka prompted Chinese analysts to express concern over political polarisation in the US, racial hatred, and the lack of strict gun control regulations. It was noted that the US is failing to address its domestic problems and that its policies aimed at containing China's rise are unlikely to reverse America's decline.⁵⁰

IV. China-European Union Relations

Chinese Premier Li Qiang and the President of the European Commission, Ursula von der Leyen, met on the margins of the UN General Assembly in New York on September 24, 2025. Despite their continuing trade friction and differences over the Ukraine conflict, the two sides pledged to work together to tackle global challenges such as climate change and biodiversity.⁵¹ Premier Li urged the EU to maintain open markets for trade and investment, comply with WTO rules and promote fair competition, and refrain from politicising economic and trade issues.⁵² Major issues discussed by him included deepening strategic communication, seeking ways to resolve differences, and upholding strategic autonomy.⁵³

President of the European Commission, Ursula von der Leyen, on her part, reiterated Europe's concerns regarding China's export controls, lack of market

⁴⁸ "Yielding to external coercion will only make Mexico more passive: Global Times editorial", Global Times, September 13, 2025

⁴⁹ "China prepares for long US soybean stand-off with huge Brazilian imports", South China Morning Post, September 22, 2025

⁵⁰ "Charlie Kirk, US political violence – and what it looks like from China", South China Morning Post, September 13, 2025

⁵¹ "Von der Leyen softens tone as EU seeks China's help on Ukraine war and climate", South China Morning Post, September 25, 2025

⁵² Ibid.

⁵³ Ibid.

access, and industrial overcapacity.⁵⁴ She informed China of Europe's intent to cut off Russia's revenue streams to end the conflict in Ukraine, and urged Beijing to use its influence on Moscow to put an end to the killing.⁵⁵ Reacting to this, analysts noted that President Xi's leverage over President Putin has led the EU to believe that Beijing offers a more plausible path to peace in Ukraine than the unpredictable foreign policy of US President Donald Trump.⁵⁶ In its readout of this meeting, the Chinese Foreign Ministry did not mention the conflict in Ukraine.⁵⁷

Following China's Victory Day military parade attended by leaders of Russia, North Korea, and Iran, Kaja Kallas, the EU's High Representative for Foreign Affairs and Security Policy, cautioned that these are not just anti-Western optics, but also a direct challenge to the international-rules based order.⁵⁸ She also questioned Russia and China's contribution in the victory against Fascism in the Second World War. Reacting sharply, several Chinese state media outlets asked the European Union to develop a correct historical perspective of World War II and the Chinese people's sacrifice against Japanese aggression.⁵⁹ Adding that, a correct historical perspective of World War II is essential for building a peaceful world.⁶⁰

The "Strategic Foresight Report 2025" of the European Union highlighted the bloc's concerns about eroding international rules-based order, weaponisation of supply chains, migration, trade, humanitarian aid, space, and information, emphasising the need for strategic autonomy.⁶¹

During his visit to Central and Eastern Europe, Wang Yi, the Director of China's Central Commission for Foreign Affairs, visited three EU member states, Austria, Slovenia, and Poland. Wang Yi urged EU member states to work with China to oppose arbitrary tariffs that violate international trade rules.⁶²

⁵⁴ Ursula von der Leyen, Official X Handle/@vonderleyen, September 24, 2025

⁵⁵ Ibid.

⁵⁶ "EU to tighten sanctions as von der Leyen warns on China and defends ties with US", South China Morning Post, September 10, 2025

⁵⁷ Ibid.

⁵⁸ "Europe should stand with China in upholding correct historical perspective on WWII: Global Times editorial", Global Times, September 5, 2025

⁵⁹ Ibid.

⁶⁰ Ibid.

