

# MANDI



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## LEADER COMRADE NEGOTIATOR PRIS

**Rolihlahla** *n. pulling the branch of a tree, or the one who disturbs the established order, name given to Nelson Mandela at birth*

**Mandela** *n. birth name of Nelson Mandela's grandfather, which became the surname of the family under colonial rule*

**Nelson** *n. English name given to Nelson Mandela on his first day of school*

**Dalibhunga** *n. founder of the parliament, name given to Nelson Mandela on the occasion of his initiation into manhood*

**Madiba** *n. Nelson Mandela's popularly known clan name, which means reconciler, metaphorically, the filler of ditches*



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**UBUNTU**

a Nguni word meaning humanity  
The Department of International Relations  
and Cooperation's quarterly magazine



**ON THE COVER**

*This year, South Africa and the world celebrate the centenary of the birth of former President Nelson Mandela. Born on 18 July 1918, Madiba was the first President of a democratic South Africa and a global icon who was revered worldwide as a champion of human rights, non-racism and non-sexism. He played a critical role in unifying South Africans and inspiring democratic unity across Africa and the globe.*

*As Chair of the Southern African Development Community (SADC) from August 2017 to August 2018; Brazil, Russia, India, China and South Africa (BRICS) in 2018; and the Indian Ocean Rim Association (IORA) from October 2017 to October 2019; and Co-Chair of the Forum on China-Africa Cooperation (FOCAC), South Africa is guided by the values Nelson Mandela stood for.*

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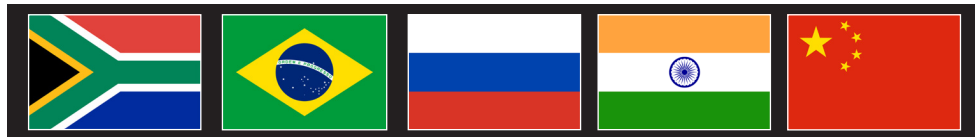


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**REPUBLIC OF SOUTH AFRICA**







# 10TH BRICS SUMMIT

25 – 27 JULY 2018, JOHANNESBURG, SOUTH AFRICA

***“BRICS in Africa: Collaboration for Inclusive Growth and Shared Prosperity in the 4<sup>th</sup> Industrial Revolution”***

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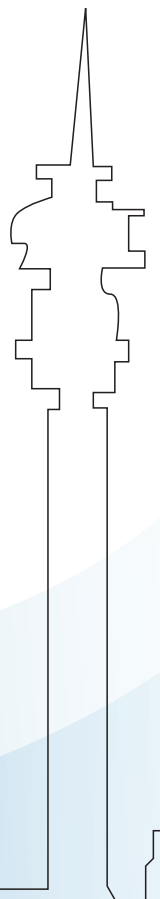
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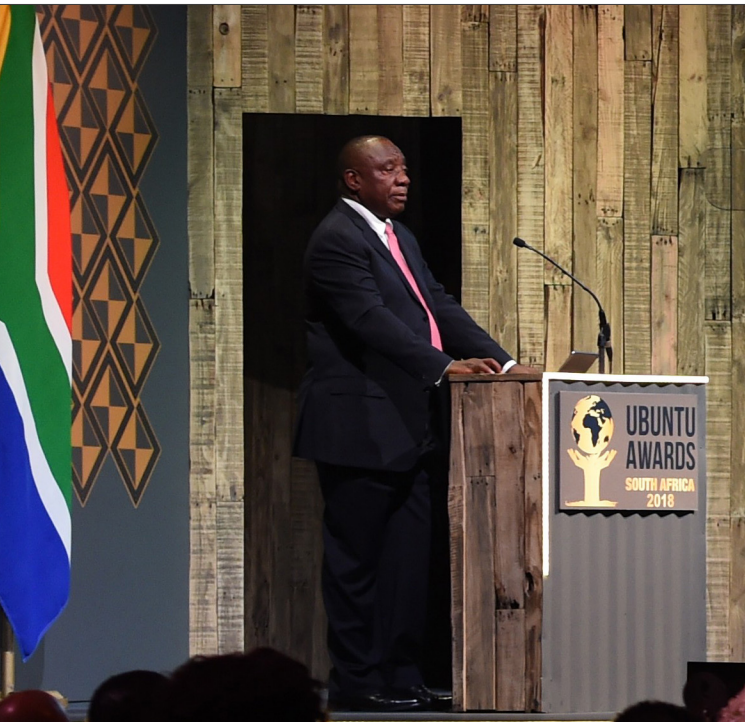


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# Towards the second decade of strategic cooperation

By His Excellency, President Cyril Ramaphosa, President of the Republic of South Africa and Chairperson of BRICS 2018

South Africa, during its Chairship and as reflected in the theme, seeks to consolidate the multisectoral progress that has been made by BRICS members and build towards the realisation of alleviating our common challenges by establishing a framework on the Fourth Industrial Revolution geared towards support for industrialisation and sustainable development.

From 25 to 27 July 2018, I will have the opportunity to host my fellow Brazil, Russia, India, China and South Africa (BRICS) Counterparts on the occasion of the 10th BRICS Summit. The year 2018 holds special significance in the BRICS historical trajectory as it concludes the first decade of BRICS summits at the highest diplomatic level. This year is also important as the BRICS Chairship coincides with the Year of Nelson Mandela, as

South Africa and indeed the world celebrate the centenary of his birth.

I have conveyed to my counterparts that during the two-day event, it is South Africa's intention to reflect on the decade-long cooperation and chart the way forward as we usher in the second decade of BRICS cooperation. It is with this in mind that South Africa has chosen the theme for the 10th BRICS Summit to be: "BRICS in Africa: Collaboration for Inclusive Growth and Shared Prosperity in the 4th Industrial Revolution".

This theme is reflective of the core priorities of BRICS as developed in the first decade of the forum's strategic cooperation. The BRICS forum has committed itself to the creation of inclusive development, by advancing global partnerships based on mutual benefit and openness, and that are reflective of the need to address common challenges that will bring prosperity to all humankind.

