

No. 30590

**REPUBLIC OF KOREA
and
MYANMAR**

**Exchange of notes constituting an agreement concerning the
Economic Development Cooperation Fund loan to the
Union of Myanmar. Yangon, 15 February 1993**

Authentic text: English.

Registered by the Republic of Korea on 3 December 1993.

**RÉPUBLIQUE DE CORÉE
et
MYANMAR**

**Échange de notes constituant un accord relatif au prêt du
Fonds de coopération au développement économique à
l'Union du Myanmar. Yangon, 15 février 1993**

Texte authentique : anglais.

Enregistré par la République de Corée le 3 décembre 1993.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE REPUBLIC OF KOREA AND THE GOVERNMENT OF THE UNION OF MYANMAR CONCERNING THE ECONOMIC DEVELOPMENT COOPERATION FUND LOAN TO THE UNION OF MYANMAR

I

EMBASSY OF THE REPUBLIC OF KOREA
YANGON

Yangon, 15 February 1993

Excellency,

I have the honour to confirm the following understanding recently reached between the Government of the Republic of Korea and the Government of the Union of Myanmar concerning a Korean loan to be extended to Myanmar Posts and Telecommunications with a view to supporting the economic development efforts of the Union of Myanmar and promoting the economic cooperation between the two countries.

1. The Government of the Republic of Korea shall enable the Myanmar Posts and Telecommunications to obtain a loan in Korean Won up to the amount of FIVE BILLION SEVEN HUNDRED AND TWENTY SIX MILLION Won (W 5,726,000,000.-) (hereinafter referred to as "the Loan") from the "Economic Development Cooperation Fund" for the implementation of Telecommunication Network Expansion Project (hereinafter referred to as "the Project").
2. (1) The utilization of the loan as well as the terms and conditions on which it is made available shall be governed by the provisions of a loan agreement (hereinafter referred to as the "Loan Agreement") which will be concluded between the Export-Import Bank of Korea (hereinafter referred to as "the Bank") and the Myanmar Posts and Telecommunications in

¹ Came into force on 15 February 1993 by the exchange of the said notes.

accordance with the relevant laws and regulations of the Republic of Korea.

- (2) The Loan Agreement will contain, inter alia, the following principles :
 - (a) The repayment period will be twenty-five (25) years including the grace period of seven (7) years.
 - (b) The rate of interest will be two and a half (2.5) percent per annum.
 - (c) The Government of the Union of Myanmar shall guarantee the due and punctual payment of the principal of the Loan and accrued interest thereon as well as all other amounts due and payable by the Myanmar Posts and Telecommunications under the Loan Agreement.
- (3) The Loan Agreement will be concluded after the Bank is satisfied with its administrative requirements and the implementation program of the Myanmar Posts and Telecommunications for the Project.
3. (1) The Loan will be extended to cover payments to be made by the Myanmar Posts and Telecommunications to suppliers, contractors and/or consultants of eligible source countries under such contracts as may be entered into between them for procurements of goods and/or services required for the implementation of the Project.
 - (2) The scope of the eligible source countries mentioned in sub-paragraph (1) above will be agreed upon between the authorities concerned of the two Governments.
4. The Government of the Union of Myanmar shall ensure that goods and/or services mentioned in sub-paragraph (1) of paragraph 3 above are procured in accordance with the procurement procedures stipulated in the Loan Agreement.

5. With regard to the shipping and marine insurance of goods procured under the Loan, the Government of the Union of Myanmar shall refrain from imposing any restrictions that may hinder fair and free competition between the shipping and marine insurance companies of two countries.
6. The Government of the Union of Myanmar shall endeavour to take necessary measures to facilitate activities related to the Project by the nationals of the Republic of Korea and assist them in obtaining such services and conveniences as may be required to carry out their mission in the Union of Myanmar.
7. Any fiscal levy or tax imposed in the Union of Myanmar on and/or in connection with the Loan and interest accruing therefrom shall be borne by the Myanma Posts and Telecommunications.
8. The Government of the Union of Myanmar shall take necessary measures to ensure that the facilities installed with the Loan be maintained and used for the best of the purposes prescribed in this understanding.
9. The two Governments shall consult each other at the request of either side about any matters concerning the implementation of the Loan Agreement and take necessary measures to ensure most proper and effective utilization of the Loan.

If the above provisions are acceptable to the Government of the Union of Myanmar, this Note and Your Excellency's Note in reply to that effect shall be regarded as constituting an agreement between the two Governments in this matter.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

A handwritten signature in black ink, appearing to read 'Kim', followed by a horizontal line extending to the right. A small superscript '1' is located to the right of the signature.

Ambassador Extraordinary and Plenipotentiary
of the Republic of Korea

His Excellency U Ohn Gyaw
Minister of Foreign Affairs
The Union of Myanmar

¹ Jung Hwan Kim.

II

GOVERNMENT OF THE UNION OF MYANMAR
MINISTRY OF FOREIGN AFFAIRS
YANGON

Date: Yangon, 15 February, 1993

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's Note of today's date, which reads as follows:

[See note I]

In reply, I have the honour to state that the foregoing proposal is acceptable to the government of the Union of Myanmar and that the present Note and Your Excellency's Note shall be regarded as constituting an agreement between the Government of the Union of Myanmar and the Government of the Republic of Korea.

Accept, Excellency, the renewed assurances of my highest consideration.

OHN GYAW
Minister for Foreign Affairs

H. E. Mr. Jung Hwan Kim
Ambassador Extraordinary and Plenipotentiary
of the Republic of Korea
Yangon
