



Delhi Policy Group

Advancing India's Rise as a Leading Power



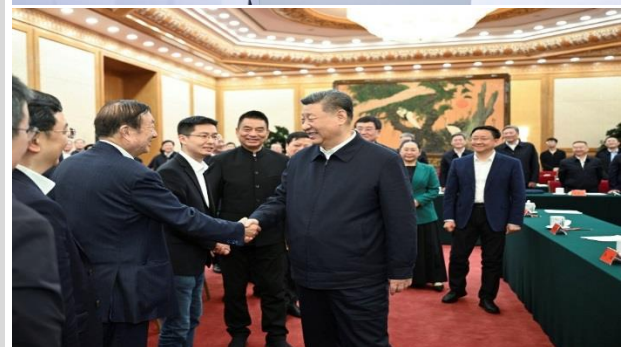
China Monitor

FEBRUARY 2025

Authors

Biren Nanda
Sanket Joshi

Volume VIII, Issue 2



Delhi Policy Group

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

www.delhipolicygroup.org



Delhi Policy Group

Advancing India's Rise as a Leading Power

China Monitor Volume VIII, Issue 2 February 2025

ABOUT US

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

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

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

China Monitor

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

Cover Photographs:

India's External Affairs Minister, Dr. S. Jaishankar, and the Director of China's Central Commission for Foreign Affairs, Wang Yi, met on the margins of the G20 Foreign Ministers' meeting in Johannesburg, South Africa on February 21, 2025.

Source: [Official X Handle/Dr. S. Jaishankar](#)

The Director of China's Central Commission for Foreign Affairs, Wang Yi spoke at the Munich Security Conference on February 14, 2025. Source: [Official X Handle/Mao Ning Spokesperson PRC Foreign Ministry](#)

President Xi Jinping met China's leading private-sector entrepreneurs at a symposium held in Beijing on February 17, 2025.

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

© 2025 by the Delhi Policy Group

Delhi Policy Group

Core 5A, 1st Floor,

India Habitat Centre,

Lodhi Road, New Delhi- 110003.

www.delhipolicygroup.org

China Monitor
Volume VIII, Issue 2
February 2025

Contents

Abstract	1
Foreign and Security Policy	4
I. China-India Relations	4
II. China-South Asia Relations	6
III. China-United States Relations	7
IV. China-European Union Relations	10
V. China-Russia Relations	11
VI. G20 Foreign Ministers' Meeting	12
VII. Director Wang Yi's Address at the UN Security Council	13
Internal Developments	14
Key Developments and Addresses by Chinese Leaders	14
Trade and Economy	15
Defence and Security	16
Technology	18

Abstract

High-level diplomatic engagement between India and China continued during the month. India's External Affairs Minister, Dr. S. Jaishankar, and the Director of China's Central Commission for Foreign Affairs, Wang Yi, met on the sidelines of the G20 Foreign Ministers' meeting in Johannesburg on February 21, 2025. EAM Dr. Jaishankar emphasised that India and China have worked hard to preserve and protect the G20 as an institution for international cooperation in a polarised world. Major issues discussed at the meeting included the management of peace and tranquility in border areas; the resumption of the Kailash Mansarovar Yatra; trans-border rivers; flight connectivity and travel facilitation; as well as an exchange of views on global issues related to G20, SCO, and BRICS.

US President Donald Trump and India's Prime Minister Narendra Modi met in Washington D.C. on February 13, 2025, pledging to deepen the US-India 'Comprehensive Global Strategic Partnership'. At a media briefing with PM Modi, President Trump vowed to increase military sales to India, including F-35 fighter jets. Reacting to this, China's Ministry of Foreign Affairs urged the US and India not to make China an issue in their relations and avoid instigating bloc politics and confrontation.

President Trump signed an executive order on February 1, 2025, adding a 10 percent tariff on imports from China and a 25 percent tariff on imports from Canada and Mexico. This action aims to ensure that these countries fulfil their promises to stop illegal immigration and prevent Fentanyl and other drugs from entering the US. President Trump also signed proclamations to close existing loopholes and exemptions in order to restore a 25 percent tariff on steel and elevate the tariff on aluminium to 25 percent. Reacting sharply, China reiterated that "there is no winner in trade and tariff wars", adding that the US move severely violates the WTO rules.

In response to US tariff measures, on February 4, 2025, China announced that it would impose a 15 percent tariff on imports of coal and natural gas from the US and levy 10 percent duty on petroleum, agricultural equipment, high-emission vehicles and pickup trucks.

Despite escalating trade tensions, China and the US continued their high-level engagements. On February 18, 2025, the Director of China's Central Commission for Foreign Affairs, Wang Yi, met US business and think tank leaders in New York where he urged Beijing and Washington to find a way to "get along" and stabilise ties for the benefit of both countries and the world.

US-China tensions over Taiwan persisted. On February 13, 2025, in its updated fact sheet on relations with Taiwan, the US Department of State reaffirmed its adherence to the "one China policy", but removed the phrase "we do not support Taiwan independence". While Washington maintained that the updated fact sheet did not signal any major change in US policy toward Taiwan, China accused the US of violating the 'one China principle' and "serious backsliding" on Taiwan-related issues.