⁶¹ "Post-war, rules-based global order dying, European Union warns in new report", South China Morning Post, September 10, 2025

⁶² "China, Europe should stand together to oppose arbitrary tariffs: Chinese Foreign Minister", People's Daily, September 16, 2025

Meanwhile, marking a major step towards deepening China-Europe trade ties, the container ship Istanbul Bridge left Ningbo-Zhoushan Port in East China's Zhejiang Province on September 23, 2025, for Felixstowe in the UK, launching the “China-Europe Arctic Express route”.⁶³ According to Chinese analysts, this route through the Arctic Ocean would complete the journey in just 18 days – nearly half the time required via the Suez Canal route (Egypt).⁶⁴ It was noted that the China-Europe Arctic Express would diversify shipping options for China-Europe trade, strengthening the resilience of global supply chains.⁶⁵

V. China-Russia Relations

On September 2, 2025, President Xi and Russian President Vladimir Putin held a bilateral meeting in Beijing prior to China's Victory Day military parade. The two leaders reiterated their commitment to strengthening mutually beneficial cooperation that would promote development, enhance comprehensive strategic coordination, and deepen good neighbourly friendship.⁶⁶ Major issues discussed in the meeting included coordinating positions on the two countries' core national interests, maintaining a correct historical perspective of World War II, expanding bilateral trade, and working together to improve global governance through China's Global Governance Initiative (GGI), the United Nations, G20, SCO, and BRICS.⁶⁷

China and Russia have signed a memorandum on the construction of the “Power of Siberia 2” gas pipeline through Mongolia, while the US and the European Union threatened to impose additional tariffs on countries buying Russian energy.⁶⁸ Reacting to this, analysts stressed that China's blessing for the Power of Siberia gas pipeline 2 underscores Beijing's disregard for Western demands that it hold back from deepening its partnership with Russia.⁶⁹

Russian President Vladimir Putin announced that Moscow is prepared to adhere to the terms of the 'New Strategic Arms Reduction Treaty' (New START) for one

⁶³ “China-Europe Arctic Express means far more than just a new shipping route: Global Times editorial”, Global Times, September 23, 2025

⁶⁴ Ibid.

⁶⁵ Ibid.

⁶⁶ “Xi, Putin laud bilateral ties, vow further cooperation”, Xinhua, September 2, 2025

⁶⁷ Ibid.

⁶⁸ “Russia and China bless vast new Power of Siberia 2 pipeline, Gazprom says”, Reuters, September 2, 2025

⁶⁹ Ibid.

more year beyond its expiration in February 2026, provided the US refrains from taking actions that undermine or violate the existing balance of deterrence capabilities.⁷⁰ China welcomed Russia's position on New START, stressing that Washington and Moscow, which hold the world's largest nuclear arsenals, need to fulfil their responsibilities towards nuclear disarmament.⁷¹

Among other developments, Russian billionaire and close associate of President Putin, Oleg Deripaska, urged Chinese banks to expand Yuan-based international debt markets to increase the use of CNY in international settlements. He believes that Beijing is taking a cautious approach to de-dollarisation, but asserted that if China truly wishes to establish a new multipolar global order, then the Yuan must be internationalised.⁷²

VI. Victory Day Military Parade

The PLA held a high-profile military parade in Beijing on September 3, 2025, to commemorate the 80th anniversary of China's victory in the war of resistance against Japanese aggression and the World Anti-Fascist War (World War II). In his remarks, President Xi paid tribute to those veterans who fought in the war of resistance, thereby saving human civilisation and safeguarding world peace. He called upon the international community (nation-states) to treat each other as equals, maintain common security, promote coexistence, and eliminate the root causes of war to prevent the recurrence of historical tragedies such as World War II.⁷³ Major issues touched by President Xi included China's "national rejuvenation as irresistible", commitment to a path of peaceful development, the PLA's strategic support for modernisation, adhering to Marxism-Leninism, Mao Zedong's Thought, Deng Xiaoping's Theory, The Theory of Three Represents, and fully implementing Xi Jinping's Thought on Socialism with Chinese Characteristics.⁷⁴

Following the Victory Day parade, Chinese state media observed that the world today is not peaceful, as historical aggression is denied and militarism has been revived. Therefore, the Chinese people demonstrated their determination and

⁷⁰ "Chinese FM responds to Putin's remarks on post-New START expiry plan", Global Times, September 23, 2025

⁷¹ Ibid.

