



Question and Answer

Question: On 1 July 2005, the EU adopted a new GSP Plus incentive system. What does this mean?

Answer: The European Union extends preferential access to its markets to developing countries through its Generalised System of Preferences (GSP). The EU GSP is the most generous of all developed-country GSP systems. The current GSP, in place since 1995, applies to imports from developing countries that pay duty on entering the EU market and that are not already duty-free under Most Favoured Nation agreements.

The new EU GSP scheme simplifies matters by reducing the number of GSP arrangements from five to three. The coverage of the general GSP scheme is extended to 300 additional products mostly in the agriculture and fishery sectors. A new 'GSP Plus' incentive scheme will be targeted at especially vulnerable countries that have ratified and effectively implemented key international conventions on sustainable development, labour rights and good governance. It will cover around 7200 products that will enter the EU duty free. The GSP Plus incentive scheme will be fast-tracked to enter into force on a provisional basis on 1 July 2005.

The eligibility of countries placed in the GSP Plus incentive scheme will be confirmed by an assessment of their effective implementation of core human and labour rights, good governance and environmental conventions before the beginning of 2006. The 'Everything but Arms' arrangement, which grants duty and quota free access for all imports except arms from least developed countries, will remain unchanged.

The new system is made fairer by focusing preferential access on countries that have a lower share of EU imports. Groups of products from beneficiary countries which in a given sector account for more than 15% of EU imports from GSP countries are 'graduated' and cease to benefit from preferential access. In the case of textiles the 'graduation threshold' is set at 12.5%, as it is for clothing.

Under the new regime, China will be graduated for 80% of its exports, although it remains in the GSP. As in the previous regime, Indian textiles will not benefit from the GSP preferential access although its clothing exports will continue to do so.

As part of a wider review of its Rules of Origin, the EU is in the process of reforming the Rules of Origin that govern GSP eligibility. The objective is to simplify and, where appropriate, relax these rules to provide further access for developing countries.

The new GSP will remain unchanged until the end of 2008 hence providing stability and predictability for importers and exporters. At the end of this period, the allocation

of preferences will be reviewed to better meet evolving development needs of each country.

Your Views are Sought

Interested in influencing national and European legislation?

The UK government and the European Commission are getting increasingly interested in businesses' view on new legislation and policies, and amendments to existing legislation before adopting them to establish how these are likely to affect 'the real world'. This means that every month you have the opportunity to give your views on various topics. Current consultations include:

- Changes to the Packaging Regulations (Department for Environment, Food and Rural Affairs), deadline 3 October 2005. The consultation paper is available at [http:// www.defra.gov.uk/ corporate/ consult/ packaging-reg05-targets/ index.htm](http://www.defra.gov.uk/corporate/consult/packaging-reg05-targets/index.htm)
- Draft legislation to outlaw age discrimination (Department of Trade and Industry), deadline 17 October 2005. An online response form is available at [http:// www.dti.gov.uk/ er/ responseform.htm](http://www.dti.gov.uk/er/responseform.htm)
- Amendment to the Low Voltage Directive (European Commission), deadline 30 October 2005. An online questionnaire with 11 questions is available at [http:// europa.eu.int/ yourvoice/ forms/ prodhtml?form=426&lang=EN](http://europa.eu.int/yourvoice/forms/prodhtml?form=426&lang=EN)

A list of national and European consultations relevant to SMEs is available at [http:// www.londonchamber.co.uk/ europe/](http://www.londonchamber.co.uk/europe/) (click on 'EU News').

EU enlargement - the next phase

Manchester EIC provides an update and looks ahead to what is happening in Europe. With distractions like the failed Constitution muddying the waters of EU news, it is easy to forget that progress towards an ever-greater single market, and towards a zone of democracy, peace and prosperity continue unabated.

In Central and Eastern Europe, stable democracies have emerged, with democratic institutions and increased respect for minorities. This in a region where there had, for over half a century, been nothing but systematic political, social and economic repression.

The economic reforms in these countries have led to high rates of economic growth (higher than the EU) and better employment prospects. This process has been helped and encouraged by the prospect of EU membership, and by the EU's financial assistance.

