



**OFFICIAL GUIDE TO SOUTH AFRICA 2017/18**

# International Relations

In terms of the Constitution of the Republic of South Africa of 1996, the President is ultimately responsible for the foreign policy and international relations of South Africa.

As such, it is the President's prerogative to appoint heads of mission, receive foreign heads of mission, conduct state-to-state relations, and negotiate and sign all international agreements.

International agreements that are not of a technical, administrative or executive nature will only bind the country after being approved by Parliament, which also approves the country's ratification of or accession to multilateral agreements. All international agreements must be tabled in Parliament for information purposes.

The Minister of International Relations and Cooperation is entrusted with the formulation, promotion, execution and daily conduct of South Africa's foreign policy.

The department's overall mandate is to work for the realisation of South Africa's foreign policy objectives. This is done by:

- coordinating and aligning South Africa's international relations;
- monitoring developments in the international environment;
- communicating government's policy positions;
- developing and advising government on policy options, and creating mechanisms and avenues for achieving objectives;
- protecting South Africa's sovereignty and territorial integrity;
- contributing to the creation of an enabling international environment for South African businesses;
- sourcing developmental assistance; and
- assisting South African citizens abroad.

The Department of International Relations and Cooperation's (DIRCO) strategic objectives are to:

- protect and promote South African national interests and values through bilateral and multilateral interactions;
- conduct and coordinate South Africa's international relations and promote its foreign policy objectives;
- monitor international developments and advise government on foreign policy and related domestic matters;
- contribute to the formulation of international law and enhance respect for its provisions;
- promote multilateralism to secure a rules-based international system;
- maintain a modern, effective department driven to pursue excellence; and
- provide a world-class and uniquely South African state protocol service.

Chapter 7 of the National Development Plan (NDP) details a vision for positioning South Africa to facilitate broad-based socioeconomic development and foster strong international ties.

Outcome 11 (create a better South Africa, a better Africa and a better world) of government's 2014-2019 Medium Term Strategic Framework gives expression to this, and is directly aligned with the work of DIRCO.

Over the medium term, DIRCO intended to focus on: strengthening regional integration and the African Agenda; consolidating global economic, political and social relations; enhancing its operational capacity; and developing and managing infrastructure projects and properties.

Diplomatic and consular missions implement South Africa's foreign policy to enhance its international profile and serve as strategic mechanisms for the achievement of national interest.

## Enhancing socio-economic diplomacy

To reflect the increasing influence of emerging economies in the multilateral trading system, over the MTEF period, South Africa aimed to consolidate South-South relations. As such, the department intended to continue leveraging South Africa's membership to groupings such as

the Forum on China-Africa Cooperation, the G77, and the Brazil-Russia-India-China-South Africa (BRICS) group of countries to advance its foreign policy objectives. In anticipation of growth in the African and Asian regions, South Africa took a conscious decision to expand and strengthen its diplomatic missions in the two regions.

As South Africa consolidated its political relations on the continent by expanding its diplomatic footprint through 47 embassies, high commissions and consulates general, the country has also rapidly advanced economic relations in Africa, through the expansion of trade volumes, investment portfolio and economic relations.

Africa has become a prime destination of South African-originated goods and services, especially value-added goods, which assists in contributing to the R198-billion trade surplus, creating much-needed jobs and opportunities for the people within the manufacturing, retail, fast-moving consumer goods, financial services and transport/logistics sectors.

The Southern African Development Community (SADC) accounts for approximately 80% of total trade with the continent.

Regarding Asia and the Middle East, South Africa's trade and investment in these regions have grown considerably and continue to do so. In 1994, trade with Asia and the Middle East combined was about R45 billion and has increased to about R760 billion for Asia and R116 billion with the Middle East. South Africa can achieve a trillion rand trade with this region by 2019.

There is a direct correlation between the growth of South Africa's diplomatic missions and the phenomenal expansion of its trade and investment relations on both the African continent and in Asia and the Middle East.

The same applies to the Americas and Europe. With additional economic diplomacy efforts and enhanced national coordination, South African trade with the world can reach R2 trillion by 2019.

As South Africa explores new markets, it continues to maintain close economic ties with the industrialised economies of the North, which provide, among others, preferential market access to some of South Africa's exports.

Enhancing the economic and political dialogue is an important part of South Africa's economic diplomacy strategy as they remain a primary source of foreign direct investment (FDI) and official development assistance (ODA) flows into South Africa.

DIRCO also uses international summits (BRICS, Group of Twenty (G20), SADC, **Indian Ocean Rim Association (IORA)** as well as State visits and Bilateral Consultation mechanisms to promote the trade and investment case for South Africa.

## Foreign policy

South Africa's foreign policy outlook is based on its commitment to the values and ideals of Pan-Africanism, solidarity with people of the South and the need to cooperate with all peace-loving people across the globe in pursuit of shared prosperity and a just, equitable and rules-based international order.

The country's diplomacy of Ubuntu continues to place cooperation with partners as the thrust of its foreign policy endeavours above all forms of competition.

South Africa strives to address its domestic imperatives as enunciated in the NDP and national interest while taking into cognisance the needs and aspirations of others.

The country's diplomatic efforts over the past two decades include conflict resolution, prevention, mediation, peacekeeping and peacebuilding.

- **Africa** embraces relevant national priorities by strengthening bilateral cooperation with countries in Africa, particularly through focusing on increasing exports of South African goods and services, FDI with technology transfers into value adding industries and mineral

beneficiation, and inbound tourism and the skills base. South Africa has foreign representation in 47 diplomatic missions in Africa.

