

Romak Prefers Publicity to Legality

In response to your Nov. 6 article regarding Romak SA's dispute against the trading company Uzkhleboprodukt, I would like to state my surprise at the fact that the Uzbek government has been implicated in this transaction.

Romak's contract partner was a commercial trading firm called Uzdon that is controlled by the large conglomerate Uzkhleboprodukt, in which there is a state-held share only as is the case in many newly privatized organizations.

Romak is run by professional people who have been active in Uzbekistan for several years now and for that reason are very well aware of who is who in government and the procedures required in order to establish governmental guarantees.

The government of Uzbekistan has never been a party to this transaction, was not asked to guarantee any payment and was informed of the problem only after it occurred.

Obviously proper commercial precautions, such as insisting on the opening of a letter of credit before shipment, were not taken by Romak, which of course should not be detrimental to Romak's legal rights to payment. Nevertheless, it is incorrect to implicate the government of Uzbekistan in the international press in order to press the case.

In accordance with the 1958 Convention on Arbitration Awards, which has also been signed by Uzbekistan, the execution of any awards is assigned to the competent authorities of the country of the defendant.

In this respect it is surprising that Romak, despite having been advised to revert to the Higher Economical Court of Tashkent, which is deemed the competent authority in this respect, has not done so but prefers publicity to legality.

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