

SINOMETER

The China Strategic Monitor



VOL. 9
SEPTEMBER
2022



EDITORS

DR MADHUKAR SHYAM

SWAYAMSIDDHA SAMAL

Note from Head of CS3

Dear All,

We are happy to publish the ninth issue of the Sinometer: The China Strategic Monitor, a monthly newsletter by the Centre for Strategic Studies and Simulation (CS3), USI.

The newsletter is divided into three sections. The newsletter begins with an analysis of two significant issues in China; 'China's Xinjiang Problem' and 'Nancy Pelosi's visit to Taiwan'. It is then followed by Domestic News. The weakening of China's economy because of its Covid policies, China's housing woes and its worst drought ever are discussed. Important landmark events like the date of the 20th Party Congress are announced. Amidst tensions with Taiwan, China also released a White Paper on Taiwan. News about China's various advancements in the field of technology, space and maritime will also be a part of the Domestic News Section. The International News section will consist of news about US-China, India-China, China's ties with Africa, organisations like ASEAN and various visits conducted to other countries by Chinese leaders.

The purpose of this issue is to give a holistic perspective of China in the backdrop of China's economic crisis and tense US-China relations. We hope that budding China Watchers will take an interest in the newsletter. Happy reading!

**Maj Gen RPS Bhadauria,
VSM(Retd)
Head, Centre for Strategic Studies
and Simulation (CS3), USI**

TABLE OF CONTENTS

ANALYSIS

| | |
|-------------------------------------|---|
| China's Xinjiang Problem..... | 5 |
| Nancy Pelosi's visit to Taiwan..... | 6 |

DOMESTIC NEWS

| | |
|---|----|
| China puts millions under Covid lockdown again | 10 |
| Five officials removed from duty for not implementing epidemic rules | 10 |
| China's Housing woes | 10 |
| China announces date for 20th CPC National Congress | 10 |
| China release Taiwan White Paper | 12 |
| First flag-raising ceremony by the PLA Hong Kong garrison held | 12 |
| Death for former CPC official who accepted bribes | 13 |
| China's worst drought ever | 13 |
| Chinese government attempts to raise birth rates through new policies | 13 |
| A new virus infects people in China | 13 |
| Shanghai discusses new AI development plan | 14 |
| China's internet companies give algorithm data to Government..... | 15 |
| China is building the first-ever commercial land-based SMR | 15 |
| Shenzhou-14 astronauts to go on their first spacewalk soon | 15 |
| China's first Hualong-1 nuclear power units operate steadily | 16 |
| Driverless taxis take the road in Chongqing and Wuhan..... | 16 |
| Amusement parks in Guangdong stay open till late to support local economy | 17 |

INTERNATIONAL NEWS

| | |
|---|----|
| China calls U.S. 'main instigator' of Ukraine Crisis | 18 |
| China-Russia export at an all-time high..... | 18 |
| China's ambassador to India, H.E. Sun Weidong's interview with TOI..... | 19 |

| | |
|--|-----------|
| Beijing calls on India to support 'one-China policy' | 19 |
| India blocks India-US bid to sanction JeM leader at UNSC | 20 |
| ASEAN urges 'maximum restraint' as China launches missile exercises around Taiwan.. | 20 |
| China-ASEAN deepen cooperation..... | 20 |
| European Parliament calls China's Xinjiang violations a 'Serious Risk of Genocide' | 21 |
| Uzbekistan asks SCO to establish Mutual Investment Action Plans | 22 |
| Oil nears six-month lows, Saudi supplies glut weigh | 23 |
| China backs \$640 million Sudan rail revamp..... | 23 |
| China fumes over Somaliland's warm ties with Taiwan..... | 23 |
| China to facilitate quality African food and agricultural imports | 24 |
| China forgives debt for 17 African nations | 25 |
| Chinese Military Exercises continue around Taiwan | 25 |
| 'India-China must now allow their politics to interfere in internal affairs of neighbourhood' | 25 |
| Chinese FM holds talks with Nepalese counterpart | 26 |
| China-Nepal agree on building trans Himalayan network..... | 27 |
| China backs \$640 million Sudan rail revamp..... | 27 |

Analysis

China's Xinjiang Problem

A [UN report](#) by the outgoing Office of the High Commissioner for Human Rights (OHCHR) chief, Michelle Bachelet was released on 1st September, 2022. It condemned China's actions against more than one million Uyghur and other Muslim minorities such as Uzbeks and Kazakhs.

Demographically, Xinjiang Uyghur Autonomous Region (XUAR) has been one of the fastest growing regions in China. According to the most recent census and the Government's White Paper on "Xinjiang Population Dynamics and Data," while both the Han and Uyghur populations have increased overall, the Uyghur population currently makes up around 45 per cent of the region's population overall and the Han Chinese population about 42 per cent.¹ When riots broke out in Urumqi in 2019, the Chinese government said that, "separatist, terrorist, and extremist elements committed thousands of terrorist assaults in Xinjiang from 1990 until the end of 2016, killing vast numbers of innocent people and hundreds of police officers, as well as causing irreparable property damage."²

Following these events, the government began what it referred to as a "Strike Hard" campaign in May 2014 to tackle terrorist threats that it associated with religious "extremism" and separatist in XUAR.³ The government claimed in a 2019 White Paper that "Since 2014, Xinjiang destroyed 1,588 violent and terrorist gangs, arrested 12,995 terrorists, seized 2,052 explosive devices, punished 30,645 people for 4,858 illegal religious activities, and confiscated 345,229 copies of illegal religious materials".⁴

However, it is not as easy as China has made the situation in Xinjiang look. The UN report gave out details, such as methodologies that the Chinese government used to identify "at-risk persons", the degree of coercive powers applied and the government's oversight. The second part of the report talks about the various rights China has deprived its minorities of, such as the Right to Privacy and Freedom of Movement, the Right to Express Religious and Cultural Expression, the Right to Fair Employment opportunities and Reproductive Rights. The report also points out that China has accepted several human rights conventions, [including](#) the International Convention on the Elimination of All Forms of Racial Discrimination (CERD) and the Convention against Torture and Other Cruel, Inhuman, or

¹ Xinjiang Population Dynamics and Data, State Council Information Office of the People's Republic of China, September 2021; National Bureau of Statistics of China, "Main data of the seventh population census, news release", 11 May 2021

² See State Council Information Office of the People's Republic of China, "The Fight against Terrorism and Extremism and Human Rights Protection in Xinjiang", March 2019.

³ State Council Information Office of the People's Republic of China, White Paper on "The Fight against Terrorism and Extremism and Human Rights Protection in Xinjiang", March 2019, stating that "separatism is the hotbed in which terrorism and extremism take root in Xinjiang".

⁴ See State Council Information Office of the People's Republic of China, White Paper on "The Fight against Terrorism and Extremism and Human Rights Protection in Xinjiang", March 2019.

Degrading Treatment or Punishment (CAT) but how it was not complying to these conventions. Real-time stories of victims have also been highlighted. Finally, there are scathing recommendations for the Chinese government, which include releasing individuals who were being deprived of their liberty and providing whereabouts to the families of individuals who were being detained.

China also [responded](#) with a 121-page report, terming it part of an “anti-China campaign”. Past inactions on the part of the UN and China’s increasing clout in various international organisations have also been reasons that have resulted in China’s growing atrocities being inflicted on Uyghurs in Xinjiang. The report has proved to be a much-needed action by the UN since the allegations against China started in 2018. We can see that China is more than affected by the report. However, it is yet to be seen how the future chief of the OHCHR will take the issue forward and if the hue and cry over Xinjiang will continue in the international community, which might someday result in the victims getting justice.

Nancy Pelosi’s visit to Taiwan

It was the first high-ranking American official to visit Taiwan in 25 years, on August 2, 2022. The United States (US) and the People’s Republic of China (PRC) released the Joint Communiqué on the Establishment of Diplomatic Relations in 1979, which “acknowledges that the PRC is China’s only legitimate government and that Taiwan is a part of China. The speaker of the U.S. House cautioned against using force against Taiwan during a press conference, signalling that Washington supports the current state of affairs between Taipei and Beijing. The status quo, in this instance, indicates that Taiwan would continue to enjoy democratic freedom free from foreign coercion. Nancy Pelosi said, “The message we bring today is that American support for Taiwan is more important now than ever.” According to Ukraine and the West, these are flimsy justifications for an imperial campaign of aggression against a neighbour that earned independence in 1991 when the Moscow-led Soviet Union disintegrated. Pelosi remarked, “Autocracy and democracy are the two options currently available to the globe. America’s determination to safeguard democracy here in Taiwan and internationally remains unbreakable”. First, China should refrain from interfering in Taiwan’s politics. Doing so would clearly warn against the idea of a “Middle Kingdom.”

