



chapter 11

Foreign relations

According to the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996), the President is ultimately responsible for the foreign policy and international relations of South Africa. It is the prerogative of the President to appoint Heads of Missions, receive foreign Heads of Missions and conduct State-to-State relations.

According to the Department of Foreign Affairs' Strategic Plan for 2003 to 2005, the Minister of Foreign Affairs is entrusted with the formulation, promotion and execution of South Africa's foreign policy, and the daily conduct of South Africa's international relations. The Minister assumes overall responsibility for all aspects of South Africa's international relations in consultation with the President.

Other Cabinet Ministers are required to consult the Minister of Foreign Affairs on their international role, among others:

The Department of Foreign Affairs is responsible for:

- monitoring developments in the international environment
- communicating government's policy positions
- developing and advising government on

◀ On Africa Day, 25 May 2003, thousands of people attended the celebrations at Johannesburg Stadium. Africa Day marked the 40th anniversary of the Organisation of Africa Unity's (OAU) existence. The OAU gave birth to the Africa Union in July 2002.

policy options, mechanisms and avenues for achieving objectives

- protecting South Africa's sovereignty and territorial integrity
- assisting South African citizens abroad.

South Africa's diplomatic and consular Missions help to enhance the country's international profile and serve as strategic mechanisms for the achievement of South Africa's international interests.

South Africa maintains diplomatic relations with countries and organisations through 96 missions in 85 countries abroad, and through the accreditation of more than 160 countries and organisations resident in South Africa.

South Africa and Africa

Organisation of African Unity (OAU)/African Economic Community (AEC)/African Union (AU)

The OAU was established on 25 May 1963 in Addis Ababa, Ethiopia, after the signature of the OAU Charter by representatives of 32 governments. South Africa became the 53rd member in 1994. The aims of the Organisation were, among others, to:

- promote the unity and solidarity of African states
- defend their sovereignty, territorial integrity and independence
- eradicate all forms of colonialism in Africa
- promote international co-operation, with due regard for the Charter of the United

Nations (UN) and the Universal Declaration of Human Rights.

The Treaty Establishing the AEC, commonly referred to as the Abuja Treaty, was signed on 3 June 1991 and came into force after the requisite ratification in May 1994.

The Abuja Treaty provided for the AEC to be set up gradually by co-ordination, harmonisation and progressive integration of the activities of existing and future regional economic communities (RECs) in Africa.

The implementation of the Abuja Treaty introduced a process to be completed in six stages over 34 years, i.e. by 2028, as follows:

- strengthening existing RECs and creating new ones where needed (five years)
- stabilising tariff and other barriers to regional trade and strengthening sectoral integration, particularly in the fields of trade, agriculture, finance, transport, communications, industry and energy, as well as co-ordinating and harmonising the activities of RECs (eight years)
- establishing a free trade area (FTA) and a customs union at the level of each REC (10 years)
- co-ordinating and harmonising tariff and non-tariff systems among RECs, with a view to establishing a continental customs union (two years)
- establishing an African common market and adopting common policies (four years)
- integrating all sectors, establishing the African Central Bank and a single African currency, setting up the African Economic

and Monetary Union, and creating and electing the first Pan-African Parliament (PAP) (five years).

As more and more African countries attained their independence, it became evident that there was a need to amend the OAU Charter to streamline the Organisation.

An Extraordinary Summit was held in Sirte, Libya in September 1999 to amend the OAU Charter, to increase the efficiency and effectiveness of the OAU. This Summit concluded with the Sirte Declaration aimed at:

- effectively addressing the new social, political and economic realities in Africa and the world
 - fulfilling the people's aspirations for greater unity in conforming with the objectives of the OAU Charter and the Abuja Treaty
 - revitalising the continental organisation to play a more active role in addressing the needs of the people
 - eliminating the scourge of conflict
 - meeting global challenges
 - harnessing the human and natural resources of the continent to improve living conditions.
- To achieve these aims, the Summit decided to:
- establish the AU in conformity with the ultimate objectives of the Charter and the provisions of the Treaty establishing the AEC
 - accelerate the process of implementing the Abuja Treaty in particular
 - shorten the implementation periods of the Abuja Treaty
 - ensure the speedy establishment of all institutions provided for in the Abuja Treaty,

South African representation abroad	Total	Foreign representation in South Africa	Total
Embassies/High Commissions	76	Embassies/High Commissions	107
Consulates/Consulates General	12	Consulates/Consulates General	53
Honorary Consulates	54	Honorary Consulates	7
Other (e.g. Liaison Offices)	4	Other (e.g. Liaison Offices)	4
Non-resident accreditations	101	Non-resident accreditations	15
International organisations	7	International organisations	23



such as the African Central Bank, the African Monetary Union, the African Court of Justice and, in particular, the PAP

- strengthen and consolidate RECs as the pillars for achieving the objectives of the AEC, and realise the AU
- convene an African Ministerial Conference on Security, Stability, Development and Co-operation.

The establishment of the AU was declared on 2 March 2001 at the second Extraordinary Summit in Sirte. The transition period was concluded with the convening of the Inaugural Summit of the AU in Durban from 9 to 10 July 2002. The objectives of the AU are, among others, to:

- achieve greater unity and solidarity between African countries and the peoples of Africa
- defend the sovereignty, territorial integrity and independence of its member states
- accelerate the political and socio-economic integration of the continent
- encourage international co-operation, taking due account of the Charter of the UN and the Universal Declaration of Human Rights
- promote peace, security and stability on the continent
- promote democratic principles and institutions, popular participation and good governance
- promote and protect people's rights
- establish the necessary conditions to enable the continent to play its rightful role in the global economy and in international negotiations
- promote sustainable development at economic, social and cultural level, as well as the integration of African economies
- promote co-operation in all fields of human activity to raise the living standards of African peoples
- advance the development of the continent by promoting research in all fields
- work with relevant international partners in eradicating preventable diseases and promoting good health on the continent.

The main challenge in the first year of the AU's existence was setting up its priority structures and laying down the groundwork for the rest of its proposed structures, as foreseen in the Constitutive Act of the AU.

The principal organs, namely the Assembly of the Heads of State and Government, the Executive Council of Ministers and the Permanent Representatives Committee, are fully functional.

By September 2003, the setting up of the Commission of the AU was in progress.

The former President of Mali, Mr Oumar Alpha Konare, was elected the new chairperson of the Commission, while Mr Patrick Mazimhaka of Rwanda was elected his deputy.

According to an approved quota system, South Africa will be entitled to 22 posts in the new Commission. The process was expected to take up to three years.

The appointment of members of the Commission also heralded the start of the meetings of the Specialised Technical Committees (STCs) which consist of relevant line-function Ministers. The Commissioners and their directorates will support the work of the STCs.

Considerable progress was made on the 'people's organs' of the AU, namely the PAP and the Economic, Social and Cultural Council (ECOSOCC). The PAP Protocol was ratified by 21 member states and required a further six ratifications before entering into force.

ECOSOCC is a meeting of civil society and will come into being once its statutes have been approved.

The Protocol on the Court of Justice was adopted by the Assembly in Maputo, Mozambique in 2003. The Court of Justice will, among others, adjudicate the interpretation of the Constitutive Act of the AU.

The financial institutions – the African Central Bank, the African Monetary Fund and the African Investment Bank – are expected to take longer to operationalise.

Promotion of peace, security and stability on the continent

The AU is responsible for the peaceful resolution of conflict among member states, through such appropriate means as may be decided upon by the Assembly, which may give directives to the Executive Council on the management of conflict, war, acts of terrorism, emergency situations and the restoration of peace.

Apart from the Assembly and the Executive Council, the other principal organ responsible for peace, security and stability will be the Central Organ of the Mechanism on Conflict Prevention, Management and Resolution. The Protocol on the Establishment of the Peace and Security Council of the AU was adopted at the Durban Summit in 2002 to replace the Mechanism on Conflict Prevention, Management and Resolution.

The Peace and Security Council (PSC) of the AU will be established in terms of a Protocol. By September 2003, it had received 15 ratifications. It requires an additional 12 ratifications, giving a simple majority of 27, before it will enter into force. It was expected that this would be achieved by January 2004.

By September 2003, work on its sub-structures had progressed well. These will involve the African Standby Force, the Panel of the Wise, the Early Warning System, as well as a Peace Fund to support the activities of the PSC. The Rules of Procedure of the PSC will also have to be concluded. Once the PSC has been established, the Executive Council is mandated to vote on its membership – five countries serving three years each and 10 countries serving two years each.

Related to the PSC is the development of the Common African Defence and Security Policy as mandated by the Durban Summit. A Draft Framework has been developed and will need to be considered by the Ministers of Defence and Security.

Socio-economic development and integration of the continent

The AU will also be the principal institution responsible for promoting sustainable development at economic, social and cultural level, as well as the integration of African economies. RECs are recognised as the building-blocks of the AU, necessitating the need for their close involvement in the formulation and implementation of all AU programmes.

To this end, the AU must co-ordinate and take decisions on policies in areas of common interest to member states, as well as co-ordinate and harmonise policies between existing and future RECs, for the gradual attainment of the objectives of the AU.

The STCs are responsible for the actual implementation of the continental socio-economic integration process, together with the Permanent Representatives Committee.

Seven STCs will be established, namely the:

- Committee on Rural Economy and Agricultural Matters
- Committee on Monetary and Financial Affairs
- Committee on Trade, Customs and Immigration Matters
- Committee on Industry, Science and Technology, Energy, Natural Resources and Environment
- Committee on Transport, Communications and Tourism
- Committee on Health, Labour and Social Affairs
- Committee on Education, Culture and Human Resources.

Partnership with civil society

Active involvement of African non-governmental organisations (NGOs), socio-economic organisations, professional associations and civil society organisations is required in Africa's integration process, as well as in the formulation and implementation of programmes of the AU.



New Partnership for Africa's Development (NEPAD)

The adoption of NEPAD is considered to be one of the most important developments of recent times for its conception of a development programme, placing Africa at the apex of the global agenda, by:

- creating an instrument for advancing people-centered and sustainable development in Africa based on democratic values
- being premised on the recognition that Africa has an abundance of natural resources and people who have the capacity to be agents for change, and so holds the key to its own development
- providing the common African platform from which to engage the rest of the international community in a dynamic partnership that holds real prospects for creating a better life for all.

While the principle of partnership with the rest of the world is equally vital to this process, such a partnership must be based on mutual respect, dignity, shared responsibility and mutual accountability. The expected outcomes are:

- economic growth and development and increased employment
- a reduction in poverty and inequality
- diversification of productive activities
- enhanced international competitiveness and increased exports
- increased African integration.

NEPAD is a mandated initiative of the AU. The NEPAD Heads of State and Government Implementation Committee is required to report annually to the Summit of the AU. The chairperson of the AU, as well as the chairperson of the Commission of the AU, are ex-officio members of the Implementation Committee. The Commission of the AU is expected to participate in Steering Committee meetings.

The link between NEPAD and the Southern African Development Community (SADC) Regional Indicative Strategic Development Plan (RISDP) was adopted by the Ministers of

Foreign Affairs and Finance at their meeting in Blantyre, Malawi, in September 2001, which came to the conclusion that, in terms of relationships, the SADC is part of and feeds into NEPAD, since the latter is premised on the RECs. The Ministers recognised that NEPAD is a framework and process within the AU, while the SADC is a recognised REC of the Union. The SADC participates, therefore, in both the AU and NEPAD.

A major effort is ongoing to continuously factor NEPAD imperatives into the outcomes of international conferences, such as the Conference on Financing for Development, the World Summit on Sustainable Development (WSSD) and the World Trade Organisation (WTO), to ensure the integration of NEPAD into the multilateral system. In a wider context, countries of the South subscribe to the priorities outlined in NEPAD and have pledged their solidarity and moral support, as well as an appreciation for South Africa's positive role in NEPAD. However, NEPAD does not have a mechanism for South-South co-operation. To this end, improved co-ordination with partners in the South should be pursued.

