

**MEMORANDUM OF UNDERSTANDING**  
**BETWEEN**  
**THE GOVERNMENT OF THE ITALIAN REPUBLIC**  
**AND**  
**THE GOVERNMENT OF THE PEOPLE’S REPUBLIC OF CHINA**  
**ON COOPERATION WITHIN THE FRAMEWORK OF**  
**THE SILK ROAD ECONOMIC BELT**  
**AND THE 21<sup>ST</sup> CENTURY MARITIME SILK ROAD INITIATIVE**

The Government of the Italian Republic and the Government of the People’s Republic of China (hereinafter referred to as “the Parties”) based on the aspiration of furthering bilateral practical cooperation;

Welcoming the hosting of the Belt and Road Forum for International Cooperation in Beijing in May 2017;

Recognizing the importance and benefits of improving connectivity between Asia and Europe and the role that the Belt and Road Initiative can play in this respect;

Recalling the Joint Communiqué of the Leaders Roundtable of the Belt and Road Forum for International Cooperation;

Recalling the Plan of Action for the Strengthening of Economic, Commercial and Cultural-scientific Cooperation between Italy and China 2017-2020 agreed in Beijing in May 2017;

Recalling the Joint Communiqué of the 9<sup>th</sup> Italy-China Inter-Governmental Committee, held in Rome on January 25<sup>th</sup>, 2019 and the commitment expressed therein to promote the bilateral partnership in a spirit of mutual respect, equity and justice and in a mutually beneficial manner, in the perspective of a strengthened global solidarity;

Conscious of the historical common heritage developed through the land and sea routes linking Asia and Europe and of Italy’s traditional role as terminal of the maritime Silk Road;

Reiterating their commitment to honor the purposes and principles of the UN Charter and to promote inclusive growth and sustainable development, in line with the 2030 Agenda for sustainable development and the Paris Accord on climate change;

Recalling also the objectives set by the EU-China 2020 Strategic Agenda for Cooperation and the principles driving the EU Strategy for Connecting Europe and Asia adopted in October 2018;

Have reached the following understanding:

### **Paragraph I Objectives and Guiding Principles of Cooperation**

1. The Parties will work together within the Belt and Road Initiative (BRI) to translate mutual complementary strengths into advantages for practical cooperation and sustainable growth, supporting synergies between the Belt and Road Initiative and priorities identified in the Investment Plan for Europe and the Trans-European Networks, bearing in mind discussions in the EU China Connectivity Platform. This will also enable the Parties to enhance their political relations, economic ties, and people-to-people exchanges. The Parties will strengthen cooperation and promote regional connectivity within an open, inclusive and balanced framework beneficial to all, so as to promote regional peace, security, stability and sustainable development.

2. The Parties will promote bilateral cooperation based on the following principles:

(i) Guided by the purposes and principles of the UN Charter the Parties will work for common development and prosperity, deepened mutual trust and beneficial cooperation;

(ii) In accordance with their respective domestic laws and regulations, consistent with their respective international obligations, the

Parties will strive to promote the smooth progress of their cooperation projects;

(iii) The Parties will explore synergies and ensure consistency and complementarity with existing bilateral and multilateral cooperation mechanisms and regional cooperation platforms.

## **Paragraph II Areas of Cooperation**

The Parties will cooperate in the following areas:

**1. Policy dialogue.** The Parties will promote synergies and strengthen communication and coordination. They will enhance policy dialogue on connectivity initiatives and technical and regulatory standards.

The Parties will work together within the Asian Infrastructure Investment Bank (AIIB) to promote connectivity in accordance with the purpose and functions of the Bank.

**2. Transport, logistics and infrastructure.** Both Parties share a common vision about the improvement of accessible, safe, inclusive and sustainable transport.

The Parties will cooperate in the development of infrastructure connectivity, including financing, interoperability and logistics, in areas of mutual interest (such as roads, railways, bridges, civil aviation, ports, energy – including renewables and natural gas - and telecommunications).

The Parties express their interest in developing synergies between the Belt and Road Initiative, the Italian system of transport and infrastructure, such as -inter alia- roads, railways, bridges, civil aviation and ports and the EU Trans-European Transport Network (TEN-T).

The Parties welcome the discussions in the framework of the EU-China Connectivity Platform to improve the efficiency of the connectivity between Europe and China.

The Parties will cooperate in facilitating customs clearance, strengthening co-operation in sustainable, safe and digital transport solutions as well as in their investments and financing. The Parties highlight the importance of open, transparent, and non-discriminatory procurement procedures.

