



Treaty Series No. 1 (1938)

## Convention

between His Majesty in respect of the United Kingdom  
and the Emperor of Japan

regarding

# Trade and Commerce between Burma and Japan

[With Protocol of Signature]

London, June 7, 1937

[Ratifications exchanged in London on December 3, 1937]

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

LONDON

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CONVENTION BETWEEN HIS MAJESTY IN RESPECT OF THE  
UNITED KINGDOM AND THE EMPEROR OF JAPAN  
REGARDING TRADE AND COMMERCE BETWEEN BURMA  
AND JAPAN, WITH PROTOCOL OF SIGNATURE.

London, June 7, 1937.

[Ratifications exchanged in London on December 3, 1937.]

His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India, and His Majesty the Emperor of Japan, desiring to facilitate trade and commerce between Japan and Burma, have decided to conclude a Convention for this purpose and have accordingly 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 :

The Rt. Hon. Anthony Eden, M.C., M.P., His Majesty's Principal Secretary of State for Foreign Affairs;

His Majesty the Emperor of Japan :

His Excellency Mr. Shigeru Yoshida, His Imperial Majesty's Ambassador Extraordinary and Plenipotentiary at the Court of St. James;

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

ARTICLE 1.

The territories to which the present Convention applies are, on the part of His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India, Burma; and on the part of His Majesty the Emperor of Japan, all the territories and possessions belonging to or administered by His Majesty the Emperor of Japan (such territories being hereinafter referred to as Japan).

ARTICLE 2.

Articles produced or manufactured in the territories of one of the High Contracting Parties, on importation into the territories of the other, from whatever place arriving, shall not be subjected to duties or charges other or higher than those imposed on like articles produced or manufactured in any other foreign country.

## ARTICLE 3.

Notwithstanding anything contained in the present Convention, the Government of Burma shall have the right of imposing or modifying from time to time special customs duties on the importation into Burma of articles produced or manufactured in Japan, other or higher than those imposed on like articles produced or manufactured in any other foreign country, at such rates as the Government of Burma may consider to be necessary to correct the effects of any variation of the exchange value of the yen relative to the rupee subsequent to the 31st day of December, 1933; provided that no modification in any such rate shall be made until it has been in force for at least five weeks.

In imposing or modifying or on being requested by the Government of Japan to modify such special customs duties, the Government of Burma shall give full consideration to all relevant factors which tend to raise the export prices of articles produced or manufactured in Japan, and shall limit the rates of such duties to what is necessary to correct the effects of any variation of the exchange value of the yen relative to the rupee on the duty-paid value of articles produced or manufactured in Japan and imported into Burma.

Reciprocally, the Government of Japan shall have the right of imposing or modifying from time to time special customs duties on the importation into Japan of articles produced or manufactured in Burma, other or higher than those imposed on like articles produced or manufactured in any other foreign country, at such rates as the Government of Japan may consider to be necessary to correct the effects of any variation of the exchange value of the rupee relative to the yen; provided that such right shall not accrue to the Government of Japan so long as the exchange value of the rupee relative to the yen is not below the value of 0.732 yen, and that no modification of any such rate shall be made until it has been in force for at least five weeks.

In imposing or modifying, or on being requested on behalf of the Government of Burma to modify such special customs duties, the Government of Japan shall give full consideration to all relevant factors which tend to raise the export prices of articles produced or manufactured in Burma, and shall limit the rates of such duties to what is necessary to correct the effects of any variation of the exchange value of the rupee below 0.732 yen on the duty-paid value of articles produced or manufactured in Burma and imported into Japan.

## ARTICLE 4.

While reserving to the Government of Japan and on behalf of the Government of Burma the right to make such changes in their customs tariffs as may be necessary for the protection of their own interests, the High Contracting Parties agree that when any modification of customs tariff by either Japan or Burma results in the trade interests of the other being adversely affected in any appreciable

measure, the High Contracting Parties shall forthwith enter into negotiations with the object of reconciling as far as possible the interests of Japan and Burma.

ARTICLE 5.

The present Convention shall be ratified. The instruments of ratification shall be exchanged in London as soon as possible. The date on which the instrument of ratification of each of the High Contracting Parties has been completed will be communicated to the other through diplomatic channels, and the present Convention shall enter into force, in advance of the exchange of the instruments of ratification, as from the date on which the later of the two communications required under the present Article shall have been made.<sup>(1)</sup>

The present Convention shall replace, as regards trade and commerce between Japan and Burma, the Convention regarding Commercial Relations between Japan and India signed in London on the 12th day of July, 1934.<sup>(2)</sup>

ARTICLE 6.

The present Convention shall remain in force until the 31st day of March, 1940.