At the inaugural Heads of State and Government Implementation Committee meeting held in Abuja in October 2001, a 15-member Task Force was established for the implementation of NEPAD. The following three-tier governing structure was accepted:

Heads of State and Government Implementation Committee

Chaired by Nigerian President, Mr Olusegun Obasanjo, with Presidents Abdoulaye Wade of Senegal and Abdelaziz Bouteflika of Algeria as vice-chairpersons, the Implementation Committee comprises 15 states (three per AU geographic region), including the five initiating states: South Africa, Nigeria, Algeria, Senegal and Egypt.

The main function of the Implementation Committee is to set policies, priorities and the Programme of Action of NEPAD.

Steering Committee

The Steering Committee is composed of the personal representatives of the five initiating Presidents, and is tasked with the development of the Terms of Reference for identified programmes and projects, as well as overseeing the Secretariat.

Secretariat

The full-time core staff of the Secretariat, located at the Development Bank of Southern Africa in Midrand, near Johannesburg, provides liaison, co-ordination, administrative and logistical functions for NEPAD.

Five task teams were established to urgently identify and prepare specific implementable projects and programmes. In terms of working arrangements, South Africa is to co-ordinate the Peace, Security, Democracy and Political Governance Initiative; Nigeria, the Economic and Corporate Governance/Banking and

Financial Standards/Capital Flows Initiatives; Egypt the Market Access and Agriculture Initiatives; Algeria the Human Resource Development (HRD) Initiative; and Senegal, the Infrastructure Initiative.

During the Ordinary Summit in July 2003 in Maputo, President Thabo Mbeki handed over the leadership of the AU to Mozambican President, Joaquim Chissano.

The second Ordinary Session of the AU Summit of Heads of State and Government took place under the theme *The Implementation of NEPAD as a Contribution to Africa's Development*.

The NEPAD Implementation Committee meeting prepared a report on the progress made in the implementation of NEPAD, and reviewed the status of the NEPAD Secretariat as well as interactions that the African leaders had with leaders of the developed North, with a view to building strategic partnerships to ensure Africa's renewal.

The AU's mechanisms for peer review and conflict resolution reflect commitment to human rights, democratisation, good governance, and peace and security as being in the interest of Africans, irrespective of relations with industrialised countries.

The second meeting of the African Peer Review Mechanism (ARPM) Panel of Eminent Persons took place in Johannesburg, on 3 October 2003.

The ARPM is a process voluntarily acceded to by the member states of the AU as an African self-monitoring mechanism.

The ARPM requires that each country develops a Programme of Action within the framework of specific time-bound objectives.

It will enable participating member states to adopt policies and practices that conform to the agreed political, economic and corporate governance values, codes and standards. It will also serve as a critical instrument for advancing reforms in governance and socio-economic development, and in building capacity to implement these reforms.



In September 2003, infrastructure-development projects within the New Partnership for Africa's Development (NEPAD) received a R25-million boost with the signing of an agreement between the Development Bank of Southern Africa (DBSA) and the French Development Agency.

The agreement provides for both parties to mobilise necessary resources, either in foreign or local currencies, for investment in countries within sub-Saharan Africa.

The projects to be taken into consideration will stem exclusively from the transport (road, air, shipping and rail), energy (generation, transmission and distribution), information and communication technologies, as well as water and sanitation sectors.

This facility, in the form of a grant, is assigned to finance NEPAD project studies, or any other preparations.

The DBSA has established the Africa Partnerships Unit to promote the implementation of NEPAD's vision and to provide further stimulus to the Secretariat's endeavours.

The Unit will interact and co-operate with national, regional and international stakeholders to facilitate the implementation of the NEPAD Short-Term Action Plan.



One of the key objectives of the APRM is to identify the deficiencies in implementation, with a view to improving its compliance with the Constitutive Act of the AU by member states.

Conference on Security, Stability, Development and Co-operation in Africa (CSSDCA)

The first Standing Conference of Heads of State and Government on the CSSDCA took place during the 38th OAU Summit in Durban, in July 2002.

The Summit approved the CSSDCA Memorandum of Understanding (MoU) on Security, Stability, Development and Co-operation, affirming the centrality of the CSSDCA process as a policy-development forum, a framework for the advancement of common values, and a monitoring and evaluation mechanism for the AU. The MoU provides the following framework:

- core values concerning security, stability, development and co-operation
- commitments to give effect to these core values
- key performance indicators to evaluate compliance with the commitments in the MoU
- a framework of implementation as a means of carrying out the commitments contained in the MoU
- an agreed mechanism for measuring performance.

While the strategic focus of the CSSDCA process is to ensure good governance in the political and economic realm, as well as to provide the framework for development and co-operation in Africa, NEPAD serves as the socio-economic development blueprint for the AU to implement its objectives. In addition, it serves as the mechanism for accelerating the implementation of the Abuja Treaty. At the same time, its management structures are particularly designed to ensure follow-up and implementation in the transition phase from the OAU to the AU.

Southern Africa

Regional approach

South Africa's foreign policy with regard to the southern African region reflects a commitment to close diplomatic, economic and security co-operation and integration, adherence to human rights, the promotion of democracy, and the preservation of regional solidarity, peace and stability.

Angola

The signing of a ceasefire agreement in Angola on 4 April 2002 with the Union for the Total Independence of Angola (UNITA) ended one of Africa's longest and most devastating wars.

Subsequently, the Government of Angola established the Parliamentary Commission on Peace and Reconciliation (PCPR) with the aim of consulting with community representatives, church groups and civil society on the revival of the peace process.

South Africa, conscious of its obligation to assist with political reconciliation and economic reconstruction, sent Deputy President Jacob Zuma to Luanda during April 2002 to consult with the Angolan Government and to assess the country's political and material needs. The Deputy President also addressed the PCPR and reiterated South Africa's commitment to assist Angola, when called upon, with matters of national reconciliation.

South Africa recognised that the future of democracy and good governance in Angola hinged on the success of the peace process.

A committee was set up, in accordance with a mandate from the Cabinet *Lekgotla* in July 2002, to devise a strategy for South Africa's humanitarian assistance to Angola.

Subsequently, South Africa contributed maize and other humanitarian assistance to that country.

The first meeting of the Joint Commission of Co-operation (JCC) between South Africa and

Angola took place in Pretoria on 28 February 2003. Several agreement proposals were discussed, and an agreement on the waiving of visas for diplomatic and official passports was signed by South Africa's Minister of Foreign Affairs, Dr Nkosazana Dlamini-Zuma, and the Angolan Minister for External Relations, Dr J.B. de Miranda.

During his visit, Minister de Miranda also met with President Mbeki.

Lesotho

In October 2002, the Ministers of Foreign Affairs of Lesotho and South Africa agreed that a donor conference should be convened to assist Lesotho in moving out of its current status of least-developed country, in line with the objectives of a Joint Bilateral Commission for Co-operation (JBCC).

By June 2003, the Department of Foreign Affairs was facilitating the process towards the signing of the JBCC. A donor briefing took place on 10 April 2003 in the capital, Maseru. South Africa was represented by the Deputy Minister of Environmental Affairs and Tourism, Ms Joyce Mabudafhasi. Key players within the donor community as well as the private sector attended. The briefing was aimed at soliciting international funding for various projects in Lesotho, which would promote the objectives of the JBCC.

Twenty-five projects identified by the Lesotho Government, which were introduced in detail to the participants, are aimed at creating employment and alleviating poverty in Lesotho. These include agricultural, tourism, mining and infrastructure-development projects.

A donor conference was envisaged for the latter part of 2003.

In February 2003, the Minister of Safety and Security, Mr Charles Nqakula, led a South African Ministerial delegation to Lesotho for talks on the tightening of security at border posts separating the two countries. The discussions focused on cross-border crimes such

as stock theft, rural safety and border control.

The Minister of Environmental Affairs and Tourism, Mr Mohammed Valli Moosa, launched the Maloti-Drakensberg Transfrontier Conservation Project in Lesotho in August 2003.

The Project had been initiated in June 2001 when the two countries concluded an agreement on the conservation of biological diversity and the promotion of the sustainable development of the area.

Botswana

President Mbeki, accompanied by a delegation of six Ministers and senior government officials, paid a State Visit to Botswana from 11 to 13 March 2003. The two countries entered into the Agreement on the Establishment of a Joint Permanent Commission for Co-operation (JPCC), which was signed by the Ministers of Foreign Affairs of the two countries.

The JPCC covers, among others, areas such as agriculture and livestock, water affairs, mining and tourism, environmental co-operation, monetary and financial arrangements, transportation, roads, and infrastructure development.

History was made when President Mbeki became the first foreign President to address the Botswana Parliament on 11 March 2003.

The Minister of Transport, Mr Dullah Omar, and his Namibian and Botswana counterparts, signed a MoU on the development and management of the Trans-Kalahari Corridor (TKC) in September 2003.

The TKC was formally established in 1998 following the completion of the Trans-Kgalagadi Highway in Botswana, which links the three countries by road.

One of the main benefits of the TKC is that it links the three countries with the port of Walvis Bay. The port is the western seaboard in southern Africa and is in the closest proximity to shipping routes and markets in the Americas and Europe.



Malawi

Malawi was the first independent African country with which South Africa established formal diplomatic, in 1967. Upon South Africa's return to the Commonwealth, relations with Malawi were conducted at the level of High Commission. Current bilateral relations between the two countries are friendly and expanding within the SADC regional context.

Malawi is one of South Africa's main trading partners in the southern African region. Like other African trading partners, the trade imbalance with Malawi is in favour of South Africa.

South African-based companies, following the trend in most African countries, are becoming increasingly interested in linking up with and establishing a presence in Malawi, ranging from the finance, telecommunications and retail sectors to those involved in the construction industry.

Mauritius

Relations with Mauritius are on a very cordial footing, with Mauritius being one of South Africa's largest trading partners within the SADC. Mauritius is also a very popular destination with South African tourists.

Bilateral relations are also targeted at improving co-operation within the SADC framework.

Mozambique

The South African Government supports the democratically elected Government of Mozambique under the leadership of President Chissano, and continues with initiatives aimed at strengthening bilateral relations and the democratic reconstruction and development processes under way in that country.

Continuous bilateral interaction with the Mozambican Government has culminated in the signing of several bilateral agreements, which include, among others, sport and recreation, customs administration, maritime air-search and rescue, air services, agriculture, the protection and utilisation of the water

resources of the Inkomati and Maputo water courses, the Trilateral Treaty on the Great Limpopo Transfrontier Park (GLTP), the CFM/Spoornet Concession on the Ressano Garcia railway line, as well as the South Africa-Mozambique Labour Co-operation Agreement.

The close bilateral relations are also facilitating the successful implementation of several phases of Operation Rachel, aimed at the non-proliferation of small arms, which saw more than 1 000 tons (t) of small arms, landmines and unexploded devices destroyed, as well as those of other cross-border security-related operations.

Both the South African and Mozambican Governments view the expansion of the infrastructural links between the two countries as one of the priority bilateral co-operation areas. The rail and road connections between the two countries serve as the main arteries linking the respective economies.

The upgrading of the road, sea and rail links that form part of the corridors between Gauteng, Limpopo, Mpumalanga and Mozambique is central to the promotion of the economies of both countries.

The Maputo Development Corridor Project has already attracted substantial new investments in Mpumalanga, and is expected to boost the Mozambican economy to an equal degree.

In accordance with the SADC's current initiatives and efforts to bring about regional economic integration, South Africa and Mozambique have made substantial progress in the implementation of so-called borderlands and transfrontier conservation initiatives. These are the Lubombo Spatial Development Initiative, the GLTP, as well as the Beira and Nacala Corridors, which are in various stages of development.

