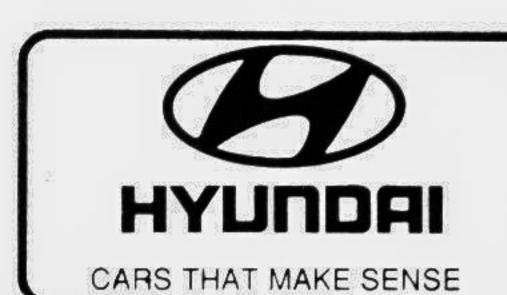
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# The Baily Star DUSINESS

DHAKA SUNDAY, APRIL 12, 1998



#### China-Bangla jt venture in spinning sector

Star Business Report

Regional Spinning Mills Ltd. a joint venture backward linkage project for ready-made garments sector, has been

An agreement to this effect was signed between Hua Peng Enterprise a state-owned Chinese company, and Regional Traders of Bangladesh at a city hotel recently.

Huang Chen, General Manager of Hua Peng Enterprise and Mirza Khorshed Alam, Proprietor of Regional Traders signed the agreement on behalf of their respective sides, Regional Spinning said in a press state-

The project having both ring and rotor facilities is designed to produce carded and combed yarn.

The initial cost of the project is 25 million US dollars equivalent to about Taka 112 crore for spinning unit only. Gradually it will turn into a composite textile mill involving total investment of more than 80 million dollars equivalent to about Taka 400 crore.

The 85 per cent cost of the project will be financed by China side.

The project will help create employment opportunities for about 1200 people, they said.

The agreement signing ceremony was attended by a large number of business leaders. Deputy Minister of Industries, Hashibur Rahman Swapan, was chief guest while the Ambassador of China was the special guest on the occasion.

#### IMF facing liquidity crunch

WASHINGTON, Apr 11: The International Monetary Fund is now facing a liquidity crunch that would limit ability to deal with a future financial crisis, an IMF official warned here yesterday, reports AFP.

"The liquidity position of the IMF is very tight," he said. adding that the institution is "significantly below the normal level we want to preserve, which is a liquidity ratio of 70 per

"Now we must be around 40 per cent — not tenable for long if another significant crisis were to blow up," said the official,

who asked not to be named. As have other IMF spokesmen in the past, he appealed to the US Congress to approve the Clinton administration's request for an extra 18 billion dollars to help shore up fund resources, which have eroded in the face of the Asian crisis.

The IMF has pledged nearly 30 billion dollars to international rescue packages for Thailand, Indonesia and Korea, which total 118 billion dollars. Other participants are the World Bank, the Asian Development Bank and individual

countries. While the Senate has passed the appropriation request, the House of Representatives has yet to debate the issue.

The measure is expected to face rough sledding in the house, where Republican leaders are threatening to link passage to demands for restrictions on the ability of US-funded international family planning groups to provide information on abortion.

#### Bank of Japan sells \$ 10b in biggest intervention

TOKYO, Apr 11: The Bank of Japan's yen-buying intervention Friday totalled slightly more than 10 billion dollars, the largest single-day sum in the Tokyo market's history, a major business daily said, reports AFP.

The amount was about five per cent of the central bank's foreign reserves, the Nihon Keizai Shimbun said Saturday without naming sources.

Japan is the world's largest holder of foreign exchange reserves, which stood at 223.6 billion dollars at the end of

The yen hit 127.40 to the dollar here Friday, as traders said the Bank of Japan went ahead with a massive intervention to

prop up the yen after intervening early Thursday in New York, through the US Federal Reserve. The yen started trading as low as 131.13-18 against the dollar early Friday, with deal-

ers unimpressed by Japan's 31 billion dollars two-year tax cuts announced the day before. They had hoped for permanent cuts.

Minute after Prime Minister Ryutaro Hashimoto announced the tax cuts Thursday, the cornerstone of a 16 trillion yen (123 billion dollars) spending package, the currency tumbled to 133.16 yen here.

The Bank of Japan was estimated to have spent about seven billion dollars propping up the yen in December when Hahimoto announced a one-off two trillion yen tax cut.

#### First eight months of current fiscal year

# Export earnings fall short of target by Tk 100cr

By Govinda Shil

Bangladesh's export earnings fell short of target by about Tk 100 crore during the first eight months of the current fiscal year. The target was fixed

at Tk 15,060 crore. Major foreign exchange ear-ners, like finished leather, raw jute, jute goods and frozen foods could not reach their targets during July-February period, according to the latest statistics of the Export Promotion Bu-

Among the major items, only the ready-made garments fetched extra 967 crore taka from exports. RMG received Tk 8,633 crore against its target of Tk 7,666 crore.

