

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE GOVERNMENT OF THE REPUBLIC OF MALTA  
AND  
THE GOVERNMENT OF THE PEOPLE’S REPUBLIC OF CHINA  
ON A MEDIUM-TERM COOPERATION PLAN  
(2014-2019)**

The Government of the Republic of Malta and the Government of the People’s Republic of China, hereinafter referred to as the Parties;

**RECOGNIZING** the excellent relations between them, the traditional friendship between the peoples of Malta and of China, the potential for further enhancement of mutually beneficial cooperation in various fields, and the need to establish an agreed framework for future cooperation in the medium-term;

**ACKNOWLEDGING** the understanding reached between H.E. Li Keqiang, Premier of the State Council of the People’s Republic of China, and the Hon. Dr. Joseph Muscat, Prime Minister of the Republic of Malta, at their meeting in Dalian on September 11, 2013 to draw up a *Medium-Term Cooperation Plan* (“MTCP”) to serve as a blueprint for multifaceted cooperation between the Parties;

**ENCOURAGED** by the successful cooperation undertaken by the two Parties in a variety of fields in the past, as well as the prospects for

future cooperation in various fields including, but not limited to, the energy sector, infrastructure construction, financial services, information and communications technology (ICT), bio-technology, research and innovation, public health and traditional Chinese medicine, air services and tourism, aerospace and aviation, aquaculture, education, and cultural and people-to-people exchanges;

**HEREBY** set forth in this *Memorandum of Understanding* their agreement to pursue the projects outlined herein during the years 2014-2019 in accordance with the following principles and provisions:

1. The Parties agree that the primary work related to the formulation and implementation of the MTCP shall be carried out by the Ministry for Foreign Affairs for the Maltese side and the Ministry of Foreign Affairs for the Chinese side.
2. The Parties shall make full use of the *Joint Commission on Trade and Economic Cooperation* ("JCTEC") established under the *Agreement on Trade and Economic Cooperation* signed by Maltese and Chinese governments on July 9, 1997, and discuss relevant economic and trade cooperation within the scope of the MTCP in such Joint Commission. The Parties agree that the next meeting of the said Joint Commission shall be held in Beijing during 2014.
3. The Parties shall make every effort to give full play to existing bilateral agreements related to the activities envisaged in the

MTCP, and to enter into discussions on the updating of existing agreements, as necessary, and on new agreements and arrangements aimed at facilitating the execution of the MTCP. The Parties have agreed to explore the possibility of setting up a bilateral Steering Committee for cooperation related to the MTCP.

4. Each Party shall encourage and facilitate all investment activity within the territory of the other Party that is deemed to be of benefit to economic and social development in the investment destination country.
5. The Parties agree that the focus of cooperation for the term of this first MTCP shall be in the following areas:

### **5.1 Energy**

The Parties recognize the strategic socio-economic value of energy security and cooperation in the energy sector and shall encourage investment and technology transfer in such sector, particularly in relation to the deployment of renewable energy systems, technologies aimed at enhancing energy efficiency and technological diversification. The Parties agree to cooperate in projects related to the following areas:

- Waste-to-energy plant/harmless treatment
- R&D in green and low-carbon technology

- Development of renewable energy resources, and production of renewable energy/energy-saving equipment
- Regional energy servicing centres

## **5.2 Infrastructure**

The Parties recognize the importance of infrastructure construction in national economic development and the technical and organizational capabilities of Chinese enterprises in this sector, and shall cooperate in ameliorating and strengthening infrastructure in both Malta and China. The Parties shall discuss cooperation in concrete projects in support of both Malta's and China's efforts to improve their infrastructure, in particular, projects related to transportation (including, but not limited to, breakwater, bridge and monorail projects), energy, telecommunications and housing construction. The Parties shall also discuss the provision of commercial loans by financial institutions in connection with such projects.

## **5.3 Civil Aviation**

In view of their willingness to promote the growth of tourism and trade, the Parties have agreed to negotiate a modern *Air Services Agreement in order to* replace the *1997 Agreement Related to Civil Air Transport*, and to encourage airlines and air cargo carriers to consider the establishment of direct flights between points in their respective territories. The Parties shall encourage investment in the establishment of aircraft maintenance, repair and overhaul (MRO) facilities both in Malta and China.

