

No. 20290

**FEDERAL REPUBLIC OF GERMANY
and
CHINA**

**Agreement concerning economic co-operation (with annex).
Signed at Bonn on 24 October 1979**

Authentic texts: German and Chinese.

Registered by the Federal Republic of Germany on 31 July 1981.

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
CHINE**

**Accord de coopération économique (avec annexe). Signé à
Bonn le 24 octobre 1979**

Textes authentiques: allemand et chinois.

Enregistré par la République fédérale d'Allemagne le 31 juillet 1981.

[TRANSLATION — TRADUCTION]

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA CONCERNING ECONOMIC CO-OPERATION

The Government of the Federal Republic of Germany and the Government of the People's Republic of China,

Desiring further to develop economic relations between the two States on the basis of equality and mutual advantage,

Having regard to the Trade Agreement of 3 April 1978 between the European Economic Community and the People's Republic of China,

Have agreed as follows:

Article 1. The Contracting Parties shall endeavour to promote and extend economic, industrial and technical co-operation between the two sides within the scope of the laws and regulations for the time being in force. In so doing, they shall seek to develop their economic relations on the basis of mutual advantage in as balanced and harmonious a manner as possible.

Article 2. In order to promote economic co-operation, the Contracting Parties shall give particular attention to the sectors listed in the annex to this Agreement.

Article 3. As necessary, and within the limits of their means, the Contracting Parties shall support co-operation between enterprises, organizations and institutions of the two sides on the basis of mutual advantage. That co-operation may take the following forms:

- Industrial production; construction, extension and modernization of industrial plants and factories;
- Joint production and joint distribution of goods, specialization and co-operation in production and distribution;
- The exchange of patents, licences and technical know-how;
- The application and improvement of existing technical processes and the development of new ones;
- The exchange of technical information and documentation;
- The exchange of experience, *inter alia*, in the fields of raw materials, standardization, measurements and materials testing;
- The exchange of specialists and trainees;
- The exchange of specialist delegations;
- The arrangement of symposia, seminars and exhibitions;
- The exchange of information to improve sales prospects;
- Other forms of co-operation.

¹ Came into force on 24 October 1979 by signature, in accordance with article 12 (1).

Article 4. In conformity with the laws and regulations for the time being in force in each State and within the limits of their means, the Contracting Parties shall promote and support the establishment and maintenance of business contacts between the enterprises, organizations, and institutions of both sides responsible for economic, industrial and technical co-operation, and shall provide particular assistance in the following areas: the issuing of visas in good time for business travel, the establishment of company agencies, the employment of clerical and temporary workers, the leasing of offices and living accommodations, the provision of telephone and telex connections and the import and export of the necessary office equipment and personal effects.

Article 5. The conditions for individual economic, industrial and technical co-operation projects shall be agreed upon by the enterprises, organizations and institutions of the two sides in each particular case, in conformity with the laws in force in each of the two countries.

Article 6. (1) The Contracting Parties recommend that, wherever possible, disputes arising from or connected with the contracts drawn up between the enterprises, organizations and institutions of the two countries be settled amicably by negotiation.

(2) If the disputes are not settled by negotiation, the parties to the dispute may request conduct of an arbitration hearing on the basis of an arbitration clause agreed upon by them in their contracts or on the basis of special arbitration agreements. The arbitration hearing may take place in the Federal Republic of Germany, the People's Republic of China or a third State agreed upon by the two parties. The arbitration rules of the arbitral tribunal agreed upon by the parties shall be applied during the hearing. The Arbitration Rules of the United Nations Commission for International Trade Law (UNCITRAL), recommended by the United Nations, or other international arbitration rules, may with the agreement of the two parties and the arbitral tribunal also be applied.

(3) The Contracting Parties undertake to accept and execute the arbitral tribunal's award through their competent authorities, in accordance with the legislation of the State in which the award is to be executed.

Article 7. In view of the importance which the financing of medium-term and long-term projects has for the development and strengthening of industrial and technical co-operation, the Contracting Parties shall endeavour to ensure that such financing is granted on the most favourable terms possible under the regulations in force in the two States.

Article 8. Payments between the Federal Republic of Germany and the People's Republic of China shall be made in accordance with the provisions in force in the two States in Deutsche Mark, yuan renminbi or another freely convertible currency agreed upon by the business partners.

Article 9. (1) The Contracting Parties agree to set up a mixed committee consisting of governmental representatives of the two States. Representatives of business circles may participate in the work of the committee.

(2) The committee's functions shall be to supervise the implementation of this Agreement, to consider questions and problems arising from the implementation of this Agreement and to formulate and submit to the respective Governments recommendations which might contribute to the realization of the objectives of the Agreement.

(3) The mixed committee shall meet at the request of the Contracting Parties alternately in each of the two countries.

(4) If the two Contracting Parties deem it necessary, the mixed committee shall establish working groups for particular questions to support it in the execution of its tasks.

Article 10. If the international obligations of one of the Contracting Parties should affect this Agreement, the Contracting Parties shall hold consultations, but there may be no departure from the basic aims of this Agreement.

Article 11. This Agreement shall also apply to Berlin (West) in accordance with established procedures.

Article 12. (1) This Agreement shall enter into force on the date of its signature and shall remain in force until 31 December 1985.

(2) Not later than six months before the expiry of the term of validity, the Contracting Parties shall agree upon measures for the further development of economic, industrial and technical co-operation.

(3) Termination of this Agreement shall not affect the validity of contracts concluded between enterprises, organizations and institutions of the two countries in connection with this Agreement.

DONE at Bonn on 24 October 1979 in duplicate in the German and Chinese languages, both texts being equally authentic.

For the Government of the Federal Republic of Germany:
HANS-DIETRICH GENSCHER

For the Government of the People's Republic of China:
HUANG HUA

ANNEX

SECTORS OF ECONOMIC, INDUSTRIAL AND TECHNICAL CO-OPERATION

Agriculture, forestries, fisheries and food production
Prospecting, extraction and processing of raw materials
Energy and mining
Chemical industry
Iron and steel, non-ferrous metals
Mechanical engineering
Electrical industry and electronics
Vehicle engineering and shipbuilding, aeronautics industry
Commodities and consumer goods
Traffic control and data transmission
Construction
Banking and insurance
Other services
Design
Other fields of interest to the two sides