



SEMINAR OF LATIN AMERICAN  
**TRADE CHAMBERS FOR  
PROMOTION AND COOPERATION  
WITH CHINA**

Miss. Daniella Martínez | Miss. Fernanda Rodríguez



**Progress**  
*and Opportunities of*  
**Economic Cooperation**  
*between China, Latin America*  
*and the Caribbean (LAC)*



Saint Lucía



Nicaragua



Brazil



Dominican Republic



Chile



Republic of Suriname



Belize



México



Honduras



Antigua and Barbuda

**Directed by the CCPIT,**  
*China Council for the Promotion  
of International Trade.*

## About CCPIT

Is one of the principal and greatest institutions for foreign trade promotion in China.

It is acknowledged in 16 countries around the world, has business approach with more than 200 countries and regions worldwide and with more than 300 agreements of signed cooperation.

Representative Organism in different economic sectors, provides foreign trade advisory and cooperation with worldwide associations.

As part of their services, they provide a training center for businessmen and representatives from different countries with the goal to reach a cooperation and commercial exchange in accordance with the guidelines of Republic of China.

# “Progress and Opportunities of Economic Cooperation between China, Latin America and the Caribbean (LAC)”



## 1.

### Historical Background of China-LAC relation

• Since 2001, China began to have a great economic growth and a greater international openness, this allowed to have an annual increment of 8% (20% growth from 2000 to 2017) focused primary in exports and manufacture.

• Compared to other regions, Latin America is the 4th most important region with a 6.8% growth, nevertheless, for the Secretariat of Economy of China is the 2nd region with mayor direct foreign investment, principally focused to 7 sections for which highlights commercial services, financial and software.

• During the last 30 years, economic recession stages have existed worldwide, in which highlights the fact that LAC Countries slowly recover due to their dependence with the North American market, meanwhile, China focused on the challenge, mainly with China and potentialized the domestic consume.

