TREADING LIGHTLY: CHINA’S FOOTPRINT IN A TALIBAN-LED AFGHANISTAN

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I. Introduction

Following the United States withdrawal from Afghanistan in August 2021 and the return of the Taliban, much has been written about the likely role of China, as both a neighbouring state and a major global power, in the future of the country.¹ The security, economic and humanitarian vacuum left by the end of the US occupation has significant implications for China’s interests in the country and the wider region—in terms of both challenges and opportunities. Developments in Afghanistan could pose serious problems for China’s domestic stability in the volatile Xinjiang region, as well as its signature geo-economic project, the Belt and Road Initiative (BRI), in Pakistan and Central Asia. At the same time, a relatively stable Afghanistan—free from threats by militant and terrorist groups—could provide opportunities for China and other regional states to contribute to its post-conflict economic reconstruction and development.

The Taliban, which in August 2021 took over a country suffering from more than four decades of sustained warfare, faces a combination of humanitarian, economic and financial crises. External aid, which previously constituted nearly half the country’s gross domestic product, has largely evaporated.² The number of security incidents and battle-related deaths has drastically declined in the past year, but the Taliban continues to shelter a number of militant extremist and terrorist groups that pose a threat to regional and global security.³ Human insecurity has reached crisis levels in terms of hunger, poverty, underdevelopment, lack of educational opportunities and targeted ethnic and gender-based discrimination.

There is no question that China has the capacity—in the form of aid and economic resources—to play a major role in Afghanistan’s post-conflict reconstruction and economic development. It also has clear vested interests


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In a stable and secure Afghanistan, which could provide opportunities for investment in the country’s mineral resource sector. However, it is yet unclear how willing China might be to proactively expand what until now has been a largely passive role and limited footprint in the country.

In an attempt to answer this question, this SIPRI Insights Paper provides a preliminary assessment of China’s attitudes towards and policies on Afghanistan under the Taliban regime by examining the security, economic and humanitarian aspects of China’s engagement. China faces significant challenges in dealing with a regime that maintains a domestic governing ideology that is anathema to the international community and that continues to host militant extremist groups which China considers a direct threat to its interests at home and abroad. The effectiveness of China’s approach will depend on how credible its offer of positive incentives in the economic and political domains is to the Taliban leadership, in return for the latter’s pledge to address the Chinese government’s security concerns. In short, China’s approach to Afghanistan walks a tightrope and continues to be marked by pragmatism.

While China is a potentially critical player when it comes to security and development in Afghanistan, the Chinese government believes that Afghanistan’s other neighbouring states can and should contribute collectively to addressing the challenges of rebuilding and integrating the country into regional security, economic and diplomatic networks. For at least the past decade, China has played an increasingly prominent role in promoting regional, and extra-regional, dialogue and cooperation in multilateral and mini-lateral platforms. As part of a wider assessment of China’s role in a Taliban-led Afghanistan, this paper discusses the degree to which such platforms—including but not limited to the Shanghai Cooperation Organization (SCO) and the Foreign Ministers’ Meeting Among the Neighbouring Countries of Afghanistan—have played a constructive role in Afghan development and security since August 2021 or could play such a role in future. It examines what role China is willing to play in these broader regional frameworks.

Section II briefly traces the China–Afghanistan relationship prior to August 2021, and Section III outlines China’s security, economic and development interests and footprint under the current Taliban regime. Section IV discusses the broader prospects for and challenges facing Chinese–Afghan relations, including from a regional perspective. Section V concludes with a discussion on how China fits into the vacuum left by the US withdrawal.

II. The China–Afghanistan relationship prior to August 2021

China maintained a relationship with the first Taliban regime (1996–2001), primarily seeking security guarantees in relation to the East Turkestan Islamic Movement (ETIM), which had attempted to establish an independent Uighur state in western China in the 1990s. Having been pushed out of Xinjiang, the ETIM set up a base in Afghanistan in 1998 under the auspices of the Taliban government. While it provided sanctuary to the group, Tali-

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ban founder and leader Mullah Omar allegedly gave personal assurances to China that it would not allow any group to use Afghan territory as a base to conduct attacks on China. Thus, although China did not extend the diplomatic recognition the Taliban sought, it refrained from antagonizing the group and generally took a hands-off approach to developments in the country.

While there were no official ties between China and the Taliban regime, Chinese diplomats and think tank delegations visited Kabul and held talks with their counterparts on issues ranging from Chinese humanitarian aid to assistance with repairing damaged power grids and reinstating direct flights between Kabul and Urumqi. Media reports highlighted shipments of arms and spare parts through Pakistan and the involvement of the Chinese firms Huawei and ZTE in the telecommunications system in Afghanistan. The regime also sought Chinese support for the relaxation of UN Security Council sanctions on Afghanistan.

