



CHINA'S ACTIVITIES IN LATIN AMERICA

September & October 2022

The following is a summary of open-source media reporting on China's presence and activities in Latin America and the Caribbean in September & October 2022. 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 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.



- BYD, a Chinese new energy vehicle giant which has launched models in Europe, is making great strides in bringing its cars onto the streets of Mexico and Malaysia. The automaker recently revealed two partnerships with local players in North America and Southeast Asia to widen its influence abroad. - [Yicai Global on 11-OCT](#)
- Chile's congress voted to approve the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) trade deal after four years of legislative debate. The CPTPP is comprised of Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam. The United States formally withdrew in 2017 under President Donald Trump. - [U.S. News on 11-OCT](#)
- State media reports Guyana hopes that the Communist Party of China (CPC) will carry on with its innovative and wise ruling policies with Chinese characteristics, to fuel China's progression and to further shoulder China's responsibilities as a major global power that champions the causes of developing countries, Guyana's Ambassador to China Anyin Choo told the Global Times recently, in anticipation of the upcoming 20th National Congress of the CPC. - [Global Times on 11-OCT](#)
- President Mario Abdo Benitez of Paraguay has said that his nation requires \$1 billion in investment from Taiwan to help the Paraguayan government resist pressure to switch diplomatic recognition to China. Benitez said in an interview with the Financial Times on September 29 that his government was working with Taiwan's president Tsai Ing-wen to ensure that Paraguayans "feel the real benefits of the strategic alliance." Benitez said the \$1 billion investment would help his government "build the argument" about the importance of keeping its alliance with the self-ruled island. - [Epoch Times on 04-OCT](#)
- China has laid out a bold vision for its ambitions in space. President Xi Jinping has repeatedly called for China to transform into a leading "space power," and a 2022 Chinese government white paper states plainly that China's space industry "serves the overall national strategy." While Beijing insists that it utilizes space for peaceful purposes and aspires to make scientific achievements in space, its emergence as a space power poses potential risks to other countries. Their proximity to the United States has heightened fears that they can be used to spy on U.S. assets and intercept sensitive information. - [Center for Strategic and International Studies on 04-OCT](#)
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- China has expanded its use of satellite ground stations in South America, leading multiple governments to express concern about Beijing's intentions, according to a new report. China's space program has close but opaque ties to the country's military, fueling concerns that ostensibly civilian facilities could also be used for intelligence collection and surveillance, according to the report. - [Axios on 04-OCT](#)

- State media reports Chinese State Councilor and Foreign Minister Wang Yi praised Costa Rica's reiterated commitment to the one-China principle at a meeting with Costa Rican Minister of Foreign Affairs and Worship Arnoldo Andre Tinoco on the sidelines of the 77th United Nations General Assembly in New York. The new Costa Rican government does not allow any form of “Taiwan independence” activities in the Central American country, which has effectively reinforced the political groundwork of the relations between Beijing and San Jose, Wang said. - [CGTN on 25-SEP](#)
- U.S. military leaders are deeply concerned about a surge in Chinese-owned ports in Latin America and the Caribbean that “could benefit its military,” according to a report by the U.S.-China Commission (USCC). “Why would China need to build naval bases around the world?” said Sen. Marco Rubio, R-Fla., a member of the Senate Intelligence Committee. “They'll have visiting rights to basically nationalize and operationalize any port they control in the world in a time of conflict, if necessary, and there won't be anything we can do about it.” - [Fox News on 22-SEP](#)
- Just a week before Brazil's historic elections, it is now clear that China has entered the domestic political debate, with uncertain consequences and repercussions for China's relations not only with the largest South American country but with all of Latin America. - [The Diplomat on 24-SEP](#)
- Argentina is preparing an international tender for works on the Magdalena Channel, a proposed river passage providing new access for ships entering or leaving the Río de La Plata and the Paraná–Paraguay waterway – the route that connects five countries in South America, and through which 75% of Argentina's foreign trade moves. The international tender is expected to attract the interest of major players in the global dredging market, such as Belgium's Jan de Nul, which has been operating on the Paraná-Paraguay waterway since 1995, and China's CCCC Shanghai Dredging Company, which has experience in dredging the port of Mar del Plata on the Atlantic coast, and the Martín García channel further up the Río de la Plata, among other companies. - [Diálogo Chino on 20-SEP](#)
- Ecuador has reached an agreement to restructure its debt with Chinese banks, the government said in a statement, providing relief worth some \$1.4 billion until 2025. Ecuador's President Guillermo Lasso announced in February that he was looking to restructure the country's debt and improve the conditions of long-term oil sales contracts with Beijing. - [Reuters on 19-SEP](#)
- Jalisco Governor Enrique Alfaro announced that Solarever Group, a Chinese solar panel manufacturer, would invest US\$1 billion over the next four years in an electric vehicle battery plant in the state, while Nuevo León Governor Samuel García met with executives of the Lingong Machinery Group (LGMG), which is investing \$140 million in a boom lift plant in the northern border state. - [Mexico News Daily on 16-SEP](#)
- “When experts talk about China's influence in Latin America, they mostly focus on their economic influence. The more than \$153 billion in investments since 2005, and more

than \$140 billion in loans. While that is important, it's more important to understand how China has leveraged that economic influence to gain military, intelligence, and geopolitical advantage in Latin America and the Caribbean, turning the region towards authoritarianism,” Joseph Humire, executive director of the Center for a Secure Free Society told Fox News Digital. - [Fox News on 13-SEP](#)

