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Treaty Series No. 10 (1929)

Treaty between His Majesty
and the President
of the Chinese Republic

*together with other Documents
relating to the*

Chinese Customs Tariff, &c.

Nanking, December 20, 1928

[Ratifications exchanged at London, March 14, 1929]

Presented by the Secretary of State for Foreign Affairs
to Parliament by Command of His Majesty

LONDON:

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1929

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A.

Treaty between His Majesty and the President of the Chinese Republic relating to the Chinese Customs Tariff, &c.; with the Annexes thereto.

Nanking, December 20, 1928.

[Ratifications exchanged at London, March 14, 1929.]

His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India, and

His Excellency the President of the National Government of the Republic of China,

Desiring to strengthen the good relations which happily exist between them and to facilitate and extend trade and commerce between their respective countries,

Have resolved to conclude a treaty for this purpose and have appointed as their plenipotentiaries :

His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India :

For Great Britain and Northern Ireland,

Sir Miles Wedderburn Lampson, K.C.M.G., C.B., M.V.O.,
His Majesty's Envoy Extraordinary and Minister Plenipotentiary to the Republic of China ;

His Excellency the President of the National Government of the Republic of China :

His Excellency Doctor Chengting T. Wang, Minister for Foreign Affairs of the National Government of the Republic of China ;

who, having communicated their full powers, found in good and due form, have agreed as follows :—

ARTICLE 1.

It is agreed that all provisions of the existing treaties between the High Contracting Parties which limit in any way the right of China to settle her national customs tariff in such way as she may think fit are hereby abrogated, and that the principle of complete national tariff autonomy shall apply.

ARTICLE 2.

The nationals of either of the High Contracting Parties shall not be compelled under any pretext whatsoever to pay in China and the

territories of His Britannic Majesty to which the present treaty applies respectively any duties, internal charges or taxes upon goods imported or exported by them other than or higher than those paid on goods of the same origin by Chinese and British nationals respectively, or by nationals of any other foreign country.

ARTICLE 3.

His Britannic Majesty agrees to the abrogation of all provisions of the existing treaties between the High Contracting Parties which limit the right of China to impose tonnage dues at such rates as she may think fit.

In regard to tonnage dues and all matters connected therewith, British ships in China and Chinese ships in those territories of His Britannic Majesty to which the present treaty applies, shall receive treatment not less favourable than that accorded to the ships of any other foreign country.

ARTICLE 4.

The present treaty shall be ratified and the ratifications shall be exchanged in London as soon as possible. It shall come into force on the date on which the two Parties shall have notified each other that ratification has been effected.*

The English and Chinese texts of the present treaty have been carefully compared and verified; but in the event of there being a difference of meaning between the two the sense as expressed in the English text shall be held to prevail.

In witness whereof the respective plenipotentiaries have signed the present treaty in duplicate, and have affixed thereunto their seals.

Done at Nanking, the twentieth day of December, nineteen hundred and twenty-eight, corresponding to the twentieth day of the twelfth month of the seventeenth year of the Republic of China.

(Seal) MILES W. LAMPSON.

(Seal) CHENGTING T. WANG.

* By a protocol dated the 1st February, 1929, the treaty came into force on that date.

ANNEX I.

Sir M. Lampson to Dr. Wang.

Sir, Nanking, December 20, 1928.

WITH reference to the treaty concluded this day between His Britannic Majesty and the President of the National Government of the Republic of China, I have the honour to request that Your Excellency will be good enough to confirm my understanding that :

1. Articles produced or manufactured in those territories of His Britannic Majesty to which the present treaty applies, and imported into China, and reciprocally articles produced or manufactured in China and imported into the said territories of His Britannic Majesty, from whatever place arriving, shall receive, as regards import duties, internal taxation, transit dues and all matters connected therewith, treatment not less favourable than that accorded to goods the produce or manufacture of any other foreign country.