Soon after the Taliban regime was toppled in December 2001, the Chinese government officially recognized the Afghan Transitional Administration under Hamid Karzai. In December 2002, Afghanistan’s six neighbouring states signed the Kabul Declaration on Good-neighbourly Relations with the Karzai government, pledging their commitment to constructive bilateral relations based on the principles of territorial integrity, mutual respect and non-interference in internal affairs. China emphasized a number of principles that should be observed when dealing with issues related to Afghanistan: (a) respect for its sovereignty and territorial integrity; (b) that any solution must come from the Afghan people, should not be imposed from outside and should be conducive to regional peace and stability; (c) that a broadly based government is the key to stability; and (d) that the UN should play a more active and constructive role. China and Afghanistan signed the Treaty of Friendship, Cooperation and Good Neighbourly Relations in 2006.

Over the next decade, China played only a limited role in Afghan affairs, while exploring ways to engage which included ambitious but ultimately unfulfilled investment projects in the country. The presence of ethnic Uighur separatists on Afghan territory continued to concern the Chinese government. In fact, relations between Uighur fighters and the Taliban only deepened through their joint battlefield experience fighting Western and

Afghan government security forces. The ETIM—also known as the Turkish Islamic Party (TIP)—was of particular concern to China. It was designated a terrorist organization and al-Qaeda affiliate by the UN Security Council in 2002 and incorporated into Western counterterrorism efforts as part of the ‘global war on terrorism’. While often criticized by the Chinese government, the US and North Atlantic Treaty Organization (NATO) military presence in Afghanistan in effect served to manage the threat of the ETIM/TIP on China’s behalf.

When the Obama administration announced its intention to end the US combat mission in Afghanistan by December 2014, China began to increase its engagement with the Afghan authorities in the security realm. This included the provision of military equipment, joint patrols of the shared border and visits by high-ranking security officials—building on the visit by Zhou Yongkang, China's top-ranking official in charge of domestic security in 2012. Following a visit to Kabul by a Chinese military delegation in 2016, General Fang Fenghui, then Chief of the General Staff of the People’s Liberation Army, offered more than $70 million in military aid to the country. In July of the same year, China delivered military equipment to the Afghan forces, including small arms and military vehicle parts. While publicly maintaining its policy of non-interference, these activities constituted ‘creative’ foreign security interventions. Beyond bilateral cooperation, China actively led new formats for political and security consultations, such as a trilateral foreign ministers’ dialogue with Afghanistan and Pakistan, and the Quadrilateral Cooperation and Coordination Mechanism (QCCM) with Tajikistan, Pakistan and Afghanistan to coordinate counterterrorism activities, both established in 2016.

However, China’s headline activities were in the economic realm. In 2008, Jiangxi Copper and the China Metallurgical Group Corporation were awarded a 30-year mining concession at Mes Aynak, a site 40 km south-east of Kabul in a barren region of Logar Province, estimated to be the second largest copper deposit in the world. In another large-scale project, a Chinese–Afghan joint venture was announced in the Amu Darya oil basin.

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12 A range of Uighur militant activity continues to be blamed by China on the ETIM, even though there is little evidence that the formal grouping continues to exist. The TIP, however, maintains an operational structure and membership, and a presence in Syria, Afghanistan and Pakistan. Roberts, S., The War on the Uyghurs: China’s Campaign Against Xinjiang’s Muslims (Princeton: Princeton University Press, 2020).


14 van der Kley, D., China’s Foreign Policy in Afghanistan (Lowy Institute: Sydney, Oct. 2014).


19 People’s Daily, ‘四国军队反恐协调机制会发表联合声明’ [Four countries’ military counter-terrorism cooperation and coordination mechanism will issue joint statement], 5 Aug. 2016.
2011 involving the state-owned China National Petroleum Corporation. Afghanistan has tremendous economic potential, with vast mineral reserves that include substantial deposits of copper, iron ore, lithium and rare earths worth at least $1 trillion, in addition to deposits of oil and gas. However, security concerns and a range of technical difficulties, including the lack of appropriate infrastructure, mean that neither project has reached the extractive phase.

In contrast, China’s development assistance and humanitarian activities were much less extensive during this period. China’s engagement in Afghanistan has generally followed its commercially focused modalities of development assistance, using large-scale infrastructure projects in developing countries that combine its commercial and strategic objectives. Formally, however, Afghanistan is not included in China’s BRI and, as noted above, ongoing security challenges have precluded China’s envisaged projects from coming to fruition.