On February 14, 2025, Director Wang Yi delivered a keynote speech at the 61st Munich Security Conference. He reaffirmed China's resolve to work for an "equal and orderly multipolar world" and "be a steadfast constructive force in a changing world". Meanwhile, as new uncertainties arose in US-EU relations, China stressed the importance of healthy and stable China-Europe relations and urged both sides to become a constructive force in a changing world.

Meanwhile, the President of the European Commission, Ursula von der Leyen, insisted that Europe would continue de-risking its economic relationship with China. However, she asserted that there is room for further strengthening trade relations with China in an "era of hyper-competitive and hyper-transactional geopolitics".

The meeting between the US Secretary of State Marco Rubio and Russian Foreign Minister Sergey Lavrov in Riyadh, Saudi Arabia, on February 18, 2025, marked a major shift in US policy toward Russia. In light of this, on February 24, 2025, President Xi and President Putin held a phone conversation in which Xi expressed China's satisfaction with the engagement between Russia and the US on resolving the Ukraine crisis.

As part of China's rotating presidency of the UN Security Council, Director Wang Yi spoke at a high-level meeting on "Practicing multilateralism and reforming and improving global governance" on February 18, 2025. As the international landscape undergoes profound changes, he stressed the need to revisit the original aspirations of the UN, reinvigorate true multilateralism, and accelerate the building of a more just and equitable global governance system that supports the modernisation of the Global South.

A symposium on the high-quality development of China's private sector was addressed by President Xi on February 17, 2025, underscoring Beijing's support for private enterprises, especially in the high-technology industry.

A meeting of the CPC Political Bureau was held on February 28, 2025, ahead of China's annual "Two Sessions" to discuss the draft government work report. President Xi, in his remarks, emphasised the need to follow the guidelines

issued at the Central Economic Work Conference, pursue progress while maintaining stability, and fully implement new development philosophy on all fronts.

Foreign and Security Policy

I. China-India Relations

The high-level diplomatic engagement between India and China continued in February 2025. India's External Affairs Minister, Dr. S. Jaishankar, and the Director of China's Central Commission for Foreign Affairs, Wang Yi, met on the sidelines of the [G20 Foreign Ministers' meeting](#) in Johannesburg on February 21, 2025.¹ During the meeting, EAM Dr. Jaishankar emphasised that India and China have worked hard to preserve and protect the G20 as an institution for international cooperation in a polarised world.² He also noted that the G20 provided an opportunity for India and China to interact even during a difficult phase in bilateral relations.³ Major issues discussed in the meeting included the management of peace and tranquility in border areas, the resumption of the Kailash Mansarovar Yatra, trans-border rivers, flight connectivity and travel facilitation, as well as an exchange of views on global issues related to G20, SCO, and BRICS.⁴

In his remarks, Director Wang Yi noted that following the meeting between President Xi Jinping and Prime Minister Narendra Modi on the margins of the BRICS Summit in Kazan in October 2024, all exchanges between the two countries have resumed in an orderly manner, while the Special Representatives on the boundary question have reached consensus on [properly handling differences](#).⁵ Meanwhile, China reportedly continues to strengthen its military presence through [infrastructure development at multiple locations](#) along the LAC, extending from eastern Ladakh to Arunachal Pradesh.⁶ Reacting to this, the Indian Army sources informed that "both sides are undertaking infrastructure development along the LAC in accordance with the guidelines enunciated in various agreements and protocols and that any deviation from the agreements and protocols are raised at appropriate levels once observed".⁷

On February 25, 2025, China's Ambassador to India, Xu Feihong, in his remarks at the third [China-India Youth Dialogue](#) held in New Delhi, underscored a

¹ "EAM's opening remarks during meeting with Foreign Minister of China Wang Yi on the sidelines of G20 Foreign Ministers' Meeting, Johannesburg", [MEA India](#), February 21, 2025

² Ibid.

³ Ibid.

⁴ Ibid.

⁵ "Wang Yi met with Indian Foreign Minister S Jaishankar", [MFA PRC](#), February 21, 2025

⁶ "China quietly boosting military infrastructure at LAC despite ongoing diplomatic talks with India", [The Economic Times](#), January 29, 2025

⁷ Ibid.

"reboot of China-India relations" and urged the youth to promote bilateral relations, deepen people-to-people exchanges, and enhance mutual learning among civilisations.⁸

Amidst concerns regarding China's announcement of building a [mega dam on the Yarlung Tsangpo \(Brahmaputra River\)](#) in the Tibet Autonomous Region, India's Minister of State for Environment, Forest, and Climate Change, Kirti Vardhan Singh, informed Parliament that India had conveyed its views to China, urging Beijing to ensure that activities in upstream areas do not adversely affect downstream areas.⁹

US President Donald Trump and India's Prime Minister Narendra Modi met in Washington on February 13, 2025, pledging to deepen the US-India [Comprehensive Global Strategic Partnership](#).¹⁰ At a media briefing with PM Modi, President Trump vowed to [increase military sales to India](#), including F-35 fighter jets.¹¹ He also offered US "help" (mediation) in [ending China-India border tensions](#).¹² In light of this, India's Ministry of External Affairs reaffirmed the country's long-held policy that third parties have no role in its [bilateral issues or disputes with other nations](#).¹³

