

CHINA'S TRILATERAL DIPLOMACY AND THE RESHAPING OF SOUTH ASIA'S REGIONAL ORDER

by Ratish Mehta and Omkar Bhole

Chinese Foreign Minister Wang Yi's recent visit to India has been seen as a cautious step towards the gradual normalization of strained bilateral ties. Yet, it was his subsequent engagement in Kabul for the sixth China–Pakistan–Afghanistan trilateral dialogue that signaled a more consequential trend; the steady evolution of Beijing's South Asia strategy. The meeting gained added importance in the light of China's inaugural trilateral with Pakistan and Bangladesh in Kunming, revealing China's renewed effort to institutionalize its presence in one of Asia"s least integrated neighborhoods.

While China's bilateral engagements with South Asian countries have deepened over the past decade, the absence of a robust multilateral arrangement with South Asia – besides India's longstanding regional influence – has often constrained Beijing's ability to promote its broader economic and security interests across the region. However, recent developments, including the India-Pakistan military conflict and persisting anti-India sentiments in Bangladesh, have opened new avenues for Beijing to expand its footprint by projecting itself as a stable and reliable alternative to India.

Importantly, these trilateral mechanisms, convened within just three months of each other, suggest more than just tactical cooperation. They reflect a broader, multi-pronged strategy. The sixth foreign ministers' summit between China, Pakistan, and Afghanistan on August 20, succeeding a preparatory meeting in May, focused on addressing China's concerns regarding the China-Pakistan Economic Corridor (CPEC), countering India's growing engagement in Afghanistan, and positioning Beijing as a mediator between Islamabad and Kabul. In contrast to this issue-driven framework, the inaugural China-Pakistan-Bangladesh mechanism appears to reflect Beijing's exploratory phase, in which it is testing how minilateral architectures might be leveraged to advance broader regional objectives.

The timing of these diplomatic forays, when India-China relations appear to be progressing towards some form of <u>rapprochement</u>, is no coincidence. It reveals an emerging Chinese strategy in South Asia designed to achieve three strategic objectives. First, to safeguard Beijing's economic interests in politically volatile environments. Second, to position China as a central convening power in a region lacking strong institutional frameworks. And third, to incrementally challenge India's traditional primacy in its immediate neighborhood. Taken together, such formations signal Beijing's ambitions to expand its influence through targeted partnerships beyond traditional bilateralism with significant implications for India and the regional order.

Safeguarding Investments Amidst Instability

China's geo-economic interests in South Asia have often been undermined by persistent political instability. Its most ambitious CPEC projects continue to face challenges from extremist groups in Pakistan and Afghanistan, resulting in financial and human losses. Despite these setbacks, China has consistently included plans to integrate Afghanistan into CPEC in every joint statement since the third trilateral summit in 2019. However, recent border skirmishes and a diplomatic standoff between Pakistan and Afghanistan have further complicated prospects for expanding the corridor into Afghanistan. As speculations that PM Sharif's visit to China last month would inaugurate CPEC 2.0 did not materialize, prospects for extending it into Afghanistan remain doubtful.

China was also amongst the first countries to exchange diplomats with the Taliban, positioning itself as a key player in Kabul's foreign policy. However, the Taliban's simultaneous attempts to diversify relations with other countries such as India, Iran, Russia have diluted China's image as Kabul's "most important partner", a label often used during the early Taliban years. More so, the recent cancellation of a Chinese contract for the Amu Darya oilfield project further indicates Beijing's limited diplomatic clout. This setback is particularly significant given the deal's 25-year term, and its status as a major win for China after the return of Taliban in 2021. The <u>reasons</u> given for the cancellation by the Afghan government, such as differences between promised and actual investments, lack of preference for Afghan workers and absence of lucrative guarantees from the Chinese side, signal China's failure to deliver on promises, which could affect its long-term credibility.

From Beijing's perspective, security concerns over its projects and workers have hindered the pace of investments. Repeated attacks on Chinese nationals including the 2022 Kabul hotel attack or the recent gun shooting in Takhar province has discouraged

deeper engagement. For instance, even the now-defunct Amu Darya contract was signed in 2023 only after the accused in the hotel attack were either killed or arrested. Such conditions are not conducive for long-term investments since Chinese firms are reluctant to invest in high-risk, low-return projects. For instance, China's ambitious Mes Aynak copper mining project, originally signed in 2008, only saw some progress recently owing to hesitation from the state-owned China Metallurgical Group Corporation.

In such a scenario, the trilateral framework offers China a platform to get Pakistan and Afghanistan together and build a shared mechanism for protecting CPEC-related investments. The proposed expansion of CPEC into Afghanistan could also justify an expanded Chinese security presence under the banner of "promoting security through development", a key tenet of Beijing's foreign policy discourse.

At the same time, China also aims to position itself as a primary contributor to Afghanistan's reconstruction efforts, building on its previous <u>Tunxi initiative</u>, which focused on deepening economic linkages.

Meanwhile, the trilateral framework with Pakistan and Bangladesh focuses on exploring new avenues of cooperation, primarily in trade and industry. With Dhaka's new regime looking to diversify its diplomatic outreach away from India, China can potentially enforce a CPEC-like model to deepen economic ties, especially in sectors such as ports and energy infrastructure. While this initiative is still in its nascent stage, it holds the potential to reshape regional economic dynamics and challenge India's traditional clout in its immediate neighborhood.

