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上海社会科学院  
SHANGHAI ACADEMY OF SOCIAL SCIENCES

# The Future of China-MENA Cooperation:

## Navigating Uncertainty and Competition

Event Report

May 11-12, 2025

Doha, Qatar

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# Introduction

Tarik M. Yousef and Wang Jian

China-MENA relations are evolving against the backdrop of major regional and global challenges. Great power dynamics are unfolding across the Middle East, shaping regional players' alignments and strategic considerations. Escalating geopolitical risks and growing trade wars are also exacerbating the global economic outlook, posing challenges to the MENA's development and stability.

Since 2013, the Belt and Road Initiative (BRI) has served as a cornerstone of China-MENA relations. In the decade since its establishment, China's regional and global engagement has been supplemented by the launch of three major initiatives, the Global Development Initiative (GDI) (2021), the Global Security Initiative (GSI) (2022), and the Global Civilization Initiative (GCI) (2023). As they develop, these initiatives have the potential to strengthen and consolidate China's ties with the Middle East. The region currently stands at a critical juncture with ongoing transitions in Syria, Libya, and Yemen and an uncertain future for Gaza and the West Bank.

The GSI, GDI, and GCI can provide China with an opportunity to play a bigger role in advancing a balanced and effective regional security framework, and overall, a fairer international system. Economic security will be a central priority across the region's foreign policy agendas and the BRI will continue to be important to the region's development. Amidst ongoing reconstruction efforts in Lebanon, Yemen and Syria, the GDI could also serve as a robust foundation for China's role in driving regional economic prosperity. Growing technology cooperation will also remain a defining feature of the region and China's economic ties; however, it will be complicated by U.S.-led efforts to limit strategic cooperation between Beijing and the Middle East.

The GDI, GSI, and GCI are slowly expanding China's political, economic, and cultural footprint, capitalizing on the robust foundation set by the BRI. As the world experiences major geopolitical shifts, how are China's grand visions shaping Beijing's engagement with the region? Since the launch of the Global Security Initiative, how has China supported the region's strategic autonomy? As the region reels from devastating wars and conflict, how can the Global Development Initiative support sustainable economic recovery efforts? What role is the Global Civilization Initiative playing in facilitating cultural exchanges between China and the Middle East?

To explore these questions, the Middle East Council on Global Affairs (ME Council) and the Shanghai Academy of Social Sciences (SASS) held the fourth iteration of the (China-Middle East Cooperation) workshop in Doha, which brought together experts from the Middle East and China to examine the latest developments on the BRI, China's various initiatives and the path forward on Sino-Middle East relations. This report summarizes the key points resultant from the discussions.

# China-MENA Cooperation Amidst Growing Great Power Rivalry

## China-MENA Relations at a Critical Juncture: Challenges and Opportunities under Trump's Second Presidency

Great power competition is rapidly accelerating under the second Trump administration leaving the MENA at a critical crossroads. While Washington's increasingly confrontational stance towards China poses significant challenges, it also creates opportunities for deeper Chinese engagement with the Middle East.

China's non-interference and non-alignment policies provide regional countries with greater flexibility to engage on relatively favorable terms. Simultaneously, the European Union's marginalized role could also be conducive to enhanced China-MENA-EU cooperation as the EU seeks to maintain its role in the Middle East. China, the Middle East, and the EU share interests including renewable energy, sustainable development, and technology which could contribute to strengthening trilateral engagement. Long-term cooperation will however rely on clearly defined mutual interests and joint efforts to offset the impact of intensifying great power competition.

### Challenges Facing China

China-MENA relations have grown significantly in recent years. In 2024, bilateral trade between the Arab League states and China surpassed \$400 billion,<sup>1</sup> a substantial increase that reflects China's position as the region's largest trading partner and a key collaborator in technology and advanced infrastructure. This growth was largely enabled by the BRI, which expanded pathways for strategic cooperation.

Simultaneously, the relationship between China and the MENA is challenged by increasing external pressures. The U.S. views China's presence in the region as a threat to its long-standing influence. To limit China's strategic cooperation with the region, the U.S. is securitizing China's role in global supply chains, exerting pressure on trade flows and technology partnerships. Despite challenges, China-MENA economic cooperation remains robust.

