

**JOINT STATEMENT  
BETWEEN THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA  
AND THE GOVERNMENT OF MALAYSIA  
20 AUGUST 2018, BEIJING**

1. At the invitation of His Excellency Li Keqiang, Premier of the State Council of the People's Republic of China, the Honourable Tun Dr. Mahathir Bin Mohamad, Prime Minister of Malaysia, undertook an official visit to the People's Republic of China from 17 to 21 August 2018.

2. During the visit, the Honourable Tun Dr. Mahathir called on H.E. Mr. Xi Jinping, President of the People's Republic of China, and held bilateral talks with H.E. Mr. Li Keqiang, Premier of the State Council. He also met with H.E. Mr. Li Zhanshu, Chairman of the Standing Committee of the National People's Congress of China. Leaders of the two countries recalled the history of friendly exchanges between China and Malaysia, charted the course for future development of the bilateral relations and had in-depth exchange of views on regional and international issues of common interest in a friendly and cordial atmosphere.

3. China expressed best wishes for the greater development of Malaysia, under the leadership of the Honourable Tun Dr. Mahathir and the new government. Malaysia also expressed admiration of China's impressive achievements over the past four decades of reform and opening up, and wished China new strides in realizing the two centenary goals.

4. Both sides agreed that China and Malaysia enjoy a profound historical ties. The two sides are comprehensive strategic partners, as well as partners of practical cooperation. Standing at new historical junctures of their respective national development, China and Malaysia are optimistic about the prospect of their bilateral relations. Both sides will adopt a strategic and long-term vision, enhance political mutual trust and practical cooperation on the basis of equality, mutual respect and mutual benefit and work for the sustained and steady development of their comprehensive strategic partnership. Malaysia reiterated its commitment to the One China Policy.

5. The two sides agreed to maintain frequent high-level exchanges, promote experience sharing in state governance, strengthen strategic planning of bilateral relations, and have timely communication on major regional and international issues. The two sides will continue to expand exchanges and cooperation between government agencies, political parties, legislative bodies, armed forces, local authorities, private sectors and people-to-people contact to sustain comprehensive and multi-layered development of China-Malaysia bilateral relations.

6. Malaysia welcomes, supports and will continue to actively participate in the Belt and Road Initiative. The two sides will speed up the implementation of the *MOU on Promoting Mutual Economic Development through China's Silk Road*

*Economic Belt and the 21st Century Maritime Silk Road Initiative*, and discuss the formulation of relevant outline of cooperation plans.

7. Both sides are pleased with the current bilateral trade and economic relations. Both sides will actively discuss the formulation of the Five-year Program for Economic and Trade Cooperation for the period of 2018 - 2022. Both sides welcomed the investments in each other's country in line with the principles of equality, mutual respect and mutual benefit. The two sides also encouraged collaboration and technology transfer in high value investment segments such as ICT, data analytics, design and development, internet of things, cloud computing and artificial intelligence. Both sides agreed to jointly push forward the cooperation on "Two Countries, Twin Parks", namely China-Malaysia Qinzhou Industrial Park (CMQIP) and Malaysia-China Kuantan Industrial Park (MCKIP) through the active role of the Joint Cooperation Council on CMQIP and MCKIP.

8. Both sides agreed to press ahead with cooperation in infrastructure, production capacity, agriculture, livestock and fishery, as well as in emerging areas like e-commerce, internet economy, science and technology as well as innovation. China and Malaysia agreed to initiate discussions on a memorandum of understanding on bilateral cooperation to facilitate cross border electronic commerce that brings mutual benefit and creates opportunities especially for Small and Medium Enterprises (SMEs). China and Malaysia will strive to boost trade volume, promote financial stability through bilateral and regional cooperation, improve the business environment, encourage two-way investment and support cooperation among SMEs and service institutions. China welcomed Malaysia's participation in the first China International Import Expo.

9. Both sides acknowledged the significance and importance of the trade in commodities, especially that of the palm oil and rubber industries. On palm oil, both leaders noted the continued usage of palm oil and its products in various applications in the food and non-food sectors in China.