2. Articles produced or manufactured in China and exported to those territories of His Britannic Majesty to which the present treaty applies, and reciprocally articles produced or manufactured in the said territories of His Britannic Majesty and exported to China, shall receive, as regards export duties, internal taxation and transit dues, levied before export, and all matters connected therewith, treatment not less favourable than that accorded to goods exported to any other foreign country.

I avail, &c.

MILES W. LAMPSON.

Dr. Wang to Sir M. Lampson.

Ministry of Foreign Affairs,

Excellency, Nanking, December 20, 1928.

I HAVE the honour to acknowledge the receipt of your Excellency's note of to-day's date, reading as follows:—

“ With reference to the Treaty concluded this day between His Britannic Majesty and the President of the National Government of the Republic of China, I have the honour to request that Your Excellency will be good enough to confirm my understanding that :

“ 1. Articles produced or manufactured in those territories of His Britannic Majesty to which the present treaty applies, and imported into China, and reciprocally articles produced or manufactured in China and imported into the said territories of His Britannic Majesty, from whatever place arriving, shall receive, as regards import duties, internal taxation, transit dues and all matters connected therewith, treatment not less favourable than that accorded to goods the produce or manufacture of any other foreign country.

“2. Articles produced or manufactured in China and exported to those territories of His Britannic Majesty to which the present treaty applies, and reciprocally articles produced or manufactured in the said territories of His Britannic Majesty and exported to China, shall receive, as regards export duties, internal taxation and transit dues, levied before export, and all matters connected therewith, treatment not less favourable than that accorded to goods exported to any other foreign country.”

I hereby confirm that your understanding is correct.

I avail, &c.

CHENGTING T. WANG.

ANNEX II.

Sir M. Lamson to Dr. Wang.

Sir,

Nanking, December 20, 1928.

WITH reference to the treaty concluded this day between His Britannic Majesty and the President of the National Government of the Republic of China, I have the honour to assure Your Excellency, on behalf of His Majesty's Governments in Canada, the Commonwealth of Australia, New Zealand, the Union of South Africa and the Irish Free State, and the Government of India, that the rights of those Governments to benefit by those provisions of existing treaties which limit in any way the right of China to settle her customs tariff or to impose tonnage dues at such rates as she may think fit are renounced by His Majesty as from the entry into force of the treaty.

I have also the honour to assure Your Excellency that His Majesty similarly renounces His rights in respect of Newfoundland, Southern Rhodesia and all His non-self-governing Colonies and Protectorates.

I shall be glad to receive the assurance of the National Government of the Republic of China that goods produced or manufactured in any of the parts of His Majesty's territories mentioned above or in any of the territories under their administration or in any territory under His Majesty's suzerainty or in any territory in respect of which a mandate is exercised by His Majesty's Government in Great Britain, the Commonwealth of Australia, New Zealand or the Union of South Africa will be accorded most-favoured-nation treatment in China, so long as goods produced or manufactured in China receive in such territory treatment as favourable as that accorded to goods produced or manufactured in any other foreign country.

I shall also be glad to receive the assurance of the National Government of the Republic of China that articles produced or manufactured in China and exported to any of the territories mentioned above will receive most-favoured-nation treatment as

regards export duties, internal taxation or transit dues, levied before export, or matters connected therewith, so long as goods produced or manufactured in such territory and exported to China receive in corresponding matters treatment as favourable as that accorded to goods exported to any other foreign country.

I avail, &c.

MILES W. LAMPSON.

Dr. Wang to Sir M. Lampson.

Ministry of Foreign Affairs,

Nanking, December 20, 1928.

Excellency,

I hereby take note of the renunciation by His Britannic Majesty of the rights of His Governments in Canada, the Commonwealth of Australia, New Zealand, the Union of South Africa and the Irish Free State, and of the Government of India, as from the entry into force of the treaty concluded this day between His Britannic Majesty and the President of the National Government of the Republic of China to benefit by the provisions of existing treaties which limit in any way the right of China to settle her customs tariff or to impose tonnage dues at such rates as she may think fit. I also take note of the renunciation by His Majesty of His rights in respect of Newfoundland, Southern Rhodesia and all His non-self-governing Colonies and Protectorates.

