

GLOBAL VIEWS

DING LONG

Logical progression

Over the past decade, practical cooperation between China and Arab states has been enhanced and accelerated, yielding fruitful results

China and Arab states enjoy a long history of friendly exchanges. Although separated by vast distances, the two ancient civilizations have been connected through the land Silk Road and the maritime Spice Route for thousands of years. Trading goods and exchanging knowledge, the two sides have been significant participants and contributors to the splendid history of the Silk Road.

When China proposed the Belt and Road Initiative a decade ago, Arab states were among the first to respond. The deep historical ties and evident economic complementarity have brought China and the Arab world together as partners in building the Belt and Road.

First, China and Arab states have kept close policy interaction. The past 10 years have borne witness to frequent high-level exchanges, higher level of political dialogues, as well as the vital role of head-of-state diplomacy. President Xi Jinping has visited Arab states multiple times, delivering keynote speeches at the headquarters of the Arab League and attending the China-Arab States Cooperation Forum ministerial meetings.

A historic milestone in China-Arab states ties, the inaugural China-Arab States Summit advanced the strategic alignment for jointly constructing the Belt and Road and marked the start of a new phase featuring comprehensive and deepened strategic cooperation. As of now, 21 Arab states and the Arab League have signed cooperation documents with China under the framework of the Belt and Road Initiative.

Second, the bilateral trade volume has doubled. China is the top trading partner for the Arab states. In 2022, the total import and export volume between China and the 22 Arab states exceeded \$431.4 billion, twice as much as five years ago. Arab states are the world's largest oil and gas producers. Nearly half of China's imported oil comes from Arab states.

Third, bilateral investment has accelerated growth. From 2004 to 2020, China's

direct investment in Arab states has increased from \$18 million to \$2.83 billion; cumulative investment has grown from \$76 million to \$21.29 billion. Chinese investment in Arab states has become increasingly diversified. In addition to traditional oil, gas and petrochemical industries, Chinese enterprises are now investing in emerging sectors such as new energy, aerospace, high-end manufacturing, telecommunications and the internet, as well as the digital economy.

Following the China-Arab States Summit, Arab states enjoyed a surge of interest to invest in China. Industrial enterprises such as Saudi Aramco and sovereign wealth funds such as Abu Dhabi Investment Authority from the United Arab Emirates have accelerated expansion in China. Saudi Aramco launched new petrochemical projects in Liaoning and Fujian provinces, and acquired equity in Zhejiang Rongsheng Petrochemical. China's capital market has become a new investment target for Arab sovereign wealth funds. Entities such as Abu Dhabi Investment Authority and Kuwait Investment Authority have made into the top 10 shareholders in over 40 Chinese listed companies.

Fourth, infrastructure cooperation has grown rapidly. Chinese companies have actively participated in infrastructure projects in various sectors in Arab states, including transportation, public facilities, clean energy, information communication and industrial facilities. They have undertaken major projects such as the Mecca Metro in Saudi Arabia, the East-West Highway in Algeria, the Central Business District of Egypt's new administrative capital, the main stadium for the Qatar World Cup and the Benban Solar Park in Egypt. Chinese companies are also involved in large-scale infrastructure projects such as Saudi Arabia's future city of Neom, contributing to the development and people's livelihoods in Arab states.

Moving forward, both sides should focus on the following areas to deepen and substantiate their Belt and Road cooperation.

First, enhance policy communication and strategic cooperation. China and Arab states play crucial roles in upholding multilateralism and building a multipolar world. Both parties should continue to strengthen policy communication and coordination under China-Arab cooperation mechanisms, and take part in global governance by collaborating more closely in international organizations and multilateral forums such as the United Nations and the G20.

Future efforts should be focused on creating cooperation mechanisms to facilitate the building of the Belt and Road. Both sides should work toward the completion of negotiations for the China-Gulf Cooperation Council Free Trade Area and initiate negotiations with other Arab states for free trade agreements at an appropriate time. Mechanisms for trade facilitation, investment encouragement and protection should be established.

Second, develop a new pattern of energy cooperation. Energy cooperation is and will remain the cornerstone of China-Arab economic and trade collaboration for a long time. Under the framework of "oil and gas plus", China and Arab states should not only expand oil and gas trade, but also work together across the entire industry chain, from the exploration, extraction and storage of petroleum, to the innovative utilization of hydrocarbon energy and new energy.

Third, explore new cooperation opportunities. Arab states are promoting advanced technologies such as the digital economy, cloud computing, artificial intelligence and aerospace, where China has significant advantages. As a manufacturing powerhouse, China can support Arab states to develop green and intelligent manufacturing through international capacity cooperation, driving the integration of industry and value chains. In the financial realm, both sides can progressively expand the scale of currency swaps, develop cross-border settlement in the renminbi, and actively explore oil and petrochemical product



The author is a professor of the Institute of Middle East Studies at Shanghai International Studies University. The author contributed this article to China Watch, a think tank powered by China Daily. The views do not necessarily reflect those of China Daily.

JIN XIAOWEN

Growing together

China and Latin America should make joint efforts to strengthen their agricultural cooperation for mutual benefits

This year marks the 10th anniversary of the Belt and Road Initiative. Over the past decade, 22 Latin American countries have signed cooperation documents or memorandums of understanding with China under the initiative, and cooperation between the two sides has continued to be enriched and expanded in various fields and projects.

Agriculture is a key field of China-Latin America cooperation in the framework of Belt and Road Initiative. Since the first China-Latin America and Caribbean Agricultural Ministers' Forum held in 2013, the agricultural cooperation between the two sides has entered a new stage of rapid development. So far, China has signed bilateral agricultural cooperation agreements with 18 Latin American countries and established inter-departmental agricultural cooperation mechanisms with 14 countries. China has become the major destination for Latin American agricultural exports, and Latin America has become China's largest source of agricultural imports, achieving mutual benefits and win-win outcomes.

