Pragmatic Cooperation between China and Italy: A Study in the Context of China-Italy Comprehensive Strategic Partnership towards its 20th Anniversary



Pragmatic Cooperation between China and Italy: A Study in the Context of China-Italy Comprehensive Strategic Partnership towards its 20th Anniversary^{*}

^{*} The main authors of this research report are: project leader Prof. Sun Yanhong, Senior Research Fellow, head of Division of European Economic Studies at the Institute of European Studies (IES) of the Chinese Academy of Social Sciences (CASS), also secretary general of Chinese Society of Italian Studies, editor-in-chief of *Blue Book of Italy: Annual Development Report of Italy*; Italian coordinator Andrea Caligiuri, Associate Professor at the Department of Law and Senior Research Fellow at the China Center of the University of Macerata; and Gianluca Sampaolo, Research Fellow at the Department of Law and Senior Research Fellow at the China Center of the University of Macerata. Section III "Fruitful Science and Technology Exchanges and Cooperation" and part of Section "Summary and Outlook" were completed by the Italian authors. The full text of this report was reviewed by Prof. Sun Yanhong. The English edition of this report, except Section III, was translated by Yujie translation group. Thanks are extended to China Eastern Airlines (CEA) and Global Times Online for their support for this research.

Table of contents

I. High-level Political Interactions and Mutual Political Trust Steering	Pragmatic
Cooperation	
(1) Establishment of comprehensive strategic partnership and	0
political interactions	
(2) High-level political interactions since the outbreak of the pandemic	
II. Economic and Trade Cooperation as "Ballast Stone" of Bilateral Ties.	
(1) Bilateral trade growing rapidly	11
(2) New trends of two-way investment	13
(3) Green and digital cooperation under the spotlight	14
(4) Intensive introductions of direct flights	15
III. Fruitful Scientific and Technological Exchanges and Cooperation	17
(1) The development of scientific and technological relations:	a historical
perspective	
(2) The main instruments of S&T cooperation	17
(3) Cooperation in the space sector	
(4) Cooperation on environmental protection	
(5) The changing geopolitical environment and the impact on futu	
S&T cooperation	
IV. Distinct Cultural Exchanges and Cooperation	
(1) Current situation and characteristics	
(2) China-Italy Cultural Forum: A new model for cultural cooperati	
China and Europe	
(3) Success of the 2022 China-Italy Year of Culture and Tourism	
V. Third-party Market Cooperation Making Robust Progress	
 (1) Overview of third-party market cooperation	
(2) Cases of third-party market cooperation	
(3) Prospects of third-party market cooperation	
VI. Enhanced People-to-People Bond Through Thick and Thin	
 (1) Long-standing tradition of mutual support in difficult times (2) Mutual support through the COVID 10 pendemia 	
(2) Mutual support through the COVID-19 pandemic	
Summary and Outlook	

Introduction

China and Italy are both time-honored ancient civilizations with a splendid culture. The ties between the two countries, though geographically apart, go back a long way. As early as the end of the second century BC, Chinese silk was sold to Italy. From ancient Rome to the Renaissance, Italy gave birth to the Western culture and stayed far ahead of the European and American countries in cultural exchanges with China.¹ Over a long period of time, "China's ties with the West were virtually ties with Italy," from the ancient Silk Road to Marco Polo's travel in China and further to Matteo Ricci's introduction of Western learning to China.²

The People's Republic of China and the Italian Republic established diplomatic relations in 1970. Since then, the two countries have appreciated each other's culture, conducted mutually beneficial cooperation on the principle of mutual respect and equal treatment, and supported each other through difficult times. Together, they have set a fine example for friendly ties between two countries different in cultural backgrounds, social systems, and stages of economic development, with pragmatic cooperation as the central theme. In 2004, China and Italy forged the comprehensive strategic partnership. In 2019, the two countries celebrated the 15th anniversary of their comprehensive strategic partnership and signed a series of important cooperation agreements during Chinese President Xi Jinping's state visit to Italy, including the memorandum of understanding (MOU) on cooperation within the framework of the Belt and Road Initiative (BRI). In 2020, China and Italy witnessed the 50th anniversary of their diplomatic relations amid the COVID-19 pandemic. Even though mutual visits were almost interrupted, close high-level exchanges continued to advance the implementation of the above-mentioned outcomes.

China and Italy will celebrate the 20th anniversary of their comprehensive strategic partnership in 2024. Meanwhile, the world today is confronted with accelerated profound changes unseen in a century. In this context, it is necessary to examine the development of China-Italy relations and cooperation over the past 20 years. Given that pragmatic cooperation has been the central theme since the establishment of diplomatic relations, the report intends to review the two-decade journey of pragmatic cooperation between China and Italy in the aspects of political mutual trust, economic and trade cooperation, scientific and technological cooperation, cultural exchanges and cooperation, third-party market cooperation, as well as mutual support through difficult times. On this basis, the report summarizes the characteristics and trends and gives an outlook on pragmatic cooperation between the two countries.

¹ Zhu Longhua: "From the 'Silk Road' to Marco Polo—Cultural Exchanges between China and Italy," *History of Cultural Exchanges between China and Foreign Countries*, edited by Zhou Yiliang, Henan People's Publishing House, 1987.

² Giuliano Bertuccioli and Federico Masini, *Italia e Cina*, preface to the Chinese version, translated by Xiao Xiaoling et al., Beijing: The Commercial Press, 2002.

I. High-level Political Interactions and Mutual Political Trust Steering Pragmatic Cooperation

Since the establishment of diplomatic relations in 1970, high-level political interactions and mutual political trust built on this basis have consistently guided the bilateral ties and cooperation between China and Italy. In 2004, the state leaders of the two countries made a major forward-looking decision to elevate the bilateral ties to the comprehensive strategic partnership. Guided by this political decision, the pragmatic cooperation between the two sides has rapidly expanded on all fronts, at multiple levels, and to various fields, and continued to break new grounds and yield marked results.

(1) Establishment of comprehensive strategic partnership and high-level political interactions

Since the beginning of the 21st century, profound changes in both domestic and international environments have prompted China and Italy to adjust foreign policies. On the Chinese side, after two decades of rapid development since the reform and opening up, China's economy, measured by gross domestic product (GDP), climbed to the seventh largest globally in 2000. Thanks to sustained fast growth, China overtook Japan to become the world's second largest economy after the United States (US), and surpassed the US to become the world's top manufacturing country (by value added in the manufacturing sector) in 2010. Three years later, China replaced the US as the global largest trading country in goods. Underpinned by upgraded economic strength and comprehensive national strength, China has gradually risen from a regional power to a global power with fast-spreading international influence. Under the impact of the 2008 international financial crisis, China's economy has entered a "new normal" featuring a shift from high-speed to medium-high-speed growth. Yet, China remains the "locomotive" of the global economy. At the same time, China has begun to optimize economic structure by transitioning from factor-driven and investment-driven to innovation-driven development. During this period, the Belt and Road Initiative that is committed to promoting global economic recovery and sustainable growth was proposed, and the pace of "going abroad" by Chinese enterprises accelerated as well. In this context, China's foreign policy highlighted further opening up for transforming and upgrading industrial and economic structure while assuming more international responsibility in global governance and regional cooperation.

On the Italian side, as an early industrialized Western European country, Italy has been overshadowed by great Western powers in terms of economic output, national strength and resource availability. It is also a processing and exporting country whose economy relies heavily on foreign trade. To this end, Italy's foreign policy upholds the principles of "peace, stability and amity" and aims to pursue "economic and commercial interests" and "great-power status" in a

"flexible, realistic and pragmatic" manner.³ The pragmatic feature has become more distinctive since the 1990s economic downturn. In particular, Italy experienced the severest and longest recession after the end of the Second World War as a result of the 2008 international financial crisis. The sluggish recovery in domestic demand prompts the country to rely more on foreign economic cooperation. China, as the most prospective large market and a liquidity-rich foreign investor, was surely considered important by Italian political and business circles.

It is against this backdrop that China and Italy decided to elevate their bilateral ties to a strategic level, pushing their cooperation to new heights. In May 2004, the two countries announced the establishment of the comprehensive strategic partnership and the China-Italy Governmental Committee during then Chinese Premier Wen Jiabao's visit to Italy. In December, they signed multiple bilateral documents to strengthen cultural exchanges and cooperation in health and sports during then Italian President Carlo Azeglio Ciampi's visit to China. The bilateral ties have since entered the fast lane of comprehensive development. This is manifested most prominently in the mutual political trust bolstered with frequent mutual visits of high-level leaders.

In September 2006, then Italian Prime Minister (PM) Prodi visited China, during which the two countries signed documents on bilateral cooperation covering science and technology, education, agriculture, and medical and health care. In July 2009, then Chinese President Hu Jintao paid a visit to Italy, concluding multiple agreements on economic and trade cooperation. In October 2010, the two governments issued the Three-Year Action Plan for Strengthening Economic Cooperation (2011~2013) during Wen Jiabao's second visit to Italy. Then Italian President Napolitano paid a visit to China the same month. In June 2011, then Chinese Vice President Xi Jinping attended the celebration of the 150th anniversary of the unification of Italy. In April 2012, then Italian PM Mario Monti visited China and attended the opening ceremony of the Boao Forum for Asia Annual Conference 2012. In June 2014, during then Italian PM Matteo Renzi's visit to China, the governments of the two countries renewed the Three-year Action Plan on Strengthening Economic Cooperation for the period 2014~2016, and agreed to set up the China-Italy Entrepreneur Committee. In October 2014, then Chinese Premier Li Keqiang visited Italy, and the two countries signed nearly 20 intergovernmental agreements and commercial contracts covering the areas of energy, finance, aviation, communications, culture, environment and quality inspection. In 2015, China and Italy organized a series of important activities to celebrate the 45th anniversary of diplomatic relations. While China gave strong support for the Milan Expo, then Italian Foreign Minister Gentiloni attended China's military parade to commemorate the 70th anniversary of the victory of the Chinese People's War of Resistance Against Japanese Aggression. In September 2016, then Italian PM Renzi attended the G20 Leaders' Summit held in China. Two months later, Chinese President Xi Jinping met with Renzi during his stop on the Sardinia Island. In February 2017, Italian President Mattarella visited

³ For the characteristics of Italian foreign policy in recent years, see Luo Hongbo, "Italy" in the *Annual Development Report of Europe (2005–2006)*, China Social Sciences Press, 2006.