China's Ministry of Foreign Affairs, on its part, urged the US and India not to make China an issue in their relations and [avoid instigating bloc politics](#) and confrontation. Beijing reminded Washington and New Delhi that "Asia-Pacific is an example of peace and development and that ganging up to form exclusive groups and engaging in bloc politics would not bring security".¹⁴

Despite the recent rapprochement between China and India, on February 11, 2025, India's Chief Economic Adviser V. Anantha Nageswaran indicated that the country was unlikely to lift the [ban on Chinese investment soon](#). He

⁸ "China & India: Together for a Shared Future—Remarks by Chinese Ambassador to India Xu Feihong at the 3rd China-India Youth Dialogue", [MFA PRC](#), February 26, 2025

⁹ "Carefully monitoring Brahmaputra-related developments, including China's mega dam plan: Govt", [The Economic Times](#), February 13, 2025

¹⁰ United States-India Joint Leaders' Statement, [The White House](#), February 13, 2025

¹¹ Remarks by President Trump and Prime Minister Modi at a joint press conference, [The White House](#), February 13, 2025

¹² "Trump on India-China border tensions: Quite vicious & ready to mediate", [The Economic Times](#), February 14, 2025

¹³ "India reaffirms long-held policy to rule out third party role in its border row with China", [The Economic Times](#), February 14, 2025

¹⁴ "Foreign Ministry Spokesperson Guo Jiakun's Regular Press Conference on February 14, 2025", [MFA PRC](#), February 14, 2025

informed that India has initiated discussions with China concerning its growing trade deficit.¹⁵

Among other developments, Gen. Anil Chauhan, India's Chief of Defence Staff questioned China's recent claim of possessing [sixth-generation fighter aircraft](#), stressing that such platforms are still in the developmental stage. He suggested that such claims could be strategic posturing by Beijing in light of the lack of verifiable evidence regarding the sixth-generation fighter jet.¹⁶

II. China-South Asia Relations

China has raised objections to two Bangladesh textbooks and a map on the Department of Survey website showing [Aksai Chin and Arunachal Pradesh](#) as part of India.¹⁷ Maps on the website and in textbooks show Taiwan and Hong Kong as independent countries. The National Curriculum and Textbook Board (NCTB) responded by saying that the textbooks are already being printed, making corrections impossible at this stage.¹⁸

A 32-member [delegation from Bangladesh](#), including political leaders, civil society activists, academics, and journalists, embarked on a 10-day visit to China at the invitation of the Chinese government.¹⁹ According to reports, the Bangladesh delegation will have discussions with the Chinese government as well as CPC officials. In light of this, analysts noted that China is deepening its engagement with Bangladesh amidst escalating tensions between Dhaka and New Delhi.

The Mohammad Yunus led interim government in Bangladesh has utilised public hearings to create consent in favour of China being engaged in the proposed multipurpose project on conservation and [management of the Teesta River](#).²⁰ Syeda Rizwana Hasan, the Bangladesh Minister of Environment, Forest, Climate and Water Resources, said on February 11, 2025, that the

¹⁵ "India not expected to lift ban on Chinese investments soon, Chief Economic Adviser says", [The Economic Times](#), February 11, 2025

¹⁶ "CDS Anil Chauhan dismisses hype over China's 6th-Gen fighters: Far from operational", [The Economic Times](#), February 13, 2025

¹⁷ "China has a problem with Bangladesh textbooks showing Arunachal, Aksai Chin in India, but...", [Firstpost](#), February 10, 2025

¹⁸ Ibid.

¹⁹ "Bangladesh wooed by China as ties with India fray", [BBC](#), February 26, 2025

²⁰ "Dhaka veers to China for Teesta project", [The Telegraph](#), February 11, 2025

Bangladesh Government had given the Chinese authorities two years to develop a master plan for the conservation and management of the river.²¹

The proposed USD 1 billion project involves the dredging of the river, construction of reservoirs, a drainage system along the river bank, the construction of embankments and satellite townships on both sides of the river.²²

Several weeks after the Maldives began to implement [trade deals with China and Turkey](#), the official spokesman of the Ministry of External Affairs, Randhir Jaiswal, warned that the agreements would have implications for India's policy towards the Maldives in the future. He said that the agreement would result in revenue loss for the Maldives government and did not bode well for the long-term fiscal stability of the government.²³

Nepal's addition to the [Financial Action Task Force \(FATF\) Grey List](#) could be the result of its proximity to China and the misuse of Chinese funds. Analysts have argued that it could be a move by the West to stop Nepal's tilt towards China. There are a number of unknown companies and entities that are moving funds away from Nepal to unknown places. Nepal has failed to give satisfactory replies to FATF's questions.²⁴

III. China-United States Relations

President Trump signed an executive order on February 1, 2025, adding a 10 percent [tariff on imports from China](#) and a 25 percent tariff on imports from Canada and Mexico.²⁵ This action aims to ensure these countries fulfil their promises to stop illegal immigration and prevent Fentanyl and other drugs from entering the US.²⁶ Further, on February 11, 2025, Trump signed proclamations to close existing loopholes and exemptions to restore a [25 percent tariff on steel](#) and elevate the tariff on aluminium to 25 percent.²⁷

²¹ Ibid.

²² Ibid.

