



**Cover Picture:**

President Thabo Mbeki supported by Minister Dr Nkosazana Dlamini Zuma receiving Former President Nelson Mandela at the Progressive Government Summit in Hammanskraal with Presidential Legal Adviser Adv Mojanku Gumbi looking on.

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## PART ONE

### MESSAGE FROM THE MINISTER OF FOREIGN AFFAIRS, DR NC DLAMINI ZUMA

In capturing the challenges that lie ahead, we acknowledge, as President Thabo Mbeki has said in the State of the Nation Address in February this year, that today is better than yesterday and tomorrow will surely be better than today.

Fifty years ago when 20 000 South African women marched to Pretoria to protest against apartheid legislation, they dreamt that the time would come when they would be able to walk freely through the roads of a free country as South Africans on a common journey and as a winning nation, pooling efforts towards the eradication of poverty, racism and sexism and towards the building of a better life for all.

Thirty years ago when children in Soweto took to the streets in protest against apartheid education, they fought for the right to grow up in peace and stability and experience full equality with others as equal citizens in a country they could call their own.

In 1994 this dream began to take concrete shape and became a living reality. In the last twelve years we have continued to make advances in building a country free of racism and sexism characterised by democracy and a respect for human rights. Much has been done to attain our goals. Hence we reiterate the words of President Mbeki that state: the Age of Hope and the People's Season of Joy are upon us.

Yet we also acknowledge that a great deal of work remains to be done to ensure that the gains of the present become permanent positive features in people's lives. Thus, with a conscious striving, we are redoubling our efforts to bring an end to poverty and underdevelopment. Hence, our government's programme for accelerating growth as well as other interventions to bring about an integrated national economy and to improve the skills of our people.

It is also our conviction that we have made strides



**Minister of Foreign Affairs,  
Dr Nkosazana Dlamini Zuma.**

in creating a better life within in a better Africa and a better world. This has also been an African Season of Hope that we believe will continue to bear fruit



**Deputy Minister of Foreign Affairs,  
Aziz Pahad.**

in the years to come because of the groundwork that has already been done in cementing peace and stability in areas that had previously been war-

torn and divided, in entrenching democracy and engaging in post conflict reconstruction.

Significant progress has been achieved in Burundi as a result of the united efforts under the umbrella of the African Union and some advances have also been made on other fronts in Liberia, in the Democratic Republic of the Congo and in Cote d'Ivoire. As South Africa, we are proud that we have been participants in these efforts and that our work has not been in vain. We shall continue to support these activities in the future and to ensure the implementation of NEPAD projects as part of our agenda of working towards sustained African economic and social development. The attainment of a prosperous Africa with the full participation of highly productive and skilled people is a real possibility that we shall continue to aim towards through our international work in the second half of this first decade of the 21st century.

We continue to be seized with the attainment of the Millennium Development Goals and the need to impress upon the global community that Africa's special development challenges require poverty-scale interventions by all. Global poverty is the biggest challenge in the journey to overall human progress and social and economic advancement



**Deputy Minister of Foreign Affairs,  
Sue van der Merwe.**

and its eradication requires an acknowledgement that the global system has played its part in increasing the gap between rich and poor.

As the Chair of the G77 and China in 2006, South Africa will continue to campaign for the strengthening of the multilateral system within the overall context of a reformed United Nations. South Africa will continue its active engagement to ensure that greater pressure is brought to bear for the democratisation of UN structures, with a focus on a more inclusive United Nations Human Rights Council.

Together with our partners in the South, we shall continue to be a progressive agent of change and to work towards a new world order characterised by common development and an inclusive approach to world affairs. We shall continue to build bridges between people and nations, initiating dialogue and helping to set and assert a developmental agenda in all multilateral fora.

We are strengthening our work in the IBSA (India-Brazil-South Africa) Dialogue Forum to enhance our common positions so as to intensify our fight against poverty, to deepen trade links between the countries of the South and to ensure that the needs of developing countries are a central thrust in trade negotiations of the WTO.

Our efforts will also continue to focus on economic diplomacy as we aim for prosperity for South Africa's people, for the African continent as a whole as well as a better life for all nations of the world.

Our task in strengthening the bonds that connect us to the rest of the world is to assist in nurturing conditions of permanent peace and enduring stability in which citizens can create and innovate, equip themselves with new tools and skills to improve

their reality and to enhance their interactions and exchange with their neighbours and those on the other side of the globe.

The challenge in the immediate future is to continue to initiate links and to open frank discussions that lead the countries of the world towards tolerance of differences in religion, race, colour, creed and culture, and to move towards reconciliation and to encourage the dynamic participation of people in building their own future.



## FOREWORD BY THE DIRECTOR GENERAL, DR AYANDA NTSALUBA

This Strategic Plan is the blueprint that outlines the service delivery of the Department of Foreign Affairs (DFA) as directed by the Minister of Foreign Affairs. It delineates and summarises the plans that are in place to meet targets as set out in the business plans of various units and components of the Department in accordance with the department's mission of promoting South Africa's national interests and values, consolidating the African Agenda as part of the practical realisation of an African Renaissance and creating a better life for all.

The Plan conforms to the regulatory framework of the Public Finance Management Act (Act No. 1 of 1999) and public service regulations.

Part One of the Strategic Plan outlines the tasks of the Department in carrying out its mandate in formulating and implementing South Africa's foreign policy and international relations. In this regard, foreign policy priorities are also part and parcel

of the International Relations Peace and Security Cluster (IRPS) in which the DFA participates as well as the Extended Cabinet Committee and the terms and tone of engagement are also guided by the President's State of the Nation Address.

The Strategic Planning Workshop held from 5-7 March 2006 has shaped the development of this Plan through its analysis of South Africa's foreign policy and its discussion of the emphasis of our international engagements in the years to come. This workshop also reaffirmed the DFA's commitment to meet its goals as directed by the Minister. The workshop was an opportunity to reflect on the achievements of our foreign policy, identify future challenges and propose creative outcomes through confronting challenges that we as a Department need to achieve. The workshop emphasised the concerted efforts of government in this Age of Hope, stressing the importance of skills development, working towards a Reformed United Nations, strengthening South-South Co-operation

and expediting the practical implementation of the African Union (AU) NEPAD projects.

This Plan thus defines foreign policy principles and objectives, and presents an overview of how these will be dealt with in the context of bilateral, regional, continental and multilateral relations.

Part Two and Three of this Plan focus on the immediate to medium term priorities and objectives of the Department as guided by its business plan including corporate services matters of critical importance to the effective functioning of the DFA.

The medium-term priorities and objectives include the following issues: consolidation of the African Agenda; South-South co-operation; political and economic relations; global governance: political issues; global governance: socio-economic issues; global governance: security issues; human resource development, and provision of efficient and effective support services.

Key performance and priority areas for the coming period include the New Head Office Project, the construction and refurbishment of chanceries and official residences, provision of an effective and efficient financial system in line with the PFMA guidelines, a human resources plan, resource allocation per departmental objective as well as an improved information and communication technology service.

The Strategic Plan serves as a basis for Business Units at Head Office and our Missions abroad for the development and implementation of Business Plans, Performance Agreements and resource allocations.

A skills audit has recently been completed so as to identify opportunities for training and re-organising our human resources to respond industriously to the needs of the 21st Century within the global diplomatic community.

The Foreign Service Institute has been upgraded into a fully-fledged branch in line with our commitment of nurturing talent within with Department to be true ambassadors of our foreign policy objectives. It is also in this regard that we have recruited a Talent Manager with the task of streamlining an effective career progression system within the Department. Roadshows have already been undertaken to popularise the Department as a strategic employer of choice to potential employees with

the necessary competencies. The internship programme has proved successful as some of the interns have been placed permanently in different units of the Department and the Cadet Programme is also currently being implemented.

Economic diplomacy remains a priority for our officials in this complex global economic system. The attainment of a better quality of life for South Africa's people and higher rates of economic growth will be enhanced through our full and rich interaction with the international community on trade issues, through identifying greater opportunities for investment and through continuing to play our part in Africa's development so that the African people can harness their own resources for their own benefits.

## MANDATE OF THE DEPARTMENT OF FOREIGN AFFAIRS

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### The Department of Foreign Affairs has the following mandate:

To formulate, co-ordinate, implement and manage South Africa's foreign policy;

To advance South Africa's national interests and values through bilateral and multilateral diplomatic relations;

Monitor international developments and advise government on foreign policy options and their alignment with domestic priorities;

Manage and deliver government information and communicate government policy positions to various stakeholders;

Contribute to the formulation and development of international law and enhance respect for its provisions;

Promote and influence multilateralism in order to secure a rules-based international system;

Co-ordinate and co-operate with other government departments and stakeholders with regard to the pursuit of South Africa's international relations;

Build a modern, effective and excellence-driven department;

Provide efficient and effective consular services to South African nationals abroad;

Provide a world-class and uniquely South African Protocol service;

### DEFINITION OF SOUTH AFRICA'S FOREIGN POLICY

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South Africa's Foreign Policy is informed by its domestic policy and the two are mutually reinforcing. Informed by its domestic policy, South Africa's foreign policy is guided by the vision of "a better South Africa in a better Africa and a better World," that is, a better life for all.

South Africa defines itself as a democratic developmental state. This means that South Africa has a clearly articulated socio-economic programme, which it pursues through active state interventions and supportive institutional structures. In this regard,

South Africa's foreign policy incorporates economic diplomacy supportive of the Accelerated Shared Growth Initiative for South Africa (ASGISA) in order to grow the economy faster and create more jobs to address the challenge of poverty eradication.

South Africa conducts its foreign policy within a global order that is characterised by political and economic marginalisation of Africa and the South in general. In order to address this challenge, South Africa's foreign policy is underpinned by the following principles:

That the interests of the African continent are central to our foreign policy;

That issues of human rights are central to international relations and an understanding that they extend beyond the political, embracing the economic, social and environmental;

That just and lasting solutions to the problems of humankind can only come through the promotion of democracy world-wide;

That considerations of justice and respect for international law should guide relations between nations;

That peace is the goal for which all nations should strive, and where this breaks down,

internationally agreed and non-violent mechanisms, including effective arms-control regimes, should be employed;

That multilateralism informs our interactions in the global sphere; and

That economic development depends on growing regional and international economic integration and co-operation in an interdependent world.

As we pursue our foreign policy we are guided by the following priorities:

The Consolidation of the African Agenda

South-South Co-operation

North -South Dialogue

Global Governance (Political, Economic and Security)

Strengthening bilateral relations with other nations of the world

The future of South Africa is inextricably linked to that of Africa and the South. The Consolidation of the African Agenda therefore serves as a point of departure in our engagements with the international community. This entails strengthening multilateral institutions at regional and continental levels, as well as supporting the implementation of the programmes of these institutions.

Pursuant to the above, South Africa remains committed to strengthening the African Union (AU) and the implementation of the New Partnership for Africa's Development (NEPAD) and to capacitating the Southern African Customs Union (SACU) as a motivating force for an integrated and effective Southern African Development Community (SADC). Peace and stability in the continent are very critical for economic growth and development. It is in this context that SA would continue its efforts in finding lasting and sustainable solutions to the conflicts in the continent, as well as in post conflict reconstruction and development.

South Africa is also committed to enhancing its bilateral relations on the African continent. Our objective is to have diplomatic representation in every African state.

South-South co-operation is of strategic importance in the pursuit of our foreign policy objectives of addressing the challenges of economic and political marginalisation emanating from globalisation, which favours the countries of the North.

In advancing the agenda of Africa and the South, South Africa actively engages and co-operates with like-minded countries in regional and sub-regional

groupings of the South, such as the Non-Aligned Movement (NAM), the G77 + China, the China-Africa Forum, the India-Brazil-South Africa Dialogue Forum (IBSA), and the New Asia-Africa Strategic Partnership (NAASP).

