



Premier Li Keqiang's Australia visit

Chinese Premier Li Keqiang visited Australia from March 22-26, attending official events and dialogues in both Canberra and Sydney. It was the first visit of a Chinese Premier to Australia in 11 years.

His itinerary included talks with Australian Prime Minister Malcolm Turnbull; participation in the China-Australia State/Provincial Leaders Forum and the China-Australia CEO Roundtable; an address at the China-Australia Economic and Trade Cooperation Forum; and watching an AFL match between the Sydney Swans and Port Adelaide.¹

This fact sheet summarises the key outcomes of this visit.²

South China Sea

At the joint press conference with Premier Li on March 24, Mr Turnbull reaffirmed Australia's position on the South China Sea.

Our position...is and has always been, very consistent. We are not a claimant to any of the disputed territories or features in the South China Sea. We urge all parties to resolve differences peacefully by negotiation in accordance with international law.

Premier Li highlighted China's efforts with ASEAN on the negotiation of a Code of Conduct (COC).

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¹ A full list of activities is available from China's Ministry of Foreign Affairs, 'Li Keqiang pays official visits to Australia and New Zealand', March 29 2017 <http://www.fmprc.gov.cn/mfa_eng/topics_665678/lkqdadlyxjxzsfw/>.

² This fact sheet compiles information from the following sources: 'Joint Press Conference with His Excellency Li Keqiang, Premier of the State Council of the People's Republic of China', *Prime Minister of Australia*, March 24 2017 <<https://www.pm.gov.au/media/2017-03-24/joint-press-conference-his-excellency-li-keqiang-premier-state-council-peoples>>; 'Visit to Australia by China's Premier Li Keqiang', *Prime Minister of Australia*, March 24 2017 <<https://www.pm.gov.au/media/2017-03-24/visit-australia-chinas-premier-li-keqiang>>. Note: This fact sheet summarises key outcomes, and does not include all outcomes. A comprehensive list can be found in 'Visit to Australia by China's Premier Li Keqiang'.

[N]ow China and ASEAN countries are also actively pursuing consultation...on the COC in the South China Sea. All these are for upholding stability in the South China Sea and the freedom of navigation and overflight there. So we hope that the market and the business communities will continue to have strong faith in the South China Sea in the sea lanes with free passage to pursue more free trade.

Australia between the US and China

When asked at the joint press conference what he thought about 'striking a new balance between China and the United States', Mr Turnbull responded:

The bilateral relationship between China and the United States is the single most important one for the prosperity and security and stability of the world. The fact that we have very strong relationships, but different relationships - different in context and in terms of history - with both the United States and China, that is a great strength.

This reflects recent remarks by former Prime Minister John Howard, as well as Chinese Foreign Minister Wang Yi's statements during his visit to Australia in February.³

Premier Li agreed with Mr Turnbull, saying, 'China-Australia cooperation will bring good to other countries and regions, and this cooperation will not be targeted at any third party'.

Economics, trade and business

The Australian and Chinese Governments:

³ Elena Collinson and Simone van Nieuwenhuizen, 'John Howard on China', Australia-China Relations Institute fact sheet, March 13 2017 <<http://www.australiachinarelations.org/content/john-howard-china>>.

- signed a Declaration of Intent to review elements of the China-Australia Free Trade Agreement; and
- agreed to commence discussions to update the Australia-China Tax Treaty in 2017, and begin formal negotiations in 2018.

China's National Development and Reform Commission, the state agency overseeing China's economic development, and the State Government of Victoria agreed to a Memorandum of Understanding (MoU) on Public-Private Partnerships in Infrastructure Fields.

The Chinese Government announced its support for the issuance of 'Panda Bonds' – an RMB-denominated bond issued by a foreign entity – by State governments in Australia.

Prime Minister Turnbull and Premier Li witnessed the signing of:

- an MoU between BBI Group and the China State Construction Engineering Corporation on Balla Balla Infrastructure. The Balla Balla Infrastructure project 'will comprise an integrated port and rail infrastructure system that will represent a new and independent gateway to the iron ore rich province of the Central and Western Pilbara region in Western Australia.'⁴ The project is worth \$6 billion.⁵
- an MoU on Facilitating the Australia-China CEO Roundtable between the Business Council of Australia and China Development Bank.

Establishment of an Australian Consulate in Shenyang

The Australian Government announced its decision to open a Consulate-General in Shenyang, Liaoning Province. Shenyang is the largest city in northeast China, with a population of approximately eight million.

Agriculture, energy and the environment

The Australian and Chinese Governments:

- signed an agreement on meat exports from Australia to China, expanding market access from 11 approved companies to all eligible Australian exporters. According to

⁴ Our project', BBI Group, <<http://www.bbig.com.au/index.php/overview/project-overview>>.

⁵ China, Aust strike deal on iron ore mine', Sky News, March 24 2017 <<http://www.skynews.com.au/business/business/company/2017/03/24/china--aust-strike-deal-on-iron-ore-mine.html>>.

Mr Turnbull, 'Australia is the only country in the world with this market access';⁶

- signed a Joint Statement on Enhancing Inspection and Quarantine Cooperation;
- signed a Memorandum of Understanding between Australia's Department of Agriculture and Water Resources and China's Food and Drug Administration on Cooperation in the Field of Food Safety;
- signed an Action Plan on Implementing Agricultural Cooperation Projects between Australia's Department of Agriculture and Water Resources and China's Ministry of Agriculture;
- agreed to establish an Australia-China Ministerial Energy Dialogue; and
- signed an Environmental Cooperation Action Plan between Australia's Department of the Environment and Energy and China's Ministry of Environmental Protection.

Science, innovation and technology

Both Governments:

- agreed to establish an Australia-China Dialogue on Innovation. According to the Australian Department of Industry, Innovation and Science, '[t]he Dialogue will enable the exchange of ideas between representatives from government agencies, business and the research sector';⁷
- committed up to \$6 million from each side for the Australia-China Science and Research Fund; and
- signed an MoU between IP Australia and the State Intellectual Property Office of the People's Republic of China on Intellectual Property Cooperation.

Education and tourism

Both Governments:

- agreed to run activities throughout the 2017 Australia-China Year of Tourism to

⁶ Joint Press Conference with His Excellency Li Keqiang, Premier of the State Council of the People's Republic of China', Prime Minister of Australia, March 24 2017 <<https://www.pm.gov.au/media/2017-03-24/joint-press-conference-his-excellency-li-keqiang-premier-state-council-peoples>>.

⁷ Minister for Industry Innovation and Science, Senator the Hon Arthur Sinodinos AO, 'Dialogue to strengthen innovation ties between Australia and China', March 24 2017 <<http://minister.industry.gov.au/ministers/sinodinos/media-releases/dialogue-strengthen-innovation-ties-between-australia-and-china>>.

further enhance bilateral cultural exchanges and people-to-people links; and

- signed an MoU between Australia's Department of Education and Training and China's Ministry of Education on Cooperation in Vocational Education and Training.

Security and development

Both Governments:

- agreed to establish a High-level Security Dialogue concentrating on issues such as cyber security, transnational crime and counterterrorism; and
- signed an MoU between Australia's Department of Foreign Affairs and China's Ministry of Commerce for Strengthening Development Cooperation.