

Russia Steps Up Efforts To Bolster Business With Africa



By Kester Kenn Klomegah

MOSCOW, January 25, 2016 (Business Africa) – Recognizing the huge untapped potential in their economic cooperation, Russia and Africa have taken steady efforts in raising the level of trade and business promotion over the past few years. Russia is now aiming to increase trade with Africa than before.

Our Eurasian Regional Director, Kester Kenn Klomegah, interviews Lyubov Demidova, deputy chairperson of the Regional Chamber of Commerce and Industry in Moscow Region, who hinted the reviewing of the Russia-Africa business, pointed out the achievements and challenges for 2015 and the highlight the vision for 2016.

Interview excerpts follow:

Q:How would you describe the current economic cooperation and business partnerships between Russia and African countries?

A:At the regional level of the Chamber of Commerce and Industry of the Moscow region, the cooperation can be assessed as insufficiently active compared to those capabilities possessed by Russia and the countries of the African continent. Our country has great economic potential, which just needs to be used. I hope that the Regional Council for the Development of Relations with African countries (abbreviated RCDRA) will serve as a good mechanism for the development of fruitful cooperation in various fields.

Q:Do you think the crisis can boost interest of potential Russian industries and companies to swift to the African region? Is that really the case for these two years?

A:Russia has a large scientific and technical potential, and the Moscow regional region also is historically developed as an industrial and scientific center and has good opportunities to develop their export potential. I would not want to associate the crisis in the West and in Europe with the development of relations between Russia and African States.

In our opinion, cooperation between our country should not depend on third parties, and should develop independently for the benefit of peoples of our States. The primary task of RCDRA is to make the cooperation as comfortable, convenient and safe for both parties. To that end, Regional Councils are developing special mechanisms to check on partner's reliability.

To put a time frame is absolutely impractical. It all depends not only on Russia but also on African States, and for its part, the Council will make every effort to establish large-scale, long-term and mutually beneficial cooperation and hopefully we will meet the same positive results on the part of African States. In some areas we will be able to cooperate fast enough, and some other areas will require years of hardwork to get effective and positive results.

Q:In your expert view, what are the key challenges and problems facing Russian companies and investors that wanted business operation in Africa?

A:The main obstacle is insufficient knowledge of the economic potential, on the part of Russian entrepreneurs, the needs and business opportunities of the African region. This is exactly what RCDRA plans to help members of the business community of all countries to address issues for effective and mutual economic cooperation.

Q:On the other hand, why the presence of African companies on the Russian market is still extremely low? Why trading in Russia is not attractive to African exporters?

A:I think African companies in Russia face the same problems similar to that of the Russian companies face in Africa. On the question of activities, African companies on the Russian territory, in our opinion, is also associated with inadequate knowledge about business practices (rules and regulations) in Russia, local demand, opportunities for the development of commercial activity on both sides. We hope that our future advice will help to better build business confidence for the African entrepreneurs and potential exporters to the Russian market.

Q:Under the circumstances, what should be done to improve the present situation? What are your suggestions as an expert on Africa at the Russian Chamber of Commerce and

Industry?

A: The most promising option for solving the problem of intensification of bilateral contacts is the practical work to establish links between individual companies, business associations from both sides, which will gradually accumulate positive experience of working together, to understand the capabilities and needs of each other leading to the development of the economy both with Russian and with the African side.

Given the relevance for this stage of cooperation between African countries and Russia, obtaining practical experience, it was decided to create RCDRA at Chamber of Commerce and Industry (Moscow Region) and the beginning of practical work at the level of the Chamber of Commerce and Industry (Moscow Region), like business associations, on the basis of which the main social organization in the Moscow region, Business Russia, OPORA Russia.

In addition, the Chamber of Commerce and Industry in the Moscow Region covers almost all the municipalities of the Moscow Region and in the aggregate, the largest Chamber in the system of Chambers of Commerce and Industry of Russia. We look forward to working closely with the diplomatic community of African States accredited in Russia. This collaboration will definitely accelerate and bolster the process of rapprochement between businessmen of Russia and Africa. **(Source: Business Africa)**