ENERGY TRADE, POWER RELATIONS, AND ENVIRONMENTAL CHALLENGES IN THE SINO-LATIN AMERICAN RELATIONS

JUAN PABLO BENAVIDES CABRERA

LAURA CRISTINA DUQUE RAMÍREZ

UNIVERSIDAD PONTIFICIA BOLIVARIANA

ESCUELA DE ECONOMÍA, ADMINISTRACIÓN Y NEGOCIOS

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MEDELLÍN

2023

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JUAN PABLO BENAVIDES CABRERA
LAURA CRISTINA DUQUE RAMÍREZ

Trabajo de grado para optar al título de Negociador Internacional

Asesor

LADY GAVIRIA OCHOA

PhD en Filosofía (c)

UNIVERSIDAD PONTIFICIA BOLIVARIANA
ESCUELA DE ECONOMÍA, ADMINISTRACIÓN Y NEGOCIOS
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Content

Abstract

China has experienced extensive economic and industrial growth, which consequently positioned the country as a global power. This was eventually strengthened by the Belt and Road Initiative (BRI), which has allowed China to expand its current and future energy demand in challenges such as improving their infrastructure and connectivity. Although the country has abundant reserves in coal and oil to last for more than twenty years (Mining, 2022), supply of diverse sources of energy is a complicated matter for the Chinese domestic and international agenda. The Chinese government's need to diversify on energy sources has led to explore potential projects, and finance endeavors of both renewable and nonrenewable energy in Africa and Latin America. This is criticized by the Western world as a form of neo-colonization considering the asymmetry of economic and political relations of Chinese allies. Also, the production of energy could deepen environmental issues that the world faces today, especially with the use of coal as the most polluting energy resource. This paper aims to analyze the relationship between nonrenewable energy imports from Latin America, and China's current and potential energy demand in the context of the BRI. This requires understanding the Sino-Latin American bilateral relations in the context of BRI; the analysis of their energy trade balance; and the characterization of China's energy demand and why Latin America is a region of interest. The methodology used is qualitative aiming to describe and making inferences of an inductive logic. The data collection and analysis use content analysis. Results show that China has expanded its economic influence in Latin America using political frames to facilitate acceptance and development of BRI in the region, which ensures that agreements and trade favor the energy supply that China requires currently

and potentially. However, challenges continue, and renewable energy endeavors are the answer.

Keywords: China, Energy Resources, International Trade, Latin America, Regional Cooperation.

Introduction

Belt and Road Initiative - BRI was first presented by Chinese President Xi Jinping in 2013. This infrastructure and investment project aims to create bridges between Asia and Europe through Africa and the Middle East through a network of highways, railroads, and ports (EBRD, 2022). Nevertheless, Latin America was not part of this puzzle originally.

The inclusion of Latin America took its first steps when the Argentinian president of the time, Mauricio Macri, joined the Belt and Road Forum in Beijing in May 2017 (CELAC, 2021). In 2018, during the China - ECLAC Forum, the Chinese Foreign Minister Wang Yi attempted to engage Latin American countries to participate in the BRI (Zhimin, 2018). This resulted in successfully signing a "Special Declaration on the Belt and Road Initiative", in which Chile, Bolivia, Costa Rica, Dominican Republic, Panama, Uruguay, Venezuela, and several Caribbean nations, signed a Memorandum of Understanding with the Asian country. Which can bring mutual benefits for both regions, as well as challenges could be faced through cooperation (CELAC, 2021). Although, some opinions particularly from westerns appears, stablishing the Sino-LAC initiative as

one-sided and expressing concerns regarding the sustainability of Chinese investments and their long-term effects on the region. Other issues include the increasing levels of indebtedness, transparency, lack of participation, and economic viability of some BRI projects in the region (CEPAL, 2018)

Given historical economic development, Latin America has relied on non-renewable energy exports, which forces China to be part of the global competition for resources. Such challenge is overcome by political and diplomatic strategies. For instance, China's reliance on foreign energy sources can make it vulnerable to supply disruptions and price fluctuations. Additionally, investing in and relying on non-renewable energy in Latin America could destabilize the country’s economic and political activity (Demaria & Martínez-Alier, 2018). Undeniably, Latin America is a desirable strategic energetic ally to China. Due to, the relation between imports of conventional energy such as coal, oil, and natural gas from Latin America, and the current and potential demand from China and BRI is highly complex given geographical distance and connectivity that facilitates energy transmission.