# 2.

## Opportunities and challenges in **China - LAC** relation

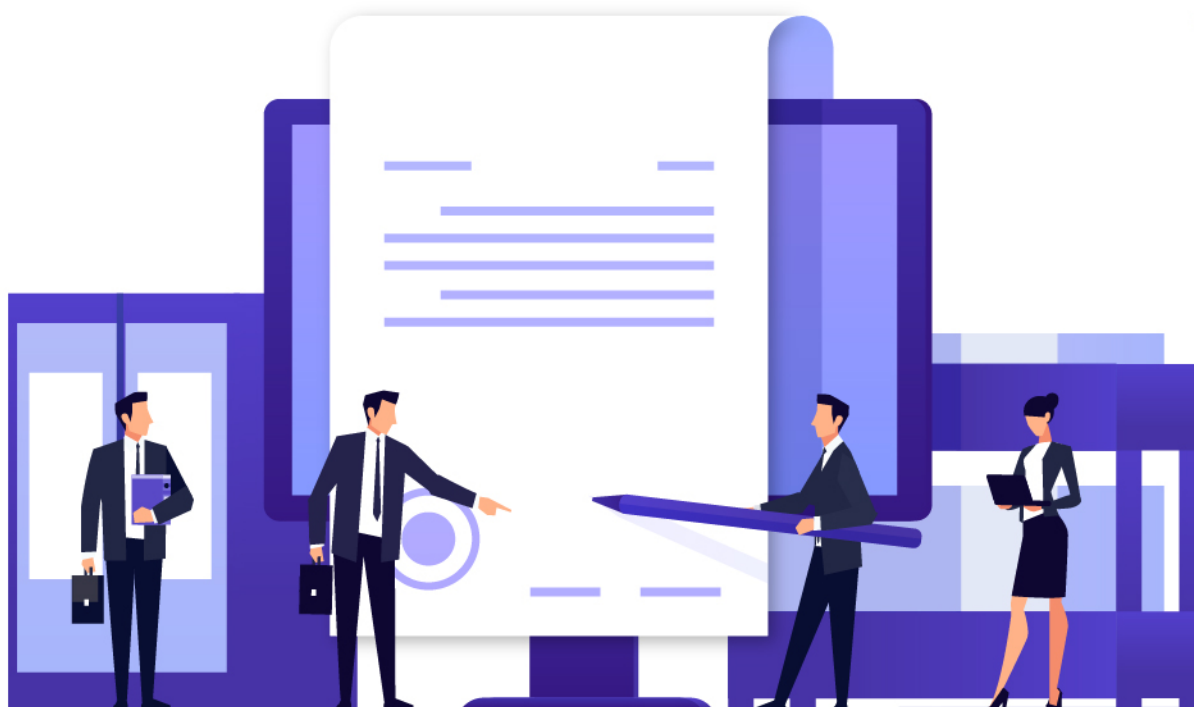


- The Chinese market aims to transition from an antidumping-threaten manufacturer to a country with added value services and products.
- The percentage in foreign investment from China is 40%, highly motivated in LAC market size, aiming to redirect their dependence towards to export to gain complementary trade relations.
- Currently, Latin America is a highly costly competitive region, meanwhile, laboral cost in China have incremented due to population aging and labor supply specialization.

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**Consequently, from the “one child only” politic, China suffered a decrease in workforce and boost in educational investment from parents to their children, directly incrementing laboral costs.**

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- A great opportunity is available to seek and close foreign trade deals, as for approaching to countries with mayor commercial openness and fewer tariff restrictions.
- CChina in its aperture in commercial complement, aims to comprehend their

legal and laboral system, acknowledging their manufacturer quality, as for a guideline and understanding LAC Countries in topics related to environment and social inequality. Political instability represents a major risk for China due to its impact in the economic growth of the countries.

# 3.

## Potentializing proposals for trading between **China - LAC**

- The experience of China in big scale manufacture can complement LAC Countries by introducing an intensive laboral market and high technology products.
- A new cooperation Dynamic is set to be created for the innovation field, seizing the Chinese disposition for investment, eliminating bottle necks and balancing global market.



“ The  
Belt and Road  
initiative ”