⁷² "China's vision of new multipolar order depends on yuan-based system, Oleg Deripaska says", South China Morning Post, September 11, 2025

⁷³ "Address by H.E. Xi Jinping at the Commemoration of the 80th Anniversary of the Victory of the Chinese People's War of Resistance Against Japanese Aggression and the World Anti-Fascist War", MFA PRC, September 3, 2025

⁷⁴ Ibid.

capability to defend peace as a warning to forces seeking to reverse history and challenge the post-war international order.⁷⁵ As Japan submitted a record defence budget request for 2026, China's Ministry of National Defence urged Tokyo to reflect on its history of aggression, respect the security concerns of Asian neighbours, and act with prudence on military and security issues.⁷⁶

China's Victory Day parade was attended by, among other leaders, the President of Russia, Vladimir Putin, and the President of the Democratic People's Republic of Korea, Kim Jong Un. Analysts noted that the presence of Russian and DPRK (North Korea) leaders at the military parade sent a strong signal of unity against the West. As for President Trump, he expressed his belief that Xi, Putin, and Kim were conspiring against the US.⁷⁷

At the military parade, the PLA showcased its "nuclear triad" for the first time in public, which included Jinglei-1 (JL-1) air-based long-range missile, Julang-3 (JL-3) submarine-launched intercontinental missile, and Dongfeng-31 (DF-31) and Dongfeng-61 (DF-61) land-based intercontinental missiles.⁷⁸ There was also a demonstration of the DF-5C intercontinental strategic nuclear missile, which has a strike range that covers the entire globe.⁷⁹

Among other major weapon systems displayed included the GJ-11 unmanned combat aerial vehicle designed for precision strikes and aerial reconnaissance, the two-seat stealth fighter jet J-20S that controls unmanned combat drones (Loyal Wingman), the PHL-16 multiple rocket launcher system, the Yingji-17, the Yingji-19, and the Yingji-20 hypersonic antiship missiles capable of sinking aircraft carriers, and the laser air defence system, the LY-1.⁸⁰ Reacting to this, analysts pointed out that the PLA is not simply trying to catch up with Western militaries, but rather preparing for future warfare.⁸¹

⁷⁵ "What message does China's V-Day military parade send to the world?: Global Times editorial", Global Times, September 3, 2025

⁷⁶ "Japan should profoundly reflect on its history of aggression: Defence Spokesperson", MND PRC, September 10, 2025

⁷⁷ "The 5 key takeaways from China's Victory Day military parade", South China Morning Post, September 3, 2025

⁷⁸ Ibid.

⁷⁹ Ibid.

⁸⁰ Ibid.

⁸¹ Ibid.

Internal Developments

Key Developments and Addresses by Chinese Leaders

The fourth plenary session of the 20th CPC Central Committee will be held in Beijing from October 20-23, 2025. During this session, the Party will discuss major issues related to the formulation of the country's 15th Five-Year Plan (2026-30) for national economic and social development.⁸²

China's State Council Information Office released a white paper on women's development in the new era on September 19, 2025, ahead of the meeting of Global Leaders on Gender Equality and Women's Empowerment to be held in Beijing. In this paper, the Chinese government stressed that gender equality and enhancing women's capabilities are among the main goals of Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era.⁸³ Adding that, China will continue to create better opportunities for women to play a significant role in the new technological revolution, such as artificial intelligence.⁸⁴

On September 24, 2025, President Xi virtually addressed the United Nations Climate Summit. In his remarks, Xi submitted China's new Nationally Determined Contributions (NDCs) to combat climate change. By 2035, China has pledged to reduce economy-wide net greenhouse gas emissions by 7 to 10 percent from peak levels, increase the share of non-fossil fuels in total energy consumption to over 30 percent, and expand wind and solar power installed capacity to over six times the 2020 levels.⁸⁵ It has also promised to scale up the forest stock volume to over 24 billion cubic meters, make new energy vehicles (NEVs) a major part of new vehicle sales, expand the National Carbon Emissions Trading market, and establish a climate-adaptive society.⁸⁶

Chinese Premier Li Qiang addressed the 80th session of the UN General Assembly in New York on September 26, 2025. In his remarks, Premier Li noted that the United Nations was born from humanity's deep reflection on the scourge of the

⁸² "20th CPC Central Committee to hold fourth plenary session from Oct. 20 to 23", Xinhua, September 29, 2025

⁸³ "China releases white paper on advancement of women's development", People's Daily, September 19, 2025

⁸⁴ Ibid.

