

government. The marketing prices of major commodities in the major markets shall be decided by the concerned commercial departments of the central government, while the marketing prices of secondary commodities in secondary markets shall be decided by the concerned provinces, autonomous regions or municipalities under the direct control of the central government themselves, in accordance with the price policies of the different commercial departments of the central government and after due consultation with the neighboring areas. Unified price control organizations at different levels shall be set up by the central and local authorities. The central authorities shall call a price conference once a year to decide on the prices for that entire year.

7. The measure of dividing foreign exchange in a certain ratio. With a view to encouraging the various localities to fulfill the export plan of the state and inducing the export of industrial and agricultural products over and above the stipulated quotas, the central authorities shall divide the foreign exchange derived from exports with the local authorities in a fixed ratio. This measure will be announced separately at a later date.

50. GAC, Hai-kuan tsu-chih yüan-tse 海關組織原則 (Principles for Customs organization), Dec. 14, 1950.^{50/}

The basic principles of the People's Republic of China for the establishment of customhouses should completely depart from the former practice of the reactionary regime which was subservient to such measures of imperialistic economic aggrandizement as large-scale dumping of foreign goods and absorbing of raw materials at cheap prices, while foreign trade was opened up recklessly and customhouses were established anywhere and everywhere. The new principles should be based strictly on the spirit of sovereignty and independence, as well as on the requirements of national economy, by establishing customhouses only at places where foreign trade should be opened.

Any customhouse, barrier, station, or post, be it for the purpose of guarding against smuggling, or for inspection and collection of duties that has been established in places which should not be open to foreign trade or where economic conditions do not warrant the opening to foreign trade, as contradictory to this basic principle, must be gradually and

systematically abolished in keeping with concrete local conditions, while the preventive tasks of such places are to be transferred to their respective public security organs.

The following principles for the establishment of customhouses and readjustment of customs organizations have been formulated:

Principles for Establishment of Customhouses

1. Customs organs may be established at the following places: ports that the CPG determines should be open to foreign trade; railway stations for international through traffic; land frontiers and borders and river points where travelers and goods are allowed to enter or leave the country; international airports; places of exchange for international parcels, post and mails; places where import and export are allowed by the CPG.
2. Customhouses (maritime or land) may be established at places where there are regular imports and exports in large quantities, including international mail and the luggage of travelers, and at places of political and economic importance even though they have only a small quantity of imports and exports including international mail and travelers' luggage. Branch customhouses may be established at places where there are regular imports and exports in small quantities including international mail and the luggage of travelers. Sub-branch customhouses may be established at places where there are irregular imports and exports in small quantities, or where the import and export is merely of a local character.
3. Customhouses (maritime or land) shall be directly under the jurisdiction of the Customs Administration. The relations of the branch customhouses and sub-branch customhouses with their superior organizations shall be defined by the Customs Administration.
4. No goods shall be allowed to be imported or exported at places where customhouses (maritime or land), branch customhouses, or sub-branch customhouses are not established. Goods found imported or exported in contravention of this rule shall be regarded as contraband, and as such shall be detained, together with the means of transport and the persons connected with the smuggling, by the units of the public security forces or military and administrative organs and shall be dealt with in accordance with the regulations of the customhouse. For the convenience of minority

nationalities and residents in frontier regions in exchanging commodities of daily necessity, goods in small lots carried by residents in those regions shall be allowed to pass in and out. Control measures in this respect should be drawn up by the Committee of Financial and Economic Affairs of the large Administrative Area in accordance with the particular situation of the frontier regions concerned. But these measures must be reported to the MT of the CPG and the Customs Administration for reference.

5. The establishment, removal and abolition of customhouses (maritime or land), branch customhouses, or sub-branch customhouses shall be dealt with by the Customs Administration in conjunction with the ministries of Trade, Finance, and Public Security of the CPG. Places with customhouses (maritime or land) shall not be looked upon as places for export and import if such customhouses shall be maintained until their functions are formally taken over by the Ministry of Public Security. All the subordinate and subsidiary organizations of customhouses, whose continued existence has not yet been decided upon, may continue their present functions until they are officially ordered to dissolve.

Customhouses, Branch Customhouses,
and Sub-branch Customhouses

In accordance with the above principles and present conditions, it has been decided to establish in China a total of 26 customhouses with 9 branch customhouses and 35 sub-branch customhouses, as follows:

<u>Customhouses</u>	<u>Branch Customhouses</u>	<u>Sub-branch Customhouses</u>
1. Manchouli		
2. Suifenho		
3. Tumen		Kaishantun Sanhots'un Nanping Hunchun
4. Chian		Ch'angpai Lingchiang Hsiachiafang
5. Antung		Santaolangt'ou
6. Dairen		
7. Yingkow		

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<u>Customhouses</u>	<u>Branch Customhouses</u>	<u>Sub-branch Customhouses</u>
8. Mukden		Harbin Tsitsihar
9. Tientsin	Chinwangtao Tangku	
10. Peking		
11. Tsingtao	Chefoo	Lienyunkang
12. Shanghai		Woosung Ningpo Wenchow
13. Foochow		Hanchiang Santuaao
14. Amoy		Chinchiang
15. Wuhan		
16. Swatow		
17. Canton		Whampoa
18. Kowloon (at Shumchun)		Wenchingtu
19. Kongmoon	Kungpak (located at Kwancha Fortress)	
20. Wuchow		
21. Changchiang		
22. Hoihow (Haikow) (on Hainan Island)		
23. Pakhoi		Tunghsin
24. Kunming		Talo Menglien Hokow Makuan
25. Tengch'ung (Teneyueh)	Yuanting	Mengmao Chetao Houchiao Chenk'ang
26. Tihwa		Hami Wusu Ining (Khorgos) Paketu (T'a-ch'eng) Chi-mu-nai (Chenghwa) Yitang (Kashgar)