

AFRICA AND THE MIDDLE EAST

Exporter Advice

Building Business Relationships

To be successful selling products abroad requires homework and careful planning. Even in neighboring countries, business environments can be quite different. Here are some exporter business tips provided by FAS offices in Africa and the Middle East.

Tunisia

Tunisia has a population of 10 million and enjoys one of the highest levels of purchasing power in Africa. Consumers are growing more sophisticated; demand for high-value food products is growing.

Doing business in Tunisia requires direct contact with customers, either personally or through a local agent who serves as a trade facilitator and sometimes as an interpreter. Tunisia's official language is Arabic, and the second language is French. U.S. products have a reputation for high quality, but many Tunisian importers consider price the key determining factor. Be prepared for demanding price negotiations.

According to Tunisian law, labels must be in Arabic, although another language may be included. Measurements must be in metric units. Food packaging materials must meet Tunisian standards that stipulate that the container directly in contact with food be made of food-grade material. The container can either be labeled as "material fit for food contact" or feature an international food grade logo.

The Tunisian dinar is not freely convertible, and the Central Bank of Tunisia

strictly controls the Tunisian banking system.

Algeria

Algeria has more than 31 million citizens and is one of Africa's largest agricultural importers. Most Algerians have traditional diets, but as the number of women working outside the home increases, more consumers are turning to consumer-ready or semi-processed products. Algeria's energy sector drives its economy, accounting for more than 90 percent of export earnings, 30 percent of gross domestic product and 60 percent of government revenue. Algeria is the world's largest exporter of liquefied natural gas.

French is still the predominant business language, so promotional materials in French have an advantage with importers. Algeria uses the metric system.

Most importers are located in large cities and import both bulk and packaged products through the main ports of Algiers, Oran, Bejaia and Jijel. The products are distributed to wholesale markets, and then sold in small stores, supermarkets and open markets.



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GCC-5

The GCC-5 (Gulf Cooperation Council-5) is a homogeneous group of five small nations—the UAE (United Arab Emirates), Kuwait, Qatar, Bahrain and Oman. Together they have a population of 10 million. Reliant on oil for their revenues, all have high per capita income levels and import about 90 percent of their food and feed needs.

To be successful in these countries, exporters must learn local market conditions and requirements. Visiting the region to make personal contacts can be invaluable. Repeat visits are also important, as they show an exporter is serious about sales. Participation in the Middle East's largest food show, the biennial Gulf Food, held in Dubai, UAE (next show is in 2007), should also be scheduled. Nearly 70 percent of the U.S. exhibitors at this show return.

Exporters should target reliable, respectable importers. The FAS office in Dubai can provide a directory of companies in the region that import U.S. products. The directory is organized by product category, brand and company.