

**REPORT OF THE
TRAINING WORKSHOP ON TRADE EXPANSION
AND STUDY TOUR FOR AFRICAN BUSINESSMEN
IN THE USSR**

**Moscow and Minsk, USSR
28 September - 6 October 1987**



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Training Workshop on Trade Expansion
and Study Tour for African Businessmen in
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EXPANSION AND **STUDY** TOUR FOR AFRICAN BUSINESSMEN IN THE USSR

I. INTRODUCTION

1. The ECA/UNCTAD Training Workshop on Trade Expansion and Study Tour for African Businessmen in the USSR was held ~~consecutively~~ in Moscow and Minks, USSR from 28 September to 6 October 1987. The Workshop was jointly organized by ECA and UNCTAD Secretariats in collaboration with the USSR State Committee for External Economic Relations (GKES) and the USSR Chamber of Commerce and Industry and was financed by the United Nations Regular Programme of Technical Co-operation (UNRPTC).

2. The Workshop and Study Tour were organized pursuant to the decisions of the ~~eight and~~ ninth sessions of the Conference of African Ministers of Trade which, inter alia, called for greater geographical and commodity diversification of African trade, especially with non-traditional partners of Eastern Europe, and requested ECA and UNCTAD to intensify their technical assistance activities in this area, including by encouraging trade missions and business tours between the countries of the two regions.

(a) Objectives

3. The prime objective of the Workshop and Study Tour was to enable selected businessmen from African countries to deepen and broaden their knowledge of foreign trade systems, trade policies and practices in the USSR. In particular by exchanging information and experiences with Soviet trade officials and representatives of various enterprises with the view of identifying practical possibilities for expanding trade between the USSR and African countries. Furthermore, some workshop participants ~~seized~~ the opportunity to establish direct contacts with Soviet exporters and importers.

(b) Attendance

4. The Workshop was attended by 23 participants from 18 African countries, namely: Botswana, Burkina Faso, Egypt, Ethiopia, Gabon, Ghana, Guinea, Kenya, Madagascar, Morocco, Nigeria, Senegal, Sudan, Togo, Uganda, Zaire, Zambia and Zimbabwe. Apart from the above were 15 trade representatives and economic counsellors of African Embassies in Moscow (Algeria, Angola, Benin, Cameroon, Uganda, Tanzania, Zambia and Zimbabwe). A representative of the Eastern and Southern Africa Trade Promotion and Training Centre sat in as an observer because his presence in Moscow happened to coincide with period of the Workshop.

5. It had been decided by the organizers that participants were to be drawn predominantly from the business sector of African countries. Even in this case, the final selection was of businessmen actually engaged in trade operations in order that they could be exposed to the reality of the functioning of the USSR external sector. The concept of holding a more practically-oriented Workshop was based on the experiences gained from organizing previous seminars and symposia.

which were intended mainly for government officials. Therefore, it was felt that at this juncture in the history of the secretariats, the foundation had been laid down in terms of creating an awareness of possibilities and prospects of developing trade with the USSR at governmental level, so that more efforts could be channelled towards business circles.

(c) Organizational arrangements

6. The work programme of the Workshop and Study Tour were initially prepared by ECA Secretariat with inputs from UNCTAD. These were finalized after consultations with senior experts from the Chamber of Commerce and Industry of the USSR during ECA preparatory missions to Moscow in December 1986 and June 1987. ECA Secretariat in collaboration with UNCTAD was responsible for inviting African countries to make their nominations to the Workshop and Study Tour; selecting the candidates and making all necessary arrangements for the travel of participants to the USSR. Additionally, ECA in collaboration with UNCTAD serviced the meeting and provided secretarial support during sessions. However certain modifications were later introduced by the host organization, the Chamber of Commerce and Industry of the USSR but it would have been much better had ECA been consulted **beforehand**.

7. The host organization provided conference facilities including simultaneous interpretation; transportation of participants between the hotel and conference hall and rendered other assistance in terms of office supplies, reproduction facilities covered within the UNRPTC budget. Arranged for lectures delivered by representatives of various institutions in the USSR area of external trade. A number of social events were also organized both in Moscow and Minsk.

II. ACCOUNT OF PROCEEDINGS AND CONTENTS OF THE WORKSHOP

8. The Workshop was inaugurated by Mr. I. Kanaev, Vice-President of the USSR Chamber of Commerce. Opening statements were also made by Mr. M. Shumayev, Head of the International Economic Organizations Department of the State Committee for External Relations, and Dr. J.H. Chileshe, Chief of International Trade Section on behalf of the United Nations Under-Secretary-General and **Executive** Secretary of ECA, and Mr. Pran Neville on behalf of UNCTAD. Dr. Chileshe chaired all the sessions of the Workshop.