Second, if China tried to ignore the U.S.’s warning, it would have to employ “ironclad.” According to Chinese State Councilor and Foreign Minister Wang Yi, Speaker Nancy Pelosi’s trip to Taiwan violates China’s one-China policy. The U.S. side alleged that China was escalating the situation even though the U.S. had initially provoked China over the Taiwan issue and flagrantly violated its sovereignty and territorial integrity. According to the Taiwan Affairs Office of the Chinese Communist Party, any attempts by Taiwan to proclaim its independence would be “shattered by the overwhelming power of the Chinese people.” In conclusion, it might be claimed that Newt Gingrich’s trip to Taiwan, which occurred before

Pelosi's, was quite different from Pelosi's and should be viewed as a provocation by the current superpower against China.⁵

Why was China worried about Nancy Pelosi's visit to Taiwan?

a) Although the US Speaker's visit was unclear and not officially publicised, there were speculations about the visit. Nancy Pelosi's trip to Taiwan was on the U.S. Air Force plane. Chinese officials registered their explicit objections to her visit since it was not officially disclosed.

b) U.S. Speaker Nancy Pelosi met with Taiwanese President Tsai Ing-Wen on August 3, 2022. Pelosi said, "Today the world faces a choice between democracy and autocracy." America's determination to preserve democracy here in Taiwan and worldwide remains ironclad".⁶ This claim denotes two things. First, China should not meddle in Taiwan's politics because doing so would be a direct warning against the notion of "Middle Kingdom", and second, if China ever sought to disregard the U.S.'s warning, it would be obliged to utilise "ironclad".

c) A lawmaker from the Democratic Progressive Party named Lo Chih-cheng claims that in response to China's threats and warnings, her visit demonstrates that the U.S. would not succumb to Chinese pressure and that she chose to stand firmly with Taiwan or, to put it another way, "she chose to stand with the allies of democracy."⁷ Since lawmakers commended the U.S. system and strongly criticised the PRC system in this statement.

d) The meeting between the U.S. speaker and human rights activists is another issue for China. Nancy Pelosi continues to be one of the critics of China, particularly when it comes to the subject of human rights.⁸

Reactions from mainland China

a) The visit of Speaker Nancy Pelosi to Taiwan, in the opinion of Chinese State Councillor and Foreign Minister Wang Yi, violates China's one-China policy, trespasses on Chinese sovereignty, and engages in shameless political provocations. The United States would have become the "greatest destroyer" of regional security and peace across the Taiwan Strait and a "troublemaker" in China-U.S. ties.

b) The Taiwan issue occurred when the nation was weak and chaotic at the time, and China would undoubtedly resolve it as part of its effort to complete national rejuvenation. Provoking controversy over the Taiwan issue to impede China's growth and undermine its gentle ascent is pointless and would undoubtedly fail.

⁵Shyam, Madhukar, September 2022, "Why did China react to Nancy Pelosi visit to Taiwan?," URL: <https://usofindia.org/publication/cs3-strategic-perspectives/why-did-china-react-to-nancy-pelosis-visit-to-taiwan/>

⁶ As Pelosi Departs Taiwan, China Gears Up for Military Drills 03 August 2022 <https://www.nytimes.com/live/2022/08/02/world/pelosi-taiwan>

⁷ ibid

⁸ Pelosi, Nancy "Nancy Pelosi: Why I'm leading a congressional delegation to Taiwan 2 August 2022 https://www.washingtonpost.com/opinions/2022/08/02/nancy-pelosi-taiwan-visit-op-ed/?fbclid=IwAR3gfEHq8BJGluKcDVsjk_O2l3f8ZtUMz-tdLwDb2Y66gr7w2EQDjGv7pA

c) To avoid further upsetting the Asia-Pacific region, the United States should immediately stop breaching the goals and tenets of the UN Charter and stop playing the "Taiwan card".

d) The U.S. should not imagine having free reign to falsify information. Although the U.S. initially provoked China over the Taiwan issue and flagrantly violated China's sovereignty and territorial integrity, the U.S. side claimed that China was aggravating the situation.⁹

e) China denounced the speaker's presence and issued a military drill warning to Taiwan. Pelosi also encountered opposition from the pro-Chinese faction, who labelled her an 'arsonist' and accused her of meddling in China's domestic affairs. Any attempts by Taiwan to declare its independence would be "shattered by the overwhelming force of the Chinese people", according to the Taiwan Affairs Office of the Chinese Communist Party.¹⁰

After understanding why China is worried about Pelosi's visit, it would be better to understand the two fundamental questions supporting my argument. The questions are a) The United States speaker Nancy Pelosi's visit to Taiwan should be treated as a provocation for China. Why? and b) How is it different from the visit of then (1997) U.S. Speaker Newt Gingrich?

To understand the critical points of Pelosi's visit, it would be good to analyse the previous events between the US and Taiwan. The (military) drill by the PLA in the Taiwan strait after Pelosi's visit interfered with Taiwan's ability to define its territorial seas and triggered a new round of brinkmanship similar to the third Taiwan strait crisis between 1995 and 1996, the year Taiwan conducted its first direct democratic elections. In response to Li Then-hui, the then-president of Taiwan, visiting the United States, China launched missiles into the surrounding waters. The US responded by sending two carrier groups and one carrier through the Taiwan Straits.¹¹

However, the visit by then-speaker Newt Gingrich (1997) was very different from that of the House Speaker Nancy Pelosi for two reasons: a) the former visit was well publicised, and Beijing had maintained preconditions for Taiwan and the US followed the demand of PRC; in contrast, the visit by Nancy Pelosi was in which China was a sceptic and also warned not to visit Taiwan; and b) the relationship between China and the United States during that period was of cooperation, whereas the situation now is of confrontation.

Jiang Zemin's administration saw China rehabilitating its image following the infamous Tiananmen Square incident in 1989, working to attract more foreign investment and facilitating the peaceful unification of Hong Kong. China also engaged the rest of the world through cooperation and competition.

⁹ "Chinese Foreign Minister makes remarks of U.S. violation of China's sovereignty" Xinhua <https://english.news.cn/20220803/b747d0581a2948558d0ad4bbb6d75f0a/c.html>

¹⁰ Ibid.

¹¹ As Pelosi Departs Taiwan, China Gears Up for Military Drills 03 August 2022

<https://www.nytimes.com/live/2022/08/02/world/pelosi-taiwan>

However, “In November 2009, President Obama, on his visit to China, suggested the idea of ‘Group of Two’ (G-2), where the US and China would lead the major decisions of the world.”¹² However, the G-2 was declined by China. The U.S. then started rebalancing the Asia-Pacific policy, followed by its Indo-Pacific policy and trade wars. The U.S. also refused to consider China a significant power. The shifts in the policies of the U.S. (cooperation to confrontation) are to be viewed in the background of China’s rise, especially in economic and military terms.

Moreover, the military under the leadership of President Xi Jinping is much more potent than it was in the past. In the summer of 2022, Chinese officials also strongly asserted that no part of the Taiwan Strait could be considered international water, which means they might move and intercept the US warship sailing through the area.¹³

India refrained from making comments on Pelosi's visit to Taiwan. However, China, Nepal, Russia and Pakistan have severely opposed Pelosi's visit to Taiwan.

To sum up, it can be argued that U.S. speaker Newt Gingrich’s visit to Taiwan was utterly different from Pelosi’s visit. Therefore, the existing superpower should treat it as a provocation for China.

