

No. 24966

**CANADA
and
CHINA**

**Protocol on economic cooperation. Signed at Ottawa on
19 October 1979**

Authentic texts: English, French and Chinese.

Registered by Canada on 16 July 1987.

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Textes authentiques : anglais, français et chinois.

Enregistré par le Canada le 16 juillet 1987.

PROTOCOL¹ ON ECONOMIC CO-OPERATION BETWEEN THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA

The Government of Canada and the Government of the People's Republic of China, hereinafter called the Two Parties:

Noting with satisfaction the favourable state of trade relations between the two countries, desiring to strengthen the friendship between the peoples of the two countries and to develop economic and trade relations;

In the spirit of Article VI of the Trade Agreement between the Government of Canada and the Government of the People's Republic of China, hereinafter called the Trade Agreement, as signed in 1973² and renewed by the exchange of Notes of October 19, 1979;³

Have agreed as follows:

Article I. The Two Parties undertake to strengthen and broaden further the ties of economic cooperation between the two countries, particularly in the areas of high technology goods and services, and to make efforts in achieving a balance in their economic interests and in attaining the harmonious development of their trade.

Article II. The Two Parties agree to expand the scope of economic cooperation on the basis of equality and mutual benefit and in observance of the laws and regulations in force in each country by promoting increased levels of trade in goods and technical services and also encouraging co-production and co-marketing, compensatory trade, joint ventures, provision of services and construction works (including complete plants) on a contractual basis and other suitable arrangements between enterprises or organizations of the two countries.

Article III. 1. The Two Parties agree to encourage strengthened economic cooperation in the following areas subject to the provisions of Article IX of the Trade Agreement:

- (a) Agriculture—Machinery, breeding stock, seeds, rangeland management (including man-made pasture);
- (b) Forest Industry—Forest Management, lumbering, comprehensive utilization of timber (including paper and pulp production), forest protection and fire resistance, road construction machinery, etc. (including technology and equipment);
- (c) Light Industry—Food processing, domestic electrical apparatus, arts and crafts, footwear, and other daily consumer goods;
- (d) Textile Industry (including technology and equipment);
- (e) Telecommunications and Electronic Technology—Telephone exchange systems,

¹ Came into force on 19 October 1979 by signature, in accordance with article VIII.

² United Nations, *Treaty Series*, vol. 977, p. 353.

³ *Ibid.*, vol. 1467, p. 430.

equipment for transmission and satellite communications, radar, computers, integrated circuits, electronic components, etc;

- (f) Petroleum—Oil and gas exploration, production, transmission and refining (including equipment);
- (g) Ferrous, non-ferrous Metals—Exploration, mining and processing (including equipment);
- (h) Communications and Transportation—Air and rail transportation (including equipment and technology);
- (i) Power—Hydro and thermal power generation, transmission and distribution (including engineering services and equipment);
- (j) Coal Mining—Technology and equipment; and such other areas as may be agreed by the Two Parties.

2. Items of potential cooperation in the above listed sectors shall be negotiated and finalized between the appropriate enterprises or organizations of the two countries.

Article IV. In order to pursue cooperation in those areas stipulated within Article III, subject to such foreign exchange regulations as may be valid in each country, the Two Parties undertake to encourage and facilitate the development of mutually satisfactory financial arrangements on as favourable a basis as possible.

Article V. In accordance with their respective laws and regulations, and on the basis of mutual benefit and through the normal channels appropriate to each Government, the Two Parties each agree to facilitate the establishment of offices in its territory by the enterprises and trade organizations of the other Party.

Article VI. For the purpose of implementation of this Protocol, the Two Parties agree that the Joint Trade Committee, established under Article VIII of the Trade Agreement, shall be responsible for reviewing the progress of economic cooperation between the two countries and for making such recommendations as may be appropriate in pursuit of the objectives of this Protocol.

Article VII. This Protocol shall be considered a component part of the Trade Agreement between the two Governments.

Article VIII. This Protocol shall enter into force upon date of signature by the Two Parties and shall remain in force concurrently with the Trade Agreement. Extension or termination of the Trade Agreement will simultaneously extend or terminate this Protocol.

DONE at Ottawa on this 19th day of October, 1979 in two copies in the English, French and Chinese languages, the three texts being equally authentic.

For the Government of Canada:

ROBERT R. DE COTRET

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

LI QIANG
