

# China's Pandemic Diplomacy in South Asia

Chulanee Attanayake and Zheng Haiqi

## Summary

*On 27 April 2021, Chinese Foreign Minister Wang Yi held a video conference with his counterparts from Afghanistan, Bangladesh, Nepal, Pakistan and Sri Lanka. The virtual conference was an effort to collaborate and discuss China's support to South Asian nations in combating COVID-19 and post-pandemic recovery. Since the Coronavirus outbreak, Chinese initiatives in the region emphasise Beijing's efforts to enhance its soft power and diplomacy. Amidst this backdrop, this paper evaluates how China has emerged as an important partner for South Asia in responding to the global pandemic. It examines how India's own challenges have paved the way for China to exert its presence in the region further.*

## Introduction

The COVID-19 global pandemic, which clutched the world in January 2020, continues to pose unprecedented challenges to public health, food systems and employment, causing a dramatic loss of human life and devastating disruptions to economies and societies worldwide. However, the pandemic is not simply a health tragedy or an economic problem. Politics has been at the forefront in the pandemic response and management. At the domestic level, political decision-making has either stressed or improved the outbreak management, where the responses of some were more successful than the others despite the strength of a health system.<sup>1</sup> Internationally, the challenges called for coordinated efforts from countries, including sharing resources and expertise and providing support in fulfilling needed health infrastructure.

South Asia was not exempted from this reality. The region has been most impacted by the outbreak, having to deal with many challenging situations. Their large population, inadequate health facilities, high poverty rates, low socio-economic conditions, limited access to human development resources and unstable political systems are additional challenges to the containment of the pandemic. On 28 May 2021, the South Asian region surpassed 30 million infections, with India recording its highest COVID-19 death toll since the pandemic began last year. *Reuters* reported that India, Bangladesh, Pakistan, Bhutan, Nepal, the Maldives and Sri Lanka account for 18 per cent of global cases and almost 10 per cent of deaths, which may not even reflect the true extent of the problem.<sup>2</sup> Evidently, the

<sup>1</sup> Sara E Davies and Clare Wenham, 'Why the COVID-19 response needs International Relations', *International Affairs*, Vol. 96, No. 5, 2020, pp. 1227-1251.

<sup>2</sup> 'South Asia crosses 30 million COVID-19 cases as India battles second wave', *Yahoo*, 28 May 2021. [https://sg.news.yahoo.com/south-asia-crosses-30-million-045415222.html?guccounter=1&guce\\_referrer=%20aHR0cHM6Ly93d3cuZ29vZ2xlLmNvbS8&guce\\_referrer\\_sig=AQAAAHAAaPrKVvHyZlOUCl-yg4eSxRhT7Jbx3wm%20lvKd0fDCWckiSifiQGauIz0Z9KjMdYh-e\\_p57yb23xxzJHjKu7YCgvrAR-ISZXMxdSU-YKAOb0NaIEBzn8xVL-DAh90%20474fQqs1b9Yr-BlaqtBxEbvZcfnDx24Ms4vg3ltmtE8PbYy](https://sg.news.yahoo.com/south-asia-crosses-30-million-045415222.html?guccounter=1&guce_referrer=%20aHR0cHM6Ly93d3cuZ29vZ2xlLmNvbS8&guce_referrer_sig=AQAAAHAAaPrKVvHyZlOUCl-yg4eSxRhT7Jbx3wm%20lvKd0fDCWckiSifiQGauIz0Z9KjMdYh-e_p57yb23xxzJHjKu7YCgvrAR-ISZXMxdSU-YKAOb0NaIEBzn8xVL-DAh90%20474fQqs1b9Yr-BlaqtBxEbvZcfnDx24Ms4vg3ltmtE8PbYy).

pandemic has placed enormous stress on health infrastructure in these countries, and the disruptions for businesses and economic activities have intensified the distress for the governments. The pandemic's unpredictable nature and challenges have called for small countries to seek external assistance in their response. While India was the first respondent to the South Asian crisis, New Delhi's own struggle in managing the pandemic has opened an opportunity for China to emerge as the saviour.