According to Bangladesh Garment Manufacturers and Exporters Association (BGMEA), about 40 per cent or Tk 3,453 crore would be the net receipts out of Tk 8,633 crore. The rest would be paid for fab-

rics and other accessories imported to sew the clothings.

Exporters received Tk 14,960.83 crore against the government-fixed target of Tk 15,060 crore showing a deficit of Tk 99.17 crore during the period, EPB statistics revealed. The statistics further showed that neither the primary nor

the industrial exportables could

reach their targets. In US dollar term, however, Bangladesh's export projection was calculated at 3,346.67 million dollars and the country really received 3,334.26 million dollars worth of foreign exchange during the period. This meant, devaluation of "Taka" (against dollar) in recent times increased the gaps between government projections and real earnings.

Some major exportables like, frozen foods, finished

Shops and other business establishments were almost closed in the city yesterday as Eid holiday spree is still on.

a to come agreement . A division for the control of

Australian bank forecasts

Asia to rebounce

by year 2000

By R Senthilnathan, IANS

VIENNA, Apr 11: A leading

Austrian bank has surprised

everybody with its declaration

that the rough times for Asia

are almost over and the region

would soon bounce back to its

original position as a fast grow-

rector general at the Raiffeisen

Zentral Bank (RZB) group, told

reporters that the Southeast

Asian region is not going

through a crisis but through a

"consolidation" phase, particu-

Once that is completed in

"three to four" years' time, the

region is set to emerge even

stronger and offer stiff competi-

tion to other parts of the world

in terms of investment and

seas operations of RZB, said

this year will be quite a nega-

tive year as the countries strug-

gle with low investment and lo-

cal consumption rates and in-

sufficient funds which would

employment and even negative

economic performance would

be the result for some of the

culties will only strengthen the

financial sector of the region,

and once this strengthening

process is over, good times will

be back, said the official at the

RZB, the country's largest pri-

vate sector bank with a

turnover of 291 billion

schillings (about \$23 billion)

The RZB holdings stretch to

BANGKOK, Apr 11: Thai-

land, one of the patients recov-

ering fastest from Asia's eco-

nomic malaise, is preparing for

a key round of meetings in

Washington buoyed by its lead-

ing role at last week's Asia-Eu-

Nimmanahaminda and central

bank Governor Chairyawat

Wibluswadi will attend a meet-

ing of finance ministers, and

bank chiefs from the newly

formed Group of 22 countries,

which includes the Group of

Seven major industrialised na-

the G-22, established in

November last year in response

to the regional economic crisis

which began when Thailand

unpegged its baht currency from

the US capital on April 16 in

The talks will take place in

the US dollar on July 2, last.

It will be the first meeting of

tions.

Finance Minister Tarrin

rope summit, reports AFP.

However, the present diffi-

Besides, high inflation, un-

hike the interest rates.

Stepic, in charge of the over-

larly in its public sector.

Herbert Stepic, a deputy di-

ing region.

products.

countries.

interests in the agricultural and

the media sector. It also has a

stake in one of the country's

said that this conclusion arose

as a result of an internal anal-

ysis done for the region. The

analysis forecast that by next

year these countries will hit

back with a vengeance and by

the year 2000 they will be back

to their previous, and much

coveted economic form with

institutions, the Raiffeisen

bank has also been seeking to

expand its operations in Asia.

Last December it opened a

branch in Singapore and has

representations in Beijing, Ho

Chi Minh City, Mumbai and in

local currency transactions, the

RZB went into financing, both

Austrian and foreign firms in

their bids to secure local con-

around 240 million dollars -

about one per cent of the bank's

1997 business volume - and

Stepic said even though there

have been delays in repay-

ments, so far there has not been

a single instant where a local

debtor had declared his inabil-

foreign investors who have

opted to remain in the region

will have a better chance since

many of the speculators, on

whom some put the blame for

conjunction with the spring

meetings of the International

Monetary Fund (IMF) and the

have a representative at the

IMF-World Bank meetings,

economists said Tarrin would

take the opportunity to sound

out IMF officials about the

progress of the country's recov-

though Thailand is said to be

Thailand's 17.2 billion dollar

The next quarterly review of

one the road to recovery.

Although Thailand will not

the crises, have already fled.