¹² Shyam, Madhukar, “China’s view on the U.S. role in Indo-Pacific” Apr-June 2022 *Strategic Perspective*, <https://usiofindia.org/publication/cs3-strategic-perspectives/chinas-view-on-the-us-role-in-the-indo-pacific/https://www.nytimes.com/2022/08/03/world/asia/chinese-military-drills-maps.html>

¹³ Mozur, Paul and Chien, Amy Chang, “Chinese military drills circling Taiwan set up a potential standoff” 03 August 2022.: <https://www.nytimes.com/2022/08/03/world/asia/chinese-military-drills-maps.html>

Domestic News

China puts millions under Covid lockdown again

Following further Covid-19 breakouts, China has once again placed millions of its residents under lockdown as the government maintains its strict approach to virus containment. The policies had an impact on cities from Shenzhen and Guangzhou in the south to Dalian in the north, and from Chengdu in the west to Shijiazhuang in the centre of Hebei province.¹⁴

About half of Dalian's six million people were anticipated to be affected by the lockdown, which was scheduled for five days. However, in the past, officials have prolonged restrictions based on the volume of new cases. At least four districts in Shenzhen, with a combined population of almost 9 million, have already imposed temporary halts on dining at restaurants and ordered the closure of leisure and cultural establishments. Only five locally transmitted cases were detected in Guangzhou, a metropolis of almost 19 million people adjacent to Hong Kong, on 30th August. Still, officials there ordered the closure of indoor entertainment facilities and restaurant eating in one zone until Saturday. Travel into and out of Beijing has been discouraged, and inhabitants are tested virtually every day, but the city is not under total lockdown. Other cities, including Chengdu in the southwest, Shenyang in the northeast, and Jishui in the southeast, have seen partial lockdowns.¹⁵

China has kept its borders closed to international travellers, enforcing a more than week-long quarantine in hotels with sometimes poor hygienic conditions. Regular testing and masking are normative. The closures occurred as more evidence suggested that the stringent zero-Covid plan is slowing China's economy.

Five officials removed from duty for not implementing epidemic rules

The Xizang Autonomous Region in Southwest China's city of Xigaze stated on August 12 that five officials had been fired for failing to implement epidemic preventive measures adequately. The roles of the five officials, including the head and deputy head of the municipal health commission, were removed from their positions. Xigaze had extended its city-wide static management a day before, where residents were instructed to stay inside their homes for three more days.¹⁶

China's Housing woes

As the new strain of the coronavirus hit China, the country's housing problem has worsened daily. A decline in recent house sales and real estate prices has

¹⁴ China places millions into Covid lockdown again as economy continues to struggle. 31st August, 2022. *The Guardian*. <https://www.theguardian.com/world/2022/aug/31/china-places-millions-into-covid-lockdown-again-as-economy-continues-to-struggle>

¹⁵ Ibid.

¹⁶ 5 officials in SW China's Xizang removed for not fully implementing epidemic prevention measures. 13th August, 2022. *Global Times*. <https://www.globaltimes.cn/page/202208/1272869.shtml>

occurred for the first time in years because of the pandemic. Between \$55 trillion and \$60 trillion was the estimated worth of the Chinese housing market. As a result of being denied access to cheap finance, developers are now going bankrupt, prices are dropping, homeowners are refusing to make payments on unfinished mortgages, and the downturn in real estate sales and construction is crushing local governments that depend on property sales for revenue.¹⁷ China's attempts to resurrect the housing industry with lower mortgage rates, more detailed credit requirements, subsidies, and laxer rules have not been successful. In April and May, new house prices declined in more than half of China's 70 major cities for the first time since 2016, and sales of such properties plunged by about 60 per cent.¹⁸

China's central bank lowered its lending rate this month. The five-year loan prime rate (LPR) was decreased by the People's Bank of China (PBOC) by 1.5 percentage points, which is equal to the most significant decrease on record. The PBOC lowered the five-year rate on August 19 to 4.2%, which should reduce the cost of mortgage payments nationwide. The prime rate for one-year loans, typically used to assess business lending, decreased from 3.7% to 3.65%.¹⁹ The Chinese premier, Li Keqiang, virtually met with high-ranking representatives from six important provinces: Guangdong, Jiangsu, Zhejiang, Shandong, Henan, and Sichuan. He claimed that urgent action was needed to fortify and reinforce the framework for economic recovery.²⁰

China announces date for 20th CPC National Congress

On August 27, the Communist Party of China (CPC) Central Committee's Political Bureau convened a meeting to discuss the planning for the 19th CPC Central Committee's seventh plenary session and the 20th CPC National Congress. The 19th CPC Central Committee's seventh plenary session and the 20th CPC National Congress were both decided to be held on October 9 and 16, respectively. Beijing will be the location of both summits. It was emphasised during the conference that the 20th CPC National Congress was a congress of tremendous significance that would be held at a crucial time, as the entire Party and the entire nation were to start on a new journey toward creating a modern socialist country in every respect, advancing the Second Centenary Goal.²¹

More than 2,000 party members will attend the meeting, where new members will be chosen for the central committee's 200 exclusive members. Some will also join the critical seven-member standing committee, while others will join the 25-member

¹⁷ As China's Economy Stumbles, Homeowners Boycott Mortgage Payments. 18th August, 2022. *The New York Times*. <https://www.nytimes.com/2022/08/17/business/china-economy-real-estate-crisis.html>

¹⁸ China's Once-Sizzling Property Market Has Started to Cool. 20th June, 2022. *The New York Times*. <https://www.nytimes.com/2022/06/20/business/china-housing-real-estate-economy.html>

¹⁹ Point of no return: crunch time as China tries to fend off property crash. 29th August, 2022. *The Guardian*. <https://www.theguardian.com/business/2022/aug/28/crunch-time-china-tries-to-fend-off-property-crash-global-economy>

²⁰ Economic slowdown: China urges push to boost sluggish economy. 17th August, 2022. *BBC*. <https://www.bbc.com/news/business-62571995>

²¹ Meeting of CPC Central Committee Political Bureau proposes convening 20th CPC National Congress on Oct 16 in Beijing. 30th August, 2022. *The Global Times*. <https://www.globaltimes.cn/page/202208/1274210.shtml>

politburo. Future policy orientations will also be revealed during the occasion.²²

China releases Taiwan White Paper

On August 10th, a white paper titled "The Taiwan Question and China's Reunification in the New Era" was released by the State Council's Office for Taiwan Affairs and the State Council Information Office of the People's Republic of China. The Chinese government said the Communist Party of China (CPC) and the Chinese people produced the white paper to reaffirm that Taiwan is a part of China, to show their resolve and dedication to national reunification, and to highlight their positions and policies for the new age. The document elaborated that Taiwan has never been a state; its status as a part of China is unalterable, which also asserts that "we are one China" and that Taiwan is a part of China.²³

The government's fundamental tenets for settling the Taiwan issue and the best strategy for achieving national reunification were the "one country, two systems" and "peaceful reunification." According to the white paper, establishing "one country, two systems" and peaceful reunification will provide the fresh groundwork for China's continued development and national rejuvenation. It also claims to offer significant prospects for Taiwan's social and economic growth and direct advantages to its citizens.²⁴

First flag-raising ceremony by the PLA Hong Kong garrison held

In a designated area on the Central waterfront, the People's Liberation Army garrison in Hong Kong performed its first flag-raising ceremony to commemorate the military's anniversary and make a commitment to uphold national security there. In 2020, the garrison received the military berth from the city government.²⁵

Major General Peng Jingtang and political commissar Lai Ruxin from the garrison also paid tribute to the nation's 95-year-old military in a joint statement. The garrison uploaded a two-minute video to its Weibo social media account that showed roughly 70 guards of honour from the army, navy, and air force of the garrison moving from the Central barracks to the military dock. In the video, the garrison head of management, Long Zhiping, said that the ceremony was intended to inspire military commanders to be devoted in protecting the country and to remain committed and forward-thinking in order to build the army as a whole.²⁶

²² Xi Jinping poised to further consolidate power at party congress. 31st August. 2022. *The Guardian*. <https://www.theguardian.com/world/2022/aug/31/xi-jinping-poised-to-further-consolidate-power-at-party-congress>

²³ China releases white paper on Taiwan question, reunification in new era. August 10, 2022. *The State Council of the People's Republic of China*. https://english.www.gov.cn/archive/whitepaper/202208/10/content_WS62f34f46c6d02e533532f0ac.html

²⁴ Ibid.

