

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA  
AND  
THE GOVERNMENT OF THE PORTUGUESE REPUBLIC  
ON COOPERATION WITHIN THE FRAMEWORK OF  
THE SILK ROAD ECONOMIC BELT  
AND THE 21ST CENTURY MARITIME SILK ROAD INITIATIVE**

The Government of the People's Republic of China and the Government of the Portuguese Republic (hereinafter referred to as "the two Sides"), based on the aspiration of further promoting bilateral cooperation and enhancing their Comprehensive Strategic Partnership:

— Welcoming and supporting China's initiative to promote the Silk Road Economic Belt and the 21<sup>st</sup> Century Maritime Silk Road Initiative (hereinafter referred to as the Belt and Road Initiative), with the aim of promoting exchanges of goods, technology, capital and personnel through mutual connectivity and mutual learning with countries that share such willingness to explore synergies with a view to promoting development and common progress in economy, society, environment and cultural aspects, encouraging dialogues and integration among regions; welcoming China in hosting the Belt and Road Forum for International Cooperation, and willing to strengthen practical cooperation in related fields, including under the framework of the Belt and Road Initiative;

— Acknowledging the need to ensure sustainable and inter-operable infrastructure networks, through coherence and consistency between the existing connectivity strategies, namely through the EU-China Connectivity Platform, which remains the main forum for fostering synergies in infrastructure development between China and EU;

— Recognizing the political consensus between the heads of the two Governments to further enhance cooperation in the framework of the Belt and Road Initiative;

— Noting the potential for synergy between the two economies and for expanding policy coordination and deepen mutual beneficial and practical cooperation and mutual knowledge, with a view to enhancing the development and common prosperity of the two Sides;

The two Sides have reached the following understanding:

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

I. The two Sides support synergies between the Belt and Road Initiative and priorities identified in the Investment Plan for Europe and the EU Strategy on Connecting Europe and Asia, including the Trans-European Networks, and welcome the outcomes of discussions in the EU-China Connectivity Platform. II The two Sides will work together within the Belt and Road Initiative to:

- realize the goal of enhancing development and translating mutual complementary strengths into advantages for practical cooperation and sustainable growth. This will enable the two Sides to enhance their political relations, economic ties and people-to-people exchanges;

- strengthening the cooperation and promoting Europe-Asia connectivity and jointly establishing an economic cooperation framework which is open, inclusive, balanced, fair, transparent and beneficial to all, according to international rules,

- promoting growth of the Blue Economy by deepening the Blue Partnership, based on a level-playing field, international norms and standards and market rules, so as to maintain peace, security, stability and sustainable development.

III. The two Sides will promote bilateral cooperation based on the following principles:

- (i) Guided by the principles of extensive consultation, joint contribution and shared benefits, the two Sides will respect each other's core interests and deepen mutual trust and beneficial cooperation for common development and prosperity;

- (ii) In accordance their respective international obligations and applicable domestic laws and regulations, the two Sides will ensure the safe and smooth progress of related cooperation projects and energize their economic and social development.

- (iii) In accordance with the concept of cooperation, development and win-win progress under the Belt and Road Initiative, the two Sides will make full use of existing bilateral cooperation mechanisms, multilateral mechanisms and institutions that they both joined, namely the World Bank Group, the European Bank for Reconstruction and Development, the Asian Development Bank, the Asian Infrastructure Investment Bank, and effective regional cooperation platforms, in particular the EU-China Connectivity Platform, to form synergy and provide each other with support.

## **Paragraph II Areas of Cooperation**

The two Sides will promote global connectivity in sectors of common interest in a harmonious, balanced and respectful manner. Both Sides will cooperate in the following areas:

**I. Policy Coordination.** The two Sides will regularly communicate and promote the synergies between their major development strategies, planning and policies, as well as strengthen communication and coordination for respective important major policy adjustments;

**II. Air, Land and Maritime Transport, Logistics and Port Infrastructure.** The Two Sides will conduct cooperation and exchanges on maritime infrastructure connectivity, taking into account the important role of the Port of Sines and other ports may fulfill in the implementation of the Belt and Road Initiative, given their privileged geographic position.. Both Sides will continue to promote the China Smart and Secure Trade Lanes project, as agreed between Portugal and China in 2017. Both sides will further promote the development of air transport links between the two countries according to actual market demands, as well as the establishment of strategic rail connections.