Participants stressed that China should capitalize on shared interests with the MENA through investing in future industries and leveraging its positive reputation in the region. Platforms such as the BRICS and the Shanghai Cooperation Organization (SCO) can further support these efforts and deepen multilateral cooperation.

### Balancing Act: Navigating U.S. Security Role and Economic Engagement with China

China's political ties with the Middle East are growing, exemplified by Beijing's mediation between Saudi Arabia which ultimately culminated in the 2023 Saudi-Iran deal. However, the U.S.' dominant role in the region's security architecture. To date, China maintains a limited security footprint in the Middle East giving the U.S. a significant advantage in the region.

This has created a structural divide in the region's economic and security dynamics. While the U.S. remains the dominant security partner, China is the Middle East's primary economic partner. This divide raises important questions surrounding the sustainability of China's position in the region: can Beijing's future engagement go beyond trade, energy, and technology and towards robust security contributions?

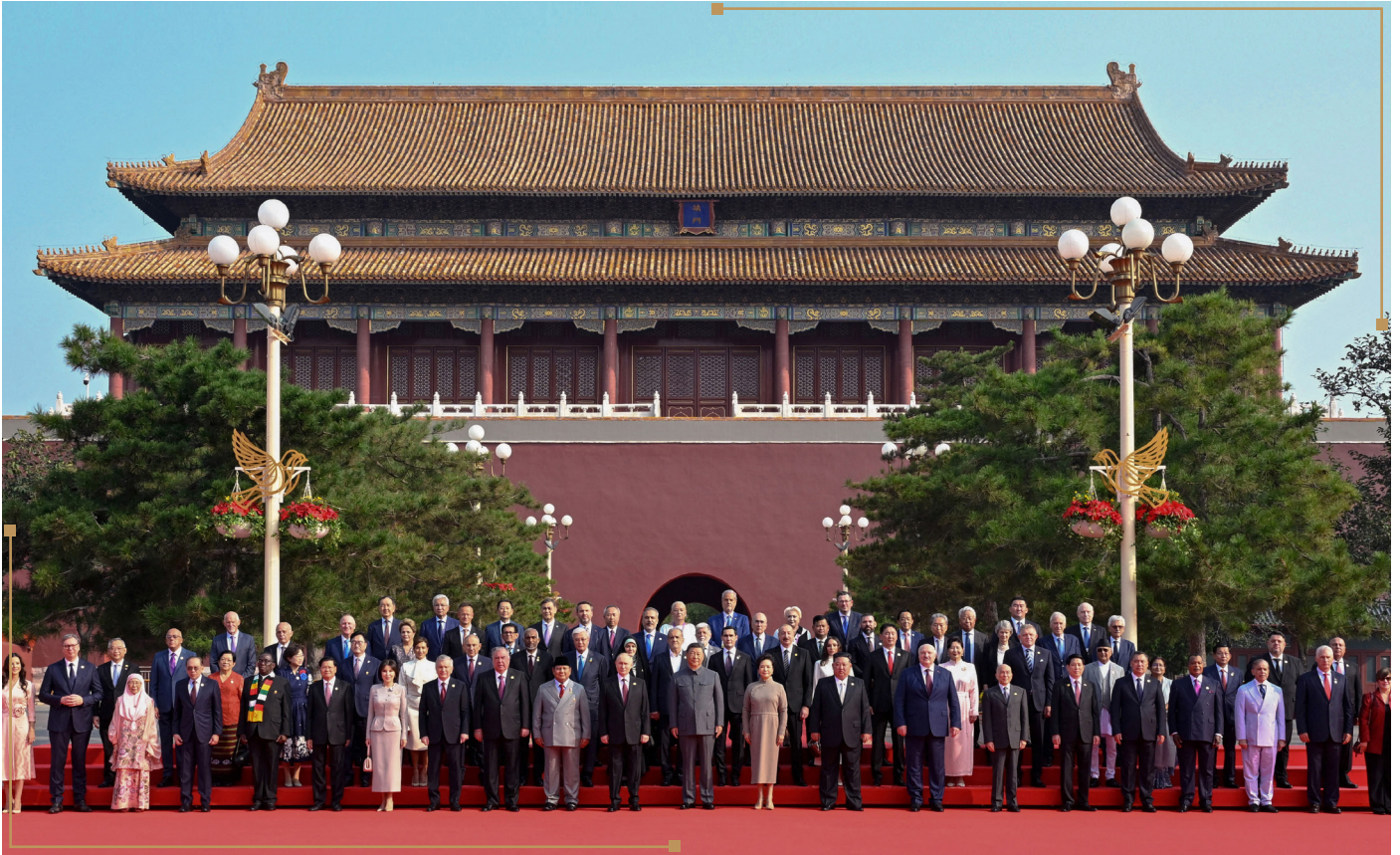
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1. Miguel Hadchity, "Arab-China trade surges to \$400bn, paving way for housing cooperation," Arab News, December 18, 2024, <https://www.arabnews.com/node/2583505/business-economy>.