²⁵ People's Liberation Army's Hong Kong garrison holds first flag-raising ceremony at Central designated zone marking military anniversary. 1st August, 2022. <https://www.scmp.com/news/hong-kong/politics/article/3187279/peoples-liberation-armys-hong-kong-garrison-holds-first>

²⁶ Ibid.

Death sentence for former CPC official who accepted bribes

A court in Ningbo, East China's Zhejiang Province, said on Tuesday that Shi Wenqing, the former deputy director of the Standing Committee of Jiangxi Provincial People's Congress, had been given a death sentence with a two-year remission for bribery and unlawful possession of guns. While serving in Heilongjiang Province in northeastern China and Jiangxi Province in central China between 2003 and 2020, the court found that Shi used his position to give unauthorised support to organisations and people engaged in project financing and contracting the purchase of state-owned land. The court also observed that Shi accepted bribes totalling 195 million yuan (\$28.6 million) from 2003 to 2020, either personally or via family members. He also handed a gun he had gotten from someone else to one of his relatives in 2004.²⁷

China's Worst Drought ever

Due to a month-long heatwave and historically low rainfall, drought has developed along the Yangtze, the largest river in China. The lack has caused lakes and tributaries to dry up, exposing riverbeds and even a 600-year-old Buddhist stone sculpture and rocks beneath Wuhan's iconic Guanyin Pavilion. In a region that depends on irrigation for agriculture, lakes supplied by the Yangtze, like the Dongting Lake in Hunan Province, have substantially diminished. According to local officials, Poyang Lake in Jiangxi province, the biggest freshwater lake in China, has decreased by almost 75 per cent.²⁸

Food production in China is in danger due to the drought. The fall harvest was "severely threatened," four government ministries warned in an urgent combined emergency notification sent on August 20. It recommended strategies including staggered irrigation, the diversion of new water sources, and cloud seeding and encouraged local authorities to guarantee that "every unit of water... be used judiciously."²⁹

Chinese Government aims to raise birth rates through new policies

The Chinese government has promised to enhance pre- and post-natal facilities to reverse a plummeting birth rate. It has also restated its intention to "discourage" abortions. The nation's national health commission proposed initiatives, one of which is a commitment to increase access to reproductive treatments. The commission said it would guide local governments and health institutions to make the changes, including the provision of "targeted services to the masses through health education, psychological counselling, traditional Chinese medicine services,

²⁷ Former CPC official given death sentence for taking \$28.6 million in bribes. 16th August, 2022. *Global Times*. <https://www.globaltimes.cn/page/202208/1273166.shtml>

²⁸ What China's worst drought on record looks like. 24th August, 2022. *BBC*. <https://www.bbc.com/news/world-asia-china-62644870>

²⁹ China issues alert as drought and heatwave put crops at risk. 24th August, 2022. *The Guardian*. <https://www.theguardian.com/world/2022/aug/24/china-issues-alert-drought-heatwave-put-crops-at-risk>

drug treatment, surgical treatment, assisted reproductive technology and other means to improve the level of infertility prevention and treatment".³⁰

To increase public knowledge and "avoid unwanted pregnancy and reduce abortions that are not medically required," reproductive health education initiatives would also be run. The rules represent the most extensive national effort to date, including an effort to curtail abortions, which have long been widely available. Authorities have been urging couples to have more children in recent years. Still, many Chinese women are delaying parenthood due to challenges, including finding a compatible partner, the expense of raising a kid, and the fact that women are leading more financially independent lives in China's main cities. A rising number of women are looking to freeze their eggs due to the trend.

A new virus infects people in China

Researchers are keeping an eye on the Langya virus, an animal-derived newcomer disease that has infected at least a dozen people in eastern China. In the Shandong and Henan provinces, 35 patients have the Langya henipavirus (LayV). Many people had signs, including fever, exhaustion, and cough. A few patients suffered potentially more significant problems, such as pneumonia and changes in the function of the liver and kidneys. However, there was no information on the severity of these anomalies, the need for hospitalisation, or if any cases were fatal. Henipaviruses, are a class of zoonotic viruses that may spread from animals to people. The virus could have been spread by shrews living in the wild.³¹

Shanghai discloses new AI development plan

In order to further the growth of its Artificial Intelligence (AI) business, Shanghai has developed a new initiative. The General Office of the Standing Committee of the Shanghai Municipal People's Congress announced the city's draught AI strategy on August 30th. It includes a number of strategies to encourage the industry's growth, including monetary assistance, encouragement of start-ups and entrepreneurs, a sharper emphasis on certain market sectors, and the expansion of the industry's supply chain.³²

The proposed concept allows AI businesses to explore cutting-edge small-scale applications in lenient regulatory environments. According to the proposal, many local government agencies would be in charge of the development of the Shanghai AI sector. The major agency in charge will be the city's Commission of Economy and Information, which will have support from the departments of development and

³⁰ Chinese government attempts to boost birth rate with new policies. 17th August, 2022. *The Guardian*. <https://www.theguardian.com/world/2022/aug/17/chinese-government-birth-rate-policies-abortion-population>

³¹ A new virus has been detected in China. Should you be worried about Langya Hepnivirus? 12th August, 2022. *Science Alert*. <https://www.sciencealert.com/a-new-virus-has-been-detected-in-china-should-you-be-worried-about-langya-henipavirus>

³² Shanghai unveils AI development master plan as power crisis, new Covid-19 curbs threaten to derail city's economic recovery. 30th August, 2022. *SCMP*. <https://www.scmp.com/tech/policy/article/3190731/shanghai-unveils-ai-development-master-plan-power-crisis-new-covid-19>

reform, science and technology, cybersecurity, and market oversight.³³

China's internet companies give algorithm data to Government

For the first time, Chinese internet behemoths Tencent, ByteDance, and Alibaba, have disclosed specifics of their algorithms to China's authorities. A list describing 30 algorithms was released by the Chinese Cyberspace Administration (CAC). In an attempt to stop data exploitation, it said that its algorithm list would be routinely updated. Taobao's algorithm, according to the document, "recommends items or services to consumers based on their digital footprint and past search data." According to reports, the ByteDance algorithm for Douyin, China's equivalent of TikTok, determines user interests based on what users click, comment on, "like," or "dislike."³⁴

According to the CAC, the submissions resulted from the new algorithm legislation, which went into effect in March and instructed app makers to "reinforce positive energy" and provide customers with the option to reject personalised suggestions made by their services. The CAC promised to update the list when new entries are received.³⁵

China is building the first-ever commercial land-based SMR

In the Hainan Province in southern China, work is being done on the first land-based small modular reactor (SMR) ever built for commercial purposes. Named "Linglong-1", the SMR is approved by the International Atomic Energy Agency (IAEA).³⁶ It is the world's first nuclear reactor of this sort and is being made to meet the diversified energy demands of the area, including those of outlying communities. The unit focuses on safety, including passive safety features that work without human interaction, and has combined the essential elements of conventional reactors into just one. In 18 nations, there are plans to build more than 70 types of this reactor type, known for producing energy with minimal carbon emissions and costs. The demonstration project's construction started in July 2021 and is now moving forward according to plan.³⁷

Shenzhou-14 astronauts to go on their first spacewalk soon

The Shenzhou-14 astronauts of China will carry out extravehicular activities (EVAs) for the first time in the coming days, China Media Group announced on 13th

³³ Ibid.

³⁴ Chinese internet giants hand algorithm data to government. 16th August, 2022. *BBC*. <https://www.bbc.com/news/business-62544950>

³⁵ China's internet watchdog receives app algorithm information from Alibaba, Tencent, ByteDance. 13th August, 2022. *SCMP*. <https://www.scmp.com/tech/big-tech/article/3188776/chinas-internet-watchdog-receives-app-algorithm-information-alibaba>

³⁶ China is building world's 1st commercial land-based SMR. 29th August, 2022. *CCTV*. <https://english.cctv.com/2022/08/29/VIDEvmCnr5HqoueR8lwb5LK220829.shtml#:~:text=The%20world's%20first%20commercial%20land,power%20needs%2C%20including%20remote%20towns>.