9. Mr. I. Kanaev, Vice-President of the USSR Chamber of Commerce and Industry, welcomed the participants to Moscow and expressed his appreciation to ECA and UNCTAD for being executive agencies of the Workshop and Study Tour. He further stressed that the present level of trade between the Soviet Union and developing African countries did not fully correspond to the potential existing in that field and emphasized the importance of the meeting as part of the efforts aimed at expanding that trade. Dr. J.H. Chileshe welcomed the participants to the Workshop, on behalf of the Executive Secretary of ECA he thanked the USSR Government, the Chamber of Commerce and Industry of the USSR and GKES for so readily agreeing to host the Workshop and Study Tour and providing all necessary facilities in this respect. He also briefed them on its objectives and programme.

(a) Lectures

10. In accordance with the programme of the Workshop, a number of lectures were delivered highlighting key issues of the current economic reform in the external sector of the USSR and its implications for the promotion of trade between the Soviet Union and African countries. Participants were informed that the current reform implied that many individual industrial enterprises would get the right to establish direct contacts with foreign exporters and importers. Furthermore that they would get access to external markets. The new system was to facilitate the conclusion of contracts between the partners and, therefore, would contribute to the growth of trade exchanges with other countries, including developing Africa.

11. The present state and prospects for developing trade and economic co-operation between African countries and the Soviet Union were extensively discussed in the course of the Workshop sessions. The topics covered included:

- (i) Activities of the USSR Chamber of Commerce and Industry in promoting trade and economic relations with developing countries, and services rendered in this respect to potential exporters and importers from developing regions;
- (ii) Organizational structures and framework of the external sector of the Soviet economy;
- (iii) Guidelines of the USSR Customs legislation;
- (iv) Role of the USSR merchant marine in promoting trade with African countries; and impact of regular transport links on the volume of trade exchanges;
- (v) Financial aspects of economic relations with developing countries in the light of current banking reform in the USSR, and forms of payment arrangements and credit facilities available in the Soviet Union;
- (vi) USSR technical assistance to developing countries within the United Nations system.

(b) Visit to CMEA Secretariat

12. The programme of the Workshop provided for a visit to the headquarters of the Secretariat of the Council of Mutual Economic Assistance (CMEA), an economic integration organization of socialist countries. There the participants were briefed on the process of economic integration of CMEA member states, on

the role, principles and functions of the Council and assistance given by the CMEA countries to developing countries. This session was intended to give the participants a comparable understanding to what they had presumably acquired in dealing with the European Economic Community as well as their own African subregional economic groupings.

(c) Roundtable discussions

13. Two sessions in the form of roundtable discussions were organized bringing together representatives of various trade enterprises which deal with African partners, in the first instance; as well as representatives of a number of GKES organizations specializing in economic co-operation projects with developing countries during the second session. The first roundtable discussion was devoted to practical aspects of doing business between African countries and the Soviet Union. Participants welcomed this opportunity because it enabled them to meet the representatives of a whole spectrum of business enterprises which deal with the African region. Questions raised sought clarifications and obtained first-hand answers on export and import possibilities for various African export producers, practices and procedures existing in the Soviet Union. Frank discussions were also held in a detailed manner on various aspects of commercial contracts which could be concluded with Soviet organizations. Similarly, the participants exchanged views with the Soviet counterparts on ways and means to overcome problems encountered by African importers and exporters in trading with the USSR. Participants from Guinea volunteered practical examples of some of the difficulties of their commercial deals with Soviet suppliers. The meeting with GKES officials gave them an opportunity to discuss various aspects of technical co-operation and problems related to mixed companies, joint ventures and after-sale service arrangements which are required in order to increase the efficiency of utilizing Soviet-made equipment in African countries.

14. Another topic discussed frankly was that of the use of roubles. Participants gave their opinions. The Soviet experts explained why their currency was as it was and that although they had been at Bretton Woods Conference, they did not intend to join either the IMF or the World Bank until such a time as they were convinced that they would be able to influence either body.

(d) Visits to industrial enterprises and trade-related institutions

15. In the course of the Workshop itself, held in Moscow, and during the study tour to Minsk, the capital of **Belorussian Republic**, a number of visits were organized to various industrial enterprises and trade-related institutions. Visits in Moscow included one to a truck producing factory, the other was confined to Sheremetyevo Airport Customs Department. The latter enabled the participants to get acquainted with customs regulations, requirements, procedures and all other formalities associated with export or import operations. Participants were also able to see the detection and control of prohibited drugs. In Minsk the visits covered three industrial plants producing tractors, refrigerators and watches respectively. In addition, a briefing session was held in the Planning Commission of the Belorussian Republic.

16. The visits to industrial enterprises gave the participants the idea of technological processes utilized and production capacities of these factories, as well as their export capabilities and future strategies in this respect. Over and above, discussions were held with representatives of their respective export departments on conditions and prospects of concluding deals with African companies, and the issue of technical co-operation and eventual inputs from African countries was also raised.

