

China News Digest

February 03, 2018



Leite, Tosto e Barros
A D V O G A D O S

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LATEST NEWS

Brazil drops railway to the Pacific for China exports, citing costs

<https://www.reuters.com/article/brazil-railway-china/brazil-drops-railway-to-the-pacific-for-china-exports-citing-costs-idUSL2N1PS02W>

2 February 2018, *Reuters*

Abstract:

Brazil has shelved a planned railway to ship commodities destined for China through Peru as it was too costly and faced “absurd” engineering challenges, a Brazilian official said.

The 5,000-km (3,300-mile) railway over the Andes to the Pacific coast, announced during a visit by President Xi Jinping in 2014, was meant to speed up soybean and iron ore exports to China at a lower cost by bypassing the Panama Canal.

Roles of China, Russia in Latin America ‘alarming’

<http://www.straitstimes.com/world/americas/roles-of-china-russia-in-latin-america-alarming>

2 February 2018, *The Straits Times*

Abstract:

US Secretary of State Rex Tillerson has warned that China and Russia are assuming “alarming” roles in Latin America and urged regional powers to work with the United States instead.

“China’s offer always comes at a price,” Mr. Tillerson said in a major policy address on Thursday at the University of Texas at Austin before his first tour of South American capitals.

Mr. Tillerson noted that China was now the largest trading partner of Chile, Argentina, Brazil and Peru.

China iron ore hits one-month low on softer demand

<http://www.hellenicshippingnews.com/china-iron-ore-hits-one-month-low-on-softer-demand/>

30 January 2018, *Hellenic Shipping News*

Abstract:

Chinese iron ore futures fell to their weakest level in a month on Monday as demand for the steelmaking commodity remain slow in the world's top buyer, keeping stocks at its ports near a record high.

Arrivals in China were also sustained by a lack of weather interruptions to shipments from top iron ore suppliers Australia and Brazil, which can be common at this time of year.

Small sugar producers find sweet spot in China after Brazil tariffs

<http://www.hellenicshippingnews.com/small-sugar-producers-find-sweet-spot-in-china-after-brazil-tariffs/>

27 January 2018, *Hellenic Shipping News*

Abstract:

Smaller sugar producers in South America and Southeast Asia made inroads into China in 2017, data showed on Thursday, taking advantage of hefty duties on Brazilian and Thai imports to win sales in one of the world's biggest buyers of the sweetener.

RECENT BACKGROUND

China-Latin America cooperation based on common interests: FM spokesperson

http://www.xinhuanet.com/english/2018-02/03/c_136945471.htm

3 February 2018, *Xinhuanet*

Abstract:

The cooperation between China and Latin America is based on common interests and mutual needs, a Chinese Foreign Ministry spokesperson said Friday.

According to some media reports, a U.S. official said recently that China “is using economic statecraft to pull the region into its orbit.”

In response to this, Foreign Ministry spokesperson Hua Chunying said the allegation was entirely against the truth and displayed disrespect to the vast number of Latin American countries.

U.S. Treasury accuses China of aiding Maduro in murky deals

<https://www.reuters.com/article/us-usa-venezuela-china/u-s-treasury-accuses-china-of-aiding-maduro-in-murky-deals-idUSKBN1FM2FL>

2 February 2018, Reuters

Abstract:

The U.S. Treasury's top economic diplomat, David Malpass, on Friday accused China of enabling poor governance in Venezuela by propping up the socialist government of President Nicolas Maduro through murky oil-for-loan investments.

In a speech at the Center for Strategic and International Studies, Malpass said China's focus on commodities and opaque financing deals had hurt, not helped, countries in the region.

Latin America's unusual leadership vacuum

<http://americasquarterly.org/content/latin-americas-unusual-leadership-vacuum>

31 January 2018, *Americas Quarterly*

Abstract:

Over the next 12 months, almost two in three Latin Americans will go to the polls to choose a new president. National elections will take place in Latin America's heavyweights, Brazil and Mexico, and also in Colombia, Costa Rica, and Paraguay – not counting Venezuela's apparent electoral fraud-in-waiting.

This electoral supercycle comes amid a significant – and historically unusual – leadership vacuum in the region. The United States is increasingly unpopular in its erstwhile sphere of influence, its comparatively weak footing in the Americas attributable to long-term trends as well as the Trump Administration's missteps, from trade to immigration to loose threats of military intervention.

China's new engagement with the developing world

<http://news.mit.edu/2018/mit-research-scientist-eric-heginbotham-co-authors-book-chinas-engagement-developing-0131>

31 January 2018, *MIT News*

Abstract:

Beijing's strategy toward developing countries is the focus of "China Steps Out: Beijing's Major Power Engagement with the Developing World," a new book co-edited by Eric Heginbotham PhD '04, principal research scientist at the MIT Center for International Studies and Joshua Eisenman, an assistant professor at the LBJ School of Public Affairs at the University of Texas at Austin.