South Africa's commitment to the renaissance of Africa also extends to the renaissance of Africans in the Diaspora, including those in the Caribbean and Latin America.

South Africa's engagement with the developed countries of the North is premised on the notion of forging partnerships and bringing about peace, security and development in the South. South Africa, together with other leaders of the African continent has systemically engaged leaders of the developed countries, including those of the most industrialised countries (G8), specifically to secure support for NEPAD. Consequently, the NEPAD has become a regular item on the agenda of the G8 Summits.

With regard to the United Nations (UN), World Trade Organisation and the Bretton Wood Institutions, (the IMF and the World Bank), South Africa strives for fundamental reform in the governance and management of these institutions, with the view to enhancing equity, transparency and efficiency.



South Africa also recognises the imperative to reinforce the concept of collective security and rules-based multilateralism, with the UN and its various bodies playing the central role, particularly in matters of peace and security in Africa and the world in general. To this end, South Africa continues to demonstrate its commitment to the peaceful resolution of conflicts and post-conflict reconstruction and development on the Continent and beyond.

It is against this backdrop that South Africa's commitment to global peace and stability is further demonstrated through engagement in the Israel/Palestine conflict and the Iranian nuclear crisis, and in the Middle East in general.

## **SOUTH AFRICA'S REGIONAL AND MULTILATERAL INTERESTS**

### **AFRICA**

The South African Government firmly believes that the future of South Africa is inextricably linked to the future of the African continent and that of our neighbours in Southern Africa. Therefore, our national vision of building a united, non-racial, non-sexist and prosperous

society is also relevant in the context of our vision for the Continent. Coupled with this is the understanding that socio-economic development cannot take place without peace and stability, as they are a necessary condition for socio-economic development. Conversely, socio-economic development is necessary in the context of addressing the root causes of conflict and instability. Within this framework, our efforts are directed at creating an environment in which all states on the Continent can achieve their full potential.

Our engagement with Africa rests on three pillars:

Strengthening Africa's multilateral institutions continentally and regionally, viz. the African Union (AU) and the

Southern African Development Community (SADC);

Supporting the implementation of Africa's socio-economic development programme, the New Partnership for Africa's Development (NEPAD); and

Strengthening bilateral political and socio-economic relations by way of effective structures for dialogue and co-operation.

## **AFRICA MULTILATERAL**

South Africa's goals for the continent are the resolution of conflict and the building of a framework in which socio-economic development can take place. The entry points for achieving these goals are provided by SADC, the AU and NEPAD.

SADC, as a Regional Economic Community (REC), is one of the recognised building blocks of the AU. It is also one of the key implementing agents of the NEPAD programme. The Department has been fully involved in the restructuring of SADC, which has been initiated in order for it to deliver tangible achievements within the region, as well as play its rightful role on the continent. Within the region, SADC remains the primary vehicle for South African policy and action to achieve regional integration and development within all priority development sectors. In addition, the SADC Organ on Politics, Defence and Security is concerned with regional defence and security matters, including issues such as drug trafficking, conflict prevention and post-conflict reconstruction.

Of particular importance is the 15-year Regional Indicative Strategic Development Plan (RISDP), which is aimed at operationalising the restructured

SADC in order to address pressing developmental needs. The RISDP has been developed in line with NEPAD and is the regional expression of NEPAD priorities and objectives, which will ensure that the SADC's development agenda works in tandem with the AU.

Having largely completed the restructuring process and, with the RISDP on the socio-economic side and the Strategic Indicative Plan for the Organ (SIPO) on the political side in place, it is now critical that South Africa supports the process of implementing key regional projects, programmes and decisions. This should include supporting the SADC Secretariat in terms of strengthening its capacity to perform its delivery mandate, as well as providing effective leadership as a member of the Troika of the SADC Organ.

We seek to enhance the capacity of the SADC so that it can provide a framework within which each member state would have the opportunity to reach its full potential in terms of peace, security, stability and economic and social development, as well as civil society participation and gender equity.

At the continental level, the Department has concentrated on the effective and efficient operations of the structures of the AU: the

Assembly of Heads of State and Government, the Executive Council of Ministers, the Permanent Representatives Committee, the Commission, the Pan-African Parliament, the Peace and Security Council (PSC), and the African Court of Human and People's Rights.

As with the SADC, with these structures now in place, the focus will now turn to finalising outstanding institutional matters, such as the operationalisation of the Economic, Social and Cultural Council (ECOSOCC), the African Court of Justice and the various financial institutions. More importantly, the focus will be on supporting the implementation of AU decisions, programmes and projects, particularly in the context of NEPAD and the AU Vision, Mission and Strategy. Support for all the organs mentioned above will continue, including the AU Commission on Human and People's Rights.

The AU Peace and Security Council (PSC), which is the standing decision-making organ for the prevention, management, and resolution of conflict, also provides a collective security and early-warning arrangement to facilitate a timely and efficient response to conflict and crisis situations in Africa. As a PSC member, South Africa will support the establishment of continental, regional, and national Early Warning systems, the African Standby Force (including Regional Brigades),

**Minister of Foreign Affairs Dr Nkosazana Dlamini Zuma at an AU Ministerial meeting in Khartoum, Sudan, with members of the South African Delegation. From R/L: Director-General of Foreign Affairs Dr Ayanda Ntsaluba, Ambassador Jessie Duarte and Chief Director T Rubushe.**



**Minister of Public Enterprises Alec Erwin and Minister of Safety and Security Charles Nqakula during a State visit to the DRC.**

the Common African Defence and Security Policy and the Panel of the Wise.

As the host of the Pan-African Parliament, one of the “people’s organs” along with the ECOSOCC, South Africa has to provide a suitable facility for a conducive environment and work with the AU to ensure that the Pan-African Parliament can effectively play its envisaged role. The Pan-African Parliament and ECOSOCC are important instruments to ensure that civil society stakeholders receive prominence in their interaction with continental and regional mechanisms.

Furthermore, the Department will continue to support the African Peer Review Mechanism (APRM) as a means of involving all national stakeholders in the developmental process and of assisting African states to achieve the commitments voluntarily undertaken in terms of democracy, good governance and socio-economic development delivery. Twenty-six states have now joined the APRM and this number will continue to grow over the next few years as the process unfolds. The first review report for Ghana has been concluded and the reports for Rwanda, Kenya and Mauritius are to be finalised during 2006. The South African review process is also due to be concluded during 2006.

The AU has adopted NEPAD as its programme of action for socio-economic development and the structures of the AU, along with other continental bodies such as the African Development Bank, the Regional Economic Communities and the member states, will be engaged in the implementation of NEPAD-directed programmes.

NEPAD is a continental instrument to advance people-centred development, based on democratic values and principles. It commits African governments to good governance and to detailed programmes of action within specific time scales. It ensures an integrated approach to development needs on the continent, and at the same time works to redefine the relationship of the continent with the international community, particularly the developed world and multilateral institutions.

The AU has created a Heads of State and Government Implementation Committee (HSGIC) to champion the implementation of the NEPAD programme and to energise and maintain the momentum of the programme. President Mbeki serves on the HSGIC. The Heads of State and Government are supported by a Steering Committee of their personal representatives which is charged with discussing the strategic direction of the programme and the

development of priority sector action plans. South Africa has two members on the Committee and continues to host the NEPAD and APRM Secretariats in Midrand, Gauteng. The Secretariat supports the Steering Committee and the HSGIC.

The Department will be leading a process during 2006 to develop a national strategy for NEPAD that will be designed to provide guidance to local, provincial, and national government entities, as well as Parliament and other stakeholders such as civil society and business.

With regard to the international community, a process of sustained engagement with world leaders and institutions has been pursued since 2001. These strategic interventions have led to a raft of commitments in support of the implementation of the African Agenda and NEPAD, including the G8 Africa Action Plan, the Monterrey Consensus, the Johannesburg Plan of Implementation, the November 2002 UN Declaration on support for the implementation of NEPAD and the Cairo Declaration.

The critical priority over the next three years will be to work with international partners to translate the political commitments into concrete and

practical delivery and action, particularly focusing on financing for development. The strategic partnerships established present a unique set of opportunities through which the process of redefining the partnership paradigm and securing concrete support for the implementation of NEPAD can be pursued, including follow-up to outcomes of the UN MDGs +5 Review Summit in September 2005, the G8 Summit in July 2005 in Gleneagles, Scotland and the WTO Ministerial Conference in Hong Kong at the end of 2005. The primary vehicle for follow-up is the Africa Partnership Forum, an institutional mechanism established to facilitate a strategic dialogue between Africa and developed countries of the North and multilateral institutions.

Flowing from the Reports presented to the United Nations and the G8 during 2005, it is recognised that there is an urgent need to accelerate resource flows to Africa in order to assist Africa to achieve the MDGs. Therefore, the focus over the next three years will be on addressing the issue of accelerating and scaling up resource flows to Africa, particularly in terms of securing market access, including addressing the issue of trade-distorting subsidies, increasing Overseas Development Assistance (ODA), promoting Foreign Direct Investment (FDI), and providing

faster and deeper departmental relief to heavily-indebted poor countries.

Important initiatives to generate support for the African Agenda are also being pursued through the:

- New Asian-African Strategic Partnership (NAASP), which was formalised at the Golden Jubilee Africa-Asia Summit in Indonesia in April 2005;
- India, Brazil, South Africa Dialogue Forum (IBSA) partnership;
- Tokyo International Conference for Africa's Development (TICAD);
- Forum for China-Africa Co-operation (FOCAC);
- Group of 77 and China;
- Non-Aligned Movement (NAM); and
- The Second South Summit outcomes

## **AFRICA BILATERAL**

South Africa conducts its bilateral relations with Africa largely through the 39 missions we have in 37 countries in the continent. At the same time, 42 African countries are represented in South Africa.

## **SOUTHERN AFRICA**

Southern Africa remains relatively peaceful and

politically stable despite challenges in the Democratic Republic of Congo (DRC) and Zimbabwe. On the economic front, South Africa remains committed to the economic upliftment of the countries in this region. Due to the fact that events in this region have a direct impact on South Africa, there is a need to ensure that the region enjoys stability and prosperity.

A key imperative in the region remains successful transition to peaceful political dispensations, specifically in the Democratic Republic of Congo. In the DRC, South Africa is extensively involved in efforts to assist the DRC on its road to peace and stability, including providing technical assistance to the country's electoral process to ensure holding of credible elections. Where requested, South Africa will continue to provide what assistance it can towards the holding of elections in Angola. In addition, post-conflict reconstruction and economic development remain a challenge in both countries. Meaningful economic and social development remain the best guarantee that the current transition processes will prove enduring. Through bilateral Agreements existing with both countries, South Africa will continue to strive to contribute towards institutional capacity building, infrastructure development and trade and investment promotion.



**Minister of Defence Mosioua Lekota in discussion with the Sudanese Foreign Minister Osman Ismail Mustapha during a State visit to Sudan.**



**President Guebuza of Mozambique (left) is met by the Minister of Transport Jeff Radebe on arrival at Waterkloof air force base, Pretoria.**

In Zimbabwe, political dialogue remains the key challenge. Through its bilateral instruments as well as through African multilateral fora, South Africa will continue to encourage parties to find lasting political solutions through all inclusive dialogue, and will continue to seek opportunities to bring the opposing parties closer.

Throughout the region, economic development will be pursued by advancing investment and trade. Economic bilateral instruments will serve as a vehicle to consolidate and advance economic cooperation, inter alia with Namibia, Tanzania and Mozambique. In Lesotho specifically, bankable projects will be identified and marketed to possible investors in an effort to assist that country to graduate from its current Least Developed Country status. Investment promotion and protection agreements will be pursued with countries in the region where such agreements are not yet in place.

South Africa will, through negotiations, endeavour to conclude other outstanding agreements in various fields. Where agreements have been concluded, projects will be identified in implementation of such agreements.

