

One Year After the Kazan Summit: An Assessment of China-India Relations

Ivan Lidarev

Summary

The 2024 Kazan Summit marked a successful thaw in China-India relations, stabilising their border and easing several economic restrictions. However, the Summit has neither diminished bilateral mistrust nor delivered meaningful progress on sensitive issues or a forward-looking agenda. To move beyond this tentative détente, both sides must pursue deeper and more consistent engagement – though the unpredictability of United States foreign policy continues to complicate such efforts.

It has been a year since Indian Prime Minister Narendra Modi and Chinese President Xi Jinping met on the sidelines of the BRICS Summit in Kazan, Russia. The meeting on 23 October 2024 – the first official one after six years – was the result of a breakthrough in the long and difficult talks between the two sides on disengagement along the disputed border. It came after an unprecedented five-year freeze in bilateral relations which followed a huge military crisis on the border in 2020. Crucially, the meeting officially inaugurated a process of improving relations between the two sides that aimed to normalise the deeply troubled China-India relationship.

One year after the Kazan meeting, it is important to take stock of China-India relations. On the positive side, the two sides have successfully managed to thaw their relations. While slow and difficult, the thaw has gathered momentum and survived crises such as the <u>India-Pakistan conflict</u> in May 2025 and the <u>Dalai Lama's announcement of his reincarnation plans</u>. The resumption of the long-suspended <u>high-level visits</u> between the two sides testifies to the success of the thaw, culminating in <u>Modi's visit to Tianjin</u> for the Shanghai Cooperation Organisation Leaders' Summit. However, importantly, the thaw does not reflect a return to the pre-2020 China-India relationship.

The stabilisation of the disputed China-India border is the greatest achievement of the last year. The two militaries successfully disengaged along the whole border and are <u>pursuing de-escalation</u>, the second of three steps, which involves the pullback of troops and equipment from the border areas. Importantly, the two sides set up <u>three new mechanisms</u> to manage military tensions along the border and negotiate the resolution of the dispute, filling some of the institutional vacuum left after 2020. The two side have made some tentative progress on the negotiations on resolving the territorial dispute with the adoption of a sectoral approach to the dispute, <u>commitment to the 2005 agreement</u> and a renewed focus on the <u>'early harvest' agreements</u>, likely agreements on settling the disputed border in Sikkim or in the middle sector. Crucially, the two sides have partly decoupled the territorial dispute from their overall relationship, reducing the destabilising impact of the former on the latter.

The partial removal of economic restrictions and the acceleration of economic interaction represent another important achievement for the thaw. Recently, the two sides restored direct flights and are likely to expand them. Bilateral trade, which admittedly did not suffer significantly during the 2020-2024 freeze, has gathered new momentum, with Indian exports to China increasing by22 percent in the first half of the current fiscal year. China restarted the delivery of tunnel boring machines to India and has pledged to resume the export of rare earths and magnets, with licences reportedly issued to Indian companies. India has restored access to some previously blocked Chinese websites and applications, such as Shein, and considers easing some restrictions on Chinese investment.

On the negative side, the thaw in China-India relations has not produced a reset in relations. Not only have the two sides failed to address the fundamental issues that divide them, but their thaw has fallen short in three ways. First, the progress on both the border and economic engagement has been limited. A mass of troops and equipment remain stationed close to the border while the <u>military</u> and <u>transportation</u> infrastructure building competition in the borderlands continues, complicating ongoing de-escalation and potential deinduction. India's bans on Chinese investment and many Chinese applications remain in place, while Beijing still restricts the export of some <u>synthetic fertilisers</u> to India and is yet to deliver rare earths magnets.

Second, the two sides have not taken adequate steps to reduce their enormous post-2020 mutual mistrust – a mistrust that has intensified their security dilemma. Instead, their actions have heightened it. Beijing has <u>recalled Chinese staff</u> from iPhone plants in India and supported Islamabad in its conflict with New Delhi, whereas India has enhanced its implicitly anti-Chinese <u>defence cooperation with the Philippines</u>.

Third, China and India have not iterated a positive agenda for their bilateral relationship, beyond the promise to <u>promote multipolarity</u>. No new economic, political or even people-to-people initiatives have been proposed. Thus, the efforts of the two sides have concentrated on reducing the negative side of their relationship by managing contentious issues instead of strengthening its much weaker positive side.

Where does this leave China-India relations? The thaw has succeeded in its main task of normalising China-India relations after the 2020-2024 freeze, but the improvement needs to be much greater so as to address the contentious issues in the relationship and advance cooperation. The two main drivers of the thaw – both sides' concern that their relationship has dangerously deteriorated and the recent crisis in United States (US)-India relations – cannot be relied on to produce further progress. Hence, to reduce mutual mistrust, overcome economic roadblocks and cooperate, the two sides need to pursue a more active engagement.

The US factor is arguably the greatest immediate challenge facing the improvement of China-India relations. The unpredictability of US President Donald Trump administration, the unstable balance between Washington and Beijing, Trump's outreach to Pakistan and the mixture between crisis and bargaining in US-India relations generate uncertainty about the immediate future of China-India relations. The continuation of Chinese restrictions on rare

earth exports to India in September and October 2025 – likely a response to American tariffs – illustrates this uncertainty.

In sum, the Kazan Summit prompted a successful thaw between China and India, partially normalising their relations. However, the thaw has not significantly advanced the relationship or addressed the underlying frictions that continue to impede deeper engagement.

.

Dr Ivan Lidarev is a Visiting Research Fellow at the Institute of South Asian Studies (ISAS), an autonomous research institute at the National University of Singapore (NUS). He can be contacted at ivanlidarev@nus.edu.sg. The author bears full responsibility for the facts cited and opinions expressed in this paper.