²³ "India says recent agreements by Maldives might cause revenue loss, will consider them in terms of policies", [Deccan Herald](#), January 31, 2025

²⁴ "Nepal On FATF Grey List: Decoding China's Role & How It Affects India", [News 18](#), February 28, 2025

²⁵ "Fact Sheet: President Donald J. Trump Imposes Tariffs on Imports from Canada, Mexico and China", [The White House](#), February 1, 2025

²⁶ Ibid.

²⁷ "Trump raises aluminium tariffs to 25 pct, ends exemptions on steel and aluminium", [People's Daily](#), February 11, 2025

Reacting sharply, China reiterated that “there is no winner in trade and tariff wars” adding that the US move severely violates WTO rules.²⁸ On February 5, 2025, China launched a [dispute at the WTO over US tariff measures](#).²⁹ A People’s Daily report noted that the US was misusing the [Fentanyl crisis as a pretext for additional tariffs](#) on Chinese goods. It claimed that Fentanyl abuse can be attributed to a combination of a long-standing drug culture, profit motives of pharmaceutical companies, and political dysfunction (inadequate governance) within the US.³⁰

In response to US tariff measures, on February 4, 2025, China’s Ministry of Finance announced that it would impose a [15 percent tariff on imports of coal](#) and natural gas from the US and levy 10 percent duty on petroleum, agricultural equipment, high-emission vehicles and pickup trucks.³¹ Beijing also launched an anti-monopoly investigation into US technology company Google.³²

According to an editorial in the South China Morning Post, “President Trump has [renewed the trade war despite risks](#)” such as raising inflation in the US and curbing global economic growth.³³ Analysts expect more trade frictions between China and the US, but they believe Beijing is better prepared than it was during Trump's first trade war in 2018, having built trade relations with partners in the Global South and bolstered its high-technology self-reliance.³⁴ It was also observed that China's retaliatory tariffs demonstrate its willingness to fight back while remaining open to negotiating a [beneficial trade deal with Washington](#).³⁵

Despite escalating trade tensions, China and the US continued their high-level engagements. On February 18, 2025, the Director of China’s Central Commission for Foreign Affairs, Wang Yi met US business and think tank leaders in New York where he urged Washington and Beijing to [find a way to](#)

²⁸ “There is no winner in trade war, tariff war: Chinese foreign ministry”, [People’s Daily](#), February 3, 2025

²⁹ “China launches WTO dispute over Trump tariffs”, [South China Morning Post](#), February 6, 2025

³⁰ “U.S. misusing fentanyl crisis as pretext for additional tariffs on Chinese goods unwise, unethical”, [People’s Daily](#), February 8, 2025

³¹ “China to impose tariffs on US products, launches anti-monopoly probe into Google”, [South China Morning Post](#), February 4, 2025

³² Ibid.

³³ “Editorial | Trump renews trade war despite risks at home and globally”, [South China Morning Post](#), February 4, 2025

³⁴ Ibid.

³⁵ “China’s trade moves against US show it’s ready to fight back but willing to make a deal”, [South China Morning Post](#), February 4, 2025

["get along" and stabilise ties](#) for the benefit of both countries and the world.³⁶ Later, on February 21, 2025, Chinese Vice Premier He Lifeng and US Treasury Secretary Scott Bessent held a video call during which Beijing expressed [concerns about US tariffs on Chinese goods](#). Secretary Bessent, on his part, expressed concerns about China's counternarcotics efforts, economic imbalances, unfair policies, and stressed the US's commitment to pursue trade and economic policies that protect the American economy.³⁷

US-China tensions over Taiwan show no signs of abating. On February 13, 2025, in its [updated fact sheet on relations with Taiwan](#), the US Department of State reaffirmed its adherence to the "one China policy", but removed the phrase "we do not support Taiwan independence".³⁸ While Washington maintained that the updated fact sheet did not signal any major change in US policy toward Taiwan, China accused the US of violating the one China principle and ["serious backsliding" on Taiwan-related issues](#).³⁹ It called upon the US to stop supporting Taiwan's efforts to have a bigger presence on the international stage.

China also expressed concerns about the [US-Japan-South Korea's trilateral joint statement](#) on the margins of the Munich Security Conference that expressed support for "Taiwan's meaningful participation in appropriate international organisations" and emphasised the "importance of cross-strait peace and stability as an indispensable part of security and prosperity for the international community".⁴⁰ In the meantime, to the chagrin of the PLA Navy, US destroyer USS Ralph Johnson and the oceanographic survey ship [USNS Bowditch transited the Taiwan Strait](#) between February 10-12, 2025.⁴¹

Due to concerns raised by the US regarding [Chinese influence on the Panama Canal](#), on February 6, 2025, Panama announced its decision to withdraw from China's Belt and Road Initiative (BRI) initiative.⁴² In light of this, on February 7,

³⁶ "China and US need to find a way to 'get along', Wang Yi tells American business groups", [South China Morning Post](#), February 19, 2025

³⁷ "Chinese vice premier, US treasury secretary hold video talks", [Global Times](#), February 21, 2025

³⁸ "US State Department cuts line on 'Taiwan independence' from website fact sheet", [South China Morning Post](#), February 16, 2025

³⁹ "China accuses US of 'serious backsliding' on Taiwan with change to website", [South China Morning Post](#), February 17, 2025

