



ADVERSARY ENTENTE

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Key takeaways:

- **The Xinjiang Production and Construction Corps (XPCC), a PRC state-owned enterprise with paramilitary functions, is extending its outreach to Russia's Republic of Tatarstan. Tatarstan houses the Alabuga Special Economic Zone, where Russia produces Shahed-type attack drones for use in Ukraine largely using cheap labor drawn from vulnerable foreigners. The XPCC may be setting conditions to become more involved in the Russian defense industrial base, including potentially by providing forced Uyghur labor to Russian defense production efforts.**
- **Despite Russian President Putin's reported suggestions, the PRC would not be a suitable security guarantor for Ukraine because it is invested in Russia's success against Ukraine.**
- **Iran is coordinating diplomatic efforts with Russia and the PRC to counter the imposition of snapback sanctions and likely seeks commitments from the Adversary Entente to continue some degree of military and economic support for Iran in the event that sanctions are reimposed.**

Defense Industrial Base (DIB) Cooperation

A People's Republic of China (PRC) state-owned paramilitary enterprise is expanding industrial and development cooperation with Russia's Republic of Tatarstan, potentially setting conditions for the PRC's involvement in drone production at the Alabuga Special Economic Zone (ASEZ). The third annual "Rostki: Russia and China—Mutually Beneficial Cooperation" forum took place in Kazan, Republic of Tatarstan, on August 18 and 19, and involved business representatives from 36 countries, including numerous Russian and PRC regions.[1] One of the many PRC businesses represented in Kazan was the Xinjiang Production and Construction Corps (XPCC)—a PRC state-owned enterprise and paramilitary organization that operates in the Xinjiang Uyghur Autonomous Region (XUAR).[2] Kremlin newswire TASS reported on August 18 that XPCC Deputy Secretary General Lyu Huiying stated that the XPCC plans to deepen its partnership with the Republic of Tatarstan "in industrial and trade spheres" and that the XPCC and Tatarstan will work to "develop joint projects in energy and mechanical engineering." [3] Lyu noted that the XPCC is interested in Tatarstan due to its "oil reserves" and "solid industrial base." Tatarstan Head Rustem

Minnikhanov stated on the sidelines of Rostki on August 18 that Tatarstan greatly values cooperation with the PRC within the framework of Sino-Russian cooperative relations, highlighting the broader strategic alignment between Moscow and Beijing.[4]

Then-chairman of the Chinese Communist Party (CCP) Mao Zedong established the XPCC in 1954 in order to oversee Xinjiang, a region that is considered an ethnically diverse and geographically remote “frontier area” that required specialized administrative and judicial handling.[5] The contemporary XPCC is a CCP-controlled paramilitary formation that is critical to the CCP’s control over the XUAR.[6] The XPCC performs many functions, playing governmental, agricultural, industrial, military, and security roles within the XUAR. The United States Department of the Treasury’s Office of Foreign Assets Control (OFAC) sanctioned the XPCC and several XPCC officials in 2020 in connection with their role in “serious human rights abuse against ethnic minorities in Xinjiang.”[7] Several international organizations have recognized the XPCC as a key perpetrator of intense repressive measures, including forced labor against Uyghurs in the XUAR.[8]

The XPCC has links with Russia that predate the August 2025 Rostki conference. The XPCC has historically used Russia to sell food products to international markets via its Russia-based companies, although Western sanctions on Russia post 2022 weakened the XPCC’s ability to use Russia for sanctions circumvention.[9] The XPCC stated in 2016 that its main exports to Russia included electromechanical products.[10] XPCC enterprises have also invested in various Russian businesses.[11] XPCC Secretary He Zhongyu led an XPCC delegation to Russia and Belarus in November 2024 for the previous Rostki forum in Kazan, where he promoted the work of the XPCC to Russian businesses and enterprises.[12]

Russia’s drone production industry already shares links with the XUAR, and by extension, the XPCC. Reuters reported in September 2024 that it reviewed documents that showcase plans for various Russian state enterprises to establish a joint Russia-PRC drone research and production center in the Kashgar SEZ in the XUAR.[13] The Kashgar-based drone center would likely produce the Garpiya-3 attack drone for Russia’s use in Ukraine, according to Reuters.[14] The XPCC’s Third Division has administrative control over the Kashgar SEZ and, therefore, would have had to be involved in plans to establish joint drone production in Kashgar, given its high degree of involvement in the economy and governance of the XUAR.[15] The XPCC may also be providing forced Uyghur labor to joint Sino-Russian drone production enterprises in Kashgar.

