

Building trade relationships

By Luyton Driman

This has been an amazingly busy month for me, with it being the peak of the trading year for local trading and for exports, and this means you have got to meet those shipping deadlines. Remember what the backlogs and delays are like at most African airports and harbours . . . all year, never mind the festive/holiday season!

Besides this chaos, I had the privilege of presenting issues, Africa-related, to a delegation of about 30 businessmen from the USA, who were visiting Africa for the first time. The US Embassy in Pretoria hosted the event (which I may add, was very well laid on and professionally executed).

The objective of the mission was to introduce American businesses and businessmen to Africa in the context of starting to trade and build relationships with South African companies and to interface with companies, organisations and government departments from many other Africa countries with the sole objective of trading in mind.

You must remember, besides the oil and mineral conglomerates, US companies have never really ventured into Africa . . . until now. They appreciate the vastness of the continent, but do not understand it at all. I went to great pains to lay it out, how it really is, so to say.

My book deals with this cultural experience in depth and in detail in many parts of the text, directly relevant to the context of that particular chapter. Anyway, as I was saying, it was a very interesting couple of days and a time when many ideas were debated, many trading options discussed and many types of products mulled over. In getting to grips with the greater African market, these companies were not sure what was available here (on the continent) and where the market opportunities were, ditto .

It is an interesting fact to point out that South Africa has plenty of products to offer, in many categories and portfolios, even to the

USA. I know the exchange rate is a factor, but there are other options, like transfers of technologies, joint venture options, SKD (semi knockdown export options) and CKD (complete knockdown export options); across many variations and genres of products. The group was a very diverse one, weighted slightly in the agricultural sector, but there were also some delegates who came from a pure procurement and trading arena, ie the sourcing of basic grocery items (boxed, bottled and dry goods).

To make things even more interesting, after this delegation had left, I addressed a delegation from the Middle East. Also interesting, as many facets of the discussions and various presentations delved around politics, religion, logistics, trade opportunities and just plain old selling!

Once again I was privileged to meet the Ambassadors of UAE, Jordan, Syria and Egypt. This delegation was geared at cross trading opportunities, ie from investment into South Africa and for South African companies to investigate the various products and opportunities available across the Arab League. I was very interested to learn some of the new ideas being bandied about regarding the "free zones" as there are a number in the Middle East and it will be interesting to see how the South African versions in Richards Bay, East London and Coega will hold up in this very competitive world of ours. ■

Until next time. . . trade well and have a great festive season.



Luyton Driman, author of 'Going the extra mile: A guide to trading in Africa' writes a monthly column for *Export SA*



EIKOS Keeping an eye
Risk Applications on your cargo
and trade related risks



ETW/DOVER/ISSING/ISS

Eikos are specialist marine, trade and transportation risk consultants, providing leading edge risk financing and insurance products to SMME's, medium or large corporate businesses involved in domestic or international trade.

Johannesburg (+27)11 771-5400
Durban (+27)31 250-5100
Cape Town (+27)21 400-9000
London (+44) 207 326 8488

www.eikos.co.za