⁴⁰ "China lodges serious representations over US-Japan-South Korea's Taiwan-related claims at Munich meeting: FM", [Global Times](#), February 18, 2025

⁴¹ "PLA monitors US vessels' first Taiwan Straits transit in 2025; PLA more proactive in releasing information", [Global Times](#), February 12, 2025

⁴² "China lodges solemn representations to Panama over withdrawal from BRI cooperation with China", [Xinhua](#), February 8, 2025

2025, the Chinese Foreign Ministry summoned Panama's Ambassador to lodge solemn representations regarding the country's withdrawal from BRI cooperation.⁴³ Beijing reiterated that it respects Panama's sovereignty and territorial integrity and opposes the US' wanton use of pressure and threats to undermine and discredit BRI cooperation.⁴⁴

Chinese artificial intelligence company 'DeepSeek' launched its large language model (LLM) named DeepSeek-R1, despite widening US high-technology export controls. An editorial in the Global Times responded to this by asserting that DeepSeek demonstrates that the "[small yard, high fence](#)" policy of the US (sanctions and export controls) cannot impede innovation and China's technological advancement.⁴⁵ While analysts hailed DeepSeek's launch as a "[Sputnik moment](#)" in China's AI industry, they also noted that the US still has a "durable lead" in deploying advanced AI technology at scale and utilising civilian resources for military use.⁴⁶

As China tightens its export controls on rare-earth minerals, the US is seeking to secure [Ukraine's rare earth minerals in exchange for military aid](#).⁴⁷ Among other developments, President Trump signed an executive order calling for the creation of a [US sovereign wealth fund](#) that could potentially buy the Chinese-owned short-video app TikTok.⁴⁸

IV. China-European Union Relations

On February 14, 2025, Wang Yi, the Director of China's Central Commission for Foreign Affairs delivered a keynote speech at the [61st Munich Security Conference](#).⁴⁹ In his remarks, Director Wang Yi reaffirmed China's resolve to work for an "equal and orderly multipolar world" and "be a steadfast constructive force in a changing world". Toward this end, he advocated equal treatment for all countries, increasing the representation of developing countries in the international system, respecting the international rule of law,

⁴³ Ibid.

⁴⁴ Ibid.

⁴⁵ "DeepSeek proves 'small yard, high fence' cannot hinder innovation: Global Times editorial", [Global Times](#), February 5, 2025

⁴⁶ "DeepSeek disruption: how far will US go to keep its advanced AI lead over China?", [South China Morning Post](#), February 4, 2025

⁴⁷ "As China curbs exports, US scours globe for rare earths – even war-torn Ukraine", [South China Morning Post](#), February 6, 2025

⁴⁸ "Trump orders creation of US sovereign wealth fund, says it could buy TikTok", [South China Morning Post](#), February 5, 2025

⁴⁹ "A Steadfast Constructive Force in a Changing World", [MFA PRC](#), February 14, 2025

practicing multilateralism, and pursuing open cooperation for mutual benefit.⁵⁰

Meanwhile, as new [uncertainties arose in US-EU relations](#) amidst rising US unilateralism and protectionism, China's Ministry of Foreign Affairs stressed the importance of healthy and stable China-EU relations and urged both sides to become a constructive force in a changing world.⁵¹ Ursula von der Leyen, the President of the European Commission, insisted that Europe would continue de-risking its economic relationship with China. However, she asserted that there is room for further [strengthening trade relations with Beijing](#) in an "era of hyper-competitive and hyper-transactional geopolitics".⁵²

To increase its competitiveness in the high-technology sector vis-à-vis China and the US, the EU is seeking to give local companies preferential treatment in bids for [high-technology contracts](#) through its "buy local" initiative. This could put Europe on a collusion course with WTO rules, which forbid discrimination between domestic and foreign suppliers in procurement tenders.⁵³

V. China-Russia Relations

The meeting between US Secretary of State Marco Rubio and Russian Foreign Minister Sergey Lavrov in Riyadh, Saudi Arabia, on February 18, 2025, marked a major shift in US policy toward Russia. Major issues discussed in the meeting included [establishing a consultation mechanism](#) to address irritants in bilateral relations and taking steps to normalise operations of respective diplomatic missions; appointing high-level teams to work on a path to ending the conflict in Ukraine that is acceptable to all sides; and laying the groundwork for cooperation on mutual geopolitical interests as well as economic and investment opportunities.⁵⁴

China's Ministry of Foreign Affairs, in response to a question regarding the potential impact of some improvement in US-Russia relations on China-Russia relations, reiterated that the comprehensive strategic partnership

⁵⁰ Ibid.

