

Agreement concerning loans to the People's Republic of China

The Government of the Union of Soviet Socialist Republics agreed to meet the request of the Central People's Government of the People's Republic of China and grant China a loan to repay the machinery, equipment and other equipment agreed to be delivered to China by the Soviet Union; accordingly, the two governments have agreed to this agreement, and its provisions are as follows:

Article 1

The total amount of loans granted by the Government of the Union of Soviet Socialist Republics to the Central People's Government of the People's Republic of China is 300 million U.S. dollars; the calculation method uses thirty-five U.S. dollars as one ounce of pure gold.

In view of China's long-term military operations in its territory, the Soviet government agreed to grant loans on preferential terms of 1% of the annual interest.

Article 2

The loan referred to in Article 1 shall be paid each year in the same amount, that is, one-fifth of the total loan amount, for the purpose of repayment for the recovery and development of China during the five-year period starting from January 1, 1950. The machinery and equipment delivered by the Soviet Union for the people's economy include power stations, metal and machine manufacturing workshops, coal mining, mining and other pit equipment, railways and other transportation equipment, steel rails and other equipment, etc.

The category, quantity, price, and delivery period of machinery, equipment and equipment shall be stipulated by the two parties through a special agreement, and the price will be determined according to the price of the world market.

The unused and remaining amount during the one-year period can be transferred to the next one-year period.

Article 3

The Central People's Government of the People's Republic of China will repay the loans and their interest mentioned in Article 1 with raw materials, tea, cash, U.S. dollars, etc. The price, quantity and delivery period of the raw materials and tea will be stipulated in a special agreement, and the price will be determined according to the price of the world market. The loan repayment period is ten years, and the same amount is paid every year, that is, one-tenth of the total amount of loans received, which shall be implemented before December 31 of each year. The first payment was made before December 31, 1954, and the last payment was made before December 31, 1963. The interest of the loan is calculated based on the real number of the loan and is calculated from the date of its use, and is delivered every six months.

Article 4

In order to settle the loans stipulated in this agreement, the State Bank of the Soviet Union and the People's Bank of China each established special accounts and jointly stipulated the procedures for settlement and calculation of this agreement.

Article 5

This agreement shall enter into force on the date of signature, and shall be approved and exchanged in Beijing.

Done at Moscow on February 14, 1950, in two copies, each written in Chinese and Russian documents. The provisions in both languages have the same effect.

Zhou Enlai

Plenipotentiary of the Central People 's Government of the People 's Republic of China (signature)

Ann Yang, Wiszynski

Plenipotentiary of the Supreme Soviet Presidium of the Union of Soviet Socialist Republics,
(signature)