China, concluding 13 bilateral intergovernmental and commercial agreements. In May, then Italian PM Gentiloni attended the first Belt and Road Forum for International Cooperation in China, and the two governments signed the Action Plan for Strengthening Economic, Trade, Cultural and Technological Cooperation (2017~2020). In September 2018, China and Italy signed the MOU on Third-Party Market Cooperation during then Italian Deputy PM Di Maio's visit to China. The next month, the Italian government set up the China Task Force to study and tap the potential of cooperation with China. During Xi Jinping's visit to Italy in March 2019, the two governments signed the joint communiqué on strengthening the comprehensive strategic partnership, as well as many important cooperation agreements, including intergovernmental documents such as the MOU on cooperation within the Belt and Road Initiative framework. Enterprises from the two sides also concluded cooperation agreements worth about 2.5 billion euros.⁴

(2) High-level political interactions since the outbreak of the COVID-19 pandemic

From 2020 onwards, the normal visits between China and Italy have been impeded and the bilateral cooperation has been more subject to geopolitical factors in the midst of the COVID-19 pandemic and the Russia-Ukraine conflict. Due to the pandemic, many activities scheduled for year 2020 to celebrate the 50th anniversary of China-Italy diplomatic ties were canceled or postponed. The planned visit of Italian President Mattarella to China was also postponed, which somewhat affected the normal exchanges between the two sides. In addition, during the pandemic, there were occasional "noises" in China-Italy relations due to the escalating tensions between China and the United States, as well as the influence of extreme right-wing opposition parties in Italy following the United States. It is noteworthy that a technical-grand coalition government led by Mario Draghi took up office in February 2021. The Draghi government adopted a conservative attitude towards cooperation with China, considering persistent China-US tensions and increasingly complex China-EU relations. This to some extent added uncertainties to the prospects of China-Italy relations. With the outbreak of the Russia-Ukraine conflict in 2022, the Italian government tends to further constrain cooperation with China as China-US tensions have intensified and China-EU relations have become more complex and uncertain. Nonetheless, the political, economic and social circles of the two countries have made efforts to promote exchanges in various fields over the past few years. Mutually beneficial pragmatic cooperation for win-win results remains the mainstay of the bilateral ties.

In post-2020 years, high-level political leaders of China and Italy have maintained relatively frequent interactions for in-depth exchanges on bilateral ties and international hotspot issues. Their efforts have stabilized bilateral relations as a whole and provided important guidance for pragmatic cooperation in various fields between two countries. On February 2, 2020, Italian

⁴ Sun Yanhong, "China-Italy Cooperation Towards the 50th Anniversary of Diplomatic Relations," *Annual Development Report of Italy (2019–2020): 50 Years of Establishment of Diplomatic Relations between China and Italy*, edited by Sun Yanhong, Social Sciences Academic Press (China), June 2020.

President Mattarella sent a message of condolence to his Chinese counterpart Xi Jinping as COVID-19 began to spread in China. Later, at a critical time of rapid COVID-19 spread in Italy, Chinese State Councilor and Foreign Minister Wang Yi spoke twice by phone with then Italian Foreign Minister Di Maio, expressing China's willingness to provide assistance within its capacity according to the needs of the Italian side. On March 11, Xi sent a message of condolence to Mattarella. On March 16, Xi spoke with then Italian PM Conte, saying that China stands ready to work with Italy to defeat the pandemic. In August, Wang visited Italy as the first stop of his first post-pandemic tour in Europe. On December 29, Wang and Di Maio attended the closing ceremony of the 10th Joint Meeting of the China-Italy Government Committee via video link.

In February and May 2021, then Chinese Premier Li Keqiang held two phone conversions with Italian PM Conte, exchanging views on joint efforts to strengthen international cooperation in combating the pandemic, promote global economic recovery and address climate change. On September 7, Chinese President Xi Jinping and then Italian PM Draghi talked by phone on strengthening the comprehensive strategic partnership and enhancing the cooperation under the G20 framework. On September 29, Chinese Commerce Minister Wang Wentao and then Italian Foreign Minister Di Maio co-chaired by video conference the 14th Session of the China-Italy Joint Economic Committee. On October 30-31, Chinese State Councilor and Foreign Minister Wang Yi, as a special envoy of Chinese President Xi Jinping, attended the G20 Leaders' Summit held in Rome, Italy.

On February 4, 2022, Chinese President Xi Jinping congratulated Mattarella by phone on his re-election as Italian President. On April 12, Wang Yang, Chairman of the National Committee of the Chinese People's Political Consultative Conference, met with Italian Senate speaker Casellati via video link. On November 16, Xi met with Italian PM Giorgia Meloni in Bali, Indonesia, on the sidelines of the G20 Leaders' Summit. As two ancient civilizations, Xi said, China and Italy are comprehensive strategic partners that share broad common interests and a profound foundation for cooperation. Xi stressed that it is important for the two countries to carry forward the tradition of friendship, understand and support each other's core interests and major concerns, pursue common ground while shelving differences, expand consensus, and set an example for relations between countries with different social systems and cultural backgrounds. Meloni said Italy does not approve of bloc confrontation, and upheld that countries should respect their differences and disagreements, strengthen solidarity, keep to dialogue and exchanges, and enhance mutual understanding. Italy hopes to closely collaborate with China within the United Nations, G20 and other frameworks to tackle the various pressing challenges facing the world in a more effective manner, Meloni said, noting that China is a major country and Asia is becoming more and more important for the world.⁵ On September 3-5, 2023, Italian Deputy PM and Foreign Minister Antonio Tajani visited China. During this period, Tajani and his Chinese

⁵ "Xi Meets Italian PM Meloni," Portal of the Central People's Government of the People's Republic of China, November 17, 2022, http://www.gov.cn/xinwen/2022-11/17/content_5727359.htm

counterpart Wang Yi attended the 11th Joint Meeting of the China-Italy Governmental Committee, calling on the two countries to strengthen practical cooperation in various fields under the framework of comprehensive strategic partnership.

Time	Title
May 2004	Joint Communiqué of the Government of People's Republic of China and the Government of the Italian Republic on the Establishment of a Stable, Friendly, Long-term and Sustainable Comprehensive Strategic Partnership
May 2004	Joint Statement of the Government of People's Republic of China and the Government of the Italian Republic on the Establishment of the China-Italy Governmental Committee
June 2004	Agreement between the Government of People's Republic of China and the Government of the Italian Republic on Intellectual Property Cooperation
June 2004	Memorandum of Understanding between the Government of People's Republic of China and the Government of the Italian Republic on Cooperation in Aviation
July 2005	Agreement between the Government of People's Republic of China and the Government of the Italian Republic on Mutual Recognition of Higher Education Degrees
November 2008	Joint Statement of the Government of People's Republic of China and the Government of the Italian Republic on Cooperation in Science and Technology
July 2009	Memorandum of Understanding between the Government of People's Republic of China and the Government of the Italian Republic on Cooperation in High-tech Fields
July 2009	Memorandum of Understanding between the Government of People's Republic of China and the Government of the Italian Republic on Cooperation in Tourism
October 2010	China-Italy Three-Year Action Plan for Strengthening Economic Cooperation (2011–2013)
June 2014	China-Italy Three-Year Action Plan for Strengthening Economic Cooperation (2014–2016)
June 2014	Memorandum of Understanding between the Government of People's Republic of China and the Government of the Italian Republic on the Establishment of the Cultural Forum

Table 1 Bilateral documents of importance between Chi	ina and Italy since 2004
---	--------------------------

October 2014	Joint Statement of the Government of the People's Republic of China and the Government of the Italian Republic
May 2017	China-Italy Action Plan for Strengthening Economic, Trade, Cultural and Technological Cooperation (2017–2020)
September 2018	Memorandum of Understanding between the Government of People's Republic of China and the Government of the Italian Republic on Third-Party Market Cooperation
March 2019	Joint Communiqué of the Government of the People's Republic of China and the Government of the Italian Republic on Strengthening the Comprehensive Strategic Partnership
March 2019	Memorandum of Understanding between the Government of People's Republic of China and the Government of the Italian Republic on Cooperation within the Framework of the Silk Road Economic Belt and the 21st Century Maritime Silk Initiative

Source: The table is drawn by the research team based on relevant information from the portal of the Chinese government.

In short, Chinese and Italian high-level leaders have made frequent mutual visits, issued three joint statements on comprehensive strategic partnership (2004, 2014 and 2019), and signed three action plans for cooperation (2010, 2014 and 2017) since the establishment of comprehensive strategic partnership in 2004, charting the course for comprehensive pragmatic cooperation in various fields. In particular, the nearly two-decade bilateral cooperation in key areas, as identified in the three programmatic plans, have produced fruitful results, covering environment and sustainable energy, agriculture, sustainable urbanization, food, drug and health, aerospace, tourism and cultural heritage preservation. In addition, the China-Italy Governmental Committee and the China-Italy Entrepreneur Committee established in 2004 and 2014 respectively have provided important dialogue channels and institutional guarantees to continuously consolidate and enhance practical cooperation. The 2019 MOU on cooperation within the Belt and Road Initiative framework has offered a new platform for pragmatic cooperation between the two countries in various fields.

II. Economic and Trade Cooperation as "Ballast Stone" of Bilateral Ties

Economic and trade cooperation has long been an important pillar of pragmatic cooperation between China and Italy and even played the role of "ballast stone" in bilateral ties in recent years. China and Italy had economic and trade contacts as early as before the establishment of diplomatic relations. Between 1950 and 1963, the trade volume between the two countries grew approximately from \$10.4 million to about \$38 million. With the establishment of diplomatic relations, the bilateral economic and trade ties have seen unprecedented rapid development, especially since China's reform and opening up. In 2001, the trade volume reached \$7.78 billion, which is 77 times that of 1970 when the diplomatic relations were established and 12.7 times that of 1979 when China implemented the reform and opening up policy (\$610 million). Italy thus maintained the position of China's fifth largest trading partner within the European Union (EU). In terms of foreign investment, Italy was an absolutely dominant investor in China until the turn of the century. By the end of 2001, the contracted foreign investment amounted to \$2.951 through 1,628 projects, with \$1.988 billion actually used, ranking fifth among EU countries.

