

ECONOMIC AND TRADE NOTES

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Sugar Mill for China

The local press carries the following news item:

"A large scale sugar mill, with a capital of G. \$5,000,000, as recently planned by the Ministry of Industries, will be established in Shanghai in the near future as soon as the necessary arrangements are completed, it is learned in local industrial circles.

"The new concern will be started on the basis of a joint stock company between the Ministry of Industries and certain Cuban interests. The name of the company will be the China Sugar Manufacturing Company. The aim of the projected company will be to supply the large demand for sugar in China. The Ministry of Industries also intends to effect amalgamation of the various inland sugar interests.

"Some of the salient points in the Sino-Cuban agreement are:

1. The name of the sugar mill will be the China National Sugar Manufacturing Company.
2. The loan to be contracted amounts to G.\$5,000,000.
3. The site of the mill will be in Shanghai.
4. The mill will be under Chinese jurisdiction. The supervisors and directors will comprise six Chinese and three Cuban members.
5. Cuban interests will have priority in the supply of necessary machineries for the mill, as well as the disposal of the product."

The Kuo Min News Agency, Nanking, under date of July 8 published the following statement regarding the above news item:

"Dr. H. H. Kung, Minister of Industry, when questioned about the reported establishment of a large-scale sugar refinery in Shanghai by Chinese and Cuban interests, stated yesterday that the Ministry and the Cuban sugar interests have

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signed a draft agreement for the realization of the project.

"The proposed company, according to Minister Kung, will be capitalized at G\$5,000,000 with its head office at Shanghai. The Cuban interests, he said, represent Cuban sugar producers and are in no way connected with the Cuban Government.

"Dwelling on the importance of establishing such a factory in China, Dr. Kung pointed out that sugar occupies second place in the list of commodities imported by China (cotton yarn being first) and that the average consumption of sugar per capita in the country is at present only from 30 cents to 45 cents."

The negotiations for the establishment of this sugar mill under Sino-Cuban auspices have been in progress for some months past. It is quite likely that the plans as outlined will be consummated.

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