South Africa will continue to co-operate with its partners in Joint Commissions on Defence and Security with Namibia, Botswana and Zimbabwe, in pursuit of regional security, peace and stability.

An important focus of bilateral relations with Namibia will be the conclusion of negotiations regarding the Orange River Boundary and the establishment of a maritime boundary between South Africa and Namibia. The absence of a maritime boundary inhibits economic exploitation of natural resources.

Over the next three years, we also need to establish a structured mechanism for engagement with Malawi.

## **EAST AFRICA**

South Africa is committed to the realisation and promotion of democracy, peace and prosperity in the East Africa region thus contributing to the consolidation of the African Agenda.

South Africa continues to strengthen bilateral relations with countries of the region. In addition to



the opening of three missions in Burundi, Comoros and Eritrea, structured bilateral relations with Kenya, Rwanda and Sudan are in process of being established. Preparations for the establishment of a consulate-general in Juba, Southern Sudan are under way. South Africa's trade and investment in the region continue to show growth.

South Africa's peace efforts in Burundi have borne fruit with the holding of democratic election in 2005 in accordance with the Comprehensive Power Sharing Agreement. South Africa remains committed to assisting Burundi with its post conflict reconstruction and development efforts.

The implementation of the Comprehensive Peace Agreement (CPA) in Sudan continues apace. The Government of National Unity and the Government of Southern Sudan are in place. However, significant challenges remain in the path of lasting peace and unity in the country. The conflict in Darfur continues and has assumed a worrying spill-over effect, which has led to a sharp rise in tension between Chad and Sudan. South Africa is working through the African Union to assist the parties in Darfur to find a lasting solution to the crisis. As part of its contribution to the Sudanese peace process, South Africa is leading the African Union's Post-Conflict Reconstruction Committee. South Africa also has

a bilateral arrangement for building capacity for the Southern Sudan government, thus contributing to the implementation of the CPA.

The escalation of the crisis between Ethiopia and Eritrea is cause for concern. It is in the interest of both countries and the region that urgent steps be taken to de-escalate the current tension that allows for progress toward the demarcation of the border between them in accordance with the findings of the Boundary Demarcation Commission. It has become essential that the two countries engage in a dialogue with the aim of normalising the relations between them.

The much-heralded Transitional Federal Government of Somalia (TFGS) has not delivered on the promise to returning that country on a path of peace, stability and functioning state institutions. The TFGS should be encouraged to return to the capital, launch the vital process of national reconciliation and establish the necessary institutions of governance.

## CENTRAL AND WEST AFRICA

During 2006, South Africa will intensify its diplomatic activities with countries of Central and West Africa by consolidating and expanding its bilateral relations, and by supporting international

and continental efforts aimed at finding peaceful and durable solutions to conflicts in this region.

In Central Africa, the Department will co-ordinate the implementation of existing agreements with Gabon, the Republic of Congo and Equatorial Guinea. It is envisaged that legal frameworks on co-operation, trade and other related fields will be finalised with Cameroon. The Department will continue to guide the implementation of co-operation projects with Sao Tome and Principe.

As part of efforts to expand our diplomatic reach, a fully-fledged diplomatic mission will be established in N'Djamena during the 2006/2007 financial year. It is also envisaged that Honorary Consuls will be appointed in Bangui, the Central African Republic, and in Douala, the commercial capital of the Republic of Cameroon. In addition, an official will be placed in Sao Tome and Principe.

South Africa will, as part of the international community assist the Central African Republic as it embarks upon a post-conflict reconstruction phase. A general co-operation agreement will be signed with the CAR during 2006. South Africa will also continue to support the efforts of the African Union (AU) and the Central African Economic and Monetary Community (CEMAC) to diffuse tensions between Chad and Sudan.

South Africa will continue to grow its formal relationship with states of the West African region by extending its diplomatic reach into the sub-region. A new resident Mission has been established in Conakry (Guinea), with new Missions to follow in Ouagadougou (Burkina Faso) and Cotonou (Benin) in early 2006. It is expected that further investigations will be concluded during the 2006/2007 financial year to prepare for the establishment of representations in Bissau (Guinea-Bissau) and Niamey (Niger).

This coming year will see the launching of Joint Commissions between South Africa and Senegal, Ghana and Guinea - this in addition to a regular session of a Commission meeting with Mali. One of the largest structural bilateral relationships, the Bi-national Commission with the Federal Republic of Nigeria, will convene for the 7th time during 2006. During this meeting efforts will continue to strengthen and expand relations over a broad area of interstate co-operation while initiatives to improve the effectiveness of the structure will continue.

The focus on conflict resolution remains a key priority, with Côte d'Ivoire the most pressing case. South Africa has been directly involved in the mediation process since late 2004, with President Mbeki leading the AU-mandated

mediation during 2005. Despite the widening of the mediation effort to include a broader segment of the international community, South Africa continues to play a pivotal role in the mediation effort, and its principal aim of holding an all-inclusive election by October 2006. The stability of the Ivorian crisis is key in stabilising the immediate region bordering Côte d'Ivoire including the countries of the Mano River Union.

Post conflict reconstruction continues to be a major objective in the sub-region. South Africa, through its power utility, ESKOM, is working together with the Sierra Leonean National Power Authority to help reinvigorate the poor power supply currently experienced in Freetown. In Liberia, South Africa will continue to assist the new government of President Ellen Johnson Sirleaf as it faces the monumental challenges of rebuilding a shattered economy. South Africa has already assisted the Liberian authorities in their efforts to downsize and restructure of the Armed Forces of Liberia.

## **NORTH AFRICA**

In terms of SA's bilateral and multilateral relations with individual countries of the region a solid international legal framework exists for

expanded political dialogue as well as intensified economic, trade and investment relations. Given the fact that the countries of the region are in varying degrees of economic and socio-political transition, South Africa will intensify its political dialogue and economic interaction towards normalising and consolidating our bilateral and multilateral relations with the North African countries concerned. These include:

- Alignment of existing bilateral agreements with service delivery objectives in order to implement viable projects beneficial to SA and the respective countries in North Africa.
- Streamline the activities and programmes of Binational Commissions (BNC's) or Joint Bilateral Commissions (JBC's).
- Implement economic, trade and investment strategies towards greater commercial interaction with North Africa, especially in relation to BEE companies in the energy and goods and services sectors.
- Stimulate people to people interaction between SA and countries in North Africa especially in culture, sport and tourism.

- Maintain strategic relations with Algeria in terms of bilateral and multilateral cooperation especially in relation to the AU and NEPAD.
- Intensify and coordinate international efforts with individual North African countries towards a peaceful solution of the Israel/Palestine conflict.
- Seek alignment with countries in North Africa on the priority issues of stability and security and the reconstruction and development of the African Continent.
- Broaden the bilateral, and multilateral dialogue between SA and North Africa through intensified high level exchanges.

South Africa remains seized by the international issue of the status of Western Sahara. South Africa also views the Western Sahara impasse as detrimental to the NEPAD reconstruction and development strategy of the continent especially in relation to its stability and security as well as in terms of the Arab Maghreb Union (AMU), which has remained dormant for the past fifteen years as a result of the conflict. Within the multilateral context (UN, NAM, G77, and SADC) South Africa continues to highlight the plight of the Saharawi people and has contributed towards humanitarian and refugee assistance.

South Africa continues to support the United Nations multilateral efforts to find a peaceful and lasting resolution to the conflict between the Saharawi Arab Democratic Republic and the Moroccan Kingdom as contained in the Baker Plan, adopted by the United Nations Security Council in Resolution 1495.

In order to achieve the objectives of the UN Peace Plan, South Africa recognised the SADR on 15 September 2004 and supports therefore, the holding of a referendum providing an opportunity for the Saharawi people to exercise their right to self determination and independence.

## ASIA AND AUSTRALASIA

Over the past two decades, rapid economic growth in the People's Republic of China, India and Southeast Asian countries has made Asia one of the most economically dynamic regions in the world. This has created increasing levels of prosperity and has contributed to a tremendous sense of optimism about Asia internationally. South Africa shares in this optimism as it affords increasing trade and investment opportunities for South Africa.

South Africa's relations with countries of Asia and Australasia continue to strengthen both on the political as well as the economic level. South

Africa currently maintains 15 Embassies and High Commissions; three Consulates-General and one Liaison Office in the region, while eighteen countries of this region maintain 30 diplomatic missions in South Africa.

Bilateral trade with the region has increased from less than R60 billion in 1999 to R164 billion for the period January to October 2005. Japan, Malaysia and Taiwan already rank among the foremost sources of Foreign Direct Investment in South Africa. Major new investments from India during the past 12 months are indicative of the fast-growing economic interaction between the two countries. The significance of China, as a future source of investment, is expected to grow. South Africa is diversifying and expanding its economic relations especially into those regions and markets where it has traditionally had less exposure in the past.

In addition, South Africa is actively engaged with the region in a number of specialised fora, notably the New Asian African Strategic Partnership (NAASP), the India/Brazil/South Africa Dialogue Forum (IBSA), the Tokyo International Conference on African Development (TICAD), the Forum on China-African Co-operation (FOCAC) and the Indian Ocean Rim Association for Regional Co-operation (IOR-ARC).



Deputy Minister of Foreign Affairs Aziz Pahad (right) sharing a lighter moment with his Indian counterpart Deputy Minister Anand Sharma, in Johannesburg.

“ Diplomatic relations between South Africa and South East Asian countries are also growing from strength to strength ”

It remains vital to sharpen South Africa's expertise and expand capacity throughout the Asian region to raise its trade and investment profile. The Department will continue to build capacity to maximise these opportunities and in this regard has created a new Sub-Directorate for Economic Affairs and Regional Organisations in the Asia and Middle East Branch to actively support the objectives of the Accelerated Shared Growth Initiative of South Africa (ASGISA) and to enhance South Africa's economic diplomacy efforts throughout Asia and the Middle East region.

The year 2005 was a turbulent year for Asia especially in terms of natural disasters, starting with the after-effects of the shattering Tsunami that affected many countries and more recently the devastating earthquake that hit Pakistan and India and the outbreak of bird-flu in some countries.

### South East Asia

South Africa's relations with South East Asian countries are growing rapidly. President Mbeki undertook visits to Singapore and Indonesia in April 2005. The Prime Minister of Malaysia and the Vice President of Indonesia also visited South Africa in 2005. South Africa and Malaysia held their first Joint Ministerial Commission in Kuala Lumpur and

the first Joint Trade Committee Meeting was held with Vietnam in Pretoria in 2005. The first Session of the Joint Commission between South Africa and Indonesia is scheduled to take place in Jakarta during the first half of 2006.

Diplomatic relations between South Africa and South East Asian countries are also growing from strength to strength. Singapore upgrading its High Commission in South Africa by appointing a resident High Commissioner in 2005 is evidence to this. South Africa has also appointed a resident Ambassador in the Philippines as from March 2006.

South Africa considers Indonesia, with its population of over two hundred and forty one million people and ranked the third most important economic power in Asia, as a very important role player in the ASEAN region. Indonesia views South Africa as the economic hub of Southern Africa, constituting the gateway to economic relations with the rest of the African continent. As strategic partners, South Africa intends to engage with Indonesia in political, economic and trade relations. Furthermore, both countries hold the view that the relations between Southern African Developing Countries (SADC) and the Association of South East Asian Nations (ASEAN) should be pursued more vigorously, in order to expand and consolidate ties between Africa and Asia.



The Asia-Africa Summit in 2005 resulted in the launch of the New Asian African Strategic Partnership (NAASP), which is an accord aimed at strengthening multilateralism economic growth and global peace and security.