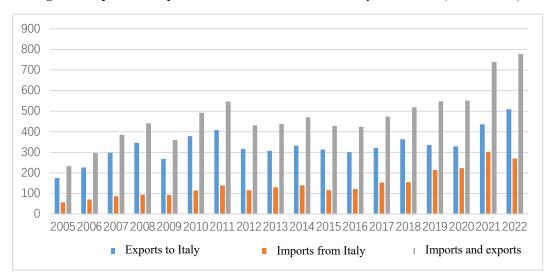
China-Italy economic and trade cooperation has entered the fast lane since the beginning of the 21st century, in particular, under the framework of comprehensive strategic partnership. During this period, China has developed rapidly to overtake Italy in gross economic output and became the second largest economy in the world. Yet with very large complementary space, the bilateral economic and trade cooperation remains resilient. It exhibits new features and new trends that deserve attention, as a combined result of the transformed power contrast, the fast-unfolding new industrial revolution, the COVID-19 pandemic and the recently rising geopolitical factors.

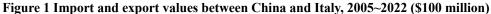
(1) Bilateral trade growing rapidly

China-Italy bilateral trade surged from \$7.78 billion in 2001 to \$77.88 billion in 2022, an increase of about nine times. In general, the bilateral trade in dollar terms expanded rapidly, though decline was observed in 2009, 2012, 2015 and 2016 due to the international financial crisis, the European debt crisis, the EU anti-dumping measures on Chinese photovoltaic (PV) products, and the depreciation of the euro. It is worth mentioning that with the signing of the MOU on cooperation within the Belt and Road Initiative framework, the bilateral trade in goods soared by about 42% from \$54.9 billion to \$77.88 billion from 2019 to 2022. In 2020, in particular, China-Italy trade registered a 0.4% growth, while global trade as a whole shrank as a result of the pandemic. China was the only country among the major economies to realize growth in imports from Italy that year. In 2021, the bilateral trade kept rising, with imports and exports worth \$73.954 billion, a substantial increase of 34% year-on-year. China's exports to Italy grew 32.5% year-on-year to reach \$43.632 billion and China's imports from Italy amounted to \$30.322 billion, up 36.3% year-on-year.

From the perspective of China's exports to Italy, China is the first to fully resume production

based on effective epidemic control and able to somewhat make up for the shortfall in exports from other countries to Italy. From the perspective China's imports from Italy, as a global production base, China needs more imported intermediates (including imports from Italy) for production expanded to address huge external demand brought about by the global economic recovery. Besides, most of the purchase realized through business activities and travel before have turned into imports as international visits were severely impeded by the pandemic. In short, the surge in China-Italy trade amid the pandemic was driven by many short-term factors, but it adequately demonstrates the complementarity of the two economies and the resilience of bilateral economic and trade cooperation. The strong momentum of bilateral trade, in particular, the rapid growth of Chinese imports from Italy, has inspired the Italian government to place more emphasis on cooperation with China. Then Italian Foreign Minister Di Maio told domestic media on July 17, 2021 that Italy should cooperate with China or it would lose out to other European countries in economic development.⁶ In 2022, China-Italy bilateral trade rose 5.4% year-on-year to hit a new record high (Figure 1). In terms of product structure, intra-industry trade begins to outweigh inter-industry trade with China's economic restructuring and upgrading, implying an ongoing transition from inter-industry to intra-industry complementarity of the two economies.





Source: The figure is drawn by the research team based on data from the portal of the Ministry of Commerce of China.

There is persistent trade imbalance between China and Italy due to their differences in development stages and industrial structures. "The two parties agree to broaden and facilitate market access for each other towards the common goal of promoting bilateral trade growth and balance and driving two-way investment," according to *the Joint Communiqué of the Government*

⁶ "Italian Foreign Minister Di Maio: China is an Important Trade Partner of Italy at this Stage," portal of the Ministry of Commerce of China, July 19, 2021, http://it.mofcom.gov.cn/article/jmxw/202107/20210703180260.shtml

of the People's Republic of China and the Government of the Italian Republic on Strengthening the Comprehensive Strategic Partnership signed in 2019. In order to narrow Italy's trade deficit with China for bilateral trade balance, China has been committed to expanding imports from Italy over the past few years. Italy was one of the guest countries of honor at the Second China International Import Expo held in 2019. The agreement on the export of Italian rice and beef to China signed by the two governments in 2020 created conditions for Italian agri-food products to further enter the Chinese market. Between 2019 and 2021, Italy's exports to China increased by 41.6% from \$21.41 billion to \$30.32 billion. In 2022, dragged down by the energy crisis triggered by the Russia-Ukraine conflict, Italy's foreign exports as a whole suffered a setback, with exports to China falling to about \$26.98 billion, but still far higher than the 2020 level (Figure 1). In the first half of 2023, Italy's exports to China rebounded rapidly, up by a whopping 45.6% year-on-year. As a matter of fact, between 2019 and 2022, Italy, China's fourth largest trading partner in the EU, outperformed Germany, China's top trading partner in the EU, by absolute value added or growth rate of exports to China.⁷ In April 2023, Italy became the sole guest country of honor at the Third China International Consumer Goods Expo, and Italian PM Meloni delivered a speech by video at the opening ceremony. Italy was also the only guest country of honor at the Second Global Geographical Indications Products Expo held in September 2023, Luzhou, Sichuan Province, China. All these demonstrate that Italian political and business circles remain optimistic about the prospects of the Chinese market and attach great importance to exports to China.

(2) New trends of two-way investment

The two-way investment between China and Italy has maintained fast growth since the establishment of comprehensive strategic partnership. Prior to the international financial crisis and the European sovereign debt crisis, Italian investment in China far outnumbered Chinese investment in Italy, resulting in one-way bilateral investment. However, there has been a shift to two-way investment, propelled by the surge of Chinese investment in Italy, which becomes a new highlight of bilateral economic and trade cooperation. In 2014, Chinese investment in Italy added \$3.5 billion, only smaller than that in the United Kingdom within the EU scope. In 2015, Italy became the most attractive EU country for Chinese investment with an incremental flow of \$7.8 billion from China. By the end of 2018, the cumulative Chinese investment in Italy exceeded 13.5 billion euros, making Italy the third largest destination of Chinese investment in the EU. Italian investment in China was on the rise during the same period. By the end of 2018, Italy had deployed more than 6,000 projects in China, with a cumulative investment of around \$7.31 billion. At the local level, the economic and trade cooperation between China and Italy has shown sound momentum as well. Many distinctive economic parks have been built in succession, including the China-Italy Hai'an Ecological Park, China-Italy Ningbo Ecological Park,

⁷ Following the UK's exit from the EU, Italy became China's fourth largest trading partner in the EU, behind Germany, the Netherlands and France.

China-Italy Zhenjiang Agricultural Innovation Demonstration Park, China-Italy Chengdu Cultural Innovation Industrial Park, and Tianjin Italian SMEs Industrial Park.

It is noteworthy that the Italian government's attitude towards cooperation with China has somewhat changed since the COVID-19 outbreak in 2020. A key manifestation is the tightened scrutiny of Chinese investment. For example, in April 2021, the Draghi government invoked the so-called Golden Power law to veto the takeover of a 70% stake in LPE by China's Shenzhen Invenland Holding Co., Ltd on the grounds that semiconductor is a strategic sector. In the same month, CNH Industrial NV ended talks to sell its Iveco truck and bus unit to China FAW Group, after the Italian government signaled objection to the deal, considering the production of heavy vehicles to be of national strategic interest. Between 2012 and 2021, the Italian government used the Golden Power law five times to reject merger and acquisition applications from abroad, with four times against Chinese companies. In contrast, Italian investment in China keeps mounting steadily. The Italian business community is positive and optimistic about continued business expansion in China, as embodied in the opening of the eighth office of the China-Italy Chamber of Commerce in China—Tianjin Office in March 2023.⁸

(3) Green and digital cooperation under the spotlight

In the midst of new industrial revolution, China's 14th Five-Year Plan, as well as the EU recovery plan Next Generation EU, have identified the digital economy and the green economy as the most important areas of development. China has rolled out digital development strategies and set forth the Dual Carbon Goals in the green economy. The EU has launched the Digital Strategy and the European Green Deal and vowed to accelerate the twin transitions to a green and digital economy. In alignment with the EU twin transitions strategy to advance its own economic transformation and upgrading, Italy has placed "green" and "digital" at the core of its National Recovery and Resilience Plan, devoting 37.5% and 25.1% of the resources to green and digital transitions respectively, both higher than the EU targets of 37% and 20%. In this regard, China and Italy are highly complementary in terms of technology, talent, capital and market and share many common concerns in the development of global standards and rules. In fact, bilateral cooperation in emerging fields such as green and digital economy has made noticeable progress in recent years. In April 2022, Belleolico offshore wind farm in the Port of Taranto was integrated into the Italian grid, with wind turbines supplied by China's Ming Yang Smart Energy. The project involving several European firms marks new breakthrough in China-Italy/China-EU cooperation in green energy. In June 2023, European chip giant of Italian-French origin STMicroelectronics and China's Sanan Optoelectronics announced that they would co-finance a \$3.2 billion joint venture in Chongqing for manufacturing 8-inch silicon carbide devices, the core material for

⁸ References: Sun Yanhong, "An Analysis of China-Italy Cooperation towards 50th Anniversary of the Establishment of Diplomatic Relations between the Two Countries", in *Annual Development Report of Italy (2019–2020): 50 Years of Establishment of Diplomatic Relations Between China and Italy*, edited by Sun Yanhong, Social Sciences Academic Press (China), June 2020 edition; and Sun Yanhong, "Great Significance of Maintaining China-Italy Pragmatic Cooperation," *Chinese Journal of World Knowledge*. Issue 18, 2023.

third-generation semiconductors. It is expected that China and Italy will still share broad space for cooperation in the context of green and digital transition.