The development of these Corridors and borderlands are aimed at exploiting the opportunities and advantages to be derived from countries seeking increased convergence and integration across borders – the sharing

of infrastructure, facilities, natural and human resources, as well as enhanced capacity to market the region and lobby internationally for foreign investment in these projects.

A number of quarterly South Africa/Mozambique bilateral meetings played a pivotal role in the successful implementation of all the respective bilateral macro-economic projects in Mozambique.

Namibia

The relationship between South Africa and Namibia remains close and is marked by co-operation in various areas.

Defence and security co-operation between South Africa and Namibia was further boosted by the second meeting of the South Africa-Namibia Joint Commission on Defence and Security, which took place in Windhoek, Namibia in October 2002.

Economic co-operation was the subject of a Heads of State Economic Bilateral Meeting between President Mbeki and his Namibian counterpart, Dr Sam Nujoma, in Pretoria on 18 March 2003.

In August 2003, Presidents Mbeki and Nujoma signed a treaty in Windhoek for the establishment of the Ai-Ais/Richtersveld Transfrontier Park. The 7 000 km² cross-border Park features the world's second-largest canyon in the Fish River, a hot-spring game park on the Namibian side and spectacular arid and desert mountainous scenery on the South African side.

The treaty will result in Namibian and South African tourism authorities encouraging public and private investment in the Park and cross-border tourism, which is expected to grow from 660 000 annual visitors to a million tourists per year.

The signing took place after the fifth Meeting of Heads of State and Government of South Africa and Namibia on Bilateral Economic Co-operation in August 2003 in Windhoek.

Other issues discussed at the Meeting included the:

- Walvis Bay Development Corridor initiative
- Trans-Gariep and Ouzit tourism projects
- Kudu Gas and Western Corridor projects
- implementation of the SADC Trade Protocol and the Southern African Customs Union (SACU) renegotiation.

South Africa is the source of between 80% and 90% of Namibia's imports by value, including virtually all commodities. Bilateral trade between the two countries accounts for two-thirds of Namibia's total foreign trade.

Swaziland

In June 2003, South Africa was planning to establish a JBCC with the Kingdom of Swaziland to structure formal bilateral interaction. Swaziland has made considerable progress towards the creation of a new constitution.

Zambia

Long-standing Zambian support for the liberation struggle in South Africa led to the establishment of a deep mutual bond between the people of South Africa and Zambia.

Trade between the two countries has increased dramatically since the establishment of formal relations on 10 May 1993. Both countries are taking advantage of existing bilateral agreements to foster relations, which is evident in the annual increase of trade and investment flow between them.

Zambia is one of the major supporters of NEPAD and its commitment to peace-keeping efforts by South Africa is a clear indication of the country's interest in the continent.

Uganda

In July 2003, Deputy President Zuma met with President Yoweri Kaguta Museveni of Uganda.

The meeting was the first in the Deputy President's three-day visit to the Great Lakes region, for consultations regarding the Burundi transitional process and the security situation in that country. President Museveni is the chairperson of the Great Lakes Heads of State Regional Initiative of Burundi.



Kenya

There is a high level of engagement between South Africa and Kenyan institutions aimed at strengthening democratic and constitutional systems.

Kenyan President, Mwai Kibaki, paid an official visit to South Africa in August 2003. Talks between President Mbeki and his Kenyan counterpart focused on political, economic and peace processes, global terrorism, and trade relations. Mr Kibaki was the first Kenyan President to visit South Africa.

On 6 September 2003, Deputy President Zuma attended the funeral of the late Vice-President of Kenya, Mr Michael Kijana Wamalwa.

Kenya is South Africa's largest trading partner on the continent beyond the SADC region.

South African exports to Kenya in 2002/03 totalled R2,3 billion.

Zimbabwe

South Africa and Zimbabwe, besides their geographic proximity, have a common and long history of regional affiliation and cultural ties. The people of Zimbabwe have played an important historic role in support of the liberation struggle in South Africa against the system of apartheid.

South Africa is part of the Commonwealth of Nations, and its policy on Zimbabwe is in line with the decisions made by the Commonwealth Chairpersons' Committee meeting held in March 2002, and informed by specific aspects of the Commonwealth Observer Group Report on the elections in Zimbabwe. South Africa is working with the international community to assist the people of Zimbabwe in solving their problems.

The Joint Commission for Economic, Scientific, Technical and Cultural Co-operation between South Africa and Zimbabwe was revived in November 2002 to strengthen bilateral relations.

South Africa also relies on the SADC Ministerial Task Team on Zimbabwe to contin-

ue with their work in the context of existing SADC decisions, which in many instances coincide with those taken by the Commonwealth.

South Africa donated R93,5 million through the World Food Programme to improve food security in Zimbabwe. The country furthermore donated R12 million to Zimbabwe to purchase vaccine/drugs to curb the spread of foot-and-mouth disease in Zimbabwe and the region.

Development co-operation

Although South Africa is not a donor country, development co-operation with countries in Africa is an integral part of South Africa's foreign policy. Assistance is wide-ranging and includes educational visits by agriculturists, the establishment of viable training centres, conservation of the environment, the rendering of medical assistance, and technology-exchange programmes. Technical and financial assistance, with a view to capacity-building, especially to SADC countries, is a major instrument for promoting economic development, peace and stability, democracy, and the African Renaissance, on a regional basis.

South Africa and the Southern African Development Community

The Government's vision for the southern African region involves the highest possible degree of economic co-operation, mutual assistance, and joint planning consistent with socio-economic, environmental and political realities. Within the region, the SADC will of necessity remain the primary vehicle for South African policy and action to achieve regional economic development.

Originally known as the Southern African Development Co-ordination Conference, the SADC was formed in Lusaka, Zambia, on 1 April 1980, following the adoption of the Lusaka Declaration. The Declaration and Treaty establishing the SADC was signed at the Summit of Heads of State and Government, on 17 August 1992 in Windhoek.

The aim of the SADC is to provide for regional peace and security, sectoral co-operation and an integrated regional economy. The SADC member states are Angola, Botswana, the Democratic Republic of the Congo (DRC), Lesotho, Malawi, Mauritius, Mozambique, Namibia, the Seychelles, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe.

South Africa, through the Department of Foreign Affairs and other relevant departments, continues to actively participate in the work of the SADC Review Committee, as well as contributing towards the SADC Plan of Action for the following 10 years, in particular its RISDP. The effective operationalisation of the SADC's security/stability mechanism underpins the RISDP. Implementation of the RISDP within the context of NEPAD will enhance the standing of the region internationally, and allow it to become the leading regional economic community on the continent.

The SADC Heads of State and Government Summit was held in Dar-es-Salaam, Tanzania, from 25 to 26 August 2003.

At the Summit, President Benjamin Mkapa of Tanzania was elected chairperson of the SADC, and the Prime Minister of Lesotho, Prof. Pakalitha Mosisili, was elected to chair the Organ on Politics, Defence and Security Co-operation. South Africa was elected deputy chairperson of the Organ.

During the Implementation of the Review of the Operations of SADC Institutions, which began in March 2001, the following tasks were completed:

- the establishment of all four directorates at the Secretariat, namely:
 - Trade, Industry, Finance and Investment
 - Food, Agriculture and Natural Resources
 - Infrastructure and Services
 - Human and Social Development, and Special Programmes
- the operationalisation of the Integrated Committee of Ministers
- the mobilisation of resources in the form of human resources from member states,

through secondment of officers to the directorates, and funds from international co-operating partners for financing key activities relating to the restructuring exercise

- the establishment of SADC National Committees in most member states
- the completion of the formulation of the SADC RISDP
- the adoption and operationalisation of the study on the implementation of the new SADC structure.

The Summit also approved the RISDP and the Strategic Indicative Plan for the Organ, and called for the co-ordination and rationalisation of the two plans to maximise their inherent synergies.

Implementation of the SADC operational structure was expected to commence in April 2004.

By September 2003, 12 protocols had been ratified and entered into force. These were the:

- Protocol on Immunities and Privileges
- Protocol on Shared Watercourse Systems
- Protocol on Energy
- Protocol on Transport, Communications and Meteorology
- Protocol on Combating Illicit Drugs
- Protocol on Trade
- Protocol on Education and Training
- Protocol on Mining
- Protocol on the Development of Tourism
- Protocol on the Tribunal
- Amendment Protocol on Trade
- Protocol on Fisheries.

Eleven additional protocols still need to be ratified before entering into force.

Implementation of the SADC Trade Protocol

The SADC Protocol on Trade entered into force on 25 January 2000. The objectives of the Trade Protocol are to further liberalise intra-regional trade in goods and services, on the basis of fair, mutually equitable and beneficial trade arrangements; ensure efficient production within the SADC, reflecting the current and



dynamic comparative advantages of its members; contribute towards the improvement of a climate for domestic, cross-border and foreign investment; enhance the economic development, diversification and industrialisation of the region; and establish an FTA in the SADC region. At the core of this agreement is the reduction and ultimate elimination of tariffs and non-tariff barriers and the setting up of Rules of Origin. This will happen over a period of eight years, after the ratification of the Protocol by member states.

Since the signing of the Trade Protocol, several rounds of negotiations have taken place. The main issues around which the negotiations centered were modalities for tariff reduction and tariff structure, and customs and trade.

On the issue of customs co-operation and trade facilitation, member states agreed on the harmonisation, simplification and standardisation of SADC customs and trade documentation and procedures.

SADC member states undertook to deposit their instruments of implementation of the SADC Trade Protocol on or before 1 September 2000. South Africa and Mauritius were the first member states to sign and deposit their instruments of implementation. All member states, with the exception of Angola, the DRC and Seychelles, have now deposited their instruments of implementation of the Trade Protocol.

Negotiations are continuing on the outstanding issues of Rules of Origin, particularly in those areas where consensus has not been reached. South Africa maintains the position that each chapter under the Harmonised Systems Code should have a product-specific rule. This formulation will ensure the effective administration of the agreement by customs authorities, and provide exporters with a single, clear set of Rules of Origin for each chapter.

For clothing and textiles, the Rules of Origin tabled by South Africa were based on a two-

stage transformation rule similar to the Rules of Origin contained in the South Africa-European Union (EU) Agreement on Trade, Development and Co-operation. In practical terms, it means that clothing will be originated only if the fabrics used are manufactured in the SADC region.

After the Committee of Ministers for Trade directed the SADC trade-negotiating forum to discuss product-specific Rules of Origin and negotiate their specific formulation, the SADC member states that are not part of SACU accepted the product-specific Rules of Origin, with the exception of those applying to the clothing and textile sector.

The SADC Committee of Ministers responsible for Finance and Investment met on 7 August 2003 in Gaborone, Botswana, to discuss developments in the region, consider some MoUs, and review progress on the implementation of the signed MoUs on macro-economic convergence, tax and related matters.

SADC relations with international co-operating partners

The SADC's main international co-operating partners are the EU and the United States of America (USA). The SADC-US Forum was established in 1999 to identify projects of mutual benefit. The Forum meets annually for discussions on the political and security situation in the region, and to identify, evaluate and assess progress in areas of co-operation agreed upon. It is focused on the building of capacity towards the implementation of the SADC Trade Protocol and FTA. The main focus of co-operation of the SADC-US Forum is in the spheres of non-proliferation of small arms and light weapons, and mine action programmes.

Co-operation with other regional role-players such as the Nordic countries and SADC-Mercusor remains to be fully realised.

There is a need for the SADC to establish closer co-operation with other regional economic organisations on the continent, e.g.

the Economic Community of West African States (ECOWAS), to promote cohesion and harmonisation of common approaches to Africa's challenges.

Relations with central Africa

South Africa's diplomatic relations with central Africa have been dominated by attempts to bring peace to the DRC, thereby ensuring greater stability in the whole of the central African region.

It was expected that relations with the region would improve as peaceful conditions returned to the DRC and opportunities for trade and investment with the countries of the world intensified.