⁵¹ "Chinese FM responds on how new uncertainties in EU-US transatlantic relations affect China", [Global Times](#), February 17, 2025

⁵² "EU shifting tone of stance on China as it prepares for frictions with US", [South China Morning Post](#), February 5, 2025

⁵³ "EU shifting tone of stance on China as it prepares for frictions with US", [South China Morning Post](#), February 5, 2025

⁵⁴ "Secretary Rubio's Meeting with Russian Foreign Minister Lavrov", [US Department of State](#), February 18, 2025

between the parties will not be affected by external factors.⁵⁵ Meanwhile, on February 24, 2025, President Xi and President Putin held a phone conversation in which Xi expressed China's satisfaction with the [engagement between Russia and the US](#) regarding resolving the Ukraine crisis.⁵⁶ According to Russia's Ambassador to China, Igor Morgulov, President [Xi will attend Russia's 80th victory day](#) in May 2025, marking the Soviet Union's victory over Nazi Germany in World War II.⁵⁷

Earlier, on February 20, 2025, Russian Foreign Minister Sergey Lavrov and the Director of China's Central Commission for Foreign Affairs, Wang Yi met on the margins of the G20 Foreign Ministers meeting in Johannesburg, South Africa. The two sides pledged to deepen strategic coordination at BRICS, Shanghai Cooperation Organisation (SCO), the UN, and G20 [to promote multipolarity and global stability](#).⁵⁸ Meanwhile, on February 28, 2025, President Xi and Sergei Shoigu, the Secretary of Russia's Security Council, met in Beijing. The two sides are planning an agenda to commemorate the 80th anniversary of Russia's (Soviet Union) victory over Nazi Germany, the [Chinese People's war of resistance against Japanese aggression](#), and the founding of the UN.⁵⁹

On February 13, 2025, President Trump underscored [de-nuclearisation as a key goal in his second term](#). He spoke about imposing limits on the nuclear arsenal through dialogue with Russia and China.⁶⁰ China's Foreign Ministry responded by pointing out that Russia and the US possess over 90 percent of the world's [nuclear arsenal](#). Therefore, both sides must fulfil their nuclear disarmament responsibilities by substantially reducing nuclear arsenal. Beijing reiterated that it follows a nuclear policy of no first use and maintains its nuclear capabilities at the lowest level required for national security.⁶¹

VI. G20 Foreign Ministers' Meeting

The Director of China's Central Commission for Foreign Affairs, Wang Yi, addressed G20 Foreign Ministers' Meeting in Johannesburg on February 20,

⁵⁵ "China-Russia cooperation targets no third party, unaffected by external factors: Chinese FM", [Global Times](#), February 14, 2025

⁵⁶ "President Xi Jinping Speaks with Russian President Vladimir Putin on the Phone", [MFA PRC](#), February 24, 2025

⁵⁷ "China's Xi accepts invitation to attend Victory Day festivities in Moscow – Russian envoy", [TASS](#), February 10, 2025

⁵⁸ "Chinese, Russian FMs meet on bilateral ties", [Global Times](#), February 21, 2025

⁵⁹ "Xi meets Russian Federation Security Council secretary", [State Council PRC](#), March 1, 2025

⁶⁰ "Trump says he wants to work with Russia and China on limiting nuclear arms", [South China Morning Post](#), February 14, 2025

⁶¹ "FM responds to Trump's proposal to meet with Chinese, Russian leaders to discuss reducing nuclear weapons, cutting defence spending", [Global Times](#), February 14, 2025

2025. As global uncertainties grow, Director Wang Yi urged member states to revisit the consensus reached at the G20 Rio de Janeiro Summit held in November 2024 and "[be a force for maintaining world peace and stability](#)".⁶² Toward this end, he stressed the importance of respecting each other's sovereignty and territorial integrity, development path and political system, adhering to the five principles of peaceful coexistence, promoting universal security through China's Global Security Initiative (GSI), and advancing multilateralism on the basis of the UN Charter.⁶³ Other major issues discussed by him included China's support for the consensus reached between the US and Russia on resolving the Ukraine crisis, support for a two-state solution to the Israel-Palestine conflict, and preventing extremist forces from rising in Syria.⁶⁴

As US Secretary of State Marco Rubio did not attend the G20 Foreign Ministers meeting in Johannesburg citing South Africa's controversial land expropriation law, a China Daily report noted that this demonstrates the US's cautious approach to multilateral engagements, especially when host nation policies conflict with US interests, [raising concerns about international cooperation](#) and the G20's role in addressing global issues.⁶⁵

VII. Director Wang Yi's Address at the UN Security Council

As part of China's rotating presidency of the United Nations Security Council, Director Wang Yi spoke at a high-level meeting on "Practicing multilateralism and reforming and improving global governance" on February 18, 2025. As the international landscape undergoes profound changes, he stressed the need for member states to revisit the original aspirations of the UN, reinvigorate true multilateralism, and accelerate the building of a [more just and equitable global governance system](#) that supports the modernisation of the "Global South".⁶⁶ In order to achieve this goal, Director Wang Yi proposed a four-point approach, namely promoting sovereign equality, upholding fairness and justice, adhering to unity and cooperation, and promoting an action-oriented approach to resolving contemporary global issues.⁶⁷

⁶² "To be a force for maintaining world peace and stability", [MFA PRC](#), February 21, 2025

⁶³ Ibid.

⁶⁴ Ibid.

⁶⁵ "G20 urged to uphold peace and security", [China Daily](#), February 22, 2025

⁶⁶ "Wang Yi chaired the UN Security Council's high-level meeting on "Practicing Multilateralism and Reforming and Improving Global Governance", [MFA PRC](#), February 19, 2025

⁶⁷ Ibid.