**3. Unimpeded trade and investment.** The Parties will work towards expanding two-way investment and trade flow, industrial cooperation as well as cooperation in third country markets, exploring ways to promote substantive mutually beneficial cooperation. The Parties reaffirm their shared commitment to free and open trade and investment, to counter excessive macroeconomic imbalances and to oppose unilateralism and protectionism. In the framework of the Belt and Road Initiative, they will promote transparent, non-discriminatory, free and open trade and industrial cooperation, an open procurement, level playing field and respect for intellectual property rights. They will explore closer and mutually beneficial collaboration and partnerships, which include advancing North-South, South-South and triangular cooperation.

**4. Financial cooperation.** The Parties will strengthen the bilateral communication and coordination on fiscal, financial and structural reform policies in order to create a favorable environment for economic and financial cooperation, also through the establishment of the Italy-China Finance Dialogue between the Ministry of Economy and Finance of the Italian Republic and the Ministry of Finance of the People's Republic of China.

The Parties will encourage the partnerships between the respective financial institutions to jointly support investment and financing cooperation, at bilateral and multilateral level and towards the third Countries, under the framework of Belt and Road Initiative.

**5. People-to-people connectivity.** The Parties will endeavor to expand people-to-people exchanges, to develop their sister cities network, to fully utilize the platform of Italy-China Culture Cooperation Mechanism to cooperate for the finalization of the twinning among Italian and Chinese

UNESCO world heritage sites, to promote cooperation arrangements on education, culture, science, innovation, health, tourism and public welfare among their respective Administrations. The Parties will promote exchanges and cooperation between their local authorities, media, think tanks, universities and the youth.

**6. Green development cooperation.** Both Parties are fully supportive of the objective to develop connectivity following a sustainable, environmentally friendly approach, actively promoting the global process towards green, low carbon and circular development. In this spirit, the Parties will cooperate in the field of ecological and environmental protection, climate change and other areas of mutual interest.

The Parties will share ideas about green development and actively promote the implementation of the 2030 Agenda for Sustainable Development and the Paris Accord on Climate Change. The Ministry for the Environment, Land and Sea of the Italian Republic will actively participate the International Coalition for Green Development on the Belt and Road initiated by the Ministry of Ecology and Environment of the People's Republic of China and the United Nations Environment Programme (UNEP).

### **Paragraph III Modes of Cooperation**

1. Modes of cooperation may include - but are not limited to:
  - (i) The exchange of high-level visits and discussions within existing governmental and non-governmental exchange mechanisms. The Parties will expand information-sharing in diverse fields and with multiple channels, to increase transparency and encourage the participation of people from all sectors of society.
  - (ii) Exploring the development of pilot programs in key areas, economic exchanges and cooperation, joint research, capacity building, personnel exchanges and training.

2. The Parties will explore mutually beneficial models of cooperation to support the implementation of major programs, under the Belt and Road Initiative. The Parties will follow market principles, promote cooperation between public and private capital, encourage investment and financing support through diversified models. Both Parties reiterate their engagement towards investments which are socially and environmentally sustainable and economically viable.
3. The Parties will jointly explore opportunities of cooperation in Italy and in China and discuss cooperation in third Countries. The Parties are committed to modes of cooperation that are advantageous to all participants and to projects that benefit third Countries by supporting their priorities in terms of development and the needs of their people, in a fiscally, socially, economically and environmentally sound and sustainable manner.
4. The relevant Authorities of the Parties may conclude arrangements for collaboration in specific sectorial fields and for the creation of specific cooperation frameworks.

#### **Paragraph IV Cooperation Mechanism**

The Parties will make full use of existing bilateral mechanisms to develop cooperation in the framework of the Belt and Road Initiative.

The Italy-China Government Committee will be used to monitor progress and follow up.

#### **Paragraph V Settlement of Differences**

The Parties will settle amicably differences in the interpretation of this Memorandum of Understanding through direct consultations.

## **Paragraph VI Applicable Law**

This Memorandum of Understanding does not constitute an international agreement which may lead to rights and obligations under international law. No provision of this Memorandum is to be understood and performed as a legal or financial obligation or commitment of the Parties. This Memorandum of Understanding will be interpreted in accordance with the legislations of the Parties and as well as applicable international law and, as for the Italian Party, with the obligations arising from its membership of the European Union.

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This Memorandum of Understanding takes effect on the date of signature.

This Memorandum of Understanding will remain valid for a period of five years and will be automatically extended for subsequent five-year periods and so forth unless terminated by either Party by giving the other Party a written notice at least three months in advance.

Signed in Rome on        March, 2019, in two originals, each in the Italian, English and Chinese languages, all texts being equally authentic. In case of divergence of interpretation, the text in English will prevail.

For the  
Government of the Italian  
Republic

For the  
Government of the People's  
Republic of China

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