

AGREEMENT ON THE ASSISTANCE PROVIDED BY THE GOVERNMENT OF THE USSR TO THE CENTRAL PEOPLE'S GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA IN THE DEVELOPMENT OF CHINA'S NATIONAL ECONOMY

May 15, 1953

The **Government of the Union of Soviet Socialist Republics** and the **Central People's Government of the People's Republic of China**, guided by the principles of the **Treaty of Friendship, Alliance, and Mutual Assistance between the USSR and the PRC of February 14, 1950**, and in response to the agreement of the Soviet Government to fulfill the request of the Chinese Government for assistance in the development of China's national economy, have agreed to conclude the following Agreement:

Article 1

The **Government of the USSR** shall provide assistance to the **Central People's Government of the PRC** in the **construction and reconstruction of 91 enterprises** in the following industries: **ferrous and non-ferrous metallurgy, coal, oil, and chemical industries, power plants, machine-building, defense, and other sectors** of Chinese industry, in accordance with **Appendix 1**. This includes:

- **Two metallurgical plants** with an annual capacity of **1.2–1.5 million tons of steel** each
- **Eight non-ferrous metallurgy enterprises** producing **30,000 tons of tin, 15,000 tons of aluminum, 10,000 tons of molybdenum concentrate, 30,000 tons of tungsten concentrate, and 130,000 tons of vanadium and titanium concentrate** annually
- **Eight coal mines and one coal complex** with a total annual capacity of **19.9 million tons of coal**, along with **three coal processing plants** capable of handling **4.5 million tons of coal per year**
- **One oil refinery** with a capacity of **1 million tons of crude oil per year**
- **Thirty-two machine-building plants**, including:
 - **Five heavy machinery plants** for **metallurgical, mining, and oil equipment production**, with a combined capacity of **75,000 tons**, and **metal-cutting machine tools production of 36,000 tons**
 - **Two automobile and tractor plants** producing **60,000 trucks and 15,000 tractors** annually
 - **One ball bearing plant** with an output of **10 million bearings per year**
 - **Sixteen energy and electromechanical plants**, manufacturing **steam turbines and turbo-generators** with a total annual capacity of **360,000 kW**, expandable to **600,000 kW**, as well as **mercury rectifiers, surge protectors, electrical and radio equipment, and other electrical products**
- **Seven chemical plants**, including:
 - **Three fertilizer plants** with an annual output of **180,000 tons of nitrogen fertilizers**
 - **15,000 tons of synthetic rubber per year**
- **Ten thermal power plants** with a combined capacity of **413,000 kW**
- **Two pharmaceutical plants** producing **sulfa drugs, penicillin, and streptomycin**

- **One food industry enterprise**

The assistance provided under this Agreement will be in addition to **previously concluded Sino-Soviet agreements**, which cover the **construction and reconstruction of 50 enterprises**, including:

- **Nine ferrous and non-ferrous metallurgy enterprises**
- **Nine coal mines and one open-pit coal mine**
- **Thirteen machine-building plants**
- **One automobile plant**
- **Four chemical plants**
- **Eleven power plants**
- **Two light industry enterprises**

Between **1953 and 1959**, the commissioning of these **141 enterprises**—built and reconstructed with Soviet assistance under this and previous agreements—will enable the Chinese Government to establish new **production capacities** for key industrial products at the following annual levels:

Metallurgical Industry:

- **Steel:** 5.2–5.8 million tons
- **Aluminum:** 30,000 tons
- **Tin:** 30,000 tons
- **Ferrous alloys:** 44,500 tons
- **Molybdenum and tungsten concentrates:** 40,000 tons
- **Vanadium and titanium concentrates:** 130,000 tons

Fuel and Energy Industry:

- **Coal:** 32 million tons
- **Oil refining:** 1 million tons
- **Electricity generation:** 7 billion kWh (1.5 million kW capacity)

Machine-Building Industry:

