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JAPAN TO SEND MIYAZAWA PLAN MISSION TO MALAYSIA

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KUALA LUMPUR, Nov 17 (Bernama) -- Japan will send a mission to Malaysia later this month to study the country's specific needs before proceeding with the US\$30 billion Miyazawa Plan financial stimulus package, said one of its officials today.

The mission would hear how Malaysia would use the funds, said Sadaaki Numata, a spokesman from Japan's Ministry of Foreign Affairs here.

He said this to Bernama when commenting the bilateral meeting between Japanese Prime Minister Keizo Obuchi and Malaysian premier Datuk Seri Dr Mahathir Mohamad earlier today.

During the meeting, Obuchi also talked about the new US\$10 billion joint aid package designed by the US and Japan aimed at revitalising ailing banks and financially-troubled corporations in the region.

The package will provide a combined US\$5 billion from Japan, the Asian Development Bank and the World Bank as a catalyst for private financing, while US will provide the other US\$5 billion through Export-Import Bank trade financing programmes.

When asked whether the US\$5 billion from the US side was too small, Numata said, "It is still premature to pass such a judgement as what is important is that the US has come forward in support of the idea."

On the other hand, Japan's contribution in the joint package could not be considered small as the country had already disbursed US\$44 billion worth of financial assistance to troubled Asian countries to date, plus another US\$30 billion to be disbursed soon under the Miyazawa Plan.

As for the inclusion of Russia under the Miyazawa Plan, Numata said Japan has already made a commitment to that country by despatching a Japan Export-Import Bank loan amounting to US\$1.5 billion.

"We have already disbursed US\$400 million under the US\$1.5 bil package...and Prime Minister Obuchi has informed Prime Minister (Yevgeny) Primakov (last week) of our intention to disburse US\$800 million out of the remaining US\$1.1 billion," he said.

"So that's the main focus (of Japan) with regards to Russia," said Numata.

Meanwhile, he later said that besides Malaysia, Japan will also send a mission to the Philippines this month to study its need for the Miyazawa Plan and is expecting to despatch another one to Korea in December.

It had already sent its mission to Thailand and Indonesia to assess the countries' situation and needs before the funds could be disbursed, he said.

Last week, another spokesperson from Japan's foreign ministry said the country expected the US\$30 billion worth of funds to be disbursed within two years, but the pace of its disbursement would largely depend on how clear the findings of the mission sent by Japan to the recipient countries.

In addition, the time frame would also be determined by the ease of implementation of such measures in specific countries, Mikie Kiyoi, an official from the ministry said.

"Both sides, not only Japan as the financial provider, but the recipient countries, should also work together to expedite the process," she said. -- BERNAMA

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