# “ The Belt and Road initiative”

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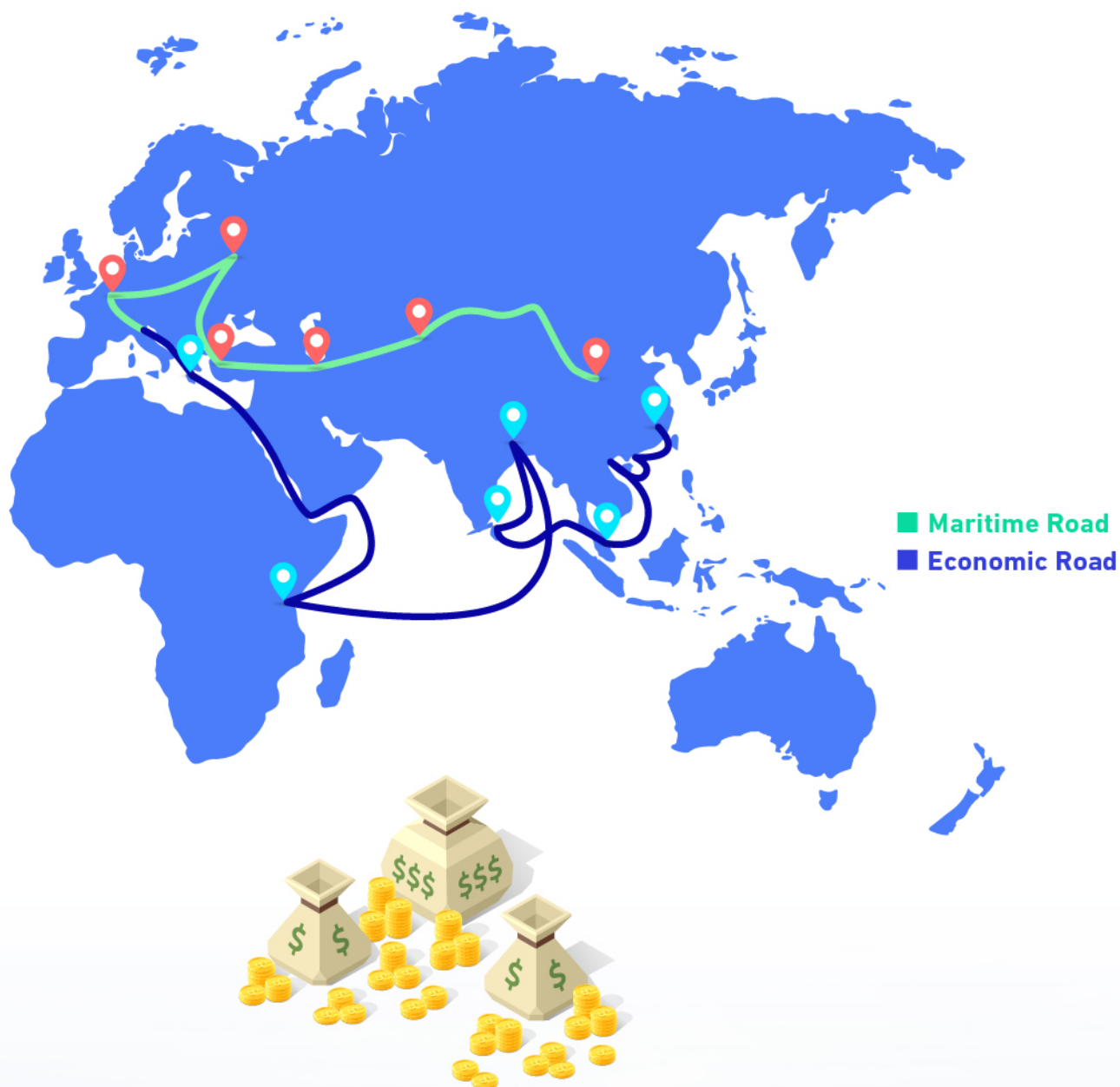
**Zhou Mi**, Researcher, Chinese Academy of  
International Trade and Economic Cooperation (**CAITEC**)

## 1. Background

- The market of the United States has changed in the last 10 years by experiencing a significant reduction in demand. In the same way, the European Union has been focusing on solving internal problems, such as the BREXIT, its relationship with Russia, which represents that, in a short term, solving these challenges is a priority.
- As China celebrates, during this current year, its 40th anniversary since it opened its doors to the rest of the world to accomplish its commercial development, Xi Jin Ping, the President of China, introduces his global trade plan as the “Belt and Road initiative”, which has encouraged 70 countries to join this mega-infrastructure project.



## 2. What is the Belt and Road Initiative?



- The silk economic belt in conjunction with the maritime economic belt represent the “Belt and Road Initiative”.
- This initiative intends to promote cooperation, harmony, sense of inclusion, mutual benefit or a win-win-model by reconsearching necessities.
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- Financial Institutions were created to fund these cooperation projects.
- \*The first stage concerns investing in underdeveloped countries in order to accomplish a shared growth, and the second stage concerns having the capacity of covering the demand by integrating markets.
- \*China intends to reduce the tariff barriers and regulatory barriers, as well as creating a “free flow” to facilitate the flow of people by using recognition technology in order to reduce the risk of the free flow.