The establishment of the NAASP marked a watershed in the development of relations between Africa and Asia. As co-chairs, South Africa and Indonesia have leading roles to play in taking this process forward. The NAASP focuses on practical, achievable, and concrete ways of addressing the development of Asian and African countries. Regional and sub-regional organisations will continue to play a pivotal role as building blocks for Asia-Africa co-operation. The AU Commission serves as a co-ordinating focal point for the African Regional Economic Communities (RECs) in this process. These organisations will share best practises and experiences in overcoming difficulties in the political, economic, social and development fields. It is also through the NAASP that South-South Co-operation will be further strengthened.

Although there is some concern over the growing imbalance of trade with several ASEAN member countries, over the last decade, trade has grown from R5.6 billion in 1994 to R25 billion in 2005. Trade prospects in ASEAN will be pursued with a

view to realising the ideals of the Accelerated and Shared Growth –South Africa (ASGISA) initiatives.

## South Asia

India is by far South Africa's most important political and trading partner in this region. Trade with India has increased substantially. Bilateral initiatives will be undertaken to maximise existing opportunities in the automotive, engineering and financial services, ICT, HRD, bio-pharma and biotechnology sectors. Investment opportunities exist in the automotive, steel and jewellery manufacturing industries. The emphasis in bilateral relations lies on economic growth and job creation in South Africa and trade and investment opportunities, particularly in pharmaceuticals, ICT, the film industry, energy and textiles (AGOA), are prime priorities.

The proposed Preferential Trade Agreement (PTA) to be negotiated with India provides an important framework for closer co-operation between SACU and India in the quest for mutually beneficial trade links. Bilateral trade between South Africa and India has increased from R907 million in 1994 to more than R14 billion in 2005. In 2005, South African exports to India increased by 99% compared to the 2004. Growth in manufacturing in India could lead to increase South African exports of capital equipment,

minerals, steel and other non-ferrous metals. The vast Indian market also holds much potential for agricultural exports. A particularly important prospect for the deepening of relations with India is in closer co-operation in specialised fields like biotechnology, ICT and agro-processing.

The Minister of Public Service and Administration led a delegation to India from 14 to 18 November 2005 to discuss the possible recruitment of individuals with rare skills to take up positions in South Africa. Similarly, a successful visit by the Minister of Tourism and Environmental Affairs to India in March, 2006 has under-pinned the importance attached to India as the fastest growing source of tourism to South Africa. These developments, together with the potential for increased trade and investment will provide firm support to the objectives of the Accelerated and Shared Growth-South Africa (ASGISA) initiative.

In December 2005, the sixth session of the India-South Africa Joint Ministerial Commission (JMC) decided to set up two new sub-committees in view of the substantial potential for co-operation between the two countries in these areas. These are the Sub-Committees on Communication and Information Technology (ICT) and Human Resource Development.



On 31 January 2006 the Indian Government announced that an Airports Company of South Africa Consortium in partnership with India's GVK Industries had been awarded the massive project of approximately R4 billion to modernise and upgrade the Mumbai Airport.

The IBSA initiative holds significant promise to provide an influential platform for the developing world to prioritise egalitarian advancement, technological co-operation and to counter global marginalisation of the poor nations. IBSA aims at increasingly prioritising the entrance of developing countries into the competitive world market by forging stronger ties among themselves.

Within the G-20, there is a significant convergence of positions between India and South Africa on major WTO matters, particularly regarding the Singapore Issues and the Doha Round. Similarly, India is an important role-player and partner within NAASP.

The Commonwealth's lifting of Pakistan's suspension in May 2004 paved the way for South Africa to consolidate relations. The first Bilateral Joint Commission between South Africa and Pakistan, which had to be postponed owing to the earthquake disaster in 2005, is scheduled to take place in Islamabad in 2006.

Historically South Africa and Sri Lanka have strong people-to-people ties, due to the significant numbers constituting the Tamil community in South Africa. A Bilateral Partnership Forum was formed and in its first session in Colombo in 2005, science and technology, education and culture were identified as immediate areas of co-operation. A Micro Mission was established in Colombo, Sri Lanka, in mid-January 2006 to further enhance opportunities for trade, investment and tourism.

Relations between South Africa and Bangladesh are growing and the first bilateral Senior Officials' Meeting is scheduled to be held during the first half of 2006 in Dhaka. A bilateral Trade Agreement is ready for signature.

A roving Ambassador, based in Pretoria, has been accredited to Sri Lanka, Bangladesh, Maldives and Nepal, while diplomatic relations with Bhutan are still to be concluded.

### **Australasia and the Pacific Islands**

Australia is South Africa's third largest trading partner in the region, after Japan and China (Including Taiwan & the Hong Kong SAR). Total trade for the first 10 months of 2005 amounted to R 13,825 billion, whilst in 2004, it amounted to R 14,405 billion. South

Africa is Australia's biggest trading partner on the African continent. 50% of Australian exports to Africa are earmarked for South Africa.

South Africa is New Zealand's primary market in sub-Saharan Africa. New Zealand Trade and Enterprise (NZTE) has representation in Johannesburg. A New Zealand-South Africa Business Council has been established in New Zealand to promote trade and economic linkages with South Africa. The Prime Minister of New Zealand visited South Africa in early 2006 to attend the Progressive Governance Summit.

The focus of South Africa's engagement with Australasia and the Pacific would be to develop economic links to their full potential. Areas of mutual sectoral activity (RSA/Australia), which might at first glance suggest competitiveness, have been developed into opportunities for joint ventures. The already existing political base of relations would be further enhanced to build more extensive and mutually beneficial relations. Practical steps would include the opening of a Mission in Wellington set for 2007 and a revival of the Joint Ministerial Commission between South Africa and Australia.

In terms of South – South Co-operation, the Pacific Islands States have assumed a significant spot on

South Africa's foreign policy radar screen. A Roving Ambassador based in Pretoria has been accredited to Fiji, Papua New Guinea and the Solomon Islands.

South Africa will consolidate its relations with the Pacific Islands through its recently established mission in Suva, Republic of the Fiji Islands. There are opportunities for South African investment in the island states, especially in the field of mining, as countries such as Papua New Guinea have important natural resources, much of which is still unexplored.

South Africa also intends to increase contact and co-operation with the Pacific Islands Forum.

## East Asia

South Africa's relationship with China has, since the adoption of the "One China Policy" in 1998, actively developed into a high-level engagement which is generally seen to be on a sound footing.

In broad terms, the overarching objective of South Africa's relationship with China can therefore be characterised as the establishment of a strategic bilateral and multilateral partnership of equality, mutual benefit and co-operation. The immediate task is to strengthen all round our relationship with China.

South Africa is China's key trade partner in Africa, accounting for nearly 21 percent of the total volume of China-Africa trade. In 2005 South African exports amounted to nearly R8,7 billion, with imports reaching approximately R31 billion. South African FDI into China amounted to about US\$700 million, while Chinese FDI to South Africa amounted to nearly US\$200 million.

If one looks at trade between South Africa and the Greater China region (PRC, Hong Kong, Macau and Taiwan), South African exports amounted to R17,6 billion, while South African imports from the region amounted to R39,5 billion in 2005.

Although bilateral trade is increasing exponentially, it amounts to only a very small percentage of both China's and South Africa's international trade profile, suggesting that there is still enormous potential for an increased exchange of goods and services.

South Africa severed diplomatic ties with Taiwan in 1997. The continuation of economic relations with Taiwan ensures that South Africa has already established itself in one of Greater China's wealthiest regions.

Economic relations between South Africa and Japan continue to expand. In 2005 Japan was

South Africa's largest trading partner in Asia, and fourth largest in the world. Total trade between South Africa and Japan reached approximately R56 billion, with South Africa enjoying a trade surplus of more than R9 billion. Japan has approximately sixty (60) companies operating in South Africa, the largest of which are in the automotive industry. South Africa welcomed the increase in investments in the expansion of assembly plants for Toyota Motor Corporation and Nissan Motor Corporation in South Africa. The decision of Toyota Tsusho Corporation and Toyota Boshoku to invest in the production of car seats and door panel trims in South Africa will also be a boost to Japan's investments in the country. Activities in the chemical, mining and diamond industry have improved over the last year. It has been agreed that a Joint Trade Committee (JTC) will be launched at the South Africa – Japan Partnership Forum. Japan has undertaken a study into the possibility of establishing a FTA with South Africa.

Japan's economic policy toward African development is driven through the Tokyo International Conference on African Development (TICAD) process, which was commenced in 1993. Japan has identified South Africa as its most important strategic partner in Africa for working towards successful trilateral co-operative projects, between South Africa, Japan



President Thabo Mbeki receiving the Palestinian President Mahmoud Abbas during a state visit to South Africa.

“ Despite being geographically removed from the region, South Africa’s diplomatic initiatives in the Middle East Peace Process are well respected ”

and other African countries. This is a concrete opportunity for South Africa to assist in furthering the goals of the African Agenda and the objectives of NEPAD.

Trade with the Republic of Korea is increasing steadily with imports of high-tech goods such as motor vehicles and electronics increasing yearly. Samsung has recently opened offices in South Africa and it is hoped that other large South Korean conglomerates such as Samsung, LG and Hyundai will also establish manufacturing plants in South Africa in the near future.

### Central Asia

South Africa established diplomatic relations in 1992 with Kazakhstan, Uzbekistan, Turkmenistan, Tajikistan, the Kyrgyz Republic and Azerbaijan. In 2003, South Africa established an Embassy in Kazakhstan with a resident Ambassador appointed in 2005. The South African Ambassador to Turkey is accredited on a non-residential basis to the Kyrgyz Republic, Tajikistan, Turkmenistan, Uzbekistan and Azerbaijan.

Although this region offers at present a limited, but growing market for South African goods and services, the potential remains largely untapped as

the countries of Central Asia still find themselves in varying degrees of reconstruction, transformation and regional integration in the political, economic and social spheres. Kazakhstan, Azerbaijan, Turkmenistan (and to a limited degree Uzbekistan), possess vast reserves of natural resources and fossil fuels, many of which remain untapped. Our immediate task is to deepen engagement with this region.

### MIDDLE EAST

South African relations with the countries of the Middle East continue to strengthen both on a political as well as economic level. South Africa currently maintains 10 Embassies and 2 Consulates-General in the region, whilst 13 of the 14 Middle East nations are represented in South Africa, the exception being the Kingdom of Bahrain. It is foreseen that South African representation will expand to include the Republic of Iraq in the near future.

Despite being geographically removed from the region, South Africa’s diplomatic initiatives in the Middle East Peace Process are well respected, with the mainstay being the Presidential Peace Initiative. South Africa was also the only African country to send an Observer Team to the January 2006 Palestinian Legislative elections. South

African efforts to contribute to the creation of an environment in which a negotiated end to the violence and the creation of two states will ensue, will continue.

South Africa also hosted the Palestinian President, Mr Mahmoud Abbas in March 2006 and has made it known that interaction with Hamas as the democratically elected Government of Palestine will form part of its efforts to contribute to the creation of an environment in which a negotiated end to the violence and the creation of two states will ensue.

South Africa's principled position within the Board of Governors of the International Atomic Energy Agency has contributed to multilateral efforts to ensure that Iran complies with its commitments under the NPT. South Africa maintains that only through continued negotiations can a solution to the current situation be found.

The strategic significance of the region for South Africa remains economic. The Middle East remains the primary origin of South African crude oil, accounting for more than 80% of total imports. Current high oil prices with the accompanying availability of excess funds in the region has also prompted an increase in South African efforts to source foreign direct investment in the region.

South African involvement, including billion dollar direct investments, within the strategic economic sectors in the Middle East is seeing a significant increase. These sectors include petrochemicals, defence and telecommunications.