In case neither of the High Contracting Parties shall have given notice to the other six months before the said date of his intention to terminate the Convention, it shall continue in force until the expiration of six months from the date on which either of the High Contracting Parties shall have given notice of termination to the other.

In witness whereof the above-named Plenipotentiaries have signed the present Convention and have affixed thereto their seals.

Done in London, in duplicate, this seventh day of June, 1937, corresponding to the seventh day of the sixth month of the twelfth year of Showa.

(L.S.) ANTHONY EDEN.

(L.S.) SHIGERU YOSHIDA.

<sup>(1)</sup> The Convention entered into force on October 12, 1937.

<sup>(2)</sup> "Treaty Series No. 31 (1934)," Cmd. 4735.

PROTOCOL.

At the moment of proceeding this day to the signature of the Convention regarding the Commercial Relations between Japan and Burma, the undersigned Plenipotentiaries, being duly authorised to that effect, have agreed as follows regarding the importation of Japanese cotton piece-goods into Burma:—

ARTICLE 1.

For the purposes of the present Protocol—

- the expression “raw cotton” means cotton grown and produced in Burma;
- the expression “cotton year” means a year beginning on the 1st day of October;
- the expression “cotton piece-goods year” means a year beginning on the 1st day of April;
- a cotton piece-goods year and the cotton year in which that cotton piece-goods year begins are referred to as “corresponding”; and
- the expression “yard” means a linear yard.

ARTICLE 2.

The customs duties to be imposed on importation into Burma of cotton piece-goods manufactured in Japan shall not exceed the following rates:—

- (a) plain greys—50 per centum *ad valorem* or  $5\frac{1}{4}$  annas per pound, whichever is higher;
- (b) others—50 per centum *ad valorem*.

If hereafter the Government of Burma should decide to impose a specific duty on cotton piece-goods other than plain greys, it will not impose on such piece-goods, being the manufacture of Japan, a specific duty exceeding  $5\frac{1}{4}$  annas per pound.

ARTICLE 3.

(1) If in any cotton year a quantity of raw cotton which is not less than 65 per centum of the total quantity of raw cotton available for export from Burma in that year or 70,000 bales, whichever quantity is less, is exported from Burma to Japan, the quantity of cotton piece-goods which may be exported from Japan to Burma in the corresponding year shall be a basic allotment of 42 million yards.

(2) The quantity of raw cotton estimated in the official forecast of the cotton crop in Burma published in the *Burma Gazette* in December to be available for export shall be accepted provisionally for the purposes of paragraph (1) to be the total quantity of raw cotton available for export in that cotton year; and the sum of the total quantity of raw cotton exported from Burma up to the 31st day of May in the same cotton year and of the quantity of raw cotton remaining available in Burma for export on that date, added together, shall be accepted finally for the purposes of paragraph (1) to be the total quantity of raw cotton available for export in that cotton year.

(3) If the exports of raw cotton from Burma to Japan in any one cotton year exceed 65 per centum of the total quantity of raw cotton available for export from Burma in that year, the excess shall be added to the quantity of raw cotton exported from Burma to Japan in the immediately following cotton year for the purpose of determining the allotment of cotton piece-goods for the cotton piece-goods year corresponding to such following cotton year;

Provided that the quantity to be added to the quantity exported in the following cotton year shall not exceed 65 per centum of the quantity by which the quantity accepted provisionally under paragraph (2) to be the total quantity available for export exceeds the quantity accepted finally under paragraph (2) to be the total quantity available for export.

(4) If the exports of raw cotton from Burma to Japan in any cotton year are less than 65 per centum of the total quantity of raw cotton available for export from Burma in that year or 70,000 bales, whichever quantity is less, the allotment of cotton piece-goods for the corresponding cotton piece-goods year shall be the basic allotment diminished by 300,000 yards for every 1,000 bales of the deficit or for any residual quantity thereof exceeding 500 bales; provided that no such reduction of the basic allotment shall be made if the average of the market prices at Rangoon of Myingyan cotton of the standard known as "M.R.F." throughout the said cotton year exceeds the average of the market prices at Bombay of Oomra fine cotton throughout the said cotton year, or if, although the exports of raw cotton from Burma to Japan have been less than 65 per centum of the total quantity of raw cotton available for export in the said cotton year or 70,000 bales, whichever quantity is less, no further supplies of raw cotton are available for export during the said cotton year.

(5) For the purpose of the calculations under the present Article any raw cotton which has been imported into Japan and then exported shall be excluded.

