

## CHINA'S ACTIVITIES IN LATIN AMERICA

## August 2021

The following is a summary of open-source media reporting on China's presence and activities in Latin America and the Caribbean in August 2021. This is not a complete list of media reports on China's activities in Latin America but are some of the most relevant articles and reports selected by SFS researchers and fellows. The monitor does source a limited amount of media reports from state-owned or -controlled media outlets, which are carefully selected and solely intended to report on news that is not reported on by other media and is relevant for understanding VRIC influence in the region. This report is produced as part of our VRIC Monitor published monthly by the Center for a Secure Free Society (SFS), a non-profit, national security think tank based in Washington D.C.



- A consortium that includes Hyundai E&C of Korea and Sinohydro of China has been chosen to build a \$428m terminal for a greenfield airport in Cusco, southeast Peru. Other members of the Natividad de Chinchero consortium are Mexican contractor Ingenieros Civiles Asociados and Peru's HV Contatistas. Global Construction Review on 29-JUL
- A China state-owned automobile manufacturer has announced plans to enter Mexico. Chang'an Automobile Group, better known as Changan Motors, will market five models through its local partner Motor Nation in 30 dealerships and will open five brand only showrooms in large cities. Mexico News Daily on 26-JUL

- A Chinese logistics firm has emerged as a central player in the supply of sanctioned oil from Iran and Venezuela, even after it was blacklisted by Washington two years ago for handling Iranian crude. Reuters on 22-JUL
- State media reports China's top legislator Li Zhanshu held talks with Uruguayan Vice President Beatriz Argimon, who is also President of the General Assembly as well as the Senate, via video link, and both sides pledged to strengthen exchanges and cooperation between their legislative bodies. Xinhua on 21-JUL
- Aerolineas Argentinas is flying to China every third day in July, according to a press release by the South American carrier. While these trips are not commercial, they serve a greater purpose: fetching COVID-19 Sinopharm vaccines. Air Insight Group on 15-JUL
- At least three cargoes of Venezuelan petroleum coke have recently been sold in China and north Africa, according to market participants. One cargo was recently delivered to the Weifang port in northeast China and is being offered to buyers, while another landed in south China and was sold to a power plant. At least one of these cargoes may have been re-exported from Turkey after sellers did not succeed in offering the supply there. <a href="https://example.com/recent/re
- Many Cubans have seen their internet access cut off, according to multiple news reports, amid large-scale anti-government protests across the Caribbean Island. A report by the Institute For War & Peace Reporting released last December noted that Etecsa, the sole company in Cuba that provides internet access, has three primary technology providers that are all Chinese: Huawei, TP-Link, and ZTE. - Newsweek on 12-JUL
- A bilateral agreement on economic and technical cooperation for a grant valued at \$12 million was signed between the People's Republic of China and the Bahamas. Chinese Ambassador to the Bahamas Dai Qingli and Minister of Foreign Affairs Darren Henfield were present at the signing ceremony, which took place at the Ministry of Foreign Affairs. "For China, this signing hopefully will be a new starting point for us to take forward our relations," Qingli said. The Nassau Guardian on 08-JUL
- Brazil and China plan to strengthen science and technology ties. Genome sequencing and an exchange of scientists and researchers are among the topics under discussion, but budgets need to be agreed first. - <u>The Macao News on 05-JUL</u>
- Venezuela's oil exports inched higher in June, boosted by cargoes to Asia and expanded sales of upgraded crude, data from state-run oil firm PDVSA and tanker monitoring showed, as the nation rushed to deliver crude to China ahead of an import tax. - <u>Reuters</u> on 02-JUL
- Chilean miner Antofagasta has reportedly secured copper concentrate supply deals with four major Chinese smelters for the first half of 2022. The contracts with China Copper, Jiangxi Copper, Tongling Nonferrous and Jinchuan Group came after a recent round of talks. A final agreement was reached on June 30. Mining.com on 02-JUL