According to the bank, those

The total volume involved is

tracts or to supply goods.

Instead of going for stocks or

Hong Kong.

ity to repay.

World Bank.

Like most other financial

high to medium growth rates.

A spokesman for the bank

largest Internet providers.

leather, raw jute, jute goods and hosiery products could not fulfil their projected revenue from exports.

Besides, some items, like frozen foods, chemical products, jute goods and raw jute have even fallen below their earnings of the corresponding period of last year, EPB statistics showed.

Until January of 1998, the country surpassed its export trade target by about Tk 367 crore (80 million dollars). During the period, Bangladesh received Tk 13,836.80 crore (3,008.38 million US dollars) against an official estimate of Tk 13,470.31 crore (2,928.33 million US dollars).

Finished leather received Tk 537.51 crore against an EPB target of Tk 628.68 crore, jute goods Tk 179.62 crore against Tk 204.67 crore, raw jute Tk 332 crore against Tk 383.31 crore and hosiery products fetched Tk 2,584.69 crore against Tk 3,014

Frozen foods worth of Tk 970.41 crore was exported against a target of Tk 981.31 crore.

During the same period of the previous fiscal year, frozen foods worth Tk 1,035 crore were exported. At that time, jute goods received Tk 968 crore, raw jute Tk 319.41 crore and chemical products Tk 319.32

Chemical products worth of Tk 241 crore were exported during the July-February period of the current fiscal year.

Tea got additional Tk 51 crore by exporting 21.75 million kg of tea dust. It received Tk 174.11 crore against a target of Tk 122.68 crore during the

#### Economic summit in Islamabad

Star Business Report

The World Economic Forum will convene a three-day Central and South Asia Economic Summit in Islamabad from September 13 of this year.

It will, for the first time, bring together the regions of Central and South Asian regions reviving the 'Silk Road' for the 21st century, says a press release of the World Economic Forum issued from Geneva.

The meeting aims to en-hance inter- and intra-regional cooperation and to promote the development of both regions.

Some 400 chief executives of leading international and regional corporations, heads of state and government and ministers and senior officials from both regions will take part in the gathering.

International organisations active in the regions, members of the regional and international academic and scientific community and leading commentators and editorialists from the regions and abroad will also be among the partici-

"With this new summit, the World Economic Forum will bring together for the first time two regions with great economic potential and synergy in terms of complementary resources and expertise," says Professor Klaus Schwab, Founder and President of the Foundation.

#### Iraq has \$1.5b frozen assets in Arab states

BAGHDAD, April: Iraq has a total of 1.5 billion dollars worth of assets frozen in Arab countries under UN economic sanctions, a finance ministry official said. reports

The official, quoted by the state news agency INA, said the assets include Iraqi deposits in the central banks of Saudi Arabia, Kuwait, Bahrain, the United Arab Emirates and Egypt, oil revenues and unpaid

The sanctions have been in force since Iraq's 1990 invasion of Kuwait, and Baghdad has repeatedly asked in vain for Arab States to unfreeze its assets.

### — Star photo Mass layoffs in South Korea predicted

cember.

end: IMF KUALA LUMPUR, Apr 11: A top IMF official said Monday that the Asian financial crisis was drawing to a close and Malaysia was well poised for recovery, reports AP.

"Malaysia is improving significantly and the worst of the financial crisis is over for most countries (in the region)," Stanley Fischer, Deputy Managing Director of the International Monetary Fund, told reporters after meeting with Malaysia's finance minister and central bank governor.

Asian crisis

coming to an

Fischer also said that Malaysia's latest 1998 economic growth forecast was in line with IMF estimates.

Malaysian authorities lowered the 1998 economic growth estimates last month from two to three per cent from four to five per cent.

He also commended Malaysia's latest efforts to consolidate its financial sector.

"They are a good set of measures," Fischer said, referring to Malaysia's programme to merge the country's 39 finance companies into eight.

Commenting on the latest developments in the IMF's talks with Indonesia, Fischer said: "What the world needs is to see performance, not signatures."

Indonesia announced Saturday that it was closing seven insolvent banks as part of a series of structural changes to end its worst economic crisis in 30

Fischer said it was a "very important step to clearing up the banking sector." He added that "some banks

were politically well-connected but no favours were shown. which he said was encouraging. Several of Indonesia's banks have links to members of President Suharto's family and close friends.