(e) ECA and UNCTAD contributions

17. A representative of ECA Secretariat presented a document entitled "Prospects for Developing Trade between African Countries and the USSR and Major Market Opportunities" (E/ECA/TRADE/90) which analysed the current state of trade between the Soviet Union and African countries and identified several areas for successful promotion of commercial exchanges. More specifically, it was revealed that the demand for Africa's primary commodities would grow in the USSR, in particular for certain agricultural products such as fibres, cocoa, coffee and other tropical commodities. The paper also emphasized that there was a potential for African exports of manufactured goods into the Soviet market, especially of non-durable consumer products.

18. An overall assessment showed prospects for expanding African trade with the USSR could be good in several commodity groups. This is in spite of the severe economic problems faced by the African region. With increased production, vigorous export drive and improved transportation links and trade facilitation mechanisms, African exports to the Soviet Union should grow steadily both in medium-term and long-term perspective. In the long-term perspective, however, much would depend on the efforts from both sides aimed at establishing adequate economic co-operation framework and activating specific industrialization programmes designed to enable African countries to export a wider range of products, including manufactures, to the USSR market.

19. The representative of UNCTAD spoke of UNCTAD activities in the field of promoting trade and economic co-operation between developing countries and socialist countries of Eastern Europe and provided information on trade opportunities for African countries in the USSR.

(f) Summary of discussions

20. The Workshop organized deliberately allocated limited time for the presentation of topics by the lecturers, allowing more time for discussions of problems and issues raised both by the participants and the lecturers. Major topics covered during the discussions included:

- (i) Revival of barter, buy-back and compensation arrangements in order to expand trade and overcome financial constraints;

- (ii) Creation of mixed companies and joint ventures in developing African countries;
- (iii) Need to eliminate intermediaries and encourage direct commercial contacts between counterparts in the USSR and African countries;
- (iv) Contribution of the Soviet Union to increasing export capacity of African countries;
- (v) Current state of marketing and trade promotion for African goods in the USSR market and role of agency houses.

21. One of the major constraints cited by the participants was lack of adequate financing of external trade and absence of necessary mechanisms to ensure a smooth development of trade without recourse to convertible currencies. Non-convertibility of rouble was stressed as an additional factor aggravating the situation; hence, some form of clearing arrangements or counter-trade deals would be desirable. However, a number of African businessmen pointed out that even buy-back arrangements were mainly feasible for large parastatals operating within the framework of intergovernmental agreements whereas utilization of these forms of trading by small-scale and medium-scale private companies would be virtually impossible.

22. The debates also showed that not much information existed on availability of technical expertise and related facilities in the Soviet Union; in particular, in the field of the transfer of technology, training of personnel from African countries and other aspects of technical co-operation. This field of activities should not be confined solely to government organizations since private sector was similarly interested in having access to new technologies. Another factor in this area was the necessity to improve after-sale service and organization of spares for Soviet equipment and other goods sold to the African continent, e.g. cars, air conditioners and other electrical appliances. However, the participants stressed that even despite that situation trade could grow if other commercial conditions provided for a genuine interest on the part of African businessmen.

23. Among the obstacles to further expansion of trade with the USSR was information constraint. This was emphasized because it was not always easy to obtain essential information on market requirements, state of demand and price levels existing in the USSR. That was especially detrimental to small indigenous enterprises in African countries which had no possibility to enter into the planned structure of Soviet foreign trade and take a fair share of small ad hoc orders.

24. It was also proposed during the discussions that the USSR authorities should consider the possibility of creating a special organization, possibly within the Chamber of Commerce and Industry, to deal with promoting imports from African countries. Such an organization could provide all necessary information to African exporters, render different services on a free basis thus facilitating contacts with the consumers and assisting in overcoming many of the obstacles existing in that field.

25. In the area of economic co-operation and joint ventures, some of the participants were of the view that assembly factories should be established in certain African countries which would use technology, equipment, spare parts and other inputs imported from the Soviet Union and produce goods to be exported not only back to the Soviet Union but to other African countries as well. In order to qualify for preferential treatment under the tariff systems of various subregional groupings, such goods would be required to contain a certain proportion of value added to be produced locally. Therefore, this would necessitate not just simple assembly plants, but would call for a development of certain production lines. Participants were also able to learn that the Soviet Union furniture industry was no market for African hardwoods or timber because it only utilized laminated timber.

26. Following the lecture delivered by a representative of the USSR Ministry of Merchant Marine, the debate centered on the importance of having a reliable transportation system linking every African country with the Soviet Union as a means to ensure stable trade relations. It was stressed that intergovernmental agreements on trade and marine transport, where they existed, enormously facilitated commercial deals whereas their absence, on the contrary, was a considerable impediment to these relations, practically prohibiting transportation of small and medium consignments.

