

strong challenger. The most likely candidates are Pohand Steel chairman Park Tae Joon and Lee Jong-chan, leader of a smaller faction.

- Korean companies, mainly in large scale construction plants, are continuing to work in Libya despite UN sanctions. To cope with the cessation of Korean Air flights to Tripoli, contingency plans for the transport of 5000 Korean employees by land or sea are being worked out.

- The government is boosting "policy loans" to the manufacturing sector by 24% this year to \$9.41 billion. The funds will be used to expand exports, substitute for imported machinery and develop over 800 new technologies. Policy loans carry interest rates substantially below market rates and are usually earmarked for smaller firms.

TAIWAN

- A survey reveals that most Taiwan investors in the mainland were confident of the investment environment there. Of the 165 investors surveyed, only 8% were considering withdrawing, while 30% were planning to increase existing investment.

- Taiwan and Russia have signed a high tech cooperation pact under which Taiwan will hire Russian scientists from the superconductivity, medical lasers, and automobile industries, and will send local personnel to train in Russia.

HONG KONG

- The PRC has called Hong Kong Banks proposed merger with Midland Bank "an internal affair of the banks", but has cautioned it to bear in mind its responsible position in Hong Kong.

- Beijing has admitted that it is gathering information on anti-communist activists in Hong Kong but has denied a report that it had blacklisted hundreds of Hong Kong residents.

- UK-linked firms have been awarded 70% of the new airport consultancy contracts so far.

- Cheung Kong is arranging the territory's first

Canadian dollar floating interest rate certificate loan.

- Several Hong Kong conglomerates have announced increase profits for last year. However, final profits were generated through widely varying performances and were accompanied by mixed signals for the year ahead.

VIETNAM

- Taiwan has become the top foreign investor in Vietnam with a total capitalization of US\$738 million. According to Taiwan's China External Trade Development Council, investment in Vietnam is difficult due to ineffective administration, poor communications, complex land acquisition, and lack of a single agency responsible for foreign investments.

ONGOING AND UPCOMING/
A VENIR

- Food and Hotel Asia (Singapore) - Apr.7-10
- Rendezvous Canada (Taipei) - Apr.12-15
- Canada Food Fair (Nagoya) - Apr.13-14
- Jean McCloskey, President of Investment Canada, visits Tokyo - Apr.20-27
- Joint Economic Commission (Tokyo) - Apr.21-22
- Canada-Taiwan Business Association Sixth Joint Meeting (Taipei) - Apr.26-28
- Defence Services Asia (Kuala Lumpur) - Apr.27-30.

The North Asia Bulletin is produced weekly by the North Asia Relations Division in a single bilingual edition only. Le Bulletin de l'Asie du nord est un hebdomadaire rédigé par la Direction des relations avec l'Asie du nord qui paraît dans une seule édition bilingue. Editor/rédacteur Dan del Villano
613-943-0896; fax 613-996-4309.