The fact that XPCC representatives have visited Tatarstan over the past few years and have voiced interest in developing bilateral XPCC-Tatarstan contacts is noteworthy due to Tatarstan’s outsized role in the Russian DIB. Several major Russian state-owned arms manufacturers are based in Tatarstan, including the JSC Remdiesel diesel engine plant and the KamAz truck manufacturer.[16] Tatarstan is also home to the Alabuga Special Economic Zone (ASEZ), where Russia produces large quantities of Iranian-origin Shahed-model attack drones for use against Ukraine. The ASEZ relies heavily on vulnerable foreigners, particularly women, and Russian schoolchildren to maintain high drone production numbers in the face of ongoing Russian manpower shortages. ISW

recently reported on the ASEZ's use of Russian teenagers in drone production, and other organizations have conducted investigations that found that Russia coerced young women aged 18 to 22 from Uganda, Rwanda, Kenya, South Sudan, Sierra Leone, Nigeria, Sri Lanka, and some South American countries to work at the ASEZ under grueling conditions in exchange for very poor wages.[17]

ISW has not yet observed direct evidence that the XPCC is cooperating with the ASEZ, but the XPCC appears to be trying to establish itself in Tatarstan. These efforts may expand to ASEZ, which may, in turn, look to the XPCC as another source of labor. The XPCC has a robust forced labor infrastructure that has leveraged Uyghur labor in the XUAR economy using a variety of repressive and coercive tools. The XPCC therefore has the capabilities to provide the ASEZ with a pool of laborers, as well as a cadre of trained guards and security elements who can act as powerful enforcers. The XPCC's historical export of electromechanical products to Russia, as well as its apparent renewed interest in cooperating with Tatarstan on various industrial projects, suggest that the XPCC may be setting conditions to more broadly cooperate with the Russian DIB via Tatarstan, even if it does not provide Russia with an exploitable human labor base.

Political and Diplomatic Cooperation

The PRC would not be a suitable security guarantor for Ukraine because it is invested in Russia's success against Ukraine. Russian President Vladimir Putin met with US President Donald Trump in Alaska on August 15 to hold negotiations about a peace settlement for the war in Ukraine.[18] Axios reported on August 16 that Putin was willing to discuss security guarantees for Ukraine during the meeting, but had suggested the PRC as one possible security guarantor.[19] PRC Ministry of Foreign Affairs (MFA) spokesperson Mao Ning did not confirm or deny whether Beijing was willing to play this role when a Russian reporter asked about it on August 18, and instead repeated boilerplate rhetoric that the PRC supports a "political solution" to the war.[20] The PRC MFA omitted this question and response from its official press conference readout, which may mean that the PRC has not yet settled on its public position on this question.[21] Mao Ning and PRC state-owned tabloid Global Times praised the Trump-Putin summit as a step in the right direction, however, stating that the PRC is pleased to see an improvement in US-Russia relations and movement toward a peaceful resolution of the conflict.[22]

The PRC cannot be an effective security guarantor for Ukraine, as Putin reportedly suggested, because it has been one of Russia's most important backers throughout the war despite claiming to be "objective and impartial." [23] The PRC has become an essential supplier for Russia's DIB, providing Russia with critical minerals, microelectronics, machine tools, drone and aircraft engines, and other key parts that enable the Russian war effort.[24] It has increased trade with Russia throughout the war and helped keep the Russian economy afloat, including by buying Russian oil and by helping Russia evade international sanctions.[25] The PRC is responsible for 80 percent of circumventions of sanctions against Russia, according to a German summary of a classified European Union (EU) Foreign Affairs Council meeting on May 20, 2025.[26] The PRC has also adopted much of Russia's rhetorical framing about the war, including blaming the war on NATO expansion and US "instigation," criticizing arms transfers to Ukraine for "adding fuel to the fire," and consistently not calling the war a war.[27] Both countries have signaled the growing closeness of their relationship since 2022, declaring

a “no limits” partnership weeks before Russia invaded Ukraine, aligning their efforts to create a multipolar world order that disrupts Western “hegemony,” and increasing their cooperation in military exercises.[28] PRC and Russian navies conducted drills near Alaska’s Aleutian Islands that coincided with the Trump-Putin summit in Alaska on August 15, as part of an annual combined naval patrol that began on August 6.[29]

Beijing has an interest in preserving Russia as a threat to keep the US and other Western powers occupied in Europe, presenting a clear conflict of interest with the role of a security guarantor for Ukraine. PRC Foreign Minister Wang Yi reportedly told the EU’s top diplomat Kaja Kallas in July that Beijing cannot accept Russia losing the war because it fears that the United States would then shift its entire focus to the PRC, a rare admission that Beijing is not neutral about the war’s outcome.[30] Wang’s statement implies that Russia continuing to be a threat in Europe would best serve Beijing’s interests, as ISW has previously assessed.[31] This position is at odds with the role of a security guarantor, which would include preventing Russia from resuming hostilities or further threatening Ukraine. The PRC is very likely not interested in the specifics of Russian territorial gains in Ukraine, and has not recognized any of Russia’s annexations of Ukrainian territory since 2014.[32] It rather wishes to avoid an outcome in which Russia is weakened and politically destabilized, NATO and other Western alliances are emboldened, and the United States is free to shift its focus away from Europe.