- **Asia and Middle East** embraces relevant national priorities by strengthening bilateral cooperation with countries in Asia and the Middle East, particularly through focusing on increasing exports of South African goods and services, FDI with technology transfers into value adding industries and mineral beneficiation, and inbound tourism and the skills base. South Africa has foreign representation in 32 diplomatic missions in Asia and the Middle East.
- **Americas and Caribbean** embraces relevant national priorities by strengthening bilateral cooperation with countries in the Americas and Caribbean, particularly through focusing on increasing exports of South African goods and services, FDI with technology transfers into value adding industries and mineral beneficiation, and inbound tourism and the skills base. South Africa has foreign representation in 16 diplomatic missions in the Americas and Caribbean.
- **Europe** embraces relevant national priorities by strengthening bilateral cooperation with countries in Europe, particularly through focusing on increasing exports of South African goods and services, FDI with technology transfers into value adding industries and mineral beneficiation, and inbound tourism and the skills base. South Africa has foreign representation in 28 diplomatic missions in Europe.

## Strengthening regional integration and the African Agenda

The department uses the NDP as an overarching vision for guiding South Africa's foreign policy and international relations programme.

Chapter 7 of the NDP emphasises the importance of regional integration, specifically in the SADC, which is South Africa's largest trade partner in Africa.

With the aim of partnering with the private sector to develop industry and value chains in the SADC, South Africa assumed the rolling one-year chairpersonship of the SADC.

## African Union (AU)

Over the medium term, the DIRCO plans to continue making contributions towards operationalising the tripartite agreement between South Africa, Angola and the Democratic Republic of the Congo in support of the peace and security framework agreement for the Great Lakes region.

Through the department, South Africa will continue to support the AU Peace Fund and other efforts of the AU Peace and Security Council (AUPSC) in pursuit of lasting peace on the continent.

South Africa has served as a member of the AUPSC for two consecutive terms from 1 April 2014 to 31 March 2016 and 1 April 2016 to 31 April 2018, respectively. South Africa's contributions to the AU for membership were expected to increase at an average annual rate of 7.9%, from R200.1 million in 2017/18 to R251 million in 2020/21, mainly due to inflationary budget adjustments and revised membership contributions.

The department also plans to be involved in mobilising regional economic communities towards a continental free trade area; revitalising the New Partnership for Africa's Development (NEPAD) on infrastructure development; and promoting good governance systems through the African Peer Review Mechanism (APRM).

South Africa remains irrevocably committed to the realisation of the goals of Agenda 2063, Africa's blueprint and vision for an integrated, prosperous and peaceful continent. In this regard, South Africa supported the launch of both the Protocol on the Free Movement of Persons in Africa and the African Continental Free Trade Area, launched in January and March 2018

respectively, which are two of Agenda 2063's flagship programmes. These two initiatives are a manifestation of the Pan-African vision of continental unity and integration in line with South Africa's vision of a better Africa and a better world.

The AU's Agenda 2063, under the theme "The Africa We Want", seeks to chart a new development trajectory for Africa towards self-determination, freedom, progress and collective prosperity.

The first 10-year implementation plan of Agenda 2063 identifies the key outcomes by 2023. Agenda 2063's Flagship Programmes which seek to place the continent on a developmental path that will address Africa's key challenges of poverty are designed to achieve the following key deliverables, amongst others:

- Improving railway connectivity;
- Improving road infrastructure, sea ports and air transportation;
- Investing in a well-developed information and communications technology (ICT) and digital economy; and
- Developing agriculture and agro-processing.

The DIRCO will be involved in rationalising regional economic communities towards a Continental Free Trade Area, revitalising the NEPAD on infrastructure development, and promoting good governance systems through the APRM.

Among others, Agenda 2063 aspires to a prosperous Africa based on inclusive growth and sustainable development. It also seeks an integrated continent, politically united and based on the ideals of Pan-Africanism and the vision of Africa's Renaissance.

The AU Agenda includes the commitments to support railway and road infrastructure, power generation and distribution networks, industrial and technology parks and human resources development.

Agenda 2063 sets out a roadmap towards an Africa where women are empowered to play their rightful role in all spheres of life, and with full equality. This is in line with the AU heads of state decision to establish the Pan African Women's Organisation as a legal entity and a specialised agency of the AU.

Heads of State and Government and representatives of States and Governments met at the United Nations (UN) Headquarters in New York on 24 September 2018, at the Nelson Mandela Peace Summit, to reflect on global peace, in honour of the centenary of the birth of Nelson Mandela.

## Africa Day

Africa Day is celebrated annually on 25 May within the African continent to mark the formation of the Organisation of African Unity (OAU) on 25 May 1963 and the AU in 2002, as well as chart the progress made by the continent since then to advance democracy, peace, stability and socio-economic development.

The theme for Africa Month 2018 was "A Year of Nelson Mandela – Building a Better Africa and a Better World".

## New Partnership for Africa's Development

NEPAD, an AU strategic framework for pan-African socio-economic development, is both a vision and a policy framework for Africa in the 21st century. NEPAD provides unique opportunities for African countries to take full control of their development agenda, to work more closely together, and to cooperate more effectively with international partners.

NEPAD manages a number of programmes and projects in six theme areas namely:

- agriculture and food security
- climate change and national resource management
- regional integration and infrastructure

- human development
- economic and corporate governance
- cross-cutting issues, including gender, capacity development and ICT.

Through NEPAD, Africa has expanded its development priorities. Development and funding in agriculture, information and communications technology, science and technology, infrastructure and education has improved the quality of life for millions of Africans.

### South Africa and the SADC

In pursuit of promoting regional political and economic integration, South Africa assumed the Chairship of SADC in August 2017, under the theme: “Partnering with the Private Sector in Developing Industry and Regional Value Chains”. During its Chairship, South Africa was working towards the implementation of the identified deliverables, which included:

- Control and management of the Fall Army Worm and other diseases, which will contribute towards addressing regional food security challenges.
- Enhancing capacity at the SADC Secretariat, including the identification of regional centres of excellence. This is geared towards improving the implementation of SADC strategic blueprints, with a primary focus on the Regional Industrialisation Strategy and Roadmap.
- The establishment of a regional Natural Gas Committee to promote the inclusion of gas in the regional energy mix and in the promotion of industrial development.
- Project Preparation and Development Facility, managed by the Development Bank of Southern Africa to take projects to bankability stage and therefore unlock opportunities that exist in the region (industrial and infrastructure development).
- The formulation of a nutritious instant and ready-to-mix product from indigenous food ingredients.