South African interests in the region are pursued for the following reasons:

- Energy security: More than 70% of South African crude oil imports originate in the Middle East, in particular from the Islamic Republic of Iran and the Kingdom of Saudi Arabia
- It represents a major market for South African products and technology. Bilateral trade with the region has increased from R5 billion in 1994 to R45 billion in 2005.
- The region, bolstered by a significant increase in liquidity due to the high oil price will become an increasingly important source for foreign direct investment.
- The region's cultural and religious significance remain very important for millions of South Africans who recognises it as the origin of the three major monotheistic religions
- The socio-political affinity between the Middle East region and North Africa as well as the role played by Middle East based Islamic cultural and economic institutions on the African continent as

a whole, makes close interaction between the region and the African continent inevitable.

In advancing its interests in the region, South Africa, however, acknowledges that the challenges posed by the continuing conflict between Israel and Palestine, as well as the increasing international tension surrounding the Iranian nuclear programme, has the potential to affect South Africa directly.

Through the excellent diplomatic relations that exist with the region, South Africa will continue to pursue the establishment of a Palestinian State existing side by side, in peace with Israel within internationally recognised borders, non-proliferation of nuclear weapons and the use of nuclear technology for peaceful purposes.

## Gulf States

The relationship with the Gulf has grown to one characterised by strong and growing economic ties.

Gulf economies are dominated by the oil, gas and petrochemical industries, which present South Africa with unique opportunities. The lack of diversification in these economies has resulted in them becoming net importers on non-oil goods and therefore a



lucrative market for South African companies. High crude oil prices over recent years have contributed to an economic boom in the Gulf region, which manifested in increased spending on infrastructure and other projects. Several South African companies doing business in the region, notably in the United Arab Emirates, have benefited in this regard. Kuwaiti and Saudi Arabian companies in return have made significant investments in South Africa.

The economic opportunities presented by the Gulf countries have drawn several thousand South African nationals to the region where they occupy positions in a variety of sectors, including project managers of some of the most prestigious building contracts in the area. Most of these South Africans serve on a contract basis and repatriate a significant sum of their earnings back to South Africa.

Some 18,000 South African nationals travel to Saudi Arabia every year to perform Hajj or Umrah.

South Africa has established joint bilateral commissions with the two major powers in the Gulf region – Iran and Saudi Arabia – which allows for matters of bilateral and multilateral concern to be addressed at a ministerial level on an annual basis. The second JBC with Saudi Arabia, is scheduled to take place in Riyadh in March 2006, while the ninth

JBC with Iran will be held in South Africa in May 2006. South Africa is also pursuing similar structured relationships with several other Gulf countries.

## The Levant

The South African government is of the view that the only way to bring about peace in the Middle East is to have a comprehensive and unconditional negotiated settlement to end the occupation of the Palestinian and Syrian territories. The government maintains that both Israel and Palestine have a possibility and responsibility to work together in order to create the conditions for the resolution and prevention of conflict in the region.

The Palestine Legislative Elections held in January 2006 have marked an important milestone in the process aimed at the realisation of an independent Palestine co-existing side by side with Israel in conditions of peace and mutually beneficial co-operation. The South African Government has urged the PLO and Hamas to ensure that the transition in government proceeds swiftly and smoothly.

The key strategic engagement of South Africa with the Middle East Conflict, as clearly shown by the Spier Presidential Peace Retreat of January 2002, remains the strengthening of the “peace camps” in

both Israel and Palestine; sharing the South African experience with a wide cross-section of Israeli and Palestinian civil society and government; assisting the Palestinian reform process and supporting international peace efforts, in particular through the UN system.

Three significant events during 2005 contributed to the democratisation process in Iraq and the constitutional restoration of Iraq’s sovereignty. These events were the election of a Transitional Government in January 2005, the adoption of Iraq’s new Constitution in a referendum held in October 2005 and the national elections for the Council of Representatives that took place in December 2005. The expected outcome is the selection of a four year coalition government, and restoration of sovereignty during the first half of 2006.

These developments took place amidst ongoing political and sectarian violence in that country.

South Africa, in principle, supports the constitutional and democratic efforts to restore peace, sovereignty and prosperity to the Iraqi people. Opportunities to explore participating in reconstruction and rebuilding efforts in Iraq, have regrettably been undermined by the continuing



insecurity and instability. South Africa has nevertheless been able to contribute in a concrete way to the restoration of Iraq by contributing financially to capacity building programmes for trauma relief under the auspices of the Iraqi Red Crescent. During a visit in by the Iraqi Deputy Foreign Minister, Mr Talib Hamid Al Bayati in October 2005, the South African Government reiterated its intent to be represented in Baghdad as soon as possible. President Thabo Mbeki was amongst the first world leaders to host an Iraqi parliamentary delegation in March 2006. The delegation included representatives from the Sunni, Shiite and Kurdish factions.

Overall our task in the Middle East would be to promote peace, contribute to resolving the Palestine/Israel conflict, ensure non-proliferation of Weapons of Mass Destruction based on the NPT, and to strengthen political and economic and bilateral relations.

## THE AMERICAS

South Africa conducts its bilateral relations with the Americas largely through the 16 missions we have in 11 countries in the continents. At the same time, 14 countries from the Americas are represented in South Africa.

## LATIN AMERICA AND THE CARIBBEAN

The social challenges in Latin America have, in recent times, resulted in governments with a more centre-left agenda being elected. This has created opportunities for co-operation in areas of social upliftment. South Africa has gained experience in the development of poverty alleviation programmes, which can be utilised to assist and thus enhance relations with like-minded countries in Latin America and the Caribbean.

Leadership in both regions share a further common agenda through their historical experiences gained in social-orientated mass movements. These movements express commitment to a people-centred agenda that creates additional opportunities to share common experiences. The move to the centre-left has further resulted in a shift in the power balance and has resulted in the previously marginalised being able to inform the development agenda.

The extent of our co-operation is a reflection of the continuing broad-based engagement between South Africa and Latin America. This is in accordance with one of our key foreign policy strategic priorities, namely South-South Co-operation, with the mission of promoting South Africa's national interest and

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South Africa has gained experience in the development of poverty alleviation programmes, which can be utilised to assist... countries in Latin America and the Caribbean ”



Minister of Foreign Affairs  
Dr Nkosazana Dlamini Zuma and her Cuban  
Counterpart Minister Felipe Perez Roque  
during the IV Session of the Joint SA-Cuba  
Consultative Mechanism, in Cape Town.

values, the African Renaissance and the creation of a better world for all.

South Africa, together with Latin America and the Caribbean, share a strategic need to create a more equitable world order which balances the impact of globalisation. The approach South Africa and key countries from the region take in pursuing similar global agendas, needs to be co-ordinated in order to serve the interests of developing countries. The pursuit of this objective entails a more regular and united engagement with multilateral institutions such as the WTO, the United Nations, and the Bretton Woods Institutions.

The focus will also be to co-operate on achieving the UN Millenium Development Goals (MDGs) in order to urgently accelerate resource flows to Africa and other developing countries, particularly in terms of securing market access. This includes addressing the issue of inequitable subsidies, increasing Overseas Development Assistance (ODA) and promoting Foreign Direct Investment (FDI). In this regard, special emphasis should be placed on how South Africa and the rest of the African continent engage with the countries of Latin America in promoting the ideals of the Continent and the African Diaspora. However, it should be

kept in mind that the scope of NEPAD would be limited in some of these countries.

Through progressive governance, South Africa must ensure that the state regains its development-encouraging role and maintains its function as a source of public policies, geared to promoting fundamental social rights and collective welfare. Unemployment, poverty, migration, demographic and environmental imbalances are problems that require responsible socio-economic policies and actions. The mediation between economic and social policies can only be undertaken effectively by states that are democratic, transparent and under social oversight.

South African and Latin American economies share many similarities, requiring a strategic approach from South African exporters. Furthermore, in order to increase exports, obstacles such as tariff and non-tariff barriers in Latin American countries need to be identified in order to increase market access for South African products. This is of prime importance in promoting a balanced economic relationship. Co-operating with private sector institutions in promoting market opportunities in Latin America also becomes imperative.

The different strands of centre-left governments

indicate that Latin America countries are still grappling with defining the nature of their policies that need to be applied in transforming their societies. Governments in Latin America have been elected in response to vastly different factors. The centre-left policies of Brazil, Chile and Argentina are vastly different from Cuba and Venezuela. The high level of inequality ultimately means that success will be defined by improving the life of the marginalised in society.

In this regard, South Africa is well placed due to its own experience in playing a leading role in influencing the socio-economic policies, that balance social needs with responsible economic and political paradigms. Engaging with like-minded countries such Brazil and Chile, could serve as powerful alliances in informing developments in Latin America.

The need to maintain stability in Latin America and the Caribbean by catering for all sectors of society will be imperative. South Africa is being presented with a unique opportunity to engage with countries in Latin America and the Caribbean. Assuming an orderly election outcome and a stable environment, the transformation of a country like Haiti will become crucial. Furthermore, the South African experience for reconciliation can be shared.

South Africa can, through the consolidation of its relations with countries in Latin America and the Caribbean, promote its foreign policy agenda, especially on the multilateral front. South Africa's present relations with Brazil and the ongoing initiatives to build relations with Argentina and countries in the Caribbean provide South Africa with an opportunity to influence the global agenda.

In building closer relations with Latin America and the Caribbean, the challenge remains for South Africa to ensure a balance between its economic and political relationship. Therefore, South Africa's business interests need to be promoted in order to rectify the trade imbalance that presently exists in favour of many Latin American countries.

## USA & CANADA

The USA has been the largest single foreign investor in the South African economy since 1994, one of the largest single country trading partner, as well as the largest donor of official development assistance. Through its interactions with South Africa and its partners in this region, the US continues to support the implementation of NEPAD; regional peace, security and stability initiatives; and economic development and co-operation. Its northern neighbour, Canada, is a

wealthy G8 country with a stated commitment towards assisting with development in Africa and the developing world in general. To this end it would be important to maintain South Africa's good relations with the new Conservative government. In particular, Canada has a reservoir of skills and expertise, including in the South African expatriate community, which could be harnessed for the benefit of ASGISA and SA.

Although there are no indications that relations with South Africa will be adversely affected by the change of government, it is nonetheless important to engage the minority government of Prime Minister Stephen Harper with a view to securing Canada's continued commitment to the African Continent and the Developing World in general.

South Africa has, in the past two years, been the top recipient of development assistance from amongst the 27 African countries supported by the USA Agency for International Development (USAID). On the military front, South Africa and the USA will continue co-operating regarding military medicine research within the PHIDISA programme and the African Contingency Operations Training Assistance programme (ACOTA), which is aimed at enhancing South Africa's peacekeeping and humanitarian assistance intervention capabilities.

Emphasis is placed on identifying additional areas to achieve enhanced capacity, as well as the creation of the necessary mechanisms to facilitate the implementation of such ability throughout Africa. Support for the NEPAD within the USA Administration, Congress and the business sector, with particular focus on the implementation of infrastructure development projects, remains a high priority and South Africa seeks to achieve the start of the implementation phase of these projects. South Africa will focus on addressing US business sector concerns regarding BEE implementation, as well as the improvement of investment flows to South Africa. The building of local capacity for research and effective delivery in the continuing battle against communicable diseases through the US Presidential Emergency Programme for AIDS (PEPFAR) that has committed USD 2.8 billion for Financial Year 2005, will receive augmented attention. The SACU/US Free Trade Agreement (FTA) negotiations are important both in the context of encouraging US support for economic development and co-operation, and supporting the implementation of NEPAD. The negotiations have the potential to improve trade flows significantly between the SACU region and the US and to contribute to regional economic growth and stability. Certain problematic areas have arisen that have delayed the process, but co-operation efforts at high-level have ensured

that the negotiation process will continue and South Africa aims to conclude the agreement.

## EUROPE

South Africa conducts its bilateral relations with Europe largely through the 25 missions we have in 23 countries in the continent. At the same time, 36 countries from Europe are represented in South Africa.