- Nicaragua's 92-member unicameral legislature has approved an early harvest deal with mainland China, part of a free trade deal (FTA) which the two countries are currently negotiating. According to official state-owned media in Nicaragua, the agreement will permit the country to sell leading exports like beef, shellfish and coffee. Back in June, when first announcing that the two countries had outlined a trade deal, Nicaragua's minister for development, business and industry (Mific), Jesús Bermúdez said that the framework for negotiations had already been established and he hoped that the FTA would be finalized within a year and a half. The FTA will cover key areas of trade policy such as intellectual property rights, environmental standards and phytosanitary measures. - [LatinNews Daily on 09-SEP](#)
- Not so long ago, Chancay was a sleepy fishing and farming enclave on Peru's central coast frequented by tourists and seabirds. Walking through its streets, there was nothing to suggest that this town would host a megaport in a few years that would radically change its appearance and become a key link in trade between Latin America and China. - [BBC Mundo on 08-SEP \(content in Spanish\)](#)
- Sinovac Biotech will hold an initial trial in Chile to test two of its inactivated vaccines targeting the Omicron variant, the Chinese pharmaceutical company announced. The trials, which were just approved by Chilean regulators, will test two candidates: one targeting just Omicron and a trivalent vaccine targeting the Delta, Omicron and original variants. Sinovac said it would be the first trial of an inactivated Covid-19 vaccine targeting multiple variants. - [South China Morning Post on 07-SEP](#)
- China aspires to open a “naval outpost” in Nicaragua as part of a plan to dominate the Indo-Pacific, Taiwan has warned. “The Chinese are talking with them about also potentially setting up a naval outpost,” Taiwanese Vice Foreign Minister Alexander Yui told reporters. “So they have a very large plan.” Nicaragua severed diplomatic relations with Taiwan last year in favor of new ties with Chinese General Secretary Xi Jinping's regime, which claims sovereignty over the island democracy despite never having ruled in Taipei. - [Washington Examiner on 04-SEP](#)
- Fentanyl, which is manufactured by the cartels in Mexico, has become a plague in America amid the current border crisis. The production of fentanyl begins in China, where a network of underground labs batch up “precursor” chemicals needed to manufacture the drug. Those include the two most common ingredients of fentanyl: N-phenethylpiperidone and 4-anilino-N-phenethylpiperidine. - [New York Post on 03-SEP](#)
- Argentina has delayed until November the signing of a memorandum of understanding with China aimed at increasing investment in Argentine hog output, a government source

said, citing environmental protests over the planned export deal. Argentina first sought to sign the preliminary agreement in August, which aims to double the South American country's pork output - currently 630,000 tonnes per year - in four years. - [Reuters on 01-SEP](#)

- State media reports Nicaragua and the People's Republic of China will carry out a housing construction program that will benefit 12,000 people in 84 municipalities in the country, announced Vice President Rosario Murillo. "The first phase of the national housing program that was agreed yesterday, confirming the beginning of the first phase Nicaragua-China. It will be carried out in Managua and [consist of] 920 houses," she said. - [Kawasachun News on 31-AUG](#)
- Investment by Chinese companies in Brazil more than tripled in 2021, returning to pre-Covid pandemic levels and making the country the main destination for Chinese capital last year. After a lukewarm performance in 2020, operations such as Tencent's investments in fintechs and startups such as Nubank, QuintoAndar and Cora, as well as billionaire investments by Chinese oil companies in the Santos Basin have increased. Also noteworthy was the purchasing of the power transmission company in Rio Grande do Sul by State Grid and of the Mercedes-Benz plant in Iracemápolis by Great Wall Motors. - [Folha De S.Paolo on 31-AUG](#)
- The Central American country of Guatemala will "always support" Taiwan. This was stated by Guatemalan Foreign Minister Mario Bucaro after China held its most extensive ever military exercises around the self-governing island earlier this month. In a meeting with Taiwan's President Tsai Ing-wen at the presidential office in Taipei, Bucaro stressed that Guatemala and Taiwan are "like-minded countries" and linked by a "democratic alliance." - [The Rio Times on 30-AUG](#)
- China has entrusted a defense-focused state firm to ship millions of barrels of Venezuelan oil despite U.S. sanctions, part of a deal to offset Caracas' billions of dollars of debt to Beijing, according to three sources and tanker tracking data. - [Reuters on 26-AUG](#)
- Brazil's cumulative surplus with China since the start of Jair Bolsonaro's administration (January 2019 - July 2022) is US\$127.7 billion. It exceeds the amount added during the leftist governments of Luiz Inácio Lula da Silva and Dilma Rousseff and under centrist Michel Temer from 2003 to 2018: US\$127.2 billion. - [The Rio Times on 24-AUG](#)
- Analysts say agribusiness links are likely to continue to advance, but diplomacy may follow different paths depending on the winner of Brazil's October presidential vote. Experts consulted by Diálogo Chino see an eventual win for former president Luiz Inácio Lula da Silva, who currently leads the polls, as a route to strengthening ties between the two countries. If current incumbent and poll-trailer Jair Bolsonaro is re-elected, the signs are that the government will likely continue to distance itself from China – at least rhetorically. - [Diálogo Chino on 24-AUG](#)