As a result, the Union enjoys growing trade with these countries and this has generated employment and growth in the 'old' 15 member states. This has not been unusual, but reflects what has happened with the previous enlargements. Since last May, a new generation of migrant workers has come into the market where a lack of skilled labour exists.

The real entrepreneurs will not be slow to realise that they are now dealing in a Single Market of 450 million consumers, and, while there may not be unanimity about the need for greater political union, there is the realisation that a strong trading bloc exists which can do much to increase wealth within and beyond its borders.

It is within the living memory of those who were of the age of majority in the 1970s, that Portugal, Spain and Greece were ruled by military juntas, and where economic progress had been largely static for three or more decades.

Now the first few states of former Yugoslavia line up for inclusion in the family of European nations, and who could deny how badly that region needs to adopt the political and economic models of their northern neighbours?

In the interim two more of the former Soviet Bloc countries look set to join the EU in 2007.

Bulgaria and Romania

Despite the difficult global economic situation in 2003, the **Bulgarian** economy continued to benefit from high growth and stability, with real GDP growth up to 4.3% in 2003. Inflation declined steadily over the last years reaching 2.3% in 2003. Registered unemployment went down to its lowest level in five years

The catching-up in terms of GDP per capita, however, has been very slow remaining at only 29% of the EU-25 average in 2003. Public debt has continued falling from above 100% of GDP in 1997 to 46% at the end of 2003.

In its 2004 Regular Report, the European Commission reiterated its recognition of Bulgaria as being a functioning market economy and it also concluded that Bulgaria should be able to cope with competitive pressure and market forces within the Union. The Commission's Regular Report also mentions Bulgaria's further good progress in structural reforms over the last years. This holds in particular for the increasing role of the private sector through privatisation and the reduction of state aid, the positive development of the banking sector and some improvements in the regulatory environment.

However, further structural reforms are needed to streamline the regulatory procedures for the enterprise sector, improving the efficiency of the administrative and judicial system.

The EU is looking for privatisation of the remaining public enterprises, and the restructuring and liberalising of the network industries (particularly in the energy sector); there is also a need to improve the flexibility of the labour market and the efficiency and quality of the education system.

Romania was the first country of Central and Eastern Europe to have official relations with the European Community. In 1974, an agreement included Romania in the Community's Generalised System of Preferences and an Agreement on Industrial Products was signed in 1980.

Romania's diplomatic relations with the European Union date from 1990, and a Trade and Co-operation Agreement was signed in 1991. Trade provisions had entered into force in 1993 through an 'Interim Agreement'.

All analyses referring to Romania show a positive economic situation. Thus, between January and May 2004 inflation was reduced by 3 percentage points. The main factor was productivity growth. It is also mentioned the rapid increase of average gross wages comparative to other states in the region.

Furthermore, the facilities offered to Foreign Direct Investment in disadvantaged zones led to the reduction of unemployment. The level of unemployment rate in Romania in April 2004 (7.3%) is below the EU-15 average (8.1%). The effects of economic reforms have become visible, Romania being an attractive destination for FDI.

The current account deficit is relatively small in comparison to other countries in the region, its financing raising no real problems as the financial flows are maintained, especially the ones connected to privatisation. The constant growth of exports volume and cashing rely on productivity growth and low labour costs.

Romania still needs to fulfil its commitments to implementing public procurement legislation and to enforcing it effectively. Mutual recognition of qualifications and enforcement of intellectual property rights are areas that Romania still needs to improve to meet EU requirements.

Changes in Procurement Regulations

The new EU Procurement Directive was published in the Official Journal in April 2004 and will be implemented in the UK by January 2006.

The old rules governing works, services and supplies will be replaced by a consolidated text - Directive 2004/18/EC - and the utilities will be covered in the same way by Directive 2004/17/EC.

The purpose of the new directives, following a very long period of consultation and revision, is to simplify existing rules, making them more appropriate for modern procurement methods.

There are changes to facilitate electronic procurement, allow environmental and social factors to be considered, allow use of framework agreements, increase transparency in relation to award criteria and to create a new procedure allowing for competitive dialogue between authorities and tenderers.

All the changes will affect the way purchasers construct their procurement strategies, and the purchasing bodies will be the parties spending time in best understanding the new options but it is always beneficial for prospective suppliers to understand what is motivating and directing the changes.