Nonetheless, China has provided what could be categorized as official development assistance (ODA). In 2002, it supported the formation of Karzai’s provisional government by committing $150 million in assistance over a five-year period. Over the next two decades, it provided a range of assistance, from grants to goods and materials, debt relief, capacity training and support for governmental and educational infrastructure, but the value of this was minimal compared to other donors. In the period 2002–13, China pledged $197 million to Afghanistan. In 2014–17, a period of heightened engagement due to China’s active involvement in peace negotiations, a further $326.7 million was pledged. However, this was just 2 per cent of the $17 billion in ODA that Afghanistan received in that three-year period.

III. China’s interests and footprint under the current Taliban regime

Even though the Chinese government had maintained bilateral diplomatic ties with successive Afghan governments since 2001, it never completely cut

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off contact with the Taliban. This contact only intensified after 2014, when the Obama administration announced a date for US troop withdrawal. China appointed its first country-specific special envoy in relation to Afghanistan in that year and became proactive in political mediation between the Afghan government and the Taliban, participating in the Quadrilateral Coordination Group (QCG), together with Pakistan and the United States, and in the Moscow Dialogue format, established in 2016 and 2017 respectively. China also hosted the Taliban on its own territory several times between 2014 and 2019. These efforts were made in support of ‘a comprehensive and inclusive Afghan-led and Afghan-owned reconciliation process’ among the country’s different political factions. China’s facilitation and engagement also ensured that it would have access to whoever eventually emerged as the government, including the Taliban leaders.

In July 2021, one month before the Taliban’s takeover, China held a high-profile meeting with a delegation of nine Taliban representatives in Tianjin, led by the head of the Afghan Taliban Political Commission. During the meeting, China’s foreign minister, Wang Yi, recognized the Taliban as ‘a critical military and political force in the country, [which] is expected to play an important role in the peace, reconciliation and reconstruction process of Afghanistan’. In August, days before the fall of the Afghan republic, a spokesperson for the Chinese Ministry of Foreign Affairs, when asked about what a Taliban-ruled Afghanistan would mean for China, stated that China was ‘ready to continue to develop good-neighborliness and friendly cooperation with Afghanistan’. While some speculated that this openness indicated Chinese intentions to expand its sphere of interest in the region, it was more likely reflective of the Chinese government’s hedging strategy—its primary interests in Afghanistan being contingent on constructive if not cooperative relations with whichever faction took the reins in Kabul.

### China’s security interests and footprint

For China, security remains by far the most pressing priority in its relationship with the Taliban, as it is directly linked to internal security in its westernmost region of Xinjiang.

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34 Zhao, H. ‘中国与阿富汗 [China and Afghanistan], Center for International Security and Strategy, Tsinghua University, 28 July 2021.
China’s footprint in a Taliban-led Afghanistan territory.35 This was a reconfirmation of the same guarantees that the Taliban had provided to China in the 1990s. Since the Taliban takeover, security has continued to be a core agenda item for bilateral talks involving China’s foreign ministry and its Taliban counterparts.36

China maintains limited counterterrorism capacities of its own in relation to Afghanistan. The USA delisted the ETIM as a terrorist organization in 2020 and has been far less indiscriminate in its foreign counterterrorism operations in recent years. The onus is, therefore, now largely on the Taliban to meet China’s security needs.37 Indeed, China’s long-standing non-interference policy—reiterated by Wang Yi during his May 2022 visit, when he stated that China would ‘never interfere in Afghanistan’s internal affairs’—means that any security presence on Afghan soil would be highly limited.38

There are differing perspectives on the extent to which the ETIM/TIP poses a direct threat to China from Afghanistan. A UN report suggests that the ETIM/TIP numbers just a few hundred individuals, which the Taliban has already relocated from the bordering Badakhshan region to other parts of the country in what appears to be an effort to restrain their activities against China.39 The direct border of less than 100 kilometres, located in the Wakhan Corridor, is extremely isolated and non-traversable for large parts of the year. It is also heavily fortified on the Chinese side. To date, there has not been a direct attack on Chinese nationals attributed to ETIM/TIP members based on Afghan territory.40 Chinese concerns, however, also include Afghanistan being used by militant and terrorist groups as a base for training and organizing or distributing propaganda, which could spill over into other countries in Central and South Asia where the Chinese presence is much more substantial in terms of investment and the number of Chinese nationals. Recent attacks on Chinese nationals in Pakistan only heighten such concerns.41

The current reduced levels of propaganda from and campaigning activity by Uighur groups compared to previous years could well be an indication of Taliban efforts to restrain the group.42 However, China’s approach remains viable only for as long as the Taliban sees credible current and future benefits accruing from the relationship. It is also contingent upon cohesion and continuity of the Taliban’s own China’s approach remains viable only for as long as the Taliban sees credible current and future benefits accruing from the relationship.

