

## Abstracto de Cooperación Técnica

### I. Información Básica del proyecto

• País/Región :	REGIONAL/BID
• Nombre de la CT :	Potenciando las relaciones comerciales China-América Latina y el Caribe
• Número de CT :	RG-T2725
• Jefe de Equipo/Miembros :	MEJIA RIVAS, ISABEL - Líder del Equipo ZHANG, GE - Miembro del Equipo LI, FAN VANESSA - Miembro del Equipo ROSPIDE, MARIA DE LA PAZ - Asistente de Proyecto PIERECK, GUILHERME C. - Miembro del Equipo
• Indicar si es: Apoyo Operativo, Apoyo al Cliente, o Investigación y Difusión	Investigación y Difusión
• Si es Apoyo Operativo, proveer número y nombre de la operación que apoyará la CT:	
• Referencia a la Solicitud :(IDBDOCS #)	
• Fecha del Abstracto de CT:	06 Apr 2016
• Beneficiario (países o entidades que recibirán la asistencia técnica):	Regional
• Agencia Ejecutora y nombre de contacto (organización o entidad responsable de la ejecución del programa de CT) {Si es el Banco: entidad contratista} {Si es la misma que el Beneficiario, favor de indicar}	- Isabel Mejia
• Financiamiento Solicitado del BID:	\$ 450,000.00
• Contrapartida Local, si hay:	\$ 500,000.00
• Periodo de Desembolso (incluye periodo de ejecución):	36 meses
• Fecha de Inicio Requerido :	
• Tipos de consultores (firmas o consultores individuales):	Individuos
• Unidad de Preparación :	UNIDAD DE COMERCIO E INVERSION
• Unidad Responsable de Desembolso (UDR) :	SEDE
• CT incluida en la Estrategia de País (s/n):	No
• CT incluida en CPD (s/n):	No
• Prioridad Sectorial GCI-9:	Promoción de la integración y la cooperación regional

### II. Objetivos y Justificación de la CT

El objetivo principal del proyecto es continuar apoyando el fortalecimiento de las relaciones comerciales y de inversión entre China y América Latina, tanto en términos de cantidad como calidad, con el fin de generar una mayor y más sostenible el desarrollo económico y la integración entre las dos regiones garantizando beneficios distributivos para todas las partes involucradas

Driven in large part by Chinese demand for LAC commodities, bilateral trade between China and LAC grew 22 times over from \$12b in 2000 to \$275b in 2014. However, such a demand-induced expansion has begun to lose steam last year, as China embarked on a difficult yet necessary economic rebalancing towards a new growth model. This has placed downward pressures on global prices, thus creating direct and indirect spillovers into the LAC economies. The region's commodity exporters now experience a significant decrease in export revenues (both in volume and value terms), deteriorating current accounts, depreciating and more volatile currencies, and potential fiscal issues.

In an economic environment where slower global growth has become the "new norm," both LAC and China face significant challenges going forward. On the flip side, however, low growth in traditional sectors provides both regions with an unprecedented opportunity to explore new growth engines, domestically and bilaterally alike. Indeed, as today's challenging economic context both necessitates and facilitates the construction of a greater and more balanced bilateral partnership, diversification of trade - albeit always necessary - has become more feasible than ever. Ideally, diversification would occur on two levels, namely products and participants. While the diversification of products would enable LAC and China to move beyond commodities and "complementarity," that of participants would incorporate other firm-level players than the resourceful multinationals. Consequently, such a dual diversification would bring about a more sustainable bilateral partnership by ensuring that the benefits of trade trickle down to the SME level and into non-traditional sectors in both LAC and China.

The IDB is as responsible as it is uniquely well-positioned to take on these challenges, given its strong track record in enhancing trade and investment flows between LAC and China. Since 2010, the Bank has successfully organized numerous activities on related fronts, ranging from bilateral training and exchange programs to business matchmaking events. As a result, over 100 trade officials from 26 LAC countries benefited from workshops on doing business in/with China. Similarly, the China-LAC Business Summit, now at its 10th edition, saw cumulatively 3,000+ business meetings between LAC and Chinese entrepreneurs, which materialized in \$40m worth of business for 600+ SMEs from LAC. Building on these important results, this TC (RG-T2725) will continue to create and spread practical knowledge, tools, and business opportunities to LAC governments and companies, thus helping them adapt to a changing relationship with China and take advantage of the new possibilities arising from this transition.

### **III. Descripción de actividades y resultados**

Component I: China-LAC Training Program. This component includes a one-week training program in Beijing, through which LAC government officials and Trade Promotion Organization (TPO) officers will obtain a better grasp of China's changing economic realities and their implications for LAC exporters and importers. Over the past five years, 100+ public officials from 26 participating LAC countries have benefitted from similar training programs organized by the IDB in China. TPO representatives will have the opportunity to visit local governments and enterprises in Beijing as they did in previous years. Through these activities, LAC participants will be able to consolidate existing professional and personal ties with their Chinese counterparts and relevant Chinese entrepreneurs while constructing new ones. This is central to furthering and upgrading bilateral trade and investment activities in the coming years.