While the Chinese economic growth and the advancement of BRI have contributed to increasing the region's energy imports, this dependence on foreign energy sources also poses threats and challenges for China in terms of energy security, environmental impact, and political stability. In which, there are challenges of ensuring sufficient investment in power grids and a mix of generation technologies that best suit the needs of the electricity system to strengthen the links between electricity and gas security. In terms of China's growing energy demand, this especially focuses on the form of oil and natural gas. In

which, The Organization of the Petroleum Exporting Countries – (OPEC, 2021) has reported the increase of 7.6 per cent oil and 6.6 per cent of natural gas imports by China from 2016 to 2020.

China's growing energy demand is propelled by swift economic and industrial expansion and aims to receive backing from China's strategic investments in Latin America (Montoya y otros, 2020). Moreover, one of the main aspects in which BRI emphasis is infrastructure development as a key factor that influences the link between both regions. BRI infrastructure ventures in Latin America, including the establishment of ports, roads, and railways, that allows the advance in connectivity between China and Latin American (Oliveira & Myers, 2021) and has had significant benefits for China's coastal regions and the Pacific area. These advantages include improved access to new markets and resources, the creation of job opportunities and economic growth, and the modernization of infrastructure and economies in the region (Corbino, 2016).

Analyzing China's energy trade balance and imports in the context of the BRI is crucial to understand the country's energy security and sustainability. China’s energy balance has been negative since 1995 with the country importing more energy than it exports (Rero G, 2020). The Belt and Road Initiative (BRI) has played a significant role in boosting China's energy imports, with mergers and acquisitions contributing to the acquisition of energy assets overseas. From regions such as Middle East, Africa, and Russia that are considered the primary energy exports for China. However, there are attempts to diversify its supply sources, in which the country continues to search for alternative sources of energy to meet its growing energy need and China's reliance on

conventional energy as primary sources of electricity generation, has led the promotion in renewable energy projects in the region (León y otros, 2020).

This paper aims to analyze the relationship between BRI and non-renewable Latin American energy imports as an alternative to provide greater security and stability to China. This requires understanding the Sino-Latin American bilateral relations in the context of BRI; the analysis of their energy trade balance; and the characterization of China's energy demand and why Latin America is a region of interest. Notwithstanding, such energetic relation is in the making, and future changes may be expected.

This paper has five sections. The first presents the literature review. The second explains the used methodology. Then, the third provides details on the results, which are followed by the final comments. Finally, the section of references can be found.

Literature Review

Literature on the Sino-LAC relation is limited but has been growing in the last decade. In the case of energetic issues, previous academic literature has been based on the need to obtain security to support the country's high energy consumption and demand. Undeniably, China is one of the main financiers of energy projects in Latin America (Demaria & Martínez-Alier, 2018), and BRI's expansion since 2018 (Zhimin, 2018) represents a development opportunity for Latin American countries and offers China the possibility to meet its energy demand.

Hence, the timeframe of this literature analysis concentrates from 2018 to 2022. Researchers have certain differences in understanding and interpretation regarding BRI. Jenkins (2021), Montoya et al. (2020), Oliveira & Myers (2021) and Yao (2022), explain how BRI can create contributions to the Latin American region, especially geopolitically. On one hand, Jenkins (2021) highlights the skepticism about the impact that BRI would have on the Latin American region, an approach partially like Montoya et al. (2020), who focuses on the impact and influence that Chinese investment has had on the control of Latin American countries. On the other hand, Oliveira & Myers (2021) examine the port and railway infrastructures financed by China through interviews and public documents in Brazil. Finally, Yao (2022) provides an energy approach by presenting BRI as a strategy for the implementation of clean energy in China, which would facilitate the relationship with foreign countries where it invests.