Example:

The change that will probably be effective most quickly for suppliers will be the greater use of framework agreements. Previously these were allowed under the utilities directives, although in practice they were acceptable in general, but they will now be used legally across all directives.

The normal rules in the directive should be followed up to the award of the framework - including the need to advertise the framework in the Official Journal. Specific rules then apply to call-offs.

The framework should not last more than four years unless there are exceptional circumstances. But call-offs already awarded can continue beyond the four-year limit. Frameworks can be concluded with one or several suppliers, but in the latter case there must be at least three. If there is only one supplier, call-offs are awarded on the basis of agreed terms.

If there are three or more in the framework, call-offs are awarded by either:
a) application of terms if sufficiently precise
b) where all the terms are not sufficiently precise, by holding a mini competition with all suppliers capable of executing the call-off.

In all cases, the award of call-off on the basis of the most economically advantageous offer must be based on award criteria set out in the framework.

If you would like to learn more about the new changes then contact the Wales Euro Info Centre, Tel: 02920 229525 or 01352 704748 www.waleseic.org.uk

Can I Ditch My Customers?

'It had to be you', is the opening refrain from Gus Kahn's song of the same title. Many UK manufacturers feel the same when, at the outset of a relationship, they are promised the earth by overseas agents, distributors or retailers.

The objective of this wooing is to secure an exclusive deal. This may be because the agent, distributor or retailer (which can be described as the overseas partner) genuinely feels that the manufacturer's products are such that he is bound to win business away from his own competitors. But unfortunately it is often the case that there is a more sinister desire which underlies the seeking of an exclusive arrangement. This is simply to prevent competitors being able to offer the products!

Frustration for all

Within a short period of time frustration builds up. Retailers and consumers are frustrated because it is difficult for them to purchase the products in their locality. Enterprising consumers may contact the manufacturer direct who, on hearing of the problem, feels let down and in turn frustrated by the actions of the overseas partner. In this situation what can the manufacturer do?

The most logical step is for the manufacturer to notify the overseas partner that his actions constitute a breach of the contract, which has resulted in its termination. Accordingly the manufacturer is free to look elsewhere and conclude an agreement with another partner. However, taking this line of action depends very much on the terms of the agreement with the original overseas partner. It is rare that a written agreement will have been entered into. In those situations, where there is such an agreement, it is even less likely that there will be a provision imposing on the partner a requirement to secure a minimum amount of orders or purchase a minimum quantity of products. Nor in this situation is there likely to be another provision giving the manufacturer some other right on which he can safely rely, in order to bring an unsatisfactory relationship to an end.

Instead, more often than not, the manufacturer and overseas partner will have already agreed - often on a handshake - that the partner is to enjoy exclusivity. In the situation where the manufacturer decides to enter into a contract with a competitor, the feathers can really start to fly.

The partner who is about to be ditched may be able to argue with some justification that there exists between him and the manufacturer a contract by course of dealing. If it has been the case that orders have been placed and accepted over some years, the partner may well be able to argue that the contract in question is a long-term supply contract. On this basis it is not open to the manufacturer to refuse to supply the partner or simply to walk away. Instead the manufacturer has to give reasonable notice. What is reasonable will vary from case to case. It depends on the facts. However, where the relationship between the parties has existed for five years it is unlikely that less than six months' notice will be considered reasonable.

Establishing a contract

To establish a contract by course of dealing it must be shown under English law that the parties have so acted in relation to each other that a contract was to be inferred from their conduct. An intention to create a contractual relationship is not to be implied lightly. But the facts may be such as to be interpreted as giving rise to such a situation.

It is also open to the spurned UK partner to threaten to complain to the competition authorities. The disgruntled partner may file a complaint with the European Commission on the basis that there has been an abuse by the manufacturer of a dominant position. Article 82 of the EC Treaty prohibits such as abuse. However, although the term is undefined, unless the manufacturer has a market share of about 40% or more the Commission will not entertain the complaint.

Determining market share

Accordingly it is necessary to determine market share and this is done by analysing the relevant market. It will depend on the product market (the relevant goods or services) and the geographic market (the geographic extent of the market). The product market comprises those products or services that are regarded as interchangeable or substitutable by the consumer. This is by reference to the products' characteristics, prices and intended use. The geographic market comprises the area in which the undertakings concerned are involved and in which the objective conditions of competition are the same.