## Re-Defining “Great Power Competition”

Participants discussed the need to rethink the concept of great power competition. Much of the current discourse frames China’s expanding regional footprint as a direct challenge to the U.S. This perspective often overlooks the reality that China is arguably not seeking to replicate the American model in the region nor is China’s engagement with the region solely reactionary to the U.S. Instead, China’s ties with the Middle East are shaped by its own strategic and economic interests, centered on long-term development, mutual benefit, and win-win cooperation. Shifting away from the paradigm of great power competition is therefore essential to fostering a balanced and constructive assessment of China-MENA relations.



This picture taken on September 3, 2025 and released from North Korea’s official Korean Central News Agency (KCNA) on September 4, 2025 shows leaders including Russia’s President Vladimir Putin, China’s President Xi Jinping and North Korean leader Kim Jong Un posing for a group photo before a military parade marking the 80th anniversary of victory over Japan and the end of World War II, in Beijing’s Tiananmen Square. (Photo by KCNA VIA KNS / AFP)

# China's Role in Mediation, Diplomacy, and Reconstruction in the MENA Region

## A Tailored Diplomatic Model for China-MENA Relations

Drawing on its longstanding non-interference and non-alignment policies, China has maintained neutrality in its political engagement with the Middle East. This has aided the region's perception of China as a trusted and reliable mediator.

To enhance China's diplomatic role in the region, participants stressed that MENA countries should clearly outline the role they expect China to play, increase economic alignment with China, and establish mutually beneficial collaborative frameworks. China's regional role should be bolstered by its comparative advantage across a number of domains particularly as both China and the Middle East pursue economic diversification and independence.

## China's Role in MENA Post-Conflict Reconstruction Efforts

China's pledges to support reconstruction efforts across the MENA hold promising potential. To further strengthen its role, China could for instance support the revival of Syria's Hejaz Railway, which historically linked Damascus to Madinah. Reviving this railway could revitalize Syria's role as a commercial gateway to the Eastern Mediterranean. China could also expand its investments in the rehabilitation of Syria's oil sector with current production in the country standing at just 25,000 barrels per day, down from 400,000 during pre-war years.<sup>2</sup>

Additionally, rehabilitating the ports of Latakia and Tartus, alongside efforts to revive gas pipelines connecting the Gulf to Europe via Syria will stimulate the Syrian economy and create employment opportunities. But effectively realizing these projects rests on securing sustained financing and regional political will. Regional reconstruction efforts will also require long-term commitments by recipient and donor countries along with multilateral diplomacy and strategic coordination.

## Elevating China's Political Role in the Middle East

While China's diplomatic and mediation efforts in the Middle East are gaining recognition, participants noted that its non-interventionist approach may be limiting its ability to produce lasting outcomes in an increasingly multipolar global order. The MENA region's complex conflict zones and numerous humanitarian crises may require China to recalibrate its cautious diplomatic strategy.

China's limited security engagement with the Middle East can be attributed to Beijing's domestic and proximal political and economic priorities. However, against the backdrop of looming doubts surrounding the future of the U.S. security umbrella in the region, China has an opportunity to expand its role in regional security through adopting proactive forms of engagement.

