

Exchange: The Magazine for International Business and Diplomacy is the only magazine in the world dedicated to the fastest-growing community of commercial diplomats, international business professionals and scholars interested in research and information about the concept of international business diplomacy, commercial diplomacy and international trade policies. Our mission is to provide our readers with easy access to the whole range of international political and economic issues, legislative and regulatory as well as trade policies in emerging markets with particular focus on providing useful links for the smaller unrepresented countries. Through Exchange we aim to support international businesses in identifying key investment opportunities and investment strategies within the wider economic and political context for the UK as well as countries represented in London.

Who receives it?

Exchange electronic version is sent to thousands of embassies worldwide including the London Diplomatic Corps as well as multinational businesses and universities/institutes.



Readership profile

Ambassadors worldwide
 All Ambassadors and other diplomats posted to London
 (Embassy Officers, members of the WTOs)
 Politicians
 Business executives, international business managers
 Academic researchers worldwide

What is in it?

Exchange issues include topics covering the relationship between international business and diplomacy, International trade agreements their impact and implementation, analysis of various international financial/economic institutions and other international organisations as well as research articles which contribute towards the understanding of the role of international business in areas such as conflict, crisis management, regional security and regional economic cooperation. In addition to our research and analysis papers we interview regularly senior diplomats and corporate executives to share their experiences and insights on business and diplomacy. Exchange also includes country reports ensuring that investment needs and opportunities in various regions are rigorously examined and promoted to the wider international business and diplomatic.

When is it published?

Exchange is published four times a year, in Spring, Summer, Autumn and Winter.

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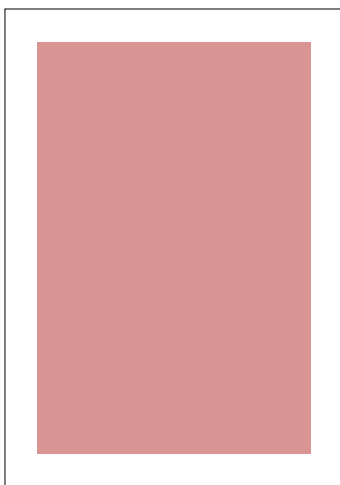
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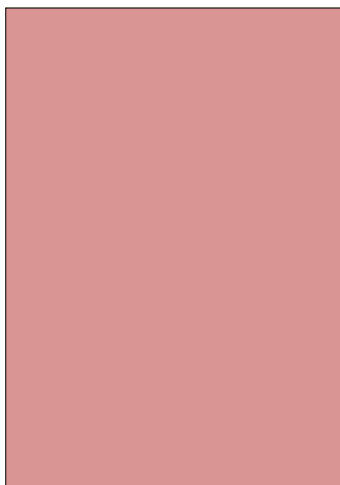
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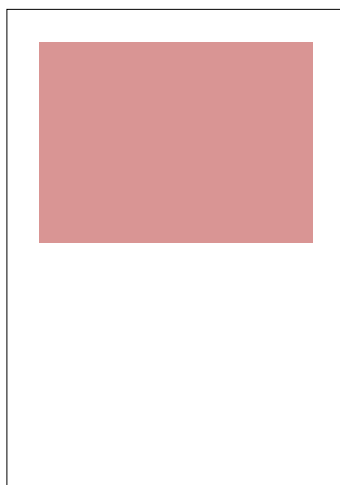
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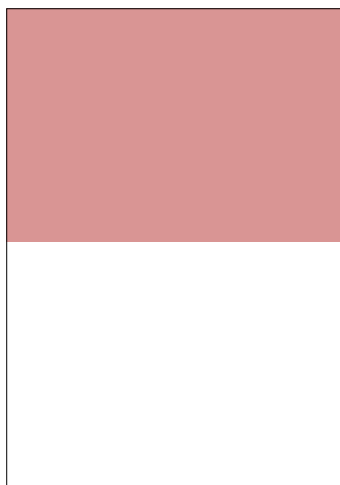
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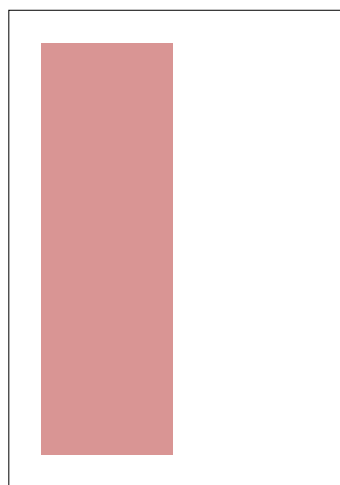
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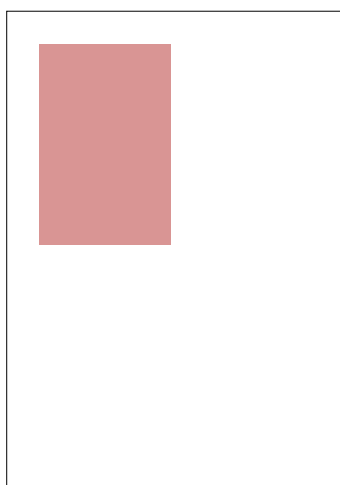
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"Navoi" Free Industrial Economic Zone - Oasis for high technologies

In order to further stimulate foreign investments into Uzbekistan and use more effectively its great economic potential, the "Navoi" Free Industrial Economic Zone (FIEZ) was established on December 2, 2006 in Navoi province of the country.