As Chair of SADC, South Africa has been involved with the SADC Organ in matters relating to the promotion of peace and security in the region as a whole. Furthermore, South Africa was expected to participate in SADC electoral observer missions, which will be covering the elections in the region for 2018, including in Zimbabwe, Madagascar and the DR Congo.

South Africa has championed a “developmental regionalism” approach that combines market integration, cross-border infrastructure development, and policy coordination to diversify production and boost intra-African trade.

The country has identified the need for an appropriate international migration policy to maintain national security and foster socio-economic development. For this reason, the 2017 *White Paper on International Migration* was developed to guide a comprehensive review of South Africa’s immigration and related legislation and policy over the medium term.

The aim of the review is to embrace migration as a healthy enabler for development while guarding sovereignty, peace and security.

The White Paper calls for strategic policy interventions in managing matters relating to admissions, residency, naturalisation, skilled migrants, ties with expatriates, economic migrants from the SADC, asylum seekers and refugees, and migrant integration.

### South Africa and Africa

South Africa embraces relevant national priorities by strengthening bilateral cooperation with countries in Africa, particularly through focusing on increasing exports of South African goods and services, FDI with technology transfers into value adding industries and mineral beneficiation, and inbound tourism and the skills base. South Africa has foreign representation in 47 diplomatic missions in Africa.

### Southern Africa

The southern Africa region remained one of the core focal areas of South Africa's strategic engagements on the African continent during the reporting period, through the holding of various structured bilateral mechanisms and high-level visits/engagements.

Former President Jacob Zuma paid a State Visit to Tanzania from 11 to 12 May 2017, which was preceded by the inauguration of the Binational Commission (BNC) between the two countries. The State Visit and BNC were aimed at enhancing South Africa's relations with Tanzania, while identifying new areas of potential cooperation.

During the State Visit and BNC, two Memoranda of Understanding (MoUs) were signed, the first in the field of transport, and the second in the field of biodiversity and conservation.

The BNC between South Africa and the DRC was held from 21 to 25 June 2017 in Pretoria and was co-chaired by former President Zuma and the President of the DRC, Mr Joseph Kabila. During the BNC, the respective heads of state called for the full implementation of the Grand Inga Treaty that was signed in Kinshasa on 29 October 2013. Further discussions were held on matters relating to peace and security in the region and advancing bilateral cooperation. The South Africa-Mozambique BNC was held from 22 to 25 August 2017 in Maputo.

The BNC provided an opportunity to review the status of bilateral relations between the fraternal countries, as both the co-chairs, former President Zuma and President Filipe Nyusi of Mozambique, noted the progress made in the implementation of agreements under the auspicious of the BNC, and called for further enhancement in relations across all sectors.

South Africa hosted the Second Session of the BNC with Zimbabwe from 28 September to 3 October 2017. The BNC proved to be a successful engagement, which resulted in the strengthening of relations between the two countries, particularly regarding economic relations, and the signing of five MoUs in the fields of cross-border coordination on frequency spectrum; information and communications technologies; energy; environment and conservation; and sports and recreation.

Former President Zuma undertook a Working Visit to Botswana for the Fourth Session of the BNC, which took place from 14 to 17 November 2017. During the BNC, the co-chairs, former President Zuma and President Seretse Khama Ian Khama, exchanged views on a wide range of bilateral, regional, continental and international issues of mutual interest.

An MoU on Cooperation in the Field of Tourism was signed during the BNC. During the reporting period, South Africa also held a Joint Commission for Cooperation (JCC) with Angola on 14 July 2017. The JCC, chaired at Ministerial level, resulted in the identification of common development areas, which will enhance economic value in sectors such as agriculture, fisheries, industry and tourism.

A JCC was also held with Zambia from 9 to 11 October 2017 in Lusaka, which reviewed the implementation of bilateral agreements in accordance with the JCC agreement. Upon the conclusion of the JCC with Zambia, former President Zuma undertook a State Visit to Zambia from 11 to 13 October 2017.

During the State Visit, former President Zuma and President Edgar Lungu officially launched the OR Tambo House in Lusaka as a national heritage site. In addition, the heads of state decided that the JCC would be elevated to a BNC to be chaired at Heads of State level. Additional agreements between the two countries were signed in the field of tourism, as well as with state entities, SABC and Transnet.

In pursuit of advancing South Africa's Economic Diplomacy interests, a Business Forum was held on 12 October 2017, which sought to explore business opportunities between the two countries as well as improve trade and investment relations.

The then newly elected President of Angola, Mr João Lourenço, undertook a State Visit to South Africa from 24 to 25 November 2017. This was a significant State Visit, as President

Lourenço chose to visit South Africa for his first international trip as Head of State, thus underpinning the fraternal relations between the two countries.

During the reporting period, the former Minister of International Relations and Cooperation, Ms Maite Nkoana-Mashabane, received her Angolan counterpart, Mr Manuel Domingos Augusto,

The Minister of External Relations of Angola for an incoming Working Visit on 9 November 2017, during which the ministers discussed a number of issues relating to bilateral relations and geopolitical and security developments in the region, continent and globally.

Former Minister Nkoana-Mashabane participated in a Ministerial Meeting of the Tripartite Mechanisms for Dialogue and Cooperation between Angola, the DRC and South Africa, held in Kinshasa, DRC, on 3 July 2017.

The aim of the meeting was to chart a way forward to convene the Fourth Council of Ministers Meeting of the Tripartite Mechanisms.

The former Minister also attended the Eighth High-Level Meeting of the Regional Oversight Mechanism of the Peace, Security and Cooperation Framework for the DRC, held in Brazzaville,

Republic of Congo, from 17 to 19 October 2017. The meeting was aimed at discussing the security situation in the Great Lakes Region.

Upon his election as President of the Republic of South Africa in February 2018, President Cyril Ramaphosa undertook a number of visits to the region to pay courtesy calls on neighbouring heads of state, with the aim of further strengthening and consolidating South Africa's historic bilateral relationships.