³⁷ Nuclear Energy: China is building world's 1st commercial land-based SMR. 16 August, 2022. *CGTN*. <https://news.cgtn.com/news/2022-08-16/VHJhbnNjcmldDY3ODgy/index.html>

August. Since boarding the Shenzhou-14 spacecraft and boarding the Chinese space station, the three-person crew has spent 70 days working and residing in orbit. The Tianhe core module, the Wentian lab module, the Shenzhou-14 spacecraft, and the Tianzhou-4 cargo vessel make up the Chinese space station. While the Shenzhou-13 and Shenzhou-12 crew members all left the Tianhe core module, the Shenzhou-14 astronauts will leave the airlock cabin of the Wentian lab module for the first time.³⁸

China's first Hualong-1 nuclear power units operate steadily

The first power plant in China employing the third-generation Hualong-1 technology that the nation independently created has finished the first stage of its commercial operation in Fuqing, in the Fujian Province of southeast China. The fifth unit in the plant started building in 2015 and entered commercial operation in January 2021. It offers significant manufacturing experience. The Hualong-1 reactor, which has 177 reactor cores and a design life of 60 years, requires refuelling every 18 months. According to the China National Nuclear Corporation, it complies with the most rigid safety requirements in the world. At least one million people should receive power each year from the unit. In March this year, the second unit at the factory utilising Hualong-1 technology was prepared for operational use.³⁹

Driverless taxis take the road in Chongqing and Wuhan

Fully autonomous taxis began operating on the streets of Wuhan and Chongqing. A green light has been obtained for the driverless taxi services to be introduced by Baidu, the largest search engine and artificial intelligence company in China. According to the firm, the licences given to its Apollo Go autonomous ride-hailing service, which will let customers to book robotaxi trips without human drivers present, represent "a critical turning point" for China's future of mobility. It becomes the first mainland business to run fully autonomous taxis on public roads.⁴⁰

The largest open-source autonomous driving platform in the world, Apollo, was introduced by Baidu in 2017. In addition to the robotaxi business, it is accelerating the research and manufacture of smart EVs for domestic use to take advantage of the fast-moving electrification of mainland Chinese highways. Next year, Jidu, its car-making division, intends to begin building its first mass-produced vehicle.⁴¹

³⁸ China's Shenzhou-14 astronauts to conduct their first spacewalk in coming days. 13 August, 2022. CGTN. <https://news.cgtn.com/news/2022-08-13/China-s-Shenzhou-14-astronauts-to-conduct-extravehicular-activities-1ct0sXW6r6g/index.html>

³⁹ World's 1st Hualong-1 nuclear power units operating smoothly in SE China. 26th August, 2022. CGTN. <https://news.cgtn.com/news/2022-08-20/World-s-1st-Hualong-1-power-units-operating-smoothly-in-SE-China-1cEFnGXuDHW/index.html>

⁴⁰ Baidu launches China's first driverless taxi services in Chongqing and Wuhan in landmark moment for autonomous motoring. 8th August, 2022. SCMP. <https://www.scmp.com/business/china-business/article/3188190/baidu-launches-chinas-first-driverless-taxi-services>

⁴¹ Ibid.

Amusement parks in Guangdong stay open till late to support local economy

In Chinese cities, increasing the nighttime economy has shown to be a successful recovery strategy from the COVID pandemic. In order to encourage evening tourism in China's major industrial centre, authorities in the southern Chinese city of Guangzhou have extended the operating hours of nearby amusement parks. A list of picturesque locations suitable for nightlife, including some amusement parks, was recently published by the Guangdong tourism authority as part of its campaign to promote night tourism. And it's all a part of initiatives to maximise the use of already-existing resources in order to strengthen local economies in light of China's economic difficulties.⁴²

⁴² China's Nighttime Economy: Guangzhou revives amusement parks at dusk. 28th August, 2022. *CGTN*. <https://news.cgtn.com/news/2022-08-28/VHJhbnNjcmlwdDY4MTM4/index.html>

International News

China calls U.S. 'main instigator' of Ukraine Crisis

China's ambassador to Moscow, Zhang Hanhui, accused Washington of backing Russia into a corner with repeated NATO defence alliance expansions and support for forces seeking to align Ukraine with the European Union rather than Moscow in an interview published on August 10, 2022, by the Russian state news agency TASS. In February, Russian President Vladimir Putin travelled to Beijing to meet with Chinese President Xi Jinping, agreeing to a "no boundaries" relationship that both countries lauded as superior to any Cold War alliance. "As the creator and principal driver of the Ukrainian issue, Washington continues to transfer armaments and military equipment to Ukraine while placing unprecedented, sweeping sanctions on Russia," Zhang said. "Their ultimate goal is to exhaust and crush Russia with a protracted war and the cudgel of sanctions." He slammed US House Speaker Nancy Pelosi's visit to self-governing Taiwan on August 2, 2022.⁴³

China-Russia export at an all-time high

China's commodities exports to Russia reached a recent high of \$6.77 billion in May, up from a low of \$3.82 billion in April, a 35% month-over-month increase.

According to official Chinese customs statistics, commodities imported from Russia totalled \$10 billion, up 48.8% from July 2021 and the highest rise of any nation reported by the customs administration. While they remain in technical and regulatory compliance, the most recent trade data numbers imply that Chinese enterprises may have discovered such seams. According to Reuters, which used data from Kpler and Refinitiv, Russian crude oil exports to China decreased in November. According to Kepler's calculations, China imported 843,000 barrels of Russian oil per day (BPD) in July, compared to 1.33 million BPD in May and June. Beijing will decide soon whether to limit imports of Russian crude oil or abide by prospective Western "price ceilings" on Russian crude exports since the EU is preparing to phase out most imports of Russian hydrocarbons by the end of the year. According to a Reuters investigation, Russia's sanctioned airlines are starting to disassemble planes for spare components. Although the Chinese ambassador to Russia stated that Beijing was "ready to offer aviation components to Russia" in June, it was claimed that China refused to sell Russia's spare aircraft parts in March 2022.⁴⁴

⁴³ Reuters, 10 August 2022, "China calls U.S. 'main instigator' of Ukraine Crisis," URL: <https://www.reuters.com/world/china-calls-us-main-instigator-ukraine-crisis-2022-08-10/>

⁴⁴ Webster Joe, Foreign Affairs, 11 August 2022, "Chinese export to Russia is pre-war highs," URL: <https://supchina.com/2022/08/11/chinese-exports-to-russia-near-pre-war-highs/>

Chinese Ambassador to India, H.E. Sun Weidong's Interview with TOI

On August 3, 2022, H.E. Sun Weidong, the Chinese ambassador to India, spoke with Sachin Parashar of The Times of India in an exclusive interview on US House Speaker Pelosi's travel to China. He said that the one-China idea is continuously distorted, obscured, and undermined by the US. The one-China concept has not, however, been rigorously implemented by the US. As the current head of the U.S. Congress, Speaker Pelosi's visit and activities in Taiwan, in whatever capacity and for whatever motive, are a significant political provocation to improve official U.S. contacts with Taiwan. China has consistently and openly opposed formal communications between the US and Taiwan. The US House Speaker's travel to the Taiwan territory has sparked outrage and fierce protest from the Chinese people. To foster the healthy and steady development of China-India ties, it is anticipated that the Indian side would be able to comprehend and support China's efforts to safeguard its sovereignty, security, and development interests.⁴⁵

Beijing calls on India to support for 'one-China policy'

The ambassador representing Beijing recently stated that the policy was the "basis" of the two countries relations and urged India to "openly restate" it, as others had done. Since 2008, New Delhi has not mentioned the policy in the media. A spokeswoman for the foreign ministry only stated that India's policies "are well known and consistent." Beijing wants India to reiterate the one-China policy to bolster regional support following US House Speaker Nancy Pelosi's visit to Taiwan, which sparked provocative military exercises by the Chinese military surrounding the self-governing island. Sun Weidong, China's ambassador to India, said on the embassy's website, "We hope that the Indian side might publicly repeat its one-China policy like many other nations." India adheres to the one-China policy and exclusively recognises the Beijing government. However, it has not mentioned these in bilateral agreements or public pronouncements. In a statement released this month, the foreign ministers of the G7 state that the one-China policy and Taiwan relations have not changed. The Chinese envoy, Sun, reaffirmed Beijing's view that Pelosi and the US were entirely to blame for the tension surrounding Taiwan and Beijing's response, which included military exercises and penalties against Pelosi. When questioned about the anxiety surrounding Taiwan, Arindam Bagchi, a Ministry of External Affairs spokesman, responded to reporters as "India's related policies are well known and consistent." India pleaded with all parties to use prudence and abstain from taking unilateral action to alter the status quo.⁴⁶