(g) Contacts with USSR foreign trade organizations

27. Besides preliminary negotiations held in the course of the visits to industrial plants, a number of contacts have been arranged for African businessmen with their counterparts from USSR foreign trade organizations. In view of the variety of interests displayed by the participants in the Workshop, such contacts had to be organized on an individual basis and accommodated into a very tight time schedule. However, several businessmen managed to initiate talks with their partners on products of interest to them even despite that time constraint.

(h) Closing ceremony

28. Speaking at the closing ceremony of the Workshop, Mr. M. Shumayev, Head of GKES, International Economic Organizations Department, stressed that the present Workshop was part and parcel of the whole series of meetings and seminars organized by ECA and UNCTAD Secretariats for trade officials from African countries. He went on to express the hope that such meetings and study tours would continue in the future since GKES as both an organizer and major financing agency had a vested interest in promoting these activities. Therefore, his organization would continue seeking funds and making all other necessary organizational arrangements in that respect.

29. Mr. Shumayev further pointed to the fact that in the course of the Workshop and Study Tour the participants were able to receive first-hand information on Soviet external trade system, commercial policies, practices and modalities, as well as on economic co-operation arrangements with the countries of African region. The knowledge acquired was particularly useful to those among the participants who had no previous experience of trading with the Soviet Union. He concluded by urging the participants to develop the contacts established and maintain constant relations with USSR trade missions in their respective countries.

III. EVALUATION AND CONCLUSIONS

(a) Evaluation of the Workshop by participants

30. At the end of the Workshop and Study Tour, the participants were requested to complete a questionnaire in which they expressed their views and gave an assessment against the background of their particular requirements as originally envisaged. The participants were unanimous in evaluating the Workshop as highly useful, and specifically emphasized such topics covered as:

- (a) legal framework of the USSR export and import operations;
- (b) payment arrangements and credit facilities;
- (c) transportation of goods in Soviet vessels as well as liasing warehousing facilities that don't go through third parties; and
- (d) joint ventures.

On the basis of the responses given by the participants, there is no doubt that the major objective of the Workshop has been achieved and the African businessmen obtained much information on the modalities of trading with the Soviet Union.

31. Other advantages derived included giving to the participants an insight into the current process of economic reform and restructuring in the USSR. It was a general feeling that this reform could give African countries a chance to expand their trade with the latter both in medium-term and long-term. The participants also stressed that certain market opportunities had been identified both for African exports and imports, and highly praised the contacts made in the course of the Workshop even though it was premature at this juncture to expect any significant results in practical terms. Anyway, a potential for further contacts had been created.

32. In evaluating the results of the Workshop, the participants also made a number of suggestions aimed at improving the level of meetings of this kind which should be continued in the future. Thus, the need for better preparation on the part of the businessmen was emphasized; similarly, the need for better selection of candidates by ECA was also stressed as well as for more thorough preparatory work including organization of subregional meetings to precede the seminar itself. (a more detailed account of the participants' responses is provided in Annex 3).

(b) Conclusions and recommendations

33. The Workshop and Study Tour were a continuation of many of the previous activities jointly undertaken by ECA and UNCTAD which included a number of national and subregional seminars, such as the latest one for Western and Central African countries in July 1986 in Moscow. However, in terms of composition the present Workshop was distinctly different since it was oriented on representatives of business circles of African countries and not Government officials as was the case with previous meetings. The results of the Workshop confirmed the soundness of such orientation which should be maintained in the future. In order to make a greater impact on African traders as a whole, a greater involvement of national chambers of commerce of African countries will be required in future seminars.

34. The interest which this initiative generated was quite evident from the readiness of responses from indigenous business communities of African countries. The number of participants who actually emerged, was quite high although it could have been even higher but for the change in the dates of the Workshop introduced only two month before. This explains why some of the would-be participants failed to come to Moscow and some of the difficulties in accommodating the new dates into their respective tight time schedules. In addition to their active participation, the level of persons who took part in the Workshop proved to be similarly high as most of the participants were managing directors of individual companies or institutions. (As can be seen from annex 1).

35. The Programme of the Workshop and Study Tour was quite balanced and comprehensive given the objectives of the exercise. The proportion between lectures, visits and discussions could have been changed to allow for more time for an exchange of views with the Soviet counterparts or among the participants themselves. In future it will be advisable to give copies of the lectures to participants well in advance so that during the oral presentation the attention of the audience could be focussed on the main issues. Similarly, more attention could have been devoted to consideration of prospects for increasing African exports to the Soviet market whereas the problem of USSR exports to the African region has been sufficiently covered by the programme. Despite these aspects and despite certain inconveniences in connection with several organizational arrangements such as conditions of accommodation in Moscow, the Workshop and Study Tour were on overall quite successful on the basis of its own criteria. The objectives can also be said to have been achieved.

