

## Putin vows trade drive on historic South Africa visit

*Each of the big three have been wooing partners.*

Turkish Press  
September 5, 2006

Russian President Vladimir Putin has launched a drive to reassert Moscow's influence in Africa, vowing to vastly increase levels of trade with the continent's economic powerhouse.

Making the first ever visit to South Africa by a Kremlin leader, Putin told his counterpart Thabo Mbeki the warmth of their political relationship was not reflected when it came to business.

Although Moscow was one of the main diplomatic backers of Mbeki's African National Congress (ANC) during the former apartheid era, Western Europe has been the main market for South African business since the end of whites-only rule 12 years ago.

"We have a lot of catching up to do," Putin acknowledged to reporters at the presidential residence after his talks with Mbeki which lasted over two hours.

Levels of trade were "totally out of line with the political trust and political cooperation we have," Putin said at a joint press conference.

"It cannot be compared to the volume of trade that Africa has with other leading countries in the world," he added.

Bilateral trade has been steadily increasing in recent years but South Africa still exported less than 200 million dollars worth of goods to Russia last year -- a fraction of the amount that headed to European Union countries.

The level of Russian exports amounted to a mere 18.2 million dollars in the first three-quarters of 2005, according to the South African foreign ministry.

Highlighting his desire to redress the situation, Putin is being accompanied by a large business delegation on his two-day visit, led by metals magnate Viktor Vekselberg.

He has also lined up a series of meetings with local business leaders including Nicky Oppenheimer, head of diamond mining group De Beers.

Putin said several "major long-term projects" were discussed in his talks with Mbeki, including cooperation on metal ore extractions, military technology and energy.

A series of agreements were signed by the leaders on cooperation, health, space exploration and intellectual property rights, while Putin said there was also a deal on expanding fuel supplies to South Africa's only atomic power plant in Koeberg, near Cape Town.

"An agreement has been concluded on the supply of nuclear fuel to a South African nuclear plant up to the year 2010," he said.

"We plan to expand this cooperation and hope our cooperation in nuclear fuel for peaceful purposes will be great in volume and will be oriented on the long-term."

Putin said further trade cooperation agreements would be signed on Wednesday, ahead of his departure for Morocco.

Mbeki said he shared Putin's desire to increase economic cooperation.

"The president is quite correct ... It is low," said Mbeki. "We are interested in mutually beneficial economic cooperation."

Marius Louw, a director of South Africa's main business chamber CHAMSA, said current bilateral trade was negligible but it was realistic to expect levels could increase three-fold in the next few years.

"Both markets have untapped potential, especially in oil and mining. We can expect medium-sized businesses to benefit greatly from the new opportunities," Louw told AFP.

As the end of the apartheid era coincided with the collapse of the Soviet Union, a potentially fruitful diplomatic relationship failed to bloom.

Putin's visit is seen as part of a drive by Moscow to reassert its diplomatic influence in Africa and in particular with a country which has ambitions to join it as a permanent member of the United Nations Security Council.

Mbeki said he welcomed an offer by Putin to "work closely with us" when Pretoria takes up a non-permanent seat from January, exercising a role as a mediator in conflicts across the world's poorest continent.

Russian assistance would enable South Africa "to discharge these responsibilities properly," said Mbeki.