The reality that is the Fourth Industrial Revolution has accorded us an opportunity to express our core principles and navigate



a global environment that is already on the precipice of a dynamic shift in terms of international politics and the global economy, especially in the context of future economic development.

In 2013, at the Meeting of BRICS Ministers of Science, Technology and Innovation (STI), held in Cape Town, the BRICS member countries recognised the need to develop STI cooperation and in subsequent meetings further reinforced the need for the advancement of innovation. The BRICS Action Plan for Innovation Cooperation for the period 2017 – 2020, adopted in 2017, stressed the primacy of innovation as a key to global sustainable development as it unlocks human potential through entrepreneurship, job creation and economic growth for the benefit of society.

The BRICS countries also established a broad framework for increased cooperation with regard to economic development and growth and the group's global competitiveness in 2015 increased with the adoption of the BRICS Strategy for Economic Partnership. This strategy sets an outline for inclusive growth and shared prosperity for BRICS members by advocating for greater "macro-economic coordination and fostering innovative economic development based on advanced technologies and

skills development with a view to building knowledge economies".

During India's Chairship of BRICS in 2016, the Jaipur Declaration was endorsed by BRICS Leaders, setting the ground for strengthened cooperation in STI by identifying 19 priority areas, notably innovation advancement and technology transfer; science parks and incubators; and geospatial technology and its application. China, as part of its hosting of the G20 Summit in Hangzhou (Hangzhou Summit) in 2016, also broadened the scope by facilitating the adoption of the G20 Blueprint on Innovative Growth and the G20 New Industrial Revolution Action Plan. At the crux of BRICS cooperation is the need to ensure innovative growth by addressing common challenges of poverty, inequality and social exclusion and bridging the technological gap.

BRICS Leaders in acknowledging the progress made at the Hangzhou Summit noted and celebrated the emphasis on the developmental agenda and the need to promote innovation in a global economic environment requiring much-needed cooperation to foster greater economic growth and development. The Leaders "stressed the importance to foster an innovative, invigorated, interconnected and inclusive world economy to usher in a new era of global

growth and sustainable development". The BRICS countries have set themselves on a path to realise the empowerment of our countries in the next phase of global economic development.

In addressing STI and its strategies, especially in the context of the Fourth Industrial Revolution, BRICS has been cognisant of the significant developments, notably: the Internet of Things; Big Data and cloud computing; Artificial Intelligence; and automation and robotics, and the impact thereof on our way of life such as in manufacturing and their potential with regard to health with the advent of nanotechnology and biotechnology.

South Africa, during its Chairship and as reflected in the theme, seeks to consolidate the multisectoral progress that has been made by BRICS members and build towards the realisation of alleviating our common challenges by establishing a framework on the Fourth Industrial Revolution geared towards support for industrialisation and sustainable development.

South Africa moreover wishes to seize the opportunity presented by its 2018 Chairship of BRICS to reiterate its commitment to further strengthening relations with and among its BRICS partners, the African continent and the Global South. ▮



# A partnership for prosperity

by HE Michel Temer,

President of the Federative Republic of Brazil and incoming Chairperson of BRICS 2019



**B**razil, Russia, India, China and South Africa (BRICS) Leaders are meeting in Johannesburg inspired by the centenary of Nelson Mandela. In this 10th Summit, we will be devoting particular attention to the social and economic development of Africa. Our host, President Cyril Ramaphosa, has offered us a precious opportunity to gather BRICS and African leaders around one common objective: the prosperity of each of our countries, the prosperity of Africa.

In 2011, South Africa joined our group and the BRIC became BRICS. The addition of an African country has helped BRICS to consolidate its global identity and opened new avenues of cooperation with one of the most rapidly growing economic regions in the world.

Brazil has long been an enthusiast of strong ties between BRICS and Africa. We

are proud of our African roots. The majority of the Brazilian population is of African origin, which makes us the largest African country outside the continent.

Brazil and Africa are also united by a common language – the Portuguese. Brazil has just concluded its two-year presidency of the Community of Portuguese-speaking Countries (CPLP, in its Portuguese acronym). This forum gathers, in addition to Brazil, Portugal and East Timor, six African countries: Angola, Cape Verde, Equatorial Guinea, Guinea-Bissau, Mozambique and São Tomé and Príncipe. The Brazilian presidency of CPLP had as its main theme the 2030 Agenda for Sustainable Development. We started our presidency of the community with a meeting of the CPLP Network of Research and Development in Health, dedicated to combating malaria, tuberculosis and sexually transmitted diseases. Technical cooperation in health has also advanced on the bilateral

front. Brazil has helped build a laboratory to diagnose tuberculosis in São Tomé and Príncipe. Furthermore, it has established human milk banks in Angola and Mozambique.

Another pillar of Brazilian collaboration with Africa is science and technology. We are pleased to announce the opening of a training centre of the Brazilian aerospace company Embraer in Johannesburg. With state-of-the-art flight simulators, the centre will train thousands of professionals every year, coming from the entire region.

In our relations with Africa, there is also vast potential in trade and economic cooperation. The Common Market of the South (Mercosur) is ready to negotiate the expansion of its preferential trade agreement with the Southern African Customs Union. In September 2017, the Mercosur-Egypt Free Trade Agreement entered into force. Mercosur is also negotiating trade agreements with Tunisia and Morocco. Moreover, Brazil has signed investment agreements with Angola, Ethiopia, Malawi and Mozambique – and negotiations with other African countries are underway. More trade and investment mean more opportunities, more jobs and more income to the benefit of our peoples.

BRICS as a group has also worked for the economic development of Africa. The New Development Bank opened its Regional Office for Africa in Johannesburg in 2017. This has already contributed to increase the bank's activities on the continent. More than 380 million dollars have already been channelled to projects in infrastructure and renewable energy.

Our agenda with Africa also comprises the crucial topic of promoting peace and security. Brazil has a long tradition of participation in United Nations peacekeeping operations. Our personnel are currently serving in 10 missions, five of them on the African continent. We are well aware of the high importance of peace and security for development. For this reason, Brazil has advocated the establishment, at the Johannesburg Summit, of the BRICS Working Group on Peacekeeping.