(4) Intensive introductions of direct flights

In view of the development of bilateral economic and trade cooperation and the growth of people-to-people exchanges, China and Italy have introduced many direct passenger and cargo flights in recent years. In 1986, the Beijing-Rome route was inaugurated by Air China as the first direct route between mainland China and Italy. In the next more than two decades, there had been no direct flights added between the two countries. However, the demand for direct flights increased with the establishment of comprehensive strategic partnership that led bilateral cooperation into the fast lane. In March 2008, Air China unveiled the direct route between Shanghai and Milan. In February 2011, China Eastern Airlines and Alitalia jointly announced the direct flights from Rome to Beijing and Shanghai. The two parties signed the MOU on Cooperation and the Codeshare Agreement to establish codeshare cooperation and frequent flyer partnership. Pursuant to the agreement, China Eastern Airlines would operate the flight from Shanghai to Rome and Alitalia, the flight from Beijing to Rome. In June 2011, Air China launched the direct flight between Beijing and Milan. In December 2013, China Eastern Airlines launched the Wenzhou-Rome service, making Wenzhou the third city in mainland China after Beijing and Shanghai to have direct flight to Rome. In April 2015 and December 2016, Hainan Airlines launched the direct routes linking Chongqing and Xi'an with Rome respectively. During this period, Alitalia joined the Beijing-Rome service in July 2016. In June 2019, Sichuan Airlines unveiled the Chengdu-Rome route and Air China inaugurated the Hangzhou-Rome route. In November 2021, the Wenzhou-Milan international cargo route operated by China Eastern Airlines was opened, and one year later, the Wenzhou-Milan passenger flight was made available by Air China. China Southern Airlines launched Wenzhou-Rome direct flight in June 2023, and Hainan Airlines added Shenzhen-Milan direct flight in September. On October 30, 2023, Juneyao Airlines began to provide Zhengzhou-Milan direct flight service. Such intensive introductions of direct flights between China and Italy are driven by the fast-growing people-to-people exchanges (including government travel, business travel and tourism travel) and trade in goods between the two sides. They have paved a solid foundation of international transportation for future trade in goods.

Among the routes mentioned above, the Wenzhou-Milan cargo route operated by China Eastern Airlines draws a lot of attention. On November 29, 2021, a wide-body aircraft Airbus A330-200, loaded with 25.8 tons of cargo, departed from Wenzhou Longwan International Airport for Milan, marking the opening of the first international cargo route between Wenzhou and Milan. It is the only international cargo route operated by Wenzhou Airport and the only cargo route in Zhejiang province to head to Italy with passenger to freighter conversions. There are two flights with four sorties each week. The debut flight carried 800 cartons of COVID-19 detection kits manufactured in China, as well as daily necessities like clothes, shoes, and stainless-steel products. Wenzhou is

well known as an export city for China's foreign trade and the hometown of many overseas Chinese. Milan is a major economic and commercial center in Europe and one of the main settlements of Wenzhou overseas Chinese. The direct cargo flight between the two cities is conducive to China-Italy/China-EU trade in goods, but also facilitates the contribution of overseas Chinese in Italy to China-Italy economic and trade ties and cooperation in many other fields.

III. Fruitful Scientific and Technological Exchanges and Cooperation

(1) The development of scientific and technological relations: a historical perspective

Italy was one of the first Western countries to sign, on October 6, 1978, an agreement with China for cooperation in science and technology (S&T), later supplemented by the Protocol of October 5, 1987.

In 1998, a new S&T Cooperation Agreement (with an Annex on intellectual property provisions) – still in force today – was signed, expanding the areas of bilateral cooperation. These include Energy and Environment; Advanced Materials and Superconductors; Space and Astronomy; Biomedical Health and Biotechnology; and Applied Technologies for the Protection and Preservation of Cultural Heritage. The agreement also commits to promoting joint Italian and Chinese participation in European Union (EU) or other international organizations or programs.

The legal framework of S&T cooperation has been shaped mainly in space cooperation through the 1984 Protocol and the 1991 Protocol on Space Exploration and Use. In environmental protection, it has been defined through various acts, including the Joint Declaration of 2000, the Memoranda of Understanding of 2001, 2004, and 2012, the Declaration on Environmental Partnership of 2014, and the Protocol on Environment and Sustainable Development of 2017, the result of collaboration between the Chinese and Italian ministries of environment.

In 2010, the Chinese Ministry of Science and Technology (MOST) and the Italian Ministry of Public Administration and Innovation also signed a Framework Agreement by which the model of collaboration between the two countries in the field of innovation diffusion is made stable.

More generally, in subsequent years, cooperation projects between the two countries have gradually increased in significance, becoming a significant component of the China-Italy Comprehensive Strategic Partnership, established since 2004. A positive impetus to this development came from the signing in 2019 of the Memorandum of Understanding between Italy and China on cooperation in the framework of the "Economic Silk Road" and the "Initiative for a 21st Century Maritime Silk Road".

(2) The main instruments of S&T cooperation

There are several instruments that Italy and China have set up on a bilateral or unilateral basis to implement S&T cooperation.

Within the bilateral instruments, the following should be noted:

- Executive Protocol between the Italian Ministry of Foreign Affairs and International Cooperation (MAECI) and MOST, which lasts for three years and finances research projects on agreed topics at each renewal;
- Executive Protocol between MAECI and the National Natural Science Foundation of China (*NSFC*), funds Italian-Chinese collaborative projects on topics agreed upon at each renewal and according to the strategic interests of the two countries, with a recent renewal for 2023-2025

focused on Food Quality and Safety, Health Risk Factor Analysis, Environmental Pollution Remediation, Renewable Energy, and Interdisciplinary Projects in Large Infrastructure.

At the unilateral level, Italy has set up a series of instruments that are to facilitate the planning and coordination of S&T activities in China:

- <u>Technical Table for S&T Cooperation</u>, established in 2014 at MAECI, coordinates the actions of Italian institutions in China, promoting knowledge of the Chinese scientific world and encouraging the return of cooperative investments;
- <u>Cooperation Program of the Ministry of University and Research (MUR)</u> launched in 2014, integrates technological interchange with cooperation between the humanities and science, focusing on the dissemination of scientific culture through collaborations between universities, Confucius Institutes and the City of Science;
- <u>MUR's China Program Coordination Table</u>, established in 2015, involves research stakeholders, universities, innovative startups through the Ministry of Economic Development (MISE) and companies through Confindustria.

Finally, the promotion of Italian S&T, contacts between Italian and Chinese S&T institutions, coordination of activities, relations with universities and facilitation of scientific, technological and academic exchanges are entrusted to the Scientific Attachés. In China, three Scientific Attachés operate (Embassy in Beijing and Consulates General in Shanghai and Canton). MAECI also as close contact with Association of Italian Academics in China (AAIC), whose members are engaged in teaching, research and coordination of national and international scientific projects.

Regarding the main events organized to disseminate the results of S&T cooperation, the following should be noted:

- <u>China-Italy Week of Science, Technology and Innovation</u>: it is an annual matching event, organized alternately in Italy and China, which brings together the two events of the China-Italy Innovation Forum and the Sino-Italian Exchange Even in a single format, following the back-to-back formula.
- <u>Italian Science in the World Day</u>: every year in April, Italian Science in the World Day is held. The event, which originated in Beijing through the action of the network of Science Attachés in China, has since become a global event. The Science Day changes its format from year to year and has the function of emphasizing the progress of Italian research and its spillovers globally.

The previous part mentioned several important areas of scientific and technological cooperation between China and Italy. Due to space limitations, this part focuses on summarizing and analyzing the situation and achievements of scientific and technological cooperation between the two countries in the fields of aerospace and environmental protection.

(3) Cooperation in the space sector

One of the most interesting results of S&T cooperation with China has been in the space sector, a sensitive and complex area of cooperation due to its technological and military implications. In

2011, the Italian Space Agency (ASI) signed a framework agreement with the China National Space Administration (CNSA) for cooperation in the space sector. This framework agreement was followed by an executive agreement for the joint construction of a satellite, the China Seismo-Electromagnetic Satellite.

Italy also contributed decisively to the realization of the first scientific satellite launched from China on December 17, 2015, Dark Matter Particle Explorer (DAMPE20, in Chinese christened Wukong), the result of a collaboration between the *Purple Mountain Observatory* (PMO) of the *Chinese Academy of Sciences* (CAS) and the Italian National Institute of Nuclear Physics (INFN). This collaboration is the result of an agreement between the ASI and the National Space Science Center of the CAS and is part of cooperation in the specific field of space science.

Another project that has been carried out and has important symbolic value is "Moon Mapping". The project, personally desired by the MOST, used data obtained from the Chinese lunar probes of the "Chang'e" series to create a map of the distribution of elements on the lunar soil. A special feature of this project is that it was carried out in collaboration between Chinese and Italian university students.

On February 22, 2017, on the occasion of President Mattarella's visit to China in the presence of his Chinese counterpart, President Xi, an agreement was signed between ASI and *China Manned Space Agency* for the collaboration and construction of the Chinese space station "Tiangong 3." This agreement marked the highest point of S&T collaboration between Italy and China.

The most important success of bilateral space collaboration between Italy and China was the launch of the "CSES21" (China Seismo-Electromagnetic Satellite) satellite from China's Jiuquan Satellite Launch Central space base on February 2, 2018. CSES was a Sino-Italian joint space mission, and Italy was the first Western country – without considering the European satellite launch initiative between the European Space Agency and China – to launch a satellite in collaboration with China. In addition to sharing equipment and technology, the space agencies of the two countries have also enhanced astronaut personnel interchange initiatives (see Table 2).