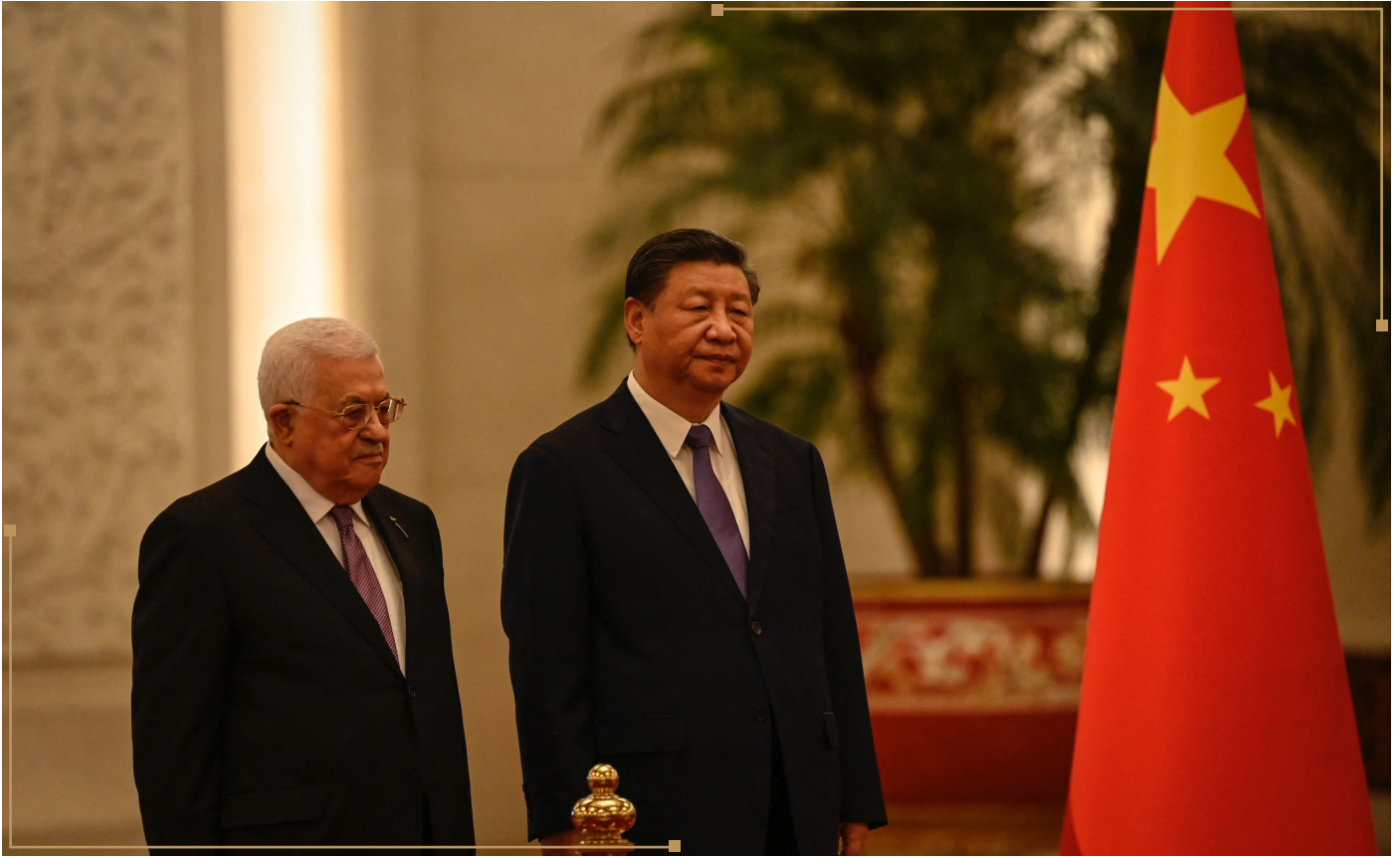
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2. Max Zahn, "Syria's Revolution Could Impact US Gas Prices, Here's How," ABC News, December 9, 2024, <https://abcnews.go.com/Business/syrias-revolution-impact-us-gas-prices/story?id=116596027#:~:text=Even%20before%20the%20civil%20war,Information%20Administration%20a%20government%20agency>.



## Barriers to Deeper Chinese Engagement with the Middle East

China's ability to maximize its political and diplomatic efforts in the MENA region is hindered by the region's limited cultural engagement with China. This challenge can be addressed through increased awareness, education, and cultural exchange. Another issue is China's limited access and influence in some conflict areas. These factors complicate China's ability to fund reconstruction efforts in the region. Addressing these challenges will be essential for charting the future of China's regional diplomacy.