As we prepare to assume the BRICS Presidency in 2019, Brazil pledges to continue working in favour of the group's partnership with Africa.

Our country is always seeking more cooperation with Africa. This is our interest, our desire, our commitment. Africa is part of who we are. ☺

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# BRICS-Africa Outreach and the BRICS Plus initiative: A path to inclusive development and shared prosperity

By **HE Lindiwe Sisulu**

Minister of International Relations and Cooperation, Republic of South Africa

The African continent has from the onset pledged its support to South Africa's membership of BRICS and it was incumbent on us to ensure that we created a constructive mechanism of dialogue and action between BRICS and African countries.



In December 2010, South Africa joined the Brazil, Russia, India and China (BRIC) forum, thereby adding the "S" to the acronym and officially forming BRICS.

With South Africa's accession to BRICS, the reach of this nascent trans-continental formation, with a global projection that not only brings together the Indian, Atlantic and Pacific oceans, was expanded to five continents and came to collectively represent more than 40% of the global population. Notably, these countries committed to responding to the clarion call of the 1955 Bandung Conference for greater cooperation between and among the countries of the Global South.

The year 2011 was also significant for the adoption of the Sanya Declaration at the Third BRICS Summit in Sanya, China. The

Sanya Declaration was a seminal expression of the BRICS countries' commitment to global development and the broadening of relations between developing countries. BRICS Leaders committed themselves to the Sanya Principles of "openness, solidarity and mutual assistance"; which to this day underpin the core intention of BRICS, to foster inclusiveness and multilateralism to reflect the global realities of the 21st century, notably with regard to the reform of political and economic global governance institutions and addressing common challenges that impair development.

South Africa is honoured to host the 10th BRICS Summit in 2018, not only because 2018 marks a decade of BRICS cooperation at the highest diplomatic level but also because in this year our country commemorates the centenary of two of our great struggle stalwarts, Nelson Mandela and Albertina Sisulu. It is intended that our second rotation at the helm of BRICS will build on the first, through meaningful institutional development, expanded sectoral cooperation and a reflection and consolidation of BRICS activities undertaken since 2008.

The South African struggle stalwart, Mama Albertina Sisulu, dedicated her life to fight for the emancipation of women and the liberation of South Africa. We remember the sacrifices women such as Albertina Sisulu made to build a democratic society which respects and celebrates the crucial role women play in all walks of life.

"The strong foundations laid by both Madiba and Ma Sisulu empower this generation to press on to make society a better place to live in," said the Minister of Communications, Nomvula Mokonyane. South Africans and

the international community will celebrate the Mandela centenary under the theme "Be the Legacy". Minister Mokonyane said: "The theme of this centenary means that each person should emulate the true values that Madiba upheld."

One of the areas in which South Africa is keenly interested in is further enjoining the BRICS forum with the African continent. The African Continent has from the onset pledged its support to South Africa's membership of BRICS and it was incumbent on us to ensure that we created a constructive mechanism of dialogue and action between BRICS and African countries.

On the occasion of the eThekweni Summit in 2013, South Africa hosted the first BRICS Outreach Dialogue, during which African Leaders representing the regional groupings, and the African Union (AU), as well as the key development institutions of our continent were invited to engage with BRICS Leaders. The Africa Outreach was held under the theme, "BRICS and Africa: Partnership for Development, Integration and Industrialisation", and was a tangible expression of the commitment made by BRICS Leaders in the Sanya Declaration to: "support infrastructure development in Africa and its industrialisation". The support provided by fellow BRICS members is reflective of the realisation that global development cannot happen without Africa.

This support has not been merely rhetorical, but it has found practical and institutional expression as well. Key among the more noteworthy of these results is the establishment of the Africa Regional Centre (ARC) of the New Development Bank (NDB),

which was first mooted by BRICS Leaders at the time of South Africa's Chairship in 2013. Launched in Johannesburg, on 17 August 2017, the ARC is the first regional centre to be established under the auspices of the NDB, and is intended to play a catalytic role in providing financial and project preparation support for infrastructure and sustainable development projects in South Africa and the African continent, with an initial phase focus on project preparation and facilitation. As we take greater strides in developing our connections for intra-regional trade, notably through the Continental Free Trade Agreement, greater infrastructure connectivity will be essential to assist us in enabling and maximising regional trade. The potential role of the ARC will thus be critical here. We will continue this legacy of development dialogue, notably by focussing on BRICS' potential contribution to the objectives as outlined in the continent's development plan, Agenda 2063.

This year, the following Leaders have been invited to participate in the BRICS-Africa Outreach Dialogue: Rwanda, as Chair of the AU; Senegal, as Chair of the New Partnership for Africa's Development (NEPAD) Heads of State and Government Implementation Committee; Gabon, as the Chair of the Economic Community of Central African States; Uganda, as the Chair of the East African Community; Ethiopia, as Chair of the Intergovernmental Authority on Development (IGAD); Togo, as Chair of the Economic Community of West Africa States; Zambia, as Chair of the Common Market for Eastern and Southern Africa (COMESA); and, given South Africa's concurrent Chairship of the Southern African Development Community (SADC), we have invited Namibia, as incoming Chair of SADC and Angola, as Chair of the SADC Organ. The other SADC countries were also invited. Furthermore, we have invited the Chairperson of the AU Commission, Mr Moussa Faki Mahamat, as well as the heads of the secretariats of the aforementioned regional economic communities, the CEO of the NEPAD Planning and Coordinating Agency and the President of the African Development Bank.

Subsequent to South Africa's successful introduction of the Africa Outreach, all the BRICS members have since hosted outreach initiatives on the margins of their respective summits, inviting members (or a representative selection of the membership) of a formal regional organisation to which they are affiliated, and which represents a formation of the Global South.

The approach to the BRICS Outreach was innovated further in 2017 when under the Chinese Chairship the concept of a BRICS Plus initiative was introduced.