President Ramaphosa paid courtesy call visits on President Lourenço of Angola and President Hage Geingob of Namibia on 2 March 2018; and former President Seretse Khama Ian Khama of Botswana on 3 March 2018. The visits formed part of a long-standing tradition in the region, whereby newly elected heads of state pay courtesy calls on the neighbouring countries.

## East Africa

The East Africa region provides South Africa with great opportunities in terms of strengthening bilateral political relations and expanding the country's Economic Diplomacy footprint. The region is also a key variable in terms of the continent's peace and security dynamics and migration issues, while at the same time, it boasts huge potential in advancing South Africa's agenda regarding Operation Phakisa and the Oceans/Blue Economy.

President Uhuru Kenyatta paid a Working Visit to South Africa from 11 to 13 January 2018. The Working Visit was aimed at strengthening the bilateral relations between South Africa and Kenya as the meetings provided an opportunity for both countries to address matters of migration, trade and investment, which would form part of a proposed future State Visit to be conducted by President Kenyatta to South Africa in the 2018/19 financial year. During the visit, President Kenyatta also paid a courtesy call on the newly elected leader of the governing party, President Ramaphosa.

The South Africa-Seychelles JCC meeting was held in Pretoria from 8 to 9 March 2018. The JCC, chaired at Deputy Minister level, provided an opportunity for both countries to discuss the status of bilateral relations and finding ways of enhancing economic partnerships.

South Africa hosted the Senior Officials' Meeting with Ethiopia from 5 to 6 March 2018 in Pretoria, chaired at Deputy Director-General level. The meeting reviewed the progress made in terms of agreements signed, while also discussing bilateral relations and developments on the continent.

During the reporting period, President Hery Rajaonarimampianina of Madagascar undertook a Working Visit to South Africa and held discussions with former President Zuma in Cape Town on 1 November 2017. The meeting discussed matters relating to the political developments in Madagascar and the prospects for 2018 ahead of a scheduled election.

Former Minister Nkoana-Mashabane also received her Comorian counterpart, the Minister of

Foreign Affairs of the Union of Comoros, Minister Mohamed El-Amine Souef, on 6 November 2017 in Pretoria. The meeting discussed the ongoing political developments in Comoros and the proposed Comorian National Conference, which was set to review, among others, the Indian Ocean island nation's Constitution.

### West Africa

West Africa is a dynamic region politically and economically, and remains a key area for South Africa's strategic engagements and focus on the continent, especially regarding matters of peace and security, trade, investment and natural resource exploration.

Former President Zuma received former President Ellen Johnson Sirleaf of Liberia, who undertook a State Visit to South Africa on 11 August 2017 in Pretoria.

The heads of state committed to prioritise areas of bilateral cooperation. In this regard, both countries committed to expediting the finalisation and signing of the Agreement between the two countries on the Exemption of Visas for the Holders of Diplomatic and Official Passports; as well as the Joint Trade and Investment Commission, which will enable both countries to service the MoU on Economic and Technical Cooperation.

President Macky Sall of Senegal undertook a State Visit to South Africa on 24 October 2017 in Cape Town and held discussion with former President Zuma. The State Visit provided an opportunity for both countries to consolidate and strengthen bilateral relations and enhance cooperation, which culminated in the elevation of the Joint Commission for Bilateral Cooperation between South Africa and Senegal from Senior Officials to Ministerial level.

### North and Central Africa

The North and Central Africa region remained an important area of consideration in terms of the complex and broader geopolitical and security environment on the continent. The region poses great potential economically, but also has its limitations from within the spectre of peace and security.

During the AU Ministerial Conference for an African Agenda on Migration, held in Rabat, Morocco, from 8 to 9 January 2018, former Minister Nkoana-Mashabane met with the Minister of Foreign Affairs of Morocco, Mr Nasser Bourita, on the margins of the conference.

The meeting provided an opportunity for both ministers to discuss a number of issues related to migration and its effects on the continent, as well as the state of bilateral relations between the two countries.

The Minister of International Relations and Cooperation, Ms Lindiwe Sisulu, hosted her Saharawi counterpart, Minister Bulahi Sid, Foreign Minister of the Saharawi Arab Democratic Republic (Western Sahara) on 29 March 2018 in Pretoria for the signing of the MoU on Technical Assistance and the Exchange of Notes on Humanitarian Assistance to the Western Saharawi Refugee Camps. The MoU forms part of the political and humanitarian assistance that the South African Government is extending to the people of Western Sahara.

### Asia and Middle East, East Asia and Oceania

Countries of East Asia and Oceania have cooperation agreements with South Africa in wide-ranging scientific and technical areas of expertise and have become important skills-development partners. Japan, the Republic of Korea (ROK) and Australia contributed substantially to the skills development priority of South Africa.

Japan has increased its total number of Africa Business Education students intake from South Africa to 103 Master's degree candidates – all linked to completing internships at Japanese companies afterwards – while the ROK has offered South Africa numerous skills-development training opportunities.

The Japan International Cooperation Agency has agreed to launch a three-year Specialised

Artisans Training pilot project for South Africans, focusing on the automotive and energy sectors, in July 2018, and to be rolled out to South African colleges, thereafter.

From 2016 to 2017, South Africa's total volumes of bilateral trade with Japan, the ROK and Australia, respectively, all increased from R88,3 billion to R93,2 billion (in South Africa's favour); from R34,3 billion to R39,1 billion (in South Africa's favour); and from R21,8 billion to R25,3 billion (marginally in Australia's favour, by R1 billion).

In April 2017, South Africa launched the South Africa-China People-to-People Exchange Mechanism, which has further added significance to the already existing comprehensive strategic partnership between the two countries.

In addition to government-to-government engagements, it has created an opportunity for non-government entities across academia, business and civil society to interact more frequently through organised structures. During the launch, the co-chairs witnessed the signing of six agreements and MoUs.

China remained South Africa's number one trading partner globally. The volume of bilateral trade between the two countries increased year-on-year from R294 billion (US\$25,42 billion) in 2015 to R300 billion (US\$25,93 billion) in 2016. The total trade figure for 2017 stood at R319 billion (US\$27,57 billion).

