



上海论坛 2016 观点集萃

China and Latin America: the Development Partnership of

Trans-Pacific

Cooperation & Sharing

2016/05/29 8: 30—17: 10

Chair: Shen Yi, Fudan University

Chen Duqing

**Chinese Former
Ambassador to
Brazil**

The relationship between China and the Latin American countries:

1. China is an important trade partner for many Latin American countries.
2. Because the recovery of global economy is weak, as a member state of the world, China cannot be isolated from the rest of the world. Latin American countries worried about that the slowdown of Chinese economic development will influence other countries. Business communities in Brazil pay much more attention to Chinese economic index rather than that of the United States.
3. We are confident about the prospect of the cooperation between China and Latin American countries. One reason is that the development of Chinese economy is moving towards a better situation, and the adjustment of Chinese economy structures has got some achievements. Another reason is that Latin American countries will overcome these difficulties caused by their economic and political situations. China can help those countries build infrastructure.
4. China keeps confidence in the prospect of Latin American countries' development, and the situation of mutual benefit and collaboration between China and Latin American countries will not change in the long run, and China will keep the diplomacy of strengthening the cooperation with Latin American countries.

**Ana Candida
Perez
Brazilian
Consulate-
General
in
Shanghai**

Brazil is China's gateway to the Latin America:

1. China is a country with strategic thinking in diplomacy, and it is embodied in the Belt and Road Initiative.
2. There is still much more improvement between China and Brazil, although China is already the largest trading partner for Brazil.
3. The difference in geography, language, cultures and political systems is an obstacle to cooperation. However, the two sides need to understand each other's culture. Differences and diversities cannot hinder cooperation, and the common benefits of both result in collaboration.
4. China is included in the plan of Atlantic-Pacific Railroad from Brazil to Peru.



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Luiz Augusto de Castro Neves **Asia, China and Latin America in globalization:**

China-Brazil

Business Council

1. Global market is becoming more and more complicated, and a new structure is forming. At present, the third world is rising, the development of integration is on the upgrade, international organizations are much more than before, and China's rising is catching other countries' eyes. It is necessary to adjust the existing system and build a new mechanism, such as BRISCS. Thus, newly emerging countries are able to have more chance to win a bigger voice in international stage.

2. It exist trade protectionism during the process of globalization. Brazil and other Latin American countries pay much more attention to the local market, and it shows an inclination toward trade protectionism.

3. When it comes to integrate into global markets, Asian countries have advanced ideas, like China's reform and opening up. The development between China and Latin America is completely different, as Asian development is outward.

4. Latin American countries' economy is developing to an outward-looking economy, as the development of globalization is good for the development of a country's internal development. Latin America is learning the advantages of China's development strategy.



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Wang Zhongmei
Shanghai Academy
of Social Sciences

FDI Negative List and Its Further Developments in China:

1. From 1995, China began to reform the system of FDI (Foreign Direct Investment), and delegated the approval authority to local government. Establishing the free trade zone in Shanghai made it come true. This shift is formed by the fact that China itself has become the foreign investor after joining the WTO.
2. The negative list system is currently only available in four FTZs. The difference from positive list system is that negative one is open to any item that is not prohibited on the list, and the great importance is transparency.
3. So far, there are some problems in the negative list, such as the test of negative list system in a low level.

Peter Herrman
EURISPES

Growth and development are challenges of global issues

1. The world is facing many challenges, such as the geopolitical aspects, the shift of the world power centers, the issue of economy, life style and resources. In addition to considering the growth of wealth, distribution of wealth, innovation, change of direction and mode of development also should be taken into account.
2. China and Latin American countries have the same problem of overproduction, and the same need for efficient allocation of resources. More than the management of government, participation from the lower level is needed. China has to fulfill its economic transition to better integrate into the global supply chain.
3. Political, economic, social aspects should be considered together, instead of considering economic development only. Raw materials, the wealth accumulation, excess time should be efficiently allocated, and the development of knowledge in various fields is needed.

Zhang Lei
Shanghai WTO
Affairs
Consultation
Centre

Domestic regulation in current international economic and trade agreements:

1. The regulatory coherence in TPP has great impact on developing countries' participation in international production.
2. Domestic regulation's necessity and transparency are WTO principles. However, the practice is under dispute because of the sovereignty issue.
3. Some international organization such as APEC pushed forward the cooperation of domestic regulation. APEC emphasis the negotiation among members, lacking institutional constriction.
4. The regulatory coherence in TPP reflects the direction that aims at institutional designs.

DISCUSSION
A.J. Nichols

1. Chinese economy is booming. China and Latin America are improving and specifying their relations.



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Vale Mineral (China) Co.,Ltd. 2. It emphasizes the importance of environment in the 13th Five Year Plan of China, which means Chinese economic development model has changed essentially. This direction is correct. From Latin American's perspective, both of us can realize mutual development to help China to fulfill the Plan.
3. The trade relations between China and Latin America should be increased, against trade protectionism. From a long term perspective, we should enhance the cultural exchange to understand each other's differences.

