

- THE BEST PUBLISHED ESTIMATES PLACE COUNTERTRADE AS A FACTOR IN 5% OF WESTERN EXPORTS TO THE USSR IN 1989 AND A FACTOR IN 20% OF IMPORT FINANCING IN THE FORMER USSR IN 1992.
- WITHIN THE GENERAL BUSINESS CONDITIONS PREVIOUSLY DESCRIBED, THREE AREAS REQUIRE SPECIFIC ATTENTION IN SUCCESSFULLY CONCLUDING A COUNTERTRADE-BASED TRANSACTION. THESE RELATE TO PRODUCT, STRUCTURING TRANSACTIONS AND RELATED EXPORT/HARD CURRENCY REGULATIONS AND TRANSPORTATION.

PRODUCT

- CERTAINLY, THE MOST DIFFICULT PROBLEM (NOT THAT THERE WON'T BE OTHERS) WILL BE THE IDENTIFICATION OF SUITABLE PRODUCT, IN SUFFICIENT QUANTITY, QUALITY AND AT THE RIGHT PRICE. THIS WILL NECESSARILY INVOLVE ADDITIONAL TIME, FINANCIAL AND HUMAN RESOURCES.
- EXPECT TO BE GIVEN LONG LIST OF POTENTIAL PRODUCTS EITHER PRODUCED BY YOUR CLIENT OR AVAILABLE THROUGH HIS CONTACTS - ACTUAL AVAILABILITY WILL BE SOMETHING ELSE.
- INTERNAL BARTER BETWEEN PLANTS OR ORGANIZATIONS IS AN OPTION IF YOUR LOCAL PARTNER IS EXPERIENCED AND CAN OFFER SOMETHING IN EXCHANGE FOR THE EXPORT PRODUCT.
- COMPETITION WILL LIKELY EXIST FOR THE MOST DESIRABLE EXPORTABLE PRODUCTS FROM OTHER FOREIGN SUPPLIERS. THIS ALONG WITH UNREASONABLE PRICE EXPECTATIONS OF THE SELLER MAY MAKE SOME PRODUCTS MORE EXPENSIVE THAN THEY ARE WORTH.
- ONCE YOU HAVE WHITTLED YOUR LIST DOWN TO A WORKABLE NUMBER IT WILL BE NECESSARY TO DO THE FOLLOWING:

- (i) VERIFY WHO THE TITLEHOLDER TO THE PRODUCTS IS AND THE TRANSFERABILITY OF OWNERSHIP.
- (ii) DETERMINE WHAT QUANTITIES ARE AVAILABLE, WHEN AND WITH WHAT SPECIFICATIONS. IF POTENTIAL EXISTS, YOU SHOULD ESTABLISH A QUALITY PROCEDURE. SOME UPGRADING MAY BE NECESSARY. A JOINT VENTURE MAY BE THE PREFERRED SOLUTION. SAMPLES SHOULD BE PROCURED. IF IT IS A MANUFACTURED PRODUCT ASK FOR AND HOPE TO RECEIVE A PRODUCT BROCHURE AND A TECHNICAL AND SPECIFICATIONS SHEET.

ANALYSIS