Gabon and Equatorial Guinea

A multidisciplinary technical visit of senior officials from the Departments of Foreign Affairs, Housing, Transport, Minerals and Energy, and Justice and Constitutional Development was undertaken to Gabon and Equatorial Guinea, from 28 September to 4 October 2002. The principal objective of the visit was to identify areas of co-operation between South Africa and these two countries.

Rwanda

Relations between South Africa and Rwanda are good. Co-operation between the two countries focuses on the post-conflict reconstruction of Rwanda and has extended to the co-ordination of NEPAD on the continent.

On 12 September 2003, President Mbeki attended the inauguration of Rwandan President, Mr Paul Kagame, following his victory in the country's parliamentary elections on 29 September 2003.

Burundi

South Africa's good relations with Burundi are demonstrated by the leading role the South African Government played in the peace-negotiation process that culminated in the signing of the peace agreement between the

Burundi Government and the Forces for the Defence of Democracy on 9 October 2003, which ended years of conflict.

President Mbeki and Deputy President Zuma hosted and facilitated consultations aimed at working out the areas of participation and integration between the two parties in Pretoria, on 5 October 2003.

Democratic Republic of the Congo

Since the beginning of the conflict in the DRC in August 1998, South Africa has played an active role in attempting to bring peace to this vast country and the Great Lakes region of central Africa. South Africa was a major role-player in negotiating and drafting the Lusaka Ceasefire Agreement and was present when the documentation was signed on 10 July 1999.

At the end of 2002, a ground-breaking peace agreement brokered by South Africa was signed between the Governments of the DRC and Rwanda. The agreement paved the way for the withdrawal and disarming of Rwandan troops from the DRC, and the repatriation of the Interahamwe and the Rwandan former army (ex-FAR).

The agreement assigned the role of Third Party to the UN Secretary-General and the South African Government, the latter in its capacity as facilitator and then chairperson of the AU. The Third Party Verification Mechanism (TPVM) was established to act as the Secretariat for the Third Party, and its task was to monitor and verify the implementation of the agreement. The TPVM comprised four representatives from South Africa and two from the UN Secretary-General.

The final plenary session of the Inter-Congolese Dialogue (ICD), attended by 361 delegates, representing the DRC Government, the Congolese Rally for Democracy (RCD-Goma), the Congolese Movement for Liberation (MLC), the unarmed political opposition and civil society, took place at Sun City in the North West in April 2003. During the



plenary session, the Global and Inclusive Agreement on the Transition in the DRC and the Transitional Constitution was endorsed. This made provision for the establishment of a transitional government, with the Congolese President, Mr Joseph Kabila, as Head of State for a period of two years.

The Vice-Presidents nominated were Mr Yerodia Abdoulaye Ndombasi of the DRC Government, Mr Azarias Ruberwa of the RCD-Goma, Mr Jean-Pierre Bemba of the MLC and Prof. Arthur Zahidi Ngoma of the unarmed political opposition.

During the closing ceremony on 2 April 2003, about 44 delegates, representing the five components of the ICD, signed the Final Act. The Final Act comprises a Preamble, four Articles, and the 36 Resolutions adopted during the plenary session of the ICD. In the Preamble and Articles, the signatories committed themselves to being bound by the decisions and agreements of the ICD.

The UN Secretary-General, Mr Kofi Annan, in his second report to the UN's Organisation Mission in the DRC (MONUC), which was presented to the UN Security Council on 4 June 2003, recommended that the mandate of the peace-keeping mission in the DRC be extended until 30 June 2004.

Mr Annan further recommended that its military strength be increased to 10 800 members.

At the time, MONUC had about 4 600 troops throughout the DRC, most of whom were unarmed logistical support troops.

Tanzania

Agreements between South Africa and Tanzania include the:

- MoU on Co-operation in Industry and Trade Programmes
- General Agreement on Co-operation in the Economic, Scientific, Technical and Cultural Fields
- Exchange of Notes to Establish Representative Offices.

Relations with North and West Africa and the Horn of Africa

The countries of North and West Africa and the Horn of Africa are becoming increasingly important trading partners for South Africa, as well as important partners within the context of the AU/AEC.

South Africa maintains diplomatic relations with all states in the West African subregion, although it maintains residential diplomatic Missions only in Nigeria, Ghana, Senegal and Côte d'Ivoire. The South African Embassies in Abidjan and Dakar are responsible for South Africa's non-residential relationship with the rest of the West African subregion. The placement of South Africa's diplomatic Missions in this area represents the importance South Africa attaches to those states as partners in Africa, and their use as a platform for the further expansion of South Africa's diplomatic reach into the subregion.

States in West Africa that are on the path towards reinforcing a democratic culture, such as Ghana, Senegal, Benin, Sierra Leone, Cape Verde and Mali, represent a positive development for South Africa. Sierra Leone and Niger, both emerging from difficult periods, also offer potential for democratic consolidation.

South Africa continues to bridge its long-distance relationship with West Africa by engaging in more meaningful actions in the subregion, in terms of political dialogue and economic co-operation. The business community in South Africa is demonstrating a keen interest in the subregion, and has been actively exploring and taking advantage, where possible, of opportunities in mining, infrastructure, telecommunications and financial services, as well as the trade of consumer goods and capital equipment.

Algeria

The third Session of the Binational Commission (BNC) of Co-operation between South Africa and Algeria, the only BNC at Presidential

level in Africa, was held in Algiers from 17 to 23 October 2002.

The BNC serves as a framework for bilateral relations between the two countries in various sectors.

President Mbeki and President Bouteflika expressed satisfaction with the quality of the relations of friendship, solidarity and co-operation that exist between the two countries.

The period 2002/03 witnessed various exchanges between South African and Algerian delegations, in line with commitments made in the Plan of Action. These included, among others, a visit to South Africa by a delegation from the Algerian National Archives, a visit to Algeria by a delegation from the South African Department of Health, and a visit to South Africa by a delegation from the Algerian Ministry of Transport. An Algerian delegation travelled to South Africa in February/March 2003 for the first meeting of the Joint Algeria/South African Committee on Water and Forestry.

On the request of President Mbeki, a South African rescue team was despatched to Algeria to assist with rescue operations following a devastating earthquake in May 2003, which left more than 2 000 people dead and 8 000 injured.

The team comprised members of the fire, rescue, engineering and medical staff of the South African National Defence Force, the South African Police Service, the Tshwane, Ekurhuleni and Johannesburg Metro municipalities, as well as representatives from two NGOs, Rescue South Africa and Global Relief.

South Africa was one of 38 international rescue teams that assisted with the rescue operations.

The positive relationship between South Africa and Algeria has seen significant growth in South African exports to Algeria, from about R230 million in 2000 to R560 million in 2002.

Cote d'Ivoire

South Africa established full diplomatic rela-

tions with Cote d'Ivoire in May 1992.

Given South Africa's firm commitment to the African Renaissance and its attendant features of stability and democratisation on the continent, the events in Cote d'Ivoire, since the rebellion of September 2002, are of major significance. South Africa has pledged to assist Cote d'Ivoire in its process of national reconciliation, and to work through the ECOWAS and the AU in an attempt to assist the country to resolve conflict.

Cote d'Ivoire is South Africa's largest trading partner in Francophone West Africa.

Egypt

Bilateral political and economic relations between Egypt and South Africa have improved greatly in recent years. These improvements were underlined in April 1996 with the convening of the First Annual Joint Bilateral Commission (JBC) Meeting in Cairo.

During 2002, the South African Mission in Cairo focused much of its attention on developments in the Middle East and Egypt's role in the region. Egypt, as a member of the NEPAD Steering Committee, continued to play a role in the implementation and functioning of NEPAD. An Egyptian official was seconded to the NEPAD Secretariat.

The South African Ministries of Intelligence and Water Affairs and Forestry visited Egypt for bilateral and multilateral purposes.

The Mission in Cairo, together with a bilateral desk, arranged for a group of Egyptian journalists to visit South Africa in an attempt to promote the country as a tourist destination.

Several agreements were signed between South Africa and Egypt during the sixth session of the South Africa-Egypt JBC in Pretoria during July 2003.

These included agreements on:

- co-operation between the South African Government and the Egyptian Foreign Ministry



- co-operation between the Foreign Service Training Institute and the Egyptian Diplomatic Training Institute
- co-operation in the fields of health and pharmaceuticals
- cultural co-operation
- tourism co-operation
- the MoU between the South African Broadcasting Corporation (SABC) and the Egyptian Broadcasting Authority.

Sudan

South Africa reaffirmed its support for Sudan in its quest for peace, at a dinner held in honour of the Sudanese Vice-President, Mr Omar Hassan El-Bashir, in Pretoria in February 2003.

Morocco

The first JBC Meeting with Morocco took place in Pretoria in 1988. Negotiations are under way to finalise dates for the second session of the JBC.

The Moroccan monarch, King Mohammed VI, as Head of State of Morocco, and a Moroccan delegation attended the WSSD in Johannesburg in July and August 2002. Talks took place between King Mohammed VI and President Mbeki during the course of the Summit.

South Africa participated in the fifth Biregional Africa/Europe Meeting, which was held in Rabat, the Moroccan capital, during September 2002.

Mauritania

Mauritanian President, Maaouiya Ould Sid' Ahmed Taya, attended the Inaugural Summit of the AU in 2002 in Durban, as well as the WSSD.

In January 2003, President Taya sent a special envoy to South Africa for consultation on multilateral issues.

Liberia

President Mbeki and the Minister of Foreign Affairs attended the ceremony during which

the Liberian President, Mr Charles Taylor, handed over power to the Vice-President, Mr Moses Blah, in Monrovia, Liberia on 11 August 2003.

President Mbeki, in his capacity as then chairperson of the AU, had been involved in efforts to bring about peace and stability in Liberia early in 2003.

Nigeria

South Africa's bilateral and multilateral relationship with Nigeria remains of strategic importance, particularly in the light of the development and promotion of NEPAD. Nigeria serves as the chairperson of the Heads of State and Government Implementation Committee of NEPAD, and is involved in the evolution of mechanisms around the AU.

At bilateral level, trade continues to increase, with the total of two-way trade reaching R3,3 billion in 2001 and R3,7 billion between January and June 2002 alone. South African companies continue to establish themselves in a number of sectors (e.g. hospitality, financial services, communications and energy) in the Nigerian market. The South Africa-Nigeria BNC, which was established in October 1999, held its fourth session in Pretoria in March 2002.

During the session, an additional four agreements (on co-operation in the fields of extradition, mutual legal assistance in criminal matters, immigration and health) were signed, bringing to 15 the total number of bilateral agreements concluded between South Africa and Nigeria.

The fifth Annual Session of the BNC was scheduled to be held in Abuja during the second half of 2003.

Following President Mbeki's State Visit to Nigeria in September 2001, President Obasanjo undertook a return State Visit to South Africa in February 2003, during which the two Heads of State discussed not only the bilateral relations between South Africa and Nigeria, but also issues relating to the

promotion and implementation of NEPAD and the institutionalisation of the AU.

In May 2003, President Mbeki attended the inauguration of President Obasanjo, a month after the latter had been elected for a second five-year term.

Ghana

Diplomatic relations between South Africa and Ghana continue to improve. Ghana is a stable democracy with immense potential. The country represents a neutral island of stability with no geopolitical interest in the volatile West African subregion. In recent years, South African imports from and exports to Ghana have increased, placing greater importance on that country as an important trading partner for South Africa. Both countries maintain High Commissions in each other's capitals.

Mali

The Department of Foreign Affairs established a residential diplomatic Mission in Mali's capital, Bamako, in November 2002.

The two countries are involved in a joint Presidential project for the preservation of the ancient manuscripts at the Ahmed Baba Institute of Higher Learning and Islamic Research in Timbuktu. The project was officially launched by the South African and Malian Heads of State during the Africa Day celebrations in Johannesburg, on 28 May 2003.