- China's Baowu Steel Group has signed an agreement to jointly invest in a nickel pig iron project in Indonesia with Brazilian miner Vale and China's Xinhai Technology, the company announced on June 24. Metal Bulletin on 25-JUN
- China's Ganfeng Lithium, one of the world's top producers of the commodity used in electric-vehicle batteries, said it would invest in a solar-powered lithium plant in northern Argentina. Ganfeng will use a 120-megawatt photovoltaic system to generate electricity for a lithium extraction plant in Salta province's Salar de Llullaillaco, where it is already developing the Mariana lithium brine project. Reuters on 18-JUN
- China's diplomat in Brazil demonstrated Beijing's "wolf warrior" diplomacy on social media, but the post was immediately removed after it triggered backlash among Chinese netizens. The Twitter post by Li Yang, the Chinese consul general in Rio de Janeiro, warned the West about criticizing China. He posted a photo of sleeping elephants, which he described as a species that coexist peacefully with Chinese people in southwestern China, and compared them to Western politicians. The Epoch Times on 15-JUN
- Traders are racing to deliver record volumes of Venezuelan crude oil masked as
  Malaysian bitumen blend to China, ahead of new fuel taxes that look set to upend the
  lucrative flow of sanctioned oil to the world's top crude importer. Reuters on 03-JUN
- Blinken touts vaccine charity as 'different cold war' with China plays out in Latin America: President Joe Biden's administration will unveil a plan for distributing 80 million vaccines within two weeks, Secretary of State Antony Blinken assured Latin American leaders during a trip to Costa Rica. Chinese officials have taken a different tactic, which involves accusing the United States of "hoarding" democracies while distributing hundreds of millions of jabs around the world making them vaccines that come with a political and financial price tag. Washington Examiner on 03-JUN
- The Venezuelan Navy likely hasn't been a top concern for the Pentagon, but if reports are
  true the Armada Bolivariana de Venezuela will be equipped with some rather powerful
  weapons that could shift the balance of power in the region. In September 2020, the
  Maduro regime released propaganda videos that suggest its warships have been armed
  with new Chinese-made C-802A anti-ship missiles, which could target enemy vessels
  from over 100 nautical miles away. National Interest on 02-JUN
- Although China assures that it does not demand anything in return for the money it gives away, the power asked the government of Salvador Sánchez Cerén more than 7,000 hectares to create a logistics center as a condition in the development of a Special Economic Zone (SEZ) in the southeast From El Salvador. - <u>La Prensa on 01-JUN</u> (content in Spanish)
- China's most important trading terminal with South America is being built 75 kilometers to the north of Lima, the Peruvian capital. Known as the Chancay port complex, it has an initial investment of \$1.3 billion and will turn this fishing and farming town into a

regional hub that could redefine shipping lines in the entire southern Pacific. - WorldCrunch on 31-MAY

- State media reports representatives from China and Cuba inaugurated an innovation center in the city of Yongzhou, Hunan province, to carry out joint research in biotechnology, a sector with solid ties, diplomatic sources reported. The island's ambassador, Carlos Miguel Pereira, indicated that he led the opening ceremony together with the mayor of that municipality, Zhou Hongwu, and highlighted the importance of the project for bilateral cooperation. <a href="Prensa Latina on 29-MAY">Prensa Latina on 29-MAY</a>
- A new Chinese oil refinery tax would appear to deliver a severe economic blow to the regime of Maduro by targeting Venezuela's exports of its heavy crude oil in a move that caught energy experts by surprise. The Chinese government is set to start collecting the 30% environmental tax on June 12, effectively doubling the cost of Venezuelan oil imports, making it commercially unviable, analysts say. There has to be a catch, some observers suspect, as it is hard to understand why China would suddenly turn its back on Maduro and potentially risk its significant stake in Venezuela's oil industry. Univision on 28-MAY

## ILLEGAL UNREPORTED AND UNREGULATED FISHING

- During a series of joint operations led by the government of Peru, specialized environmental prosecutors on board the Sea Shepherd ship *Ocean Warrior* encountered and apprehended multiple vessels fishing illegally in Peruvian waters. <u>Sea Shepherd Global on 06-JUL</u>
- Hundreds of ships spent nearly a million hours off Argentina between January 2018 and April 2021. They appeared to be fishing, and many went "dark," presumably to hide where they were doing it. A report from nonprofit Oceana found that Chinese-flagged fishing vessels were the biggest culprits. Business Insider on 02-JUN