

SA seeks to boost trade with Maputo

MAPUTO — Mozambican and South African entrepreneurs will mingle in Maputo next week at an event to mark a new era of business relations between the two countries.

The South African trade mission is offering cocktails, there will be a wine-tasting at the town's smartest hotel and a starlight feast in the hotel gardens.

But the drinks and food are only trimmings on South Africa's most public exercise so far in transforming its image in Mozambique from local bully to friendly business partner.

After Mozambique's independence from Portugal in 1975, the

new government in Maputo and the white minority apartheid government in Pretoria were bitter enemies.

This has changed dramatically in the last few years, with Mozambique renouncing Marxism in favour of a market economy, while the South African government has broken with apartheid and is negotiating an end to white minority rule.

Trade and industry ministry officials in Pretoria said South Africa was eager to expand trade with all its neighbours.

"We are eager to broaden our export horizons. We certainly look to boost our trade with neighbouring

countries," one official said.

The three-day event starting on Monday will be the first of its kind since Mozambican independence.

"After 17 years when contact between businessmen on both sides of our border was very limited, there is now a general lack of knowledge on both sides," said Mr John Sunde, South Africa's trade representative in Maputo and the man behind the seminar.

The main aim is to increase bilateral trade, but, said Mr Sunde, "This will only happen when there is an increase in knowledge and a climate of confidence between busi-

nessmen from Mozambique and South Africa."

South African trade with Mozambique is rising, with the balance heavily in favour of South Africa.

In 1991, the last year for which full trade statistics are available, Mozambique came second to Zimbabwe as an African trading partner outside the Southern African Customs Union.

Total trade between the two countries amounted to R728 million (US\$240 million) in that year, with R690 million (US\$230 million) being South African exports to Mozambique.

Partial figures for 1992 show Mozambique slipping into third place

behind Zambia, South African trade officials said.

"We would like to see Mozambique — currently one of the world's poorest nations — being able to sell more to South Africa," Mr Sunde said.

"We have a preferential trade agreement which allows Mozambique to export goods to South Africa on a quota basis — but generous quotas — and these goods will only pay a three percent import duty in South Africa.

"At the present time, Mozambican entrepreneurs are not taking full advantage of this, partly because of ignorance which we hope to address through the

seminar," Mr Sunde said.

He said that in the changed political climate in Southern Africa, Pretoria wanted to forge new business links.

He said there had been a significant increase in South African investment in Mozambique since the peace agreement between the Maputo government and Renamo rebels last October.

"What there has been is a significant increase in the amount of inquiries . . . I personally believe that within the next few months investments can well begin to come."

— Ziana-Reuter