The project, the first of its kind on the African continent, involves the training of Malian archive officials in South Africa, and the eventual construction of a new centre in Timbuktu, where the ancient manuscripts will be preserved.

In May 2003, the Minister in The Presidency, Dr Essop Pahad, together with the Malian Minister of Education, Mr Mohamed Lamine Traore, launched a trust fund in Pretoria for the preservation of the Timbuktu manuscripts.

The trust fund will finance the building of a library with the necessary technology to

preserve the manuscripts. The fund was expected to raise about R36 million over a five-year period.

Economic relations between the two countries are good and South Africa continues to pursue and strengthen such relations. Two mining companies run operations in Mali, namely AngloGold and Randgold.

Various agreements have been signed between Mali and South Africa.

Senegal

Representative offices were established in November 1993 in Pretoria and Dakar. Full diplomatic relations between South Africa and Senegal were established in May 1994. After having closed its Embassy in Pretoria in December 1995, the Senegalese authorities re-established an Embassy in Pretoria during 2001.

The South African Ambassador is resident in Dakar, Senegal. The Ambassador is accredited to Guinea, Mali, Mauritania, Cape Verde, Gambia and Guinea-Bissau on a non-residential basis.

Senegal continues to play a very active role in the development and implementation of NEPAD.

Tunisia

A meeting of senior officials, in preparation for the fourth session of the JBC between Tunisia and South Africa, was held in Pretoria early in 2003.

Parallel to the senior officials' meeting, a meeting of the Tunisian-South African Business Forum was held.

This meeting brought together business leaders from various sectors.

The senior officials' meeting accorded both delegations the opportunity to review the state of bilateral relations between the two countries, and to compare notes on the global and regional situation.

Bilateral co-operation in the following areas was discussed: agriculture, trade and industry,



arts and culture, minerals and energy, health, immigration, sport, vocational training, and employment.

The delegations noted the good progress made with regard to the implementation of existing agreements.

Libya

The first session of the South African-Libyan JBC was held in Tripoli in June 2002. The session presented an opportunity to further strengthen bilateral relations between the two countries, and jointly promote unity, peace, security and development on the African continent.

Co-operation was discussed in the areas of minerals and energy, agriculture and animal health, transport, communications, trade and industry, investments, tourism, higher education, and arts and culture. At a multilateral level, the AU, NEPAD and the Non-Aligned Movement (NAM) were discussed.

Bilateral agreements signed included the following:

- Agreement on the Reciprocal Protection and Promotion of Investments
- Agreement on Merchant Shipping and Maritime-Related Matters
- Letter of Intent for Co-operation in the Field of Transport and Transportation
- MoU on Air Services
- Protocol of Intent on Co-operation in the Fields of Science and Technology.

The JBC preceded a State Visit to Libya by President Mbeki. The leaders agreed on the necessity of promoting bilateral co-operation between the two countries to realise the mutual aspirations of their people.

Relations with Asia and the Middle East

Asia

South Africa values its relations with Asian countries. Since 1994, South Africa's interaction with Asia has seen a manifold increase.

South Africa has 15 residential Missions in the Asian and Australasian region.

Furthermore, 16 countries from this region currently maintain 31 diplomatic, consular and other Missions in South Africa, compared with the three that existed prior to 1994.

Since 1994, South Africa has continued to strengthen its relations with the region through increases in two-way trade; personal exchanges between high-level dignitaries; and the finalisation of new instruments of co-operation in the scientific and technological fields, through technology transfer, investments and overseas development assistance (ODA) in capacity-building.

South Africa's successful transition to democracy also prompted the parties involved in the Sri Lankan peace process to request South Africa to host a round of peace talks between Sri Lanka and the Liberation Tigers of Tamil Eelam, during the latter half of 2003.

For South Africa, as part of the Indian Ocean Rim (IOR), which encompasses the eastern African coastal countries, the Arabian Peninsula, south-east Asia, Australia and the Indian subcontinent, the Indian Ocean Rim Association for Regional Co-operation (IOR-ARC) is considered an important regional economic entity. The IOR-ARC Initiative, currently backed by 19 countries including South Africa, creates an opportunity for countries of the South to serve their economic interests.

On 5 November 2002, President Mbeki delivered the closing address at the closing session of the eighth Association of South-East Asian Nations (ASEAN) Summit in Phnom Penh, where he briefed Asian leaders on NEPAD.

An Asian and African Subregional Organisations' Conference was held in Bandung, Indonesia, in July 2003 – about 45 years after the historic 1955 Asia-Africa Conference – to promote economic, cultural and political co-operation.

Singapore serves as an important economic and trading hub in the south-east Asian

region. South Africa's bilateral trade with Singapore is substantial, with trade in 2002 amounting to R4 billion.

In addition to providing South Africa with valuable opportunities for HRD through its Technical Co-operation Programme, Singapore also enjoys ongoing defence co-operation with South Africa.

Thailand currently chairs the United Nations Conference on Trade and Development (UNCTAD), after having taken over the chairpersonship from South Africa in April 2001. South Africa continues to interact closely with Thailand on the UNCTAD. Bilateral trade in 2002 amounted to R5 billion. Thailand also took over the chairpersonship of the Asia-Pacific Economic Co-operation in December 2002. The year 2002 marked the 10th anniversary of the establishment of consular relations between South Africa and Thailand. High-level visitors from Thailand in 2002 included Princess Chulabhorn Mahidol, who led the Thai delegation to the WSSD.

Vietnam plays an increasingly important role in south-east Asia and has vast economic potential and opportunities for mining, infrastructure development and agricultural and manufacturing companies. Bilateral trade with Vietnam in 2000 amounted to R206 million. South Africa established an Embassy in Hanoi in October 2002. The year 2002 saw a visit by the Vietnamese Vice-Minister of Trade to South Africa, while the Vietnamese Minister of Foreign Affairs also attended the WSSD.

Economic relations with **Malaysia** and **Indonesia** remain important, due to Malaysian investment in South Africa and the size of the Indonesian market. Malaysian investment has focused on the hospitality, telecommunications and energy industries, while trade with Malaysia amounted to R5,6 billion in 2002. Bilateral trade with Indonesia amounted to R2,9 million in 2002.

South Africa and Malaysia enjoy close co-operation within the multilateral field in

forums such as the Commonwealth and NAM.

Malaysia continues to be very supportive of South Africa's efforts to enhance South-South co-operation and ensure that the needs of the South are addressed in international forums.

Malaysia has also indicated its support for NEPAD and has sought to promote the Malaysian-initiated Langkawi International Dialogue aimed at expanding co-operation among countries of the South, including those in southern Africa.

Through its intensive Technical Co-operation Programme, Malaysia has provided HRD training opportunities to numerous South Africans across a wide range of disciplines.

Ten years ago there were no South African Missions located in the south and central Asian regions. In fact, South Africa had no diplomatic relations with states in this region. Today, there are resident High Commissions in New Delhi and Islamabad, and a Consulate-General in Mumbai. South Africa has diplomatic relations with Afghanistan, Bangladesh, India, Kazakhstan, Kyrgyzstan, Maldives, Nepal, Pakistan, Sri Lanka, Tajikistan, Turkmenistan and Uzbekistan. In addition, India, Pakistan, Sri Lanka and Bangladesh have resident Missions in South Africa.

The events of 11 September 2001 focused the world's attention on **Afghanistan** and the campaign against international terrorism. South Africa continues to monitor developments, and encourages South African individuals and organisations to become involved in reconstruction efforts in Afghanistan.

During recent months, the South African Liaison Office for Afghanistan was established, headed by the current South African High Commissioner to Pakistan. The Transitional Islamic State of Afghanistan is represented by the Honorary Consul for Afghanistan, who is based in Cape Town.

South Africa has also encouraged peace efforts in Sri Lanka and between India and Pakistan over Kashmir. Late in 2002, delegations from India and Pakistan briefed South



Africa's Deputy Foreign Minister, Mr Aziz Pahad, and the Deputy President on the status of India-Pakistan relations and the sensitive issue of Kashmir.

A number of South Africans have participated in and benefited from training programmes conducted by countries such as India and Pakistan. Military personnel from Pakistan and India have also benefited from training programmes conducted by the South African Defence College.

A number of South African business delegations have visited Afghanistan, India and **Sri Lanka**. During March 2003, the South Africa-Sri Lanka Business Council was officially opened by the visiting Sri Lankan Minister of Enterprise Development, Industrial Policy, and the Minister of Constitutional Affairs, Prof. Gamini Peiris.

In July 2003, South Africa hosted the fifth session of the South Africa-India Joint Ministerial Commission (JMC) in Pretoria. Trade between the two countries exceeded R6,9 billion in 2002, with the balance in South Africa's favour.

India is currently South Africa's sixth largest trading partner in Asia.

An increasing number of cultural groups from India have recently visited South Africa. In 2003, the South African musical production of *African Footprint* enjoyed a successful tour of India.

The Indian International Film Academy Awards (IIFA) ceremony took place at Sun City, North West in 2002, and was followed with an equally successful IIFA awards ceremony held at the Dome in Randburg in May 2003. South Africa is becoming a destination of interest for Indian film-makers.

The India-South Africa Commercial Alliance met for the second time in Pretoria, in June 2002. A variety of opportunities for bilateral co-operation and increased trade were identified in, among others, the pharmaceutical, engineering, information communications technology (ICT) and chemical sectors. South

Africa and India are currently negotiating a Preferential Trade Agreement.

The Indian Ministry of External Affairs launched a Focus Africa Programme during 2002, which is aimed at enhancing economic and commercial ties between India and African countries. India's expertise in areas such as agriculture, ICT and health, offers great potential for NEPAD-related projects.

President Mbeki paid a State Visit to India in October 2003 to foster the already close relationship between the two countries.

The central Asian states of Kazakhstan, Kyrgystan, Tajikistan, Turkmenistan and Uzbekistan are receiving increased attention, and South Africa is considering opening a Mission in the region in the near future. Economic opportunities exist in the region, particularly in the mining sector.

An Air Services Agreement with Maldives awaits signature, as do a Trade Agreement with Bangladesh and a Partnership Forum Agreement with Sri Lanka.

South Africa maintains active and mutually beneficial relations with Australia and New Zealand, and non-residential accreditation in Papua New Guinea, Fiji, Samoa and the Cook Islands.

With regard to **Fiji**, South Africa was, through the appointment of Justice Plus Langa, instrumental in assisting Fiji in the process of democratisation, following the ousting of the legitimate government in a coup in May 2000.

In July 2002, President Mbeki visited Fiji for the African Caribbean and Pacific (ACP) Summit.

South Africa is **Australia's** 20th largest export market and 22nd largest trading partner. Total exports to Australia in 2002 amounted to R4,4 billion, and imports from Australia amounted to R6,6 billion with the trade balance favouring Australia. Cultural, institutional, political and trade relations have expanded rapidly since 1994.

In the multilateral field, the two countries are members of most of the major southern

hemisphere organisations and share similar views on most international issues such as disarmament, agriculture and trade in food products, fishing, protection of marine resources, Antarctica, and fair international trade.

Australia and **New Zealand** are both eager to strengthen relations, especially trade and investment, with South Africa. This will also be pivotal in enhancing relations with southern Africa. New Zealand maintains a High Commission in Pretoria, while the High Commission in Canberra represents South Africa in New Zealand. The establishment of a resident High Commission in Wellington is imminent.

Since 1994, political, economic and social links between the two countries have improved significantly. In 1996, the Cape Town Communiqué was signed, which seeks to strengthen co-operation between South Africa and New Zealand. The political relationship has been further strengthened by numerous high-level delegations that have visited New Zealand, to gain expertise in their different fields and exchange knowledge to enhance capacity-building in central, provincial and local government structures.