## DEEP MARKET INTEGRATION:

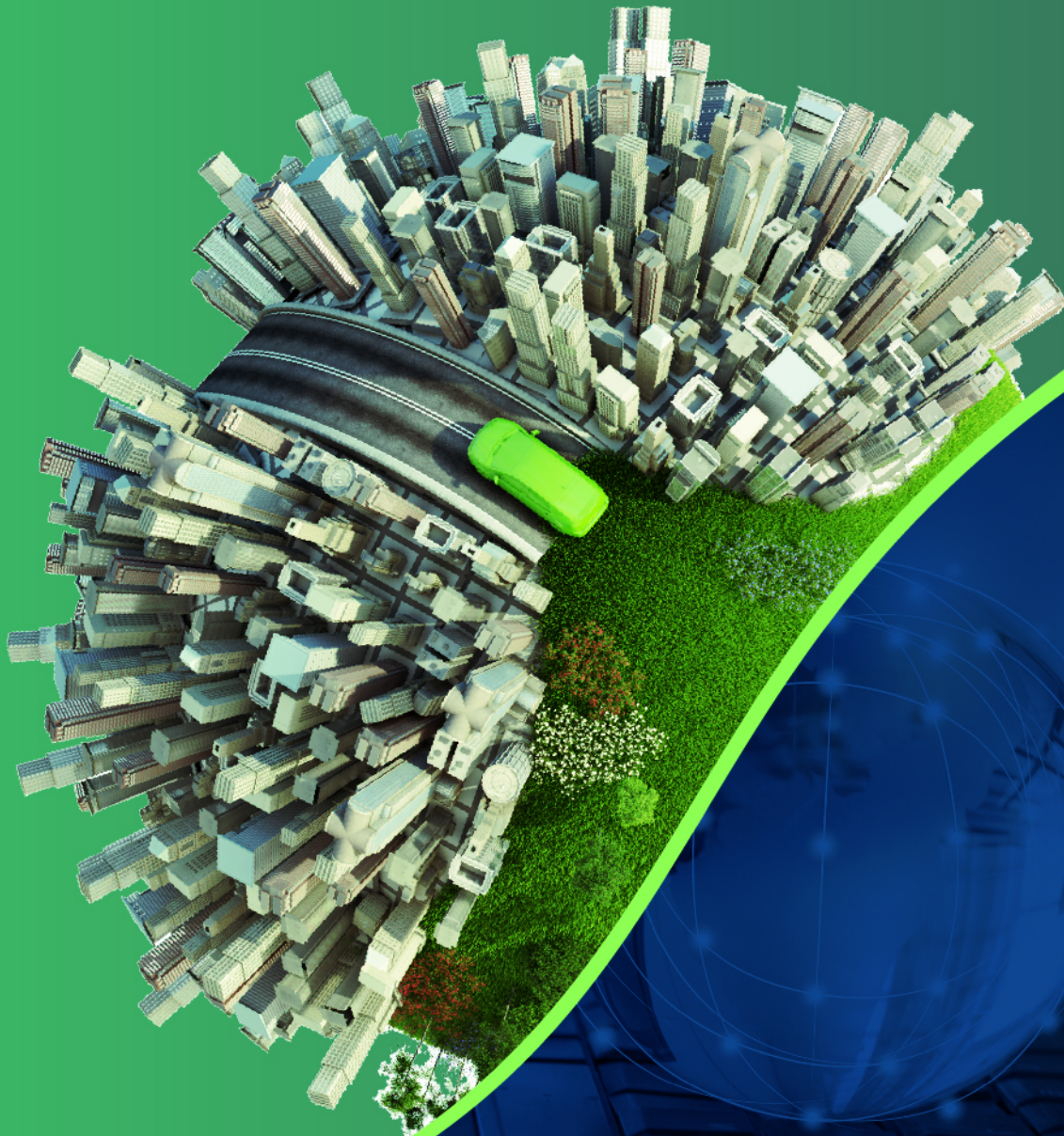
Several companies have no idea of how to export or where to export. There is a demand that has no destination, and all needs might be covered by integrating the economies.



The Republic of China experiences difficulties in covering all agricultural needs, therefore, underdeveloped countries are currently capable of covering the mentioned demand, with this initiative, the development, prosperity with connectivity infrastructure (airports, energy utilization, information technology, communication, etc) represent objectives, as well as reinforcing the financial connectivity by promoting the use of its own currency and reducing the dependence of the american dollar.



# International Forum *of Green Competitiveness and the new era of sustainability.*



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In China, the International Forum of Green Competitiveness was performed in order to make community aware of: taking care of ecology is the only way that shall permit human civilization to continue evolving and, from this point of view, create working plans that may increase the green and economic competitiveness of the country. The inaugural speech was performed by the professor and specialist in environmental matters, Zhang Yongli, who spoke about the millenary plan, among other matters, for China's sustainable development, which may be resumed by different countries in order to reinforce this strongly transcendent area in people's lives.