## India as the Early Respondent

India was the first respondent to the South Asian region. For years, India was seen as the major public goods and service provider for the neighbourhood especially in providing healthcare, education, training, and scientific and technical support.<sup>3</sup> As the pandemic hit the region, India adopted a two-pronged approach emphasising on its 'Neighbourhood First' policy. On the one hand, it reactivated the South Asian Association for Regional Cooperation (SAARC) as a forum to formulate a regional action plan focusing on jointly combating the pandemic. On the other, it adopted bilateral diplomacy to reach out to its neighbours.

In this regard, the Indian Prime Minister Narendra Modi called for SAARC leaders to strategise to fight the Coronavirus threat jointly and initiated a discussion via video conferencing. Addressing the first video conference held on 15 March 2020, Modi established a joint SAARC fund to combat the pandemic by extending a contribution of US\$10 million (S\$13.24 million).<sup>4</sup> Following this, the other member states, sans Pakistan, directly pledged their contribution to the SAARC fund for fighting the pandemic. As such, Sri Lanka contributed US\$5 million (S\$6.62 million), Bhutan US\$100,000 (S\$132,000), Bangladesh US\$1.5 million (S\$1.99 million), and the Maldives US\$200,000 (S\$265,000). Pakistan's US\$3 million (S\$3.97 million) contributions are placed with SAARC Secretariat.<sup>5</sup> India later sent US\$1.7 million (S\$2.25 million) worth of medical equipment to Afghanistan, Bhutan, Bangladesh, Nepal, the Maldives and Sri Lanka from the contribution it pledged to the fund.<sup>6</sup>

As one of the major pharmaceutical and medical product manufacturers globally, India bilaterally supplied testing kits and medical equipment to the neighbouring states to address their growing shortage. Between 25 March 2020 and 6 May 2020, India sent three consignments of essential medical supplies to Bangladesh.<sup>7</sup> Between April and May of 2020,

---

<sup>3</sup> Smruti S Pattanaik, 'COVID-19 Pandemic and India's Regional Diplomacy', *South Asian Survey*, Vol. 28, No. 1, 2021, pp. 92-110.

<sup>4</sup> 'Coronavirus | Prime Minister Modi calls for COVID-19 Emergency Fund for SAARC', *The Hindu*, 15 March 2020. <https://www.thehindu.com/news/national/coronavirus-pm-modi-participates-in-saarc-video-conference-to-formulate-joint-strategy-to-combat-covid-19/article31074653.ece>.

<sup>5</sup> Smruti S Pattanaik, 'COVID-19 Pandemic and India's Regional Diplomacy', op. cit., p. 103.

<sup>6</sup> Shishir Gupta, 'Imran Khan hits mute on Saarc Covid-19 pledge, India sends \$1.7 mn relief', *Hindustan Times*, 17 April 2020. <https://www.hindustantimes.com/india-news/india-spends-1-7-million-from-saarc-covid-19-fund-imran-khan-is-again-awol/story-A7zuJGOQeRb91uJphN4ESM.html>. See also, Shishir Gupta, 'India uses Saarc Covid Fund for HCQ tablets to neighbours. Afghanistan next', *Hindustan Times*, 15 April 2020. <https://www.hindustantimes.com/india-news/india-to-send-5-lakh-hcq-tablets-to-afghanistan-from-saarc-covid-19-fund/story-4SLfVrVIOQEsWavZM6tqN.html>.

<sup>7</sup> 'India hands over 3<sup>rd</sup> tranche of emergency medical assistance to Bangladesh', *News on Air*, 6 May 2020. <http://newsonair.com/News?title=India-hands-over-3rdtranche-of-emergency-medical-assistance-to-Bangladesh&id=387817>.

it provided four consignments of medical essentials to Sri Lanka, including 13 tonnes of the consignment of essential life-saving medicines in April<sup>8</sup> and another 12.5 tonnes of medicines and equipment in May.<sup>9</sup> It supplied 320,000 dosage of paracetamol and 250,000 dosages of HCQ, test kits, and other medical supplies to Nepal. In May 2020, New Delhi sent another consignment of 30,000 PCR kits and 28 Intensive Care Unit ventilators to Nepal.