The initiative was posited as a "Dialogue with Emerging Markets and Developing Countries" and represented an expression of paragraphs 6 and 7 of the Sanya Declaration, where Leaders expressed the intention "to enhance the voice of emerging and developing countries in international affairs and strengthen cooperation for common development". The Chinese Foreign Minister, His Excellency Mr Wang Yi, best captured this sentiment when he eloquently noted that, through the BRICS Plus initiative "We will widen the circle of friends of the BRICS and turn it into the most influential platform for South-South cooperation in the world".

From the onset of our membership of BRICS, South Africa has advocated for the inclusivity not only of the African continent but also the Global South more broadly. As a result, it is appropriate that our Chairship embraces a dual approach to the Outreach mechanism format by including the BRICS Plus initiative in addition to the BRICS-Africa Outreach.

The rationale behind the BRICS Plus initiative is to promote a platform for greater partnerships among countries of the Global South to shape the agenda and to effect changes in the global economy, notably for: development and economic growth through trade and investment integration and cooperation in global governance financial, economic and political institutions.

As the 2018 Chair of the BRICS forum and host of the 10th BRICS Summit, South Africa is seeking not only to fulfil the objectives set out in the Sanya Declaration, but also to realise the objectives expounded in the 1955 Bandung Conference by inviting countries of the Global South to the second BRICS Plus initiative.

The 2018 BRICS Plus initiative will include countries currently chairing formations of the South and representing various regions around the globe. In this regard, South Africa has elected to invite: Argentina, as the Chair of the G20 and influential member of the Common Market of the South; Indonesia, as the Co-Chair of the New Africa-Asia Strategic Partnership with South Africa and influential Association of Southeast Asian Nations; Egypt, as Chair of the Group of 77+China; Jamaica, as the incoming Chair of the Caribbean Community; Turkey, as the Chair of the Organisation of Islamic Cooperation; as well as Mr António Guterres, the United Nations Secretary-General.

It is trusted that this conversation between BRICS and these countries/entities will take forward South-South solidarity, through a dialogue that furthers collaboration on the critical objectives of inclusive growth and sustainable development.

The theme for the 10th BRICS Summit and South Africa's BRICS Chairship is: "BRICS in Africa: Collaboration for Inclusive Growth and Shared Prosperity in the 4<sup>th</sup> Industrial Revolution". This theme reminds us that the 21st century, and indeed the approaching Fourth Industrial Revolution, afford us both opportunities and vested responsibilities to address our common challenges.

The African continent and the Global South cannot be left behind.

The BRICS forum is an important mechanism through which cooperative partnerships can, and will be strengthened so that we may accomplish the objectives of an open, inclusive and transparent global order for shared prosperity. ☺





# NASPERS

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Since our humble beginnings at the southernmost tip of Africa in 1915, we have grown into a global internet and entertainment group and one of the largest technology investors in the world. Operating in more than 120 countries and markets with long-term growth potential, we build leading companies that empower people and enrich communities. Today, we run some of the world's leading platforms in internet, video entertainment, and media.

But we have never forgotten our roots.

South Africa is our birthplace and we are proud of our place in a country brimming with



imagination, creativity and innovation. Entrepreneurial spirit is at our heart, and runs deep in our people, wherever they are in the world.

Today, our endeavours attract global talent to build outstanding companies and products used across the world by millions of people every day to improve their lives.

We are committed to telling the stories that shape the world of South Africans, to connecting South Africans to each other and the wider world, to helping people around the world improve their daily lives, and to entertaining audiences with the best of local and global content.



# The Naspers story

Naspers was established in 1915 to produce a Dutch-language newspaper. From that starting point, two pivotal moments – both leaps into brave new worlds – redefined the future of its business. Those moments in time triggered the evolution from a print media business into a global internet and entertainment group, and one of the largest technology investors in the world.

The first pivot came in 1985, when Naspers launched M-Net, Africa's first pay television channel. The M-Net vision was forged by a group of energetic young entrepreneurs with a dogged determination to transform the lives of South Africa's viewing public.

This vision would permanently change the face of local broadcasting. Launched at a turbulent time in South African history, many believed that the pivot into paid-for TV was a daring experiment, perhaps even doomed to failure. Decades later, MultiChoice produces and serves the best of local and international content to millions of customers across Africa. And continues to lead innovation in an increasingly digital world.

The second pivot came in 2001, with the truly transformational decision to invest in Tencent, a fledgling Chinese internet company. Tencent remains one of the very best enterprises in the world and we therefore remain firmly committed to the investment. Followed by an investment in Mail.ru in 2006, these early bets in the new world of online lead to a period of intense investment beyond the shores of Africa and into exciting markets as diverse as Latin America, Central and Eastern Europe, and the Middle East, and Asia.

Today, Naspers companies and investments improve the lives of hundreds of millions people in more than 120 countries and markets across the world. They operate across print and digital media, video entertainment (including the classic pay TV model, digital terrestrial TV, and digital streaming) and the internet, including marketplaces, online classifieds, e-tail, travel, entertainment, payments and fintech, education technology and food delivery. With nearly 20% of the world's population using the products and services of companies Naspers has built and invested in, and many of these customers using the products of more than one of its companies, the group continues to look for innovative and ambitious founders and businesses to back, particularly those that address big societal needs.



## Innovating for a changing world

For over a century, Naspers has steadily grown from its humble beginnings as a small newspaper publisher, by investing in, acquiring and building leading companies with sustainable competitive advantages.

Today, Naspers is a global internet and entertainment group and one of the largest technology investors in the world. But the group stays true to its roots: it continues to back innovative founders and businesses that it believes have the potential to scale beyond their local market. Increasingly, they address big societal needs using technology.

Naspers holds entrepreneurship at its heart. The group constantly looks at the world around it, identifying the changes and shifting trends it believes will shape the needs and behaviours of both local communities and society at large. In recent years, rapid technology innovation has created and connected communities, enabled trade and broken down borders, removed friction and added speed, commoditised knowledge and delivered real-time news, and of course entertained. In short it has played a key role in empowering people and enriching communities. And in today's connected world, the way people think, influence, interact and live continues to evolve in unprecedented, transformational ways.