36. The Workshop was very much productive in the sense that it has shown the existence of a significant potential for expanding trade between the USSR and African countries. This was particularly re-affirmed by the participants who had been able to identify a number of market opportunities in the Soviet Union. However, there are several constraints impeding this expansion. Not least of all include, among others, the lack of continuous information on the supply and demand situation in the markets, inadequate knowledge of commercial practices and procedures, consumers' requirements etc. Meetings of that kind are significantly contributing

towards overcoming such constraints; and the necessity of holding similar meetings has been stressed on several occasions during the Workshop. Hence, the importance of a follow-up action in this area cannot be overestimated. This action should also include contacting the participants in the Workshop in order to find out what advantages they actually derived from the Workshop as well as which deals might have been concluded.

37. The experience gained in the course of the Workshop shows that for seminars of this kind, oriented on the businessmen, a lot of preparatory work is required which should precede the event long in advance. Such preparatory work implies market research, preliminary contacts with prospective counterparts, identification of products of interest in the area of both exports and imports as well as providing general information on trade practices and procedures in the USSR. This should involve short briefing sessions and orientation courses for prospective participants, possibly on a subregional basis, with a view to making them familiar with general issues of trading with non-traditional partners and permitting ECA to select candidates in a more efficient way.

38. The Workshop highlighted the fact that the group of participants should be more homogenous in order to make the meeting more practically-oriented and yield immediate results in terms of contracts signed and negotiations initiated. Therefore, future events of this kind have to be more specialized. To achieve this goal, participants may be selected on the criteria of drawing businessmen from one branch or industry, or specializing in one or several similar products, for example as suggested by some of the participants, in the area of pharmaceuticals. Participation may also be confined to only one-two subregions. In addition, programme for such meetings has to be established in a manner allowing for more time for business contacts and actual negotiations, with most of the briefing to be done during the preparatory stage.

39. It also became quite apparent that with the change in the trade structures in the USSR, the latter were more inclined to stress their exports rather than imports from Africa. Similarly, the USSR organizers did not seem to appreciate that they were dealing with private businessmen rather than government civil servants, because the Soviets seemed to want to give long lectures instead of getting down to practical aspects of doing business.

ANNEX I

LIST OF PARTICIPANTS IN TRAINING WORKSHOP
ON TRADE EXPANSION AND STUDY TOUR FOR
AFRICAN BUSINESSMEN IN THE USSR

BOTSWANA

Mr. Sealelo Morotsi, Businessman, M.M. Partners, Box 175 Mahalapye
Mr. Welly Matheadira Seboni, Executive Director, Kwena Concrete Products (Pvt)
Ltd. P.O.Box 1029, Gaborone

BURKINA FASO

Mr. Jerome Compaore, Directeur commercial et administratif, SO.CO. MOU. F.
B.P. 3895 Ouagadougou
Mr. Kani Gaston Gnomou, Directeur General, Entreprise Generale de Commerce,
B.P. 1776 Ouagadougou

EGYPT

Mr. Mahmoud Nabil Elmessiri, Managing Partner, Elgharbia Industrial Company
(Elmessiri & Co) Mehalla Elkobra, 52 Moussadek St. El Dokky, Cairo

ETHIOPIA

Mr. Bekele Yemerou, General Manager, Natural Gum Processing and Marketing
Enterprise, P.O.Box 62322, Addis Ababa

GABON

Mrs. Yvette Simon Davin, Vice-Presidente de la Confederation Nationale du
Patronat Gabonais, B.P. 2756 Libreville

GHANA

Mr. Albert Ababio Owusu, Managing Director, Astek Fruit Processing Ltd.
P.O.Box 4710 Accra

GUINEA

Mr. Thierno Mouctar Bah, Directeur General, Entreprise Nationale TRANSMAT,
Conakry
Mr. Mamadouba Camara, Directeur administratif et financier, Entreprise Nationale
PROMIMEX, B.P. 185 Conakry

"Cont'd."

ANNEX I

KENYA

Mr. Silas M. Ita, Director/Chief Executive, The Kenya Association of Manufacturers
P.O.Box 30225 Nairobi

MADAGASCAR

Mr. Hans Rajaonarisoa, Adjoint au Chef du Service Logistique, Comptoir de Commerce
et de Representation pour l'Ocean Indien - COROI, B.P. 428 Antananarivo

MOROCCO

Mr. Mohamed Chiker, Directeur, Chambre de Commerce et d'Industrie des provinces de
Meknes et d'Ifrane, B.P. 325 Meknes

NIGERIA

Mr. Matthew Onakpeya Origbo, Chairman/Managing Director, Kigho Stores Ltd. and
Vice-President, Nigerian Association of Chambers of Commerce, Industry, Mines
and Agriculture (NACCIMA), P.O. Box 442 Sapele

SENEGAL

Mr. Mamadou Fall, President Directeur General, SO.GE.CO., B.P. 1728, Dakar
Mr. Alassane Sow, Directeur General Gerant, SINEP SARL, Dakar