China-Latin America trade in agricultural products has grown significantly, becoming an important driver for the development of their relations in other fields. In 2022, the total trade volume of agricultural products between China and Latin America reached \$80 billion, accounting for 16.5 percent of the total trade volume between the two sides. More and more Latin American countries have established increasingly close trade links in agricultural products with China, while the total trade volume of agricultural products between the two sides just surpassed \$30 billion a decade ago. Last year, over one-third of Brazil's agricultural products were exported to China. Argentina, Uruguay, Chile, Peru and Ecuador are also important agricultural trade partners of China. In addition to bulk farm-products such as soybeans and beef, more diversified products such as fruits, flowers and seafood are entering the Chinese market at an accelerating pace. This fully reflects the great potential and strong complementarity of China-Latin America agricultural cooperation.

The trade in agricultural products epitomizes the mutually beneficial cooperation between China and Latin America, and jointly addressing the problems and challenges they both face in agricultural modernization will elevate the cooperation to a new height. Issues such as improving the quality and efficiency of agricultural products, preventing and controlling crop diseases and pests, and improving the agricultural ecological environment have always been the key to the high-quality development of agriculture, and agricultural science and technology is undoubtedly a powerful tool to solve these problems. Since the beginning of the new millennium, China and Latin America have promoted pragmatic and in-depth cooperation in the field of agricultural science and technology. In 2011, the China-Brazil Joint Laboratory of Agricultural Sciences was established, which was the first joint research platform for agricultural science and technology cooperation established by China overseas. China has also set up joint research institutes on agricultural science and technology with Argentina, Peru, and other countries. These institutes have created conditions for the two sides to jointly solve problems in the fields of biotechnology, crop breeding and agricultural product processing, and have become models for agricultural cooperation under the framework of the Belt and Road Initiative.

Agricultural cooperation between China and Latin America has gradually spread to other fields, forming an "agriculture+" cooperation model. Agriculture is a pillar industry in many Latin American countries, covering various fields. Logistics is an important link affecting the transportation and trade of agricultural products, and also a major factor containing the further expansion of agricultural exports. Under the Belt and Road Initiative, China and Latin American countries are working together to overcome this bottleneck. For example, the Renovation of the Belgrano Freight Rail System in Argentina by China Machinery Engineering Corporation has significantly improved the stability of train operations, greatly increased the grain transport capacity, and further unlocked



have a high dependence on imports. If China and Latin America can explore further cooperation in this field, both sides will benefit. Brazil, Argentina and other countries have been affected by climate change. If China and Latin America can deepen cooperative research in the field of climate change, both sides will benefit.

At the second China-Latin America and Caribbean Agricultural Ministers' Forum, China announced that it would strive to bring total trade in agricultural products between China and Latin America to more than \$100 billion by 2030. As long as the two sides work intensively, there is still huge potential for agricultural cooperation between China and Latin America, and it can lead to cooperation in more fields.

Second, the two sides should also continue to improve the institutional construction for China-Latin America agricultural cooperation and deepen the exchange of governance experience in the agricultural field. Policy communication is an important guarantee for the construction of the Belt and Road Initiative, and institutional construction and top-level design are crucial for good policy coordination. Currently, the China-Latin America and Caribbean Agricultural Ministers' Forum has become an important platform for both sides to comprehensively deepen mutually beneficial agricultural cooperation. China has also established agricultural cooperation mechanisms with most Latin American countries. China has also put forward the Global Development Initiative and set up the China-LAC Cooperation Fund. How to make better use of these cooperation mechanisms and clarify their positioning is essential to further deepening China-Latin America agricultural cooperation. China and Latin America share similar goals in green agricultural development, food security and increase of farmers' income, and are exploring their own distinctive paths of agricultural modernization. Both sides should strengthen exchanges on governance experience in the agricultural field. Only by communicating more ideas and sharing China's development experience in rural vitalization and agricultural e-commerce with Latin American countries can we better explore a development path suitable for developing countries and truly shape China-Latin America agricultural cooperation into a model of South-South cooperation.

The author is secretary-general of the Center for Latin American Studies at Renmin University of China. The author contributed this article to China Watch, a think tank powered by China Daily. The views do not necessarily reflect those of China Daily.

the potential of agricultural trade between Argentina and China. Not only in logistics, the "Chinese + Agricultural Science and Education Development Center" jointly built by China's South China Agricultural University and Brazil's Federal University of Mato Grosso and the Autonomous University of Chapingo in Mexico are concrete examples of "Agriculture+". This also enables the fruits of China-Latin America agricultural cooperation to better benefit local people and helps realize the extensive consultation, joint contribution and shared benefits of the Belt and Road Initiative.

Although China-Latin America agricultural cooperation has achieved rapid development, it also faces many challenges due to multiple factors such as the impact of the COVID-19 pandemic, global climate change

and geopolitical confrontation. In order to promote the sustained and in-depth development of China-Latin America agricultural cooperation and jointly shape the resilience of cooperation, both sides should continue to make joint efforts in the following two aspects:

First, they should further highlight the "agriculture+" cooperation model to tap the potential of agricultural cooperation. Facing changes in the international environment, more possibilities for cooperation have emerged in China-Latin America agricultural cooperation. For example, after the outbreak of the Russia-Ukraine conflict, global fertilizer prices rose sharply, resulting in increased agricultural production costs. Brazil, Argentina and other countries are important importers of fertilizers, and