**III. Mobility and Connectivity.** The two sides, in line with their respective commitments towards the achievement of low-carbon economies, will strive to enhance mobility and connectivity in the framework of the Belt and Road Initiative, through initiatives aimed at promoting R&D, production and use of electric vehicles, and the setting up of other effective and energy-efficient infrastructure and intermodal transport solutions, including the accomplishment of strategic rail connections with the Trans-European Transport Networks and the sustained development of direct air transport links.

**IV. Energy Sector.** The two Sides will promote cooperation in the field of energy, namely through the exchange of knowledge and experience in the integration of renewables, sustainable and smart electricity transmission systems as well as in grid management.

**V. Trade and Investment.** The two Sides will encourage two-way investment and mutually-beneficial cooperation between their companies and promote investment and trade on the basis of a level playing field, and internationally agreed norms and standards, market rules, with a view to expanding two-way investment and trade flow, further deepen investment, trade and industrial cooperation, as well as cooperation in related third country market.

In this context, the two Sides are willing to actively cooperate on investment projects in the electric mobility sector in Portugal.

**VI. Financial Cooperation.** The two Sides will encourage respective financial institutions to provide financing support and financial services for production capacity, investment and trade cooperation. The two Sides will strengthen the exchanges and cooperation between their currency and financial regulators.

**VII. People-to-People Connectivity .** The two Sides will promote people-to-people exchanges, further develop the sister cities network and conclude cooperation agreements on education, culture, health, tourism and public welfare, among others. The two Sides will enhance exchange and cooperation between their local governments, media, think-tanks, and youth, and continue to promote the development cooperation related to public welfare.

VIII. Other forms of cooperation that the two Sides may agree upon.

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

I. Modes of cooperation may include, but are not limited to:

(i) Through exchanges of high-level visits and existing governmental and non-governmental exchange mechanisms, the two Sides will build a multi-tiered information sharing platform for communication, increase transparency and encourage participation of people in all sectors of society.

(ii) Focused on the common demands of bilateral cooperation, and in compliance with their respective international obligations and commitments, the two Sides will carry out joint plans, pilot programs in key areas, economic and technological exchanges and cooperation, joint researches, information sharing, capacity building, personnel exchanges and training etc.

(iii) The two Sides will explore mutually beneficial models of cooperation to support the implementation of major programs, such as infrastructure, energy, transport and digital programs under the Belt and Road Initiative. Both Sides will follow the market principles, promote the cooperation between public and private capital provide investment and financing support through diversified models and strengthen exchanges and cooperation to ensure safety of the projects. Both Sides will enhance

evaluation regarding social and environmental impacts of the projects to be financed and strengthen risks management, attach importance to cooperation on energy conservation and environmental protection, perform social responsibilities, and promote local employment so as to promote sustainable development in economical and social aspects. When mobilizing funds, sustainability of debts will be considered.

II. The two Sides will discuss relevant cooperation with third Parties , and possible means to facilitate such cooperation.

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

Existing bilateral cooperation mechanisms between the two Sides may also be used to develop projects under the framework of the Belt and Road Initiative.

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

The two Sides will settle differences in the interpretation and implementation of this Memorandum of Understanding through friendly consultations.

#### **Paragraph VI Entry into Force , Amendment and Termination**

I. This Memorandum of Understanding shall come into effect from the date of signing.

II. The present Memorandum of Understanding will remain in effect for five years and will be extended for subsequent periods of five years unless one Signatory gives written notice to the other Signatory of its intention to terminate it with at least three months in advance. The termination of this Memorandum of Understanding will not influence executing programs which will continue according to the agreed timetable.

III. This Memorandum of Understanding may be amended by written consent of the two Sides and the amendment will be an integral part of this Memorandum of Understanding .

IV. This Memorandum of Understanding is not legally binding and reflects the common will of the two Sides to develop synergies between their respective initiatives.

Signed in duplicate in XX on XX December , 2018 in the Chinese, English and Portuguese languages, all texts having equal validity. In case of divergence of interpretation, the English version shall prevail.

Representative of the  
Government of the People's  
Republic of China

Representative of the  
Government of the Portuguese  
Republic

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