Nevertheless, BRI is a widely studied topic, but its potential in Latin America becomes a scarce issue. Francisco (2019) studies general aspects and reveals factors to be considered for collaboration such as: policy coordination, connectivity of facilities, unimpeded trade, financial integration, and links between people. While Small (2020), focuses his research from the Latin American perspective, providing a different understanding by talking about the consequences and implications for the region if the United States does not participate in the initiative, he does not present BRI as a foreign project, unlike Valderey et al. (2019), but as a vehicle for the internal development of the countries in the region.

In addition, Adams (2008) finds that China has been in a transition trying to change its energy consumption from low efficiency solid fuels to higher efficiency gaseous/liquid fuels, along with the implementation of electric power. Considering China's economic growth and that industry relies heavily on energy to function, the country has created the need to increase imports of oil, coal, and natural gas over time (Adams & Shachmurove, 2008). Thus, the financing aid and cooperation for the construction of infrastructure in Latin America has increased (Oliveira & Myers, 2021), and it has progressed in terms of international relations since the decision to include Latin America in BRI (Jenkins, 2021).

The uncoverage of energetic demand and supply of China is a challenge. Zhao et al. (2019) unveil different patterns of energetic demand. Also, Gerard (2008) forecast energy imports and consumption until 2020 using a quantitative approach and econometric models. Contrastingly, Zheng (2021) analyzes the changing trend of energy consumption in China in relation to development and energy efficiency, but his approach is more socioeconomic and cultural.

Finally, it is worth highlighting two research studies. The first was conducted by Jenkins (2021), an author who developed an investigation regarding the invitation of Latin American countries to participate in 2018 in the initiative. There were expectations of a close and productive relationship with the region and expectations that this would generate significant changes in Latin American relations; however, in practice, there is not enough evidence that this happened, even before the Covid-19 pandemic (Jenkins, 2021). Moreover, there is reason for skepticism about the impact that BRI is having in the region since none of the cooperation priorities are new compared to previous Chinese

policies towards the region, there has been no radical change in economic relations between China and Latin America, and there have been no systematic differences between the countries that have signed Memorandums of Understanding and those that have not (Jenkins, 2021). The second research was conducted by Yabo (2019). This is focused on understanding the spatial patterns of energy resources and relations between China and countries along BRI, where a problematic situation is established in terms of energy supply in relation to China's continuous and rapid economic development (Yabo y otros, 2019). Such research results in energy security, which is closely related to the interdependent relations between the countries, and it should be noted that the countries along the Belt and Road are rich in energy resources, and that this research does not consider the participation of Latin America in energy matters. However, this research reveals aspects that allow understanding how China establishes relationships with countries that allow it to cope with its high energy consumption, which simultaneously provides tools to analyze whether these relationships would apply equally or differently for Latin America and, if different, in what way.

Methodology

This research is qualitative in nature, the scope is descriptive, and the logic is inductive. The research seeks to detail the characteristics pertaining to the current and potential demand for non-renewable energy imports by China in the field of BRI in Latin American regions, to define the necessary information collection by region. The research relies on content analysis, which is based on data collection according to Bowen's (2009) methodology. Content

analysis is a process that allows reviewing and filtering information according to the interpretation and meaning that is being given to an investigation (Bowen, 2009). The analysis consists of collecting information and filtering it according to the context, which makes it easier to synthesize it when there are topics such as the one in this research where there is volume in terms of data flow. In addition, as the proposed topic does not have previous research to support it, the use of documentary analysis gives credibility to the research, by using several sources and authors, it gives veracity to the text.

The graphics were designed using reports related to global energy consumption statistics. In addition, the data provided by the World Energy & Climate Statistics - Yearbook 2021 on China's Terawatt/hour energy consumption from 1990 to 2021. These reports helped to depict the trends and patterns in China's energy consumption over the past few decades, which were used to analyze the country's energy trade balance, imports, and overall energy security.

