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**AGREEMENT ON TRADE, INVESTMENT AND TECHNICAL COOPERATION
BETWEEN THE GOVERNMENT OF THE REPUBLIC OF MALAWI AND THE
GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA**

The Government of the Republic of Malawi and the Government of the People's Republic of China (hereinafter referred to as "the Parties"), for the purpose of enhancing the friendship between the Parties and the peoples of China and Malawi, of developing trade, investment and technical cooperation between the two countries on the basis of equity and mutual benefit, have reached an agreement as follows:

Article I

Areas of Cooperation

The Parties agree to do their utmost, in conformity with the laws and regulations in force in their respective countries, to develop trade, investment and technical relations between the two countries, and to encourage stakeholders of their respective countries to cooperate in respect of trade, investment and technology.

Article II

Granting of Preferential Treatments

In order to promote the economic development of Malawi, China shall grant preferential tariff treatment to certain products originating from Malawi and exported to China as specified in Annex I of the Note of Special Preferential Tariff Treatment.

Article III

Application of WTO Principle of Non-Discrimination

Treatment of internal taxes and other levies will be guided by the World Trade Organization (WTO) principle of non-discrimination.

Article IV

Choice of Currency

Payment for transactions under this Agreement will be effected in any freely convertible currency or other currency with mutual consent between the Parties, in conformity with the domestic law of exchange control in force in each country.

Article V

**Other Areas of Cooperation and Establishment of
Joint and Contractual Ventures**

The Parties will cooperate in the transfer of technology and the promotion of investment, including the establishment of joint and contractual ventures in each other's countries.

The proposed ventures will be in priority growth sectors such as integrated cotton, textile and clothing, tobacco processing and cigarette manufacturing, skin and hides processing, other areas of agro-processing, fertilizer production, cement production, mining, tourism, infrastructure, power and telecommunications.

The Parties will also encourage mutual visits by entrepreneurs from both countries, attend exhibitions and trade fairs in each other's countries and provide necessary facilities to this end.

Trade and investment promotion organizations of the two countries will cooperate in developing and promoting trade and investment in the two countries.

Article VI

Facilitation in Setting up of Branches

The Parties shall, in conformity with the laws and regulations in force in their respective countries, allow and facilitate corporations and enterprises from each other's countries to set up branches in the Parties' respective countries.

The Parties agree to provide facilities to members of staff of economic cooperation and investment projects approved by the Parties.

Article VII

Strengthening the Cooperation of Standards-Certifying Bodies

The Parties agree to work together towards strengthening the cooperation between their respective standards-certifying bodies with respect to, but not limited to,

- a. inspection, testing, certification, accreditation and metrology so as to produce goods and services that meet international standards;
- b. greater use of international standards and conformity assessment procedures related to the inspection and conformity assessment of bilateral trade between Malawi and China;
- c. developing agreements on mutual recognition of conformity assessment procedures in sectors of mutual economic interest in both the regulatory and voluntary spheres; and
- d. curbing importation into Malawi and China of substandard and counterfeit products and dumping, so as to protect industries in the two countries from unfair competition.

Article VIII

Joint Committee

A. Establishment of a Joint Committee

The Parties agree to establish a joint committee on trade, investment and technical cooperation (hereinafter referred to as the "Joint Committee") which will consist of representatives of governments of the Parties.

B. Responsibilities of the Joint Committee

The Joint Committee will undertake the responsibility of

- (a) supervising the implementation of this Agreement;
- (b) discussing and exploring the measures and means of strengthening and expanding the trade, investment and technical cooperation between the Parties; and
- (c) settling any disputes which may arise during the implementation of this Agreement through negotiation,

C. Membership and Meeting of the Joint Committee

The Parties will determine membership to the Joint Committee and level of the Committees' meeting.

On mutual agreement, the Joint Commission will hold meetings in Beijing and Lilongwe alternatively.

Article IX

Implementing Authorities

The competent authorities responsible for the implementation of this Agreement shall be the Ministry of Industry and Trade of the Republic of Malawi and the Ministry of Commerce of the People's Republic of China.

Article X

Coming into force and Duration

This Agreement will

- (a) come into force on the date of its ratification following the signature of the Parties; and
- (b) subject to Article XIV, remain in force for a period of five years.

Article XI

Settlement of Disputes

Disputes, which may arise out of or in connection with the interpretation or implementation of this agreement will be resolved through negotiation or consultation between the Parties.

Article XII

Amendment

This Agreement may be amended by mutual consent of the Parties through the exchange of Note between them using the diplomatic channel. Any amendments made will form part of this agreement.

Article XIII

Recognition of Existing Agreement

This Agreement recognizes the existing bilateral and multilateral agreements involving the Parties.

Article XIV

Termination

A Party wishing to terminate this Agreement will give the other Party a three months' notice in writing, prior to the expiration of the five years' validity period of this Agreement. The Party terminating the Agreement will use the diplomatic channel to communicate its intention to terminate this Agreement.

Unless one of the Parties notifies the other of its intention to terminate this Agreement at the lapse of the validity period, this Agreement will automatically be extended for additional periods of five years each.

In the event of termination of this Agreement, its provisions will continue to apply to the contracts concluded under this Agreement but not fully implemented at the time of termination of this Agreement.

Done in Beijing on 25th March, 2008, in duplicate, each written in the Chinese and English languages, both texts being equally authentic.

For the Government
of the Republic of
Malawi



Henry Mussa, M.P.
Minister of Industry and Trade

For the Government
of the People's
Republic of China



Chen Deming
Minister of Commerce