Prime Minister Helen Clarke came to South Africa in August/September 2002 for the WSSD and a working visit.

South Africa and New Zealand enjoy wide-ranging multilateral relations. Both are members of the Valdivia Group, which aims to promote southern hemisphere views in international environmental meetings and the enhancement of scientific co-operation.

They enjoy a close working relationship within the context of the Antarctic Treaty and Indian Ocean Fisheries, and also interact within the context of the WTO and the Cairns Group. South Africa and New Zealand also work closely on Commonwealth issues, particularly those affecting Africa.

Bilateral trade between the two countries has been growing steadily since 1994.

South African exports in 2000 totalled R3,5 billion, R3,8 billion in 2001, and R4,2 billion in 2002. South African imports in 2000 totalled R4,9 billion, R5,9 billion in 2001, and R5,7 billion in 2002.

Bilateral relations with the **People's Republic of China (PRC)** have expanded substantially since the establishment of diplomatic relations in 1998.

A broad range of agreements to formalise relations has been concluded between South Africa and the PRC. Of specific importance was the signing of the Pretoria Declaration between President Jiang Zemin and President Mbeki in April 2000. The Declaration served to establish a high-level BNC between the two countries. The inaugural meeting was held in Beijing in December 2001. The second BNC was scheduled to take place in February 2004 in Pretoria. In an effort to address the problem of transnational crime, South Africa and China concluded an Agreement on Extradition and Mutual Legal Assistance in December 2001.

To further facilitate co-operation in this field, the two countries signed the Mutual Legal Assistance in Criminal Matters Agreement in January 2003.

Total bilateral trade between China and South Africa reached R18,74 billion in 2001 with the balance in favour of the PRC.

The establishment of a Consulate-General in Shanghai in November 2002 was expected to stimulate bilateral trade interaction, in particular South African exports to China.

A working visit to South Africa by China's Premier, Zhu Gongji, in September 2002, and an official visit by First Vice-Premier Li Langing in January 2003, added momentum to the development of relations between South Africa and China in almost every arena.

During the Senior Officials' Meeting of the China-Africa Co-operation Forum, held in November 2003 in Addis Ababa, China reaffirmed its support for the objectives of NEPAD.

In an effort to promote tourism to South Africa from China, the authorities in Beijing



have granted Approved Destination Status (ADS) to South Africa. The ADS Agreement was signed in October 2002. The first group of Chinese tourists under this dispensation arrived in South Africa in April 2003.

Hong Kong continues to be an important gateway to China and much of South Africa's trade with the PRC is channelled through the territory. A significant number of South African companies and financial institutions maintain offices in Hong Kong, and South African Airways operates direct flights to the territory from Johannesburg.

The African Business Chamber, which was established in 2001, serves as a forum for the discussion of ways in which business-ties between Hong Kong and African countries may be strengthened.

Notwithstanding the absence of diplomatic relations, South Africa and **Taiwan** continue with trade, scientific, cultural and other relations, and Taiwanese investors in South Africa continue to enjoy full protection under South African law, as well as all the other benefits extended to foreign investors.

In 2002, **Japan** and South Africa met for the fifth Japan-South Africa Partnership Forum meeting in Tokyo, during which bilateral and multilateral issues of interest and concern were discussed.

President Mbeki, accompanied by the Minister of Foreign Affairs led a South African delegation comprising senior government officials to the International Conference on Africa Development (TICAD III) in September 2003.

TICAD is an initiative for African development, launched in 1993 through the joint efforts of the Japanese Government, the UN and the Global Coalition for Africa.

The primary goals of TICAD are to:

- promote high-level policy dialogue between African leaders and their trade partners
- mobilise support for Africa's own development efforts
- strengthen co-ordination among all development partners

- promote regional co-operation and integration through support for regional and sub-regional groupings and organisations
- promote South-South co-operation in general, and Asia-African co-operation in particular, through the exchange of experience and knowledge.

NEPAD is set to continue featuring strongly as a central issue in Africa's relationship with Japan.

During 2002, the Japanese implementation of a series of ODA projects continued, especially in the health, education, and safe water-management sectors.

South Africans also benefitted from HRD courses provided by the Japan International Co-operation Agency.

Japan continues to be South Africa's most important trade partner in Asia. Bilateral trade in 2002 totalled R43,9 billion, with the balance in South Africa's favour.

South Korea remains an important trade partner of South Africa in Asia. In 2002, bilateral trade amounted to R10 billion.

South Korea continued to assist South Africa with HRD in specialised sectors in 2002.

The Middle East

In the Middle East, the Department of Foreign Affairs distinguishes between two clearly identifiable subregions. On one hand, there is the Levant, which comprises Israel, Iraq, Jordan, Lebanon, Palestine and Syria, and on the other hand, the Arabian/Persian Gulf Region, consisting of the member states of the Gulf Co-operation Council, namely Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, the United Arab Emirates (UAE), as well as Iran and Yemen.

The Middle East is an important economic region as it occupies a unique geopolitical position in the tricontinental hub of Europe, Asia and Africa. It is the source of 67% of the world's petroleum reserves and commands two of the most strategically important waterways in the world, namely the Arabian/Persian

Gulf and the Red Sea, giving access to the Asian hinterland via the Gulf of Aqaba. South Africa places strong emphasis on the expansion of diplomatic representation and activities in this region, where it was formerly underrepresented, particularly in the area of trade, which has grown significantly since 1994.

The South African Consulate-General in Jeddah, in addition to performing important functions relating to the promotion of trade, also serves the South African Muslim community on their annual pilgrimage to Mecca.

Before 1994, South Africa's relations with the Middle East were characterised by a lack of diplomatic representation in the entire region, with a concentration only on links with Israel. After the advent of democracy in 1994, this changed significantly, to the point where today South Africa is accepted as a meaningful political interlocutor in the region.

South Africa supports a just, equitable and comprehensive peace process in the Middle East and an end to the illegal occupation of land that has led to conflict and violence between the peoples of the region. Peace and security for the Israelis and the Palestinians cannot be achieved without the fulfilment of the inalienable right of the Palestinian people to self-determination within their own sovereign State.

Based on its own experiences, South Africa continues to maintain that violence can never provide solutions to intractable conflicts. Inasmuch as this applies to Palestine and Israel, it also applies to the situation in Iraq. A just solution that involves co-operation between Iraq and the UN is an objective which South Africa continues to work for in its interaction with all parties involved.

South Africa aims to utilise its political access to enhance, broaden and consolidate its commercial and technical links with the region. The Middle East holds great potential for South Africa as an export

market, and at the same time serves as a potential strategic source of foreign direct investment (FDI) which is essential if NEPAD is to succeed.

Overall bilateral trade between South Africa and the Middle East increased in Rand terms from R32 059 billion in 2000 to R35 503 billion in 2001. Unfortunately, because of South Africa's energy imports from the region, South Africa has a large deficit in respect of trade with the Middle East. In 2001, the country's trade with that region represented 7,54% of South Africa's total international trade.

South Africa's leading trade partners in the region are Saudi Arabia, Iran, Kuwait, Qatar, Israel and the UAE.

The importance of the Middle East to South Africa can also be seen in the growing number of bilateral agreements that are being concluded between South Africa and countries of the region. These cover the fields of civil aviation, avoidance of double taxation, protection of investments, scientific co-operation, and defence.

The Deputy Minister of Foreign Affairs visited the Middle East and Gulf regions, as well as Saudi Arabia and the City of Kuwait, in mid-2003.

In **Saudi Arabia**, Deputy Minister Pahad met with Dr Hasim Yamani, the Minister of Trade and Industry; Dr Nizar Madani, the Assistant Minister of Foreign Affairs; and Mr Khaled Al-Jarallah, the Under-Secretary for Foreign Affairs in Kuwait.

Discussions focused on post-war Iraq, the Middle East Road Map for Peace, and the impact of both situations on regional and global peace and security.

The Saudi Arabian Government established an interministerial committee, chaired by Minister Yamani, to facilitate the relationship between the two countries.

Deputy President Zuma and Deputy Minister Pahad paid an official visit to **Turkey** in October 2003.



Deputy President Zuma held bilateral discussions with Turkish Prime Minister, Recep Tayyip Erdogan, on the following issues:

- the expansion and consolidation of bilateral political and economic relations
- the operationalisation of the AU and the implementation of NEPAD
- multilateral issues including post-war Iraq, the escalation of conditions in the Middle East, reform of the UN, and the global fight against terrorism.

FDI from Turkey in South Africa amounts to US\$60 million.

During the visit, several agreements were signed between the two countries, including agreements on trade and economic co-operation; co-operation in the fields of education, arts and culture, science and technology, sport, recreation and youth affairs; and police co-operation.

On 14 September 2003, the State of **Qatar** and South Africa signed an agreement for the development of a large-scale fuel grade methanol project, targeting an output of 12 000 to 15 000 t per day.

South Africa has consistently called for the immediate implementation of the Middle East Road Map for Peace without pre-conditions, and states that peace between Israel and the Arab States is in the country's national interest. To this end, an active programme of support has been undertaken under the auspices of the Presidential Peace Initiative. The key strategic engagement of South Africa with the Middle East conflict, as clearly shown by the Spier Presidential Peace Retreat in January 2002, remains the strengthening of 'peace camps' in both Israel and Palestine, sharing the South African experience with a wide section of Israeli and Palestinian civil society and government officials; as well as assisting in the Palestinian reform process and supporting international peace efforts, particularly through the UN.

Relations with the Americas

United States of America

The promotion of economic relations with the USA, particularly in trade and investment, remained a central element of the bilateral relationship in 2002/03. The trade relationship continued to expand, with total trade for 2001 in excess of US\$7,25 billion, making the USA South Africa's largest single trading partner. South Africa expanded its exports to the USA in 2001 under the General System of Preferences (GSP) Programme through the African Growth and Opportunity Act (AGOA), the value of which was in excess of US\$400 million.

US President George W. Bush visited South Africa in July 2003.

Issues on the agenda for discussion between Presidents Bush and Mbeki included bilateral economic relations between the two countries, NEPAD, conflict on the African continent, Zimbabwe, the global war on terrorism, and HIV/AIDS.

The importance of the AGOA in enhancing trade between the two countries was highlighted. Exports from South Africa to the USA under AGOA increased by 45% during 2002.

The USA pledged support for South Africa's increased fight against HIV/AIDS, committing US\$15 billion over a period of five years to the global fight against the pandemic.

Canada

South Africa and Canada enjoy cordial relations. Considerable co-operation also occurs between the two countries on a multilateral level and within international forums.

A number of South African Cabinet Ministers and officials have visited Canada in recent years and have held discussions with their Canadian counterparts on bilateral and multilateral issues. Canada has played a leading role in co-ordinating and formulating the G-8 response to NEPAD.

In November 2003, President Mbeki paid a State Visit to Canada. Canada became the first country to create a fund to support NEPAD.

It has indicated its support for NEPAD in a concrete fashion, through the scrapping of tariffs for least-developed countries and the creation of a C\$500 million Fund for Africa.

Furthermore, Canada made available C\$6 billion in ODA over a five-year period. Canadian civil society has also indicated strong support for, and interest in, NEPAD.

Trade and investment between the two countries has grown steadily since 1994, with mining remaining the mainstay of the economic relationship.

In 2002, bilateral trade amounted to more than R4 billion per annum.

This includes not only trade in raw material, but also in the field of mining equipment, technology, services and joint ventures. Growth has also occurred in the areas of agroprocessing and ICT.

Canada is active in the field of development co-operation in South Africa. Its technical-assistance programme is aimed at fostering social upliftment, policy development and HRD. The Canadians have made a significant contribution towards good governance and education in South Africa, through a twinning programme that links six Canadian provinces to six South African provinces.