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35 Xinhua (note 31).
40 There was, however, a terrorist incident in 2004 that resulted in the deaths of 11 Chinese workers in Kunduz, Afghanistan. Chinese Ministry of Foreign Affairs, ‘我在阿富汗的工程人员遭遇袭击，11名工人遇难’ [Chinese engineering personnel in Afghanistan suffered attack with serious casualties], 10 June 2004.
41 Delaney, R., ‘China faces an increase in extremist threats in Central Asia, US panel is told’, South China Morning Post, 13 May 2022.
42 Online interview conducted by the authors, Aug. 2022.
policy, and the Taliban’s ability to maintain effective control over enough of the country and influence over the various non-Taliban extremist elements to deliver on its stated guarantees to its Chinese counterparts.43

China’s influence already has limits. The Taliban has refrained from extraditing Afghanistan-based Uighur militants to China, including TIP leader Abdul Haq al Turkistani.44 A June 2022 UN report suggests that the ETIM/TIP and other militant groups are enjoying unprecedented levels of freedom under the new regime.45 This also applied to al-Qaeda and its leader, Ayman al-Zawahiri (who was harbourd in Afghanistan until an August 2022 US drone strike on him), in violation of explicit Taliban guarantees to the contrary in the Doha Accords signed with the USA in 2020.

General insecurity is also a concern for China. In the first half of 2022, the number of conflict-related security incidents in Afghanistan was significantly down from nearly 12 000 incidents in the same period in 2021 to just over 2000.46 However, Afghanistan remains a profoundly insecure country with spates of political violence and terrorist attacks, and a range of militant extremist groups operating in tandem with or against the current regime.47 While the ETIM/TIP has pledged allegiance to the Taliban, the security landscape also comprises violent anti-Taliban extremist groups that are actively challenging the Taliban for control.

Islamic State in Iraq and the Levant-Khorasan (ISIL-K) has several thousand members in Afghanistan. Many Uighur militants have realigned with ISIL-K—which has been effective at recruiting those disaffected with the Taliban on ideological, governance, and even ethnic grounds. While the Taliban’s ambitions are largely national in scope, ISIL-K has been outspoken in its condemnation of China’s activities in Xinjiang and made China an explicit target of attacks and its expansion goals.48 ISIL-K has also claimed responsibility for terrorist attacks on diplomatic targets in Kabul.49 The degree to which the Taliban defers to Chinese security interests therefore poses a threat to its own internal legitimacy vis-à-vis more hard-line militant Islamist groups.

However, China does have additional leverage in Afghanistan through its partnerships with other states in the region. It has, for instance, maintained a deep and long-standing relationship with Pakistan’s security and intelligence agencies.50 The Pakistan authorities have long served as patrons of the Afghan Taliban, although the bilateral relationship has frayed over border demarcation issues, as well as the Taliban’s hosting of the Tehrik-i-

45 Moon Cronk (note 13).
47 United Nations, General Assembly (note 46).
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Taliban Pakistani terrorist group. An existing joint Chinese–Tajik outpost established to secure the Tajik border with Afghanistan has been followed up with financing from China’s Ministry of Public Security for an additional outpost on Tajik territory. There are also reports of Chinese training activity on Afghan territory, although these have not been substantiated. Thus, China’s security footprint may well be expanding regionally, if not yet in Afghanistan itself.

China’s economic interests and footprint

Chinese security interests in Afghanistan depend in part on the credibility of the incentives that China can offer to a country that is among the world’s least developed according to economic as well as social indicators. Afghanistan’s economy has shrunk precipitously from an already low base since the Taliban takeover in August 2021. The collapse of the largely aid-driven economy and the freezing of over $9 billion in Afghan foreign assets through sanctions, in addition to other factors, has led to an unprecedented economic, financial and humanitarian crisis.

The Afghan consumer market is of limited interest to China, but China has offered various economic concessions, including the waiving of 98 per cent of tariffs and a recent resumption of visa issuances for Afghan businesspersons. Negotiations on the Mes Aynak copper mine and the Amu Darya oil project are continuing, following visits by Chinese business delegations and executives. However, there has been no progress beyond these talks. The US sanctions imposed after the Taliban takeover place short-term limits on large-scale investments, but a range of barriers also limit the prospects of these projects coming to fruition in the medium term.