Financial crisis in Asia

NEW YORK, Apr 11: For the next two years. South Korea's economy will undergo a

"painful period of readjustment" that will include mass layoffs and possible labour unrest, a South Korean senior official said Friday, reports AP. "Under present circumstances, it is unfortunately true that greater labour market flex-

ibility must inevitably result in mass layoffs, currently running at about 10,000 a day," Seung-Soo Han, a former prime minister, told the annual Asian Business Conference. "High interest rates will further strain highly leveraged

firms, and the rate of corporate bankruptcies is expected to top its already record level. Unemployment will also rise sharply as will the inflation rate. There is certainly a potential for social instability, especially labour unrest," Seung, also a former finance minister, said in prepared remarks.

He said "excessive bureaucracy and exaggerated nationalism" continue to hinder Korea's progress toward globalisation. Signaling the start of mass layoffs, South Korea's largest car maker announced plans Thursday to cut its 30,000-

member work force by 20 per The labour union at Hyundai Motors Co called a large protest rally and the Confederation of Trade Unions, a militant umbrella labour group, threatened nationwide strikes against spreading mass layoffs.

Hyundai is the first major conglomerate to announce layoffs since South Korea adopted a new labour law in February. giving the country's debt-ridden businesses the freedom to trim their work forces to become more efficient.

Other major conglomerates were expected to follow suit. The number of jobless people almost doubled from the end of last year to 1.5 million in

March South Koreans have begun tightening their belts amid a slump that led the nation to arrange a record 58 billion dollars bailout by the International Monetary Fund in De-

Seung said, however, that strong economic fundamentals - before the crisis the country was the world's 11th largest economy - combined with the recent measures will enable the Korean economy to surmount the current difficulties and "resume its upward growth trajectory within two years."

In a sign of better times to come, South Korea's usable foreign currency reserves have surpassed 25 billion dollars and will reach 50 billion to 60 billion dollars by the end of this year, presidential spokesman Park Jie-won said Friday Park told a news conference

in Seoul that as South Korea continues to abide by reforms demanded by the IMF, capital inflow should steadily increase. And what will the future bring to the former "tiger"

economies? "What seems most likely is that the East Asian economies will increasingly assimilate into the free-market paradigm of capitalist growth. This would have happened even without the

IMF intervention, albeit more gradually," Seung said. The one-day conference was co-sponsored by the New York University's Stern School of Business, the Asian Business

Society and various corporate firms. been salvaged by agencies such as Moody's Investors Service

and Standard and Poor's this

Reports from Tokyo this week suggested the IMF-World Bank meetings would take time to examine the effects of such ratings downgrades on the global economy.

The G-7 national, the IMF and the Basel based Bank for International Settlements are expected to issue a statement criticising ratings agencies at the meeting in Washington next week, the Sankei Shimbun said Wednesday.

Finance ministry sources here said the talks would centre on three main topics transparency and disclosure, strengthening financial systems and burden - sharing between the private and public

#### The defaulting borrowers

Responding to a query from Jainal Abedin Hajari, MP, of the Awami League, Finance Minister S A M S Kibria placed in parliament on March 4 a list of defaulting borrowers as provided by the Credit Information Bureau, Bangladesh Bank. The list contains names of 2117 businesses having an overdue amount of at least one crore taka or above. Considering the

1717. Fircos Ltd. Ellal Chamber, 11, Motijheel C/A, Dhaka 1718. M/s Olympic Tea Co, 17, Nilkhet, Babupura, Dhaka 1719. M/s Saudia Textile Mills, Ruppur, Shahazadpur,

1720. M/s Farmland Heavy Engineering Ltd. Bara Rangamatia, Savar, Dhaka National News Publication Ltd. 1, DIT Avenue, Dhaka M/s Lita Textiles Ltd, 11/1-C, K.M. Das Lane, Dhaka

M/s Technomech Engg. Ltd, 184, North South Road, Siddique Bazar, Dhaka M.H. Fazle Rab, House No 10 (Old), 16 (New), Road 5,

Dhanmondi R/A, Dhaka M/s Zakir and Brother, Mohastan Bazar, PO Mohastan, PS Shibgong. Bogra

M/s Dazzle Knit Wear (Pvt) Ltd, 30/2 RK Das Road,

M/s Mohidur Rahman & Cong. 5/2. Topkhana Road. BMA Bhaban, Ground Floor, Dhaka M/s Solaiman & Brothers, PO & Vill Boktapur, PS Fatikchhari, Chittagong

M/s Enayetnagar Films Ltd, 32/B, Bara Maghbazar, 1729. M/s Zemsons Metal Industries (Pvt) Ltd, College Road,