Table 2 The cooperation agreements in the space sector between China and Italy

Year of commencement of cooperation	Projects/Cooperation Documents
2011	Agreement between China National Space Administration (CNSA) and the Italian Space Agency (ASI) on peaceful use of outer space
2012	Memorandum of Understanding between Kayser Italy and School of Life Science of Beijing Institute of Technology (BIT)
2014	"Moon Mapping" project
2017	Framework agreement for cooperation in the field of human spaceflight activities between China National Space Agency (CNSA) and Italian Space

	Agency (ASI) Agreement for cooperation and construction of Chinese space station Tiangong 3 between ASI and China Manned Space Agency
2018	Italian-Chinese space mission "China Seismo Electromagnetic Satellite"
2019	Memorandum of Understanding on cooperation related to the second Chinese satellite of the China Seismo-Electromagnetic Satellite (CSES-02) series between CNSA and ASI

Source: Authors' elaboration.

(4) Cooperation on environmental protection

The other most significant area of bilateral cooperation is in environmental protection. The terms of cooperation are outlined in the signed intergovernmental documents, and it is focused on the following areas: Air pollution prevention and control; Water pollution prevention and control; Capacity building on various technical aspects of environmental protection; Environmental policy and regulation; Implementation of multilateral environmental agreements; and any other areas of mutual interest to be identified from time to time.

In this area, Italian companies have invested in many projects in China through the *Italy-China Cooperation Program for Environmental Protection* funded by the subsequent Memorandum of Understanding signed on 9/18/2006 between MAECI and the Chinese Ministry of Finance. On the Italian side, the Program was implemented by the Ministry of Environment through the conclusion of a series of protocols with Chinese partners (see Table 3).

Date of signature	Protocols with Chinese entities
February 9, 2015	Protocol with CASS-Chinese Academy of Social Sciences (CASS)
February 10, 2015	Protocol with MIIT-Ministry of Industry and Information Technology
April 27, 2015	Protocol with the MOST-Ministry of Science and Technology
June 14, 2017	Protocol with CCICED-Chinese Council for International Cooperation on Environment and Development
June 14, 2017	Protocol with the MEP-Ministry of

Table3 Protocols signed under the China-Italy Cooperation Program for Environmental Protection.

	Environmental Protection
June 16, 2017	Protocol with Beijing-Municipal Environmental Protection Bureau
May 18, 2018	Protocol with Tongji University

Source: Elaboration on data collected from the Italian Ministry of Environment website.

Since 2000, projects and programs in various key areas have been implemented in 31 provinces, autonomous regions and municipalities in China. These include protection and conservation of natural resources, promotion of renewable energy sources and energy efficiency, economic and technological transformation for low-emission development, sustainable agriculture, institutional strengthening with support for urban planning and green building, combating global climate change and its adverse effects through increased compliance with the International Climate Conventions, and finally, the promising sustainable transportation sector.

Added to this is the support over the years for the Italian presence at some of the most prestigious environmental fairs in the Chinese context, such as the *China International Environmental Protection Exhibition & Conference, IE Expo*, and *China-Italy Science, Technology & Innovation Week*.

Of particular importance, moreover, is the Higher Education Program that the Italian Ministry of the Environment has promoted since 2003 on various issues of environmental management and sustainable development, aimed at technicians, young professionals, academics, and decision-makers from Chinese administrations, universities, and enterprises.

In order to foster and promote opportunities for the private sector within the framework of an institutional partnership, since 2017, cooperation activities have been strengthened along three lines:

• Strengthening cooperation with the Chinese Ministry of Environmental Protection (MEP) and Beijing Municipality;

- Participation in events and exhibitions;
- Participation and involvement of the private sector in projects.

More recently, in 2021, a team of researchers from the Institute of European Studies at CASS in collaboration with the Institute of Political, Economic and Social Studies (Eurispes), together with experts from both China and Italy, supported by China Eastern Airlines (CEA) and Global Times Online, conducted a study on the plans and pathways for Chinese civil aviation to achieve the "Carbon Double Goal" and reduce carbon emissions in Italian civil aviation. The study examined and compared the paths taken by civil aviation in both countries to reduce carbon emissions, analysing the topic from different perspectives, including technological innovation and carbon market development. Finally, an overview of the prospects for collaboration between the two aviation systems in the area of sustainable development was drawn.

(5) The changing geopolitical environment and the impact on future bilateral S&T cooperation

Since the outbreak of the COVID-19 pandemic, the geopolitical tensions have prompted the Italian government to gradually adjust its foreign policy to make it more consistent with the goals of the Atlantic Alliance, which has also had an impact on China-Italy scientific and technological cooperation. The main signs of this new course are evident, for example, in the area of spatial cooperation with China. On October 13, 2020, Italy (with Australia, Canada, Japan, Luxembourg, UAE, UK an USA) signed the *Artemis Agreements on Principles for Cooperation in Civil Exploration and Use of the Moon, Mars, Comets and Asteroids for Peaceful Uses.* These Agreements are of no small concern to Chinese analysts since, among the various principles contained therein, there is a willingness to support exploration activities and commercial use of space resources, including through the creation of "safety zones" around exploration and exploitation sites, in effect creating areas closed to access by third states. In 2020, the Italian Space Agency ultimately abandoned its cooperation agreement with China regarding the construction of the Tiangong 3 space station module.

In the field of environmental protection, which has achieved significant cooperation results, the current cooperation between the two countries has also encountered some setbacks. Nevertheless, it seems that cooperation between China and Italy in the field of environmental protection is still expected to achieve positive development from this reorientation of Italian foreign policy. The interest still alive in members of the international community to engage in the fight against climate change and more generally in environmental protection, through instruments including multilateral cooperation, was manifested in the active role of the two countries in the conclusion of the BBNJ Agreement in 2023.

The strategic goal of de-coupling Western economies from China's production ecosystem, recently transitioned to the more moderate concept of de-risking, but it still indicates concerns about the high concentration of production in China, the high dependence of supply chains on China, and the fragility of their own supply chains. However, regardless of the changes in ideology and geopolitics, it is necessary to continuously promote multilateral cooperation and dialogue, promote technological progress, and solve current critical and urgent global problems. Currently, Italy is cautiously adjusting its priorities in bilateral relations with China, which is necessary to maintain the long-standing political and economic relationship between the two countries. Ultimately, the future of scientific and technological relations between Italy and China will depend on the ability of the two countries to balance their national interests with those of the international community, while respecting the principles of reciprocity, transparency and sustainability.

IV. Distinct Cultural Exchanges and Cooperation

(1) Current situation and characteristics

China and Italy are both recognized as culturally strong countries, with plenty of historical and cultural heritages. With long-standing and well-established friendship, the two countries have a solid foundation for cultural exchanges and great potential for cultural cooperation.

Since the beginning of the 21st century, the cultural exchanges and cooperation between China and Italy has seen rapid development and yielded fruitful results, thanks to the great attention and strong support of the two governments. It is gradually advancing in all respects and at deeper levels with distinctive features. Based on a review of the past two decades, the trends and characteristics of bilateral cultural exchanges and cooperation are summarized.

First of all, culture years opened the prelude to comprehensive cultural exchanges and cooperation. In 2006, China hosted the Italian Culture Year, and in 2010, Italy hosted the Chinese Culture Year. During this period, hundreds of cultural activities reflecting the achievements and characteristics of the two sides were carried out, covering traditional music and drama, film, cultural antique and art exhibitions, press and publications. These events help the two peoples understand the history, culture and way of life of each other, laying a foundation for future exchanges and cooperation. Secondly, the key role of education in cultural exchanges and cooperation has been highlighted. In China, there were more than 20 universities teaching Italian, as well as a considerable number of private Italian language schools by the end of 2022. In Italy, almost all of the 20 regions offer Chinese language and culture courses in primary and secondary schools to various degrees, while Chinese language programs are available in over 30 universities. A total of 12 Confucius Institutes with 39 Confucius Classrooms have been established throughout Italy since the first was opened at the Sapienza University of Rome in 2005, heating up the Chinese language fever. The Week of Italian Language in the World has been held from 2001 onwards to spread Italian culture in China through various activities. In addition, student exchange programs have been expanding and inter-university cooperation between the two countries have been diversified. Moreover, an innovative and unique mechanism has been set up for cultural cooperation. In 2016, China and Italy pioneered to establish the Cultural Forum, which provides comprehensive guidance for bilateral cultural exchanges and cooperation. This Forum builds an important new platform for both sides to strengthen practical cooperation in many fields, such as cultural heritage preservation, film and television production, performing arts, tourism and creative industries, setting a new model for cultural cooperation between China and Europe. In addition, fast tourism development has driven people-to-people exchanges. Since the establishment of China-Italy comprehensive strategic partnership, the Chinese people has shown growing interest in traveling to Italy, driven by a series of facilitation policies on both sides. Italy received an average of about 2 million Chinese tourists annually between 2014 and

2019, and China became the top destination for Italians traveling to Asia in 2019. Finally, the success of the 2022 China-Italy Year of Culture and Tourism has given new impetus to post-pandemic resumption and development of bilateral cultural exchanges and cooperation. Though once interrupted by COVID-19, the bilateral tourism is quickly recovering in 2023 with the gradual control of the pandemic.

Due to space limitations, this section focuses discussion on the China-Italy Cultural Forum and the 2022 China-Italy Year of Culture and Tourism to better explain the highlights and features.