Beyond ever present security concerns, extraction projects are hampered by the lack of facilitating infrastructure, including transport facilities. China is itself a major producer and exporter of mineral resources, including rare earth minerals, so there is no pressing need for these projects to be developed for supply purposes alone. The question of return on investment, which is challenging even in more developed markets such as Pakistan, suggests

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54 Zhu, M., ‘潘光: 中国会参与重大防卫行动，但绝非外界猜测的‘联合出兵阿富汗’ [Interview with Pan Guang: China would participate in major defence activities, but will absolutely not ‘jointly send troops to Afghanistan’], 14 Aug. 2021; and Beilei, M. and Li, X., ‘从“最低限度介入”到“有条件积极介入”: 论中国对阿富汗政策的调整’ [From ‘minimum intervention’ to ‘conditionally active intervention’: China’s policy adjustment in Afghanistan], South Asia and Southeast Asia Studies [南亚东南亚研究], vol. 2 (2021), pp. 37–49.
56 Zhao (note 10).
58 Wangdao, C. et. al., ‘阿富汗塔利班再次执政后中阿能源矿产合作策略建议’ [Suggestions on China–Afghanistan energy and mineral cooperation after the Taliban return to power], 国际石油经济 [International Petroleum Economics], vol. 29, no. 10 (2021), pp. 42–47.
59 Yin (note 57).
60 Pantucci, R. and Waziri, A., ‘China wants its investments in Afghanistan to be safer than in Pakistan’, Foreign Policy, 3 May 2022.
a hard balance between China’s political and economic logic in the Afghan context.\textsuperscript{61}

Finally, before the Taliban takeover, Afghanistan was already one of the world’s least welcoming investment environments in terms of the rule of law, corruption and poor economic governance.\textsuperscript{62} The takeover led to the collapse of what had been nominally functioning institutions, including in the financial sector.\textsuperscript{63} Future Chinese investments also face the broader challenge of directing funds to sustainable and inclusive economic development.\textsuperscript{64}

Some smaller-scale economic activity by private and public sector Chinese entities and individuals—including steel manufacturing and precious metal trading—has continued or resumed since August 2021.\textsuperscript{65} In April 2022, the Taliban re-approved a $216 million Chinese investment project for an industrial park outside Kabul, which is expected to host 150 factories.\textsuperscript{66} Future prospects include greater trade in agricultural products, a sector on which up to 80 per cent of livelihoods in Afghanistan in some way depend.\textsuperscript{67} A ‘pine nut corridor’ initiative by China in January 2022, in which 1500 tonnes of Afghan pine nuts were imported by air, has proved demonstrative in this regard.\textsuperscript{68} China has also expressed an interest in helping to find alternatives to opium production, which is currently Afghanistan’s main export in terms of value.\textsuperscript{69}

China’s economic activity is much more substantial elsewhere in Central and South Asia. Pakistan is the location of the largest flagship investment project of the BRI, the China–Pakistan Economic Corridor (CPEC), which in its first phase comprises over $25 billion in investment in port facilities, transport, energy, industrial and agricultural infrastructure, industrial parks and special economic zones, as well as other investment projects either completed or under way.\textsuperscript{70} In conversations with Afghan and Pakistani officials, Chinese officials have suggested that they would like to bring Afghanistan into CPEC.\textsuperscript{71} However, CPEC is itself encountering multiple obstacles, including security issues such as attacks on Chinese companies.

\textsuperscript{61} Rana, S., ‘Foreign public debt to “jump to $103b” by end of next fiscal’, \textit{Express Tribune}, 6 Feb. 2022.


\textsuperscript{71} Economic Times, ‘Pakistan, China mull extending CPEC to Afghanistan’, 19 July 2022.
and nationals, and slow inflows of funds for planned projects. Exposure to economic and security risks would be even higher in Afghanistan. While China has long championed economic integration and incorporating Afghanistan into broader regional trade, investment and transport networks, the greater interconnection and movement of goods and people could present challenges from a security standpoint. Nonetheless, an agreement has been signed on a multi-modal economic corridor to ship containers from China through Kyrgyzstan and Uzbekistan into northern Afghanistan, and the first shipping containers arrived in September 2022.

China’s developmental interests and footprint

Beyond ongoing consultations around large-scale investments that are unlikely to materialize in the medium term, and the aforementioned smaller-scale economic investment projects, there has been Chinese engagement since August 2021 that could be considered developmental in nature. In December 2021, a working group on humanitarian assistance and economic reconstruction was attended by representatives of a range of relevant ministries from China and the Taliban interim government. Unlike Western and other multilateral donors, China traditionally refrains from using aid conditionally to support or promote political, governance or even economic reform. Since August 2021, the Western and UN developmental footprint has been drastically reduced in an effort to induce a change in Taliban policies on political inclusivity and gender equality, among other issues. Such efforts have thus far failed. Significantly, China has also emphasized the need for the Taliban to be more inclusive. However, the promotion of norms is of much lower priority for Chinese officials, who emphasize non-interference and the particularities of Afghan national conditions.

The December 2021 meeting focused on providing aid and capacity training, as well as facilitating high-value agricultural exports of pine nuts, saffron and pomegranates from Afghanistan to the Chinese market. Support to local businesses and Afghan producers, through such dedicated projects or initiatives as the pine nut corridor, open up the possibility of private sector development. Such initiatives are in line with China’s overall approach to foreign aid, which places greater emphasis on the commercial dimension

76 AidData (note 24).
77 Lang, H., Fit for Purpose: Getting Humanitarian Aid Right in Afghanistan One Year After the Taliban Takeover (Refugees International: Washington, DC, Aug. 2022).
79 Chinese Ministry of Foreign Affairs (note 75).
of cooperation. Whether such projects are viable in terms of sustainable economic development or developmental impact remains to be seen.