Soon after the AstraZeneca vaccine, which was jointly developed with Serum Institute of India (SII), came into the market, India provided consignments through grant-in-aid to its neighbours. Bhutan received 150,000 doses of the vaccine four days after India kick-started its vaccination programme on 15 January 2021. Bangladesh received two million doses; Nepal one million doses; the Maldives 100,000 doses and Sri Lanka 500,000. Some countries placed orders with SII to buy additional dosages. Bangladesh, for instance, signed a deal in November 2020 to purchase 30 million doses. Sri Lanka placed an order for 13.5 million AstraZeneca doses in February 2021.<sup>10</sup>

While these initiatives enhanced its soft-power projection and portrayed New Delhi as a neighbour who is putting an effort to stand by its neighbours in time of crisis, recent development has created a barrier. As a new variant found in India has had devastating effects of a second wave at home, its health system has been put under pressure without the adequate medical infrastructure to cope with the situation. Despite being among the largest medical equipment manufacturers globally, New Delhi is left without being able to meet the domestic demand. Moreover, its vaccine production was put on halt, making countries like Sri Lanka, which has already made payment to purchase doses, are left to find alternative suppliers.

This has essentially provided an opportunity for China, whose vaccine recently was recently approved by the World Health Organization (WHO). As a result, China seemed to accelerate its own pandemic diplomacy in India's neighbourhood.

## **China's South Asian Diplomacy during the Pandemic**

Amidst its own domestic health crisis, China initiated the Global Community of Health for All through which it conducted more than 70 exchanges with international and regional organisations and provided humanitarian assistance to the international community.<sup>11</sup> As of 31 May 2020, it had sent medical expert teams to 27 countries and offered assistance to 150 countries. Between 1 March 2020, and 31 May 2020, alone, China exported protective materials, including 70.6 billion masks, 340 million protective suits, 115 million pairs of

---

<sup>8</sup> 'India gifts consignment of medical gloves to Sri Lanka', *News.lk*, 28 April 2020. <https://www.news.lk/news/political-current-affairs/item/30051-india-gifts-consignment-of-medical-gloves-to-sri-lanka>.

<sup>9</sup> Meera Srinivasan, 'Coronavirus | India sends essential medicines to Colombo', *The Hindu*, 8 May 2020. <https://www.thehindu.com/news/international/coronavirus-india-sends-essential-medicines-to-colombo/article31537671.ece>.

<sup>10</sup> 'Sri Lanka orders 13.5 million AstraZeneca doses, likely to drop Chinese COVID-19 vaccines', *The Hindu*, 23 February 2021. <https://www.thehindu.com/news/international/sri-lanka-orders-135-million-astrazeneca-doses-likely-to-drop-chinese-covid-19-vaccines/article33913670.ece>.

<sup>11</sup> 'Full Text: Fighting COVID-19: China in Action', *Xinhua Net*, 7 June 2020. [http://www.xinhuanet.com/english/2020-06/07/c\\_139120424.htm](http://www.xinhuanet.com/english/2020-06/07/c_139120424.htm).

goggles, 96,700 ventilators, 225 million test kits, and 40.29 million infrared thermometers to 150 countries.

