

CHINA'S ACTIVITIES IN LATIN AMERICA November & December 2021

The following is a summary of open-source media reporting on China's presence and activities in Latin America and the Caribbean in November & December 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.



• China is set to continue its 'stadium diplomacy' strategy by helping to develop a new national stadium for El Salvador. The news was announced by the Central American

www.SecureFreeSociety.org © 2022 Center for a Secure Free Society. All Rights Reserved. country's President, Nayib Bukele, who stated that the Chinese Government's backing of the project comes as a result of a tour of Asia he conducted in late 2019 seeking out fresh investment for El Salvador. - <u>The Stadium Business on 05-JAN</u>

- In a brief interview to former Trump chief strategist Steve Bannon's popular War Room podcast, ex-Brazilian Foreign Affairs Minister Ernesto Araújo dubbed Brazil the "world champion in corruption," and mused that Chinese interests had "penetrated" the far-right Jair Bolsonaro government. <u>The Brazilian Reports on 05-JAN</u>
- El Salvador will build a new national stadium in a collaboration with China, President Nayib Bukele said in a Spanish-language Twitter post, saying "this is a collaboration granted directly by President Xi and a sample of the friendship between the peoples of China and El Salvador." <u>Yahoo Finance on 30-DEC</u>
- State media reports Argentine President Alberto Fernandez will attend the Beijing 2022 Winter Olympics, the country's Ambassador to China Sabino Vaca Narvaja said. - <u>CGTN</u> <u>on 27-DEC</u>
- Cuba and China have signed a cooperation plan to push forward construction projects under Beijing's controversial overseas infrastructure program, the Belt and Road Initiative (BRI), which has saddled many participating countries with heavy debt loads. Epoch Times on 27-DEC
- Latin America is the new frontline in the battle for influence between the United States and the Chinese regime. The current threat includes the Chinese Communist Party's (CCP) law enforcement partnership program in the developing world, particularly Latin America. The CCP's international law enforcement cooperation (LEC) consists of providing materials, equipment, inexpensive digital tools, training to foreign police officers, as well as consultation on judicial legislation. Focusing on the developing world, these programs include installing Xinjiang-style surveillance systems. Epoch Times on 24-DEC
- Argentina's government is scrambling to stem its hemorrhaging currency rates, economic recession, and hyperinflation, while negotiations continue with China over swaps and debt relief. The nation has an established track record of defaulting on loans, even before China agreed to grant an additional \$19 million to the Argentine government in 2020. Epoch Times on 20-DEC
- State media reports China Media Group (CMG) inaugurated its bureau in Managua, the capital of Nicaragua. Representatives from CMG and the Nicaraguan Communications and Affairs Committee signed a memorandum of cooperation at the inauguration ceremony. It marks the first cooperation agreement in the media field since the resumption of China-Nicaragua diplomatic relations. <u>CGTN on 16-DEC</u>