China's President Xi Jinping (R) and Palestinian President Mahmud Abbas attend a welcoming ceremony at the Great Hall of the People in Beijing on June 14, 2023. (Photo by Jade GAO / POOL / AFP)



# Strategic Technology: Limits of China-MENA Relations?

## Regulatory Divergences and U.S. Pressure Curtail Tech Cooperation between the MENA and China

Regulatory misalignment and geopolitical tensions are two primary constraints limiting the expansion of China-MENA technology cooperation. At the regulatory level, Chinese state-owned enterprises (SOEs) often face difficulties operating within Gulf regulatory environments, largely modeled on Western standards. This regulatory divergence challenges effective technology transfer, limiting deeper integration.

The second—and more significant—constraint is U.S. pressure on the Gulf to decouple from China in key strategic sectors. U.S. restrictions have targeted MENA-China cooperation on data centers, telecommunications infrastructure, and cybersecurity systems as part of Washington's aims to prevent China's access to U.S. technology infrastructure in the region. The durability of U.S. restrictions will be challenged as China-MENA artificial intelligence cooperation grows across various sectors, such as energy, finance, and security.

## Towards Flexible and Autonomous Tech Alliances

Strategic technology has long been an influential tool of U.S. foreign policy, particularly in the Middle East. From leading regional security collaborations through CENTCOM to AI-focused military exercises, the U.S. has embedded military technology at the heart of its regional engagements.

However, U.S. support has often come with conditions that limit the strategic autonomy of local partners. Conversely, China's approach to tech cooperation is relatively more flexible and partner-oriented. China's tech partnerships promote technological autonomy and accommodate national interests for respective partner states. This positioning increases China's appeal for MENA countries particularly as the region seeks to diversify its strategic ties.

## Technology and the Middle East's Role in China's Connectivity Aspirations

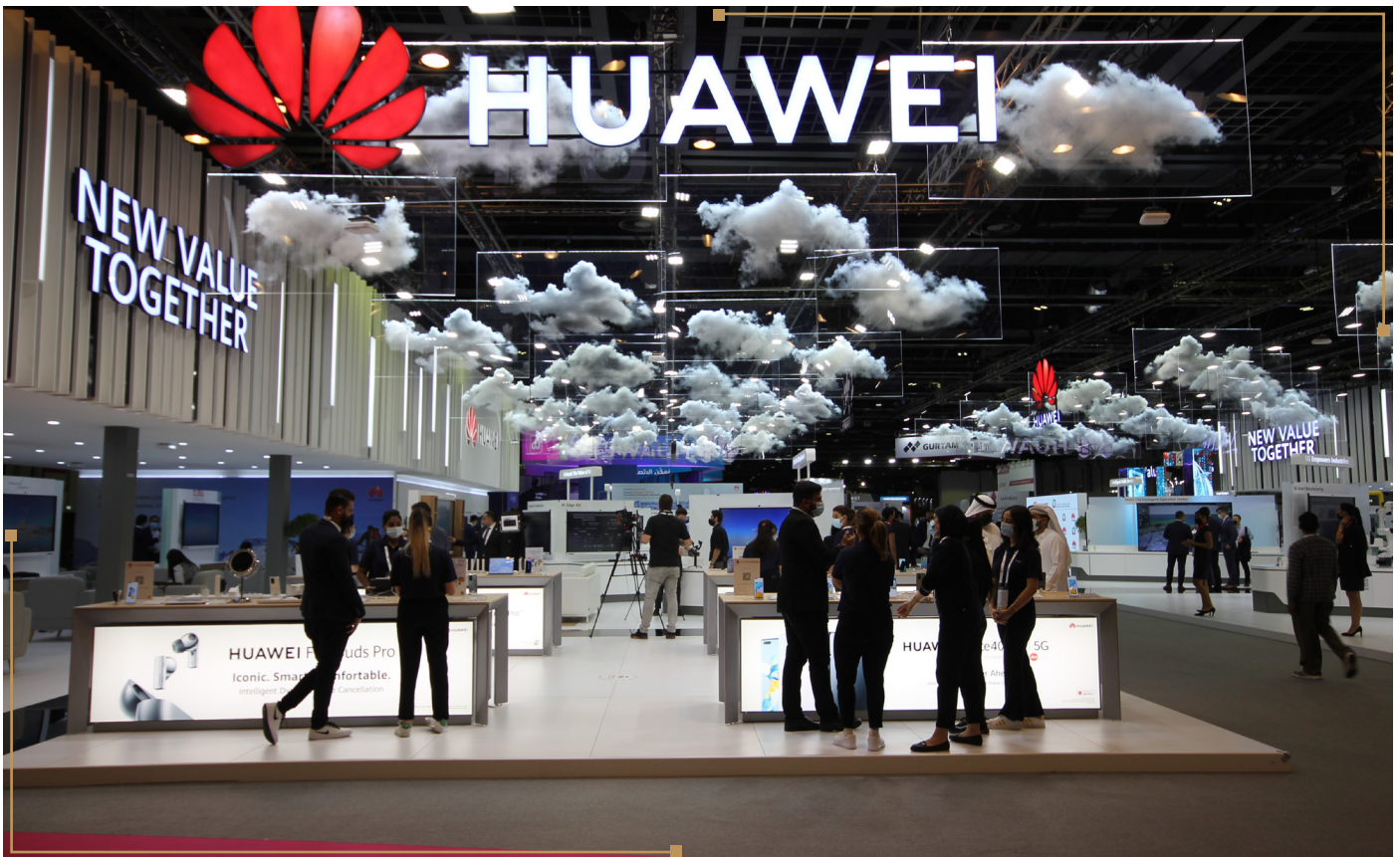
The Middle East plays a key role in China's BRI, primarily through port construction projects that benefit from Chinese efficiency, advanced technology, and inclusive models. Digitalization has been critical with China promoting data sovereignty for regional states.