10. Both sides acknowledged the importance of the tourism industry in promoting greater people-to-people contact and sustainable socio-economic growth, and in fostering mutual understanding between the two countries. The two sides agreed to strengthen, deepen and broaden cooperation, and announce 2020 as China- Malaysia Year of Culture and Tourism.

11. Both sides spoke positively of the sound and productive cooperation in defense, law enforcement and counter-terrorism, and agreed to advance cooperation in the above-mentioned areas, with a view to jointly maintaining regional security and stability. China and Malaysia encouraged high level engagement in defence, and reaffirmed the commitment to establish the Secured Defence Telephone Link between both defence ministries. Both sides were satisfied with the progress of the Joint Development and Construction of the Littoral Mission Ship. Both sides agreed to hold the fourth joint working group meeting on

combating transnational crime. Both sides shared the same aspiration of creating a society of high integrity, and agreed to promote cooperation in good governance and anti-corruption.

12. The two sides spoke highly of the development of China-ASEAN relations, and welcomed the commemoration of the 15th Anniversary of the China-ASEAN Strategic Partnership and the China-ASEAN Year of Innovation in 2018. Both sides agreed to promote the formulation under the China-ASEAN Strategic Partnership Vision 2030 and deepen the East Asian Economic community (EAEC) building. Both sides also looked forward for an early conclusion of the Regional Comprehensive Economic Partnership (RCEP). On the Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA), Malaysia welcomed China's proposal for enhanced cooperation in the area.

13. Both sides underscored the importance of maintaining peace, security and stability, as well as safety and freedom of navigation in the South China Sea. Both sides emphasized the need for all sovereign states directly concerned to resolve their differences by peaceful means through friendly consultations and negotiations, in accordance with universally recognized principles of international law, including the 1982 United Nations Convention on the Law of the Sea. Both sides further emphasized the need for all parties to exercise self-restraint in the conduct of activities, and to avoid actions that would complicate or escalate tensions in the South China Sea. Both sides, together with the ASEAN Member States, will work for the full and effective implementation of the Declaration on the Conduct of Parties in the South China Sea (DOC) and encourage maritime cooperation, as well as actively push forward consultations on a Code of Conduct (COC) to see early conclusion of an effective COC.

14. Both sides shared the view that cooperation on multilateral affairs constitutes an important part of their comprehensive strategic partnership. Both sides agreed to strengthen cooperation at the United Nations and other multilateral fora, enhance South-South cooperation, safeguard the interests of developing countries and promote the building of a new type of international relations featuring mutual respect, fairness, justice and win-win cooperation. The two sides will jointly uphold multilateralism, oppose trade protectionism and unilateralism, uphold the purposes and principles of the Charter of the United Nations and the rules-based multilateral trading regime under the WTO, and promote an open, inclusive and balanced economic globalization that benefits all.

15. The two sides welcomed the renewal or signing of various agreements and memoranda of understanding (MOU) during the visit, including *the Extension Agreement regarding the Chinese Yuan / Malaysian Ringgit Bilateral Currency Swap Arrangement between the People's Bank of China and Bank Negara Malaysia*, *the Memorandum of Understanding between the Ministry of Finance of the People's Republic of China and Securities Commission Malaysia on Accounting and Audit Cross-Border Regulatory Cooperation*, *Protocol of Inspection and Quarantine*

*Requirements for the Export of Frozen Durian from Malaysia to China between the General Administration of Customs of the People's Republic of China and the Ministry of Agriculture and Agro-based Industry of Malaysia, the Memorandum of Understanding between Hainan State Farms Bureau and Hainan State Farms Investment Holdings Group Co., Ltd. and Malaysian Rubber Board on Collaboration in the Area of Rubberized Bitumen Road Technology and Rubber Tapping Automation and Mechanisation and the Memorandum of Understanding between Tsinghua University and Malaysian Palm Oil Board on Technology Development and Promotion of Malaysian Palm Biofuel.*

16. Both sides expressed their satisfaction with the outcomes of this visit. The Honourable Tun Dr. Mahathir expressed his appreciation for the warm welcome and hospitality accorded to him and the Malaysian delegation by the Chinese government and people, and extended an invitation to Premier Li Keqiang to visit Malaysia at a mutually-convenient time. Premier Li Keqiang accepted his invitation with pleasure.

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