Results

Since 1949, the relationship between China and Latin America has experienced different phases. According to Mora (2018), the relation has evolved from a point of indifference to engagement between the 1950s and 1990s. Throughout the 1970s, China-Latin America relations normalized because many countries in the region established formal diplomatic relations with China. The Chinese economic reform that began in the late 1970s marked a new beginning in Sino-Latin American relations, leading to a growth in economic exchanges between the two sides in the 1980s and 1990s, where total trade between China and Latin

America increased significantly from $200 million to $2 billion between the periods of 1975 and 1988, and continued to increase by more than 100% between 1989 and 1996 (Mora, 2018).

During the 1980s and 1990s, economic relations between China and Brazil expanded rapidly, and in 1995 China began to consider Brazil as a strategic ally (Zhao y otros, 2019). Relations between China and Brazil, as well as in general with Latin America, have been further strengthened in the last two decades thanks to the Chinese expansion policies implemented in 1999 (Armony & Strauss, 2012). During the visit of former Chinese President Hu Jintao to Latin America in 2004, the then Brazilian President, Luiz Inácio Lula da Silva, expressed the growth and good relations with China (Kurlantzick, 2006). The trade volume of both regions increased significantly, making China one of the main sources of imports for several Latin American countries; according to MOFCOM (China's Ministry of Commerce), countries such as Brazil and Argentina have multiplied by twenty-five times their bilateral trade thanks to bilateral treaties with the Asian country, from US$12 billion in 1999 to US$306 billion in 2018. Currently, China is the main trading partner of most of the major economies in the region, except for Mexico, and Latin America is the second largest destination for China's foreign direct investment, after Asia.

Both China and Latin America have undergone a remarkable transformation in their relationship over the past two decades, offering opportunities for collaboration in sectors such as energy, telecommunications, and infrastructure projects. Through the BRI, China has had a notable presence in Latin America, providing new avenues to build railroads and other maritime facilities connecting the two regions. This has been particularly beneficial to

China's coastal areas and the Pacific region, allowing them to access new markets, resources and provide employment opportunities and economic growth to the region, as well as enabling the modernization of infrastructure and the development of the economies (Corbino, 2016).

One of the most recent developments in this relationship took place on January 15, 2022 in Santiago, Chile, where The China-CELAC Joint Action Plan for Cooperation in Key Areas (2022-2024) was signed, which consists of a bilateral agreement between China and the Community of Latin American and Caribbean States (CELAC) that aims to strengthen cooperation in key areas such as trade, investment, infrastructure, agriculture, energy and technology over the next three years and has specific objectives and initiatives to promote mutually beneficial partnerships between China and CELAC countries. In addition to economic cooperation, the forum also includes sub-forums such as the scientific and technological innovation forum, think tanks forum, young political leader's forum, friendship among people's forum, political parties forum, among others (CELAC, 2021).

China's growing presence in Latin America, both politically and economically, may be due to the satisfaction of its national interests. This includes the increasing of its international presence compared to other world powers and developing regions, as well as the need to have foreign markets for its exports and to obtain raw materials and other products essential for its domestic development (Chien-Kai, 2021). However, Sino-Latin American relations have not been without difficulties. Some Latin American countries have been expressed concerns about the sustainability of Chinese investments and the long-term impact they may have on the region. In addition, the increasing levels of indebtedness of some countries have brought

concerns about their ability to repay loans from China, other problems include lack of transparency, competition with the United States, lack of local participation, and the economic viability of some BRI projects in the region (CEPAL, 2018). These problems have led some countries in the region to adopt a more cautious attitude towards participation in BRI projects and raised doubts about the sustainability of China's engagement with Latin America in the long term (CEPAL, 2018).

Conversely, China's relations and presence in Latin America require examining the characteristics of China's energy demand and why Latin America is of interest to China. to comprehend their acquisitions in the region as Furthermore, it involves comprehending the energy that are of relevance to supply its high consumption. In which beyond 2020, Chinese energy consumption has been 1.6 times higher than that of the United States and 4.5 times that of India, highlighting that as of July 2021 they became the second and third largest consumers of energy. (Jaghory, 2022)