M/s Purabi Syndicate, 99, Nawabpur Road, Dhaka M/s Expert Apparels Ltd, Baishaki Super Market (3rd Floor), Mirpur, Dhaka M/s Sami Textiles Ltd, PO & Rly. Station-Noyapara, PS-

Madabpur, Habigonj M/s Ahsan Textile Mills Pvt Ltd, Station Road,

M/s Ahmed Humayunul Haque, 2/15, Sir Syed Road, Block-A. Mohammadpur, Dhaka M/s Asiatic Textile Mills Ltd, 24/A, Arambag, Dhaka M/s Abutaher, Vill-Alli Kandapara, Madabdi, Narsingdi M/s Hamid & Brothers, Sathbari Hat, PO-Sathibari, PS-Mithapukur, Rangpur

M/s Auto Bangla Ltd, 406, Masdair, Narayanganj Camair Travels, 1, Kawran Bazar TCB Bhaban, Dhaka M/s Poonam Steel Mills Ltd, 23, North Brook Hall Road,

M/s Rangpur Textile Mills Ltd, R.K. Road, Satgara, 1742. M/s Sheema Enterprise, Bhandari Monzil, Borogola,

1744. M/s Al-Ahamed Textile Ind. Ltd, Munir Manzil, Kalibari Road, Barisal 1745. M/s Modern Optical Inds. Ltd, Syed Mirdha Road, Datta Para, Tongi, Gazipur

M/s Esquire Dyeing Industries Ltd, Kanchpur, Narayanganj 1747. Rahmania Salt Inds. Ltd. Kalarmarchara, Moiscal. Cox's Bazar

Blooming Dales Fashion Ind. Ltd. 51. Satmasjid Road. Nazim Farms Ltd. Khadim Nagar, Sylhet M/s Imam Salt Ind Ltd, Ram Nagar, Rupsha, Khulna

Eden Press, 42/A, Hatkhola Road, Dhaka M/s Faridpur Spinning Mill Ltd, House No 49, Road No 4, Block-C, Banani, Dhaka Equator J.V. Ltd, 319, Ahmed Nagar, Dhaka

M/s Reeta Corporation, 79/80, Dalka Nagar Lane, Gandaria, Dhaka M/s Jewel Garments Inds. Ltd. 108, Airport Road. Awolad Hossain Market, Dhaka

M/s Naz Metal Industries 2112, B&C Tejgaon I/A, Dhaka 1757. M/s Epshita Garkents Ltd, 859, Hoque Market. Bahaddarhat, Chittagong M/s Kawachi Detergent and Chemical Ind Ltd, Demrai, Manikgonj

M/s Meghna Corporation, Sultanpur, Rawjan, Bangladesh Flour Mills Ltd, Vill + P.O. Gazimura, Comilla Harman & Company Ltd, 63/1, Siddeshwari 1st Floor,

Nipun Garments Ltd, 120, Motijheel C/A, Dhaka Top Stitch Ltd, House-26/1, Plot-220, Major Road (2nd Colony). Mirpur, Dhaka

Mahmud Jute Webbing Mills Ltd, B-47, BSCIC Estate, Tongi, Gazipur Oscar Fashion Wear Ltd, 500 A, Dhanmondi, Road No 7. Dhaka

M/s Modern Fabrics Ltd, 3/10 DIT Extn Road, Ground Floor, Dhaka M/s International Steel Re-Rolling Mills, Nayaati, Siddirgonj, Narayanganj

1768. M/s Milaco Textiles Mills, Dharnagang, Fatullah, Narayanganj Anna (Pvt) Ltd, 1C/4, Pallabi, Mirpur, Dhaka Golden Printing & Calandering Mills L. Sena Kalyan

Bhaban, Suit No 1707, Floor-17, 195, Motijheel, Dhaka 1771. M/s G.R. Apparels Ltd, 1396, Dhaka Trunk Road, Dhanialapara, Chittagong Khandaker Abdul Awal, 34, Kamal Ataturk Avenue, Banani, Dhaka

M/s A. Rahman Brothers & Co Dalatpur, Khulna M/s Noor Trading. D.T. Road. Chittagong M/s Deshco Leather Complex (Pvt) Ltd. Gazipur, P.O. Ershad Nagar, Tongi, Gazipur