⁴⁵ Embassy of PRC in the Republic of India, 4 August 2022, "Chinese Ambassador to India H.E. Sun Weidong Gave an Exclusive Interview to the Times of India on US House Speaker Pelosi's Visit to China's Taiwan Region," URL: http://in.china-embassy.gov.cn/eng/embassy_news/202208/t20220804_10733759.htm

⁴⁶ South China Morning Post, 5 August 2022, "Beijing calls on India to repeat support for one-China policy like G7, ASEAN did after Pelosi's Taiwan trip," URL: https://www.scmp.com/news/asia/south-asia/article/3188884/beijing-calls-india-repeat-support-one-china-policy-g7-asean?module=perpetual_scroll_0&pgtype=article&campaign=3188884

China blocks India-US bid to sanction JeM leader at UNSC

Without mentioning Pakistan or China, India's representative to the UN, Ruchira Kamboj, spoke out against "double standards in dealing with terrorists" and the politicisation of the sanctions regime during a UN Security Council discussion on the risks of terrorist activities. Additionally, she stated that it was time to stop "the practice of imposing holds and blocks on listing requests without providing any rationale." China has previously used technical holds to obstruct requests to name JeM head Masood Azhar before the UN sanctions committee at least four times over a decade. On May 1, 2019, China conceded in Masood Azhar's case and lifted the technical hold, allowing the 1267 committee to name him for his involvement in terrorism and his ties to al-Qaeda. China caved down as a result of increasing international pressure and its efforts at the moment to mend fences with New Delhi following the border impasse at Doklam in 2017. Azhar was allegedly involved in the planning and executing of numerous terrorist attacks, including the 1999 hijacking of Indian Airlines flight IC814 from Kathmandu to Kandahar, the 2001 attack on India's Parliament, and the 206 attacks on the Indian Air Force base in Pathankot, according to Indian officials.⁴⁷

ASEAN urges 'maximum restraint' as China launches missile exercises around Taiwan

On August 4, 2022, when China fired ballistic missiles into the waters around Taiwan, Southeast Asian countries urged "maximum caution," while Western countries encouraged Beijing to defuse tensions after U.S. House Speaker Nancy Pelosi visited the island. The G7 leaders' Wednesday statement, in which they voiced alarm over the planned live-fire drills, was also rejected by China's foreign minister. In his opening remarks to the ASEAN summit, where Retno Marsudi (Minister for Foreign Affairs of Indonesia) accompanied him, Antony Blinken (US Secretary of State) stated that the United States "continues to have an enduring interest in peace and stability across the Taiwan Strait." A transcript of his joint news conference with Retno quotes him as saying he did not want China to "create a crisis or seek a pretext to expand its aggressive military action." Yoon Suk Yeol, the president of South Korea, decided against interrupting his vacation to speak with Pelosi in person; instead, the two chatted over the phone. Her four-nation journey in Asia began in Singapore and Malaysia, continued in Taiwan, and concluded in Japan.⁴⁸

China and ASEAN deepen cooperation

The ASEAN-China, ASEAN Plus Three, East Asia Summit, and ASEAN Regional Forum Foreign Ministers' Meetings were held in Phnom Penh, Cambodia, on August 4 and 5, 2022. Chinese State Councilor and Foreign Minister Wang Yi

⁴⁷ Rezaul H Laskar, India News, 12 August 2022, "China blocks India-US bid to sanction JeM leader at UNSC," URL: <https://www.hindustantimes.com/india-news/china-blocks-india-us-move-to-designate-jem-leader-as-global-terrorist-101660200367152.html>

⁴⁸ Radio Free Asia, 4 August 2022, "ASEAN urges 'maximum restraint' as China launches missile exercises around Taiwan," URL: <https://www.rfa.org/english/news/cambodia/china-taiwan-asean-08042022181303.html>

participated. Since the COVID-19 outbreak, this is the first round of offline foreign ministers' discussions on East Asia cooperation. China has supported ASEAN's pivotal role in regional architecture for the past 30 years while maintaining cordial ties with its ASEAN neighbours. A key element and impetus for East Asian development is the amicable collaboration between China and ASEAN. China has consistently and unequivocally supported ASEAN's significance in developing regional architecture. China signed the Free Trade Agreement with ASEAN and was one of the first to ratify and implement the Regional Comprehensive Economic Partnership (RCEP). China recognises and respects ASEAN as a zone of peace, freedom, and neutrality and has participated in the ASEAN-China Summit, ASEAN Plus Three Summit, and East Asia Summit for 24 consecutive years, respectively. For instance, Chinese leaders have attended the ASEAN-China Summit, ASEAN Plus Three Summit, and East Asia Summit for 24 years and 16 years, respectively. China also signed the Free Trade Agreement with ASEAN and was one of the first to ratify and implement the Regional Comprehensive Economic Partnership (RCEP). China also respects ASEAN as a region of peace, freedom, and neutrality and has never asked ASEAN to take sides. Regional cooperation in East Asia, one of the most active areas in the world, is essential to ensuring economic recovery, supply chain stability, and national economic security of East Asian economies. Other nations have attempted to divide East Asia, incite discord and conflict, and purposefully disrupt the process of East Asian cooperation through various methods. We should defend open regionalism, consider the requirements and worries of all parties, and avoid letting "exclusive little circles" affect regional planning.⁴⁹

European Parliament calls China's Xinjiang violations a 'Serious Risk of Genocide'

The treatment of predominantly Muslim, Turkic-speaking indigenous ethnic groups in China's Xinjiang region, including the Uyghurs, Kazakhs, and others, amounts to "crimes against humanity" and poses a "high risk of genocide," according to a resolution passed by the European Parliament. The European Parliament adopted the resolution on June 9, denouncing China's treatment of Uyghurs and other indigenous peoples in the northwest "in the harshest possible terms." The resolution is the toughest ever passed by the legislature. It represents a stronger stance taken by Brussels toward Beijing, even though it falls short of openly labelling China's acts as genocide. China's activities in Xinjiang have previously been referred to as "genocide" and "crimes against humanity" by the United States. The Uyghur population in China "has been ruthlessly persecuted by violent means, including mass deportation, political indoctrination, family separation, limits on religious freedom, cultural devastation, and the pervasive use of surveillance," according to the resolution. Furthermore, it states that there is "reliable evidence that birth-prevention efforts and separating Uyghur children from their families constitute to crimes against humanity and seriously raise the possibility of

⁴⁹ Yang Chao, Tian Guangqiang, People's Daily Online, 11 August, 2022, "China and ASEAN contribute to further deepening East Asia cooperation," URL: <http://en.people.cn/n3/2022/0811/c90000-10134228.html>

genocide.” The document urges the Chinese government to “immediately end” the practice of detaining people arbitrarily for crimes “targeted” at Uyghurs and other ethnic Turkic peoples without charge, trial, or conviction, to shut down all camps and detention facilities, and to “immediately and unconditionally” release everyone detained as a result of the practices. The U.S. State Department estimates that up to 2 million Uyghurs, Kazakhs, and members of Xinjiang’s other indigenous ethnic groups have been detained in detention facilities in western China. China disputes that the locations are internment camps, but residents of the province who have escaped claim that thousands of individuals are being subjected to “political indoctrination” at a network of locations formally designated as reeducation centres. The resolution, which is not legally binding, also criticises Michelle Bachelet, the UN’s high commissioner for human rights, for her recent visit to Xinjiang in China. It claims that during her visit, she “failed to hold the Chinese government accountable for human rights abuses against the Uyghurs.” On June 8, several rights organisations demanded her resignation, alleging that she had “whitewashed” Beijing’s “atrocities” throughout her visit to China. Michelle Bachelet encouraged Beijing to assess its counterterrorism measures to ensure they adhere to global human rights norms during the visit. She said that her six-day visit was an opportunity to interact with the government rather than a look into China’s human rights practices.⁵⁰