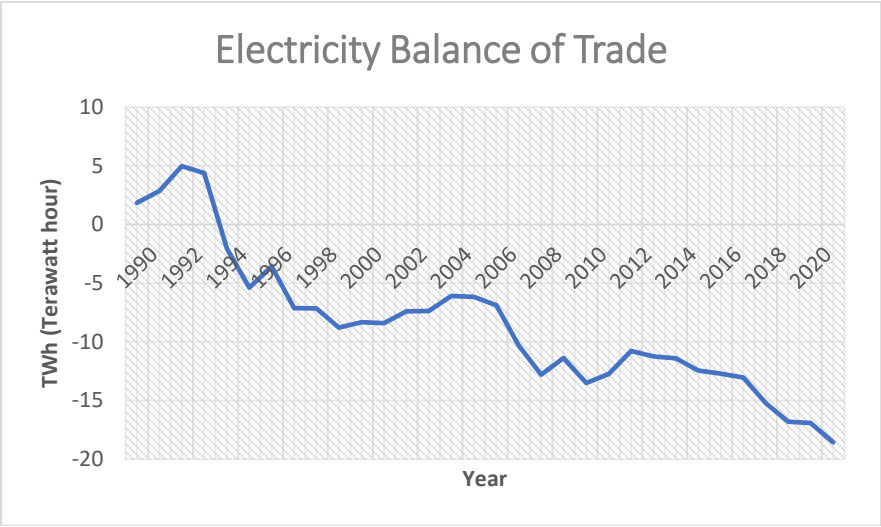
Electricity in China is distributed by two large state-owned corporations, the State Grid Corporation of China, and China Southern Power Grid Corporation (Jaghory, 2022). A combination of coal, natural gas, hydropower, wind, and solar power is present in the distribution grid (Jaghory, 2022). During China's economic boom, thermal power gained traction, has been and will continue to be the most important source of electricity generation, accounting for about 79% of China's power production in 2021 (Jaghory, 2022). However, with the participation and strengthening in renewable energy segments of Chinese companies, renewable energy sources, such as solar and wind, account for an increasing share of total power generation; in 2011 they accounted for only 2%, but in 2021 this figure

increased to 9% (Jaghory, 2022). The three state-owned companies that dominate oil and gas in China are Sinopec, China National Petroleum Corporation and China National Offshore Oil Corporation. Although they have a high level of production, they fail to meet the country's domestic energy needs, and thus fail to prevent China from being the largest net importer of oil (Jaghory, 2022). Despite the increase in China's natural gas production, almost half of China's supply of this resource comes from imports. During the search for alternatives to reduce dependence on imports, opportunities have arisen for the country, such as shale gas, the production of which could exceed 50 billion cubic meters by 2035 (Jaghory, 2022). In 2021, China was faced with a severe power shortage, where blackouts were generated and the industrial sector in the northeast of the country was paralyzed (Stanway, 2021). Because of this there was pressure to import more coal to ensure that factories could continue to operate, as Goldman Sachs estimated that up to 44% of China's industrial activity has been affected and slowed down by the power shortage. (Stanway, 2021).

The Chinese energy crisis and the closure of industries represents a danger for Latin American economies given that China has become one of the main trading partners in the region (Pelcastre, 2021). China's strategy has been to increase its influence in the region through soft power, the country has worked to boost its international image by signing bilateral strategic partnerships, offering financial incentives, and making infrastructure investments in countries such as Nicaragua and the Dominican Republic (Roy, 2022). China invested $73 billion between 2000 and 2018 in the commodities sector in Latin America, including building refineries and processing plants in countries with resources such as coal, copper, natural gas, oil, and uranium (Roy, 2022).

Chinese state-owned enterprises are involved in energy development, for example, PowerChina has more than fifty ongoing projects in many Latin American countries (Roy, 2022). In addition, the country has not only been interested in resource exploitation projects, but also in renewable energy projects in the region. The China Development Bank has been a financier in both solar and wind projects, such as the largest solar plant in Latin America in Argentina, and the Punta Sierra wind farm in Chile (Roy, 2022). Countries such as Argentina, Brazil, Chile, Ecuador, Peru, and Uruguay are members of the Asian Infrastructure Investment Bank, and Beijing has also financed construction projects such as dams, ports and railroads (Roy, 2022). China's interest in investing and financing projects in Latin America is due to China's focus on expanding its geopolitical influence in the region, improving its global economic position, diversifying its sources of supply, and opening new markets. China's entry into Latin America may have significant political and economic implications, and countries in the region should carefully consider their long-term interests in any trade relationship with China (OECD Development Centre, 2007).