## EASTERN EUROPE

The Russian Federation is considered by the South African Government to be a strategic partner. It should be kept in mind that Russia is a G8 member as well as a permanent member of the UNSC. South Africa's relations with Russia were significantly consolidated over the past year through continued high level political dialogue. Bilateral relations also expanded strongly under the umbrella of the Intergovernmental Trade and Economic Committee (ITEC).

It is important for South Africa to expand its co-operation with Russia in the strategic minerals and energy sectors. To this end, and aimed at supporting BEE objectives, a joint Task Force on Minerals was established. Solid progress in the field of Science

and Technology relations, especially in terms of the Presidential policy objective of establishing South Africa as key player in international astronomy and deep space research, also characterises the relationship.

Bilateral trade relations remain essentially underdeveloped between South Africa and Russia. South Africa's multinationals are active in Moscow with substantive investment in the minerals, mining, banking, alcohol beverage and hospitality sectors. Challenges remain, however, in expanding bilateral trade, especially South African exports to the Russian Federation, in enhancing closer contact and co-operation in health, education, sports, arts and culture, tourism, business and civil society.

The strategic focus in SA/Russia relations will centre on expanding and consolidating in the following areas:

- High-level consultations in the Task Team on Minerals and Energy;
- Fostering closer links between BEE entities and the Russian Federation and its Provinces;
- Engaging targeted Russian provinces towards increased SA exports in specific sectors;
- Promoting bilateral tourism and cultural ties between the two countries; and

- Consolidate South Africa's international position in deep space research through joint ventures with the Russian Federation.

Bilateral relations between South Africa and Turkey have recently grown exponentially and the official visit of Turkish Prime Minister Recep Tayyip Erdogan in March 2005 illustrated the growing economic importance of South Africa/Turkey relations. Two successful South African/Turkish business summits and exchange visits contributed to bilateral trade during 2005 totalling over eight billion Rand. The conclusion, during Prime Minister Erdogan's official visit, of Agreements on Trade and Economic Co-operation, Customs and Double Taxation, is expected to contribute to stronger growth in trade, and economic relations between the two countries.

During 2005, intensified political dialogue between South Africa and Turkey created the opportunity at the strategic level to identify key dimensions of the bilateral relationship in the following areas in the medium-term strategic framework:

- To expand the economic, trade and investment relationship substantially, including the sectors, minerals and energy (PBMR);



- To expand bilateral tourism and cultural relations;
- To consolidate the political relationship and secure support for South Africa's United Nations Security Council candidature;
- To facilitate the implementation of Turkey's Africa Plan and support for Africa's Peace and Security Agenda through enhanced Turkish contribution to conflict resolution and peacekeeping on the continent; and,
- To enhance Turkish involvement in NEPAD reconstruction and development projects.

In addition to the above, a need was identified to deepen the broader political relationship between South Africa and Turkey through high level visits and exchanges, to normalise the bilateral defence relationship, to consolidate joint South African/Turkish industrial co-operation, and to promote direct investments including BEE/Turkish Partnerships in the South African jewellery and leather industries.

## CENTRAL EUROPE

The accession in May 2004 of five Central European countries (Czech Republic, Hungary, Poland, Slovak Republic and Slovenia) and three Baltic countries (Estonia, Latvia and Lithuania) to the European Union is expected to further influence

South Africa's political and economic relations with these countries, as they will, as EU members, become, on the one hand, competitors in terms of trade and development aid, but also allies in terms of their level of development, which is, at this stage, closer to that of South Africa than to most of the current EU members. This dichotomy presents both challenges and opportunities to South Africa in the design of its foreign relations with this new reality during the next five to ten years.

In order to meet the challenges and take full advantage of the opportunities created by the scenario sketched above, it will be imperative to maintain and further strengthen political and economic ties with these countries. In this regard, the focus will be on a concerted effort to develop the element of economic diplomacy in specifically the Republics of Poland, Hungary and the Czech Republic. The primary effort will be to engage South African business to take cognisance of business opportunities in these countries and to participate actively in fairs and exhibitions, inter alia those organised by South African diplomatic Missions in these countries. Similarly, the Department plans to organise visits by SA business groups to these countries to explore business opportunities. A number of countries in the region play an important role in the field of science and technology and

emphasis on developing programmes of co-operation in this area will receive priority attention.

Poland is generally seen as a strong role player in the Central European region. As the biggest of the new EU members (both in size, GDP and population) Poland is destined to play a leading role in future. Its role in ensuring a more equitable distribution from the EU budget to the newly joined members is a case in point. Hungary and the Czech Republic are also important players in the region and bilateral trade as well as co-operation in the field of science and technology will have to receive attention. This is also applicable to a lesser extent to the remaining countries in the region, which are either members of the EU or destined to become members in the foreseeable future.

## WESTERN EUROPE

Political relations with Western Europe remain sound, and a reservoir of goodwill continues to exist towards South Africa. There has been a slow-down in economic performance in Europe and the EU enlargement impacts negatively on the extent of development funding from Europe available for South Africa and for Africa in general.

In an effort to enhance relations with Western Europe,



**Minister of Foreign Affairs  
Dr Nkosazana Dlamini Zuma hosted the Russian  
Minister Yuri Trutnev in preparation  
for ITEC 2, in Pretoria.**



**Minister of Finance Trevor Manuel and the  
Netherlands Minister of Foreign Affairs Bernard Bot  
signing an agreement on the avoidance of double  
taxation, in Pretoria.**

priority will be given to the Africa Agenda through BNCs, working groups, consultations and high level visits. The region's policies towards Africa and their contributions towards the continent bilaterally and through the EU and G8 are positive and focussed. The strong political support for the AU, especially as far as conflict prevention/resolution in Africa is concerned, should be concretized through realistic proposals for joint initiatives such as political and financial support for peace processes.

Growing tourism and the growing view of South Africa as being a safe destination, and increasing trade and economic engagement, provide increased opportunities for interaction, and is testimony to largely positive perceptions.

## **GERMAN-SPEAKING & NORDIC COUNTRIES**

Notwithstanding elections in Norway and Germany, which have shown shifts to the centre-right, it is not anticipated that Western Europe's foreign policy approach towards South Africa will change significantly. The good relations between German-Speaking and Nordic Countries and South Africa present vast opportunities and the new governments should be engaged to secure continued co-operation and improved trade and investments.

German-Speaking and Nordic Countries have a strong commitment towards SADC and its programmes, which includes development co-operation both bilaterally and through the EU. Most countries in the region are engaged in joint projects with SADC regarding small arms and anti-personnel mines and capacity building. A number of agreements have been concluded, which will provide the framework for further co-operation. Trilateral co-operation between SADC and German-Speaking and Nordic Countries will be promoted to broaden joint development assistance into the region.

From July 2006 to June 2007, Finland and Germany will be holding the EU Presidency consecutively. Pre-emptive consultations will be held to ensure convergence on need for EU and Africa co-operation. Germany has indicated that it would invite African representatives to the G8 Summit scheduled to take place in Germany in 2007 and this invitation should be nurtured and secured. The objective of our engagement with the G8 is to maintain their commitment of the Millenium Development Goals.

Regarding economic diplomacy, lack of understanding of the concept of BEE has been identified as a challenge. Roadshows and workshops will be utilised to familiarise foreign

business with the imperatives and opportunities. The size of the German-speaking and Nordic markets remains a major opportunity. There is room for further growth in South African exports, in line with the long-term trends. Specific goods and services will be identified to be targeted in these countries. The finalisation of the European Free Trade Agreement (EFTA) provides a mechanism for improved trade relations with Switzerland, Iceland and Norway. Germany's willingness and full co-operation to share its experience in hosting the FIFA Soccer World Cup in 2006 will be utilised.

## MEDITERRANEAN EUROPE

Relations with the countries of the Mediterranean Europe region have undergone significant growth in recent years, with interaction cutting across the spectrum of bilateral relations. More significantly, this expansion and growth has been mirrored in, and influenced by, the burgeoning relations between Africa and the European Union. Developments such as the new EU Strategy for Africa, the maturation of security co-operation and the growing realisation of the interdependence of our respective regions have created new stimulus and opportunities on a scale not experienced thus far.

The Department will employ a three track approach to relations: firstly, attention will be focussed on deepening

the bilateral areas of relations with particular focus on enhancing economic diplomacy, tourism and capacity building. The intention is to use the opportunities provided by the maturation in relations to leverage South Africa's current priorities of accelerated growth, job creation and skill development.

Secondly, attention will be focused on ensuring that the policy convergence between Europe and Africa translate into concrete projects and programmes for Africa's development. Particular attention will be paid to advancing the institutions and programmes of the African Union, building the capacity of AU structures and implementing the commitments of EU member countries, made either at the EU or at the G8, including ODA commitments, debt relief, Financing for Development and building African capacity for peacebuilding initiatives.

Thirdly, countries of the Mediterranean region exert significant influence on the global agenda. This presents an opportunity to build alliances to advance the agenda of the South, to reform international institutions and to influence the process of transforming the global financial architecture.

## UK, IRELAND AND BENELUX

The Department will continue its focus on the

promotion of economic diplomacy in UK, Ireland and the Benelux. A particular priority in 2006 will be Consolidation of the African Agenda. The Department will work closely with:

The UK on taking forward the far-reaching commitments agreed to at Gleneagles;

With the Netherlands by continuing and expanding trilateral co-operation on peace and security in Africa;

With Belgium in support of the 2006 elections as well as continued reconstruction in the DRC; and

With regard to Ireland, the focus will be on promoting political and economic relations, specifically to draw on Ireland's expertise in the area of housing as well as developing a successful knowledge economy.

## SA-EU RELATIONS

The European Union (EU) remains South Africa's largest single trading partner, its main source of foreign direct investment, and its largest donor of official development aid. South Africa will, during 2006, continue having regular high-level meetings with European Commissioners and the EU's High Representative for Common Foreign and Security Policy, especially with regards to the EU's new Strategy for Africa.

In terms of the comprehensive Trade, Development and Co-operation Agreement (TDCA), South Africa is actively overseeing the 1st five-year review of the TDCA and will finalise it by November 2006 when the third SA-EU Ministerial Joint Co-operation Council (JCC) is scheduled to take place. All stakeholders and national departments are involved in this process, overseen by the Department of Foreign Affairs. South Africa is also co-ordinating the full implementation of the TDCA, to ensure that it takes advantage of all new areas of co-operation, kept in abeyance prior to full ratification of the TDCA. South Africa will also engage SA business and the ten new EU Member States to take advantage of the opportunities created by the TDCA.

In the coming year, South Africa will also continue to engage the EU to ensure that the country's objectives are promoted within the multilateral context, especially with regards to terrorism, weapons of mass destruction, migration, the Millenium Development Goals, the Middle East Peace Process and UN Reform.

South Africa will, in addition to the above, increasingly lobby the EU on adapting REACH (Registration, Evaluation and Authorisation of Chemicals), the EU's new environmental legislation that is essentially aimed at protecting the health and living environment of European citizens. South Africa is

already playing a leading role in creating awareness and forging solidarity amongst developing nations that will be severely affected by REACH.

In the coming period, attention will also be paid to how to further broaden and deepen the relationship between South Africa and the EU.

### **ACP-EU RELATIONS**

South Africa will, during 2006, continue to participate in the negotiations for the Economic Partnership Agreements (EPAs) that are currently taking place between the ACP and the EU, and will share its expertise in trade negotiations, especially with SADC. The non-reciprocal trade arrangement, which the ACP enjoyed under the Lome Convention, will be replaced by a WTO-compatible regime in the Economic Partnership Agreements. South Africa will also assist ACP countries in the implementation of the new areas of co-operation which have been introduced under the revised Cotonou Partnership Agreement, such as compliance with the provisions of the International Criminal Court, elimination of weapons of mass destruction and the fight against terrorism. The provisions of the Cotonou Partnership Agreement have to be in line with individual countries' national legislation and international agreements.