South Africa continued to work towards increasing exports to China and in October 2017, became the first African country to export beef to China – a positive development, which indicated great progress with regard to the opening of markets for each other's products.

## Central, South and Southeast Asia

The countries of Central, South and Southeast Asia provide potential for the execution of Economic Diplomacy initiatives, specifically in advancing cooperation in the Blue Economy in the fields of aquaculture, ship-building, ports management, agro-processing, the defence industry and skills training opportunities.

These opportunities are in line with South Africa's strategic objectives as outlined in the various iterations of the country's Industrial Policy Action Plan (IPAP), including the Ninth IPAP iteration as well as for supporting the Black Industrialists Programme in manufacturing. During the 2017/18 financial year, South Africa continued to partner with countries in the region and a number of interventions yielded desirable outcomes.

South Africa and India maintained a Strategic Partnership that spans multiple fora and areas of cooperation aligned to South Africa's national priorities and global reform agenda. New areas of cooperation were in the following sectors: renewable energy, higher education and audiovisual co-production.

Cooperation between the national archives and health is being explored. South Africa and India continue to cooperate closely at a multilateral level, specifically within Brazil, Russia, India, China and South Africa (BRICS); Indian Ocean Rim Association (IORA); and India, Brazil and South Africa (IBSA).

Total bilateral trade between South Africa and India has increased steadily over the past few years and grew from R93 billion in 2016 to R107 billion in 2017. South African exports to India increased significantly from R47 billion in 2016 to R55 billion in 2017, with the trade balance in South Africa's favour. Investment by India in South Africa has grown to R120 billion and Indian companies employ approximately 18 000 South Africans.

Tourism has also shown an increase with 97 921 Indian visitors entering South Africa in 2017, up from 95 377 during 2016. In the rest of South Asia, South Africa has made significant progress in improving exports and developing new areas of cooperation.

Bilateral trade with Bangladesh grew from R2,8 billion in 2016 to R3,2 billion in 2017, with South Africa enjoying a trade surplus of R1,2 billion in 2017. Similarly, trade with Sri Lanka grew

from R2,6 billion in 2016 to R3,2 billion in 2017, with South Africa enjoying a trade surplus of R2,3 billion in 2017.

South African cooperation with Thailand made significant progress, particularly in the area of trade, with Thailand becoming South Africa's largest trading partner in Southeast Asia – albeit with South Africa experiencing a large trade deficit with Thailand.

During the reporting period, bilateral trade totalled R41 billion in 2017 with imports at R33,2 billion and exports at R8,2 billion. Areas of cooperation that have seen positive momentum include agriculture, defence and information and communications technology (ICT). Furthermore, the Third Meeting of the Joint Trade Committee between South Africa and Indonesia was held in Pretoria on 21 July 2017 and explored measures to improve trade and investment.

Engagement with the Philippines also resulted in the expansion of technical cooperation in various sectors, including mining, trade, agriculture and the Blue Economy and a decision to upgrade the Bilateral Consultative Forum to the level of Under Secretary/Deputy Minister.

## The Middle East

For the period under review, the pursuit of South Africa's domestic priorities in the Middle East region, in particular with countries of the Levant, perceived as one of the most diverse and complex regions globally, continued to face widening and increasingly intersecting conflicts, having a deleterious impact on the region in all spheres – all of which pose serious challenges to international peace and security.

The conflict between Palestinian and Israel feeds into the wider regional dynamics and has impacted negatively on peace, economic development, socio-political progression and security throughout the region. For South Africa, the question of Palestine remained at the core of the situation in the Middle East and the Middle East Peace Process stayed as one of the central issues shaping international relations within the region and the world.

South Africa remained firmly convinced that continued dialogue in support of a peaceful solution would be the only viable option that could effectively address the issue. Long-term peace, security and prosperity for both Israelis and Palestinians can only be achieved through a negotiated two-state solution.

The political peace process, which was initiated 69 years ago, is at a standstill and the situation has become increasingly tense and dangerously fragile. South Africa, through respective international platforms and engagements, continued to encourage both sides to resume the peace process, for a comprehensive, just and lasting resolution of the Palestinian issue.

Likewise, South Africa remained seized with the deteriorating humanitarian and security situation in Syria and continually used the available UN multilateral platforms to call for a Syrian-led political dialogue and solution. The international community should seek a political solution to the situation in Syria as a matter of priority, continue to support the UN as the main channel for mediation and promote a comprehensive, just and careful resolution of the situation in Syria.

South Africa's engagement with the Gulf region comprising countries of the Gulf Cooperation Council, has focused on regular high-level interaction and the continued management of relations through structured bilateral mechanisms.

The primary focus of South Africa's strategic engagement with the region has leant towards an economic agenda, while still retaining the political dynamic, given the increasing politicisation currently underway in the Middle East at large.

South Africa's intention is to continue to consolidate and elevate relations through regular bilateral mechanisms and fora that will contribute to strengthening economic, trade and investment linkages and ensuring the country's energy security.

In April 2017, former President Zuma hosted the Emir of the State of Qatar, His Highness Sheikh Tamim Bin Hamad Al-Thani, who was on a two-day State Visit to South Africa. The visit made

significant progress in solidifying the relations – particularly business-to-business interaction.

There was also a very positive engagement during the 13th Joint Commission, held on 23 October 2017, which advanced this dynamic relationship to further solidify the cooperation between the states. It was co-chaired by Minister Nkoana-Mashabane and Dr Mohammad Javad Zarif (Iranian Foreign Minister).

## Americas and Europe

### North America

South Africa has cordial relations with the countries of North America, managed through high-level structured bilateral mechanisms, such as the South Africa-United States (US) Strategic Dialogue at Ministerial level, and the South Africa-Canada Annual Consultations at Director-General level.