Furthermore, analyzing China's energy trade balance and energy imports in the context of the BRI is needed to have a wider understanding of the volume and value of China's imports of conventional energy resources, as well as assessing the countries and regions that are the main suppliers of these resources. This involves analyzing the role of the BRI in facilitating these imports, for example, through infrastructure development, and assessing the impact of these imports on China's energy security and sustainability (De León, 2021).



World Energy & Climate Statistics – Yearbook 2021

China is one of the largest and most dynamic economies in the world and one of the largest consumers of energy. China's energy balance is negative, which means it imports more energy than it exports from the periods of 1995 to 2021, with respective values of -5 TWh and -19 TWh. (TWh = Terawatt-hour is used to know the electricity production index of a country). This is partly due to the growing demand for energy in the country, driven by its rapid economic growth and larger population (Rero G, 2020).

China's energy imports have been boosted by the BRI initiative seeking to improve China's energy security through the acquisition of energy assets overseas and mergers with local companies that support the initiative (León y otros, 2020). The net value of energy imports accounted for 0.3% of energy use in 2019, indicating an upward trend. In addition, the percentage of electricity production from oil has remained constant during the same period, reaching 21.3% of the total. This shows a certain dependence of China on fossil fuels for electricity production. (World Bank, 2014) China has increased its energy imports from Latin America in recent years, mainly in the form of oil, natural gas, and their derived

products. According to figures from the Economic Commission for Latin America and the Caribbean (ECLAC), in 2020 China imported a total of 7.7 million tons of crude oil from Latin America, with Venezuela being the main supplier, followed by Brazil and Colombia. It also imported a significant amount of liquefied natural gas (LNG) from Peru. However, China's energy imports mainly consist of the Middle East, Africa, and Russia, despite its attempts to diversify its supply sources.

The analysis of mergers and acquisitions (M&A), as well as project announcements, confirms that China continues to be an important player in investment in the region. During 2020, China was the leading M&A investor and maintained its interest in power generation and distribution companies in the region (Li y otros, 2020). The largest acquisition of the year was made by China Yangtze Power Co Ltd, a subsidiary of state-owned China Three Gorges Corporation, which acquired Sempra Energy's entire stake in Peru's Luz del Sur distribution company for a total amount of US$3.59 billion (Shumin, 2019). Also in 2020, China State Grid International Development Limited bought all of Sempra Energy's businesses in Chile, including its shares in Chilquinta Energía S.A. and Tecnored S.A. for US$2.23 billion (Shumin, 2019). These acquisitions are in addition to other operations carried out by Chinese companies in Brazil, Peru, and other countries in the region. In this way, Chinese state-owned companies have consolidated their market presence in the region. (CEPAL, 2021)

New trends indicate a growing energy demand for renewables energies, natural gas, and electricity. Despite this, the need for electricity and the challenge of decarbonizing the electricity supply have made electricity security a global investment priority. Although cost

reductions in renewables are helping decarbonization and reliability that alone is not enough. China will lead the expansion of renewable capacity, with 40% of global expansion expected between 2019 and 2024 (International Energy Agency, 2021). Growth will be driven by system integration, reduced curtailment rates and competitiveness in solar photovoltaic energy and onshore wind. Growth in distributed photovoltaic energy is also expected to increase, with China becoming the world leader in installed capacity (Bird y otros, 2016). Biofuels production is expected to grow with ethanol blending and investment in production capacity. However, China's coal demand and production capacity remain high, as a quarter of the coal used globally is burned for electricity production in China (International Energy Agency, 2021). The government is seeking to reduce emissions and improve air quality by transitioning to gas in the industrial and residential sectors, but coal remains a considerable energy source (Jaeger , 2021). Solar photovoltaic energy and onshore wind are cheaper than new gas turbines for electricity generation, limiting the potential for gas to displace coal. The challenge for policymakers is to ensure sufficient investment in power grids and a mix of generation technologies that best suits the needs of the electricity system (International Renewable Energy Agency, 2021). This will provide the necessary flexibility as the contribution of wind and solar photovoltaic increases and strengthen the links between electricity and gas security (International Energy Agency, 2021).