- **Metallurgical, mining, and oil equipment:** 75,000 tons
- **Metal-cutting machine tools:** 46,000 tons
- **Ball bearings:** 10 million units

Energy Engineering Industry:

- **Power equipment (steam turbines, boilers, turbo-generators, etc.)** for new and expanded power plants with a **total capacity of up to 600,000 kW annually**

Automobile and Tractor Industry:

- **Trucks:** 90,000 units
- **Tractors:** 15,000 units

Chemical Industry:

- **Nitrogen fertilizers:** Up to **280,000 tons**
- **Synthetic rubber:** **15,000 tons**
- **Synthetic dyes and intermediates:** **50,000 tons**
- **Calcium carbide:** **60,000 tons**
- **Caustic soda:** **10,000 tons**

Article 2

Assistance in the construction and reconstruction of the enterprises listed in **Appendix 1** shall be provided by **Soviet organizations** through **design work, equipment supply, and technical assistance** during construction. Additionally, the Soviet side will help train Chinese personnel for these enterprises and transfer **licenses and technical documentation** necessary for organizing production at the designated enterprises.

Article 3

Soviet organizations shall design the enterprises listed in **Appendix 1** in accordance with established **specialization practices in the USSR**, based on the latest **scientific and technological advancements**. These enterprises will operate in **cooperation with existing Chinese enterprises**, where the **Chinese government** will organize the production of **semi-finished products, components, and auxiliary materials**.

A **list of such semi-finished products, their technical specifications, and recommendations** for their production will be provided by Soviet organizations to their Chinese counterparts during the approval of project assignments for enterprises in **Appendix 1**.

The **Soviet side** will also assist in establishing **Chinese industrial design organizations** and will ensure that these organizations **carry out 20-30% of the technical and working design tasks** for the enterprises listed in **Appendix 1**. To support this effort, as well as to assist China in training **industrial design personnel** and transferring **advanced technical experience**, the **Soviet side** will send up to **200 Soviet specialists** to China.

Article 4

The **Soviet side** will supply **50-70% of the required equipment** for the enterprises listed in **Appendix 1**, based on the costs specified in the technical designs. The remaining **30-50% of the equipment** will be manufactured by **Chinese industry**. If necessary, **Soviet specialists** will be sent to China to **provide consultations on organizing the production of this equipment** and will transfer **technical documentation** to Chinese organizations in accordance with a **separate agreement** between the two parties.

Article 5

The total **cost of equipment** to be supplied from the USSR under this Agreement, as well as the **design work** to be carried out by Soviet organizations from **1954 to 1959**, will amount to approximately **3–3.5 billion rubles**, in accordance with Articles **3 and 4**.

Article 6

The **Chinese side** shall provide **Soviet organizations** with the **initial data** necessary for the design of the enterprises listed in **Appendix 1**. **Soviet specialists** will provide consultations on **site selection** for the construction of these enterprises and offer **technical assistance** in preparing **design specifications**.

Article 7

The **construction of the enterprises** listed in **Appendix 1** shall be carried out using the **resources and workforce** of the **Chinese side**. In addition to the **design work and equipment supply** outlined in **Articles 3 and 4**, the **Soviet side** will provide **technical assistance** to **Chinese organizations** by sending **Soviet specialists**—in numbers agreed upon by both sides—to:

- **Supervise construction work**
- **Provide construction-related consultations**
- **Oversee installation, testing, and commissioning** of the enterprises

Article 8

The **Soviet Side** shall transfer to the **Chinese Side**, free of charge, **licenses** for the production of goods designated for serial manufacturing at the enterprises listed in **Appendix 1**. Additionally, the Soviet Side shall provide **drawings and other technical documentation** necessary for organizing the production of these goods. The scope and timing of this transfer shall be determined by mutual agreement, with the **Chinese Side covering only the actual costs of preparing and transferring the technical documentation**.