In addition, South Africa will also assist in initiating projects that could be funded from the European Development Fund (EDF) as it did with the Africa Peace Facility. The EDF, the aid fund designed to support development in ACP countries, has grown to about 24 billion Euro. The Department will facilitate participation by South African Parliamentarians in the ACP/EU Joint Parliamentary Assembly scheduled for July in Austria and November in Barbados. It will assist with South African participation in the ACP Consultative Assembly meetings, the ACP Council of Ministers and the ACP Summit in December 2006. All these activities are aimed at reinforcing South-South co-operation and supporting the implementation of the African Agenda. Developments within the ACP-EU Joint Parliamentary Assembly that have implications for the South African and Pan-African Parliaments will be monitored. South Africa will also monitor any developments within the ACP that could jeopardise the objectives of the African Agenda.

In collaboration with inter alia the Departments of Trade and Industry, Minerals and Energy, and the SARS, South Africa will contribute to programmes aimed at institution building in ACP countries and in Africa.

## SOUTH AFRICA'S MULTILATERAL INTERESTS

South Africa's participation in international fora, notably the United Nations (UN) system and its specialized agencies, is in response to the challenges that are central to the future of all of humanity and that pose a threat to global political and economic stability and security. It aims at not allowing the development agenda to be dominated by security concerns and to keep on reminding the world of the urgent need to eradicate poverty. Through South African participation in the multilateral fora it also defends the belief that resolution of international conflicts should be peaceful and should bear in mind the centrality of the UN Charter and international law. South Africa thus firmly believes that multilateralism is critical to the survival of humankind. South Africa further believes that the current reform process should result in an efficient United Nations system which should respond to the needs of all member states with no-one superior or inferior.

South Africa's foreign policy furthermore recognises that in order to achieve a better life for all, development must be pursued from a global perspective. As such, South Africa is committed to the development of Africa, and all other developing countries. Concurrently, it is increasingly clear

that the objective of a just and non-discriminatory international economic and social order remains elusive. The impact of globalisation continues to be uneven, resulting in severe global economic and social inequalities. International economic relations also continue to be marked by uncertainty and imbalances, resulting in the continued marginalization of developing countries.

In response South Africa continues to host, and actively participate in, major international conferences. Where it contributes substantively to addressing issues facing Africa and developing countries further afield. Such issues include, amongst others, underdevelopment, poverty, racism, the advancement of women, equitable trade practices, social development, sustainable environmental utilisation and migration as well as the role of multilateral fora to develop coherent and sustainable policies in this regard. South Africa believes that developing countries must reaffirm the central relevance of the outcomes of the UN conferences and summits such as the World Conference Against Racism, Racial Discrimination, Xenophobia and Related Intolerances, the Finance for Development conference (FfD), World Food Summit, Beijing +10, World Summit on Social Development, World Summit on Sustainable Development (WSSD), the Millennium Summit



**President Thabo Mbeki and United Nations Secretary-General, Kofi Annan addressing the media during the latter's visit to Cape Town.**

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South Africa was elected to Chair the G77 for 2006

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and the 2005 World Summit. The internationally-agreed development goals (IDGs) and Millennium Development Goals (MDGs) agreed upon at these meetings continue to be of the highest importance for developing countries.

South Africa thus believes that it must act without fail to reinforce South-South co-operation and act together with groups such as the Africa Union (AU), Non-Aligned Movement (NAM) and the Group of 77 (G77) and China to negotiate global agreements with the North. These groups of the South provide a platform for the countries of the South to articulate and promote their collective interests and enhance their joint negotiating capacity on all major international economic and development issues in the United Nations system.

South Africa was elected to Chair the G77 for 2006. The G77's aim is to promote South-South co-operation and help to strengthen economic and technical co-operation among developing countries themselves. Additionally, the importance for developing countries of the need to co-ordinate common positions among themselves on global issues is increasingly being recognised in a globalised environment. South Africa's chairpersonship therefore affords the country a further opportunity to assume a leading role in representing and promoting the interests of

developing countries in a variety of UN Bodies. In the current global environment South Africa is at the same time faced with very high expectations, both from within as well as outside of the Group.

### **2005 World Summit**

The 2005 World Summit reviewed progress with the implementation of the Millennium Declaration, including the development goals contained therein. The outcome of the 2005 Millennium World Summit was disappointing in that little progress was made on the promotion of the development agenda of the UN. One significant positive outcome of the Summit was the universal acceptance of the MDGs as benchmark measures of progress towards development. However, the Summit failed to meet earlier expectations that a realisable, pro-active plan for an international partnership for the achievement of the MDGs would be forthcoming.

The Summit clearly demonstrated that the implementation of the internationally-agreed development goals (IDGs), including the MDGs, would not be achieved in Sub-Saharan Africa, unless there was a dramatic increase in resource flows as a matter of urgency. Achievement of the MDGs by Africa will require rising above current inadequate responses and taking action

to substantially accelerate progress being made. There is an urgent need to scale up action on the part of all parties, including African Governments, donor Governments and agencies and the international financial organisations. It is also recognised that the IDGs and the MDGs will not be met unless the goals and objectives of the Beijing Declaration and Platform of Action and the outcome of the twenty-third special session of the General Assembly (Beijing+10) are fully implemented.

### **UN Reform**

The adoption by Heads of State and Government of the 2005 World Summit Outcome in September 2005 set in motion a number of reforms in the UN system that include:

- The establishment of a Peacebuilding Commission;
- The establishment of a Human Rights Council;
- Implementing management reforms in the UN Secretariat;
- Reviewing the mandates of UN activities and programmes;
- Finalising the comprehensive convention against terrorism;
- Maintaining and strengthening political momentum for development; and

- Establishing new functions for the Economic and Social Council (ECOSOC).

The implementation of the 2005 World Summit Outcome commenced and continued during the main part of the 60th Session of the UN General Assembly (UNGA60) from October to December 2005. Priority was given to a number of reform issues, as mandated by the Summit, such as the establishment of the Peacebuilding Commission and the Human Rights Council.

Member States were able to reach agreement on the establishment of the Peacebuilding Commission before the deadline set by the World Summit of 31 December 2005. Progress was also made on the implementation of certain management reforms in the UN Secretariat. The other issues, however, require further attention during 2006. The comprehensive reform of the United Nations Security Council also remains work in progress. The President of the 60th Session of the General Assembly, Mr Jan Eliasson (Sweden), has thus given notice to UN Member States that he intends taking action on this issue during UNGA60, as provided for in the Summit Outcome.

During the main part of UNGA60 South Africa supported and actively participated in all negotiations

related to the implementation of the 2005 World Summit Outcome. It will continue to do so during 2006 in order to bring these reforms to a fruitful conclusion. As Chairperson of the G77 in 2006, South Africa will not only continue to be engaged in the implementation of the 2005 World Summit Outcome, but will also be the lead negotiator on behalf of the G77 on a number of reform elements.

The 2005 World Summit Outcome further reaffirmed that gender equality and the promotion and protection of the full enjoyment of all human rights and fundamental freedoms for all are essential elements in advancing development, peace and security. Consequently South Africa will utilise its leadership role in the G77 to advance reform initiatives of the United Nations predicated on three pillars: development, security and human rights.

### Human Rights

The preamble of the UN Charter includes human rights among the purposes for which the UN was established: "to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small". Owing to our political history of centuries of racial domination and oppression until the advent of democracy in South Africa in 1994, South Africa

continues to be a major and influential player in the development of international human rights law. South Africa is part of the leading countries at the United Nations who continually evaluate the effectiveness of the existing human rights treaties and propose additional instruments in a norm and standard setting process with the view to updating and strengthening such treaties. South Africa has, in conjunction with members of the African Union, been actively involved in the elaboration of human rights instruments.

South Africa therefore continues to reaffirm its commitment to the protection of human rights and fundamental freedoms as agreed in the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights (ICESCR), the International Covenant on Civil and Political Rights (ICCPR) and the 2005 World Summit Outcome. South Africa is striving for the strengthening of the mechanism for the protection of, as well as the acknowledgement of, economic, social and cultural rights on par with all other human rights, including the right to development.

In fulfilment of the principal objective of consolidating the African Agenda, South Africa continues to play a pivotal role in the deliberations of the African Group in the context of the UN Commission on Human Rights (UNCHR) and the UN General Assembly, to

advance the interests of the African Union and its organs. This includes the objectives of NEPAD, with respect to the promotion and protection of human rights, democracy and good governance within the UN system. South Africa is committed to creating a world fit for future generations, which takes into account the best interests of the child.

### **Economic and Social Development**

Through participating in international fora and multilateral organisations, one of South Africa's objectives is to advance active follow-up to the implementation of the outcomes of major UN Conferences, including the achievement of the MDGs. The various UN Summits and International Conferences (including Monterrey, Doha, Brussels and Johannesburg) have provided clear strategies and goals (IDGs) for advancing the development process. What remains is to ensure the implementation of the commitments made during these meetings. There is an urgent need to translate commitments that have been made into concrete action, in particular in the areas of financing for development and poverty eradication.

South Africa is also active in the field of social development as part of the global agenda on development. Follow up to the 1995 Copenhagen

World Summit on Social Development includes work on the three pillars of social integration, poverty eradication and full employment. The MDGs, which seek to accelerate social development and which focus on a range of social issues, are thus regarded as key focus areas.

With respect to the African Continent, the introduction of a focus on the social dimensions of NEPAD provided an opportunity to elaborate on the challenges facing the Continent including poverty, health, especially HIV and Aids, malaria and other communicable diseases. South Africa is currently in the midst of identifying elements that constitute the social dimensions in NEPAD, to highlight issues of poverty, hunger, illiteracy, health, infant mortality and gender balance.

### **Disarmament**

South Africa will continue to play an active role in all aspects of disarmament, arms control and non-proliferation as these relate to both weapons of mass destruction and conventional arms, including small arms, light weapons and anti-personnel mines.

While actively promoting and supporting the non-proliferation of weapons of mass destruction, with the goal of promoting international peace and

security, South Africa will also continue to promote the importance of ensuring that non-proliferation controls do not become the means whereby developing countries are denied access to advanced technologies required for their development. Current focus areas include the preparations for the 2006 Certain Conventional Weapons Convention (CCW) Review Conference.

South Africa will base its participation at the various Review Conferences on the need for a balanced review of the respective international instruments, with particular emphasis on the interests of developing countries, including the promotion of access to technologies, co-operation and assistance.

In support of South Africa's agenda to combat conflicts in Africa, Cabinet decided in December 2004 that South Africa should become a member of the Wassenaar Arrangement, which is the only international mechanism that is geared to control the proliferation of conventional arms, including small arms and light weapons, so as to prevent the development or enhancement of military capabilities that undermine international and regional security and stability. South Africa was admitted to the Wassenaar Arrangement, as the first African country, in December 2005.

South Africa will continue to promote access by particularly developing countries to advanced dual-use technologies, equipment and material, including in the area of nuclear technology under appropriate safeguards, for peaceful purposes (dual-use technologies, equipment and material are those that can be used both for peaceful purposes and in the development of weapons of mass destruction). South Africa will thus actively participate in all relevant forums to ensure non-proliferation controls do not become the means whereby developing countries are denied access to advanced technologies required for their peaceful development.

## Humanitarian Affairs

Internationally, there has been an increase in human vulnerability as a result of both natural disasters and conflict situations. There has been a marked increase in natural disasters that resulted in great losses of lives and livelihoods. Human insecurity has also increased owing to the changing nature of contemporary conflicts that are characterised by the active and deliberate targeting of civilians, widespread human rights abuses and the forced displacement of large portions of populations. Since developing countries, especially in Africa, are bearing

the brunt of these scourges, the Department will facilitate and contribute to South Africa's humanitarian interventions to alleviate human suffering and to protect the victims of natural disasters and conflicts. The Department will facilitate South Africa's participation in the formulation of international humanitarian norms to ensure that these adequately address the plight of these victims, and promote the implementation of these norms in the country, the region and internationally. The Department will support international disaster mitigation initiatives aimed at finding sustainable solutions that address both the causes and impact of the disasters.