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- A creeping barrage of U.S. sanctions on top Central American officials has made China an attractive partner for governments resisting Washington's push to tackle corruption and democratic backsliding in the region, officials and analysts say. <u>Reuters on 12-DEC</u>
- In November 2020, the Asian Infrastructure Investment Bank (AIIB) approved \$50 million in financing for the first Latin American country to join as a non-regional member: Ecuador. Project 000435 is a \$50 million sovereign guaranteed loan to Ecuador's largest public bank, Corporación Financiera Nacional B.P. (CFN). The objective is to counteract the liquidity constraints faced by micro, small, and medium-size enterprises (MSMEs) as a result of the COVID-19 induced economic crisis. <u>The Diplomat on 10-DEC</u>
- As China continues expanding its influence in South America through investments, some local communities in Bolivia, Peru, and Ecuador have pushed back and are speaking out against the emerging investment partner over issues of mistreatment and pollution. Honduras under newly elected leader Xiomara Castro is expected to follow Nicaragua in cutting ties with Taiwan, as Beijing ramps up efforts to sever Taipei's diplomatic ties with nations in Central America and the Caribbean. - <u>Newsweek on 10-DEC</u>
- Following Nicaragua's diplomatic turn, China sent 13 military aircraft into Taiwan's air defense identification zone (ADIZ) on Friday, December 10, according to the Ministry of National Defense. <u>Taiwan News on 10-DEC</u>
- On December 9, Nicaragua broke its longstanding diplomatic ties with Taiwan, switching allegiance to Beijing in a recognition of the Chinese Communist party's One China policy and reducing Taipei's dwindling pool of international allies. <u>The Telegraph on 10-DEC</u>
- Paraguay remains resolute about maintaining diplomatic relations with Taiwan despite Nicaragua's decision to shift its allegiance to China. <u>Reuters on 10-DEC</u>
- Brazilian food processor BRF SA plans to start producing meat in China as part of an aggressive growth plan that could more than double annual net sales by 2030. <u>The Pig</u> <u>Site on 09-DEC</u>
- State media reports the governments of Argentina and China agreed to strengthen bilateral ties, particularly in science and technological developments. The two countries agreed to promote negotiations of the "2021-2025 Space Cooperation Plan," which encompasses different areas of collaboration, such as space science, deep space exploration and Earth observation, among others. Zhang also offered "scholarships for studies in the space, nuclear and defense industry areas" for Argentine students. <u>MercoPress on 02-DEC</u>
- Argentina's State energy company YPF, making a push into the country's burgeoning lithium sector, met with officials from major Chinese battery maker CATL, with both sides talking up plans to become "strategic partners" in the sector. - <u>Mining Weekly on</u> <u>26-NOV</u>

- State media reports China and Brazil are looking to deepen cooperation in agricultural biotechnology as officials, researchers, and businesses gathered at an online forum to seek joint solutions to green and sustainable agricultural development. <u>China People's Daily on 24-NOV</u>
- Chile is planning to build a 15,000 km subsea cable for a cost of more than \$2 billion to send solar energy to China. This project would solve one of the biggest problems with solar energy, the fact that it is intermittent, by sending solar from Chile when it is nighttime in China, making the project very attractive. <u>Oil Price on 18-NOV</u>
- 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. Since 2019, the project's main stakeholder is the Chinese state firm Cosco Shipping Ports (60%), with Volcan, a mining subsidiary of Glencore of Switzerland, holding a 40% stake. WorldCrunch on 17-NOV
- Chinese shipping and port giant, Cosco Shipping, is seeking to turn the future mega-port of Chancay into a hub for the South American region. The Chinese company, associated with the Peruvian mining group Volcan, is betting on complementing the Port of Callao and concentrating cargo from Chile, Colombia, and other South American countries. The project is advancing in Phase 1 with the drilling of the tunnels that will connect the operational area with the Chancay logistics park. The Chancay port-industrial node, located 78 km from Lima and with direct access to the Pan-American Highway, which is emerging as a complement to the Port of Callao. <u>Seatrade Maritime News on 15-NOV</u>
- Outgoing Honduran President Juan Orlando Hernández started a three-day surprise visit to Taiwan. Hernández and his wife will meet President Tsai Ing-wen as part of a celebration of 80 years of diplomatic relations between Taiwan and Honduras. He will also visit the Central American Bank for Economic Integration office in Taipei, a Honduran development bank. Associated Press on 12-NOV
- French mining group Eramet said it was relaunching a lithium production project in Argentina through a partnership with Chinese steel group Tsingshan as it seeks to expand in minerals needed for electric vehicles. <u>Economic Times on 08-NOV</u>
- State media reports Cuba will expand trade relations with China during its participation in the fourth China International Import Expo (CIIE), to be inaugurated in Shanghai, diplomatic sources said. Cuba's consul in that municipality, Néstor Torres, said that his country would be present with a virtual pavilion and will promote advances in biotechnology, cultural goods and services, tourism, health and agriculture. <u>Prensa Latina on 04-NOV</u>

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- Ecuador is aiming to negotiate trade deals with China, Russia and South Korea in the next four years, the Andean nation's Production and International Trade Minister said, adding that closing a deal with the United States is a priority. <u>Reuters on 07-OCT</u>
- The U.S. is losing Latin America to China without putting up a fight, Ecuador's ambassador to Washington told Axios, laying bare her frustrations with early inattention from the Biden administration. <u>Axios on 23-SEP</u>