*"China's international ecological summit is arranged in order to promote China's international trade, and consult strategic areas. In this context, by implementing projects funded by the government, China has become a power with a growth of 1.5% concerning forests and green areas. The forest progression value increased the exports by millions, complying the needs and global demands of forest products. It could be said that it is the new era of sustainability. We intend to achieve a social welfare to improve the quality of life by implementing green strategies and establishing plans to treat environmental matters".*

In addition, this Forum had Mexico's representation, which was performed by Miss. Daniella Martínez, Corporate Vice Chairwoman of TLC Asociados, and the CEO of TLC Magazine México, who, during her speech, expressed herself gratefully with the Confederation of National Chambers of Commerce, Services and Tourism (CONCANACO SERVYTUR), and its Chairman, José Manuel López Campos, for the opportunity she had of being Mexico's spokesperson in China, she emphasized the importance of sandy soils management to free many locals from poverty, and she encouraged the common concern of nations to implement sustainable development objectives.

The Kubuqi model was a conversation topic, which is a reforestation plan of the previously desolate desert, Kubuqi, in which we may see how this territory has been prospering gradually concerning the green economy development while reducing sandstorms that affected this territory. During the last 30 years, the farmers and herders from the desert planted Chinese herbal remedies, such as licorice, which requires a minimum amount of water and it is quite known in this territory. In order to improve the soil quality, they builded electricity photovoltaic plants and they promoted tourism.



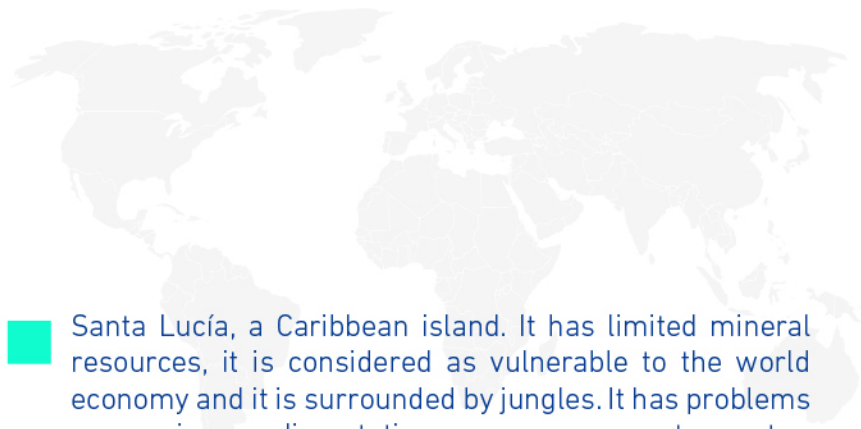
Additionally, another task was to increase connectivity by providing deserts with infrastructure in order to increase the commercial link and facilitate accesses, encouraging trading among communities. The economic and ecological competitiveness are complementary, no discrepancy must be given between them. It is a reality that an ecological environment must be created in order to encourage the economic development".



Yongli expressed himself that living in an ecological manner must not represent an obstacle to meet people's needs, and the comprehensive development must be performed, implementing a green thinking by making people aware of green matters, including a healthy environment of clean energy, which works actively in conjunction with consultative fields for protecting and regulating the environment. He also emphasized that China needs to continue with the policies that improve the environment, in conjunction with a good plan, managing the existing problems and recovering missing resources in order to build a stronger China.

