

Taiwan, and a declaration of APEC principles to provide a basis for the regional forum.

- Media sources estimate overall Korean trade deficit in 1991 will range from US\$ 6-9 billion. Debate continues over whether the rising deficit is a problem, and what instruments are available to constrain import demand and/or stimulate exports further.

- L'Association coréenne de commerce international (Korean Foreign Trade Association) a indiqué que les produits coréens ont subi une perte de 15.7% de leur compétition comparativement aux importations depuis 1988.

- The Korean Institute for International Economic Policy has reported that the Korean service industry has fallen behind the US and Japan. Labour productivity in Korea is 21% of US and 33% of Japanese levels, while labour costs are 70% higher than in the US and 26% higher than in Japan.

- Media sources report foreign bankers are skeptical about the Korean government's plan to turn Seoul into an international financial centre because Korea still has tight restrictions on interest rates and capital inflows and outflows.

- Le service des nouvelles YONHAP a émis un rapport en provenance d'économistes officiels, relatant que la Corée du sud éliminera ses restrictions relativement aux importations, sur une période de 5 ans, en réécrivant sa loi de commerce international et en joignant l'accord GATT sur les permis d'importations.

- Press sources at the beginning of the week reported that North Korea suggested that the working-level negotiations, on the North-South Korean Prime Ministers' talks scheduled to be held in Pyongyang between 26-27 August, be held on the northern side of Panmunjom in the DMZ because cholera in South Korea could spread to the North through the South Korean delegation. ROK journalists claim this is a pretext which might lead to a delay in holding talks.

- According to the Minister of Environment,

Kwon E-Hyuk, Korea and the Soviet Union have agreed to pursue a regional environment consultative body for northeast Asia which would include the two Koreas, Japan, China and the Soviet Union.

TAIWAN

- Communications Minister Eugene Chien claims Taiwan should use its US\$ 300 billion public works program to pressure foreign governments into establishing air links with the island and ease visa restrictions on Taiwanese, media sources report. The minister said foreign firms bidding for transport and communications contracts should be required to lobby their governments to make concessions to Taiwan. France recently agreed in principle to establish aviation links with Taiwan.

- On August 18, China Airlines quietly launched its inaugural flight to Vietnam. The flight, which only carried three aviation officials along with the crew, was not announced beforehand because of diplomatic considerations, the airline said. An announcement released after the flight said the Taipei-Ho Chi Minh City route would begin carrying passengers on August 21.

ONGOING AND UPCOMING/ A VENIR

- Foodex, Osaka '91 - Sept.
- Mining Equipment Seminars - Beijing, Nanjing, Changsha, Sept. 1-5.
- Japan Food Service Show - Sept. 1-6
- Tokyo International Gift Show - Sept. 3-5.
- Seoul Instrument '91 - Sept. 13-17.
- Japanese Sporting Goods Buyers Mission to CSGA - Sept. 14-24.
- Beef Mission from Taipei - Sept. 23-27.
- Building Products Mission from HK, Sept. 28-Oct 8.
- Software Mission/Tokyo and Software Show '91/Osaka - Sept. 29-Oct. 9.

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