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## A commitment to contributing to the global communities in which we operate

Over the years, Naspers has witnessed countless examples where innovation and entrepreneurial spirit came together to solve unique local challenges and address big societal needs. And as a global company, it recognises the importance of making a positive economic and social contribution to communities in which we operate.

## Enriching the lives of South Africans

Off screen, more than 90 000 black South Africans have benefitted from MultiChoice's broad-based black economic empowerment (BBBEE) share scheme, Phuthuma Nathi. A R2 000 investment at scheme launch was worth close to R25 000 in 2016, having yielded a total dividend of R10 000 over that period. The scheme has paid out almost R6.5 billion in dividends since inception, changing the lives of thousands of shareholders. Media24's BBBEE share scheme Welkom Yizani further affords thousands of black South Africans the opportunity to own 15% of the company.

For over 100 years Media24 has produced content through its newspapers, magazines, books, digital media and multimedia that has kept South Africans informed of the world around them. Voted the media company most graduates aspire to work by more than 2 000 graduates, Media24 remains committed to equality, diversity and transformation. And when you consider that Media24's digital platforms have over 12 million daily page views, it's clear this is a company looking ahead to the next 100 years.

MultiChoice is not only the provider of world class TV-programmes, movies, sport, news and documentaries across the African continent, it is also one of the biggest contributors to the growth of the South African film and television industry.

Together with M-Net, it include one the largest funders of local content in Africa and through SuperSport, the biggest funder of sport on the continent. MultiChoice believes in the youth of South Africa, and through its corporate social investment and skills development programmes, helps young people realize their potential in sport, broadcasting, and film-making. Through its flagship corporate social investment programme, Media24 equips young South Africans with digital skills by teaching them how to use digital technologies to research and produce news and information.

As part of its commitment to empowering women, MultiChoice has implemented a Leading Women programme with the Gordon Institute of Business to develop women at a middle to senior management level. Other initiatives include internal leadership development programs, a Women in Business Program (Wimbiz) and a Women Empowerment Program with the Lagos Business School.

## A meaningful place to work

It can be tempting to think that only founders can be entrepreneurial. Over the years, Naspers has come to believe that entrepreneurial spirit is actually just a mindset, and anyone can have it. And sometimes you can't just simply cross your fingers and hope it happens, you have to give it a helping hand. Opening the lines of communication is a good first step. Ensuring everyone in the business understands the big picture is key – if teams don't know what they're trying to achieve, it's less likely they'll focus their creativity and efforts on the right things.

Giving people the freedom to think for themselves and challenge the status quo is important. Not just in terms of how things are done within the organisation, but also in terms of what the organisation is doing for its stakeholders and customers. Encouraging everyone to stay close to the people they serve and fully understand what they are trying to achieve can spark all sorts of innovative ideas. Encouraging and listening to ideas from across the organisation about every aspect of the organisation can open up new sources of innovation. In short, creativity is everyone's job.

Naspers has created a compelling place to work where people are engaged and motivated to achieve their full potential. The company employs nearly 25 000 people across the world in fully-owned and management-controlled businesses. In South Africa the company employs more than 15 000 people in MultiChoice, Media24 and Takealot, and thousands more indirectly through MultiChoice's network of more than 1200 accredited installers and 120 DStv agencies. MultiChoice also backs emerging entrepreneurs. Its enterprise and supplier development programme offers various forms of support to small businesses, including loans, favourable supplier payment terms and trading opportunities. This commitment to enterprise development creates jobs and delivers economic growth, which ultimately ensures social upliftment in local communities.



MEDIA24

news24  
Breaking News. First.

DStv  
Media Sales

MULTICHOICE  
ENRICHING LIVES



takealot.com





# Solving complex and challenging problems that face the world

Our entrepreneurs, at the forefront of innovative technology

## Increasing access to education

Recent investments by Naspers into education technologies like Codecademy, Udemy and Brainly are helping to redefine how education is accessed and delivered across the world. These innovative online platforms are opening the doors to learning for millions of people who previously did not have access to education around the world – people who face many barriers that prevent them from learning and developing their skills in traditional classroom or university environments.

## Efficient transportation

Another example of how innovation and entrepreneurial spirit merge to solve unique local challenges and address a big societal need is redBus in India. This innovative transportation app keeps India moving by digitally

aggregating the nation's vast number of bus routes and timetables from a wide array of operators. Before redBus, travellers faced the near-impossible task of manually piecing together multistep journeys where some operators even lacked official bus stops. redBus helps people get to work on time, visit relatives, and enjoy pastimes with far less hassle. And that's not all.

In addition to timetable and route data, redBus also aggregates information on the experience delivered by each of the bus companies. Customers can use this information in their ticket purchase decisions, but by making this information visible in one place, redBus also enables India's various bus companies to see what their competitors offer. The result is that all the companies raise their game, ultimately benefiting society at large. Naspers is helping

redBus scale beyond India, with expansion into Latin America, Malaysia and Singapore – regions it believes can also benefit from the company's leading-edge technology.

### Giving youth access to the work place

SuperSport's Let's Play, part of MultiChoice, has benefitted millions of school children in South Africa through various physical education programmes for over 10 years. On top of this, the MultiChoice Diski Challenge – the Premier Soccer League reserve league – has opened up opportunities for young footballers aspiring to professional careers, while providing a learning platform for over 40 interns, who produce the broadcasting of the matches on SuperSport and community television stations.

### Retraining workforce with new skills

Naspers launched its online and offline learning environment, MyAcademy, in September 2016 specifically

for its staff around the world. This year, more than 20 000 group employees accessed content on MyAcademy online. MyAcademy offers the very best online learning content from global providers such as Udemy, Big Think, Harvard Business School, Codecademy, Ready, Vado, and Rosetta Stone. Naspers' MyAcademy classroom-based programmes offer its people the opportunity to grow their leadership skills regardless of where they are in the world. The company also focus on developing key functional skills in the areas of technology, sales and business development, finance, law and human resources. This year more than 1 500 people attended such programmes, and from around the group over 26 000 consumed online lectures and engaged in more than 43 000 hours of training on the platform.