M/s Mirza Textile Mills Ltd, Shibpur, Tangail Islam & Islam, 45, Dilkusha C/A, Dhaka M/s Galib Plastic Industries Ltd. 22, Kakrail, Dhaka M/s Rising Textile Mills Ltd, 77/1, Uttar Jatrabari,

Kajla, Dhaka 1780. BSEC, BSEC Bhaban, 120, Kazi Nazrul Islam, Dhaka 1781. M/s North Bengal Plastic Ind Ltd. BSCIC Industrial Estate, Kushtia

1782. M/s Prince International, 51, North Brook Hall Road, Dhaka 1783. Md. Motier Rahman, Bhandari, Bhandari Monzil,

Borogola, Bogra 1784. M/s Shahe Ullah Metel Engs. Works, Dhaka Trunk Road, Edigah, Chittagong

BD Overseas Trading & Cons Ltd. 62-63. Motifheel C/A. Amin Court (1st Floor), Dhaka M/s Syncotex (Pvt) Ltd. 314, Sk. Mujib Road, Agrabad,

Chittagong 1787. M/s Moghal Traders, 13/2, Toyenbee Circular Rd, Motijheel C/A, Dhaka Three Star Oils & Feeds Ltd. 124, Korbanigonj,

Chittagong Jhenidah Textile Mills Pvt Ltd, Indra Road, Jhenidah M/s Jewel Fabrics. North Kattaly, Chittagong

M/s Osmania Electric Company, Aziz Electric Market, 125, Nawabpur, Road, Dhaka 1792. Shawdesh Textile Mills, Delpara, Pagla, Narayanganj

1793. M/s Maxwell Re-Rolling Mills Ltd. South Halishar. No.2, Opposite Navygate, Chittagong M/s Deen & Associates. Rajabari, Shripur, Gazipur M/s Al Fatha Board Mill, 3. Ali Nakib Dewery, Dhaka

M/s Hasan Traders, Malotinagar, Sherpur Road, Bogra M/s Valika Woolen Mills Ltd. Nasirabad I/A. Chittagong M/s Doreen Garments Ltd. Doreen Mansion, 2nd Floor,

6-A, Gulshan, Dhaka 1799. M/s Three Diamond Textiles Ltd, 64, Green Road, Dhaka M/s Eastern Knit Tex (Pvt) Ltd, HBFC Building, Agrabad

C/A, Chittagong 1801. M/s Aziz Match Factory, Sopura, Rajshahi

M/s Pasha Knitting Apparels Ltd, 170, Shantinagar, 1803. M/s Central Trading Co. Gunagari Kashmahal, P.O. Gunagari, Banshkhali, Chittagong

1804. The Bengal Electric Ltd, 11, Green Corner, Green Road, 1805. Friends Fishing Corporation Ltd, 41, Dilkusha C/A, 1806. M/s Rahman Corporation, 5 No Railway Ghat,

Chandpur M/s Benz Industries (BD) Ltd, 170, Baizid Bostami Road, Nasirabad I/A, Chittagong M/s Zenith Match Industry, Katnar Para, Bogra BSCIC Regional Office, Rajshahi, Sopura, Poba, 1809.

Rajshahi

1810. Mr. Sujjauddin, 197, Bara Maghbazar, Dhaka 1811. M/s Rajdhani Steel Product (Pvt) Ltd. Paschim Mukterpur, Munshigani

## To be continued

#### ery. The IMF is understood to be anxious over what it sees as government since November. sluggishness in the implemenhave managed to turn the tation of vital reforms in Asia's stricken economy back from crisis-hit economies, even

caused consternation over its reluctance to accept tough measures attached to its 40-billion dollar rescue package organised by the IMF-Thailand has won consistent praise for its re-

pact with the IMF will take

Unlike Indonesia — which

place in May.

forms. Prime Minister Chuan Leekpai and his economic team led by Tarrin, although only in

the brink of disaster. Bangkok has worked closely with the IMF and stuck to the terms of its bailout package, the first of 100 billion dollars in Thailand, South Korea and Indonesia. Tough reforms have been announced, notably the closure of 56 debt-ridden finance firms and strict new banking regula-

tions designed to bring the sector up to world standards by the end of the year 2000. Under the new laws announced late last month, the 39 commercial banks will have to set aside about 500 billion baht (12.5 billion dollars) in provi-

sioning capital over the next three years. But despite the continuing reforms Thailand's bank and sovereign debt ratings have

G-22 meets on Apr 16 in Washington financial medicine which the IMF eventually spooned out to

sectors.

## reader interest, The Daily Star is publishing the list in phases.