SUDAN

Mr. Abdel-Bahman Lutfi, Manager, Lutfi Tile Factory, Lutfi International for Trade,
P.O.Box 8239 Khartoum

TOGO

Mrs. Akuavi Nini Doh, Directrice, O.M.G. B.P. 3569 Lome

UGANDA

Mr. Perezi Balaza Kanyenya, Managing Director, Uganda External and Internal
General Suppliers (Imports & Exports), P.O.Box 2377 Kampala

ZAIRE

Mr. Tshamukuluila Tshulu, Proprietaire, Etablissements Tshulu, B.P. 13466 Kinshasa I

ANNEX I

ZAMBIA

Mr. Chitundu Norman Mwango, General Manager, Century Holding Ltd. P.O.Box 32599
Lusaka

ZIMBABWE

Mr. Paul Mutambiranwa Chingoka, Commercial Executive, Electra Source (Pvt) Ltd.,
P.O.Box 1011 Harare

Mr. Wonder Zindoga Maisiri, Deputy Chief Executive, Zimbabwe National Chamber of
Commerce, P.O.Box 1934 Harare

ECA/CEA

SECRETARIAT

Dr. Jonathan H. Chileshe Chief, International Trade Section, ITFD

Dr. Faith M. Kabi, Economic Affairs Officer, ITFD

Mr. Konstantine Panov, Associate Economic Affairs Officer, ITFD

Mrs. Aynalem Duguma, Secretary, ITFD

UNCTAD/CNUCED

Mr. Pran Neville, Consultant

USSR Chamber of Commerce and Industry/Chambre du Commerce et d'Industrie de l'URSS

Mr. Igor Shapovalov, Director, Foreign Relations Department

Mr. Ildar Younousov, Chief, Department of International Economic Organizations
(DIEOO)

Mr. Vladimir Baberya, Senior Consultant, DIEO

Mr. Aleksei Kolesnikov, Senior Consultant, DIEO

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OBSERVERS/OBSERVATEURS

Mr. Gregory Miagkov, Chief Expert, USSR State Committee for External Economic Relations
Mr. Andrey Redykin, Expert, USSR State Committee for External Economic Relations
Mr. Toufik Dahmani, 2nd Secrétaire, Ambassade d'Algérie à Moscou
Mr. José Barroso, Representant Commercial, Ambassade de l'Angola à Moscou
Mr. Raouf Saad, Counsellor, Embassy of Egypt in Moscow
Mr. Cocon Benoit Noumon, Attaché, Ambassade du Bénin à Moscou
Mr. Anatole Kikieta, Premier Conseiller, Ambassade du Burkina Faso à Moscou
Mr. Sidissore Pyrrhus Ouedraogo, Chercheur, Ambassade du Burkina Faso à Moscou
Mr. Ernest Pouhe, Deuxième Conseiller, Ambassade du Cameroun à Moscou
Mr. Alphonse Mouelet, 1er Conseiller, Ambassade du Gabon à Moscou
Mr. Nana Effah-Apenteng, Minister-Counsellor, Ghana Embassy in Moscow
Mr. Diakha Diallo, 1er Conseiller, Ambassade du Sénégal à Moscou
Mr. Adodovi Ako, Secrétaire, Ambassade du Togo à Moscou
Mr. Francis X.-S. Hatega, Minister-Counsellor, Embassy of Uganda in Moscow
Mr. Mike B. Goma, Financial attaché, Zambian Embassy in Moscow
Mr. Adrian Strain, Senior Manpower Development Officer, Eastern and Southern Africa Trade Promotion and Training Centre, Nairobi, Kenya

ANNEX 2

PROGRAMME OF WORK

Training Workshop on Trade Expansion and Study
Tour for African Businessmen in the USSR

28 Sept.1987
Monday

10.00	Opening Ceremony Greeting remarks by representatives of the USSR Chamber of Commerce and Industry, USSR State Committee for External Economic Relations, ECA and UNCTAD
11.00	Coffee Break
11.15	Presentation by ECA official of the objectives and purposes of the Workshop
11.45	"USSR technical assistance to the developing countries within the United Nations" (contri- bution by USSR State Committee for External Economic Relations)
12.15	Discussion
12.30	LUNCH BREAK
14.30	"Summary of the results of UNCTAD-VII"(USSR Ministry of Foreign Trade)
15.30	Discussion
16.00	"Review of experiences of various developing countries in trading with the USSR" (Contri- bution by Mr. Pran Nevile, UNCTAD Expert)

29 Sept.1987
Tuesday

10.00	"Current situation and prospects of trade between the USSR and countries of Africa" (USSR Ministry of Foreign Trade)
10.45	Discussion
11.15	Roundtable meeting with representatives of Soviet foreign trade associations
12.30	LUNCH BREAK
14.30	"Current situation and prospects for economic co-operation between the USSR and African countries" (USSR State Committee for External Economic Relations)
15.00	Discussion
15.30	Roundtable meeting with representatives of the USSR State Committee for External Economic Relations Organizations