⁸⁵ "Honouring Commitments with Concrete Actions and Jointly Writing a New Chapter in Global Climate Governance", MFA PRC, September 24, 2025

⁸⁶ Ibid.

two World Wars, and it was a major outcome of the defeat of fascism.⁸⁷ Amidst widening global turbulence, he shed light on China's Global Development Initiative (GDI), Global Security Initiative (GSI), Global Civilisation Initiative (GCI), Global Governance Initiative (GGI), and BRI, and urged the international community to work together for peace, prosperity, and common security. Moreover, Li reiterated the importance of promoting economic globalisation and criticised tariff hikes.⁸⁸

On September 24, 2025, President Xi visited the Xinjiang Uygur Autonomous Region in northwest China to commemorate the region's 70th anniversary of establishment. He urged the Xinjiang CPC regional committee to advance socialist modernisation of the region by promoting unity, harmony, prosperity, cultural progress, and a healthy environment.⁸⁹

Trade and Economy

On September 23, 2025, Premier Li Qiang announced that China will no longer seek the Special and Differential Treatment (SDT) benefits, which arise from its developing country status, in WTO negotiations.⁹⁰ In light of this, analysts pointed out that this move addresses a long-standing complaint by the US that reform of the global trading system is not possible without large developing countries such as China giving up SDT benefits.⁹¹

In a statement, WTO Director-General Ngozi Okonjo-Iweala hailed China's decision as evidence of Beijing's "commitment to a more equitable and balanced global trade system".⁹² Meanwhile, China is seeking to influence norm-setting bodies that define global manufacturing standards. Historically, the US and European countries have been in control of these bodies, such as the International Organisation for Standardisation (ISO).

China's National Bureau of Statistics (NBS) informed that the country's economy was "stable" in August 2025, but cautioned that it "confronts multiple risks and

⁸⁷ "Statement by Chinese Premier Li Qiang at the General Debate of the 80th Session of the United Nations General Assembly", MFA PRC, September 27, 2025

⁸⁸ Ibid.

⁸⁹ "Xinhua Headlines: Xi stresses building socialist modern Xinjiang", Xinhua, September 24, 2025

⁹⁰ "WTO hails Chinese decision to forgo developing country benefits", Reuters, September 24, 2025

⁹¹ Ibid.

⁹² Ibid.

challenges” owing to uncertainty in the external environment.⁹³ There are a number of significant challenges facing the economy, including sluggish domestic demand, headwinds to exports owing to the US trade war, and a prolonged slowdown in the property market.⁹⁴

The National Development and Reform Commission (NDRC) of China reiterated that the country was striving to achieve its economic and social development goals for 2025. Major priorities include expanding domestic demand, deepening reforms and expanding opening-up, preventing and defusing major risks, coordinating urban-rural development, promoting green and low-carbon transition, and strengthening national security capacity in key areas.⁹⁵

Defence and Security

On September 18, 2025, China’s Defence Minister Dong Jun addressed the 12th Beijing Xiangshan Forum. In his remarks, Defence Minister Dong urged the international community to never forget the lessons of China’s war of resistance against Japanese aggression, and oppose the resurgence of hegemonism and bullying.⁹⁶ He reiterated that “Taiwan’s return to China is an integral part of the post-war international order” and that the PLA would not allow any separatist movement to succeed with foreign assistance.⁹⁷ Notwithstanding, the American Institute in Taiwan reportedly claimed that documents such as the Cairo Declaration and the Potsdam Proclamation “did not determine Taiwan’s ultimate political status”.⁹⁸ Reacting sharply, China's Ministry of National Defence warned that Taiwan independence separatist forces pose the greatest threat to post-war international order and urged the US to cease misrepresenting facts.⁹⁹

Major issues discussed by Dong Jun included accelerating talks on a binding Code of Conduct with ASEAN in the South China Sea, opposition to Asia-Pacific regional blocs, Global Governance Initiative, cooperation with countries in the

⁹³ “China’s economy under strain in August as retail sales, industrial output miss forecasts”, South China Morning Post, September 15, 2025

⁹⁴ Ibid.