I have the honour, on behalf of the National Government of the Republic of China, to assure you that goods produced or manufactured in any of the parts of His Majesty's territories mentioned above or in any of the territories under their administration or in any territory under His Majesty's suzerainty or in any territory in respect of which a mandate is exercised by His Majesty's Government in Great Britain, the Commonwealth of Australia, New Zealand or the Union of South Africa will receive most-favoured-nation treatment in China, so long as goods produced or manufactured in China receive in such territory treatment as favourable as that accorded to goods produced or manufactured in any other foreign country.

I have also to assure you, on behalf of the National Government of the Republic of China, that articles produced or manufactured in China and exported to any of the territories mentioned above will receive most-favoured-nation treatment as regards export duties, internal taxation or transit dues, levied before export, or matters connected therewith, so long as goods produced or manufactured in such territory and exported to China receive in corresponding matters treatment as favourable as that accorded to goods exported to any other foreign country.

I avail, &c.

CHENGTING T. WANG.

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ANNEX III.

Sir M. Lampson to Dr. Wang.

Sir,

Nanking, December 20, 1928.

WITH reference to the treaty concluded this day between His Britannic Majesty and the President of the National Government of the Republic of China, I have the honour to state that it is my understanding that the *ad valorem* rates of duty or the specific rates based thereon in the National Customs Tariff to be adopted by the National Government are the same as the rates which were discussed and provisionally agreed upon at the Tariff Conference of 1926, and that these are the maximum rates to be levied on British goods: furthermore, that these will remain the maximum rates on such goods for the period of at least one year from the date of enforcement of the tariff: and that two months' notice will be given of the coming into force of the said tariff.

I shall be glad if Your Excellency will be good enough to confirm the correctness of the above.

In view of the doubt and anxiety that may arise amongst my nationals in regard to the effect which the new tariff may have on their trade if the various levies other than customs duties now being collected remain in force after the coming into operation of the national tariff rates, I would remind Your Excellency of the proclamation issued by the National Government of the Republic of China at Nanking on the 20th July, 1927, announcing their intention to take as soon as possible the necessary steps effectively to abolish *li-kin*, native customs dues, coast-trade duties and all other taxes on imported goods whether levied in transit or on arrival at destination, and I should welcome some assurance on behalf of the National Government that it is their intention that goods having once paid import duty to the Maritime Customs in accordance with the rates imposed in the new or any subsequent national tariff will be freed as soon as possible from any levies of the nature specified in the above-mentioned proclamation.

I avail, &c.

MILES W. LAMPSON.

*Dr. Wang to Sir M. Lampson.**Ministry of Foreign Affairs,**Nanking, December 20, 1928.*

Excellency,

With reference to Your Excellency's note of to-day's date, I have the honour to confirm the correctness of your understanding that the *ad valorem* rates of duty or the specific rates based thereon in the national customs tariff to be adopted by the National Government are the same as the rates which were discussed and provisionally agreed upon at the Tariff Conference

in 1926 and that these are the maximum rates to be levied on British goods: furthermore, that these will remain the maximum rates on such goods for a period of at least one year from the date of enforcement of the tariff: and that two months' notice will be given of the coming into force of the said tariff.

Furthermore, I am glad to be able to confirm, on behalf of the National Government, the terms of their proclamation of the 20th July, 1927, and to give you the assurance which you request that it is their intention that goods having once paid import duty to the Maritime Customs in accordance with the rates imposed in the new or any subsequent national tariff will be freed as soon as possible from any levies of the nature specified in the above-mentioned proclamation.

I avail, &c.

CHENGTING T. WANG.

ANNEX IV.

Dr. Wang to Sir M. Lampson.

Ministry of Foreign Affairs,

Excency,

Nanking, December 20, 1928.