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<u>30 Sept. 1987</u> Wednesday	10.00	"Activities of the USSR Chamber of Commerce and Industry in the promotion of trade and economic relations with developing countries"(USSR Chamber of Commerce and Industry)
	11.00	Discussion
	11.15	COFFEE BREAK
	11.30	"Guidelines of Soviet Customs legislation"(Main Department of State Customs Control)
	12.00	Discussion
	12.30	LUNCH BREAK
	14.00	Visit to Sheremetyevo Airport Customs Department
<u>1 October 1987</u> Thursday	10.00	Working schedule by the Secretariat of the Council for Mutual Economic Assistance (CMEA Headquarters)
	12.30	LUNCH BREAK
	14.30	"Organizational framework and structure of the USSR foreign economic relations"(All-Union Academy for Foreign Trade)
	15.15	Discussion
	15.30	Financial aspects of foreign economic relations in the light of the current banking reform in USSR (the USSR State Bank)
<u>2 October 1987</u> Friday	10.00	Visit to an industrial enterprise
	12.00	LUNCH BREAK
	14.00	"Role of the USSR merchant marine in developing external trade with African countries" (USSR Ministry of Merchant Marine)
	14.30	Evaluation of the Workshop and closing remarks
	16.00	Cocktail hosted by the USSR Chamber of Commerce and Industry
<u>3 October 1987</u>	10.00	Social programme (Moscow City guided tour, visit to Kremlin etc.)
		Departure to Minsk (travel arrangements to be declared separately)
<u>4-6 October 1987</u>		Programme provided by Belorussian Chamber of Commerce and Industry (visits to industrial enterprises, meetings with officials, social events etc.)
		Departure for Moscow

ANNEX 3

Summary of responses by the participants
evaluating the Workshop and Study Tour

1. (a) How do you assess the duration of the Workshop, taking into consideration its objectives?

Too long	10%
Just right	70%
Too short	20%

- (b) For those who consider the Workshop to be too short or too long, what would be the most appropriate duration for such an event?

Around three weeks combining study tour

- (c) Comments: the Workshop should be longer with a less tight daily programmes

2. (a) What do you think of the daily programme?

Too tight	60%
Just right	30%
Too long	10%

- (b) Comments: Participants did not have enough time for business contacts, visits to industrial and commercial enterprises and institutions of their own choice. It would be advisable to leave the afternoon free for that purpose and for rest.

3. (a) In overall terms, did the programme of the Workshop meet your requirements? Were all your objectives realized?

To a great extent	
Largely	40%
Sufficiently	10%
Little	40%
Very little	10%
Not realized	

- (b) Comments: Despite inability to meet representatives of all firms and companies in accordance with participants' preferences, an understanding for future contacts has been established by the Workshop since it provided information on overall economic policies of the USSR and its current economic reform which has repercussions on foreign trade sector. Some of the participants observed that emphasis has been put mainly on export capacities of the Soviet Union whereas the issue of promoting African imports into the country has been accorded lower priority by the organizers.

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4. (a) What is your opinion of the general level of the Workshop

Too high	10%
Just right	90%
Too low	

(b) Comments: (i) The general level of the Workshop can be assessed as excellent, with a special tribute for the dynamic style of discussions to go to the chair. However, presentation of certain topics was not sufficiently detailed and required more clarifications such as problems associated with non-convertibility and par value of the Soviet currency.

(ii) The whole basic information should be provided to the participants in advance so as to enable them make more constructive contribution to discussions. Similarly, selection of the participants has to be improved with the view to increasing the practical orientation of the programme.

5. Which issues did you find particularly interesting to you? Please explain why.

The following topics covered were listed by the participants:

- (i) economic reform in the USSR;
- (ii) legal framework of the USSR export and import operations;
- (iii) payment arrangements and credit facilities, banking system in the USSR after the reform;
- (iv) transportation of goods in Soviet external trade;
- (v) joint ventures and their role in increasing trade between the USSR and African countries;
- (vi) matters relating to contract on agency;
- (vii) visits to various industrial enterprises.

In overall terms, every part of the programme was considered useful, particularly because the majority of participants were for the first time exposed to the system of state trading enterprises of the Soviet Union. Better understanding of the system will allow African businessmen to develop more efficient relations with their Soviet partners.

6. (a) Are there any themes that in your opinion have not been sufficiently covered or have been completely left out?

Yes	50%
No	50%

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(b) If yes, please specify.

- (i) After sale service provided by USSR suppliers, e.g. in respect of expensive equipment and entire plants;
- (ii) Contracts with suppliers of manufactured goods outside CMEA;
- (iii) Agreements with private companies both in developed and developing countries;
- (iv) Detailed analysis of goods with export potential for the USSR market on a product-by-product basis covering textiles, general merchandise etc.
- (v) Agreements on joint ventures and their provisions covering spare parts deliveries, service, transfer of technology.