An alleged infringement of Article 82 can be serious. The European Commission enjoys extensive investigating and fining powers.

Prevention is better than cure

On the basis that prevention is better than cure, there is a need for properly drafted agreements setting out the minimum performance obligations. If this is done and thought is given to the other terms of the agreement, it should be possible to avoid the problems that might otherwise occur in respect of termination. Better still, such an agreement may result in a win-win situation which hopefully should leave both manufacturer and overseas partner singing 'It had to be you'.

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Priorities For The UK Presidency Of The EU 2005

The UK Presidency has set a number of priorities in 2005, which include:

- Economic reform and social justice.
- Security and stability.
- Europe's role in the world.

Economic reform and social justice

The UK Presidency will promote economic reform to deliver growth and social justice. Certain steps have already been identified by the Commission including:

- Implementing the 2004 Kok report, which promotes the knowledge society, strengthens the Internal Market and improves the business climate.
- Delivery of the Commission's Better Regulation Agenda to include stronger impact assessments on new EU legislation and an increased business input into the legislative process.
- There will be a wide consultation on the Working Time Directive.
- The UK Presidency will take forward discussion with a view to resolving the political and social concerns about the Services Directive.

- The remaining dossiers in the Financial Services Action plan will be taken forward.
- The UK Presidency will seek significant progress to ensure protection of public health and the environment through the Chemicals Regulation (REACH).

Security and Stability

Work will begin on implementing the Hague Work Programme. In particular:

- Taking forward the Counter Terrorism Action Plan to include measures such as the European Evidence Warrant.
- Developing an action plan on people trafficking and migration for greater EU-wide police co-operation.
- Taking forward existing commitments on EU enlargement including opening negotiations with Turkey on 3 October 2005.

Europe's role in the world

The UK Presidency will work with partners, High Representative Solana and the Commission to ensure that Europe is an active player in foreign policy. Work will cover:

- Developing an outcome on Doha at the WTO Ministerial meeting in Hong Kong.
- Developing a long-term strategy for Africa, and working on governance, peace, security, access to basic services, growth and trade.
- Representing the EU at the UN Climate Change negotiations in December.
- Promoting peace, stability and reform in the Middle East, Afghanistan and Africa.
- Entrenching peace and stability in the Balkans through the EU's UK-led military mission in Bosnia.
- Enhancing Europe's defence capability through the EU battle-groups initiative and European Defence Agency.
- Working for a market-based, liberalising reform of the EU's sugar regime.

Further information about the UK Presidency of the EU 2005 can be found on the UK Presidency website at: www.eu2005.gov.uk

The WEEE Directive

A recent decision by the UK government involves plans to make the WEEE Regulations in order to transpose the main provisions of the Directive into UK law in the next month. At the same time, it will also publish non-statutory guidance to accompany the legislation.

The government has decided, after careful consideration, to implement the WEEE Directive's producer responsibility and retailer take-back obligations in respect of WEEE in June 2006, instead of in January 2006.

This decision reflects the government's concerns that an adequate UK network of facilities for separate collection of WEEE should be in place for householders to use. This is a key practical requirement for the implementation of the Directive. Although there has been a lot of progress made towards this, it is clear that a UK-wide network of WEEE collection facilities will not be ready by the start of 2006.

The government is continuing to support the initiative of the British Retail Consortium in developing a retail compliance scheme for government approval, which will support a UK WEEE collection network. This will include offering funding to Local Authorities for upgrades to civic amenity sites to enable the separate collection of WEEE in the future.

The government will also work further with the Environment Agencies to prepare for their role in registering producers. Registration is expected to take place in January and February 2006. The details of the arrangements for registration should be published this autumn to ensure that producers are given enough time to submit their registrations.

The government accepts that deferral of producer responsibility for WEEE may have implications for Local Authorities due to the Landfill Regulations Waste Acceptance Criteria which now apply to any waste, including some WEEE (products containing cathode ray tubes, televisions and computer monitors, fluorescent lamps), which may be separately collected and classed as hazardous and which is then sent to hazardous landfill.

The DTI, DEFRA and the Agencies will provide guidance to stakeholders and seek to minimise the level of any additional costs. DTI has undertaken to meet any additional costs to Local Authorities in relation to this hazardous WEEE in line with the new burdens principle and is taking forward practical arrangements for this.

