

**MEMORANDUM OF
UNDERSTANDING BETWEEN THE
GOVERNMENT OF THE PEOPLE'S
REPUBLIC OF CHINA AND THE
GOVERNMENT OF THE UNION OF
MYANMAR
ON BORDER TRADE**

The Government of the People's Republic of China and the Government of the Union of Myanmar (hereinafter referred to as "the two parties"), being desirous of promoting economic and trade relations between the two countries, and through friendly consultations, have agreed to develop border trade between the two countries on the basis of equality and mutual benefit and have reached the following understanding:

1. The border trade referred to in this Memorandum includes overland trade, and the exchange of commodities by the residents along the border be-

tween Yunan Province of China and the areas in Myanmar.

2. The trade and exchange of mutually agreed commodities in the border areas of the two countries shall be carried out in accordance with the laws, regulations and rules in force in the two countries.

3. The border trade activities between the two countries shall take place at the border trade markets mutually agreed upon by the two parties.

4. With a view to facilitating the visits of persons engaged in border trade and the exchange of commodities and means of transportation, the relevant departments and local authorities of the two parties would designate the border pass for the entrance and exit of the said persons, commodities and means of transportation from the two parties. Upon entrance into either party's territory, the persons, commodities and means of transportation must be accompanied by valid papers for entrance and exit and shall be subject to the supervision and control of the authorities concerned of either country.

5. Payment for border trade may be made in freely convertible currencies acceptable to both parties or in barter mode. The specific mode of payment for

border trade will be decided by the buyers and sellers. If it is necessary, a banking arrangement on border trade will be negotiated and signed between the banks designated by the two parties.

6. With a view to ensuring the implementation of this Memorandum, the relevant departments and local authorities of the two parties shall hold consultations at nonperiodic intervals to coordinate and resolve issues, if any, arising from border trade activities. The consultations shall take place alternately in China and Myanmar.

7. Any dispute arising out of the implementation of this Memorandum of Understanding shall be settled amicably through negotiation between the two parties.


This Memorandum shall come into force on signature and shall remain in force for a period of two years. It shall be automatically extended for subsequent periods of one year each unless a written notice is given by either party for its termination at least three months before the date of expiry.

Done in Yangon on the 13th day of August, 1994 in two originals, in the Chinese, Myanmar and English languages. The three texts shall be equally au-

thentic, but in case of any divergence of interpretation, the English text shall prevail.

李国华

For the Government of
the People's Republic of China



For the Government of
the Union of Myanmar