Shaping Agendas and Setting Norms

The formation of these trilateral forums reflects a broader pattern within Beijing's 'peripheral diplomacy' strategy, which seeks to gain greater influence through dense political and security partnerships that reduce dependence on Westernled mechanisms. A clear example of this approach is China's emphasis in official readouts on opposing "any external interference in the region", hinting at western influence in Pakistan and Afghanistan, while subtly placing itself as a natural regional stakeholder.

A related concept that sheds light on China's regional vision is the notion of a "Himalayan Quad". First articulated in 2020 between the foreign ministers of China, Pakistan, Afghanistan and Nepal through a video conference, the concept never materialized into a structured grouping. Yet, the manner in which China has since layered multiple minilaterals hints at the possibility that it is experimenting with formats

that could eventually reconfigure into a broader Himalayan framework.

Seen in this light, China's dialogues with Pakistan, Afghanistan, and Bangladesh may be less about ad hoc crisis management and more about keeping open the option of building a cross-Himalayan network that connects China to its western periphery. Whether this evolves into a functional "Himalayan Quad" will depend on the willingness of states like Nepal and Bangladesh to deepen their involvement, as well as on how India and other regional actors respond.

The trilateral format also gives Beijing a platform to operationalize elements of its Global Security Initiative (GSI), portraying itself not just as a development partner but also as a security provider. Rather than extending formal security guarantees or military alliances, China offers a combination of conflict mediation, counterterrorism cooperation and capacity-building in policing and border management. At the same time, Beijing has stepped up arms sales and defense cooperation with both Pakistan and Bangladesh, embedding itself in their security architectures. These moves, while framed as contributions to regional stability, are largely geared towards securing China's own strategic interests, such as protecting Belt and Road projects, managing militant spillover into Xinjiang, and constraining India's influence in its neighborhood.

What also makes these trilaterals even more significant is that they are convened outside existing multilateral structures such as the South Asian Association for Regional Cooperation (SAARC), Shanghai Cooperation Organisation (SCO) or even Belt and Road Initiative (BRI) summits. By convening independent trilaterals, Beijing is effectively setting the agenda, location and tempo of dialogue, a form of power that ensures discussions align with its strategic priorities while avoiding procedural gridlocks. The flexibility of this format also enables China to navigate each country's sensitivities, such as Bangladesh-Pakistan frictions, while still advancing its narrative of constructive engagement and regional leadership.

China's recent mediation between Afghanistan and Pakistan illustrates this dual function. The May 2025 trilateral in Beijing saw Foreign Minister Wang Yi pressing Kabul and Islamabad to restore ambassador-level ties, while simultaneously opening political space for Afghanistan's prospective integration into the CPEC. This way, Beijing attempts to leverage the trilateral both to stabilize its immediate periphery and to expand the institutional scope of CPEC, thereby simultaneously reinforcing its role as both a peacebroker and architect of connectivity.

The Challenge to India's Regional Standing

For India, the implications are nonetheless unavoidable. The Bangladesh-Pakistan-China trilateral in Kunming may have been framed by Dhaka as "not political" and "not aimed at sidelining India", yet its very existence alters South Asia's strategic landscape. China has previously demonstrated, through platforms like the China-South Asia Cooperation Forum, that it can convene regional formats which deliberately bypass New Delhi, thereby challenging India's long-standing position as the region's natural anchor. These emerging trilaterals further substantiate such efforts, with Beijing selectively targeting South Asian partners where it can forge consensus, often in areas where New Delhi has been unable to find viable solutions.

A case in point is <u>water governance</u>, identified as a priority during the China-Pakistan-Bangladesh meeting. If institutionalized, such cooperation could potentially evolve into a China-led common front against India's upstream advantage in the Indus and Brahmaputra water systems.

Moreover, Pakistan's open hostility towards India has enabled Beijing to elevate it as a linchpin in its minilateral experiments, while providing diplomatic space for other regional states to subtly balance between the two Asian powers. China's deliberate positioning of Pakistan, when viewed against the backdrop of Beijing's "all-weather" partnership and explicit diplomatic support for Islamabad, also hints to other South Asian countries that Beijing can act as a counterweight when tensions with India arise.

As a result, India's neighbors, despite political caution, remain open to new minilateral geometries if China is at the table. By institutionalizing cooperation through working groups and regular ministerial meetings, these trilaterals could become testbeds for a broader South Asia forum focused on specific issues and simultaneously undermine India's leadership role. This is particularly significant given the continuous deadlock that faces the SAARC, which has largely remained ineffective due to India-Pakistan tensions.

The evolving dynamic should prompt New Delhi to think beyond defensive reactions. Bilateral

diplomacy with neighbors, while critical, is no longer sufficient when China is experimenting with regional minilateral architectures that give smaller South Asian states both voice and resources under its leadership. Institutional engagement matters as much as bilateral influence, as institutions help to shape norms, expectations and regional agendas. New Delhi must therefore re-evaluate its South Asia strategy by not only reinforcing sub-regional platforms like the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), Bangladesh-Bhutan-India-Nepal Initiative (BBIN), and Indian Ocean Region Association (IORA), but also by demonstrating that it can convene, sustain and even deliver institutional cooperation at scale.

For South Asia, the question is not whether these frameworks are temporary or tactical but whether they crystallize into enduring alignments that displace India's traditional primacy and normalize China's role as the indispensable convener of the region. The answer will depend as much on India's ability to adapt as on Beijing's capacity to sustain these carefully choreographed diplomatic experiments amidst a geopolitically volatile environment and competing interests between participating South Asian countries.

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