(2) China-Italy Cultural Forum: A new model for cultural cooperation between China and Europe

The China-Italy Cultural Forum is regarded as a pioneering mechanism of landmark significance launched by the two countries for win-win cultural cooperation. In 2014, on the 10th anniversary of comprehensive strategic partnership, China and Italy signed the MOU on the Establishment of the Cultural Forum in a bid to fully and systematically tap the potential of bilateral cultural cooperation. In July 2016, they signed the China-Italy Cultural Forum Statute to officially kick off the forum. In February 2017, the First Plenary Meeting of the China-Italy Cultural Forum took place in Beijing. There were 38 initial members from the two sides, including government departments, national cultural and artistic institutions, and social organizations and groups, as well as enterprises and foundations with considerable strength. This efficient and authoritative forum leads bilateral cultural exchanges and cooperation to a new era. Upholding a systematic and institutionalized approach and a positive and pragmatic attitude, this forum has injected unprecedented vitality and impetus to the all-around cultural exchanges and cooperation between the two countries.⁹ On January 19, 2018, the Coordinators' Meeting of the China-Italy Cultural Forum was held at the Doge's Palace in Venice. The Chinese coordinator Zheng Hao, also Deputy Director General of the Bureau of External Cultural Relations of the Ministry of Culture and Tourism, said in his speech that the forum inspires a new model for cultural cooperation between China and Europe. He added that the Forum builds a platform for pragmatic cooperation in many fields such as cultural heritage preservation, film and television production, tourism cooperation, performing arts and creative design, as well as for the relevant members. He expected that the platform for cultural cooperation would drive social and economic progress and contribute to all-round development of the two countries.

The China-Italy Cultural Forum functions in three aspects, taking into account its conception, design and interpretation, as well as specific projects.

Firstly, the forum creates a platform for strengthening policy dialogue to serve China-Italy

⁹ Reference: Wen Zheng, "An Analysis of the Creation and Function of the China-Italy Cultural Forum," *Annual Development Report of Italy (2019–2020): 50 Years of Establishment of Diplomatic Relations Between China and Italy*, edited by Sun Yanhong, Social Sciences Academic Press (China), June 2020.

bilateral ties. This is most evidently reflected in the joint effort to combat illicit trafficking and smuggling of cultural relics. In 2019, the Italian government returned 796 lost cultural relics to China, as the most eye-catching event for the Chinese society in the field of cultural exchanges and cooperation. On March 23, Chinese President Xi Jinping and Italian Prime Minister Giuseppe Conte witnessed in Rome the exchange of Certificates on the Repatriation of 796 Chinese Cultural Relics and Artworks between the Ministry of Culture and Tourism of the People's Republic of China and the Ministry of Cultural Heritage and Activities and Tourism of the Italian Republic. On April 10, this batch of Chinese artifacts arrived in Beijing, marking the largest scale of cultural relics returns over the past 20 years, which was well received by people from all works of life in China. Chinese cultural relics lost overseas are an important and inseparable part of China's cultural heritage. Attaching great importance to repatriating lost cultural relics, China has signed bilateral agreements with 21 countries, including Italy, the US and India, to prevent the theft, clandestine excavation and illicit entry and exit of cultural property. However, the repatriation of lost cultural relics is challenging due to differences between Chinese and foreign laws and difficulties in determining the ownership of cultural relics. With the establishment of China-Italy Cultural Forum, the two countries have strengthened policy dialogue and bolstered the resolve to protect cultural relics and crack down on smuggling through cooperation. Taking full advantage of this forum for judicial and diplomatic cooperation, the two governments and relevant departments concerned ultimately succeeded in the one-time return of these cultural relics to China.

Secondly, the forum plays the role of "project incubator" to promote exchanges and cooperation between cultural and artistic institutions of the two countries. The twinning of UNESCO World Heritage Sites is one of the important outcomes of the First Plenary Meeting of the China-Italy Cultural Forum held in 2017. With the largest number of UNESCO-recognized natural and cultural heritage, China and Italy share a solid foundation for twinning their World Heritage Sites for the purpose of mutual learning, mutual support and common development.¹⁰ The twining relationship creates more possibilities for respective development, so that the two sites and even the two countries may carry out diversified exchanges and cooperation to find a proper balance between cultural heritage perseveration and development, between social value and economic benefits and between practical functionality and historical significance and realize the dynamic preservation and development of tangible cultural heritage. It is in this way that the China-Italy Cultural Forum facilitate project incubation. This is fully reflected in the twinning cooperation between the Cultural Landscape of Honghe Hani Rice Terraces and the Vineyard Landscape of Piedmont Langhe-Roero and Monferrato in March 2019. The administrations of the twin World Heritage Sites have actively carried out mutual visits, studied the management and operation mode, and exchanged views on areas and topics of common interest. They agree to take the

¹⁰ As of 2021, the UNESCO World Heritage List included 58 World Heritage Sites from Italy and 56 from China, ranking first and second in the world respectively.

friendship as an opportunity to enhance cultural exchanges and economic and trade cooperation between the two sites and to jointly explore the experience of world cultural heritage management and development, so as to truly turn the "world cultural heritage" into the common wealth of all mankind.

Furthermore, the forum gives full play to cultural cohesion by enabling the general public to participate in and benefit from bilateral cultural exchanges and cooperation in various ways. Nanjing Creative Design Center Co., Ltd is a Chinese member of the China-Italy Cultural Forum. At the Nanjing Tech Week opening in June 2019, the Center took advantage of its membership to introduce Italian high-end cultural and creative resources into Nanjing through channels under the forum. It established the Italian Overseas Design and Innovation Center (Nanjing) in Qinhuai District and the "China City of Design" in Xuanwu District, which will help Nanjing realize the goal of "Top City of Innovation." At the 2019 Nanjing Creative Design Week, the Center highlighted Italian design elements in the "International Design Cooperation Special Unit" based on its linkage advantage and cooperated with top Italian designers in the fields of home. architectural and industrial design to revitalize the ancient capital city Nanjing. It should be mentioned that such exchanges are bidirectional. The Center encourages Nanjing's local designers and design institutions to participate in international first-class exhibitions such as the Venice Biennale and Milan Triennale and showcase the culture of Nanjing and the strength of Chinese designers on the world stage. Besides, the Nanjing Database of Italian Talents in Creative Design established by the Center facilitates the access of Chinese people to professional services provided by Italian high-end designers and creates opportunities for Italian professionals to enter the Chinese market.

(3) Success of the 2022 China-Italy Year of Culture and Tourism

Chinese President Xi Jinping and his Italian counterpart Sergio Mattarella agreed to launch the China-Italy Year of Culture and Tourism during his visit to Italy in 2019. The China-Italy Year of Culture and Tourism opened grandly in Rome in January 2020, and restarted in 2022 after agreed postponement caused by the COVID-19 pandemic. In addition, the global political landscape has dramatically changed with the outbreak of the Russia-Ukraine conflict in early 2022. Under such new complicated context, the 2022 China-Italy Year of Culture and Tourism still met with great success, thanks to the effective communication between the heads of state, prime ministers, and foreign ministers of the two countries, as well as the strong support from the China-Italy Cultural Forum.

As an important part of the China-Italy Year of Culture and Tourism, the exhibition titled "Tota Italia—Origin of a Nation" was held at the National Museum of China in 2022. Chinese President Xi Jinping and Italian President Sergio Mattarella sent respectively congratulatory letters to the opening ceremony of this exhibition. More than 20 museums across Italy actively joined the cultural authorities in exhibition planning and preparation, presenting more than 500 precious antiques of artistic value, cultural connotation and historical significance to Chinese audiences.

Another two fine Italian cultural and art exhibitions rarely seen in the rest of the world were also displayed in China, with the themes of "Uffizi Self-Portrait Masterpieces" and "100 Years of Modern Art" respectively. Likewise, China launched a series of high-quality programs throughout 2022 in Italian cities such as Rome, Milan, Venice, Florence, Naples, Bologna and Verona, covering performing arts, visual arts, cultural heritage, tourism, creative design and other fields. For example, China's National Pavilion at the 59th International Art Exhibition successfully delivered the exhibition with the theme of "Yuan-Jing" or "Meta-Scrape" from April 23 to November 27. The exhibition "Great Aspirations—Qi Baishi's Artistic World" met the Italian audiences at the Fabbrica del Vapore Cultural Center in Milan from October 28 to November 26.

Exchanges on food culture are naturally essential to the China-Italy Year of Culture and Tourism as both countries are world-renowned for their cuisines. The Italian government launched the First Week of Italian Cuisine in the World in 2016 and has organized related activities in various parts of China for seven consecutive years in an effort to promote local exchanges. It is worth noting that the 2020 Week of Italian Cuisine in the World saw for the first time the participation of Chinese air catering companies. From November 23 to 29, Eastern Air Catering Co., Ltd, together with the Italian organizers, hosted an Italian food and culture week with the theme of "Food and Taste Without Boundaries" in the V21S lounge at Shanghai Hongqiao International Airport Terminal T2. Passengers could taste special Italian cuisine at the main venue V21S, the first VIP lounge of China Eastern Airlines that applies the "wait first, check in later" mode outside the restricted area. This event demonstrates that China-Italy exchanges and cooperation in food culture has gone deeper. As one of the important activities under the 2022 China-Italy Year of Culture and Tourism, "Face to Face, Paste to Pasta" was co-hosted by the Bureau of International Exchanges and Cooperation of the Ministry of Culture and Tourism and people.cn from November 21, 2022 to January 14, 2023. Sponsored by the China International Cultural Association, the event invited chefs, food bloggers and food lovers to showcase their noodle and pasta making skills and share food and cultural stories via talks, live-streaming shows and documentaries. Relying on the broad mass with food as a bridge, the event contributed to the integration and sense of fit between the two cultures. The related videos have received nearly one million views on social media accounts at home and abroad.

Besides, during the 2022 China-Italy Year of Culture and Tourism, two pairs of twin World Heritage Sites, namely the West Lake Cultural Landscape of Hangzhou and the City of Verona; and the Cultural Landscape of Honghe Hani Rice Terraces and the Vineyard Landscape of Piedmont: Langhe-Roero and Monferrato, further deepened cooperation by co-producing documentaries, delivering joint exhibitions and promoting each other's tourism resources.¹¹

¹¹ Reference: Wen Zheng, "Review and Analysis of 2022 'China-Italy Year of Culture and Tourism'", in *Annual Development Report of Italy (2022–2023): Italy Struggling to "Change" under the Russia-Ukraine Conflict*, edited by Sun Yanhong, Social Sciences Academic Press (China), June 2023.

