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Mahathir-Japan

DR MAHATHIR WELCOMES JAPAN'S PLEDGE TO HELP ASEAN COUNTRIES

KUALA LUMPUR, Oct 6 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad has welcomed Japan's pledge to help current account deficit woes faced by Asean countries.

Speaking to reporters at the Sultan Salahuddin Abdul Aziz Shah Airport in Subang near here on his return today, he said Malaysia alone did not suffer from the currency and stock market crisis but its Asean counterparts such as Indonesia, the Philippines and Thailand, were also severely affected.

Following speculative attacks against Asean currencies starting with the Thai baht, three other currencies -- the ringgit, rupiah and peso -- also depreciated significantly against major currencies, which had made their imports much more expensive.

Japan is expected to provide details of its pledge to help Asean at the forthcoming Asean Economic Ministers' Meeting (AEM) to be held here next week.

Japan has offered measures to raise its imports from Asean countries by insuring the region's trade transactions with Japanese firms.

It was reported that Japan's International Trade and Industry Minister Mitsuo Horiuchi would propose that debt guarantee under his ministry's trade insurance be applied not only to Japanese companies but also to their local partners in joint projects.

Under the proposed scheme, Asean firms and Japanese companies would be entitled to claim the debt guarantees. -- BERNAMA

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