Uzbekistan asks SCO to establish Mutual Investment Action Plans

First Deputy Minister of Investments and Foreign Trade of Uzbekistan Aziz Voitov has suggested that members of the Shanghai Cooperation Organization (SCO) create an action plan to encourage cross-border investment. The Second SCO Economic Forum, which is taking place in Tashkent, was where Voitov was speaking. Even though this has always been part of the SCO’s mandate, it is now broadening its reach into trade and economic growth with more intensity. China is the economic heaviest of the nine soon-to-be full members and, in addition to the new RCEP trade pact, has free trade deals with ASEAN and India. China, India, and Russia are the three principal owners of the Asian Infrastructure Investment Bank (AIIB). They are also the BRICS New Development Bank shareholders alongside Brazil and South Africa. It also shows that Uzbekistan and the SCO countries are aware of the possibility of a rift developing between “the West”- primarily North America and the European Union and the rest of the world and that institutions must be set up immediately to properly direct SCO development funding and investment in the wake of what can be anticipated to become louder and louder calls for “Western values” across a region with subtly varying philosophies.⁵¹

⁵⁰ Radio Free Europe/Radio Liberty, 9 June 2022, “European Parliament Calls China’s Xinjiang Violations ‘Serious Risk of Genocide,’” URL: <https://www.rferl.org/a/europe-china-uyghurs-genocide/31891097.html>

⁵¹ Silk Road Briefing, 17 August 2022, “Uzbekistan Asks Shanghai Cooperation Organisation To Establish Mutual Investment Action Plans,” URL: <https://www.silkroadbriefing.com/news/2022/08/17/uzbekistan-asks-shanghai-cooperation-organisation-to-establish-mutual-investment-action-plans/>

Oil nears six-month lows, Saudi supplies glut weigh

Recently, oil prices made modest gains in Asian trading, but they were still at six-month lows due to worries about declining Chinese demand and a surplus of Saudi Arabian production. By 20:19 ET (00:19 GMT), Brent oil prices were up 0.6% to \$93.97 per barrel, while WTI crude oil futures were down 1.1% to \$88.39 per barrel. On Monday, both contracts fell between 3% and 5%, reaching their lowest levels since early February. Weaker-than-expected statistics on industrial production in China, which indicates weak demand in the world's top crude importer, were the primary driver behind oil's recent losses. China's central bank also reduced lending rates to support growth in the face of more COVID lockdowns. Despite a fall in demand this year, Saudi Aramco, the largest petroleum producer in the world, suggested it may raise output. The focus was also placed on talks between Western nations and Iran to revive the 2015 nuclear agreement, which would relieve some sanctions against Iranian oil and boost the flow of petroleum.⁵²

China backs \$640 million Sudan rail revamp

Despite an economic crisis made worse by the coup in 2021, Sudan received Chinese support to start a \$640 million rehabilitation of its railway network. According to the minister, the new machinery would enable Sudan to increase its monthly rail freight capacity from 80,000 tonnes to 350,000 tonnes. The country in North Africa, where Omar Bashir was overthrown in 2019, revealed plans in July 2021 to rebuild its more than 2,000 km (1,242 mph) rail network, which had been destroyed by years of sanctions and poor management. A military takeover in October that deposed civilian leaders of a precarious power-sharing administration and halted the nation's democratic transition cast doubt on the project. Following this, billions of dollars in aid were frozen by the US, the World Bank, and others, worsening a financing crisis.⁵³

China fumes over Somaliland's warm ties with Taiwan

Beijing's envoy to Somalia, Fei Shengchao, informed Somaliland's officials that he wanted to talk about how China might lessen the effects of the catastrophe, which destroyed the region's economy and assist those affected by Covid-19 and the East African drought. Local friends had to be gathered to undermine Somaliland's cordial diplomatic ties with Taiwan. The ambassador declined to comment on his cancelled trip to Hargeisa following the \$1.5 billion in damages inflicted by the April Waheen Market fire. Meanwhile, the independence debate has brought together Somalia and China, who both view Somaliland, a self-governing island 100 miles off their coast, as part of their territories. A statement from Somalia's foreign ministry was released in retaliation to U.S. House Speaker Nancy Pelosi's prominent trip to Taiwan. In retaliation for Pelosi's visit, Beijing conducted days-long

⁵² Ambar Warrick, 16 August 2022, "Oil Hovers Near 6-Mth Lows as China Woes, Saudi Supply Glut Weigh," URL: <https://www.yahoo.com/lifestyle/oil-hovers-near-6-mth-204655935.html>

⁵³ Mohammed Alamin, Bloomberg News, 11 August 2022, "China Backs \$640 Million Sudan Rail Revamp Amid Economic Crunch," URL: <https://www.bnnbloomberg.ca/china-backs-640-million-sudan-rail-revamp-amid-economic-crunch-1.1804380>

military drills near Taiwan. In 1991, Somaliland proclaimed its independence. Somaliland views the Great Power conflict between the United States and China as an opportunity after a fruitless decades-long pursuit for international recognition. The port and runway in Berbera, situated on the Gulf of Aden's coasts and looking out over the vital shipping lanes connecting the Indian Ocean to the Suez Canal, have been given to the Pentagon for use. Somalilanders ominously suggest that the alternative is the Chinese rule of the area. The U.S. military already has access agreements for hangars and other facilities at Mombasa, Kenya; Libreville, Gabon; and Entebbe, Uganda. Senior U.S. military official: "If the U.S. doesn't act in Somaliland, eventually you're going to have an [Somaliland] administration that can't say no to China's influence." In the past, Taiwan had more African allies. Over the previous ten years, Burkina Faso, Gambia, Sao Tome and Principe have changed their allegiances to China. When Somaliland dispatched an official delegation to Taiwan this year, Beijing became more irate. Taiwan sent Somaliland vaccinations, oxygen generators, testing tools, ventilators, and ambulances during the Covid-19 crisis. Ambassador Allen Chenwa Lou, Taiwan's highest envoy in Hargeisa, described it as "a geopolitical chess piece-in-waiting."⁵⁴

China to facilitate quality African food and agricultural imports

According to a spokeswoman for the Foreign Ministry, China would encourage and help more distinctive, high-quality agricultural and food products from Africa into the Chinese market. This would benefit both the Chinese and African populations directly. In answer to a question on the steps China would take to promote importing agricultural and food goods from African nations, spokesperson Wang Wenbin commented at a routine press briefing. Wang added that China is the second-largest destination of African farm exports. The Chinese government places significance on enhancing agrarian cooperation with Africa and actively encourages the purchase of agricultural products from Africa. The average growth rate of agricultural exports from Africa to China has topped 11.4 per cent in recent years. According to Wang, China announced the creation of a "green route" for the entry of agricultural goods from African nations last November during the Forum on China-Africa Cooperation's 8th Ministerial Conference. Furthermore, China would help African businesses that have been given the go-ahead to import agricultural goods register by using flexible techniques like video inspection or document review to hasten the evaluation and registration procedure. He noted that the commerce in agricultural and food goods between China and Africa would flourish and expand with the combined efforts of both parties.⁵⁵

⁵⁴ Michael M. Phillips, The Wall Street Journal, 11 August 2022, "China Fumes Over Somaliland's Warm Ties With Taiwan," URL: <https://www.wsj.com/articles/china-fumes-as-somaliland-refuses-to-unfriend-taiwan-11660213603>

⁵⁵ Huaxia, Xinhua News, 16 August 2022, "China to facilitate quality African food, agricultural imports: spokesperson," URL: <https://english.news.cn/20220816/aed229dab4a34af190d700fd47e3369f/c.html>

China forgives debt for 17 African nations

China has promised to cancel 23 interest-free loans for 17 African countries and offer the impoverished countries food aid. China's foreign minister Wang Yi also pledged that China would help the 17 African countries with food aid. Critics accuse China of "debt trap diplomacy," whereby it eventually offers loans to obtain critical international assets. President Xi Jinping of China has come under fire for engaging in "debt trap diplomacy." Several African nations, including Kenya, South Africa, and Uganda, have withdrawn sizable loans from Chinese lenders. Forbes cites World Bank data from 2020 that shows that Djibouti (43%), Angola (41%), and the Democratic Republic of the Congo are the African countries with the most significant external debt to China as a proportion of gross national income (29 per cent). However, the idea of a Chinese "debt trap" has also drawn criticism. Research published in 2020 found that between 2000 and 2019, China refinanced or restructured around \$21 billion of debt in Africa.⁵⁶