*Finally, the most outstanding ideas from the different presentations, performed in the International Forum of Green Competitiveness, are resumed:*

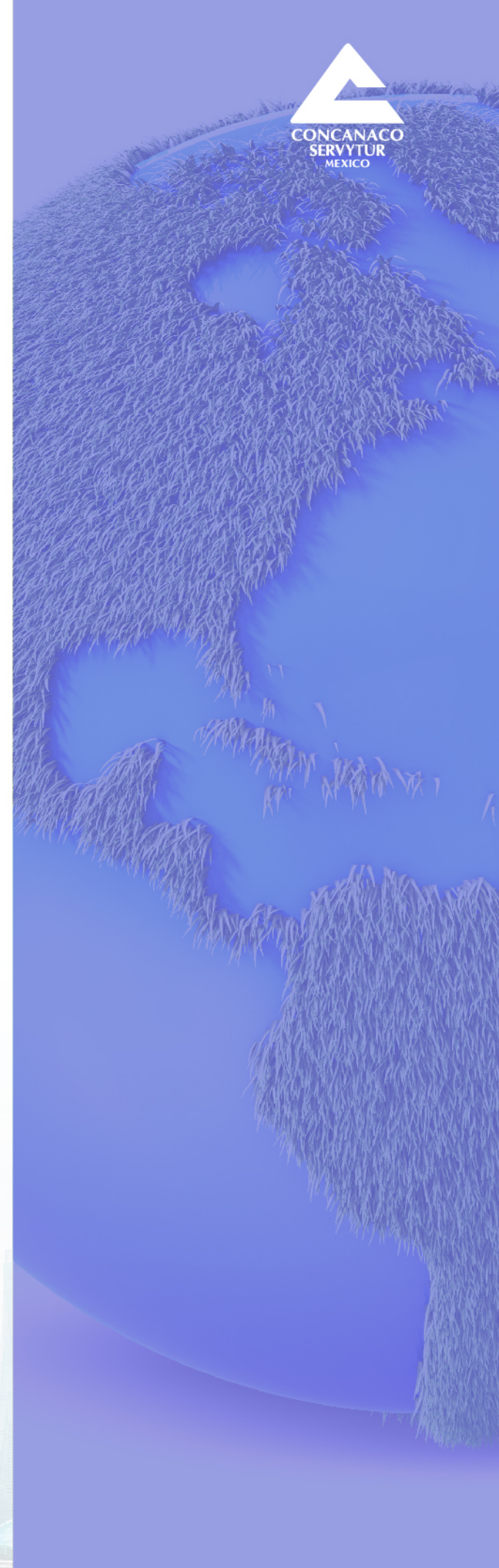
- The establishment of a green civilization represents one of the most relevant tasks at a national level, due to its connection with the social welfare. As a result of the increasing demand from the Chinese community, they have focused on the establishment of an agricultural supply chain that is improving step by step, as well as supporting the farmers.
- Wholesale markets, cooperating to achieve a shared future. The wholesale markets of agricultural products have been useful in maintaining stable prices with, at least, 100 types of agricultural products, which represents a boost for the agricultural production dynamics and the rural development.
- Ensuring that the policies protect the environment and reduce wastes from the logistics chain and, concerning distribution, generating a profit by using low prices.
- The economic growth and the ecological growth are constantly contradictory, however, the key consists of innovating in order to accomplish both growths.
- Philosophy of an harmonious development: controlling wastes, protecting the industry structure and society, accelerating the environmental protection, knowledge sharing and contributing to the future development.



■ Santa Lucía, a Caribbean island. It has limited mineral resources, it is considered as vulnerable to the world economy and it is surrounded by jungles. It has problems concerning sedimentation, poor access to water, biodiversity of flora and fauna, while being vulnerable to weather changes. Its economy is based on tourism and banana production.

■ Korea, suggestions and advices for the green regulations and policies. The weather change moves faster than regulations, therefore, a common solution must be found for the treatment of CO<sub>2</sub>, food security and demographic explosion. It is a small country, it has barely space for agriculture, which forces people to use stronger fertilizers and insecticides, increasing diseases among population.

■ Brazil, development of the strategic alliance with China. Searching for reciprocity and cooperation, China represents its main trade partner, according to the Brazilian Ministry of this Industry, the relationship with China represents 75 trillion dollars. In the last 15 years, the investment remained by 54 trillion dollars. The new objectives of the cooperation no longer concern this industry, in the other hand, they are focused now on ecology, mainly on the power sector by promoting the wind energy, which is being developed and improved everyday.