However, China’s overall ODA footprint in Afghanistan has been minimal in recent decades and current security challenges—in addition to the diplomatic challenge of providing official assistance to a still unrecognized government—make it unlikely that China will become a major provider of ODA to Afghanistan in the immediate future. Notably, there are voices in China arguing that the USA and NATO member states retain the main responsibility for supporting Afghan reconstruction, given the two decades of war and the circumstances of their withdrawal.

It is noteworthy that China pledged an emergency aid package of $31 million the day after the Taliban announced its formation of an interim government. The aid package included food supplies and 3 million doses of Covid-19 vaccines. While it was well received by the Taliban, Chinese assistance was minor compared to the UN’s funding request for over $4 billion in humanitarian aid in 2022. Significantly, the USA remains by far the largest single provider of humanitarian assistance to Afghanistan, donating over $1.1 billion in the year following the Taliban takeover. Following a devastating earthquake in south-eastern Afghanistan, US assistance amounted to seven times that of China’s $7.5 million in emergency aid. There are so far no indications that China is willing to step into the role of a primary development aid provider.

It is also significant that Chinese development and humanitarian aid to a Taliban-led Afghanistan has thus far not been channelled through multilateral UN-led formats, such as the Afghanistan Humanitarian Fund or the Special Trust Fund for Afghanistan, or indeed any of the dedicated UN agencies. Instead, China has prioritized bilateral and mini-lateral formats for its assistance, such as the Tunxin Initiative with Afghanistan’s neighbouring states launched in April 2022. This is in line with China’s pattern of and modalities for providing development assistance globally, which tend to favour bilateral arrangements, as well as its more regional approach to peace and development in Afghanistan. It also reflects China’s pursuit of its security interests, which requires more direct levers of economic influence. To the extent that assistance is channelled through the Taliban, this presents challenges in terms of governance and accountability.
for goods and funds. However, the smaller-scale and more commercially focused nature of Chinese projects could prove effective in a country where large-scale aid inflows have facilitated staggering levels of fraud, waste and corruption.\(^90\)

**IV. Chinese–Afghan relations: Prospects and challenges**

For a Taliban regime that has been economically, diplomatically and financially isolated, its partnership with China holds much pragmatic appeal, given the latter’s economic and political influence internationally. China continues to champion elements of the Taliban’s agenda in UN forums, such as the unfreezing of sanctioned assets.\(^91\) Without formally recognizing the Taliban diplomatically, Chinese statements stressing Afghan independence and sovereignty, and accepting the ‘objective reality’ of their rule, represent tacit recognition of the regime’s legitimacy.\(^92\) China has made various official statements on the need for the Taliban to reform its governance in terms of ethnic, gender and political inclusivity, but such normative considerations are unlikely to influence the substance of China–Taliban relations insofar as they do not fundamentally affect Afghan or regional stability. Unlike other major powers, China has no history of overt intervention or invasion, and maintains a level of goodwill among the Taliban leadership, whose primary grievances have been against the West.\(^93\) The Taliban has even referred to China as its ‘main partner’ in rebuilding the country, and as Afghanistan’s ‘ticket to markets around the world’.\(^94\)

In principle, such a relationship is conducive to China’s achievement of its wider security and economic goals. However, there is a risk of overpromising and underdelivering, as well as indications that China has so far been unable to live up to Afghan expectations.\(^95\) The relationship is also contingent on the Taliban’s internal ideological positions, which have been rigidly held even to the detriment of its own foreign and economic policy objectives of achieving international recognition, and support for reconstruction and economic development.\(^96\) Foreign pressure, including through sanctions, has done little to convince the Taliban to change course on questions of human rights, gender equality or ethnic and political inclusivity. This highlights that there are upper bounds to what China will be able to achieve through its diplomatic, security or economic ‘carrot-and-stick’ approach. This precarious position could explain China’s relative silence on the US drone

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strike on Ayman al-Zawahiri in August 2022, although China had previously urged the Afghan side ‘to fulfill its promise on countering terrorism by taking visible and verifiable measures’.97

Moreover, the risks for China are heightened because other competitor extremist groups would be liable to criticize the Taliban for more explicit security cooperation with China, for example extradition of Uighurs to China.98 Such cooperation could pose a threat to the Taliban’s internal legitimacy and places limits on the depth of partnership between China and Afghanistan. Hence, it will be a major challenge for China to persuade the Taliban of the credible prospects and benefits that might accrue from a partnership, while being neither implicated in international condemnation of the latter’s brutal and authoritarian home rule, nor caught in the crosshairs of various militant and extremist groups. Economic benefits are unlikely to materialize in the short term, however, and the Taliban is also courting other regional partners and investors in Russia, India, Iran and Pakistan, each of which have their own aims and interests.99 The current balance, based on a hedging calculus by both sides, has not yet been stress-tested. How either side might respond to a major incident—such as an attack on Chinese nationals, even in third countries, attributable to groups hosted by the Taliban—is difficult to predict, but could move a currently stable relationship of mutual regard in a more volatile direction.

