

# Russia, From West to Far East Proves a Land of Vast Potential

*When people think of Russia, they think Moscow... St. Petersburg... Europe. But when you're in Vladivostok, eight time zones east of Moscow, and most of the cars are Japanese and half the restaurants serve sushi, you're definitely not in Europe!*

Vladivostok is the largest of the many medium-size cities on the Russian east coast or the "Russian Far East".

The region's economy is dominated by the ship-repair, fishing, timber, construction and chemical industries.

Not surprisingly, the Russian Far East has strong cultural and commercial ties with China, Japan and Korea. But, more and more, companies from the United States, Australia and the European Union are doing business in the Russian Far East.

The number of joint ventures involving foreign capital and technology is increasing. Annual foreign trade, for Vladivostok alone, now exceeds \$400 million.

Just a few years ago, approximately 80 per cent of the Russian Far East's imports of foodstuffs and consumer products came from China.

Consumers in the Russian Far East demanded a wider choice and, today, the most active foreign firms in the region are Japanese, Korean and American.

Trade between the Russian Far East and Canada is growing. The region has great potential for Canadian companies, especially those in the agri-food, fishery, fish-processing and consumer products sectors.

Shipping and distribution channels between Canada and the Russian Far East are improving but, to this day, many Canadian products imported in the

region go through American distributors.

"Seattle" comes up in almost every business meeting in the Russian Far East.

Given their geographical location — and the competitive prices of companies in Western Canada — we will be hearing "Vancouver" and "Calgary" more often in the future.

## Alberta Stands Tall in Eyes of Russians

There was great excitement as the helicopter descended and representatives of Alberta's Canadian Foremost Ltd. stepped out onto the Samotlor oil field in western Siberia, the largest oil field in the world.

It was very rare in the days of the Soviet Union that Westerners came face to face with western Siberia, its oil fields and its people.

That was in 1970; twenty-six years later Westerners are no longer curiosities in Siberia and Albertans are closely associated with joint ventures throughout the region.

It is often said in Russia that Albertans were the first Canadians to do serious business with Russia. Whether it be off-road vehicles, drilling, production and processing equipment and services, or environmental consulting, Alberta's expertise has been highly valued.

In the mid-1980s, the Alberta government initiated an extensive program of exchanges, trade shows, seminars and other activities to develop commercial opportunities for Alberta companies in Russia.

In addition, bilateral agreements have helped Alberta businesses expand into new sectors, and today bring Russian physicians and teachers to Alberta for training, as well as a steady stream of specialists from the energy complex.

Alberta leads the way in exports to Russia, in five of Canada's top 10 products, including oil and gas equipment and machinery, special-purpose vehicles, and prefabricated buildings.

There now are more than 40 Alberta companies operating in Russia.