The Belt and Road Initiative in 2018

<https://www.lexology.com/library/detail.aspx?g=a81cc888-49d7-4b35-82b3-9406f77a2f43>

30 January 2018, *Lexology*

Abstract:

China's Belt and Road initiative (also known as the "One Belt One Road Initiative") was first introduced by President Xi Jinping in September and October 2013. As the initiative has developed over the last 4 years, we have published an annual series of articles summarizing the initiative and reviewing the status and successes achieved in its implementation.

With the Year of the Rooster shortly coming to an end and the Year of the Dog about to commence, it is once again appropriate to both look back on the 2017 events that shaped and influenced the Belt and Road Initiative (shortened to "BRI") and also to look forward at the market developments expected in 2018.

At Davos, the real star may have been China, not Trump

<https://www.nytimes.com/2018/01/28/business/davos-trump-china.html>

28 January 2018, *The New York Times*

Abstract:

President Trump used the World Economic Forum meeting to woo investors and business leaders by reassuring them that “America first does not mean America alone.” But it was clear in Davos, Switzerland, this past week that geopolitical momentum lay with Beijing, not Washington.

China willing to negotiate FTAs with Uruguay, other South American countries

http://www.xinhuanet.com/english/2018-01/25/c_136924491.htm

25 January 2018, *Xinhuanet*

Abstract:

Chinese Foreign Minister Wang Yi said Wednesday in the Uruguayan capital of Montevideo that China is willing to negotiate step by step free trade agreements with Uruguay and other countries in South America.

Free trade between countries is in line with globalization, which helps preserve a multilateral trading system and promote economic growth for all parties, Wang said when meeting the press together with his Uruguayan counterpart Rodolfo Nin Novoa.

China is investing seriously in Latin America. Should you worry?

https://www.washingtonpost.com/news/monkey-cage/wp/2018/01/24/china-is-investing-seriously-in-latin-america-should-you-worry/?utm_term=.77db9c465164

24 January 2018, *The Washington Post*

Abstract:

During the past decade, Chinese policy banks, charged by the government to finance infrastructure and trade, have provided more than \$140 billion in loan commitments to Latin America. With the BRI expanding into the region, Latin America is assured that these financing spigots will not only stay open, but also will further China's integration with the region's trade. Chinese Foreign Minister Wang Yi says Latin America has already become the second-largest destination for Chinese overseas investment.

How does China's investment approach compare to that of Western lenders? And will China be able to recoup its investments in a region with a history of debt?

Chinese FM calls for building China-LAC inter-connectivity on Belt and Road

<http://www.ecns.cn/2018/01-24/289725.shtml>

24 January 2018, *China News Service*

Abstract:

China is willing to work with Latin America and Caribbean States (LAC) to build trans-oceanic and maritime inter-connectivity in the construction of the Silk Road Economic Belt and the 21st Century Maritime Silk Road, Foreign Minister Wang Yi has said.

Addressing the opening ceremony of the second ministerial meeting for China and the Community of Latin American and Caribbean States (CELAC) Forum on Monday, Wang said China will actively participate in the construction of transport systems, infrastructure, and energy facilities in the LAC.

China attracts record high foreign direct investment in 2017

<https://gbtimes.com/china-attracts-record-high-foreign-direct-investment-in-2017>

23 January 2018, *GBTIMES*

Abstract:

China received US\$ 144bn worth of foreign direct investment (FDI) last year, an increase of 3.6 percent compared to 2016.

Amid the historically high cash inflow, China moved up one place to become the world's second largest FDI recipient in 2017, ranked just behind the US, which tallied US\$ 311bn, China News Service reports.

China protests US raising tariffs on solar products

<https://gbtimes.com/china-protests-us-raising-tariffs-on-solar-products>

23 January 2018, *GBTIMES*

Abstract:

The Chinese Ministry of Commerce (MOC) has expressed strong dissatisfaction at the US government's recent decision to impose high tariffs on photovoltaic (PV) cells and washing machines.

Wang Hejun, head of the MOC's Trade Relief Investigation Bureau, stated that the US global-scale safeguard relief investigation and harsh taxation measures are an abuse of trade remedies, as the US has over-protected related industries in the past by utilizing such relief measures, China News Service reports.

China invites Latin America to take part in One Belt, One Road

<https://www.reuters.com/article/us-chile-china/china-invites-latin-america-to-take-part-in-one-belt-one-road-idUSKBN1FB2CN>

22 January 2018, *Reuters*

Abstract:

China invited Latin American and Caribbean countries to join its “One Belt, One Road” initiative on Monday, as part of an agreement to deepen economic and political cooperation in a region where U.S. influence is historically strong.

Chinese Foreign Minister Wang Yi said the region was a natural fit for the initiative, which China has leveraged to deepen economic and financial cooperation with developing nations.

Domestic truck maker eyes expanding Latin American market

<http://www.globaltimes.cn/content/1086018.shtml>

22 January 2018, *Global Times*

Abstract:

Leading Chinese domestic truck manufacturer Shacman has launched operations in Panama with an eye to expanding its share of the Latin American market.

As part of this effort, the company participated in the international heavy machinery fair Expo Maquina 2018, which took place in Panama City from Thursday to Saturday.

“This fair is like a launching, an opening to show that Shacman trucks have arrived in Panama,” said the company’s general manager for Latin America Xie Yan.