In recent years, bilateral relations between China and the Latin American region have been based on an exchange between labor and land rent, or rather between Chinese manufactured goods and raw materials from Latin America. China has increased its electricity generation in recent years, from 1,280 terawatts in 2000 to 7,600 terawatts in

2020 (Qiu y otros, 2021). But it has also become a net importer of the main conventional energy sources: oil, natural gas, and coal. In 2020, China covered 73.4% of its oil demand with imported products, making it the world's leading importer of this resource (Rero G, 2020).

According to official data from China, primary energy production reached 3.97 billion standard tons of coal in 2019, this makes China the world's largest energy producer (Gerdel, 2021). The second largest energy source was oil and other liquids, which accounted for 20% of the country's total energy consumption in 2019 (Gerdel, 2021). In addition, coal accounted for 58% of China's total energy consumption in 2019, hydropower accounted for 8%, natural gas 8%, nuclear 2%, and other renewable energy accounted for about 5% (Gerdel, 2021).

The U.S. Energy Information Administration (EIA) reported that China imported 10.1 million barrels per day in 2019, an increase of 500 thousand barrels compared to the amount of 2018. However, China's daily consumption is 14.5 million barrels of oil, so to meet its demand and manage to accumulate commercial and strategic oil reserves, the country should import more than 10 million barrels per day (Gerdel, 2021).

BRI and the incorporation of Latin America to this initiative generated an increase in China's energy imports from the region, increasing to 47% from 2017 to 2019. China's main oil imports come from several destinations, mainly the Middle East and Africa; but the Western Hemisphere ranks fourth with 15% of imports, or 1.5 million barrels per day, including Brazil with 8%, Colombia with 3%, and Venezuela with 2% (Gerdel, 2021).

Discussion

One of the main aspects that BRI opts for is the construction of infrastructure that allows China to expand its geopolitical influence, which implies the creation of an extensive network of railroads, roads, pipelines (Moreno, 2020). China has become one of the region's main trading partners and its interest in investing and financing projects in the region is part of its strategy to expand its geopolitical influence, improve its global economic position, diversify its sources of supply, and open new markets. Nonetheless, countries in the region must carefully consider their long-term interests in trade relationships with China due to concerns about the sustainability of Chinese investments and the long-term impact they may have on the region, the levels of indebtedness of some countries, lack of transparency, lack of local participation, and the economic viability of some BRI projects in the region.

In terms of energy, China's commitment to the energy sector accounts for the largest share of China's commitment to BRI (Nedopil Wang, 2022), and in 2021 the largest share of this commitment went to oil at 31%, followed by solar and wind energy at also 31%, and gas at 22% (Nedopil Wang, 2022). BRI represents an opportunity for China to address the challenges it has faced in recent years regarding its energy security, and multilateral cooperation among the countries that are part of the initiative plays a fundamental role in strengthening the transportation channels for Chinese energy imports; the aforementioned, together with the construction of infrastructure and the improvement in connectivity that will take place between China and the rest of the world, will significantly facilitate and encourage imports and transportation of the different resources that China needs, thus giving it greater participation and importance in the international energy market (Seyedashkan, 2021). BRI

until 2021 was focused on infrastructure, mainly energy and transportation, however, between 2020 and 2021 this percentage went from 67% to 65% (Nedopil Wang, 2022).

It can be affirmed that China's position whereas other countries within the BRI is in line with the theory of Palmer and Clifton (2006), which states that states pursue two general objectives through their foreign policies when they relate to other states. Based on this, China prioritizes its interests to protect them and seeks to alter or modify aspects of the international system that interfere with its interests. Therefore, within the initiative, China seeks to promote and support investment and policies focused on the energy sector, given that its priority is to achieve the energy security it needs to obtain from the resources of others. Therefore, for this reason it is key for China to continue to expand its geopolitical influence and power, as it can more easily achieve the changes it desires, better than weaker states (Palmer & Morgan, 2006).

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