V. Third-party Market Cooperation Making Robust Progress

(1) Overview of third-party market cooperation

Third-party market cooperation is a new model of international cooperation proposed by China under the Belt and Road Initiative framework to translate the principles of "extensive consultation, joint contribution and shared benefits" into practical actions. China's National Development and Reform Commission (NDRC) issued a guiding document—*Third-Party Market Cooperation: Guidelines and Cases* in September 2019, setting forth the definition, vision and principles of third-party market cooperation. Third-party market cooperation refers to economic cooperation among Chinese enterprises (including those in the financial sector) and business of relevant countries in third-party markets. It is an open and inclusive international cooperation model that can help Chinese business community and its international counterparts to draw upon each other's strength and work together for better industrial development and infrastructure improvement and higher living standards in third countries, achieving the effect of 1+1+1>3.

Italy is an early EU country engaged in third-party market cooperation with China. An inter-government working mechanism for third-party market cooperation has been established and improved since the Seventh Joint Meeting of the China-Italy Governmental Committee in May 2016. The two countries signed the *MOU on Third-Party Market Cooperation* during the visit of Italian Deputy PM Di Maio to China in September 2018. The First China-Italy Third-Party Market Cooperation Forum was held by NDRC and the Italian Ministry of Economic Development in Rome on March 22, 2019 during the visit of Chinese President Xi Jinping and Italian President Sergio Mattarella met with some representatives of enterprises at the event and delivered important speeches. In recent years, China-Italy third-party market cooperation in West Asia, Africa and other regions has made headway, forming an important and useful supplement to the bilateral cooperation in various fields.

(2) Cases of third-party market cooperation

The above-mentioned document *Third-Party Market Cooperation: Guidelines and Cases* includes 21 cases in five categories, including cooperation in products and services, engineering, investment, and industry and finance combination, as well as strategic cooperation among businesses. Among the cases of cooperation in engineering is the cooperation between China CAMC Engineering Co., Ltd (CAMCE) and Danieli on the integrated steel mill complex project in Azerbaijan. For cooperation in engineering, Chinese business and their international counterparts collaborate on projects in third-party markets in such forms as engineering, procurement and construction (EPC) contracting, subcontracting and joint bidding. In December 2018, CAMCE signed a 42-month EPC contract worth \$1.17 billion with Azerbaijan company Baku Steel in Beijing to build a comprehensive steel plant with an annual output of 1.25 million

tons of direct reduced iron (DRI) and 700,000 tons of plate products. In March 2019, CAMCE and Danieli exchanged project equipment contracts in Rome, under the witness of the heads of state of China and Italy. CAMCE is the general contractor of the turnkey project, responsible for the supply of the pelletizing plant, cold rolling plant, and public works of the plants. Danieli, as designated technology partner, is responsible for the supply of direct reduction plant, hot rolling and steelmaking plant. Upholding the principles of innovative, coordinated, green, open and shared development, the cooperation between the two companies set a landmark and example for third-party market cooperation in infrastructure between China and Italy.

Another typical case of third-party market cooperation between China and Italy is the cooperation between PowerChina and Bonifica on the Transaqua project. The project plans to replenish Lake Chad by transferring water through some canals from the Congo and Shari rivers. Lake Chad used to be one of the largest freshwater lakes in Africa, but it has been shrinking rapidly over the last half century or so, from 25,000 km² in 1960 to 1,500 km² today. The water transfer project would revive Lake Chad, and with the construction of dams and power plants along the canals, would have a direct impact on the regional development and bring great economic benefits to Congo, Central Africa, Nigeria, Niger, Cameroon and Chad. With an estimated cost of \$14 billion, the Transagua project was proposed more than three decades ago by Italian engineering firm Bonifica, but has been put on hold for a variety of reasons until the joining of Chinese firms. In 2017, Bonifica entered into an agreement for joint development of the Transaqua project with PowerChina under the coordination of the Lake Chad Basin Commission and the Nigerian government. The two companies agreed to allocate \$3.5 million for Transaqua feasibility study (\$1.7 million from the Italian side and \$1.8 million from the Chinese side), laying a scientific foundation for the advancement and development of the water transfer project. The Italian side spoke highly of the cooperation with the Chinese firm. Franco Bocchetto, Technical Director of Bonifica, said that this infrastructure project of importance in central Africa has made a major breakthrough with the presence of Chinese firms, and will become a demonstration project for third-party market cooperation between China and Italy. The cooperation on the Lake Chad project has been well received. Some Italian media believed that the involvement of Chinese firms has revitalized the Transaqua project.12

Another important example of China-Italy third-party market cooperation in Africa is the Area 4 mega gas project in offshore Mozambique. This project is jointly developed and operated by China National Petroleum Corporation (CNPC), Eni, and energy companies from four other countries, drawing widespread attention worldwide for its large scale and global partner diversity. It is located in Ruvuma offshore, northeastern Mozambique. Huge natural gas reserves have been discovered in this block since 2010, representing the largest natural gas field ever found in the

¹²Reference: Shidou, "The Third-Party Market Cooperation between China and Italy in Africa and its Prospect," in *Annual Development Report of Italy (2019–2020): 50 Years of Establishment of Diplomatic Relations between China and Italy*, edited by Sun Yanhong, Social Sciences Academic Press (China), June 2020.

sub-Saharan region. Unfortunately, large-scale liquefied natural gas (LNG) projects in Mozambique had been slowed by war and local social unrest. The Area 4 mega gas project is the world's first ultra-deepwater floating liquefied natural gas (FLNG) facility to operate at a water depth of more than 2,000m. This world-class facility integrates the most cutting-edge deep-sea FLNG technology and supports the entire industrial chain from ultra-deep-sea natural gas exploration and development to LNG processing and sales. In 2013, CNPC signed an agreement with Eni to acquire a 28.57% stake of Eni East Africa, which equates to a 20% indirect interest in Area 4. CNPC has since worked with Eni and four other partners (ExxonMobil, Empresa Nacional de Hidrocarbonetos, Galp Energia, and KOGAS) to promote the project. In 2017, a final investment decision was made on the project. In June of the same year, the Coral South FLNG project was officially launched. It comprises six subsea wells tied-back using subsea manifolds and umbilical cables to a FLNG vessel capable of producing 5.4 billion m³ of natural gas and 3.3 million tons of LNG per year. That is to say, the facility realizes offshore natural gas pre-treatment, liquefaction, storage, loading and unloading. The project came on stream in offshore East Africa after about five years, despite multiple tests and technical difficulties such as the COVID-19 pandemic and regional instability. In November 2022, the first shipment of LNG produced by the FLNG facility departed, which is also the first shipment of LNG from East Africa. It marks the beginning of Mozambique's emergence as LNG exporter in the global market. This project has greatly contributed to global LNG supply, Mozambique's economic development, and added revenues of CNPC, Eni and other partners, setting a fine example of mutually beneficial win-win cooperation among all parties.

(3) Prospects of third-party market cooperation

As in the above projects of third-party market cooperation, China and Italy have upheld the philosophy of open, green and clean cooperation, followed the principles of planning, building and benefiting together with third-party beneficiaries, adopted an enterprise-based, market-oriented approach while observing business principles and international practices, and truly realized high-standard, people-centered and sustainable cooperation. Facts have proved that enhanced third-party market cooperation between in Asia, Africa and other regions can facilitate information sharing, industrial integration and talent sharing and benefit third-party market countries by providing better and more competitive products and projects, pushing forward industrialization and agricultural modernization and effectively improving the living standards. In the future, China and Italy may continue to strengthen third-party market cooperation in the fields of transportation and infrastructure, renewable energy and agriculture. For example, Africa is the second richest continent in renewable energy after Asia, with a potential renewable energy generation capacity of 42,000TW by 2050, according to the International Energy Agency's estimates. Seven of the ten most potential countries by solar and wind energy are from Africa. Italy is currently one of the most active EU investors while China remains a major investor in African renewable energy development. They can carry out priority cooperation in sustainable energy and environment, as identified in the *China-Italy Action Plan for Strengthening Economic, Trade, Cultural and Technological Cooperation (2017~2020)*. In recent years, Eni has signed MOUs with State Grid, China Huaneng Group, China National Nuclear Corporation and many other enterprises, planning to cooperate in the fields of renewable energy and smart grid. It can be foreseen that the space for China-Italy cooperation in Africa as an emerging third-party market is very broad.

VI. Enhanced People-to-People Bond Through Thick and Thin

(1) Long-standing tradition of mutual support in difficult times

The time-honored friendly ties between China and Italy go beyond political, economic and trade, technological and cultural dimensions. The governments and people of the two countries also share a long-standing tradition of mutual support in times of adversity, which has effectively enhanced the people-to-people bond.

Italy was one of the largest European providers of grants to China throughout the 1980s. As early as 1988, the Italian government donated to Sichuan province for building the largest emergency center at that time in China, with additional medical equipment worth about \$3 million at then prices. This center, now known as Chongqing Emergency Medical Center, still plays an important role in local medical services. Italy was also the first EU nation to lend a helping hand to China after the outbreak of the 2008 Wenchuan Earthquake. It sent two planes of relief supplies including tents, blankets, medical equipment and food to the disaster-stricken areas, and dispatched more than 20 first-aid specialists, medical staff and volunteers to set up a mobile hospital and treat the wounded at the risk of their lives. Noting the central Italy earthquake in August 2016 that caused heavy casualties and property losses, Chinese President Xi Jinping and PM Li Keqiang sent messages of condolence to Italian counterparts Mattarella and Renzi respectively, and Chinese Ambassador to Italy Li Ruiyu donated \$100,000 on behalf of the Red Cross Society of China to the Italian Red Cross. The Association of Chinese Enterprises and the Federation of Overseas Chinese in Italy also made donations respectively, and the Chinese civil rescue team Ramnion sent more than a dozen personnel for rescue operations in disaster-stricken areas.

(2) Mutual support through the COVID-19 pandemic

After the outbreak of the COVID-19 pandemic in 2020, the governments and people of China and Italy stood together, providing each other with a lot of valuable support and assistance.