Prospects and challenges for regional leadership

Central and South Asia have often been described as a ‘test case’ for Chinese leadership, as Chinese foreign policy has since the 1970s mostly focused on creating conducive conditions for domestic economic development. It is in its western neighbourhood that China has taken a notably more proactive approach to driving regional cooperation, including as a founding member of the SCO in 2001.100 Among other functions, the SCO facilitates cooperation and information sharing among member states to combat the so-called three evils of terrorism, extremism and separatism.101 SCO membership will soon include all of Afghanistan’s direct neighbours with the exception of Turkmenistan, as Iran is set to be confirmed as a full member in 2023.102 Important regional partners for Afghanistan, such as India and Russia, are also SCO members. In 2005, an SCO-Afghanistan Contact Group was established at the deputy foreign minister level to provide a platform for

98 Ma, H., ‘Afghan militants have China in their crosshairs’, Foreign Policy, 19 Oct. 2022.
dialogue among neighbouring states to support reconciliation, reconstruction and security cooperation. Afghanistan became an observer state in 2012.

A joint declaration by SCO heads of state following a meeting in September 2022 stressed support for ‘the establishment of Afghanistan as an independent, neutral, united, democratic and peaceful State, free of terrorism, war and drugs’ and urged the formation of an inclusive government ‘with representatives from all ethnic, religious and political groups of Afghan society’. The secretary general of the SCO declared ‘turning Afghanistan into a constructive factor for regional peace, security and development’ a goal of the organization.

China has been a driving force in pushing Afghan issues in the SCO context. While the SCO might seem an ideal platform for regional cooperation, with its formal organizational structure and its wide-ranging topical coverage and membership, many observers question the overall effectiveness of the organization. Throughout its two decades, member state sensitivities on issues related to internal security and their divergent economic, political and security interests have made the SCO a relatively ineffective platform for action. In fact, the SCO has done little concrete as a collective to address Afghan security and development challenges.

However, China has also been an active participant in other Afghan-focused multilateral and mini-lateral formats. The third Foreign Ministers’ Meeting Among the Neighbouring Countries of Afghanistan—held in Tunxi, in China's Anhui province, in March 2022—reached an eight-point consensus on supporting the reconstruction of Afghanistan. The list of deliverables on humanitarian assistance, connectivity, economics and trade, agriculture, energy and capacity building involved not only China but also Iran, Pakistan, Russia, Tajikistan, Turkmenistan and Uzbekistan. The Tunxi Initiative represents the concerted efforts of Afghanistan's neighbouring states to assist with its needs and the specific commitments of each participating state based on its capacities.

China also continues to be involved in the Moscow Dialogue format. The most recent meeting was held in November 2022 with representatives of all of Afghanistan's immediate neighbours and several other regional actors besides. It also participates in a regional conference format hosted annually since 2018 by Uzbekistan in Tashkent. Many of the pre-August 2021 multilateral mechanisms are of indeterminate status. Some, such as the QCCM, the SCO-Afghanistan Contact Group and the Heart of Asia Process established by Türkiye in 2011, have de facto become defunct in the continued absence of official diplomatic recognition of the Taliban regime by...

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103 This was suspended in 2009 but resumed operations in 2017 until the Taliban takeover in 2021.
any member of the international community. Meanwhile, ongoing formats have offered an indirect line to more or less formal talks with Taliban representatives, including for extra-regional actors.

It is worth noting that many Chinese policymakers had been hopeful that Afghanistan might come to represent a point of cooperation in an increasingly tense relationship between China and the USA. In March 2022 a meeting of the QCG with US representation took place on the sidelines of the foreign ministers’ meeting in Tunxi. However, Afghanistan has not featured as an agenda item in high-level talks between the two states since, and opportunities for greater USA–China cooperation on Afghan issues remain unseized.