The Chinese model emphasizes long-term, transformative goals for the MENA. As the digital landscape evolves, both sides are prioritizing data security, addressing cyber vulnerabilities, and promoting green infrastructure. However, the weaponization of AI raises strategic concerns for both the region and China.

## China's Tech Vision for the Gulf

Gulf countries are increasingly enhancing their strategic autonomy through expanding partnerships. There is therefore a push for balanced partnerships in a bid to reduce asymmetry in strategic sectors including defense and technology.

Regional powers recognize that technological cooperation is tied to both survival and development in a rapidly shifting geopolitical environment. In this context, Beijing is emerging as an important partner. Through supporting knowledge transfer and promoting equitable technology negotiations, China has been central to developing the Gulf's technology capabilities. To mitigate geopolitical risks, regional actors are also diversifying their partnerships beyond the U.S. and China, turning to Japan, South Korea, and the EU among others.



Huawei pavilion at Gitex Technology Week 2020 - biggest in-person technology event in the world during the Covid-19 pandemic - featuring exhibitors from 60+ countries in Dubai, UAE, December 6, 2020. (Shutterstock)

# Cultural Exchanges and Knowledge Transfer: Bridging the Middle East and China

## Cultural Exchange as a Strategic Necessity

While trade and investment remain central pillars of China-MENA cooperation, cultural exchange and knowledge transfer are also essential. In an era of global ideological competition, cultural diplomacy is no longer merely a tool of soft power; instead, it has become a strategic necessity. Particularly in an increasingly multipolar order which invites new forms of engagement rooted in shared values, historical ties, and people-to-people connections.

Global cultural shifts provide an opportunity for China to expand its influence. Namely, the decline in the credibility of the West's value-based discourse, particularly following Israel's 2023 war on Gaza. Participants also noted the considerable increase in Chinese national and cultural exhibitions, educational exchange programs, and tourism across the MENA. These shifts create fertile ground for strengthening China-MENA cultural ties and advancing a more inclusive global order.

## Unlocking the Potential of Cultural Cooperation

Cultural engagement between China and the MENA region has expanded in recent years, marked by a growing number of cultural institutions, exhibitions, and people-to-people initiatives. This represents notable progress relative to the limited cultural footprint observed just two decades ago. This momentum also creates new avenues for further engagement.

Strengthening language education—particularly by expanding access to Mandarin in Arab states—offers an opportunity to boost societal connections. The steady rise in student exchange programs between China and MENA countries also signals growing interest in educational and cultural collaboration. While the United States imposes tighter restrictions on international students, China is well positioned to present itself as an accessible destination for higher education students in the Middle East. By strengthening educational pathways and cultural exchanges, China could consolidate its role as a global academic hub.