In light of this, a South China Morning Post report highlighted the stark difference between the [US and China's approaches to international organisations](#), noting that while China is actively promoting multilateralism, the US appears to be moving in a different direction.⁶⁸

Internal Developments

Key Developments and Addresses by Chinese Leaders

On February 7, 2025, President Xi hosted a banquet for international dignitaries who attended the opening ceremony of the ninth Asian Winter Games held in Harbin. Pointing towards the theme of the Asian Winter Games – “Dream of Winter, Love among Asia” - Xi stressed that it embodies the shared aspiration and [desire of the Asian people for peace](#), development, and friendship.⁶⁹ He characterised peace as pristine as ice and snow, urging the international community to join hands in addressing security challenges and contributing Asian wisdom to the construction of an equitable and orderly multipolar world with inclusive economic globalisation and co-existence among civilisations.⁷⁰

As President Xi stresses the importance of [traditional Chinese cultural values](#) in the country's modernisation, analysts shed light on the recent success of the animated film Ne Zha 2, the video game Black Myth: Wukong, and DeepSeek as demonstrating China's technological prowess as well as the love among young Chinese for traditional culture.⁷¹

President Xi's Special Representative, Vice Premier Zhang Guoqing, attended the 'AI Action Summit' held in Paris on February 10-11, 2025. In his remarks, Vice Premier Zhang Guoqing elucidated China's Global AI Governance Initiative, urging the international community to promote the principle of [developing AI for the greater good](#), enhance cooperation for innovation, strengthen inclusiveness and mutual benefit, and advance global governance.⁷² At this Summit, leaders of more than 50 countries and international organisations signed the Joint Statement on [Inclusive and](#)

⁶⁸ “Wang Yi at United Nations promotes multilateralism as US seems headed in other direction”, [South China Morning Post](#), February 19, 2025

⁶⁹ “Full text: Remarks by Chinese President Xi Jinping at welcoming banquet of opening ceremony of 9th Asian Winter Games”, [People's Daily](#), February 7, 2025

⁷⁰ Ibid.

⁷¹ “Opinion | What the success of Wukong, Ne Zha and DeepSeek holds for the future of China-US rivalry”, [South China Morning Post](#), February 19, 2025

⁷² “China willing to promote AI development with other countries: Chinese Vice Premier”, [The State Council PRC](#), February 12, 2025

[Sustainable Artificial Intelligence for People](#) and the Planet. The US and the UK, however, did not sign the Paris AI Summit joint statement.⁷³

A congratulatory message from President Xi was sent to the 38th African Union Summit on February 15, 2025, in which he vowed to work with [African countries toward modernisation](#).⁷⁴

Trade and Economy

A meeting of the CPC Political Bureau was held on February 28, 2025, ahead of China's annual "Two Sessions" to discuss the [draft government work report](#) to be presented by Premier Li Qiang to the national legislature.⁷⁵ Xi noted in his remarks that the Chinese economy has maintained stability, pursued high-quality development, and made significant progress toward the country's modernisation.⁷⁶ He reiterated the need to follow the guidelines issued at the Central Economic Work Conference, pursue progress while maintaining stability, and fully implement new development philosophy on all fronts.⁷⁷

Major issues discussed in the meeting included deepening reform comprehensively, expanding high-standard opening up, building a modern industrial system, coordinating development and security, implementing proactive macroeconomic policies, expanding domestic demand, promoting industrial innovation, stabilising the real estate sector and stock markets, and preventing risks emanating from external shocks.⁷⁸

A symposium on the high-quality development of China's private sector was addressed by President Xi on February 17, 2025, underscoring [Beijing's support for private enterprises](#), especially in the high-technology industry.⁷⁹ Amidst the intensifying trade and technology competition with the US, Xi assured the country's most prominent entrepreneurs of continued government support and wider market access while encouraging them to contribute significantly to high-tech innovation in China.⁸⁰ Among the key issues discussed at the

⁷³ "US and UK refuse to sign Paris summit declaration on 'inclusive' AI", [The Guardian](#), February 11, 2025

⁷⁴ "Xi Jinping Sends Congratulatory Message to the 38th African Union Summit", [MFA PRC](#), February 15, 2025

⁷⁵ "Xi chairs CPC leadership meeting to discuss draft gov't work report", [Xinhua](#), February 28, 2025

⁷⁶ Ibid.

⁷⁷ Ibid.

⁷⁸ Ibid.

⁷⁹ "Xi urges healthy, high-quality development of private sector", [Qiushi Journal](#), February 20, 2025

⁸⁰ Ibid.

meeting were the Party's commitment to providing equal access to factors of production to both the public and private sectors, the removal of obstacles which prevent enterprises from accessing means of production equally and competing equally in the market, the promotion of affordable financing, and the need to embrace patriotism for advancing China's socialist modernisation.⁸¹

Taking note of this, a Global Times editorial highlighted the "[great potential](#)" of [China's economy](#) and urged the private sector to pursue business activities that would encourage patriotism and common prosperity while achieving personal wealth.⁸²

According to a report by UN Trade and Development (UNCTAD), Foreign Direct Investment (FDI) in [China declined by 29 percent](#) in 2024.⁸³ Owing to this, on February 10, 2025, at a State Council meeting, Premier Li Qiang outlined measures to [boost domestic consumption](#) and an action plan to stabilise foreign investment into the country.⁸⁴ Meanwhile, due to persistent headwinds in the real estate sector, [China saw its lowest property income growth](#) in over a decade in 2024, reducing middle-class incomes and limiting consumption.⁸⁵

Among other developments, China recorded the [lowest number of marriages](#) in four decades in 2024, indicating that the country's challenges with a declining birth rate and shrinking population are likely to worsen in 2025.⁸⁶

Defence and Security

The [tensions between China and the Philippines](#) continued in the South China Sea.⁸⁷ Philippine officials stated that Manila would return the [Typhon missile system to the US](#) if China ceased to claim the country's territory, harass its fishermen, and attack Philippine vessels.⁸⁸ Reacting sharply, the Chinese

⁸¹ Ibid.