The US is South Africa's third-largest trading partner and a major source of development cooperation. Bilateral trade increased from R95,6 billion in 2010 to a high of R161,5 billion in 2017. South Africa was the largest trade partner for the USA in sub-Saharan Africa, accounting for 34% of the total trade between sub-Saharan Africa and the US.

The US is the largest single source of FDI in South Africa with over US\$50 billion. The approximate value of the development assistance that is received annually from the US is US\$520 million.

There is continued support for health cooperation under the President's Emergency Plan for AIDS Relief Framework. South Africa continued to engage the US Administration with a view to enhancing political, economic, regional and multilateral cooperation in areas of mutual interest.

In particular, South Africa continued to market the country as a favourable trade and investment destination and to attract support for key priorities, including industrialisation and regional integration, education, capacity-building and skills development, energy, and science and technology.

South Africa and Canada continued working on strengthening and diversifying bilateral economic ties, while enhancing cooperation in the sectors of mining and mineral beneficiation, aquaculture, transportation, environment, ICT and arts and culture.

### Western Europe

Western European states remained among the key trading partners for South Africa. According to figures from the South African Reserve Bank for end 2016, Western European countries accounted for R1,18 trillion in global FDI stock in South Africa while South African FDI into these countries constituted R665 billion of the total global stock.

Consequently, bilateral economic cooperation was high on the agendas of the various structured consultations and high-level engagements undertaken during the reporting period with The Netherlands, France, Ireland, Switzerland, Spain and Portugal.

Science and technology was one of the key drivers of the bilateral relationship with Western European partners and has created many opportunities for South African researchers to access funding through European Union (EU) mechanisms.

The majority of Western European partners are moving from an aid approach to an economic development cooperation approach with South Africa. This assistance has generally been focused around the NDP goals and priorities, e.g. job creation and economic growth.

Focal areas for the Western European countries included environmental affairs, energy, agriculture, infrastructure development and skills development. The number of educational scholarship and training opportunities in Western Europe had remained steady and even increased in some countries.

The trade balance between South Africa and the Western European states is balanced and has evolved to more high-value manufactured goods and away from primary resources. Western European countries also provided the majority of South Africa's tourist arrivals outside of the SADC

region and have continued to show significant growth since 2016, leading to job creation in the tourism industry.

The United Kingdom and Germany are in the top 10 leading countries for overseas tourist arrivals and the Western Europe region as a whole contributed nearly 1,7 million tourists in 2017.

South Africa and France maintained close cooperative bilateral relations in various sectors across a wide-ranging area, covering the promotion of peace and security, human rights, democracy, the rule of law and sustainable development.

These interests, values and common objectives are underpinned by a strategic bilateral, regional and multilateral relationship like the AU-EU Partnership, the EU-SADC Partnership, the UN and the G20. These structured relations were managed through a Forum for Political Dialogue. Various expert-level bilateral committees in the fields of strategic defence, the environment, education and training, transport, energy, arts and culture and health meet regularly to review progress.

Challenges and imperatives posed by illicit financial flows, terrorism, violent extremism and, most importantly, climate change were discussed. During the annual Bilateral Consultations with Spain and Portugal in 2017, discussions focused on areas such as small business development, science and technology, tourism, water management, renewable energy as well as trade and investment.

Spanish renewable energy companies are already establishing solar and wind energy farms in the Northern and Eastern Cape, respectively. Following high-level consultations with South Africa, Switzerland pledged 55 million Swiss Francs with the aim of contributing to inclusive and green growth in South Africa that will create jobs, ensure resilience and reduce disparities over a four-year period.

The South African Government's efforts of creating a better life for all its citizens by aligning foreign development assistance to South Africa's national priorities have been further strengthened through the conclusion of an agreement with the Flanders Regional Government, which will oversee the implementation of the Country Specific Paper (CSP) III on Climate Adaptation.

The primary focus of the CSP III is on climate change, particularly climate adaptation and the capacity-building needed by South Africa to move to an efficient Green Economy that is both sustainable and circular (recycling centric).

It is particularly important that South Africa transitions to a sustainable Green Economy where there is a continuous cycle of use, recycle and re-use, which will contribute to job creation in the Green Economy sphere.

This project is aligned with the South African Government's Medium Term Strategic Framework 2014 – 2019, in the context of the country's respective commitments to the UN 2030 Agenda for Sustainable Development, the UN Framework Convention on Climate Change and its Paris Agreement.

The project is scheduled to run for the period 2017 – 2021 to the value of €5 million per year. The Government of Flanders has also signed an MoU on the Development of a Social Economy Policy for South Africa in collaboration with the International Labour Organisation in January 2017.

The aim is the narrowing of economic and social inequality in the context of sustainable and fair economic, social and ecological development.

## Central and Eastern Europe, Nordics and Baltic states

The Nordic countries remained very important cooperation partners for South Africa in the fields of science and technology, space technology, environment, renewable energy, Blue Economy, education, capacity-building, skills development, water waste management and gender equality.

A number of Energy and Environment Partnership Programme projects are being implemented by Finland throughout the southern and East African region.

The programme is geared to focus on poverty reduction by promoting inclusive and job-creating Green Economy projects and by improving energy security. Phase III of these projects commenced in

January 2018. The South Africa-Denmark Senior Officials Consultations took place in Copenhagen on 21 November 2017 and was co-hosted by the Director-General of the DIRCO, Mr Kgabo Mahoi, and his counterpart, Mr Ulrik Vestergaard Knudsen.

Outcomes included cooperation in science and technology, research, education and innovation, renewable energy, integrated water resource management, water treatment, capacity-building and institutional strengthening.

Cooperation between the Danish Dalum Agricultural Business College and the KwaZulu-Natal province was initiated in 2015. The ongoing course offers students a combination of theory and practice on farm management.

The Department of Water and Sanitation is at an implementing stage of three thematic areas of the South Africa-Denmark MoU on Cooperation in Water Management, namely, Urban Water, Ground Water and Water Use Efficiency.

South Africa and Sweden agreed to extend the existing scholarship programme until 2021. Preference is given to students from formerly disadvantaged universities and women.