7. How do you evaluate the contacts you have made with foreign trade enterprises in terms of your business requirements?

Some of the participants complained of their **inability** to make business contacts as envisaged due to time constraint and organizational difficulties. However, in most cases sufficient information was obtained to initiate and develop such contacts by correspondence. The majority of the participants were of the view that it was still too early to evaluate the contacts made since the proposals discussed had to materialize into concrete deals, but on the whole the contacts established were useful and promising.

8. Please comment on the dosage between lectures, discussions and visits.

Too much time was devoted to lectures. Visits and discussions should form the core of the programme with all the basic information to be combined and given to the participants in written form before the Workshop starts. Discussions can be held in smaller groups according to varying interests of the participants.

9. (a) What is your opinion of the general level of lectures presented?

Excellent	20%
Good	60%
Rather good	20%
Bad	

Cont'd.

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- (b) Comments: Some of the lectures were too long, but generally they provided exhaustive information on the topics covered. Sometimes, the lecturers avoided directly answering certain embarrassing questions, and tended to be too assertive in presenting their views.

10. (a) Did you benefit from the exchange of views during the sessions with:

Lecturers and discussion leaders?

Largely	20%
Sufficiently	40%
More or less	20%
Little	20%
Not at all	

Other participants?

Largely	50%
Sufficiently	30%
More or less	20%
Little	
Not at all	

- (b) Comments: Discussions with senior officials of USSR foreign trade organizations were particularly useful. However, during some of the sessions discussions had to be interrupted due to lack of time.

11. (a) Do you expect to make use of the knowledge and information acquired during the Workshop in your business activities? To what extent?

To a very large extent	70%
Sufficiently	10%
More or less	20%
Little	
Very little	

- (b) Please comment on the difficulties you may encounter in this area:

Several difficulties were cited, including:

- (i) Problems of mutuality, since trade with the USSR will only be encouraged by national African governments if it is equally beneficial to both sides and develops in both directions;

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- (ii) Monetary and financial problems;
- (iii) Necessity to have recourse to intermediaries which increases the final price of the goods;
- (iv) Information constraint regarding price levels, market opportunities demand situation etc.
- (v) Delays in fulfilling the orders;
- (vi) Language barrier since much of the printed matter with useful information is only available in the Soviet Union in Russian;
- (vii) Necessity for the USSR to liberalize its economic policies and structures with the view to gearing them towards providing necessary assistance to developing Africa.

12. (a) Do you feel that similar events should be organized in the future?

Yes	100%
No	

(b) If yes, what kind of a meeting should it be?

A number of participants were of the view that meetings of the same type should be organized in future with more time allocated for the purpose of business contacts and visits. Others thought that these have to be more specific and organized separately for exporters and importers or on a sectoral basis, for businessmen dealing with pharmaceuticals, textiles, engineering etc. Similarly, representatives of Chambers of Commerce of African countries should also have a special meeting to allow them to disseminate the information obtained among members of their business communities. Visits to other countries and regions were also proposed.

13. Which changes would you propose with the view of improving the programme of the Workshop?

More preparatory work is required at initial stages; programme and other related documents have to be sent to participants well in advance to enable the organizers accommodate their preferences. In addition, programme of the Workshop has to be more specific, allow for more discussions and the duration of the meeting should be extended. Sufficient time should be reserved for a speaker from ECA Secretariat to highlight issues of market opportunities and prospects for African exports to the USSR, to be followed by an exhibition of export products from African countries. Effectiveness of business contacts can be increased through arranging meetings with representatives of Soviet organizations directly in the hotel where the participants reside, or in the Workshop venue.

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14. (a) Was the accomodation good?

Moscow

Yes 50%
No 50%

Minsk

Yes 100%
No

- (b) If no, explain why.

Moscow. The hotel was too far from the centre of the city; conference facilities were in a different place which required a lot of time for transportation. No services were available in the hotel which are indispensable for a businessman. The problem of dinner was a nightmare.

Minsk. An excellent accomodation was provided.

15. (a) What do you think of organizational arrangements for the Workshop?

Excellent 20%
Good 30%
Fairly good 50%
Bad
Extremely bad

- (b) Comments: Much efforts have been spent by both ECA and USSR Chamber of Commerce and Industry on planning of the Workshop and its servicing. In overall terms the organization was very good but for a few aspects. However, the programme was slightly confused by certain changes introduced at the last moment whereas the programme itself provided no margin for manœuvre.

16. Please give your opinion on any other aspects not covered by the present questionnaire.

The effects of the Workshop have to be carefully monitored by ECA Secretariat, hence, the need for a follow-up action. This may take the form of subregional or national meetings on trade expansion between African countries and the USSR with a number of senior officials to be invited from the Soviet Union to present lectures to the meetings.