## The story of a company founded by Eddie Seane and Mafadi Mpuru in 2015

Eddie joined SuperSport as an intern cameraman and his training there prepared him for the broadcast industry. The company was started with the modest investment from their salaries and in 2010, they received an interest-free

loan that allowed them to purchase their first outside broadcast (OB) van. Today, the company owns three OB vans, a state of the art pre- and post-production facility, employs 70 people and produces a variety of programmes for SuperSport.





# Opportunities for emerging entrepreneurs

## Our formula for success

### Fostering innovation

As a society, we need to recognise the importance of promoting innovation as a key driver of social change. As a company, Naspers understands its importance, and recognises and rewards the best examples from across the group. The Naspers Innovation Awards recognise people or teams who have made a significant, positive and measurable impact on their customers through a great innovation, usually product or technology based.

This year's prizes went to teams from OLX India for innovative solutions in intelligent messaging templates; MultiChoice for big data competency used for insights and recommendations by products like DStv Now, and designing a new advertising architecture, unique in the world, which allows MultiChoice to effectively monetise content; and Irdeto's research team who used machine learning (ML) to automatically process and identify streams distributed by pirate aggregation sites to our classifieds and ecommerce platforms. Their efforts, and the efforts of countless other dreamers, thinkers, entrepreneurs, innovators, developers and doers are transforming the lives we live every day. They are at the forefront of the charge to address big societal needs through innovation and Naspers celebrates their success.

Movile is the top mobile commerce platform in Latin America, with over 100 million users per month. Movile develops world-class mobile marketplaces and is a leader in B2C mobile app-based services in Latin America including iFood and Sympla. A leading self-service ticketing platform in Brazil, Sympla is a one-stop-shop for entertainment and events in Latin America. Movile is also ramping up its content distribution. It is one of the largest distributors of kids' content digitally in the world.

iFood, a subsidiary of Movile is a leading online food delivery platform in Latin America, fulfilling more than six million orders per month. In Brazil, iFood is the preferred destination for food delivery. Another way of bringing technology to a very important part of people's lives - eating at home and at work.

### Competing globally

Naspers knew it had to respond to the rapidly changing television viewing habits seen elsewhere in the world. The associated rise of subscription video on demand (SVOD) was gathering pace and, with continued improvements in internet connectivity in Africa, it was only a matter of time before new entrants brought this service to our markets. It was a chance between being disrupted by others, or taking

the initiative and disrupting itself first. The company decided on the latter and built a leading-edge SVOD business in the full knowledge it could well cannibalise its existing pay TV interests. Naspers took ShowMax from idea to full launch in just six months.

ShowMax vouchers are now available in more than 500 different retail stores. South Africa's four main banks also allow the linking of ShowMax subscriptions with their customer loyalty programmes. ShowMax also works in partnership with mobile equipment manufacturers and internet service providers like Telkom, who offer an entertainment data bolt-on.

In its first 15 months, ShowMax achieved well over 10 million views or, put another way, more than 700 years of continuous viewing if watched back-to-back. Creating downloadable content, enabling customers to apply data usage caps, establish a cash voucher system, and implementing multiple user profiles are some of the tougher technical challenges that had to be solved. Our founders are role models for our people across the globe; they inspire us to not only have vision, but also innovate to take calculated risk, and to push hard to pursue our dreams.



# Helping local entrepreneurs scale their businesses to compete in the global market

We identify, invest, and work with local entrepreneurs in order to scale their businesses to the global market



Entrepreneurial spirit is the foundation of success at Naspers. And while we believe entrepreneurial spirit is not the sole preserve of entrepreneurs – anyone can have it – it is true that founders embody that spirit. At Naspers we're fortunate that many of the founders of the businesses we have invested in over the years remain part of our family, leading their companies through the next waves of growth. Our founders are role models for our people across the globe; they inspire us to not only have vision, but also innovate to take calculated risks, and to push hard to pursue our dreams. It's why we encourage all our teams to act like founders. No founder embodies entrepreneurial spirit more than Alec Oxenford.

Alec is the Argentinian co-founder of OLX and, more recently, Letgo, two global classifieds businesses that we are proud to say are part of the Naspers family. Alec perfectly represents what it means to have entrepreneurial spirit, and has many unique views on pursuing dreams that we can all learn from.

## How an Argentinian entrepreneur invested in India and is now leading a classified innovation in the U.S.

When Alec co-founded OLX, he took what he describes as the “Martian approach.” Most entrepreneurs launch their business in their home country – and city – because that's what they know best. But imagine you are a Martian looking down on the world. As an unbiased extra-terrestrial, with no ties to any particular region, you would take a different course. You would look at the whole world and choose the optimal market to build your business. So despite being Argentinian, Alec started with India.

Alec believes that people are far more similar around the world than most realise; they may have different day-to-day priorities and habits but, in the main, virtually everyone is driven by the same motivations. Chief among them is the desire to make life better for themselves and their family. He believes OLX and let go help people do this by enabling “wealth creation”, making it easy to monetise personal possessions that would otherwise sit unused, by selling them locally. But his vision is bigger than creating successful, local trading

economies on a global scale. Alec is passionate about the role that OLX and Letgo play in solving the world's number one problem – excessive resource consumption and pollution that have vastly negative effects on the sustainability of the environment and put life on the planet at risk.

We are inspired by Alec's thinking and drive, which is what led us to invest in him and OLX in 2010. Later in 2015, following the successful growth and expansion of OLX, Alec came to us with his idea for Letgo, a mobile-only classifieds business. We back him again and we're excited by the past progress let is already making in countries like the US, Turkey, Canada and Norway. In September 2015, Alec was awarded the inaugural Naspers Founder Award. He remains chairman of OLX, but spends his days focused on Letgo where, together with his partners – Jordi Castello and Enrique Linares – he guides the company's vision and oversees operations, fundraising, and key hires.

Our message is clear. If you want to promote entrepreneurial spirit in your organization, a great starting point in encouraging your people to act like founders. Or put simply, be more Alec.