The FIEZ is located to promote a wide range of high-tech and internationally competitive production using modern high-efficiency equipment, technological lines and units, as well as the latest innovations. Its activity is coordinated and regulated by the Administrative Board and managed by the Directorate. The operation period of FIEZ is 30 years with the possibility that it can be extended.

Business entities registered in FIEZ enjoy exceptional customs, currency and tax regulations, simplified procedure for entry, stay and obtaining of work permit for non-residents. For example, they are exempt from land tax, property tax, profit tax of legal entities, social infrastructure development tax, unified tax payment for micro firms and small enterprises, compulsory contributions to the Republican Road Fund and oil budget Republika School Fund.

The privileges are available depending on the volume of foreign direct investments:

- from 3 to 10 million Euro - for 7 years, with reduction of profit and unified tax payment rates by 50% in the next 5 years;
- more than 10 million Euro - for 15 years, with reduction of profit and unified tax payment rates by 50% in the next 10 years.

The Zone is located on 564 ha next to the highway E-40 and the Navoi International Airport connected to international railway routes countries of Europe (via Russia and Turkey), South East Asia (via China), Middle East and the Gulf (via Iran).

The use of air corridors with landing in Uzbekistan offers substantial economy in time and cost of transportation. Thus, the distance from South East Asia to Europe via Navoi is 3000 km shorter than via Dubai. At the same time, the time saving during the flight is 1.5 hours, and fuel economy is 15 litres for each aircraft. A transportation, air terminal built on the base of the Navoi Airport which started functioning from January, 2009, is managed by the world leader in the cargo transportation "Goman Air". Today regular flights are carried out to a number of Asian and European cities.

Automobile cargo transportation between China and Europe through Uzbekistan is shorter by about

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Chairman Gordon Patten hosted Professor & Mrs Barbara for the London Diplomats and Business Community

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own territories. However, increasing public concern over worldwide issues such as conservation, environmental protection and global warming leads governments to restrict trade unilaterally in some cases in pursuit of worldwide objectives, and/or to agree for the agreed trade rules to be restricted to accommodate such action. The policy aims may be non-country specific, but the impact on trade of individual partners can be severe. Examples include trade measures that:

- Protect biodiversity and reduce greenhouse gas emissions;
- Enforce public health standards; and
- Promote improved labour or environmental standards in a partner country.

Fundamental questions arise: whether it is legitimate or even practical to use trade measures to advance world policy goals; and whether the international trade rules as they stand are capable of handling the broad issues involved in the disputes that result. Certainly, Category (1) cases are much harder to address, because they depend on national policy priorities and perceptions rather than on clearly-defined issues where the WTO rules, for example, can be authoritatively interpreted. There is a serious danger that if governments try to use trade measures to enforce wider social, environmental or political aims, they will distort and damage the WTO-based trade rules which were not designed for such purposes.

All trade disputes require diplomatic involvement, whether in seeking a negotiated settlement when disagreements first arise, pursuing an adjudication case, or working out how to implement WTO findings. Because of their complexity and sensitivity, Category (1a) disputes in particular require the negotiation of sophisticated, international agreements, laying down multilaterally agreed standards and procedures which can then appropriately be taken into account by the WTO and other specialist trade bodies in applying their own rules. Various such agreements exist - a successful example is the Montreal Protocol on Substances that Deplete the Ozone Layer, first signed in 1987, which has largely eliminated the use of chlorofluorocarbons (CFCs) in industrial production.

Clearly, all governments must recognize that in a globalized world their domestic trade-related actions - which may of course be entirely legitimate - can have knock-on effects both for their immediate trading partners and more widely. When considering the introduction of new standards and trade-related

measures, government technical departments must consult their international trade experts in order to take account of the requirements of the international trade rules and the possible impacts on trading partners.

The WTO has well-trodden procedures for notification of national trade measures that may affect other members, but these work only in so far as governments recognize that such effects may occur, and make the requisite notifications. Governments also need to scrutinize WTO notifications for measures taken by their partners which may affect them. In all cases they must use WTO procedures and, if necessary, their own diplomatic resources to give timely advance warning of trade-related measures to other countries which may be affected. A more consistent and internationally cooperative approach of this sort cannot avoid all trade-related disputes; but it can reduce the danger of confronting trading partners with nasty surprises, and increase the scope for negotiated solutions. © Michael Johnson 2010

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The Second UK-Albania Investment Forum - 22 October 2010 - London

Photo: Barbara

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with an adequate knowledge of international politics to underpin their competence in international business. The most recent IP and Blackberry are cases in point.

The IBDE makes a practical contribution to meeting these challenges. It offers consultative forums as a rapid response to diplomatic and business needs, facilitating cross-fertilization of ideas between businesspeople, diplomats, politicians, academics and representatives of NGOs, ensuring that expertise is diffused across professional boundaries.

FOR OUR SECOND ISSUE IN EXCHANGE we intend to expand the range of topics that we regularly seek to include papers/articles on the role of international business in crisis management, operating in conflict zones and regional security (including terrorism). We feel that there is a need for greater cooperation between the academic fields of international affairs relations focused on conflict analysis/trade security and scholars of international business/economics.

In addition to our research and analysis papers we will conduct regular brief interviews with ambassadors, foreign ministers and business executives. We also encourage diplomats across the globe to share their experiences and insights on business and diplomacy. Additionally, we would welcome short pieces as a part of our section for 'blue sky thinking' and 'tips for international business executives and business diplomats'.

Finally, we would like to hear from you, on article suggestions, comments, new appointments, local and international news relevant to diplomats and business as well as other business and diplomatic events you would like us to cover.

Please contact us on: exchange@ibde.org

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