In sum, China’s current policy on Afghanistan demonstrates a strong appetite for a regional rather than a unilateral approach. This is, in part, because the Taliban’s perspectives and interests are intertwined with the difficult geopolitics of the broader region, which China would be hard-pressed to navigate on its own. The need for wider cultural, religious and political expertise and capacity requires an approach that leverages partnerships with Afghanistan’s direct neighbours. China’s broader diplomatic, political and economic clout—including vis-à-vis Afghanistan’s neighbouring countries—allows it to mobilize and advance this more multilateral agenda on Afghanistan. But while China may be effective at facilitating a more collective and localized regional approach to Afghanistan’s many peace, security and development challenges, the ultimate litmus test for effective regional cooperation will be the delivery of concrete outcomes beyond declarative statements and discussions. On that score, there have been growing expectations that China should do more to drive those processes and more actively facilitate conditions conducive to Afghan stability and economic development.109

V. Conclusions

In the period since the Taliban took over an Afghanistan emptied of its foreign presence, there has been much speculation that China will step in to fill the geopolitical, security and economic vacuum left by the West’s withdrawal. China certainly has direct interests in a stable, developed and well-governed Afghanistan, not least to prevent spillover into its Xinjiang province or attacks on its citizens abroad and assets in the wider regions of Central and South Asia.

However, this speculation has not been borne out by events. Thus far, there have been few indications that China has any appetite to dedicate substantial resources or personnel to resolving the myriad security, economic and development challenges that Afghanistan faces—and certainly not to the tune of the $2.3 trillion that the USA spent in two decades of engagement with the country.110 Given its non-interference policy and learning from

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**Speculation that China will step in to fill the geopolitical, security and economic vacuum left by the West has not been borne out by events**

109 Online interviews conducted by the authors, Aug. 2022; and Online SIPRI China–Afghanistan Roundtable convened by the authors, Sep. 2022.

both Soviet and US failure in Afghanistan, it is unlikely that China would risk becoming militarily mired in the country.\textsuperscript{111}

Two additional considerations probably also inform this hands-off approach. First, despite China's growing economic and security engagement in Central Asia, Afghanistan remains low on its foreign policy agenda, which continues to prioritize developments in East Asia and its strategic rivalry with the USA. Second, the Chinese government remains relatively confident that any security threats posed by the ETIM/TIP or other militant groups to China's interests in Xinjiang and the broader region can be mitigated and managed through security cooperation with other regional actors, such as Pakistan and Tajikistan.

For now, China's policies on Afghanistan are focused on building pragmatic, if not cooperative, relations with the Taliban. China has tacitly acknowledged the legitimacy of its rule, championed the unfreezing of Afghan assets and provided limited humanitarian assistance. Most importantly, perhaps, it has continued to entertain the prospect of future large-scale economic investment in the country—something that the Taliban authorities are keen to encourage. The Taliban, in turn, has provided at least nominal guarantees on security matters that China deems critical to its domestic security.

While China's security footprint in Afghanistan is minimal and it is likely to remain behind the scenes for the foreseeable future, its actual economic footprint has also been limited. The prospects for transformative investments, such as in Afghanistan's mineral resource sector, remain hypothetical and are not likely to be realized until much greater stability and security can be guaranteed for foreign investors. This appears unlikely while Afghanistan's government remains politically isolated and financially sanctioned. Finally, China's development and humanitarian assistance remains and is likely to remain minimal, not least compared to what the USA has continued to provide post-withdrawal.

China has played a more outsized role in regional affairs, participating in and convening a range of multilateral initiatives, including some that have delivered concrete results in terms of humanitarian assistance. In this regard, Afghanistan may also represent an opportunity for China to step up its leadership by working cooperatively with other neighbours to help promote a longer lasting, more localized approach to peace, security and development. Just one year into Taliban rule, however, it is worth noting that China's thus far cautious and pragmatic approach is still to be truly tested by major events. New developments on the ground or internationally could induce changes to this approach in as yet unforeseen ways.

\textsuperscript{111} Li, J., ‘China’s conflict mediation in Afghanistan’, Stimson Center, 16 Aug. 2021.
### Abbreviations

<table>
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<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>BRI</td>
<td>Belt and Road Initiative</td>
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<tr>
<td>CPEC</td>
<td>China–Pakistan Economic Corridor</td>
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<td>ETIM</td>
<td>East Turkestan Islamic Movement</td>
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<tr>
<td>ISIL-K</td>
<td>Islamic State in Iraq and the Levant-Khorasan</td>
</tr>
<tr>
<td>NATO</td>
<td>North Atlantic Treaty Organization</td>
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<tr>
<td>ODA</td>
<td>Official development assistance (ODA)</td>
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<tr>
<td>QCCM</td>
<td>Quadrilateral Cooperation and Coordination Mechanism</td>
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<tr>
<td>QCG</td>
<td>Quadrilateral Coordination Group</td>
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<tr>
<td>SCO</td>
<td>Shanghai Cooperation Organization</td>
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<td>TIP</td>
<td>Turkish Islamic Party</td>
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JIAYI ZHOU, FEI SU AND JINGDONG YUAN

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