Since the early days, South Asia benefited from Chinese pandemic diplomacy even when the domestic situation in Beijing had not yet eased. In February 2020, China sent its first batch of 500 rapid test kits to Bangladesh. It also provided emergency anti-epidemic medical supplies. In June 2020, Beijing sent a medical experts team to facilitate Dhaka's fight against the pandemic. China and Bangladesh are also discussing technical details of vaccine research and development cooperation.<sup>12</sup> China sent a flight full of essential medical supplies to Pakistan on 28 March 2020.<sup>13</sup> It separately provided medical supplies to Gilgit Balochistan at the request of its local government.<sup>14</sup> Between March and June 2020, China also sent three batches of essential medical supplies and protective equipment to Sri Lanka.<sup>15</sup>

Medical aid aside, China also has come forward to help ease the economic distress of the South Asian countries. The World Bank has predicted economic contractions for the South Asian countries in 2020 where Afghanistan will experience a negative GDP of between -3.8 and -5.9 per cent, the Maldives between -13 and -8.5 per cent, Pakistan between -1.3 and -2.2 per cent and Sri Lanka between -0.5 and -3 per cent. The rest of South Asia will experience a slower growth with Bangladesh between 2 and 3 per cent, India between 4.8 and 5 per cent, and Nepal between 1.5 and 2.8 per cent.<sup>16</sup> In order to stabilise the foreign reserves and manage fiscal difficulties, China has offered South Asian countries financial aid. Pakistan was offered a US\$1.5 billion (S\$1.99 billion) financing line to repay Saudi Arabia debt. In order to construct the Main Line (ML-1) project, China has provided Pakistan US\$6 billion (S\$7.94 billion) loans as part of China Pakistan Economic Corridor (CPEC). In March 2020, China offered Sri Lanka a concessional loan of US\$500 million (S\$662 million) and another US\$90 million (S\$119 million) grant in September 2020. In March 2021, China has approved a US\$1.54 billion (S\$2.04 billion) currency swap deal with Sri Lanka to help promote trade and investment and ease its fiscal distress. A month later, China Development Bank extended a US\$500 million (S\$662 million) loan to Sri Lanka for improving foreign exchange.

Similarly, in May and August 2020, China-backed Asian Infrastructure Investment Bank approved a US\$250 million (S\$331 million) loan and another US\$100 million (S\$132.4 million) to Bangladesh to help counter the pandemic. China has also given Dhaka a loan of US\$1 billion (S\$1.32 billion) for the Teesta river management project. In June 2020, Bangladesh and China signed a duty-free agreement, announcing that 97 per cent of Bangladesh's products enjoy duty-free access to the Chinese market.

---

<sup>12</sup> Li Jiming, 'China and Bangladesh create a new chapter in the fight against COVID-19', *Global Times*, 10 August 2020. [http://www.xinhuanet.com/english/2020-06/07/c\\_139120424.htm](http://www.xinhuanet.com/english/2020-06/07/c_139120424.htm).

<sup>13</sup> 'China sends medical aid to Pakistan to combat coronavirus outbreak', *The Hindu*, 28 March 2020. <https://www.thehindu.com/news/international/china-sends-medical-aid-to-pakistan-to-combat-coronavirus-outbreak/article31194861.ece>.

<sup>14</sup> 'Chinese medical donations to Pakistan save lives, help frontline fighters against COVID-19', *Global Times*, 19 May 2020. <https://www.globaltimes.cn/content/1188783.shtml>.

<sup>15</sup> 'China donates 3<sup>rd</sup> batch of medical aid to Sri Lanka', *Xinhua Net*, 25 June 2020. [http://www.xinhuanet.com/english/2020-06/25/c\\_139164738.htm](http://www.xinhuanet.com/english/2020-06/25/c_139164738.htm).

<sup>16</sup> World Bank, *The Economic Impact of Covid-19 on South Asia*, 2020.