- State media reports a new agreement to facilitate exports from the Brazilian agribusiness sector to China has been described by market experts in Sao Paulo as crucial to inaugurating the “biggest era of market openness in the last ten years” between the two countries. Agronomist Helen Jacintho said that with the new agreement, China is opening up its market for products such as soybean meal (a long standing request from Brazil), concentrated soy protein, corn, peanuts, and citrus pulp. - [MercoPress on 23-AUG](#)
- State media reports while Europe plans to take steps to rebuild its ties with Latin America after Moscow and Beijing sneaked in as the region's new most important partners, the Foreign Ministers of China and Chile held a telephone conversation. Wang Yi and Antonia Urrejola discussed Sino-Chilean relations and highlighted the fact that these bonds have continued to grow despite the changes of government. The Chinese official also pointed out that Chinese President Xi Jinping and his Chilean counterpart, Gabriel Boric, have maintained strategic communication and given direction for the development of bilateral relations. - [MercoPress on 19-AUG](#)
- China is investing in Mexico in order to avoid U.S. tariffs—such as the 25 percent tariff former President Donald Trump imposed on a wide variety of Chinese goods. - [NTD on 18-AUG](#)
- The Ecuadorian Minister of Production, Foreign Trade, and Investment, Julio José Prado, affirmed on Wednesday, August 17, at the presentation conference of the XV China-Latin America and the Caribbean (China-LAC) Business Summit that they are confident of closing a free trade agreement (FTA) with China this year. - [Rio Times on 18-AUG](#)
- State media reports a delivery ceremony for a Chinese Red Cross Society donation worth 150,000 U.S. dollars to its Cuban counterpart was held. The donation is aimed at supporting the Caribbean nation to carry out rescue and restoration work after an oil depot fire incident in the western city of Matanzas. In a speech delivered at the ceremony held at the Ministry of Foreign Trade and Investment in Havana, Chinese Ambassador to Cuba Ma Hui said, “China and Cuba are sister nations. The Chinese government and people share the same feelings of pain for the massive fire.” - [China People's Daily on 16-AUG](#)
- Uruguay irritated its partners in the Mercosur trade bloc when it announced in July, ahead of the group's semi-annual summit, that it had completed a joint study with China about the feasibility of a bilateral free trade agreement and that the two states are set to begin negotiations. It raises dilemmas for Mercosur, the Southern Common Market with four active members (Brazil, Argentina, Uruguay, and Paraguay), as its rules require that all members consent to any one of them signing a trade agreement with a third country. Such consent is not likely to be forthcoming; yet Uruguay still wants to move forward with negotiations, hopefully together with its Mercosur partners. - [National Interest on 14-AUG](#)
- The People's Republic of China presented a check valued US\$50,000 to the Government of Guyana to tackle Disaster Relief and Risk Management countrywide. According to a

release, the funds were received by Col. (ret'd) Nazrul Hussain, Director-General of the Civil Defense Commission (CDC). The Asian nation expressed intent to formalize a working relationship with the Guyana Government, via the Ministry of Foreign Affairs and International Cooperation and the CDC, to assist in Disaster Risk Management plans.

- [Guyana Chronicle on 14-AUG](#)

- State media reports Uruguay's Congress approved the implementation of joint defense efforts with China agreed upon in 2019, when the two countries pledged to increase cooperation between their respective Ministries of Defense, “within the limits of their competencies.” The document also provides for “the exchange and cooperation in the areas of research and acquisition of defense goods and services and logistical support in the area of international peacekeeping operations” and “the promotion of combined exercises and training, cooperation in matters related to science, technology and military equipment, humanitarian assistance in case of disasters and cooperation in anti-terrorist matters, among others.” - [MercoPress on 10-AUG](#)