With reference to the Treaty signed this day, I hereby declare on behalf of the National Government of the Republic of China that it is their intention to apply the new customs tariff uniformly on all land and sea frontiers of China and that, as from the date of the coming into force of the new tariff, the preferential rates at present levied on goods imported or exported by land frontier will accordingly be abolished.

I avail, &c.

CHENGTING T. WANG.

Sir M. Lampson to Dr. Wang.

Sir,

Nanking, December 20, 1928.

I have the honour to acknowledge receipt of the note of to-day's date in which Your Excellency declares on behalf of the National Government of the Republic of China that it is their intention to apply the new customs tariff uniformly on all land and sea frontiers of China and that, as from the date of the coming into force of the new tariff, the preferential rates at present levied on goods imported or exported by land frontier will accordingly be abolished.

I have taken due note of this declaration, with which His Majesty's Government in Great Britain are in full agreement.

I avail, &c.

MILES M. LAMPSON.

The following documents B and C do not form part of the Treaty relating to the Chinese Customs Tariff, but are published as being exchanges of notes effected at the same time on matters connected with that Treaty.

B.

Exchange of Notes regarding the Treatment of Chinese Nationals in His Majesty's Dominions, India, British Colonies and British Protectorates.

Nanking, December 20, 1928.

(1.)

Dr. Wang to Sir M. Lampson.

Excellency, *Nanking, December 20, 1928.*

WITH reference to the treaty signed between us this day, and the exchange of notes in connexion with His Majesty's Dominions, India, non-self-governing Colonies and Protectorates, I should like to draw your attention to the possible contingency of discrimination against Chinese nationals in the above-mentioned territories.

I realise that it requires time for your Government to consult all the Dominions in the matter, and therefore did not insist that the point be covered in the treaty itself. Should the contemplated contingency, however, arise at any time in the future, my Government shall be constrained to raise the question.

I avail, &c.

CHENGTING T. WANG.

(2.)

Sir M. Lampson to Dr. Wang.

Sir, *Nanking, December 20, 1928.*

I HAVE the honour to acknowledge the receipt of your Excellency's note of to-day's date, drawing attention to the possibility under the treaty signed between us to-day, of discrimination against Chinese nationals in His Majesty's Dominions, India, non-self-governing Colonies and Protectorates.

I have the honour to inform your Excellency that I have taken due note of its contents, which I will bring before my Government.

I avail, &c.

MILES W. LAMPSON.

C.

Exchange of Notes regarding the Import and Export of Goods by Land between India and China.

Nanking, December 20, 1928.

(1.)

Sir M. Lampson to Dr. Wang.

Sir, *Nanking, December 20, 1928.*

WITH reference to the declaration contained in your Excellency's note of to-day's date regarding the uniform application of the new national tariff rates on all land and sea frontiers of China, I have the honour to invite your attention to the notes exchanged on the 9th and 16th January, 1922, respectively, at the Washington Conference, between Mr. Sastri on behalf of the Government of India and Dr. Sze of the Chinese delegation. Copies of these notes are enclosed herewith for convenience of reference.

I shall be glad to receive from your Excellency, in the name of the National Government of the Republic of China, confirmation of the understanding embodied in that exchange of notes.

I avail, &c.

MILES W. LAMPSON.

Enclosure 1 in (1).

Mr. Sastri to Dr. Sze.

Your Excellency, *Washington, January 9, 1922.*

I HAVE the honour to address you on the subject of the reductions now applicable to the customs duties collected on goods imported into and exported from China by land.

2. The arrangement between India and China regarding the import and export of goods by land is contained in articles 8 and 9 of the convention of the 1st March, 1894, between Great Britain and China. The substance of these articles is as follows :—

Article 8. The British Government agreed—

- (1.) Chinese produce and manufactures, with the exception of salt, to enter Burma by land free of duty.
- (2.) British manufactures and Burmese produce, with the exception of rice, to be exported to China by land free of duty.
- (3.) The import duty on salt and the export duty on rice not to be higher than the duties on import or export by sea.