Component II: Promoting LAC SME exports to China. This component aims to help boost LAC SME exports to China, thus creating an opportunity for both regions to diversify bilateral trade flows away from commodities and MNCs. To that end, it will utilize resources available through ConnectAmericas.com, an innovative, fast-growing online business and export promotion platform designed by the IDB. Recognizing the evident complementarity of supply and demand, this component aims to capitalize on this opportunity which would not only produce significant trade benefits for LAC SME exporters, but help to construct a more balanced and sustainable bilateral trade dynamic between LAC and China.

Component III: The 10th China-LAC Business Summit: This component includes a two-day Forum, to be held in China on October 14th and 15th of 2016 in the city of Tangshan, which aims at opening an opportunity of dialogue among policy makers, government officials, top executives, and SME entrepreneurs to strengthen and upgrade the commercial ties between LAC and China. The forum, now at its 10th edition and a premier event in the LAC-China business sphere, will be structured in 3 segments: (i) Panel Discussions and Roundtable Meetings: this segment will be dedicated to at least 6 interactive thematic discussions to promote a higher level of trade and investment flows between LAC and China. These panels may cover relevant topics such as: infrastructure, sustainability/environment, energy, technology/innovation, emerging industries/sectors, among others ; (ii) Business Opportunities Exhibition: LAC companies will have the opportunity to showcase the products for which they are seeking export markets as well as the investment projects for which they are procuring capital, with the technical assistance of their respective export and investment promotion agencies; and (iii) Business Networking and Matchmaking: the one-on-one business meetings between LAC SMEs and potential Chinese clients or partners to forge long-term economic and technological cooperation, investment and trade on a mutual basis. As in previous years, the China Council of the Promotion of International Trade (CCPIT) will be supporting technically and financially the execution of this Program.

## **Resultados**

Nombre:

## **Componentes**

Nombre: Component I: China-LAC Training Program

Descripción: This component includes a one-week training program in Beijing, through which LAC government officials and Trade Promotion Organization (TPO) officers will obtain a better grasp of China's changing economic realities and their implications for LAC exporters and importers

Nombre: Component II: Promoting LAC SME exports to China.

Descripción: This component aims to help boost LAC SME exports to China, thus creating an opportunity for both regions to diversify bilateral trade flows away from commodities and MNCs. To that end, it will utilize resources available through ConnectAmericas.com

Nombre: Component III: The 10th China-LAC Business Summit

Descripción: This component includes a two-day Forum, to be held in China on October 14th and 15th of 2016 in the city of Tangshan, which aims at opening an opportunity of dialogue among policy makers, government officials, top executives, and SME entrepreneurs to strengthen and upgrade the commercial ties between LAC and China.

#### IV. Presupuesto indicativo

##### Presupuesto Indicativo

Actividad/Componente	BID/Financiamiento por Fondo	Contrapartida Local	Financiamiento Total
Component I: China-LAC Training Program	\$ 100,000.00	\$ 100,000.00	\$ 200,000.00
Component II: Promoting LAC SME exports to China.	\$ 100,000.00	\$ 0.00	\$ 100,000.00
Component III: The 10th China-LAC Business Summit	\$ 250,000.00	\$ 400,000.00	\$ 650,000.00

#### V. Agencia Ejecutora y estructura de ejecución

This operation will be executed by Trade and Investment Unit of the Inter-American Development Bank, in accordance with the Bank's Technical Cooperation Policy (Document GN-2470-2).

The main reasons that justify the execution of the project by the Bank are as follows:

(i) This is a regional project that involves coordination with several public and private sector stakeholders from all over the region, and the Bank is an ideal position to execute it given its presence in every country.

(ii) Regarding Component I, the Trade Promotion Organizations (TPOs) of the Bank's 26 member countries will be invited to participate in the Forum and Exchange Program in China and it is therefore necessary to have an executing agency that has close relations with each one of them. The Bank, and in particular INT/TIU, maintains a close and functional and working relationship with all of the TPO's in the region. This will ensure that their participation will be beneficial from a technical and institutional point of view.

(iii) The success of Component II relies heavily on (i) excellent relations with LAC and Chinese governments and TPOs; (ii) connections to a deep pool of qualified LAC exporters and Chinese buyers; (iii) accumulated knowledge and operational experience in LAC-China trade facilitation. Therefore, the IDB, especially its INT/TIU department, is uniquely well-positioned to take the lead on this project. INT/TIU - the originator of both ConnectAmericas and the annual China-LAC Business Summits - will work internally to generate optimal synergy between these two resources, while seeking support from other relevant Bank-wide and external agents.

(iv) As for Component III, the Bank has gained invaluable know-how in the execution of this type of initiatives. In 2010, INT organized the China-LAC Business Summit in the city of Chengdu, and has continued supporting the subsequent organization of China-LAC Business Summits (Lima, Peru, 2011; Hangzhou, 2013; San Jose de Costa Rica, 2013; Changsha, 2014, Guadalajara, Mexico, 2015).

#### VI. Riesgos importantes

The success of the project will depend on an adequate level of participation of LAC's officials and private sector representatives. The operation will mitigate this risk by (i) engaging Chinese and LAC governments and private sector associations in the search for potential business partners; and (ii) through extensive dissemination and promotion during the preparation of the components.

## **VII. Salvaguardias ambientales**

La clasificación ESG para esta operación es [ C ]