The Deputy Minister of International Relations and Cooperation, Mr Luwellyn Landers, hosted his Norwegian counterpart, Ms Marianne Hagen, State Secretary of Foreign Affairs, in Pretoria on 23 March 2018 for high-level consultations. Areas for cooperation in this regard include science and technology, research and higher education, peace and mediation, and solutions to marine waste.

Norway also supported the newly established Fisheries Law Enforcement Academy at Nelson Mandela University (Fishforce). The academy offers training to officers in South African law-enforcement agencies.

South Africa and Norway have also signed a new framework programme for joint research cooperation, referred to as the South Africa-Norway Research Cooperation, focusing on the Blue Economy, climate change, the environment and sustainable energy. The programme will run over a period of five years, starting from 2018 to 2023.

The Gertrude Shope Annual Dialogue Forum on Conflict Resolution and Peacemaking was hosted on 3 and 4 August 2017 at DIRCO and included 120 participants in the Women's Capacity-Building Programme.

High-level political engagements within the region during the course of the past year included the 15th Session of the Intergovernmental Committee on Trade and Economic Cooperation with Russia (ITEC), held during October 2017 in Moscow. Key discussions included, among others, South Africa's priority development areas in energy, skills development, mineral beneficiation, and market access. The ITEC co-chairs, former Minister Nkoana-Mashabane and Minister Sergey Donskoy, met on 7 February 2018 in Cape Town to review progress made since the 14th South Africa-Russia ITEC session in light of the postponement.

Deputy Minister Landers hosted his Belarusian counterpart, Mr Andrei Dapkiunas, Deputy Minister of Foreign Affairs of the Republic of Belarus, in Pretoria on 22 March 2018 for political consultations.

Areas for potential industrial investment by Belarus into South Africa were discussed, including a commitment of renewed impetus regarding future bilateral engagements between the two countries. During the consultations, the 25 years of diplomatic relations between the two countries were celebrated with an exchange of letters from the respective ministers.

Relations with Turkey have since 2005 been coordinated through the South Africa-Turkey Joint Economic Commission (JEC), co-chaired by the ministers of Trade and Industry. The primary objective of the JEC is to promote and deepen bilateral trade and economic cooperation between the two countries.

The priority sectors for the JEC are agriculture and agri-industries, automotives, infrastructure, energy and construction services, mineral resources, textile and clothing, and tourism. The last JEC meeting took place in October 2017, chaired by the Minister of Trade and Industry and Turkish

Minister of Education.

High-level engagements took place in the region with Poland (Political Consultations at Deputy Minister level) in May and November 2017. A priority outcome was the agreement by the deputy ministers to inaugurate the South Africa-Poland Joint Commission on Economic Cooperation as a vehicle for advancing the Economic Diplomacy objectives of both countries. The political consultations with the Czech Republic were postponed to 2018 due to Presidential elections in that country.

In May 2017, the South Africa-Hungary Senior Officials' Meeting, co-chaired by Deputy Director-General: Americas and Europe, Ms Yolisa Maya, and Deputy Secretary of State: Opening to the South, Ambassador Szilveszter Bus, was held in Pretoria. During the same visit, an MoU on Water Management was signed between South Africa and Hungary, paving the way for cooperation with Hungary in the area of water management.

The first round of recipients of the Hungary's scholarships (Under the MoU on Higher Education and Training) commenced their studies in September 2017. The MoU affords 100 fully funded scholarships to South African students at undergraduate and postgraduate level in South Africa's scarce skills fields for the next three years.

## Latin America and the Caribbean

South Africa maintained cordial relations with countries in the region through structured bilateral mechanisms and high-level engagements, in pursuit of South Africa's national priorities, with particular focus on expanding economic ties with the region. Countries of Latin America and the Caribbean view South Africa as a priority partner and gateway to the continent.

South Africa continued to build on existing solid relations with Cuba to explore further opportunities for development, particularly in cooperation in education, defence, science and technology, agriculture, health services, infrastructure development, housing and water and sanitation.

South Africa's health workforce capacity has been increased through the Nelson Mandela/Fidel Castro Medical Training Programme since its inception in 1996. About 2 700 South African students are currently studying medicine in Cuba under the Extended Health Cooperation Agreement signed in 2012. Some 591 qualified medical doctors have been trained and have been distributed in various public health facilities throughout the country.

In 2017/18, the National Department of Health was expecting the return of 800 South African students who completed their medical training in Cuba. At the same time, also in terms of the expanded agreement, about 400 Cuban doctors were delivering their services, often in the most remote parts of South Africa.

South Africa received a Working Visit by Minister Aloysio Nunes Ferreira, Minister of External Relations of the Federative Republic of Brazil, in May 2017. The Minister was accompanied by a Brazilian business delegation that included the Brazilian Agency for the Promotion of Exports and Investments and National Confederation of Industries.

They were joined by the South African counterpart institutions. The engagement resulted in a positive exchange of information and best practices which further promoted trade and investment opportunities between the two countries.

The Brazilian Business Mission was followed by an Agri-Business Mission to Brazil that took place in June 2017 in the federal states of Parana and São Paulo, aimed at strengthening the agricultural value chains as part of contributions to implement the NDP.

Trade between South Africa and Peru has continued to grow, particularly in the mining sector. South African companies active in mining-related activities in Peru include Anglo American, and Gold Fields as well as the mining safety company, NOSA.

### International bodies

#### **Brazil, Russia, India, China and South Africa**

South Africa assumed Chairship of BRICS, for the second time since being invited to join in 2011, on 1 January 2018 until 31 December 2018. President Ramaphosa chaired the seminal 10th BRICS Summit at the Sandton International Convention Centre in Johannesburg from 25 to 27 July 2018 under the theme: “BRICS in Africa: Collaboration for Inclusive Growth and Shared Prosperity in the 4th Industrial Revolution”.