The government will implement the WEEE Directive's requirements to mark electrical and electronic equipment, to facilitate its separate collection from other forms of waste, from when the WEEE Regulations come into force.

More details are at: [http:// www.dti.gov.uk/ sustainability/ weee/](http://www.dti.gov.uk/sustainability/weee/)

Information Roundup

Business Opportunities Event - Czech Republic, Slovakia, Bulgaria and Romania

Enlargement of the EU in May 2004 increased opportunities and simplified trade procedures for doing business with Central and Eastern European countries. The

potential has been recognised not only by the larger UK companies but also by small and medium sized businesses that identified a number of routes to these markets.

- Czech Republic - is an outstanding example of a new successful democracy with highly developed free trade and sustained growth in GDP.
- Slovenia - is a country with fantastic potential in a variety of sectors, with the emphasis on manufacturing.
- Bulgaria and Romania - are two fascinating new markets where pre-accession funds are currently available and there has already been success recorded in leisure and tourism, environment and manufacturing sectors.

Organised by the Greater Manchester EIC, this half-day seminar will change your perceptions of these markets and highlight just how your company can benefit from doing business with the above countries. It will also cover the practical issues of trading with the Czech Republic and Slovakia, with the emphasis on legal issues and a business environment overview of Bulgaria and Romania.

Finally, the event will provide delegates with the opportunity to network with other businesses interested in these markets and with representatives from these three embassies.

This event takes place on Wednesday 28 September 2005, from 12-5 pm at the Lowry Theatre, Salford Quays, Manchester and is priced at £25 plus VAT (£29.38) per delegate to include buffet lunch. For further information or to book contact Emma Young on euoinfo@chamber-link.co.uk, tel: 0161 237 4020, Fax: 0161 236 6469.

Public contracts event

A Public Contracts event is being organised jointly by EIC North West and EIC Greater Manchester for 12 October 2005, to be held in Warrington. Due to popular demand, this will focus on how to compete for NHS and local authority contracts, but will also include an update on current public procurement policy.

Contact either of those EICs for further information.

Chinese textiles stopped at EU customs

Some 59 million jumpers, 17 million trousers, 1.4 million bras and 408,000 blouses from China have so far been impounded by EU customs. On 1 January 2005 the World Trade Organisation (WTO) ended trade quotas on Chinese textiles that had existed for the previous ten years. Fearing the impact that this would have on the EU textiles industry, the European Commissioner for Trade, Peter Mandelson, negotiated an agreement with China on 10 June imposing new quotas on Chinese textiles.

However, by 12 July the import quotas for pullovers had been exceeded and this was later followed by men's trousers, blouses and bras.

European retailers are turning to legal action to try and force the European Commission to allow the goods through. They fear that their stocks will be insufficient over the winter and they will be forced to raise prices. On the other hand,

the European Commission is under pressure from countries with large domestic textile industries to maintain the restrictions in an effort to counter the perceived threat to European jobs. A possible solution to the problem would see some of next year's clothing quota being brought forward to this year or limits on certain items being eased.

Extension of Customs Union agreement

The Customs Union agreement between Turkey and the EU was extended to the ten new member states following the signature of a protocol on 1 August 2005 in Brussels.

The EU still remains cautious in its negotiations since Turkey has still not changed its position towards the Republic of Cyprus. Turkey declared that the 'signature, ratification and implementation of this protocol in no way signify a recognition of the Republic of Cyprus referred to in this protocol.' The island is divided into two regions, which are under the control of two separate authorities.

Turkey refuses to open its ports and airspace to Cypriot ships and airplanes. At an initial meeting of Coreper, brought forward to 25 August, the Member States will examine if this intransigence could hinder the preparation of the future framework for accession negotiations.

UK membership of the euro increasingly unlikely

The announcement by the Royal Mint that it is to redesign Britain's small change for the first time since decimalisation has sparked claims that the UK government has ruled out joining the euro. The Royal Mint has said its plan to find new designs for the 'tail' sides of 1p, 2p, 5p, 10p, 20p and 50p was to reflect better 'modern' Britain. The Chancellor Gordon Brown has approved the move but insisted that the UK Treasury policy on the euro had not changed. Anti-euro campaigners said the plans showed Britain would not be signing up to the euro. They said there would be no point going to the expense of changing the coins if they were then to be ditched for the euro.