⁸² "Private enterprises should seize opportunity of the times of 'great potential': Global Times editorial", [Global Times](#), February 18, 2025

⁸³ "Foreign investment in developing economies fell 2% in 2024, marking second year of decline", [UNCTAD](#), January 30, 2025

⁸⁴ "China unveils measures to boost consumer spending, foreign investment", [People's Daily](#), February 11, 2025

⁸⁵ "China's middle class feels the squeeze as property slump hits pocketbooks", [South China Morning Post](#), February 17, 2025

⁸⁶ "China's population woes deepen as marriage registrations plummet to lowest level since 1980", [South China Morning Post](#), February 10, 2025

⁸⁷ "Philippines should stop rights-infringing actions and false narrative: Defence Spokesperson", [MND PRC](#), February 27, 2025

⁸⁸ "Defence Ministry Spokesperson's Remarks on Recent Media Queries Concerning the Military on February 14, 2025", [MND PRC](#), February 18, 2025

Ministry of National Defence warned that the Typhon missile system would place the security and national defence of the Philippines into the hands of others, leading to geopolitical confrontation and an arms race in the region.⁸⁹ Earlier, Canada's Ambassador to China informed that negotiations for the Visiting Forces Agreement between the two countries are nearing completion, allowing Canada more [substantive participation in military exercises](#) in the South China Sea. Philippines has signed similar agreements with the US, Japan, and Australia.⁹⁰

Reacting to this, a Global Times editorial warned that Manila is harbouring illusions of building a world-class military by "renting" external military forces to counter China, and the reality is that the Philippines has become the most destructive country for regional security.⁹¹ Notwithstanding this, on February 4, 2025, the US and the Philippines conducted a joint air patrol over the South China Sea. The PLA Air Force [responded by conducting its own patrol](#).⁹²

[Australia expressed concerns about live-fire drills](#) conducted by three Chinese warships in the international waters near the country's east coast in the Tasman Sea.⁹³ Beijing rejected Australian concerns, adding that the PLA Southern Theatre Command conducted a far sea exercise in a safe, standard, and professional manner in accordance with international law.⁹⁴

China announced new rules beginning March 1 banning [online military information providers](#) from "producing, copying, publishing, or disseminating" previously undisclosed information, including details of weapon systems and military facilities.⁹⁵ This move is intended to protect defence sources and the PLA's public image, but it may make it harder to monitor military developments in China.⁹⁶ In another development, President Xi issued revised Regulations on [Scientific Research Related to Military Equipment](#).⁹⁷ The sole focus of military equipment research and development will be strengthening the combat capabilities, fostering innovation and

⁸⁹ Ibid.

⁹⁰ "Has the Philippines become safer by 'renting external military power'?: Global Times Editorial", [Global Times](#), February 11, 2025

⁹¹ Ibid.

⁹² "Chinese military conducts routine patrol in South China Sea", [MND PRC](#), February 5, 2025

⁹³ "Chinese FM responds to Australian concerns over live-fire drills by Chinese warships off its east coast", [Global Times](#), February 21, 2025

⁹⁴ Ibid.

⁹⁵ "China tightens rules on publishing information about the military online", [South China Morning Post](#), February 10, 2025

⁹⁶ Ibid.

⁹⁷ "Defence Ministry Spokesperson's Remarks on Recent Media Queries Concerning the Military on February 14, 2025", [MND PRC](#), February 18, 2025

devoting more sources towards the development of new combat capabilities, enhancing quality control, and establishing a comprehensive framework for the supervision and regulation of equipment R&D.⁹⁸

Technology

According to a report by China's State Administration for Market Regulation, the country's [smart robot industry saw robust growth](#) in 2024, with 80 percent of the enterprises concentrated in sectors such as scientific research and technical services, information transmission, software and IT services, and wholesale and retail services.⁹⁹ Moreover, the Chinese and American companies are competing for pole position in [developing humanoid robots](#), fuelled by the rise of China's DeekSeek and Unitree Robotics.¹⁰⁰ China's Generative AI products are transforming various industries, impacting work and daily life.¹⁰¹

Amid the ongoing semiconductor chip war between China and the US, Peking University and Microsoft announced significant [breakthroughs in quantum computing](#) in their respective research papers.¹⁰²

⁹⁸ Ibid.

⁹⁹ "China's smart robot industry sees robust growth in 2024", [People's Daily](#), February 10, 2025

¹⁰⁰ "Battle of the bots: China, US scrap for top of the humanoid heap", [South China Morning Post](#), February 5, 2025

¹⁰¹ Ibid.

¹⁰² "China-US chip war takes a quantum leap with breakthroughs declared on same day", [South China Morning Post](#), February 21, 2025



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

www.delhipolicygroup.org