

PROTOCOL ON ECONOMIC COOPERATION 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 1973 and renewed by the exchange of Notes of October 19, 1979;

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