## **5.4 Financial services**

The Parties shall cooperate in the financial services sector, and shall encourage financial institutions within their respective jurisdictions to operate in each other's territories. The Parties agree that the operations of Maltese and Chinese financial institutions in each other's territories shall be conducive to bilateral trade and investment activities. The Parties shall also make their best efforts to give full play to the mutually beneficial advantages created as a result of the *Memoranda of Understanding* entered into in January 2010 between Malta Financial Services Authority on the one part, and China Securities Regulatory Commission and China Banking Regulatory Commission on the other.

## **5.5 Research and Innovation**

The Parties shall promote cooperation in the area of science and technology. The Parties shall promote contacts and exchanges between public and private research institutions and universities in their respective countries, and shall activate the *Joint Commission on Science and Technology* envisaged under the 2002 *Agreement on Scientific and Technological Cooperation*. The Parties agree that the Malta Council for Science & Technology and China's Ministry of Science and Technology shall hold a meeting of the said *Joint Commission* at an appropriate date with the primary aim of identifying areas of common interest and complementary expertise. The Parties shall encourage specialist enterprises,

including innovative SMEs within their respective jurisdictions, to consider establishment of research & development facilities, production ventures and holding companies for intellectual property rights in each other's territory.

## **5.6 Cultural Cooperation, Education, Health, Sport and People-to-People Exchanges**

The Parties shall implement the *“Programme of Cultural Exchanges between the Government of the Republic of Malta and the Government of the People’s Republic of China for the Period 2014-2018”* signed in Beijing on January 8, 2014, and shall establish a working framework for the identification and exchanges of specific performances and exhibitions that will showcase both the ancient culture and the modern culture of the two countries.

The Parties recognize the role that the *China Cultural Center* in Malta has played in promoting exchanges in the areas of culture, the arts, tourism, film and television, and in bringing about the exchange of ideas between the peoples of the two countries, and shall continue to support its operation and expansion.

The Parties shall also encourage cooperation in the creative industries, particularly in the digital games sector.

The Parties recognize the importance of tourism as a means of enhancing friendship and mutual understanding, and as an important industry in its own right. To this end, the Parties shall facilitate and promote the growth of tourism between the two countries.

In the area of education, the Parties recognize the contributions made by and shall continue to support the operations and expansion of the *Confucius Institute* at the University of Malta. In addition, the Parties shall encourage the Office of Chinese Language Council International (Hanban) to set up *Confucius Classrooms* in selected Maltese secondary schools as a means toward promoting the study of Chinese as a foreign language and an understanding of Chinese culture among Maltese youth. The Parties shall actively seek and encourage exchanges and cooperation between Chinese and Maltese higher education institutions and promote the establishment of a full-fledged Mediterranean campus in Malta by qualified Chinese universities.

The Parties shall launch a project to translate and publish selections of each other's literary classics. The Parties shall also provide relevant training to each other's personnel and exchange delegations in the area of publication.

In the area of health, the Parties recognize the importance of traditional medicine as a means of providing high quality health care services, and appreciate the valuable work of the Chinese Medical Assistance Teams at the *Mediterranean Regional Centre for Traditional Chinese Medicine* in Malta since the Centre's establishment in 1993. The Parties shall continue to support the said Centre, and shall promote further cooperation in the area of health, especially in the field of traditional Chinese medicine.

In the area of sport, the Parties shall push forward the signing of a memorandum of understanding on cooperation between the relevant government ministries or administrations responsible for

sport from both countries in order to promote and facilitate sporting exchanges between the two countries.

The Parties shall actively seek and encourage the co-production of films and TV series, and shall enter into a *Film Co-production Agreement* and a *Television Co-production Agreement* to support such activity.

6. The Parties shall jointly review and promote the cooperation projects identified herein in an efficient and practical manner.
7. The Parties acknowledge that the implementation of this *Memorandum of Understanding* shall accord with their respective national laws, and shall not affect any of their rights and obligations under applicable international law, including, in the case of Malta, European Union law.
8. This *Memorandum of Understanding* shall enter into force upon signing by the Parties and shall be valid until December 31, 2019. This *Memorandum of Understanding* may only be modified, supplemented, extended or terminated by written agreement between the Parties. The Parties agree to open discussions on a new *Medium-Term Cooperation Plan* covering a subsequent five-year period at an appropriate date in 2019.

Signed in duplicate in English and Chinese languages at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_, 2014, both versions being equally authentic.