Market access both simpler and fairer

EU markets are the worlds most accessible markets for developing countries, and the Union is the developing world's main trade partner. Aware of the importance of trade for the developing world, the EU is determined to do more. This is why the EU Member States adopted a new generalised system of preferences (GSP) for 2006-15 on 23 June 2005.

The Trade Commissioner Peter Mandelson has declared that the GSP is the single most important trade tool for development. 'It will focus EU trade preferences on the countries most in need, including those hard hit by the Asian tsunami last December'.

The new GSP, which will come into force on 1 January 2006, will grant wide tariff preferences to 300 additional products mostly in agriculture and fishery sectors. But the major reform of the new GSP is the new 'GSP Plus' incentive scheme that will

grant additional preferences to vulnerable areas which have ratified and effectively implemented key international conventions on sustainable development and good governance. This scheme has been in force since 1 July.
(See also the Question & Answer in this issue.)

Workers from new EU member states choose the UK

The number of workers from East European member states registered to work in the UK has risen significantly in comparison to government estimates.

There are around 14,000 newcomers each month, whereas a government study last year had forecast an annual total of 5,000 to 13,000 workers. According to June statistics, around 232,000 applicants from the eight countries - Poland, the Czech Republic, Hungary, Slovakia, Slovenia, and the three Baltic states - have registered under a special scheme, set up shortly before the May 2004 enlargement because of fears about possible abuse of the country's social benefit system. Over half of the registered workers (57%) are Polish.

The workers are overwhelmingly young - between 18 and 34 - and rarely claim social benefits. Just under a fifth of registered workers are based in London.

The new workers are mostly employed in factories (41,000) and restaurant kitchens (12,000), taking jobs that British employers have found hard to fill. More information can be found in the Home Office Accession Monitoring Report May 2004-June2005: http://www.ind.homeoffice.gov.uk/ind/en/home/0/reports/accession_monitoring.html

Higher recycling and recovery targets to be implemented

From 18 August 2005 all EU member states should have transposed into their national legislation an EU Directive setting higher recycling and recovery targets for packaging waste. This type of waste includes packaging made from paper, glass, metals, plastics and wood. This new Directive updates and strengthens an earlier Directive from 1994 and it aims to further reduce the negative environmental impacts created by the land filling and incineration of packaging waste and by the production of virgin materials.

Austria, the Czech Republic, Germany, Luxembourg and the United Kingdom have informed the Commission that they have transposed the Directive, so far. Once the member states have sent their legislations to the Commission, they are checked for compliance and the Commission can, if necessary, take appropriate action. The Commission can open infringement procedures against member states that do not meet the transposition deadline.

The new Packaging Directive roughly doubles packaging recycling targets and strengthens the target for recovery. It also clarifies the definition of packaging and allows certain provisions to be implemented by voluntary agreements if they deliver what is legally required. Depending on the member states, these new targets need to be achieved between 2008 and 2015.

Currently, every European citizen is, directly or indirectly, responsible for the creation of close to half a kilogram of packaging waste per day and much of this packaging waste can be recycled. This avoids the environmental impacts related to the production of virgin materials and thus saves resources and avoids emissions to air and water during the production process.

At the same time, less packaging waste is sent for final disposal and this not only avoids further air and water emissions, but also reduces the need to create new landfills and incinerators.

In 2001 the recycling of packaging saved around 0.6% of total EU Greenhouse gas emissions at an additional cost of around -500 million. This was in comparison to zero recycling.

The average cost of reducing a ton of carbon dioxide equivalent through packaging recycling increased from -12/t in 1997 to -23/t in 2001. This makes packaging a cost-effective option to reduce gas emissions and many other environmental impacts.

Additional Information is available at: [http:// europa.eu.int/ comm/ environment/ waste/ index.htm](http://europa.eu.int/comm/environment/waste/index.htm)

International commercial centre services for clients

The International Commercial Centre is based at the National Exhibition Centre in Birmingham. It provides free expert advice and guidance to both UK and overseas companies that are looking to develop their international business opportunities.

Opened in April 2003, the Centre additionally offers support and information to international visitors seeking products, services or investment opportunities in the UK.

