1. Chinese Ecological Civilization Concept
   - Domestic Politics
   - International Dimension

2. The Brazilian trade of beef to China – Case Study
   - Obstacles & Challenges
   - Possible Solution

3. Recommendation for Latin America and Caribbean Countries
1. Chinese Ecological Civilization Concept
The Communist Party of China leads the people in promoting socialist ecological progress. It raises its ecological awareness of the need to respect, accommodate to and protect nature; follows the basic state policy of conserving resources and protecting the environment and the principle of giving high priority to conserving resources, protecting the environment and promoting its natural restoration; and pursues sound development that leads to increased production, affluence and a good ecosystem. The Party strives to build a resource-conserving, environmentally friendly society; and preserves China’s geographical space and improves its industrial structure and mode of production and the Chinese way of life in the interest of conserving resources and protecting the environment. All this ensuring lasting and sustainable development of the Chinese nation.

*(Communist Party of China 2017)*
Domestic Politics

Milestone on Chinese Government major Environmental Actions. (UNEP 2016)
Domestic Politics

- Cadre Responsibility System

- Achievement: 60% to 70%
- Integrity: 30% to 40%
- Competence
- Diligence
Performance Contracts

- **Veto Targets**: The most important ones, failure to accomplish them implies punishment.
- **Hard Targets**: Also mandatory and tend to have an economic aspect, interfering mainly with bonus and political rewards.
- **Soft Targets**: Lower priority and are taken more as a guidance.
The Party committee and its organization departments shall, in the selection and appointment of the members of the local government leaders, make use of the resource consumption, environmental protection and ecological benefits actions as an important content of assessment, and the cadres who had been responsible for causing serious damages to the ecological environment shall not be promoted or transferred to important posts.

(CPC Central Committee and State Council 2015b)
China's pig sector looks set to be restrained by a new environmental tax to pay for proper handling of effluent.

The Ministry of Environmental Protection in Beijing has announced a tax of RMB1.40 per pig, which will be payable from 2018 as part of an environment tax on pig farms of 500 or more head of pigs.

The Environment Protection Tax Law was passed late last month by the People's Congress Standing Committee – the lawmaking unit of China's National People's Congress, which meets each spring for a week – and will take effect from 1 January 2018. The tax will apply to farms with 50 cows, 500 pigs or 5,000 birds.

The Chinese government is projecting that the new tax will raise RMB50 billion per year to help clean China's notoriously polluted waterways. A note with the announcement explained how the tax was aimed at "getting more companies to pay more taxes on sewage", but it also encourages reduction and conversion of slurry into dried products for organic manure.
Beef imports to China are growing in importance. (Pan and Sherrard 2017)
2. The Brazilian Trade of Beef to China – Case Study
Global Market Share

China's Beef Import - 2016

- Brazil: 29%
- Uruguay: 27%
- Australia: 19%
- New Zealand: 12%
- Argentina: 9%
- Canada: 2%
- Hong Kong: 1%
- Others: 1%

(FTIS 2017)
Brazil’s GHG emission by sector

(http://sirene.mcti.gov.br/emissoes-em-co2-e-por-setor)
Non-Tariff Barriers

WTO Regime

Article XX, g, of The General Agreement on Tariffs and Trade
# Challenges & Obstacles

<table>
<thead>
<tr>
<th>Country</th>
<th>Challenges</th>
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<td>Brazil</td>
<td>Change the mindset of farmers</td>
<td>Finance the implementation of the new practices</td>
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<tr>
<td>China</td>
<td>Change the mindset of consumers</td>
<td>Provide more diversified ecological goods</td>
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Possible Solutions

Green Finance System

Label System

Brazil – China Cooperation on Sustainable trade of Beef
Possible Solutions

Brazil-China Integrated Beef Supply-Chain Platform

**LOCAL PROCESSORS**

- Non-licensed Slaughterhouse
- Licensed Slaughterhouse (MAPA/ CNCA)
- Different Product Price
  - Premium Beef
  - Independent Farm

**DISTRIBUTION**

- Licensed Importer
  - Premium Beef long-term Agreement
  - New Development Bank
    - Green Bond (Brazil-China Sustainable Beef Cooperation)
  - Investors (Guarantee use of proceeds)
  - Different Product Price
  - Wholesale Market/Trading Company
  - Meat Processor
  - Big Supermarket

- Integrated systems (Cattle-Agriculture)
  - Traceability System
  - Nutritional management
  - Adequate use of inputs
  - Genetic Improvement
  - Best practices in forage and animal management
  - Recovery of degraded pastures
3. Recommendations for Latin America and Caribbean Countries
Recommendations

1. China is in a new era of development and, sustainable production and consumption is becoming the focus of Government’s plan. To avoid constrains in Latin America and Caribbean countries’ economy, governments should be aware of this new scenario;

2. In facing difficulties to overcome challenges, Latin America and Caribbean countries should look to China as a possible partner to work on solutions;

3. Each case should consider its own particularities, involve all stakeholders, and together find alternatives to win-win cooperation to build a better world.
thanks!

Any questions?

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