

MOU on Jointly Building the Silk Road Economic Belt and the 21st Century Maritime Silk Road

Between

the Government of the Islamic Republic of Afghanistan

and

the Government of the People's Republic of China

Based on the aspiration for cooperation between the Government of the Islamic Republic of Afghanistan and the Government of the People's Republic of China (hereinafter collectively referred to as the "two sides") to jointly promote the building of the Silk Road Economic Belt and the 21st Century Maritime Silk Road (hereinafter referred to as the "Belt and Road"), respecting each other's sovereign rights and laws.

In view that China proposes the new Belt and Road Initiative in an endeavor to uphold the spirit of the Silk Road comprising peace, cooperation, openness, inclusiveness, mutual learning, mutual benefit, and win-win result; and to enrich its meaning with the characteristics of the new era; and in order for countries along the Belt and Road, through mutual learning to

realize better exchange and integration of goods, technology, capital and personnel; and promote the coordinated development, common progress of countries concerned in the fields of economy, society, environment and culture, thereby facilitating dialogues and integration of different civilizations;

In view that leaders of the two sides have reached political consensus on the coordinated implementation of the Belt and Road Initiative, the two sides decide to jointly explore the converging points in each side's development strategies, to enhance policy coordination and pragmatic cooperation, thereby promoting win-win cooperation, mutual peaceful development and co-prosperity of the two sides.

Hereby, the consensus has been reached as follows:

Article I: Cooperation Objectives and Guiding Principles

1. The two sides shall jointly promote cooperation on the Belt and Road Initiative in a bid to realize the goal of common development, and translate the advantages of solid political ties, economic complementarities and people-to-people exchanges into pragmatic cooperation in an effort to promote increasing economic growth and, thus, enable the two sides to enjoy better political relationships, more solid economic ties, deepen security cooperation and closer people-to-people exchanges. Meanwhile, the two sides hope that countries along the Belt

and Road can step up cooperation, develop and strengthen interconnection and deepen all-around cooperation with each other so as to jointly build an economic cooperation framework featuring openness, inclusiveness, balanced development and shared benefits, and promote regional peace and development.

- 2. The two sides shall abide by the following principles in their cooperation:
- i. Guided by the principle of "the Belt and Road Initiative be jointly implemented through consultation to meet the interests of all", the two sides shall respect each other's core interests and major concerns, deepen mutual trust and win-win cooperation and realize common development and prosperity;
- ii. To inject new vigor into the economic and social development of the two countries in accordance with each other's applicable laws and regulations and their international obligations and pledges;
- iii. In accordance with the ideals of cooperation, development and win-win results of the Belt and Road Initiative, the two sides shall strengthen connectivity and mutual support, draw on each other's strength and bring out the best in each other by taking full advantage of the existing bilateral cooperation mechanisms and multilateral mechanisms participated by the two countries as well as other affective regional cooperation platforms.

Article II: Content of Cooperation

The two sides shall carry out cooperation in the following areas:

- Policy Coordination: Regularly carry out dialogues and exchanges on major development strategies, plans and policies of the two sides, strengthen communication and coordination on the adjustment of major macro policies and push for the interconnection and integration of each other's major development strategies, plans and policies.
- 2. Facilities Connectivity: Formulate plans on cooperation for interconnection in infrastructure projects of shared interests, including railroad, road, civil aviation, oil and gas pipelines, power grid and telecommunication network; launch projects agreed by the two sides and push for the development of major projects; strengthen mutual recognition of standards and information sharing, improve traffic accessibility and transportation network security and discuss and sign agreements to develop the Islamic Republic of Afghanistan's National Infrastructure Plan, facilitate transportation and ensure cross-border transportation security.
- 3. Unimpeded Trade: The two sides shall further open markets to each other, expand two-way flow of trade, improve investment landscape, and strive for higher level of investment facilitation and security; push for bilateral cooperation on customs, entry and exit control, inspection and quarantine and mutual recognition of standards as well as certification and

- accreditation. Create favorable conditions in strengthening economic and trade, investment, production capacity cooperation for the two sides.
- 4. Financial Integration: To expand the use of home currency in trade and investment to meet the need of bilateral cooperation; encourage financing support and service for investment and trade cooperation by financial institutions; establish cooperation mechanism on handling financial risks and crisis, step up the exchanges and cooperation on credit management and that of institutional investors in the same business.
- 5. People-to-People Bonds: Promote people-to-people exchanges, build medium and long-term cooperation model of culture exchanges, push for the establishment of sister city network; discuss the signing of cooperation agreements on media, education, health, culture, art, tourism, poverty relief, public welfare, etc.; step up exchanges of local places, media, think tanks, student and teenagers on the two sides.
- 6. As appropriate, the two sides shall jointly formulate the outlines of a cooperation plan.
- 7. Identify other areas of cooperation, as agreed by the two sides.

Article III: Cooperation Mechanisms

By fully taking advantage of the existing intergovernmental cooperation mechanisms, the two sides will jointly promote the connectivity of the Belt and Road Initiative, explore new opportunities for bilateral cooperation, and guide and coordinate on major issues of cooperation to ensure that the projects of the Initiative will be advanced securely, safely and smoothly.

- 1. Ways of cooperation between the two sides include but are not limited to:
- i. Through exchange of high-level visits and existing governmental and non-governmental exchange mechanisms, the two sides shall build a multi-level information sharing platform in diverse fields and with multiple channels, share information and research, increase transparency and mobilize the participation of people in all sectors of society;
- ii. Based on the common needs for cooperation, the two sides carry out pilot programs, joint research, personnel exchanges and professional training in key areas by adopting internationalized, market-oriented and professional methods through collaborative analysis, joint planning, economic and technological exchanges and cooperation as well as knowledge sharing and capacity building, in a bid to promote the participation in and joint development of the Belt and Road by countries and international organizations;
- iii. Adopt extensive cooperation modes of mutual benefit for both sides to support the development and implementation of major programs under the Belt and Road Initiative including infrastructure, industrial parks, capacity sharing; and offer investment and financing support for those programs through market operation, aid-funds, international and social funds, as well as governmental and social cooperative capital; and strengthen exchanges and cooperation to ensure program safety.
- 2. For cooperation in any specific field, the two sides shall sign agreements or other cooperation documents.

Article IV: Differences Settlement

The two sides shall settle differences in the interpretation and implementation of this MOU through friendly consultations.

Article V: Taking Effect, Amendment and Termination

- The MOU shall take effect after the date, when the two sides issue written
 notice to each other through diplomatic channels on the completion of
 necessary domestic legal procedures for MOU to come into effect. The
 MOU shall take effect upon receiving such notice. The term of validity of
 the present MOU is three years.
- 2. The two sides can modify and supplement the present MOU in written form and the revision shall be recorded as part of this MOU.
- 3. To terminate the MOU, either party shall give written notice to the other side through diplomatic channels three months before the expiration of this MOU. The MOU can be terminated upon agreement by the two sides. Termination of the MOU will not affect any ongoing programs and such programs shall proceed in accordance with the schedule already agreed by the two sides until completion.
- 4. This MOU shall be automatically renewed for three years thereafter unless and until terminated by either side by giving written notice to the other three months before the expiration of the present MOU. The MOU will be extended in this way.

The MOU is signed on 16 May 2016 in Beijingin duplicate, each written in Chinese, Dari and English languages. All versions are equally valid. In the case of any divergence of interpretation, the English text shall prevail.

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