Article 9. The Chinese Government agreed—

- (1.) The duty on goods imported by land by certain specified routes from Burma to China to be less by three-tenths than the duties specified in the General Tariff of Maritime Customs.

- (2.) The duty on goods exported from China by those routes to be less by four-tenths than the duties specified in the General Tariff of Maritime Customs.

Under article 19 these arrangements were subject to revision after six years at the demand of either party, or sooner should both Governments desire it. They are, however, still in force.

3. As you are aware, paragraph 6 of the proposed agreement on the Chinese Maritime Customs Tariff makes the following provision :—

“That the principle of uniformity in the rates of customs duties levied on all the frontiers, land and maritime, of China be recognised, and that it be referred to the special conference mentioned in paragraph 1 to make arrangements to give practical effect to this principle, with power to authorise any adjustments which may appear equitable in cases in which the customs privilege to be abolished was granted in return for some local economic favour.

“In the meantime, any increase in the rates of customs duties or surtax imposed in pursuance of the present agreement shall be levied at a uniform rate *ad valorem* on all frontiers, land and maritime.”

And in paragraph 9 of the aforesaid agreement it is further provided that that agreement shall override all provisions of treaties between China and the Powers, which are inconsistent with its terms.

4. I have the honour to say that while India is prepared to accept the principle that the rates of customs duties levied on all the frontiers, land and maritime, of China should be uniform, it should be clearly understood, with reference to paragraph 2 of this letter, that the arrangements made to give effect to this principle will restore to India the right to impose import duty on Chinese manufactures or produce entering Burma, and export duty on British manufactures and Burmese produce exported to China by land, should she so desire, and that no further action on her part under article 19 of the convention of the 1st March, 1894, will be required. In this connexion I have the honour to point out that at the meeting of the Sub-Committee on Chinese Tariff, held on the 28th December, Sir Robert Borden mentioned that if India renounces the preference at present enjoyed under the terms of the convention referred to in paragraph 2 of this letter, she would recover her freedom as to the treatment of Chinese trade, and it was understood that your delegation had no objection to this.

I have, &c.

V. SRINIVASA SASTRI.

Enclosure 2 in (1).

Dr. Sze to Mr. Sastri:

Your Excellency,

Washington, January 16, 1922.

I HAVE the honour to acknowledge the receipt of your Excellency's note of the 9th instant on the subject of the reductions now applicable to the customs duties collected on goods imported into and exported from China by land.

It will be recalled that at the meeting of the Sub-Committee on Chinese Revenue, held on the 4th instant, my colleague, Mr. V. K. Wellington Koo, speaking of the expression "in return for some local economic favour" in paragraph 6 of the proposed agreement on the Chinese Maritime Customs Tariff, observed, and it was understood that the observation was tacitly accepted as correct by the other members of the sub-committee, that the said expression could refer only to that which was clearly *quid pro quo* for the tariff reduction in question. As the provisions of articles 8 and 9 of the convention of the 1st March, 1894, between China and Great Britain appear clearly to be reciprocal considerations one for the other, I have the honour to state, in reply, that it is understood that the arrangements made to give effect to the principle of uniformity in the rates of customs duties levied on all frontiers, land and maritime, of China, would restore the right to India, should she so desire, to impose duty on Chinese manufactures or produce entering Burma, and export duty on British manufactures and Burmese produce exported to China by land; and that no further action would be required on India's part to revise the said convention of the 1st March, 1894.

I have, &c.

SAO-KE ALFRED SZE.

(2.)

Dr. Wang to Sir M. Lampson.

M. le Ministre,

Nanking, December 20, 1928.

I HAVE the honour to acknowledge the receipt of your Excellency's note of to-day's date, drawing attention to and enclosing copies of notes exchanged on the 9th and 16th January, 1922, respectively, at the Washington Conference, between Dr. Sze and Mr. Sastri.

I hereby confirm in the name of the National Government of the Republic of China the understanding embodied in that exchange of notes.

I avail, &c.

CHENGTING T. WANG.