Renato Galvao Flores Jr. Fundaão Getulio Vargas **China and Latin America are approaching, and OBOR can promote trade.**
1. OBOR is a geographical strategy which is more flexible.
2. According to LSBCI index, China and HK have a close correlation with international harbors. They have strong trading bilateral relations with South American countries.
3. China should strengthen its interactions with ASEAN and South America as well as South Korea and Japan.

Eduard Gomes Fluminense Federal University **China and Latin America are trans-Pacific partners:**
1. TPP has both advantages and disadvantages. It is a more comprehensive market access mechanism which conveys more broad objectives such as institutions in life and environment apart from trade. It has some problems as many Asian countries are depreciating their currencies which can cause inequality in national incomes among different countries.
2. China, Mexico, Chile and Peru are trading partners. The China-Latin America trans-Pacific partnership could be accomplished by 2018 although there are still uncertainties on what forms it will adopt.



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DISCUSSION

Quan Heng
Shanghai Academy
of Social Sciences

Firstly, the first presenter mentioned the trade relations between China and South America, and he thought that “One Belt One Road” can drive the trade relations. I agree with him, especially in the infrastructure dimension. Secondly, the second presenter talked about DPTP. I think that globalization will decline in 2018, while regionalization will be another mechanism for globalization. We will need more regional cooperation institutes. Meanwhile, China is facing some challenges, such as middle-income trap. We have to cope with such issues, so do South American countries. We can work together to solve these problems.

Wang Fei
Chinese Academy
of Social Sciences

The challenges confronted by Brazil's trinity economic development strategy:

1. Brazil's macro-economic situation in 2015: the declining of GDP, the increase of rate of unemployment and the depression of three major industries.
2. Brazil has been suffering from currency crisis ever since September 2015. Now the situation is deteriorated by economic crisis which can possibly lead to negative growth in the next two years. Its inflation rate is above the estimation of the Central Bank for 20 months and deficits have appeared ever since 2014. Brazil is suffering both economic and political chaos.
3. The trinity economic policy, which has three dimensions of finance, inflation and currency exchange rate, is a failure. Brazil needs to enhance the independence of central bank in order to increase the conductivity of currency policy.

Yao Honghui
BM&FBOESPA
Shanghai
Representative
Office

The capitalism market cooperation between China and Brazil has a promising future.

1. Brazil and China are emerging economics, but they are different types of economics. Brazil is a capitalism country who has experienced many economic problems. China's market economic has been developed for about thirty years.
2. Although Brazil is facing a great challenge now, we can still provide excellent financial services to investors. We can offer them a platform to realize their strategy.
3. After the financial crisis, the Chinese capital market also need to recover, but the future of Chinese capital market is promising.



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DISCUSSION

**Renato Galvao
Flores Jr.**

**Fundação Getulio
Vargas**

Firstly, according to Wang Fei's data, the economic situation of Brazil is really bad. Economy cannot be separated from politics, which means that the current crisis in Brazil is actually political crisis.

Secondly, Brazil still have many opportunities despite of the crisis. If we do some arrangement, Brazil can recover from the crisis. Besides, some economic sectors in Brazil develop very well.

**Wan Yu
Shanghai
International
Studies University**

The energy cooperation between China and Latin America:

1. The China-Latin American cooperation in oil and gas is very promising and there is a great necessity for further energy cooperation between the two. China's energy enterprises, such as CNPC, Sinopec and CNOOC have already invested in Latin America now.
2. China has set up a diversified energy strategy. Currently, most of China's energy imports come from Africa and Middle East, but this energy importing structure is not safe enough. As a result, the energy imports from Latin America are becoming more important.
3. Both China and Latin American enterprises should work together more closely and explore new approaches for cooperation.

**Guo Changgang
Shanghai
University**

The prospect of China-Brazil cooperation in financial market:

1. Both China and Brazil are emerging economies. But there are some differences as Brazil has a capitalist economic system and experienced lots of predicaments, while China's market economy only has a histories of more than twenty years.
2. Now Brazil is facing huge challenges, but we can provide better financial services in order to offer a new platform for investors to implement their strategies.
3. In the post-financial crisis era, China's capital market also needs recovery, but there is still a good prospect for it.



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DISCUSSION

Wang Qingyuan
Shanghai
University

1. Don't worry about Brazil's economic, as it can overcome it.
2. From Chinese perspective, Latin America is crucial to both Chinese economic and diplomatic strategies.

(Editor: Huanhuan Liao)

The Road to the New Prosperity in Asia:

Further Reform vs. Structural Adjustment

Coordination & Governance

2016/5/29 08:30-12:00

Chair: Hua Min Professor of School of Economics, Fudan University

Chen Bo **Internationalization and Domestic Reforms: The Strategic Choice of China's Economy**

Shanghai
University of
Finance and
Economics

1. Financial Liberalization: Promote the Liberalization on Capital Account and RMB Internationalization;
2. Implement the Negative List;
3. To transform the government functions, we should not have the neutral competition without the change of government functions. Government should act as Police rather than Judge;
4. Reform of the State-owned enterprise: we have the Effective Negative List, and have vantage in negotiations with the other countries without the reform;
5. Innovation Driven: the low-end labor-intensive products are not competitive so the solution is the innovation driven.