

No. 3104

**UNION OF SOVIET SOCIALIST REPUBLICS
and
PEOPLE'S REPUBLIC OF CHINA**

**Agreement concerning the grant of a credit to the People's
Republic of China. Signed at Moscow, on 14 February
1950**

Official texts: Russian and Chinese.

Registered by the Union of Soviet Socialist Republics on 3 January 1956.

**UNION DES RÉPUBLIQUES SOCIALISTES
SOVIÉTIQUES
et
RÉPUBLIQUE POPULAIRE DE CHINE**

**Accord concernant l'ouverture d'un crédit à la République
populaire de Chine. Signé à Moscou, le 14 février 1950**

Textes officiels russe et chinois.

Enregistré par l'Union des Républiques socialistes soviétiques le 3 janvier 1956.

[TRANSLATION — TRADUCTION]

No. 3104. AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNION OF SOVIET SOCIALIST REPUBLICS AND THE CENTRAL PEOPLE'S GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA CONCERNING THE GRANT OF A CREDIT TO THE PEOPLE'S REPUBLIC OF CHINA. SIGNED AT MOSCOW, ON 14 FEBRUARY 1950

Whereas the Government of the Union of Soviet Socialist Republics has acceded to the request of the Central People's Government of the People's Republic of China for the grant of a credit to China to pay for the equipment and other materials which the Soviet Union has agreed to supply to China, the two Governments have agreed as follows :

Article 1

The Government of the USSR shall grant to the Central People's Government of the People's Republic of China a credit in dollars in the amount of US \$300 million, at the rate of US \$35 per ounce of fine gold.

In view of the extreme devastation of China caused by the prolonged military operations in its territory, the Soviet Government has agreed to provide the credit at the favourable rate of interest of 1 per cent per annum.

Article 2

The credit referred to in article 1 shall be made available over a period of five years from 1 January 1950, in equal instalments of one-fifth of the total credit a year, in order to pay for deliveries of equipment and materials from the USSR, including equipment for power stations, metallurgical and engineering plants and coal and ore mines, railway and other transport equipment, rails and other materials for the reconstruction and development of China's national economy.

The nomenclature, quantities, prices and delivery dates of equipment and materials shall be fixed by a special Agreement between the Parties, the prices being determined on the basis of world market prices.

Any part of the credit remaining unused in any one year may be used in the succeeding years.

¹ Came into force on 14 February 1950, as from the date of signature, in accordance with article 5.

Article 3

The Central People's Government of the People's Republic of China shall repay the credit referred to in article 1 and the interest thereon in deliveries of raw materials and tea, and in gold and United States dollars. The prices, quantities and delivery dates of raw materials and tea shall be fixed by a special agreement, the prices being determined on the basis of world market prices.

The repayment of the credit shall be effected over a period of ten years in equal annual instalments of one-tenth of the credit received, payable not later than 31 December of each year. The first regular instalment shall be paid not later than 31 December 1954, and the last not later than 31 December 1963.

The interest on the credit, which shall accrue from the date on which each instalment of the credit is used, shall be payable half-yearly.

Article 4

For the purpose of keeping accounts of the credit provided for by this Agreement, the State Bank of the USSR and the National Bank of the People's Republic of China shall open special accounts and shall jointly determine the procedure for the settlement and keeping of accounts under this Agreement.

Article 5

This Agreement shall enter into force from the date of signature and shall be subject to ratification. The exchange of the instruments of ratification shall take place at Peking.

DONE at Moscow, on 14 February 1950, in two copies, each in the Russian and Chinese languages, both texts being equally authentic.

By authorization
of the Government of the Union
of Soviet Socialist Republics :
(Signed) A. Y. VYSHINSKY

By authorization
of the Central People's Government
of the People's Republic of China :
(Signed) CHOU EN-LAI