Article 9

The **Soviet Side** shall assist the **Chinese Side** in training personnel for the enterprises covered by this **Agreement**. For this purpose, **Chinese workers and engineering-technical personnel** shall undergo **industrial and technical training** at relevant enterprises in the **USSR**. The number of trainees and duration of training shall be determined by agreement between the Parties. It is expected that up to **1,000 Chinese workers and technical personnel** will undergo training in the **USSR** each year.

Article 10

The **Soviet Side** agrees to assist the **Chinese Side** in studying available data on **non-ferrous metal ore reserves** necessary for **planning the enterprises listed in Appendix 2**. The Soviet Side shall also assist in the **designing of these enterprises**.

Article 11

To assist in **organizing production** at existing **Chinese enterprises** for **coking-chemical equipment, crushing and grinding machines, mine electric locomotives, electric furnaces, metallurgical cranes, and other types of cranes**, the **Soviet Side** agrees to transfer **technical documentation** and provide relevant **consultations** on the manufacturing of this equipment and machinery, as agreed upon by both Parties.

Article 12

In addition to the **design work, equipment supply, and other technical assistance** mentioned above, the **Soviet Government** agrees that **Soviet organizations** shall:

a) Send **Soviet specialists** to China to **review available materials and assist the Chinese Government** in drafting **plans for the integrated use of the water and energy resources of the Yellow River (Huang He) and Han River (Han Shui)**.

b) Send **four groups of Soviet specialists** to assist the Chinese Government in drafting **long-term development plans** for:

- Electrification
- **Ferrous and non-ferrous metallurgy**
- **Machine-building industry**
- **Shipbuilding industry**

c) In addition to the previously dispatched Soviet **geologists**, send **50 more geologists** for a **two-year period** to assist in:

- Establishing the **geological service** in China
- Conducting **geological surveys**
- Providing **training for Chinese geologists**

d) Provide **consultations on selecting types of towed agricultural machinery** and transfer **technical documentation** for organizing their **production at Chinese enterprises**.

e) Conduct **expert review** of the **Chinese-designed Yangtze River bridge project**.

f) Conduct **aerial photography surveys** in **1953–1954** of **forested areas in Inner Mongolia, Northeast China, and Southwest China**, covering approximately **20 million hectares**, using **Soviet technical equipment**.

The specialists mentioned in **points (a), (b), and (c)** shall be sent to China **under the terms of the Soviet-Chinese Agreement of March 27, 1950**.

Article 13

The **Central People's Government of the People's Republic of China** shall pay for the **equipment and technical assistance** provided under this Agreement, as well as under **previous agreements** concerning **complete industrial plant supplies**, through the delivery of the following goods to the **USSR** from **1954 to 1959**:

- **Tungsten concentrate**
- **Tin**
- **Molybdenum concentrate**
- **Antimony**
- **Natural rubber**
- **Sheep wool**
- **Jute**
- **Rice**

- **Pork**
- **Tobacco**

The **quantities of these goods** are specified in **Appendix 3**. By mutual agreement, **part of the payment for equipment and technical assistance** may be made in **freely convertible foreign currency**.

Article 14

Soviet and Chinese organizations shall sign **contracts** specifying the **volume, prices, deadlines, and other conditions** for:

- **Design work**
- **Equipment supply**
- **Deployment of Soviet specialists to China**
- **Other services provided by the Soviet Side**
- **Quantities, prices, and conditions for the supply of Chinese goods** as stipulated in this Agreement.

Article 15

The **licenses, technical documentation, and information** transferred to the **People's Republic of China** under this **Agreement** shall be **used exclusively for production purposes within China**. They **cannot be transferred to other countries or to foreign individuals or legal entities**.

To ensure compliance, the **Central People's Government of the People's Republic of China** shall take **appropriate measures** to properly **store and protect the technical documentation and information**.

Article 16

This **Agreement enters into force on the day of its signing**.

Signed in Moscow on May 15, 1953, in two copies, each in Russian and Chinese, both texts having equal legal force.