



## Understanding/Context

China's economy continues its rise, driven by growing imports, a substantial trade deficit and government-led investment. Outbound investment has not been a significant part of this equation. Yet the development of foreign direct investment is offering unprecedented opportunities to the country's global economic partners. Overall, Chinese policymakers and business leaders need a more holistic and sophisticated analysis of the issues surrounding foreign investment.

## Shaping the Agenda

The Global Agenda Council on China is focusing on establishing practical and actionable recommendations for investment in new regions, such as Australia and Latin America. Africa will also remain part of the focus, due to its rapidly growing strategic importance to China. Concerning investment in Australia, the Council is investigating the possibility of significant investment in infrastructure, due to falling government income and investment cutbacks there. As the issue of Chinese investment in Latin America is relatively new to the Council, it has decided to focus on identifying the similarities and differences in investment relations between China and other regions. Regarding the China-Africa investment relationship, the issue is China's rebalancing and what it means for African governments and business.

The Council has divided into three groups to investigate specific aspects of each investment relationship:

- China-Africa: Cooling commodity prices and their knock-on impact on Africa; the opportunity China's departing manufacturing jobs offer to Africa; African states' leverage of China's "infrastructure advantage" for enhanced development and private sector activity

- China-Australia: Australia's infrastructure constraints and their impact on productivity, regional and economic development and standards of living; barriers to effective infrastructure investment and development in Australia, offering Chinese expertise and advances in infrastructure (on construction, engineering, financing, labour, etc.); barriers to Chinese investment in infrastructure there (regulatory, political, legal, labour, etc.), presenting specific policy responses and practical solutions
- China-Latin America: Key considerations and areas of interest investors should take into account and their similarities and differences to those of other regions; the need to build trust and improve collaboration in the agriculture sector between investor and investee, and to determine optimal areas of investment in the region while supporting the local labour force

**“The development of foreign direct investment is offering unprecedented opportunities to the country's global economic partners.”**

Council Members will each draft a review on their sub-group's investigation. The pieces will then be compiled into a report that will be presented to the Ministry of Foreign Affairs and the National Development and Reform Commission, the Forum's most important government partners.

## Contact Information

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