

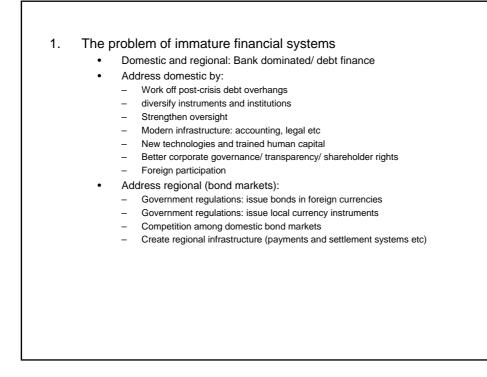


A. Nonperforming Amounts and Reductions, 2004

(US\$ billions)

Economy	NPLs in all Financial Institutions	NPLs in AMCs	Gross Reductions in NPLs Since Financial Crisis
Japan	330	112	600
China	307	107	200
Indonesia	16.9	5	37
Korea, South	15	45	125
Philippines	9	NA	NA
Thailand	18.8	5	95
Taiwan	19.1	NA	50
India	29.9	NA	NA
Total	746	274	1,107

Book Value, US\$, I		criorning rissed	s (NPAs) to AMO	23
	,,			
Economy	Total	% GDP	% Total Loans	% Total NPAs
China	170	14.5	20.7	40.9
Indonesia	35	19.5	76.4	90.4
Japan	290	7.0	8.1	46.5
Korea, South	90	19.5	29.8	85.0
Malaysia	15	14.3	7.4	91.6
Thailand	17	13.7	18.7	29.0
Total	370			



2	. Evaluating Financial Reforms
• • •	Data sources: FSAPs ROSCs Analyst reports: Ernst & Young on NPLs Financial Stability Forum reports World Bank database on bank regulation and supervision ADB websites

- 3. What do we know?
- World Bank database data on some APEC economies
 Scorecard (1998-2000 survey)

	1. Capital	2. Supervisory	3. Private Monitoring
	Soundness	Stringency	Index
China	4	7	7
Hong Kong	NA	NA	NA
Indonesia	5	14	8
Japan	Approx. 7	15	8
Korea, South	6	11	6
Malaysia	3	9	9
Philippines	4	14	8
Singapore	5	NA	9
Thailand	5	8	6
Taiwan	4	6	9
Canada	4	4	7
Chile	5	10	8
Mexico	7	11	6
US	6	15	8
India	7	5	6
Total possible	8	17	10

	1. Capital Regulatory Variables	2. Risk-adjusted Capital Ratio	3. Capital Stringency	4. Capital Regulation Index
China	2	NA	1	4
Indonesia	2	1	2	5
Japan	NA	NA	4	7
Korea, South	2	1	5	6
Malaysia	2	2	1	3
Philippines	3	2	3	4
Singapore	3	2	4	5
Thailand	3	2	3	5
Taiwan	2	2	3	4
Canada	3	2	2	4
Chile	2	2	3	5
Mexico	2	2	5	7
US	2	2	4	6
India	2	2	5	7
Total possible	3	3	6	7

	1. Supervisory Powers	2. Prompt Corrective Action	3. Restructuring Powers	4. Declaring Insolvent Power
China	3	0	3	1
Indonesia	4	6	2	2
Japan	4	6	3	2
Korea, South	3	3	3	2
Malaysia	3	1	3	2
Philippines	3	6	3	2
Singapore	1	0	NA	NA
Thailand	3	0	3	2
Taiwan	3	2	NA	1
Canada	2	0	1	1
Chile	3	2	3	2
Mexico	3	3	3	2
US	4	5	3	2
India	3	0	2	0
Total possible	4	6	3	2

	1. Forbearance	2. Move to private sector
China	2	3
Indonesia	1	2
Japan	1	0
Korea, South	1	1
Malaysia	0	2
Philippines	1	3
Singapore	2	3
Thailand	2	2
Taiwan	1	2
Canada	3	2
Chile	0	3
Mexico	1	1
US	1	1
India	3	1
Total possible	4	3

4. Conclusions

1. Value of scorecard's comparative approach

- Independent, public comparisons
- Progress evident? Variations?
- Possibilities to extend to capital market reforms?
- To regional institutions and infrastructure creation?
- 2. Availability of information
- If not available, how to obtain?
- 3. A thousand flowers blooming
- Desirability of consolidation?
- Information and analysis as the basis for deeper regional cooperation/ platform?