On February 2, 2020, shortly after the COVID-19 outbreak in China, Italian President Mattarella sent a message of condolence to Chinese President Xi Jinping, extending sincere greetings to Chinese friends on behalf of the Italian people and on his own behalf. In a positive response to the public solidarity, President Xi said that President Mattarella expressed his support and faith in China at a critical moment when the Chinese people were sparing no effort to combat the epidemic. He assured that China would definitely be able to defeat the epidemic, stressing that the country has taken the strongest preventive and control measures in a responsible manner to the Chinese people and the international community. On February 13, Mattarella hosted a special concert at the presidential palace, which was broadcast live by state-run TV channels to show friendship and solidarity with the Chinese people. Many activities in support of China were also

organized in the political circle. In early February, Italian Minister of Economy and Finance Roberto Gualtieri, Mayor of Rome Virginia Raggi, President of Lombardy Attilio Fontana, and Mayor of Milan Giuseppe Sala respectively expressed their condolences to the local Chinese people while dining with them at Chinese restaurants in Rome and Milan. Mayor of Florence Dario Nardella launched an initiative on Twitter called "#Hug a Chinese Person", to which many Italian netizens responded positively by uploading photos of themselves hugging Chinese people. A flash mob organized by Naples on the theme of "Hug Chinese" received support and response from many local people, who took to the streets chanting "Go Wuhan, Go China!" in Italian.

The Italian government provided as many anti-epidemic materials as possible to China. In February 2020, Italy sent three cargo planes of medical supplies to Wuhan, including masks, protective clothing, goggles, latex gloves, thermometers and other protective equipment, which were then transported to the more serious areas of China. In fact, these invaluable supplies were almost all that the Italian government could mobilize at that time. There was temporarily no supply of masks in Italy itself when hit by COVID-19 later.

At a critical moment when COVID-19 spread rapidly in Italy, Chinese State Councilor and Foreign Minister Wang Yi spoke with Italian Foreign Minister Di Maio by phone on February 28 and March 10, 2020 respectively to extend his condolences to the Italian people. He said that China is ready to provide assistance within its capacity according to the needs of the Italian side. After that, Chinese President Xi Jinping sent a message of condolence to Italian President Mattarella on March 11 and hold a phone conversation with Italian PM Conte on March 16, expressing China's willingness to work together with Italy to combat the pandemic. On March 12, a team of nine medical experts from the National Health Commission of the People's Republic of China and the Red Cross Society of China arrived in Rome on a chartered flight of China Eastern Airlines. The first team to Italy was accompanied by the Chinese donations of 31 tons of medical supplies, including ventilators, monitors, defibrillators and visual laryngoscopes. They shared China's experience in epidemic prevention and control in a targeted manner based on exchanges with the Italian side on the local epidemic situation. On March 18, the second medical expert team comprised of 13 representatives from Zhejiang Province arrived in Milan with a large number of medical supplies. They went to the "red zone" Bergamo, worked at the infectious disease hospital Ospedale Luigi Sacco, set up the "Cloud-assisted" anti-epidemic platform, and carried out remote "diagnosis and treatment talks" with Italian hospitals. On March 25, a team of 14 medical experts from Fujian Province arrived in Milan with more than 10 tons of medical supplies, and then worked in the Tuscany region. Considering that normal international flights were suspended amid the pandemic, the important support of airlines in the anti-epidemic cooperation between China and Italy should be mentioned. For example, China Eastern Airlines operated more than 20 flights of medical supplies and experts to Italy, in addition to the three chartered flights mentioned above.

It is noteworthy that remote video link served as an important channel for China-Italy cooperation

in the fight against COVID-19. On March 4, 2023, Tongji Hospital of Huazhong University of Science and Technology in Wuhan and Niguarda Hospital in Milan had the first remote video call since the COVID-19 outbreak to share experiences in disease treatment. This set an example for subsequent extensive online anti-epidemic cooperation between the two countries. On March 26 and April 2, Shanghai Jiao Tong University School of Medicine and the Consulate General of Italy in Shanghai organized two "transnational cloud conferences" with hospitals in Turin, Padua, Vicenza and Prato for in-depth academic exchanges on the COVID-19 pandemic. On April 10, the West China Hospital of Sichuan University and the Medical School of University of Bari conducted exchanges by video on epidemic prevention and control under the theme of "Share Weal and Woe."

In addition, Chinese people from all walks of life extended helping hands to Italy in the fight against the epidemic. At the enterprise level, the Bank of China donated 50 ventilators and 100,000 medical masks to Italy in March 2020, which were immediately rushed to the relevant hospitals in Lombardy and Milan. Huawei Italia donated 1,000 sets of protective suits and 200,000 medical masks to hospitals in Milan, provided access to Huawei Cloud Welink and the latest Huawei Wifi6 network service to 10 temporary hospitals in Italy, and created a special videoconferencing platform with its local partners. Alibaba and Jack Ma Foundation donated 1 million masks, 100,000 test kits, 100 ventilators and 50,000 sets of protective suits to Italy through the Italian Red Cross. COSCO Shipping donated protective materials worth ¥450,000 among others to Liguria. At the local level, many Chinese provinces and cities concerned were active to assist Italian sister cities. For example, Guangdong Province donated 200,000 medical masks to Puglia and Emilia-Romagna; Guangzhou City donated 400,000 medical masks and 400 infrared thermometers to Milan, Padua, Turin, Genoa and Bari; Jiangsu Province donated 50,000 medical masks to Tuscany and Veneto each; Shanghai City donated 50,000 protective masks to Lombardy; Pengzhou City of Sichuan Province donated 10,000 medical masks to Vercelli; and the Blazing Youth Community of Wenzhou City, Zhejiang Province mobilized the civil society to donate several batches of goggles, masks, disposable medical gloves and other supplies to Italy. Besides, almost all industry associations, colleges and universities, foundations, alumni associations, charities and other civil organizations in China actively supported their Italian partners with masks and other medical protective materials. From February to June 2020, totally 12 flights carrying supplies donated by the Chinese community through the Italian Embassy in China arrived in Italy successively, said Italian Ambassador to China Luca Ferrari in an interview, in addition to the shipment of medical supplies donated by Chinese governments, enterprises, organizations and individuals at all levels.¹³

On the whole, the anti-epidemic cooperation carried between China and Italy in various forms has

¹³ Reference: Zhang Fan, "A Review of China-Italy Cooperation in the Context of COVID-19 Pandemic," in *Annual Development Report of Italy (2020–2021): Italy under the Impact of the COVID-19 Pandemic*, edited by Sun Yanhong, Social Sciences Academic Press (China), August 2021.

been successful. Despite differences in national conditions, culture, medical means and people's perceptions, through exchanges and dialogues, the two countries have gained valuable experience in jointly dealing with global infectious diseases and enhanced mutual understanding and friendship between the two peoples. A very impressive cartoon created by Aurora Cantone, a girl from Naples, was featured in the media of the two countries in March 2020, depicting Chinese and Italian doctors "holding up" the Apennine Peninsula with their bodies. While overseas public opinions towards China were generally negative shortly after the COVID-19 outbreak, the topic "China Eastern Airlines' Overseas Assistance" was created on Facebook to introduce the company's delivery of supplies and medical experts to Italy. The topic had a natural readership of more than 400,000 in 24 hours. Hundreds of Italian netizens flocked to the China Eastern Airlines," "Thank China," and "May the friendship between China and Italy last forever." The related content later received the attention and recognition of Italian government officials, including the former PM, the former and current Foreign Ministers and the President of the Italian Red Cross.

Summary and Outlook

This report has examined the progress, characteristics and trends of pragmatic cooperation between China and Italy since the establishment of diplomatic relations, in particular, over the past two decades after the inauguration of comprehensive strategic partnership, and come to three basic conclusions.

First of all, pragmatic cooperation for mutual benefit and win-win results has always been the central theme of China-Italy bilateral ties since the establishment of diplomatic relations, regardless of changes in the international landscape. China and Italy, without any territorial dispute, have always treated each other with mutual respect and equality and gradually set up a model of friendly ties between countries with different cultural backgrounds, social systems and economic development stages. The experiences in promoting ties and the results achieved in cooperation not only pave a solid foundation for further advancing their bilateral ties in the future, but also provide a reference for the development of bilateral ties between China and other European countries.

Secondly, the cooperation between China and Italy have gradually gone to deeper levels with different modes and contents since the establishment of diplomatic relations, largely since the inauguration of comprehensive strategic partnership. Such significant changes are related to the inertia of cooperation between the two countries and more driven by the evolving international and domestic environments. In particular, China's growing economic strength and comprehensive national strength are the most important variables affecting the development and trajectory of China-Italy ties and cooperation. As a result, economic and trade cooperation has become the "ballast stone" of China-Italy bilateral ties.

Thirdly, China and Italy have consistently given prominence to cultural exchanges and cooperation. While economic and trade cooperation has brought tangible material benefits to the people of the two countries, cultural exchanges and cooperation have added rich and great spiritual enjoyment for the two peoples. China and Italy are both recognized as culturally strong nations that have left a bright mark in the history of East-West exchanges. Today, they still adhere to the principles of mutual attraction, mutual appreciation, mutual learning and mutual enhancement in cultural exchanges and cooperation. The unique cultural interactions have given a strong boost to the people-to-people bond, and will continue to underpin the development of bilateral cooperation on all fronts to higher level and quality.

At the global level, the COVID-19 pandemic and the Russia-Ukraine conflict have exerted a profound impact on the international landscape, noticeably on the relations between great powers. China-Italy cooperation becomes more vulnerable to geopolitical factors while China-EU cooperation gets more complicated and fragile. Nevertheless, it is necessary and more urgent than ever for China and Italy to strengthen pragmatic cooperation, in order to promote economic

recovery and sustained growth and meet various global challenges. As outstanding representatives of Eastern and Western civilizations, the relationship between China and Italy has transcended the bilateral sphere. The two countries shoulder great responsibilities in promoting equality and mutual learning among civilizations, pushing the steady development of the world economy and safeguarding world peace. With the 20th anniversary of their comprehensive strategic partnership coming in 2024, China and Italy should work together to maintain bilateral pragmatic cooperation, give more and fresh impetus to China-EU cooperation under the new complex context, and restore stability to the turbulent world.