⁹⁵ “China striving to achieve annual economic, social development goals: official”, People’s Daily, September 11, 2025

⁹⁶ “Takeaways from Chinese Defence Minister Dong Jun’s speech at Xiangshan Forum”, South China Morning Post, September 18, 2025

⁹⁷ Ibid.

⁹⁸ “Separatist activities seeking “Taiwan independence” pose the most serious threat to post-war international order: Defence Spokesperson”, MND PRC, September 25, 2025

⁹⁹ Ibid.

Global South on the security front, seeking international rules in AI, cyber, and space domains, and the PLA as a force for promoting “peace, stability, and progress”.¹⁰⁰

China-Philippines tensions in the South China Sea continued. On September 16, 2025, China's Coast Guard (CCG) fired water cannon at Philippine vessels near the disputed Scarborough Shoal (Huangyan Dao), accusing them of “operating illegally”.¹⁰¹ Earlier, China announced plans to turn Huangyan Dao into a national nature reserve.

A spokesperson for the Ministry of National Defence of China informed that the third aircraft carrier of the PLA Navy, 'Fujian', is likely to be commissioned in the near future, as its trials are being conducted according to the navy's plans.¹⁰² It is China's first aircraft carrier equipped with an electromagnetic catapult. Meanwhile, as part of the country's anti-corruption campaign in the PLA, China's National People's Congress (NPC) expelled four senior military officers as deputies to the NPC.¹⁰³ Liu Jianchao, the Head of CPC's International Department, was also removed from his position and replaced by Liu Haixing. Liu Jianchao was reportedly detained after his visit to Singapore, South Africa, and Algeria, which ended on July 30, 2025.¹⁰⁴

Technology

At a space exploration conference on September 5, 2025, Wu Weiren, the Chief Designer of China's Lunar exploration program, presented China's first comprehensive plan for the near-Earth asteroid defence system. The strategic concept of asteroid defence includes monitoring and early warning of the object, its in-orbit handling, and systematic response capabilities.¹⁰⁵ Wu Weiren reiterated that China's deep space exploration program will serve the well-being of humanity

¹⁰⁰ “Takeaways from Chinese Defence Minister Dong Jun's speech at Xiangshan Forum”, South China Morning Post, September 18, 2025

¹⁰¹ “China-Philippines tension: Beijing takes ‘control measures’ against Manila ships at Scarborough Shoal”, Firstpost, September 16, 2025

¹⁰² “Commission of aircraft-carrier Fujian drawing near: Defence Spokesperson”, MND PRC, September 25, 2025

¹⁰³ “China expels 4 generals from legislature as anti-corruption push rolls through PLA”, South China Morning Post, September 12, 2025

¹⁰⁴ “China replaces head of Communist Party's international department”, Reuters, September 30, 2025

¹⁰⁵ “Xinhua Headlines: Chinese scientists unveil blueprint for asteroid defence and resource utilisation, call for int'l collaboration”, Xinhua, September 6, 2025

as a whole.

Several prominent Chinese scientists have returned to China as a result of the US's crackdown on academic institutions and chaotic immigration policies.¹⁰⁶ In light of this, Chinese scholars cautioned that the Trump administration's discriminatory and politically motivated treatment of Chinese students and faculty has nothing to do with national security. It is an attempt to conceal an uncomfortable truth that America's deepest problems are all homegrown.¹⁰⁷ Adding that President Trump-led 'MAGA' movement's grievances did not originate in China; rather, it is a legacy of decades of "neoliberal economic policy", which has led to the collapse of American manufacturing, deepened class conflict, and hollowed out the middle class.¹⁰⁸

At a Senate hearing, a senior US official cautioned that China had significantly closed the gap on the US's lead in artificial intelligence, despite tightening export controls.¹⁰⁹

¹⁰⁶ "Abandoning the US: top Chinese scientists return home", South China Morning Post, September 15, 2025

¹⁰⁷ "Opinion | No amount of China scapegoating will reverse America's decline", South China Morning Post, September 8, 2025

¹⁰⁸ Ibid.

¹⁰⁹ "White House adviser calls for US to defend its AI lead against Chinese advances", South China Morning Post, September 12, 2025



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