The Department will continue to facilitate South Africa's contribution to international debates on migration, such as the High-level Dialogue on Migration and Development of the United Nations General Assembly, to ensure development focused outcomes that serve the needs of developing countries.

## South-South Co-operation

South Africa also plays a prominent role in advancing the development agenda of the South by way of strengthening South-South co-operation through active participation in groupings of the South, such

as the Non-Aligned Movement (NAM) and the G77. South Africa believes that South-South co-operation is an important dimension of international co-operation for development, as it offers substantial potential to countries of the South for exchanging technical, financial, and institutional knowledge for the solution of development challenges and problems.

Progressively, the importance of South-South co-operation is being understood, especially in terms of global, regional and country-level efforts to achieve the MDGs. Rather than being a substitute for North-South co-operation, the South African position is that the modalities of South-South co-operation are complementary. Indeed, the know-how and technology of developing countries can be combined with the financial and other support of developed countries to provide assistance and the transfer of technologies and know-how to other developing countries.

Developing countries have the primary responsibility for promoting and implementing South-South co-operation. South African foreign policy seeks, inter alia, to persuade the international community to support the efforts of developing countries to expand such co-operation. Through active participation in triangular co-operation arrangements such as the



**Minister of Foreign Affairs Dr Nkosazana Dlamini Zuma with Ambassador Barbara Masekela of the Washington Mission with the President of board of trustees Patrick Swyegert during the presentation of a cheque donated towards assisting the victims of Hurricane Katrina, in Washington DC.**



**Minister of Foreign Affairs Dr Nkosazana Dlamini Zuma with Brazilian Foreign Minister Celso Amorim and the Indian Minister of External Affairs Natwar Singh sharing a lighter moment during the IBSA Dialogue Forum in Brazil.**

India, Brazil, South Africa Dialogue Forum (IBSA), South Africa seeks to make an important contribution to strengthening South-South co-operation and the development of innovative South-South co-operation programmes.

South Africa remains committed to following up the decisions of the Second South Summit, which was held in Doha, Qatar, from 14 to 16 June 2005, as embodied in the Doha Plan of Action and the Doha Declaration, respectively. The further strengthening of South-South Co-operation remains critical for economic and technical co-operation among developing countries (ECDC/TCDC), for developing and strengthening interdependence among developing countries in various areas, especially in the social sector, and addressing problems related to poverty, education, health, population, women and children.

In its capacity as Chairperson of the G77, South Africa will have the responsibility of negotiating on behalf of Member states at international fora all over the world. South Africa will carry the mantle for developing countries in the joint effort to create a better world for all. South Africa's commitment to the promotion of South-South co-operation as an important means of addressing the development needs of the South will be central to its leadership role of the G77.

South Africa will conclude its term as member of the Troika of past, present and future Chairs of the Non-Aligned Movement (NAM) when Cuba assumes the Chair during the XIV NAM Summit in Havana in September 2006. South Africa will, however, as a leading member of the Movement, continue to play a meaningful role in this coalition of 114 countries of the South, especially in furtherance of multilateralism in global affairs and resistance against marginalisation of the many.

South Africa also remains an active member of the Commonwealth and as such an Inter-Departmental Working Group on the Commonwealth, to interact with the Commonwealth on its co-operation strategy and country profile for South Africa, has been established. The intention of this interaction is to seek a more pro-active and pro-development relationship with the Commonwealth and its Secretariat, with the objective of deriving maximum benefit from South Africa's membership.

## **North-South Dialogue**

The Department serves as the focal point for North-South dialogue, engaging key global economic institutions such as the World Trade Organisation (WTO), the Organisation for Economic Co-operation and Development (OECD), and the World

Intellectual Property Organisation (WIPO). To achieve this objective, South Africa seeks to ensure that the development agenda remains part of the focus of key economic fora, particularly the G8 and the World Economic Forum (WEF).

The 2006 G8 Summit in Saint Petersburg will focus on energy, security, health and education. The key interest for Africa is to confirm sustained commitment to the outcomes as far as G8-Africa initiatives for development are concerned. The joint G8/OECD mechanism of the African Partnership Forum, due to meet in April and October 2006, will report to the Russian Presidency as far as progress on Africa-G8 initiatives are concerned.

### **UN programming and resource allocation**

South Africa plays a prominent role in terms of the UN's budgetary and administrative activities in order to ensure that South Africa's interests, as well as those of the Continent, are adequately catered for by the UN Secretariat and provided for in the UN budget. As chair of the G77 in 2006, South Africa is entrusted with even more responsibility, as it will have to promote the interests of all developing countries, including leading negotiations on behalf of the G77 on a substantial number of issues.

Consequently, the priority areas on which South Africa will focus during 2006 include the funding of UN structures and programmes that focus on Africa and NEPAD as well as sufficient funding for peacekeeping operations on the Continent. It is further important to note that during 2006, much focus will be placed on implementing management reforms in the UN Secretariat. This issue is important for South Africa, the Continent as well as other developing countries, as it will be necessary to ensure that UN Member States retain their oversight over how the Organisation is managed, the manner in which its priorities are determined and the importance accorded by the Secretariat to developing country issues.

Particular attention will also be paid to the review of UN's scales of assessment for the period 2007-2009, so as to ensure that UN Member States contribute to the UN budget according to their ability to pay, and to resist efforts to further water-down this principle.

It is further important to note that the budgetary implications of the implementation of the 2005 World Summit Outcome will be closely monitored to ensure the equitable allocation of resources for, and implementation of, both security and developmental reform proposals. South Africa will therefore continue to participate in UN intergovernmental bodies, both

in its national capacity as well as its leadership of the G77, in pursuit of the goal that programmatic and budgetary provisions are adequate to service the development and reform agenda of the South.

### **Global Finance**

The 2005 World Summit Outcomes did not achieve the decisive progress as envisaged and a number of developing economies may not be able to attain the MDGs without additional support. In this regard, the follow-up discussions on the Conference on Financing for Development will be of particular importance, as it would look into mobilising the resources that are required.

The Department will in its engagements solicit the international community to fulfil its Monterrey Commitments and it recognises the need for increased and more predictable resources for development. It supports the initiative such as the Action Against Hunger and Poverty to implement innovative financing mechanisms for development on a public, private, domestic or external basis and complementary to ODA.

Action is also needed to identify precise areas of need and to breathe new life into the Monterrey partnership for development, in order to engage development

partners with specific requests for assistance and support. However, to deliver on the promises made in Monterrey, where donor countries and international agencies pledged to match improved reform efforts in developing countries with increased financial aid and support, a demonstrated political will, especially on the part of the industrialised countries of the North, is necessary.

As one of the G20 countries within the World Bank and International Monetary Fund, South Africa shares the commitment toward achieving the MDGs. In this regard 2007 will be a significant year when South Africa chairs the G20 and exercises its stewardship in continuing the pragmatic development of the global partnership between developed and developing countries. Within this context, the evolution of the international economy and global financial markets requires a continuing review of the representation, operations and strategies of the Bretton Woods Institutions (BWIs) and South Africa continues its commitment to supporting the reform of the BWIs.

### **The Kimberley Process Certification Scheme**

The Kimberley Process Certification Scheme (KPCS) is a voluntary tripartite international

technical negotiating forum comprising all major diamond producing, trading and processing countries, the diamond industry and civil society. South Africa chaired the KPCS from its inception until 31 December 2003, when the Chair passed to Canada for 2004, Russia for 2005 and Botswana is the current Chair for 2006. The international implementation of the KPCS continues to be guided by the objectives on which it was founded, namely to:

- Stem the flow of rough diamonds used by rebels to finance armed conflict aimed at overthrowing legitimate governments, thereby making a substantial contribution to international peace and security; and
- Protect the legitimate diamond trade, upon which many countries are dependent for their economic and social development.

The KPCS seeks to achieve the above through the creation and implementation of an international certification scheme for rough diamonds, based primarily on national certification schemes and on internationally agreed minimum standards. The Department participates actively in the standing bodies of the KPCS with the primary objectives of supporting Government's efforts to ensure that the collective interests of African diamond-producing

countries are protected. Other objectives are to actively promote a "diamonds for development" agenda within the KPCS and to help deal with the problem of conflict diamonds globally, with the aim of promoting peace and security on the continent, also in keeping with the NEPAD objectives.

### **Science and Technology**

The South African government has recognised the fundamental importance of space science and technology, not only in the context of the modern knowledge-based society but as an integral part of a wider political and economic strategy to address national and regional development priorities. The South African bid for the proposed Square Kilometer Array (SKA) has been identified as an extraordinary opportunity for the development of regional scientific capacity and infrastructure. The Ministers of Science and Technology of Africa support the South African bid to host this innovative software-driven radio telescope. The department will continue to support this bid to develop the mission-driven technology and support human capital development in the region.

In order to implement the Tunis Commitment and Tunis Agenda for the Information Society, which were adopted at the Second phase of the World Summit on the Information Society (WSIS), the Department will continue



to be involved in the contentious issue of Internet Governance as well as bridging the digital divide.

## Environment

Although the reality of climate change and the need for all Parties to be actively involved in the multilateral processes that aim at addressing the negative impact of climate change was underscored at the meeting of the United Nations Framework Convention on Climate Change (UNFCCC)/Kyoto Protocol in Montreal in December 2005, the reluctance of certain countries to fully engage in these processes remains problematical. Despite this dilemma, Parties managed to agree to launch negotiations on the next commitment period, as well as discussions on future steps to be taken by all Parties. South Africa will continue to work closely with all parties involved in tracking the issue of Climate Change.

The 14th Commission for Sustainable Development meeting (CSD14) in May 2006 will be the second review session of the Commission since the Johannesburg World Summit on Sustainable Development (WSSD) and will consider practical measures and options to expedite the implementation of the Johannesburg Programme of Implementation (JPOI) in the areas of energy for sustainable development, air pollution/atmosphere, climate change and industrial development. During this cycle, as in the previous

review cycle, crosscutting themes will also be addressed inter alia on poverty eradication, changing unsustainable patterns of consumption and production, protecting and managing the natural resource base of economic and social development, Africa and other regional initiatives, means of implementation and the institutional framework for sustainable development.

In the context of international marine conservation instruments, South Africa is in the process of claiming its rights to the continental shelf beyond the 200-nautical mile Exclusive Economic Zone (EEZ) under the United Nations Convention on the Law of the Sea (UNCLOS), which would allow it to mine the extended continental shelf and harvest sedentary organisms living on it.

## International Law

It is clear from the above that the dynamism of contemporary international relations continues to present both threats and challenges to international law. The contribution to the formulation of international law and the enhancement of respect for its provisions therefore continue to be strategic objectives of the Department. Continuing challenges are presented by a redefinition of international security, which has resulted in an increased focus on human security. The increased interdependence between states in an increasingly complex world requires inter-

governmental co-operation, with diplomacy and international law being the key instruments for this. In Africa, the continent's multilateral systems have been overhauled and new ones introduced and international law forms the basis for this.

The promotion and strengthening of international law will include participation in the work of the International Law Commission, participation in the Sixth (legal) Committee of the United Nations, working towards the establishment of the International Criminal Court, formalising agreements to promote North-South and South-South relations, promoting the establishment and integration of the African Court on Human and Peoples Rights and the African Court of Justice and strengthening AU structures through international law. The advancement of international law in ongoing issues and topical areas such as disarmament and non-proliferation, terrorism, environment, law of the sea, human rights, international humanitarian issues, economic relations and the peaceful settlement of disputes will also continue.

A complete record of the Treaty collection of the Republic of South Africa will be maintained and the Department will continue to render an information service specialising in international law. Legal advice in respect of South African law concerning departmental issues will also be provided.