

1950

Speeches/Documents

Title: Agreement on the Sino-Soviet Petroleum Co., Ltd. in Sinkiang; the Sino-Soviet Agreement on the Sino-Soviet Non-Ferrous and Rare Metals Co., Ltd. in Sinkiang; and Sino-Soviet Agreement on the Sino-Soviet Civil Aviation Co., Ltd.

Author: These agreements were signed in Moscow by Wang Chiahsiang (Ambassador to the U.S.S.R.) of Communist China and A. Y. Vyshinsky (Minister of Foreign Affairs) of the U.S. S. R.

Date: March 27, 1950 **Source:.** CB, No. 62

Description:.

On March 27, in Moscow, agreements were signed on the establishment of two mixed Soviet-Chinese joint stock companies:

- a) for oil and
- b) for non-ferrous metals.

Both Soviet-Chinese societies are formed on a parity basis and are aimed at promoting the development of China's national industry and the strengthening of economic cooperation between USSR and the People's Republic of China.

The mixed joint-stock company for oil has as its task the production of prospecting, exploration and oil and gas production, as well as their processing in the Xinjiang province of the People's Republic of China.

The Society for Non-Ferrous Metals has the task of prospecting, exploration and production of non-ferrous metals in Xinjiang province.

The products of both these companies are divided in half between the USSR and China. Equally divided between the parties are all expenses of the companies and the profits they receive.

The management of the companies is carried out by representatives of the parties on an alternating basis.

The agreements indicate that for the first three years of the companies' activity, the chairmen of the Management Board representatives of the Chinese side are elected, and representatives of the Soviet parties, the general directors are appointed from among Soviet citizens and their deputies, and from among Chinese citizens. Each subsequent three years of office held in the previous three years representatives of one party are replaced by representatives of the other Party.

Employees of the societies are appointed equally from among Soviet and Chinese citizens, and in all In these cases, the principle of alternating positions is respected.

Each agreement is valid for 30 years.

The negotiations proceeded in a friendly atmosphere and in a spirit of complete mutual understanding.

Agreements signed by:

on the authorization of the government of the USSR — USSR Foreign Minister A. Ya. Vyshinsky;

by the authorization of the Central People's Government of the People's Republic of China—

Ambassador Extraordinary and Plenipotentiary of the People's Republic of China to the USSR Wang Jiaxiang..

Announcement of the signing of an agreement between the USSR and the Chinese People's Republic on the establishment of the Soviet-Chinese joint-stock company civil aviation (March 29, 1950)

On March 27, an agreement was signed in Moscow on the establishment of a mixed Soviet-Chinese Joint Stock Company of Civil Aviation. The society is formed on a parity basis and has the goal promoting the development of China's national aviation and strengthening economic cooperation between The Soviet Union and the People's Republic of China.

The agreement provides for the organization and operation of civil airlines: Beijing—Chita, Beijing-Irkutsk, Beijing-Alma-Ata.

All expenses of the company and the profits it receives are divided between the parties in half.

The management of the company is carried out by representatives of the parties in an alternating order.

The agreement states that for the first two years of the company's activity, the Chairman of the Management Board a representative of the Chinese side is elected, and a representative of the Soviet party; the general director is appointed from among Soviet citizens and his deputy is from among

Chinese citizens. Each subsequent two years of office held in the previous biennium representatives of one side are replaced by representatives of the other side.

Civil servants are appointed from among Soviet and Chinese citizens.

The agreement is valid for 10 years.

The negotiations proceeded in a friendly atmosphere and in a spirit of complete mutual understanding.

The agreement was signed by:

by the authorization of the government of the USSR — Minister of Foreign Affairs of the USSR A. Vyshinsky;

on the authority of the Central People's Government of the People's Republic of China—

Ambassador Extraordinary and Plenipotentiary of the People's Republic of China to the USSR Wang Jiaxiang.

They provide for the establishment of three companies in which Communist China and the U.S.S.R. will share equally the expenses and the profits. The purpose of the petroleum company is to undertake the prospecting, producing and refining of petroleum and coal gas in Sinkiang Province. The purpose of the non-ferrous metals company is to undertake the prospecting and producing of non-ferrous metals in Sinkiang. The purpose of the aviation company is to organize and operate civil air lines between Peking and Chita, Peking and Irkutsk, and Peking and Alma Ata.

Remark

Much to the Central Committee's surprise, the announcements prompted waves of protest and resentment from students in Beijing. Because of the lack of published details, patriotic students protested Sino-Soviet economic cooperation, believing these agreements were early harbingers of China's renewed exploitation by foreign powers. Creating a soviet "semi-colony"? Sino-soviet cooperation and its demise in Xinjiang, 1949-1955 Charles Kraus pg.152

The regulations were formally unveiled on September 29, 1950

China and the Soviet Union signed an agreement to establish a joint stock company based on the principle of equal rights and shareholding to exploit Xinjiang oil and non-ferrous metals.

RMRB 29-03-1950

The People's Republic of China and the Union of Soviet Socialist Republics signed an agreement on the establishment of two Sino-Soviet joint stock companies: On March 27, Moscow signed the establishment of two joint Sino-Soviet shares The company's agreement is one for an oil company and one for a non-ferrous metal company. The two Sino-Soviet companies are formed on the principle of equal rights and joint shares, with the purpose of assisting the development of China's domestic industry and strengthening the economic cooperation between China and the Soviet Union. The mission of the Petroleum Corporation is to search for, explore, extract and refine oil and gas in Xinjiang Province of the People's Republic of China. The task of the non-ferrous metal company is to search, detect and mine non-ferrous metals in Xinjiang Province. The products of the above two companies are equally divided between China and the Soviet Union. The company's expenses and profits are equally shared by both parties. The leadership of the company is carried out by the representatives of both parties in a rotation system. The agreement stipulates that in the first three years of the activities of the two companies, the director of the management committee shall be elected by representatives of the Chinese side, the deputy director shall be elected by the representatives of the Soviet side, and the general manager of the two companies shall be appointed by the citizens of the Soviet Union, and the deputy general manager Appointed by Chinese citizens. Every three years, the position held by a representative of one party in the original three years will be replaced by a representative of the other party. The employees of the company are equally filled by citizens of China and the Soviet Union. In all occasions, the principle of regular job rotation is observed. Both agreements are valid for 30 years. The negotiations were conducted in a friendly atmosphere and in a spirit of complete mutual understanding. Signing the agreement: The plenipotentiary of the Central People's Government of the People's Republic of China is the Ambassador Extraordinary and Plenipotentiary of the People's Republic of China to the Soviet Union Wang Jiaxiang.