The summit was also attended by leaders invited for the BRICS-Plus Dialogue, namely Argentina, Jamaica and Turkey and heads of state and government invited for the Africa Outreach Dialogue, namely Rwanda, Uganda, Togo, Gabon, Madagascar, Senegal, Namibia, Angola, Malawi, Mozambique, Zambia, Zimbabwe and Botswana, as well as representatives from Lesotho, Democratic Republic of Congo, Egypt, Tanzania and Seychelles.

The summit was an occasion for the BRICS leaders to re-emphasise the importance of global collaboration by all countries on the basis of equality within a reformed and democratised global public order, including a more democratic UN, inclusive of the UNSC and related multilateral institutions.

#### **India, Brazil and South Africa (IBSA)**

IBSA is a coalition of the south that has facilitated dialogue at a level previously unimaginable. Development cooperation, along with the views on tackling socio-economic distress and trading among the three nations distinguishes IBSA from BRICS. All the IBSA members are democracies and can discuss issues which cannot be discussed in BRICS summits.

The forum provides the three countries with a platform to engage in discussions for cooperation in fields such as agriculture, trade, culture and defence. South Africa assumed the Chair of the Indian Ocean Rim Association (IORA) from October 2017 until October 2019.

This provides the country with an opportunity to build on the Jakarta Summit outcomes and propel the implementation of the IORA Action Plan (2017 – 2021). Importantly, the country continued to focus on enhancing the institutional mechanisms necessary to advance important priorities for South Africa and the region.

These include but are not limited to women’s economic empowerment, maritime safety and security, the Blue Economy and tourism.

#### **United Nations politics, peace and security**

South Africa participated in the Regular Session of the 72nd Session of the UN General Assembly (UNGA72). The annual UNGA session commenced with the customary high-level General Debate, which was held in New York from 19 to 25 September 2017.

As a keen proponent of the value of multilateralism, South Africa strove to achieve a number of objectives, which included defending the primacy of multilateralism; advocating for stronger coordination between the AU and the UN, especially in the resolution of conflicts in Africa; lobbying for South Africa’s candidature for a non-permanent seat on the UN Security Council (UNSC) for the period 2019 to 2020; and highlighting the primacy and centrality of the 2030 Agenda 2030 for Sustainable Development and the Paris Climate Change Agreement.

On the margins of UNGA72, South Africa participated in high-level, inside events of the Committee of African Heads of State and Government on Climate Change; the High-level Meeting convened by the UN Secretary-General on the Prevention of Sexual Exploitation and Abuse by the UN staff and peacekeepers; the signing of the Treaty on the Prohibition of Nuclear Weapons; and the Open Debate of the UNSC on the Reform of UN Peacekeeping Operations.

South Africa also used to opportunity of the General Debate to host a reception commemorating the OR Tambo centenary. On 20 September 2017, South Africa signed the Treaty on the Prohibition of Nuclear Weapons, which reflected South Africa's continued commitment towards the achievement of a world free from the existential threat posed by nuclear weapons and ensuring that nuclear energy is used for peaceful purposes only.

The adoption of this treaty on 7 July 2017 followed an inclusive negotiating process in which South Africa played a prominent role. It is widely regarded as a historic achievement and represents a shift from the nuclear order ushered in by the use of nuclear weapons in 1945.

The role played by South Africa in the Organisation for the Prohibition of Chemical Weapons (OPCW) has likewise been informed by the belief in diplomacy in the settlement of disputes and in upholding the rule of law at an international level.

In this regard, South Africa continued to work towards ensuring that the decisions of the OPCW Executive Council are consistent with the provisions of the Chemical Weapons Convention and uphold the principle of multilateralism.

### **UNGA and UNSC**

Then President Zuma led the South African delegation to the 71st Session of the UNGA 71, which took place in New York in the USA from 19 to 25 September 2016 under the theme: "The Sustainable Development Goals: A Universal Push to Transform Our World".

The General Debate presented an opportunity for member states to take stock of the effectiveness of the UN and deliberations focused on UN reform, including on the revitalisation of the UNGA; improvement of the work of the Economic and Social Council; and most importantly, the substantive reform of the UNSC to expand its membership in both the permanent and non-permanent categories.

This was also the final General Debate of the former Secretary-General, Mr Ban Ki-moon, whose term ended on 31 December 2016.

### **Commonwealth**

The modern Commonwealth is a voluntary association of 54 independent member countries. Membership is diverse and includes both developed and developing countries in Africa, Asia, the Americas, the Caribbean, Europe and the South Pacific.

Since rejoining the Commonwealth in 1994, South Africa has interacted closely with the work of the Commonwealth contributing politically, financially and in terms of capacity and expertise to the work of the organisation.

### **Non-Aligned Movement (NAM)**

The NAM, with its 120 member states, is the largest political grouping of countries outside the UN, making it an important lobby group of developing countries in global affairs.

The NAM consists of 120 member states. South Africa formally joined the movement in 1994 and has played a leading role in NAM deliberations and meetings ever since.

### **Group of Twenty**

South Africa is a member of the G20, which consists of 19 countries, including the EU. G20 members have been meeting regularly since 1999 to discuss global economic policy coordination.

The G20 was conceptualised to stabilise and strengthen the global economy, by bringing together the major advanced and emerging market economies. These economies together represent around 85% of global GDP, 80% of global trade and two-thirds of the world's population.

South Africa's participation in the G20 is aimed at advancing the national agenda to create a better South Africa and contribute to a better and safer Africa and a better world. The country's

participation in the G20 is to provide strategic foresight in establishing an economic and international policy platform that will drive and negotiate the best possible outcomes for South Africa, Africa and the developing world.

### **World Health Organisation (WHO)**

South Africa is a member of the WHO, whose goal is to build a better, healthier future for people all over the world.

### **New Development Bank (NDB)**

The BRICS NDB opened its headquarters in Shanghai, China, on 21 July 2015. Together with its regional office in South Africa, the African Regional Centre, and the Contingent Reserve Arrangement, the NDB constitutes the first formal BRICS financial institutions.

The purpose of the NDB is to mobilize resources for infrastructure and sustainable development projects in BRICS and other emerging market economies, and developing countries to complement the existing efforts of multilateral and regional financial institutions for global growth and development.