## Challenges to Sustainable Cultural Engagement

Despite growing momentum in cultural engagement between China and the MENA region, initiatives linking both regions continue to be top-down in nature and often lack the grassroots connectivity that fosters durable relationships. Additionally, many of the current initiatives are symbolic, fragmented, and lack the mechanisms that contribute to developing long-term cultural channels. This limits their resonance beyond state-level agreements. China's soft power is also often perceived as an extension of its economic and strategic interests, which generates skepticism towards attempts to foster cultural exchange. This, in turn, hinders broader public trust.



## Civil Society's Role in Driving Comprehensive China-MENA Cultural Relations

Without deeper civil society engagement and consistent people-to-people exchange mechanisms, China's cultural outreach will only achieve superficial outcomes. In order for a meaningful cultural relationship to take root, cultural diplomacy must move towards a more embedded, long-term presence in the region.

To maximize the benefits of cultural diplomacy and exchange, it is essential to ask: how should success in this relationship be measured? The current scarcity of data on Arab-Chinese engagement complicates efforts to effectively measure the growth of Arab-Chinese exchanges. Increasing data collection will therefore be key to effectively measuring and strengthening China-MENA cultural ties.



Students majoring in Chinese language and teachers of the Confucius Institute at Carthage University pose for a photo during a cultural event in celebration of the Spring Festival in Tunis, Tunisia, Jan. 27, 2025. (Photo by Adel Ezzine / XINHUA / Xinhua via AFP)



# China-MENA Relations Amongst Global Economic Disruption

## Evolving Trade Structures and Their Impact on China and the MENA

Global trade dynamics have undergone structural shifts over the past three decades. By 2020, developing countries contributed around 45% of global GDP, up from just 25% in 2000,<sup>3</sup> while the G7's share fell from around 70% in the 1970s to under 30% in 2025.<sup>4</sup> This realignment highlights the Global South's growing influence.

China has responded to changing global trade dynamics by increasing joint economic frameworks with Global South countries such as Free Trade Agreements (FTAs), support for small and medium-sized enterprises (SMEs), and infrastructure partnerships. The Middle East, as an energy-rich and strategically located region, plays a key role in China's broader efforts to diversify trade routes and reduce overdependence on Western markets, accelerating shifts towards a multipolar global economic order.

## U.S. Trade Policy and Its Impact on China–MENA Relations

The Trump administration's adoption of protectionist trade policies undermines global trade stability. The imposition of tariffs at varying rates based on perceived U.S. national interest raised economic uncertainty in the MENA. China however opposed Trump's protectionism.

Instead, Beijing emphasizes expanding joint cooperation through platforms such as the BRICS and the SCO, particularly engaging Africa and the Middle East. These regions offer vital energy resources and economic partnerships. Notably, China has, thus far, managed to carefully pursue economic cooperation independent of military and political agendas, promoting a model of “win-win” development.

## Can Globalization Be Reversed? Reflections on Changing Global Dynamics

The global economic landscape is undergoing a period of reassessment. Long-standing, largely Western, systems that once underpinned globalization are increasingly subject to scrutiny. However, initiatives such as the BRICS, non-Western alternatives to SWIFT, and non-dollar trade remain in their early stages and face structural limitations.

The U.S. still accounts for roughly 25% of global GDP<sup>5</sup> and continues to drive global demand for commodities, particularly in sectors where no clear alternative import market(s) has emerged. However, key areas of global influence, such as AI, renewable energy, and data governance are becoming arenas for competition and cooperation. The role of regions such as the Middle East in these evolving dynamics will likely be influenced by broader global currents. The future of globalization will rest on reformulating traditional dynamics particularly as China expands its global and regional economic outreach.

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3. “Global Economy Stabilizes, But Developing Economies Face Tougher Slog,” World Bank Group, January 16, 2025, <https://www.worldbank.org/en/news/press-release/2025/01/16/gep-january-2025-press-release#:~:text=Developing%20economies%20are%20more%20important,first%20decade%20of%20the%20century>.

4. Hussain Shahid, “Rekindling the G7: Powering with, not Over, a Changing World,” Modern Diplomacy, June 20, 2025, <https://moderndiplomacy.eu/2025/06/20/rekindling-the-g7-powering-with-not-over-a-changing-world/>.