# BRICS: The next decade

**By HE Aloysio Nunes Ferreira**  
Minister of Foreign Affairs of Brazil

In 2019, it will be Brazil's honour to hold the presidency of BRICS. As it prepares to take the baton from South Africa, Brazil looks forward to a new decade of even more ambitious purposes, of even more ambitious results.

The upcoming Johannesburg Summit will inaugurate the second decade of Brazil, Russia, India, China and South Africa (BRICS) – a group of five large and diverse emerging countries that defies labelling. Indeed, the emergence before our eyes of a complex multipolar world, whose contours

are still a “work in progress”, calls for new approaches to analyse the international scene. In this new emerging environment, creating benchmarks, assessing results and projecting expectations have proven to be humbling tasks. Groundbreaking shifts on the political, economic and social fronts, both domestically and internationally, bear testimony to that assessment.

Despite the complexities of navigating these largely uncharted waters, BRICS coordination has been thriving for a decade, with tangible achievements to its credit as far as both joint cooperation initiatives and global governance reform are concerned.

BRICS achievements rest on a pragmatic and exploratory approach to coordination and cooperation, which is fully cognisant



that we are a group of diverse countries with different historical, geopolitical, social and economic contexts and interests. Our aim has never been to compete with or replace existing institutions, but rather to improve and complement them, making international organisations more democratic and responsive to our development needs.

Guided by this pragmatic, result-oriented approach, the South African Chairship has chosen as the theme for the 10th Summit: "BRICS in Africa: Collaboration with Developing Countries for Inclusive Growth and Shared Prosperity in the 4th Industrial Revolution". It is a topic that allows us to revisit past achievements while adopting a forward-looking attitude. It invites us to discuss what we can do better for the well-being of our societies in a fast-changing world.

Chief among our achievements are the group's decisive contribution to the International Monetary Fund's quota reform, and the establishment of the New Development Bank (NDB) and the

Contingency Reserve Arrangement (CRA). The implementation of the NDB, in particular, will help meet the demand for financing of sustainable infrastructure projects, as well as foster joint ventures among our business sectors. In less than four years, the NDB has already approved projects amounting to over US\$5 billion in the five countries. After the setting up of the Africa Regional Centre in Johannesburg, Brazil looks forward to the launching of the Americas Regional Office, which will have its headquarters in São Paulo. The new office will improve the NDB's operational capabilities in the country and help identify and prepare new projects.

On the cooperation front, the group has found rich potential in the common challenges that the five members face as middle-income countries, such as public health, education, science, technology and innovation and energy, among others. Cooperation in these fields is starting to bear tangible fruits.

The summit also invites a reflection on the future of multilateralism. BRICS has long defended the need for a comprehensive reform of the structure and working methods of the United Nations (UN), including its Security Council, with a view to making it more representative, effective and efficient. The reformed global governance BRICS has always advocated will only materialise with a UN that is overhauled to meet the challenges of the 21st century. At this point, it is by and large still stuck in the 20th century.

In the realm of international peace and security, our five countries are leading financial and troop contributors to UN peacekeeping operations. Brazil looks forward to the establishment, under the South African Presidency, of the BRICS Working Group on Peacekeeping, which will improve our practical cooperation on issues such as pre-deployment training, regional cooperation, mandates and the use of intelligence.

Another issue that will merit our Leaders' attention in Johannesburg is sustainable development. At the 10th Summit, BRICS countries will have the opportunity to enhance cooperation with a view to achieving the full implementation of the 2030 Agenda. Our Leaders have continuously reaffirmed BRICS commitment to achieving sustainable development in all its three dimensions – economic, social and environmental – in a balanced and integrated manner.

We stand on the brink of a technological revolution that will alter the way we think about economic growth and development – and a BRICS partnership in this area certainly has vast potential. The summit will offer an opportunity to discuss how to promote our competitive participation in the new industrial revolution and in the global value

chains. In this regard, Brazil has welcomed South Africa's choice of the Fourth Industrial Revolution as one of the main priorities of its presidency.

In this common effort to prepare for a new era of innovation, we should enhance our BRICS cooperation in science and technology. Brazil has proposed the establishment of the BRICS Networks of Science Parks, Technology Business Incubators and Small and Medium-sized Enterprises. The networks will help our countries take advantage of the new industrial revolution to promote inclusive development.

Health is perhaps the area in which practical cooperation within BRICS has been most successful – and one in which many possibilities remain open. The Tuberculosis Research Network, established in 2017, provides a clear example of how BRICS collaboration can have a real impact that changes real lives. But we can and should do more. Brazil is a strong supporter of South Africa's proposal to launch a Vaccine Research Platform. Brazil also considers that BRICS coordination in the World Health Organisation has been very fruitful and should continue.

The establishment of a Regional Aviation Partnership is a milestone for our countries, which share similar challenges and opportunities in this field. It is no coincidence that the Brazilian aeroplane manufacturer, Embraer, is making significant investments in South Africa. During the BRICS Summit, the US\$10-million Embraer Regional Training Centre at Oliver Tambo International Airport will be opened.

With state-of-the-art facilities, and six top-notch flight simulators, the centre will train 2 000 professionals per year, including pilots, engineers, mechanics and flight attendants coming from the whole of Africa and the Middle East.

Finally, Brazil welcomes the organisation of "people-to-people" events, such as the Business Forum, the Academic Forum, the BRICS Games, the Cultural Festival and the BRICS Film Festival. They all contribute to the fundamental task of improving mutual knowledge between our countries. After all, civil society is the ultimate beneficiary of our initiatives. As we conclude our first 10 years, the competent and effective South African Chairship has helped shape our vision and objectives for the next decade. In 2019, it will be Brazil's honour to hold the presidency of BRICS. As it prepares to take the baton from South Africa, Brazil looks forward to a new decade of even more ambitious purposes, of even more ambitious results. ¶







# BRICS return to Africa

By **HE Sergey Lavrov**  
Minister of Foreign Affairs of Russia

We welcome the decision of the BRICS Chair to invite to Johannesburg other friends of the five countries from around the world representing authoritative integration associations. This is the practical implementation of the "BRICS Plus" initiative approved by our Leaders during the Xiamen Summit.