The Caribbean

South Africa's relations with the independent member states of the Caribbean Community have been strengthened and expanded through the fully operational South African High Commission in Kingston, Jamaica. In addition to Jamaica, the High Commission also maintains responsibility for Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Haiti, St Kitts and Nevis, St Lucia, St Vincent and the Grenadines, Suriname, and Trinidad and Tobago.

President Mbeki, accompanied by the Minister of Foreign Affairs and the Minister of Public Enterprises, Mr Jeff Radebe, visited Jamaica in July 2003. The purpose of the State Visit was for President Mbeki, as then chairperson of the AU, to address the Caribbean Regional Economic Community in Caricom.

President Mbeki also held bilateral discussions with his Caricom Heads of Government counterparts from the Bahamas, St Vincent and the Grenadines, Haiti, St Kitt and Nevis, and Belize, with a view to boosting bilateral political, economic and cultural relations between South Africa and Jamaica as well as between South Africa and the Caricom.

Latin America

South Africa's relations with the countries of the South American region are entering an important and dynamic period of development. South Africa maintains formal diplomatic relations with all the countries of Latin America.

Latin America's population of about 300 million, as well as its various economic blocs, such as Mercosur (Southern Common Market) and the Andean Community, will ensure the region's increasing importance to South Africa.

There is great potential for co-operation with the Mercosur trading bloc, which consists of Argentina, Brazil, Paraguay and Uruguay, with Bolivia and Chile having associate status. Co-operation in the South Atlantic is further enhanced through the Zone of Peace and Co-operation in the South Atlantic (ZPCSA). The aims and objectives of the ZPCSA include the protection of the marine environment and resources, the promotion of the South Atlantic as a nuclear-free zone, and joint business ventures.

In December 2000, a Framework Agreement for the Creation of an FTA between South Africa and Mercosur was signed by the South African Minister of Trade and Industry, Mr Alec Erwin. The aim of the Agreement was to



strengthen existing relations, promote the expansion of trade, and establish the conditions for the creation of a future FTA.

Several rounds of discussions towards the establishment of an FTA have taken place since the first talks in Montevideo, Uruguay, in October 2001.

The second South Africa-Cuba JBC took place in November 2002 in Havana, which reviewed existing bilateral co-operation projects and the extension of co-operation to new areas. In April 2002, the first South Africa-Cuba Consultative Mechanism reviewed bilateral and multilateral issues. The Minister of Foreign Affairs visited **Cuba** in January 2003, where she was honoured by the Cuban Government with the Medal of Friendship. The Minister held a bilateral meeting with her Cuban counterpart, Mr Felipe Perez Roque.

Relations with **Brazil** were given further impetus with the inaugural meeting of the South Africa-Brazil JBC in Brasilia, in August 2002. This encompassed political discussions between the respective Foreign Affairs Ministers, as well as discussions on co-operation between line-function departments in a variety of technical fields. The second meeting, held in Pretoria in May 2003, cemented these ties and laid the basis for expanded co-operation.

In November 2003, President Mbeki hosted his Brazilian counterpart, President Lula Da Silva, for bilateral discussions. Brazil is South Africa's largest trading partner in Latin America.

Relations with Europe

South Africa's bilateral relations with Europe have improved and expanded significantly since 1994. Exchanges have continuously increased in terms of high-level political consultation, economic relations and development assistance. South Africa currently maintains diplomatic relations with virtually all countries in Europe. South Africa has 25

Missions in Europe, while these countries are, in turn, represented by more than 50 Embassies and Consulates-General or Trade Missions in South Africa.

Collectively, western Europe is South Africa's largest trading partner and main source of FDI and development assistance. Regular consultations with the EU and its member countries take place with regard to the continued and possible expansion of their constructive involvement in South Africa.

In order to enhance co-operation with European countries, a variety of political and economic mechanisms such as binational and economic commissions have been established with the United Kingdom (UK), France, Germany, Sweden, Spain, Italy and Portugal.

Mechanisms to step up bilateral political consultations have also been created with a number of Nordic countries.

Multilateral interaction with Europe continues on issues such as globalisation, market access, debt relief, the role and reform of the UN Security Council, disarmament and human rights. The establishment of a constructive North-South dialogue is of particular importance to South Africa.

Relations with **Germany** have expanded considerably since the introduction of the South African-German BNC in 1996, as the committees of the Commission now work continuously to enhance political, economic, scientific, cultural and environmental co-operation.

Africa is the main focus of German development co-operation initiatives. Germany has pledged its firm support for NEPAD, with priority areas being conflict prevention and good governance.

The fourth session of the South African-German BNC took place on 30 October 2003 in Pretoria.

South Africa and the **UK** continue to build a special partnership. President Mbeki and Prime Minister Tony Blair met on several occasions in 2002 and there have been numerous

meetings between Cabinet Ministers of the two countries. The UK has shown strong support for NEPAD, the AU and conflict resolution in Africa, and has maintained its position as one of South Africa's most significant trade partners, the largest single foreign investor in South Africa, and a major source of tourism.

Bilateral relations between South Africa and **France** are directed by institutionalised mechanisms, such as the MoU for Political Dialogue, as well as joint commissions on trade and industry, arts and culture, and science and technology.

People-to-people relations have expanded dramatically and there have been regular exchanges of cultural, art and sports groups. President Jacques Chirac is a staunch supporter of the AU and NEPAD, especially in the context of the G-8. France demonstrated its commitment to Africa by hosting the Special Summit in the Cote d'Ivoire from 25 to 26 January 2003, the Franco-Africa Summit from 20 to 21 February 2003, and the G-8 meeting with Heads of State of Emerging Market Economies and the NEPAD Heads of State Implementation Committee meeting on 1 June 2003.

On 26 June 2003, Dr Dlamini-Zuma and her French counterpart, Mr Dominique De Villepin, held bilateral discussions in Parliament in Cape Town, before signing an agreement on technical assistance.

President Mbeki paid a State Visit to France in November 2003.

The historic links between South Africa and the Nordic countries have further deepened in recent years. Flowing from the strong grass-roots support in these countries for democratisation in South Africa, relations have been established in virtually every field at both public and official levels.

The scope of Nordic development co-operation relations is broad and has benefited civil society and the three tiers of government throughout the country. Relations in the international arena have seen close co-operation

on multilateral issues such as the banning of anti-personnel mines.

Two South African-Nordic Summits between President Mbeki and the Nordic Prime Ministers were held in 2000 and 2002 to discuss ways in which to expand relations further. These Summits also pledged Nordic support for the African Renaissance and Nordic involvement in NEPAD.

South Africa maintains excellent bilateral relations with the Benelux countries (**Belgium**, the **Netherlands** and **Luxembourg**). This is, *inter alia*, reflected in the increase in high-level visits, co-operation in multilateral forums, and the number of development-assistance programmes being implemented in South Africa. The commitment of the Benelux countries to the objectives and ideals of the AU and NEPAD is underscored by the close interaction with South Africa in the promotion of peace and security on the African continent. Both the Netherlands and Belgium are providing political and financial support for South Africa's role in conflict-resolution and peace-keeping operations in the Great Lakes region.

In September 2003, Deputy President Zuma paid an official visit to the Netherlands and **Spain**. The Deputy President's delegation included the Minister of Justice, Dr Penuell Maduna, and the Deputy Minister of Foreign Affairs.

In the context of South Africa's key role in conflict resolution, management and prevention, arbitration, as well as peace-keeping on the African continent, the delegation interacted with legal multilateral institutions in the Netherlands, including the Permanent Court of Arbitration, the International Court of Justice, the International Criminal Court and The Hague Convention on International Private Law.

Deputy President Zuma's delegation to Madrid, Spain, included the Minister of Intelligence Services, Dr Lindiwe Sisulu, the Deputy Minister of Trade and Industry, Ms Lindiwe Hendricks, and the Deputy Minister of



Foreign Affairs. The visit focused on deepening economic and political ties between South Africa and Spain.

The Deputy President held bilateral discussions with Spain's First Deputy Prime Minister, Mr Rodrigo Rato, to discuss:

- the current status of, and prospects for, further expansion of bilateral relations, and steps to expand economic ties
- NEPAD and the AU
- conflict resolution and peace-keeping on the African continent.

Spain is one of South Africa's major trading partners. Between 1999 and 2002, Spain invested R2 020 billion in South Africa.

The President of the Republic of **Italy**, Mr Carlo Azeglio Ciampi, received President Mbeki during the G-8 Summit in July 2001. President Ciampi was subsequently invited to pay a State Visit to South Africa in March 2002. This was a successful visit during which Italian support for NEPAD, the WSSD, the fight against HIV/AIDS, increased levels of the ODA and the transfer of technology was pledged.

President Constantinos Stephanopoulos of the **Hellenic Republic**, accompanied by a trade delegation, paid a State Visit to South Africa in October 2002. He expressed support for socio-economic upliftment through NEPAD, increased levels of trade and investment, and targeted ODA projects.

On 26 May 2003, South Africa and **Austria** signed a co-operation agreement on safety and security issues.

A South African delegation, comprising President Mbeki, the Minister of Trade and Industry and the Deputy Minister of Foreign Affairs, travelled to **Switzerland** in June 2003, for bilateral discussions with the Swiss delegation comprising the Swiss President, Mr Pascal Couchepin; the Minister of Foreign Affairs, Ms Micheline Calmy-Rey; and the Minister of Economic Affairs, Mr Joseph Deiss.

A Declaration of Intent on joint co-operation in Africa was signed by Ministers Erwin and Calmy-Rey. The aim of the Declaration is to

enhance co-operation on joint initiatives within the context of the AU and NEPAD.

These initiatives include key areas such as humanitarian assistance, international humanitarian law, development assistance, governance, private-enterprise promotion and economic development.

Deputy President Zuma co-chaired the third session of the South Africa-Swedish BNC with his Swedish counterpart, Ms Margareta Winburg, in October 2003.

The BNC focused on discussions centred around its three committees, namely Political Affairs, Economic Affairs, and Social and Development Co-operation Affairs.

South Africa's exports to **Sweden** increased from R231 million in 1999 to R736 million in 2002. Sweden exported goods to the value of R3,31 billion to South Africa in 2002.

Figures provided by the Swedish International Development Agency show that Swedish investments in South Africa since 1994 exceed R800 million in 80 companies employing more than 1 200 people.

Sweden is one of the top five donors to South Africa.

Multilateral diplomacy

South Africa is a full participant in the debates on global issues in international forums and organisations such as the UN, the Commonwealth and NAM. Among the multitude of issues that are dealt with are UN reform; South Africa's role in peace-keeping operations and disarmament issues; the global development debate; negotiations with the EU; the future of NAM; the implementation of Agenda 21 and the treaties that flow from it, such as those on biodiversity and climate change, international drug control, international measures to combat crime, good governance, human rights and humanitarian assistance.

The country's active and full involvement in initiatives such as the renegotiation of the

SACU, the South African-Britain Bilateral Forum and new structures in the WTO, also places South Africa in a good position to ensure that not only trade, but also development is addressed in its international relations.

International organisations

United Nations

Since its readmission to the UN in 1994, South Africa has fully participated in and contributed to international organisations, treaties and conventions concerned with global policies. It has played an active role in several General Assembly working groups tasked with the appraisal of UN reforms as well as the restructuring of the Security Council.

South Africa's name has consistently appeared on the Secretary-General's 'Roll of Honour' of countries that pay their dues timeously.

President Mbeki, accompanied by the Minister of Foreign Affairs, represented South Africa at the 58th Session of the UN General Assembly (UNGA) in New York in September 2003.

President Mbeki addressed the General Debate of UNGA on issues of international, regional and national significance. South Africa will serve as vice-chairperson of the Economic and Financial Committee of UNGA. This follows South Africa's chairpersonship of the Special Political and Decolonisation Committee during UNGA 57.