5. “The 20 Countries with the Largest Gross Domestic Product (GDP) in 2025,” Statista, April 2025, <https://www.statista.com/statistics/268173/countries-with-the-largest-gross-domestic-product-gdp/#:~:text=In%202025%2C%20the%20United%20States,services%20produced%20during%20that%20year./>

## Boosting FDI in China

Foreign Direct Investments (FDIs) into China have noticeably declined in recent years.<sup>6</sup> This mirrors a broader global trend, as worldwide FDIs dropped by 2% in 2024, reaching \$1.3 trillion.<sup>7</sup> Key contributing factors for this decline include heightened geopolitical tensions, U.S. policy shifts, post-pandemic financial recovery, and growing economic uncertainty.

China's own economic transition, from high-speed to high-quality growth, has also reshaped investment patterns. Focus has shifted towards innovation, green industries, and high-tech sectors. Despite this recent decline, China remains a competitive destination due to its large consumer base, integrated supply chains, and skilled workforce.



Iranian President Masoud Pezeshkian attends the 16th BRICS Summit in Kazan, Russia on October 24, 2024. Iranian Presidency / Anadolu (Photo by IRANIAN PRESIDENCY / ANADOLU / Anadolu via AFP)

6. John Liu, "China's Foreign Investment Sank in January. Can Beijing Turn Things Around?," CNN, February 20, 2025, <https://edition.cnn.com/2025/02/20/economy/china-fdi-jan-decline-intl-hnk>.

7. "Global Foreign Investment Weak in 2023, Funding for Sustainable Development Sectors Drops over 10%," UN Trade and Development, June 20, 2024, <https://unctad.org/news/global-foreign-investment-weak-2023-funding-sustainable-development-sectors-drops-over-10>.

## Conclusion: Future Trends and Outlook on China-MENA Relations

Ongoing economic, political, and security realignment on both regional and global levels will be instrumental in shaping the future of China–MENA cooperation. Within the region, approaches towards intensifying great power competition and an evolving global landscape vary.

To effectively and collectively chart these dynamics, China and the Middle East should leverage their economic and strategic importance. This will be shaped by a number of critical dynamics:

### Hedging Amid Great Power Rivalry – A Shrinking Middle Ground:

As U.S.–China competition intensifies, MENA countries face growing constraints on their long-standing hedging and multi-alignment strategies. To address these challenges, the Middle East should pursue greater regional cooperation. Joint mechanisms, frameworks, and initiatives will be imperative to the MENA's ability to withstand external pressures.

### A New Economic Order?:

Bolstering institutionalized regional cooperation mechanisms and expanding Free Trade Agreements (FTAs) are increasingly gaining traction in the MENA. Regional powers are also pursuing strengthening trade ties with China. A China–GCC FTA, currently under negotiation, could be a major milestone. China's rapid advancements in AI, 5G, and strategic technology highlight Beijing's crucial role in supporting ambitious regional development agendas such as Saudi Arabia's Vision 2030. These sectors will however remain sensitive within the U.S.–China strategic rivalry and invariably will remain contentious in China-MENA economic relations.

### China in the MENA: From Economic Partner to Political Actor:

China is no longer solely viewed as a major economic partner but increasingly as a rising diplomatic and potential security actor. Its non-interventionist approach has found appeal across the region and proved indispensable in facilitating regional diplomacy efforts such as the 2023 Saudi-Iran agreement. Regional actors are however also looking for a broader Chinese security role. Beijing's willingness to expand its security contributions to the MENA will therefore be defining in the future of China-Middle East relations.

## **Acknowledgement**

This report was drafted by Noha Alhamid, Hana Elshehaby, and Mohammad Abu Hawash.

The workshop's organizers extend their gratitude to all of the participants and contributors, whose invaluable inputs and insights have made this report possible.

Additionally, we thank the ME Council and SASS teams for their support in organizing this workshop and help in publishing and translating this report.





## MIDDLE EAST COUNCIL ON GLOBAL AFFAIRS

### **Middle East Council on Global Affairs**

Burj Al Mana 3rd floor, Street 850,  
Zone 60, Doha, Qatar

Tel +974 4422 7802

[info@mecouncil.org](mailto:info@mecouncil.org)

[www.mecouncil.org](http://www.mecouncil.org)

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