Similar to India's initiative of SAARC virtual summit, China held several virtual dialogues with South Asian countries focusing on taking forward closer cooperation in fighting the COVID-19 pandemic. China convened the first virtual meeting of South Asian nations in July 2020. This was followed by virtual meetings in November 2020 and January 2021. India, Bhutan and the Maldives were absent from the meeting. Foreign Minister Wang Yi said the invitation was also extended to India and that the "door is wide open" for India and the other South Asian countries to join the framework. However, India refused the invitation and said it had not recognised the initiative, and that its own efforts to engage its neighbours had been more significant.<sup>17</sup> In the meeting with Afghanistan, Nepal and Pakistan, China proposed to expand the CPEC to Afghanistan and proposed a plan to build the Trans-Himalayan Economic Corridor with Nepal jointly. In a recent meeting, China decided to establish a China-South Asian Countries Emergency Supplies Reserve, China-South Asia Poverty Alleviation and Cooperative Development Center and hold a China-South Asia E-commerce Cooperation Forum on Poverty Alleviation in Rural Areas. The foreign ministers agreed to institutionalise the cooperation among the six countries, hold regular consultations and expand cooperation areas. During its latest episode which was held in April 2021, China expressed its desire to help India tackle the situation. The Chinese Ambassador to India, Sun Weidong, tweeted quoting official statistics that China had supplied more than 5,000 ventilators, 21,569 oxygen generators, over 21.48 million masks and around 3,800 tons of medicines to India since April.<sup>18</sup>

## China's Vaccine Gaining Momentum

According to publicly available information, at the end of the first quarter of 2021, China has exported vaccines to 43 countries. The total amount of vaccines exported stood at 115 million doses, half of its total production.<sup>19</sup> According to data released by the General Administration of Customs, vaccine exports reached 11.9 billion RMB (approximately S\$2.52 billion) in the first quarter of 2021.

Pakistan received the first batch of 1.2 million doses of vaccine assistance provided by China in February and procured over four million doses from the latter in April. It is likely to get over 15 million doses in the next two months. Nepal received 800,000 doses of vaccine donations in March 2021 while Sri Lanka recently received 600,000 doses of China's Sinopharm vaccine. Colombo began administering Sinopharm in May 2021. Bangladesh has also turned to China and approved the emergency use of a vaccine developed by an affiliate of China's Sinopharm. Even the Maldives received the first batch of vaccines from China in March 2021.

---

<sup>17</sup> 'India declines China invite to join anti-Covid initiative', *Times of India*, 29 April 2021. <https://timesofindia.indiatimes.com/india/india-cold-to-chinas-invite-to-participate-in-joint-fight-against-covid/articleshow/82297253.cms>.

<sup>18</sup> Sun Weidong, Twitter, 29 April 2021. [https://twitter.com/China\\_Amb\\_India/status/1387749725177143302](https://twitter.com/China_Amb_India/status/1387749725177143302).

<sup>19</sup> 'China exports half its vaccine production: the UK and U.S., almost none. Chart', *CGTN*, 1 April 2021. <https://newseu.cgtn.com/news/2021-04-01/China-exports-half-its-vaccines-the-UK-and-U-S-almost-none-Chart-Z3YKzBnOnK/index.html>.

It is interesting to note how China is gaining momentum in its vaccine diplomacy in South Asia at the expense of India's inability to resume production and exports due to its domestic situation. In the wake of a devastating new wave of the pandemic and shortage of vaccines, small South Asian states have turned towards China to secure doses to accelerate their vaccination programmes. In addition, approval by the WHO for the Sinopharm vaccine has boosted demand from these countries.

Even though the COVID-19 pandemic is a health crisis, politics and geopolitics have played a role in its response. Regional and global powers are using health diplomacy to calibrate and recalibrate the power balance. China, which is making an effort to extend its sphere of influence to South Asia, is using this opportunity to establish its position as a provider for the region. India's paralysis caused by the new wave of infections gives a boost to China's initiatives in the former's neighbourhood.

. . . . .

Dr Chulanee Attanayake is a Research Fellow at the Institute of South Asian Studies (ISAS), an autonomous research institute at the National University of Singapore (NUS). She can be contacted at [chulanee@nus.edu.sg](mailto:chulanee@nus.edu.sg). Mr Zheng Haiqi is a PhD Candidate in the School of International Studies, Renmin University of China and a Visiting Scholar at ISAS. He can be reached at [zheng.haiqi@nus.edu.sg](mailto:zheng.haiqi@nus.edu.sg). The authors bear full responsibility for the facts cited and opinions expressed in this paper.