The extent to which the PRC would be willing to be a security guarantor in Ukraine is unclear, regardless of Putin’s reported suggestion. The PRC has tried to build a reputation as a “responsible great power” and peace-broker by proposing peace plans for Ukraine, but such diplomatic efforts are much less costly than deploying troops to keep the peace in Ukraine, which is what a security guarantor would likely be asked to do.[33] The role of security guarantor would expose the PRC to the risk of getting entangled in a major conflict on another continent, something Beijing has never been willing to do except in the context of UN peacekeeping missions.[34]

Iran is coordinating diplomatic efforts with Russia and the PRC to counter the likely imposition of snapback sanctions. The Iranian, Russian, and PRC representatives to the United Nations met in Vienna on August 14 to discuss the “Iranian nuclear dossier.”[35] The E3 (the United Kingdom, France, and Germany) previously told UN General Secretary Antonio Guterres on August 13 that it was ready to trigger the Joint Comprehensive Plan of Action (JCPOA) snapback mechanism and reimpose sanctions on Iran if Iran fails to show a commitment to negotiations by the end of August.[36] The snapback mechanism is currently set to expire in October 2025. The Iranian regime has not moderated its position on nuclear negotiations and continues to reject the US demand for Iran to halt uranium enrichment, which was the main sticking point in negotiations before the June 2025 Israel-Iran War.[37]

Iranian Foreign Minister Abbas Araghchi told Iranian state TV that Iran is working with Russia and the PRC to “stop” the reimposition of sanctions.[38] Iran has regularly coordinated with Russia and the PRC in recent months to coordinate diplomatic efforts in an attempt to oppose snapback.[39] A PRC MFA spokesperson said on August 15 that the PRC opposes the activation of UNSC snapback sanctions and criticized the UNSC for taking actions that diminish opportunities for the negotiation of a new agreement.[40] Araghchi also stated that Iran, Russia, and the PRC have “tools to respond” if trilateral

efforts to stop the imposition of snapback sanctions fail.[41] Russia and the PRC are both very likely to maintain their diplomatic and political support for Iran in the event that sanctions are reimposed. The imposition of snapback sanctions would require all UN member states, including Russia and the PRC, to impose full sanctions on Iran. It is very unlikely that Russia and the PRC will enforce such measures against Iran, however, given their historic efforts to help Iran evade previous sanctions. The PRC and Russia cannot prevent the reimposition of UN Security Council sanctions on Iran if the E3 triggers the snapback mechanism, so Iran, Russia, and the PRC are likely attempting to prevent the E3 from activating the mechanism in the first place.[42]

Iran likely seeks commitments from both Russia and the PRC to continue some degree of military and economic support for Iran in the event that sanctions are reimposed. The E3's triggering of the snapback mechanism would reimpose six UNSC resolutions on Iran, the majority of which target Iran's nuclear and military apparatuses. The existing sanctions-evasion mechanisms that all three actors have employed in the past may be untenable under a stricter sanctions regime, however. A senior Iranian official told UK-based media on August 13 that Iran would not be able to "endure" UNSC sanctions on Iran if the E3 triggers the snapback mechanism.[43] It remains unclear if and how the Adversary Entente will work to adapt these networks to mitigate UNSC sanctions.

Both Russia and the PRC have built robust sanctions evasion networks with Iran to evade existing sanctions. The PRC's predominant contribution to Iran has been its continued purchase of 90 percent of Iran's oil exports, which are heavily sanctioned.[44] Japanese media outlet Nikkei reported on August 15 that 122 out of 179 Iranian or Iran-linked oil tankers currently under US sanctions cut off transmissions or falsified them between January and July 2025, suggesting that the tankers are continuing to engage in illicit oil transfers.[45] The PRC has continued to purchase Iranian oil despite heavy international sanctions on Iranian oil exports since 2019, but increased efforts from the United States, European Union, and other UN member states to disrupt the Sino-Iranian oil trade alongside UNSC sanctions may change the PRC's calculations about the value of its oil imports. The PRC's response to the likely imposition of snapback sanctions will serve as a powerful indicator of how Beijing views its relationship with Tehran and how much Beijing is willing to risk its relationships with European powers to continue trading with Iran.

Russia will likely seek to remain intertwined with Iran if UNSC sanctions are imposed, though Iran has grown increasingly frustrated with Russia's unreliability as a defense partner.[46] Russia has continued to support Iran's civilian nuclear program. Russian state nuclear energy operator Rosatom Director Alexei Likhachev said on August 15 that Russia is holding talks with Iran to construct "small modular nuclear power plants" on Iranian territory.[47] Russia has argued in favor of Iran's right to enrich uranium for civilian nuclear energy and has long supported Iran's civilian nuclear program.[48] Rosatom built Iran's Bushehr Nuclear Power Plant in 2013, which is Iran's sole operating nuclear power plant.[49] Russia will likely continue these sorts of contacts with Iran even beyond the imposition of snapback sanctions.

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