European Union

South Africa relates to the EU at various levels and in many forums. The most important of these relations is the bilateral relationship, followed by the regional and continental dimensions. South Africa is also a signatory to the Cotonou Partnership Agreement (CPA), which is the basis for co-operation between the ACP group of states and the EU. Bilaterally, the SA-EU Trade, Development and Co-

operation Agreement (TDCA) governs South Africa's relations with the EU. At regional and continental levels, several processes relate Africa (South Africa included, and playing a very significant role) to the EU. These include the Berlin Process, Cairo Process, the CPA and NEPAD.

Following the first democratic election in 1994, the South African Government started a process of reintegrating the economy into the world economy. To this end, South Africa needed to urgently spur its economic growth by attracting investments and securing market access for goods and products. The EU Council of Ministers then called for a package of immediate measures to support South Africa's transition to democracy. These measures included granting South Africa improved market access through the GSP in the short term, with an offer to negotiate a long-term trade and co-operation agreement with the EU. Encouraged by this offer, South Africa requested to become a standard beneficiary of both the industrial and agricultural GSP which is offered to developing countries. South Africa also indicated preference to accede to the Lomé Convention, thus benefiting from the unilateral trade regime of the ACP states. The European Commission and the Council of Ministers of the EU rejected South Africa's request for a long-term trade arrangement under the aegis of the Lomé Convention. Instead, the EU Council of Ministers' meeting in June 1995 adopted negotiating directives proposing progressive and reciprocal liberalisation of trade with South Africa, in order to establish an FTA.

After more than 20 formal sessions of negotiations, South Africa and the EU reached broad agreement on the contents of the TDCA in December 1998. The central component of the Agreement revolves around a tariff phase-down schedule for agricultural and industrial products. In terms of the schedule, South Africa will eliminate tariffs on 86% of EU exports to South Africa over a period of 12



years. The EU, in turn, will eliminate tariffs on 95% of South African exports to the EU over 10 years. In addition to the tariff-liberalisation schedule, agreement was reached on the numerous articles dealing with trade-related issues such as intellectual property rights, competition policy and Rules of Origin. The parties also agreed to co-operate in a number of non-trade fields, such as the fight against drugs and money laundering, and the protection of data.

The finalised SA-EU TDCA was signed on 11 October 1999 and provisionally entered into force in January 2000. The TDCA now has to be ratified by all 15 EU member states. By mid-2003, the TDCA had been ratified by Sweden, Denmark, the Netherlands, Germany, Finland, Spain, Portugal and Ireland.

The TDCA is expected to substantially increase South Africa's trade with Europe. The EU is already South Africa's largest trading partner while South Africa ranks as the EU's 15th largest trading partner.

It was intended that the TDCA would be complemented by three side agreements, namely the Science and Technology Agreement, the Wines and Spirits Agreement (WSA), and the Fisheries Agreement, in addition to the development co-operation instrument, the European Programme for the Reconstruction and Development (EPRD) of South Africa.

The South Africa-EU Science and Technology Agreement was the first agreement to be reached between post-apartheid South Africa and the EU. It was signed in December 1996 and entered into force in November 1997. It allows South African researchers to engage in collaborative research projects funded by the EU. A South Africa-EU Joint Science and Technology Co-operation Committee was established to review collaboration and develop initiatives to intensify co-operation. In order to further biregional dialogue on science and technology between the EU and ACP States, South Africa hosted the first ACP-EU Ministerial Forum on

Research for Sustainable Development in Cape Town from 29 July to 1 August 2002. In this regard, the EU also released a total of 50,7 million Euro during the first half of 2003 for research on sustainable development in ACP countries.

The WSA negotiations were officially concluded in June 2000. The WSA provides for the mutual recognition of Geographical Indications and Trademarks. In this regard, a special meeting was held between South Africa and the EU during July 2001, which culminated in a MoU. The latter, in turn, resulted in the conclusion of the WSA, which was signed on 28 January 2002 in South Africa. It has been implemented retroactively from 1 January 2002 to ensure that no benefits are lost from the WSA.

The first round of negotiations on a South Africa-EU Fisheries Agreement took place in Brussels on 5 March 2001. Soon after the negotiations started, both parties realised that they had been given irreconcilable mandates, and negotiations were formally suspended. However, negotiations on the Fisheries Agreement may well be initiated again when the European Commission's (EC) Common Policy on Fisheries is finalised.

European Programme for Reconstruction and Development

The TDCA provides the legal basis for continued EU support for development activities in South Africa, which is channelled through the EPRD. The EPRD is funded directly from the EU budget with an annual budget of 1275 million Euro, and is the single largest development programme in South Africa financed by foreign donors. From 1995 to 1998, the EU provided 43% of all foreign grant aid to South Africa.

Further assistance is supplied through soft loans from the European Investment Bank. These funds are managed by the Industrial Development Corporation on behalf of government. The second co-operation strategy and

implementation framework came to an end in December 2002. The 2003 to 2006 framework of development co-operation will have an indicative financial envelope of approximately 126 million Euro per annum.

South Africa also interacts with the EU as a member of the ACP Group, which consists of 79 countries. South Africa joined the Lomé Convention as a qualified member, as it was excluded from the trade regime as well as its provisions on development assistance. However, South Africans may tender for projects in all ACP countries, and participate fully in all the political instruments of the Convention.

The Lomé Convention governed relations between the ACP Group and the EU. Negotiations for a successor to the Lomé Convention, which expired in February 2000, were concluded, and the CPA was signed on 23 June 2000 in Cotonou. South Africa is again only a qualified member of the CPA, as South Africa's economic relations with the EU are governed by the TDCA.



President Thabo Mbeki participated in the Enlarged Dialogue during the G-8 Summit in Evian-les-bains, France, on 1 June 2003.

The overall theme of the Enlarged Dialogue, which brought together G-8 Heads of State and Government and the Heads of State of 12 selected developing countries, was *International Co-operation to Promote Economic Growth and Development*.

Economic development in Africa, sustainable development, and the ongoing global fight against terrorism were discussed.

Other issues on the agenda included:

- macro-economic policies
- development strategies
- trade issues
- promotion of private investment
- prevention of international and regional crises
- Millennium Development Goals (e.g. water and sanitation)
- implementation of healthcare programmes and infrastructure
- consistency of standards imposed by international organisations.

The CPA differs significantly from its predecessor in that its duration will be 20 years, with a revision clause every five years and a financial protocol for each five-year period.

The most far-reaching changes, however, are to be introduced in the sphere of trade, where non-reciprocal preferences are gradually to be abolished and replaced with WTO-compatible trade arrangements. The present arrangements are to be maintained during a period of trade negotiations that will continue until the end of 2007. Formal negotiations for New Economic Partnership Agreements – as the post non-reciprocal arrangements will be called – started in September 2002 and will have entered into force by January 2008. South Africa is not a direct participant in these negotiations, but assists the ACP in an advisory capacity. In this regard, South Africa hosted the first ACP Trade Ministers' Committee Meeting in Johannesburg, in April 2001, as well as an SADC Ministers of Trade Meeting, in March 2003, to discuss the negotiations at regional level.

One of the key aspects of South Africa's relations with the EU, within the framework of the ACP-EU partnership, is its active participation in the ACP-EU Joint Parliamentary Activities (JPA). South Africa hosted the fourth session of the ACP-EU JPA in March 2002 in Cape Town. At this session, the JPA accepted a resolution on NEPAD, noting that there was considerable scope for the ACP-EU partnership to be effectively aligned with NEPAD. It urged the EC to identify ways in which, both directly and through the ACP-EU partnership, EU programmes could support NEPAD.

South Africa's relations with European parliamentarians are also extensive, and regular exchanges have taken place in this regard. South Africa, then chairperson of the AU, took a lead in ensuring that NEPAD was discussed on an ongoing basis with all EU member states, especially those that are also members of the G-8.



The Commonwealth

The Commonwealth is a voluntary association of 54 sovereign states with a common political heritage. After the UN, with 185 members, the Commonwealth is one of the world's largest multilateral organisations. It includes members of every major regional institution, economic zone and multilateral organisation.

Its total population exceeds 1 500 million. The link in this union is the common use of the English language as well as elements of the common culture, including sport, inherited from the colonial past.

South Africa rejoined the Commonwealth in 1994 after an absence of 33 years. The Department of Foreign Affairs co-ordinates the policy and objectives of the Government in the Commonwealth.

The successful hosting of the Commonwealth Heads of Government Meeting (CHOGM) in 1999 provided President Mbeki with an opportunity to indicate South Africa's position on development, trade, and the use of ICT. The Fancourt Declaration resulted from discussions at the Retreat of Commonwealth Heads during the CHOGM. The Declaration marked an important milestone in the South African strategy to argue the case of the South and to advance the cause of the African Renaissance.

Commonwealth Heads of Government decided to establish a high-level group, with the aim of reviewing the role of the Commonwealth and advising on how best it could respond to the challenges of the new century. Members of the group are Australia, India, Malta, Papua New Guinea, Singapore, South Africa, Tanzania, Trinidad and Tobago, the UK and Zimbabwe.

The review process has produced a number of proposals and decisions, which will have a major impact on the way the Commonwealth deals with the issues of conflict resolution and poverty reduction from a political, economic/developmental and social perspective.

In his capacity as then chairperson of the Commonwealth, President Mbeki oversaw the successful conclusion of the High-Level Review Group on the Review of the Commonwealth and its governance.

The CHOGM reviewed global political issues, including the international fight against terrorism, HIV/AIDS, debt relief, private capital flows, WTO issues, and barriers to investment in poor countries.

The Non-Aligned Movement

The NAM is the second-largest grouping of countries within the UN, comprising 115 member states. It was founded in 1961 as a global voice for developing countries that felt excluded from international politics dominated by the superpowers of the time. South Africa joined the Movement as a full member in 1994, and assumed chairpersonship in September 1998, during the XII Summit Conference of Heads of State and Government of NAM, held in Durban. The fundamental principles of the Movement include respect for the sovereignty and territorial integrity of all countries, the right to self-determination of all colonised peoples, and economic and cultural equality.

As then chairperson of NAM, South Africa worked hard to strengthen dialogue with the developed countries on issues of interest to developing countries, and worked ceaselessly for multilateralism. At the Ministerial meeting of NAM in Durban, South Africa agreed to reposition the Movement to take advantage of new realities.

The NAM also continues its long-standing support for the rights of the Palestinian people, in international forums such as the UN and the Organisation of the Islamic Conference.

The NAM has persistently called on Israel to end its occupation of East Jerusalem, for the withdrawal of settlers from the occupied Palestinian territories, and to cease military actions in the Palestinian territory.

The NAM Committee on Palestine met twice at Ministerial level with members of the NAM Security Council Caucus in the space of one year, to deliberate on ways to work together with all the influential forces in the Middle East for the attainment of just and lasting peace in the region.

Malaysia took over the chair of NAM from South Africa in February 2003.

South Africa hosted the NAM Foreign Ministers' meeting in the Western Cape in December 2002. Ministers from Algeria, Columbia, Cuba, Egypt, India, Indonesia, Iran, Jamaica, Jordan, Malaysia, Mozambique, Sri Lanka, Zambia, Zimbabwe and the Secretary-General of the League of Arab States, Mr Amre Moussax, attended.

In May 2003, Dr Dlamini-Zuma attended the NAM Ministerial Troika held in France. The NAM Troika comprises South Africa,

Malaysia and Cuba. The meeting took place against the background of the decision of the NAM Summit, held in Kuala Lumpur in February 2003, to take the necessary steps to ensure the revitalisation of NAM to meet the challenges of the 21st century. This included lending its support to efforts aimed at pushing back the frontiers of poverty and underdevelopment in developing countries.

United Nations Development Programme (UNDP)

On 12 October 1994, the Government signed the Standard Basic Assistance Agreement with the UNDP. The UNDP has an office in Pretoria, headed by its resident representative, who is also the UN Resident Co-ordinator for all UN operational activities for development in South Africa.



Acknowledgements

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