The Centre is a joint venture between four partners: UK Trade and Investment, the government organisation that supports both companies in the UK trading internationally, and overseas enterprises seeking to locate in the UK; the regional development agency, Advantage West Midlands; Birmingham Chamber of Commerce and Industry; and Locate in Birmingham.

Through the Centre, UK companies and organisers, exhibitors or visitors to shows at the NEC can tap into the vast services available from the above-mentioned partners. It has dedicated staff working to attract international buyers to trade shows through the Inward Mission Scheme managed by UK Trade & Investment.

The Centre provides a single point of contact to help companies find new markets or source new products on a regional, national and international level. It offers full on-site support services both during and outside of the NEC trade show activities, access to the UK government's vast network of trade and investment specialists, and opportunities for direct promotional communications with international buyers.

For further information on the Centre and its activities or to discuss how we can work together, please contact the team by telephone on 0121 767 3247 or visit online at www.internationalcommercialcentre.com . You can also visit us in person at The Atrium, The NEC, Birmingham B40 1NT

Bidding Effectively Workshop - The World Bank Group

There is a Bidding Effectively workshop that the Birmingham Chamber will be running on 27 October in conjunction with UK Trade & Investment Development Business Team & Crown Agents.

This workshop is specifically aimed at companies looking to provide services to the World Bank Group and will not cover the procurement of goods. As a follow-up to this workshop and the clinics held in June, there will be an outward visit to the United Nations Agencies in New York and the World Bank Group in Washington DC between 4 and 10 December 2005.

Birmingham Chamber welcomes applications from companies in any sector to participate in the outward visit (subject to a vetting process by the BCG New York and British Embassy Washington DC). A financial subsidy of £400 is available to West Midlands SMEs, or £500 should they fall into the Business & Professional Services sector.

If you would like more information about this workshop, please contact: Claire Gamage, Co-ordinator, Midlands World Trade Forum, 75 Harborne Road, Edgbaston, Birmingham B15 3DH. Direct Line: 0121 607 1759. Email: info@mwtf.org.uk. Web: <http://www.mwtf.org.uk>

Guide for SMEs on how to work with banks

The Directorate-General for Enterprise and Industry has published a guide entitled 'How to deal with the new rating culture: A practical guide to loan financing for small and medium-sized enterprises'. This guide is intended for managers of small businesses who want to learn more about how banks assess the riskiness of their small business clients. Banks pay more attention to credit risks than before, in part because of the forthcoming new regulations on their capital (Basel II). The guide explains what a rating is, how banks use it and how this affects banks' lending. The guide provides advice for small businesses on basic rules when applying for a loan and on how to manage their relationship with the bank.

The guide is already available in English and will be translated to other community languages in the near future. It can be downloaded from: http://europa.eu.int/comm/enterprise/entrepreneurship/financing/basel_2.htm

Commission enables faster wireless access to the internet

Wireless access to the internet is set to become faster and more widespread thanks to a decision adopted by the Commission. The decision, to be implemented by member states by 31 October 2005, will make available a substantial amount of radio spectrum throughout the European Union for radio local area networks (RLANs) - commonly known as 'Wi-Fi'. These can be used in 'hotspots' be found at airports, train stations, hotels, shopping malls, etc allowing users to connect their laptop to the internet and to make phone calls using broadband internet connection 'Voice over internet protocol' instead of a telephone line. The mechanics are similar to the ones used for sending

email or instant messages. The two specific frequency bands are 5150-5350 MHz and 5470-5725 MHz and will be available in all member states. Access to this spectrum with common rules will make equipment cheaper and alleviate the growing overloading of spectrum already used for this purpose, whilst facilitating the take-up of wireless systems for private as well as public access.

Policy debate on closing the broadband gap launched

A public consultation on policy measures needed to bring high-speed internet access to Europe's under-served areas was opened by the European Commission. Stakeholders, EU member states and local/regional authorities are invited to contribute their views on the serious broadband challenge now facing Europe, as detailed in a Commission working paper on a five-year strategy to boost the digital economy, entitled 'Broadband access and public support in under-served areas'. High-speed and secure broadband networks are seen as vital to the Commission's 'i2010' strategy for boosting growth and jobs in the digital economy.