#### ARTICLE 4.

(1) Except as hereinafter provided the allotment of cotton piece-goods which may be exported from Japan to Burma during the first half of any cotton piece-goods year shall be 21 million yards, and the allotment of cotton piece-goods which may be exported from Japan

to Burma during the second half of any cotton piece-goods year shall be 21 million yards diminished by any reduction made under paragraph (4) of Article 3;

Provided that if the quantity exported from Japan to Burma in the first half of any cotton piece-goods year is less than 21 million yards as increased or diminished under Article 5, the allotment for the second half of that cotton piece-goods year shall include the quantity of the deficit up to a quantity not exceeding 2,625,000 yards;

And provided that if the quantity exported from Japan to Burma in the first half of any cotton piece-goods year exceeds 21 million yards as increased or diminished under Article 5, the allotment for the second half of that cotton piece-goods year shall be diminished by the amount of such excess.

(2) For the purposes of the calculations under the present Article, and under Articles 5, 7 and 8, any cotton piece-goods which have been imported into Burma and then exported elsewhere than to India shall be excluded.

#### ARTICLE 5.

Notwithstanding anything hereinbefore contained—

- (a) if less than the allotment for any cotton piece-goods year is exported from Japan to Burma in that year the quantity of the deficit up to a quantity not exceeding 2,625,000 yards may be exported in the first half of the following cotton piece-goods year in addition to the allotment for that half-year; and
- (b) a quantity not exceeding 2,625,000 yards of cotton piece-goods may be exported from Japan to Burma in any cotton piece-goods year, other than the cotton piece-goods year in which the present Protocol terminates, in addition to the allotment for that year; but such excess shall be deducted from the allotment for the first half of the following cotton piece-goods year.

#### ARTICLE 6.

For the purposes of the present Protocol the first cotton year shall be deemed to commence on the 1st day of October, 1936, and the first cotton piece-goods year on the 1st day of April, 1937.

#### ARTICLE 7.

(1) For the purposes of the present Protocol cotton piece-goods shall be divided into the four categories of—

- (a) greys,
- (b) bleached (white) goods,
- (c) coloured printed goods, and
- (d) coloured (dyed or woven) goods;

and the allotment for any cotton piece-goods year shall be divided into sub-allotments among these four categories, consisting of portions of the allotment as follows :

	<i>Per centum.</i>
Greys ... ..	15
Bleached (white) goods ... ..	10
Coloured printed goods ... ..	45
Coloured (dyed or woven) goods ... ..	30

and, save as provided in paragraph (2), the export of cotton piece-goods in each category in any cotton piece-goods year shall be restricted to the said portions.

(2) Transfers may be made from one sub-allotment to another, subject to the following conditions :

- (a) The allotment for any cotton piece-goods year shall not thereby be increased;
- (b) The amount transferred from the sub-allotment for greys, or from the sub-allotment for bleached (white) goods or from the sub-allotment for coloured (dyed or woven) goods shall not exceed 20 per centum of the amount of such sub-allotment, and the amount transferred from the sub-allotment for coloured printed goods shall not exceed 5 per centum of the amount of such sub-allotment; and
- (c) The sub-allotment for greys or the sub-allotment for bleached (white) goods or the sub-allotment for coloured (dyed or woven) goods shall not be increased by more than 20 per centum of the amount of such sub-allotment, and the sub-allotment for coloured printed goods shall not be increased by more than 5 per centum of the amount of such sub-allotment.

(3) The principles of the present Article shall apply also to quantities of cotton piece-goods exported from Japan to Burma under Article 5 in excess of the yearly allotments, as if such quantities were yearly allotments.

#### ARTICLE 8.

Not more than 1,050,000 yards of cotton fents, *i.e.*, *bona fide* remnants not exceeding four yards in length, shall be exported from Japan to Burma in any cotton piece-goods year, provided that more than this allotment of cotton fents may be exported from Japan to Burma in any cotton piece-goods year, other than the cotton piece-goods year in which the present Protocol terminates, on condition that the quantity of the excess shall be deducted from the allotment of 1,050,000 yards for the following cotton piece-goods year; and provided further that if less than this allotment of cotton fents is exported from Japan to Burma in any cotton piece-goods year the



quantity of the deficit shall be added to the allotment of 1,050,000 yards for the following cotton piece-goods year.

The customs duties to be imposed on importation into Burma from Japan of cotton fents shall not exceed 35 per centum *ad valorem*.

ARTICLE 9.

Nothing in the present Protocol shall be deemed to affect the rights and obligations arising under the Convention referred to in the preamble hereto.

ARTICLE 10.

The present Protocol shall come into force simultaneously with the said Convention,<sup>(3)</sup> and shall remain in force until the 31st day of March, 1940.

Done in London, in duplicate, this seventh day of June, 1937, corresponding to the seventh day of the sixth month of the twelfth year of Showa.

ANTHONY EDEN.

SHIGERU YOSHIDA.

(<sup>3</sup>) The Convention entered into force on October 12, 1937.