# XII Business Summit China-LAC

How to take advantage the commercial  
and **business opportunities?**

# XII Business Summit China-LAC

How to take advantage the commercial and business opportunities?



In the International Exhibition and Convention Center of Zhuhai, China, the XII China-LAC Business Summit was performed in order to promote the economic-commercial cooperation between China, Latin America and the Caribbean (LAC). The Mexican delegation, composed of authorities, entrepreneurs, academicians, representatives of organizations, associations, financial entities and chambers, worked on the increase and solidification of commercial opportunities of Mexico's exportable supply to the Chinese market, as well as searching for new businesses through plenaries, technical seminars, exhibitions, dialogue roundtables, and business conferences.

During the opening of the event, it was recalled that from 2007, when the First Summit was conducted, a cooperation, with reciprocal benefits and which enables to analyze the trends of economic and international commercial development, has been intended to achieve in order to face, with greater elements, the challenges derived from the competitive environment that takes place in the world.

On this occasion, the exhibition area had a 20,000 square meters space, and it attracted approximately 1,200 individuals from both regions, and the procession of the Aztec country implemented a proactive strategy to promote Mexico as a competitive and pioneering nation, which has services of the highest quality, wide tourist areas, and derived from structural reforms, among other aspects, it has become an attractive place to receive foreign investment, in conjunction with the advantages derived from several valid free trade agreements, and the macroeconomic stability presented in the recent years.

The China-LAC Business Summit is celebrated every year by intercalating an edition in the Asian country and another edition in a nation from Latin America and the Caribbean, considering Mexico, Chile, Colombia, Peru, Costa Rica, and Uruguay as countries that have been hosts, and by this synergy and the initiative of the Chinese Council for promoting the International Trade, an historical participation has been achieved, composed of more than 12,000 entrepreneurs, resulting in a key trademark in the cooperation between China and LAC, according to the Chinese government.





Other matters discussed during the Summit for their importance regarding commercial activities and the reinforcement of the economic activity, concern the following described hereunder:

**1** Supporting the small and medium exporting enterprises from Latin America and the Caribbean is imperative, concerning their internationalization process, specially to the Chinese market, due to the characteristics of its economy and market. There is the challenge of creating a private brand with a sustainable competitive advantage.

**2** Investing in infrastructure is fundamental in order to make more efficient the logistics processes and reducing costs, which enables to increase the competitiveness levels.

**3** The Fourth Industrial Revolution that includes innovation, new technologies, automation, artificial intelligence, does not extinguish jobs, simply, once the manual work is replaced, another better-paid job is created with a greater added value. The impact is revealed in the economic growth.

**4** The Latin American countries require to incorporate cutting-edge technology and a greater finance in order to develop a greater: product, value chain and its means of distribution. China is a strategic partner as a technology and finance supplier, since it offers solutions.

**5** It is necessary to have long-term plans and take root, possessing local manufacture by complying with the tax rules of each country and, by means of marketing techniques, accomplishing the recognition of Chinese trademarks.

**6** Education. Increasing the number of graduated persons in Master's Degree and Doctoral Degree in order to have a sustainable and independent innovation, and with the patents development.

**7** Tips for investing in China: 1. Long-term thinking; 2. Learning about what China already uses, there is no need to innovate if there are tools in operation; and 3. Feeling free to make mistakes.

**8** Panama's vision. Part of an attractive business model between LAC and Asia is to increase competitiveness of the maritime ports, since they support the world logistics; as well as encouraging the tariff reductions, reducing the costs.

**9** A vision of a Brazilian enterprise. Creating customized products for the needs of the country is difficult, as well as entering China, since it is a very competitive market, however, it offers the opportunity to do it due to its incredible infrastructure and technology.

***Finally, it was announced that the China-LAC Business Summit 2019 shall be performed in panama: "For this country, this represents an excellent opportunity to clarify its position as the Great Connection of Latin America", stated the Panama's Deputy Minister of Foreign Trade, Néstor González.***



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