

BULLETIN

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NORTH ASIA - ASIE DU NORD

JAPAN/JAPON

- The presidents of Japan's largest and third largest brokerage firms resigned due to a scandal over ties to organized crime, and payoffs in billions of yen to cover the losses of favoured corporate clients.
  - Plusieurs journaux notent que lorsque M. Kaifu rencontrera M. Bush dans le Maine, le 11 juillet prochain, il lui annoncera que le Japon a décidé de procéder à une libéralisation partielle de son marché du riz.
  - Honda claims that it has met the FTA's local content requirements for duty free imports from Canada to the US. The automaker was responding to a NY Times report that the company cheated on tariffs when it shipped vehicles assembled in Canada into the US.
  - A poll of US and European investors found that many foreign investors would like to put more money into Japanese stocks, but cannot get enough information on Japanese companies.
  - Nihon Keizai reports that Mitsubishi will invest in SGK Fund, a new US company specializing in corporate takeovers.
  - Malgré les déclarations de M. Miyazawa, qui avait demandé des nouvelles démarches de protestation après les déclarations anti-Japonaises de Mme Cresson, le Gaimusho a décidé, selon le Tokyo Shimbun, qu'aucune démarche ne semblait opportune dans l'immédiat.
  - NEC, Otsuka Shokai - a computer distributor, and Matra Datavision of France signed a deal that will let the two Japanese companies market Matra's integrated 3-D CAD/CAM applications for use on NEC 4800 workstations in Japan.
- L'Asahi rapporte que le gouvernement Japonais a décidé de ne pas insister cette année sur l'inclusion d'une allusion directe au contentieux territorial entre le Japon et l'URSS dans les documents officiels qui seront publiés à l'issue du sommet des sept.
  - According to Nihon Keizai, GE and Sumitomo won a US\$487 million contract from the Indonesian national power company for three gas turbines and a steam turbine by offering a combination of Japanese and US Ex-Im bank loans.
  - MITI announced that on July 1 it will start issuing a new "short-term comprehensive" trade insurance, in order to broaden its use and give exporters a choice of coverage. Currently, exporters are required to apply through their trade associations. The new insurance will be available to individual companies.
  - Nihon Keizai reports that Japan has agreed to pay US\$500 million to make up for the shortfall in the Gulf War fund that resulted from last spring's rise in the US dollar. In total, Japan is committed to contributed US\$9 billion.
  - Nippon Telegraph and Telephone announced that it has developed an optical memory chip that NTT claims will lead to the production of ultra-compact communications equipment.

CHINA/CHINE

- Ministry of Foreign Affairs confirmed that PM Li Peng will visit six Middle East countries from July 2. Li's 12-day tour will cover Egypt, Jordan, Iran, Saudi Arabia, Syria and Kuwait.
- The MFA announced that China has supplied missiles (conventional) only to

Pakistan and Saudi Arabia. The MFA denies selling missiles to Syria. Asked whether China will sign the nuclear non-proliferation treaty, the MFA said "China is now seriously studying the treaty."

- People's Daily reported that one of the largest natural gas deposits in the world has been discovered in North China (Shanxi-Gansu-Ningxia region). The 3200 sq km deposit is eight times the size of China's largest existing major onshore gas field.

- The Ministerial Conference of Developing Countries on Environment and Development ended with the passing of the Peking Declaration. According to Song Jian, director of China's state science and technology commission, the meeting dealt with "the coordination of environmental protection and economic development in developing countries...the issue of efficient cooperation between developed and developing countries, and...the transfer of funds between the two."

- During her visit to China, Bangladesh PM Zia signed three agreements on economic and technological cooperation, trade, and a Chinese donation of 200 tractors and other farm machinery to Bangladesh.

## KOREA/CORÉE

- Daewoo Motor Co. announced that it has reached an agreement with GM to expand shipments of Lemans to Canada. Starting in September, Daewoo is expected to annually ship over 12,000 Lemans subcompact cars, up from the current 2,000 units.

- According to the Bank of Korea, the Korean economy will likely grow 8.8% during the second half of this year, bringing the 1991 GNP growth rate to 8.9%. The Bank's projections assume an 8.5% rise in private consumption, a 14.4% expansion of fixed investments, a 12.4% increase in merchandise exports and a 14.7% rise in commodity imports.

- Korea exported US\$1.8 billion worth of steel products during the first five months this year, up 15% from a year earlier, while importing

US\$1.7 billion, up 40.3%. The soaring steel imports are a result of the booming construction and automobile industries.

- The 7th five-year plan for science and technology states that the level of Korea's industrial technology will reach that of G-7 nations by the year 1996, when investment in S&T reaches 3.5% of GNP. The major focus for the next five years will be the engineering and software industries.

- The ruling Democratic Liberal Party clinched a major victory in local council elections. Local media reports say this indicates public support for stability after weeks of violent street protests. The governing party gained 564 of the 866 seats nationwide, winning a comfortable majority of seats in 11 of the 15 newly formed municipal and provincial assemblies.

- According to ROK media reports, the US state department has rejected a North Korean proposal calling for international inspection of alleged US nuclear armaments in South Korea in return for inspection of the North Korean nuclear program.

## VIETNAM

- Nippon Koei, a Tokyo based engineering firm, announced that next month it will set up a joint venture consulting firm in Vietnam. The company operated in South Vietnam before 1975, and is reestablishing itself with the expectation that economic sanctions will soon be lifted.

## ONGOING AND UPCOMING / A VENIR

-Canada '91 - Cultural Activities (including: choral, symphonic, and chamber music; cinema; theatre; ballet; a book promotion; and, a variety of art exhibits), Tokyo & surrounding area, till July 31.  
-Visit of ROK President Roh - Ottawa & Vancouver, July 3-6.

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