CPTPP bid shows political side of China's trade goals

China submitted a membership application to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) in September 2021. China's political reasons are less apparent, but it is evident that Beijing wants to increase trade and support industrial growth. Beijing's CPTPP bid is probably an effort to spread its view of international trade laws, given Beijing's unrepentant statements that its methods are legal under the WTO. As a result, China's CPTPP bid is probably a defensive action against AUKUS and an effort to increase its power in the Asia Pacific. The recent trips made by President Joe Biden to Japan and South Korea show that he is open to forming commercial alliances in the area. The CPTPP bid by China represents a chance to simplify complex international trade laws and reduce lingering trade disputes.⁵⁷

Chinese Military Exercises continue around Taiwan

On August 8, China declared it would carry out its military drills in the Taiwan Strait. This followed a four-day practice and used naval ships, planes, and missile troops to simulate a blockade of the island. Ships violated the unofficial line dividing Chinese and Taiwanese seas in the Taiwan Strait, and missiles were launched toward Japan's economic exclusion zone near the waters off Okinawa. According to China's Eastern Theater Command, which is in charge of operations near Taiwan, new drills from August 8-10 included "combined anti-submarine and sea assault operations." China has said it would carry out routine patrols around the island. Following the visit by Nancy Pelosi (August 2, 2022), the speaker of the US House, Beijing, escalated its confrontational behaviour toward Taiwan after a week. Speaker Pelosi's visit is strongly criticised by Beijing, which regards the

⁵⁶ Andrew Backhouse, 22 August 2022, "China forgives debt for 17 African Nations," URL: <https://www.news.com.au/finance/economy/china-forgives-debt-for-17-african-nations/news-story/28ab7f45440142634ff8efd0360b2fec>

⁵⁷ Zhijie Ding And Wanjun Zhao, Asia Times, 11 August, 2022, "CPTPP bid shows political side of China trade goals," URL: <https://asiatimes.com/2022/08/cptpp-bid-shows-political-side-of-china-trade-goals/>

island as its sovereign territory and asserts sovereignty over it. The Chinese have likely boosted their military drills off the island to legitimise Chinese activities in the area, train their forces in combined arms operations, and demonstrate their military strength to possible rivals like the US and Japan. In the short- to medium-term, expect China to continue its military drills off Taiwan. The US is anticipated to send ships through the Taiwan Strait in reaction to greater Chinese aggressiveness soon.⁵⁸

'India, China must not allow their politics to interfere in internal affairs of neighbourhood'

Tshering Tobgay, a former prime minister of Bhutan, said that India and China must not allow their politics to intrude on the internal affairs of the neighbourhood. He added that some politicians in the neighbourhood use the China card to strike a balance and advance particular political goals within their own countries. Tobgay, who served as Bhutan's prime minister from 2013 to 2018, claimed that India could and should do more to help SAARC and BIMSTEC reach their full potential. He said that the nearby nations, which range in size from 40 million to 200 million, "are giants in their own right." It seems the demand of the time that more has to be done by the governments of these nations, including India, to promote greater confidence and collaboration. As part of a lecture series by CPR on the subject of "India and the World," this brings together eminent speakers who have a long and deep involvement with India, Tobgay spoke.⁵⁹

Chinese FM holds talks with Nepalese counterpart

On August 10, 2022, Chinese State Councilor and Foreign Minister Wang Yi met in Qingdao, Shandong Province, east China, visiting Nepali Foreign Minister Narayan Khadka. Wang noted that China and Nepal are bound by mountains and rivers and have a lasting friendship. Wang also stated that regardless of how the international and regional situation changes, China and Nepal have consistently provided each other with solid support on matters involving shared interests and have stood together in the face of difficulties. According to Wang, China has always upheld the idea that all nations are equal, regardless of their size, power, or wealth. It will continue to support Nepal in maintaining its sovereignty, independence, and territorial integrity, seeking a development path consistent with national realities, improving the lives of its citizens, and promoting national revitalisation. Wang also stated that China is prepared to collaborate with Nepal to build the Belt and Road with high quality, uphold their enduring friendship, and create new opportunities to

⁵⁸ Wescott Yeaw, Foreign Brief- Geopolitics Newsletter, 8-14 August 2022, "Chinese Military Exercises Continue Around Taiwan, August 8-13," URL: <https://foreignbrief.com/radar-sweep/indo-pacific-geopolitics-newsletter-08-14-2022/>

⁵⁹ Shubhajit Roy, The Indian Express, 15 August 2022, "'India, China must not allow their politics to interfere in internal affairs of neighbourhood'," URL: <https://indianexpress.com/article/india/india-china-must-not-allow-their-politics-to-interfere-in-internal-affairs-of-neighbourhood-8090427/>

expand bilateral ties. Khadka said Nepal and China had provided a model of amicable cohabitation and mutually beneficial collaboration between nations of various sizes by constantly treating each other as equals and with respect. Khadka stated that the Nepali side admires China's spectacular development successes and praised China for supporting Nepal in preserving its sovereignty and territorial integrity and assisting Nepal in hastening its post-quake rebuilding and post-epidemic recovery. Khadka said that Nepal steadfastly upholds the one-China policy and would never let anybody utilise Nepali territory for any purposes that are hostile to China or detrimental to China's interests. Wang argued that, in light of the current state of chaos in the world, China and Nepal, as developing nations and friendly neighbours, should mainly assist one another, jointly uphold the fundamental functions of the UN, and adhere to the "golden rule" of not meddling in the internal affairs of other countries.⁶⁰

China-Nepal agree on building trans-Himalayan network

Following the meeting of their foreign ministers, China and Nepal have decided to construct the so-called Trans-Himalayan Multi-Dimensional Connectivity Network, according to the Chinese foreign ministry. According to the agreement, Wang Wenbin, a foreign ministry spokeswoman, stated during a regular media conference in Beijing on August 11, 2022, that China would fund the feasibility study of a China-Nepal cross-border railway and send specialists to Nepal to perform surveys this year. The network would be built as part of China's Belt and Road programme, including communication networks. President Xi Jinping made a historic trip to Nepal in 2019, during which the two countries formalised their alliance as a "strategic partnership."⁶¹

⁶⁰ Huaxia, Xinhua News Agency, 11 August 2022, "Chinese FM holds talks with Nepalese counterpart," URL: <https://english.news.cn/20220811/7270b2541b134281abeb170d2e382f91/c.html>

⁶¹ Reuters, 11 August 2022, "China, Nepal agree on building a trans-Himalayan network," URL: <https://www.reuters.com/world/china/china-nepal-agree-building-trans-himalayan-network-2022-08-11/>

About the Editors

- Dr Madhukar Shyam is a Research Assistant at Centre for Strategic Studies And Simulation (CS3) at the United Service Institution of India, New Delhi. His previously included being a Assistant Professor at the Dept. of Political Science, Delhi Colleges of Arts and Commerce, University of Delhi. He finished his M.Phil. and PhD. from Centre for East Asian Studies at School of International Studies, from Jawaharlal Nehru University. His M.Phil. is on 'Middle Kingdom and New Confucianism in Chinese Foreign Policy; 1989-2016' and PhD is on 'Intellectual Property Rights in China: A Case Study of Copyright; 2001 to 2018'. He writes on International Politics, China's Foreign Policy and its Economic policy for different journals.
- Swayamsiddha Samal is a Research Assistant at the Centre for Strategic Studies and Simulation (CS3) at the United Service Institution of India. (USI). She holds a Bachelor of Arts from Jawaharlal Nehru University in Mandarin language and a Master of Arts from Pondicherry University in Politics and International Relations. Her M.A. dissertation was on 'Chinese ties with three African states: Kenya, Somalia and Djibouti'. She has previously interned at the Takshashila Institution and published in various news outlets. Her research interests are Chinese politics, specifically the Chinese Communist Party, China's foreign policy and its role in the Indo-Pacific region.



United Service Institution of India

Rao Tula Ram Marg
(Opposite Signals Enclave)
Post Bag No 8
Vasant Vihar PO
NewDelhi-110057



SUBSCRIBE



Disclaimer: The SinoMeter does not reflect the official views of the USI and USI is not responsible for the credibility and factual correctness of the news items in the given newsletter.