

Australia, China Infrastructure Agreement

April 2012

On Tuesday 10 April 2012 Minister for Infrastructure and Transport, Anthony Albanese MP, and Chinese Minister of Commerce, Deng Deming, signed a Memorandum of Understanding (MOU) on Enhancing Cooperation in Infrastructure Construction in the two countries. To see Minister Albanese's media release, click [here](#).

Background

The signing of the MOU follows Australia's trade with China reaching the milestone of \$105bn a year. This makes China Australia's biggest trading partner as well as the first nation with whom our two-way trade exceeds \$100bn. Australian investment in China, including infrastructure, has increased six-fold since 2001, reaching almost \$12bn in 2010. Likewise, overall Chinese investment in Australia amounted to almost \$20bn in 2010.

The signing of the MOU comes amid an ongoing public debate about foreign, particularly Chinese, investment in Australian land and agriculture. Last month Opposition leader, Tony Abbott, called for tighter controls of foreign investment through a national register of land holdings and a lowering of the \$235 million threshold that currently triggers the need for Foreign Investment Review Board approval.

The Memorandum of Understanding

The aim of the MOU is to facilitate closer co-operation on planning of projects, exchanging information on investment opportunities and technical expertise, training and education, joint conferences, as well as joint infrastructure projects in the future.

The Chinese Government, through the Ministry of Commerce, has committed to provide assistance to Australian enterprises, free of charge, to participate in major projects in China according to the Chinese Government's plans for national economic and social development and industrial policies for utilizing foreign investment.

Both governments will jointly establish a working group to take forward cooperation under the MOU. The Australian working group will include government department representatives, industrial organisations, financial institutions and enterprises. The membership and the timing of meetings of the group are yet to be determined. To see the full Memorandum of Understanding, click [here](#).

Participation

To register for the working group or more general inquiries, contact the Department of Infrastructure and Transport:

Andrew Jagers
Executive Director
Nation Building Infrastructure Investment
Department of Infrastructure and Transport.
PH: (02) 6274 7631
andrew.jagers@infrastructure.gov.au