

# It's a long, hard road but SA-Soviet Union trade could prove lucrative

THERE are major opportunities for trade between South Africa and the Soviet Union but local businessmen will have to overcome many difficulties before being able to take advantage of them.

So says South African Foreign Trade Organisation (Safto) general manager David Graham who recently returned from an exploratory visit to the Soviet Union where he had discussions with a wide range of organisations including trading companies,

chambers of commerce and joint venture companies.

"However, it is a huge market comprising 280 million people and those who are prepared to take a long-term view may find that it is worthwhile to make the effort to overcome the difficulties involved," he said.

Mr Graham said the Soviet Union was in a state of flux politically, economically and in trading terms. "But the reality is that there are areas of great compatibility between its econ-

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**David Cumming**

omy and ours, particularly in the mining field. As privatisation progresses, I am sure our expertise in this field will open up opportunities for us."

He also believed there was potential in the field of food and agriculture, although these would probably involve joint ventures. "We have seen the tremendous success of MacDon-

alds over there and I believe Western-style consumer foods would be in great demand. We could probably provide expertise, equipment and packaging in this field."

Mr Graham said pharmaceuticals were in short supply since these had previously come from East Bloc countries which were now demanding hard currency for their goods.

He cautioned that the currency question was one any potential exporter would have to examine very

closely before entering into any agreements although there were routes through which hard currency was available to Soviet importers.

"Our traders will have to ensure that they speak to the right people who will be able to open the right distribution channels for our goods.

"It is certainly not an easy area in which to operate but the long-term potential is undoubtedly there," he said.