It is highly symbolic that Brazil, Russia, India, China and South Africa (BRICS) is returning to Africa in the year 2018, which marks the 100th anniversary of the birth of Nelson Mandela, a prominent political and public figure of a global scale. A true son of the South African nation, he dedicated all his life to the fight against apartheid and rightfully became a key figure in the national reconciliation process in South Africa. We will always be grateful to him for his great personal contribution to the establishment of friendly relations between our two countries that have now reached a high level of a comprehensive strategic partnership. Our group is a unique example of building partnerships between states that differ greatly in terms of culture and civilization. And this is exactly why it is so strong and united. The cooperation between the five countries is based on mutual respect and mutual benefit, as well as strict consideration of each other's

interests. BRICS countries represent a major stabilising factor, promoting sound multilateral initiatives in global affairs.

I am convinced that BRICS can be proud of the fact that it is a successor in interstate relations of the wise Madiba's work. The five countries advance the same principles that Nelson Mandela stood up for – equality, dignity and justice – when forming constructive and equitable polycentric patterns of international relations.

We welcome the active and highly effective work done by South Africa at the helm of the group in 2018. Led by Pretoria, our countries managed to significantly enhance the multifaceted strategic partnership, make qualitative and quantitative leaps in all three major pillars of intra-BRICS cooperation: policy and security, economy and finance, culture and humanitarian exchanges. Our South African friends have succeeded in strengthening successive, consistent,

sustainable and continuous interaction between the five states. This serves as a foundation for the steady development of BRICS.

Russia supports fully BRICS priority areas of action proposed by South Africa for this year. The cross-cutting issue of the Chairship – launching partnership on the Fourth Industrial Revolution – is of high relevance for us since it is in line with Russia's state programmes on digital economy development.

We welcome special attention paid by Pretoria to Africa-related issues in the work of BRICS. This area of work is becoming increasingly important for Russian foreign policy as well. Russia has significantly contributed to decolonisation processes and the rise of new independent states on the continent. We support further strengthening of the sovereignty of African countries, their independent choice of the way of development while preserving national



distinctiveness. Sub-Saharan Africa is the most dynamically developing region of the planet, which plays a key role in world mineral and hydrocarbon markets, a broad and rapid-growing consumer market and one of the most attractive investment areas.

The BRICS-Africa Partnership that was launched during South Africa's 2013 BRICS Chairship is steadily developing. During the Johannesburg Summit, a special outreach session will be held with the participation of the Heads of States presiding over regional organisations of the continent in order to focus on its most relevant issues.

We welcome the decision of the BRICS Chair to invite to Johannesburg other friends of the five countries from around the world representing authoritative integration associations. This is the practical implementation of the "BRICS Plus" initiative approved by our Leaders during the Xiamen Summit. Thus, we expand the global reach of the group and establish the outer circle of like-minded countries. In this regard, BRICS has good potential to become a unique platform for linking various integration processes in a flexible way.

The attractiveness of the "Big Five" to third countries is explained by the fact that they are open to constructive cooperation and share universal values. I am referring to the impeccable respect for the United Nations (UN) Charter and basic principles of international law, including sovereign equality of states, commitment to the UN central role and indivisibility of security. We do not accept

double standards, military interventions, unilateral coercive economic measures, protectionism and unfair competition. We stand in solidarity that the use of military force to solve international problems is unacceptable. We defend the foundations of an open, inclusive, equitable, transparent and mutually beneficial multilateral trade system with the World Trade Organisation (WTO) at its core.

Russia consistently advocates a greater coordination of the five BRICS countries within major international platforms, such as the UN, G20, WTO, International Monetary Fund, World Bank, as well as other multilateral organisations and fora. When the states of the group speak up in a strong and unified voice about the core issues of global politics and economy, this voice is heard by other states as well. Consolidation of our efforts is a key to ensuring world stability and a way to settle serious conflicts.

BRICS successfully promotes cooperation in international politics, in particular on such issues as terrorism, drug threats and non-proliferation of weapons of mass destruction. Russia pays particular attention to strengthening cooperation in international information security, including the development of a relevant intergovernmental agreement between the five countries.

Our country aims to increase joint efforts with partners against the use of information and communications technology for terrorist or other unlawful purposes. BRICS economic and financial cooperation remains the most

active area of development. Over the past two years, significant progress has been made in the establishment of the fully operational New Development Bank (NDB). The pipeline of approved investment projects in the BRICS countries is now close to US\$5 billion and can exceed US\$18 billion by 2021. We expect that the NDB Africa Regional Centre, established last year, will make an important contribution to financing initiatives in South Africa.

Among other economic achievements of the five BRICS countries, it is worth mentioning the establishment of the mechanism of the BRICS Contingent Reserve Arrangement and the launch of a practical dialogue on mutual payments in national currencies. We expect that new initiatives to enhance interaction in the field of energy research and female entrepreneurship will also be made, adding value to the practical results of South Africa's Chairship.

Interaction within the so-called "third basket" of intra-BRICS cooperation, which includes humanitarian issues, looks promising. South Africa gives priority to this area. The work to implement the Agreement between the Governments of the BRICS States on Cooperation in the Field of Culture and the Action Plan to promote practical cultural interaction is underway. The BRICS Games, Film Festival, civil and academic fora, and events with the participation of young diplomats, scientists and representatives of the friendship cities have taken place so far this year.

We note that the Johannesburg Summit is properly prepared and has an intense programme. We are confident in its success. We expect that it will have a special "milestone" character. The anniversary meeting of the Leaders is intended not only to confirm the BRICS countries' commitment to further strengthening of the full-fledged strategic partnership, but also to determine the key priorities of the "Big Five" activities for years to come. ¶

BRICS economic and financial cooperation remains the most active area of development. Over the past two years, significant progress has been made in the establishment of the fully operational New Development Bank (NDB).



# Build a golden future together through stronger BRICS cooperation

Wang Yi

State Councilor and Foreign Minister of the People's Republic of China

The upcoming Johannesburg Summit will be the 10th summit of BRICS countries. It will take place again on the vast African continent with South Africa, the beautiful rainbow nation, as the host. The meeting is important and will have far-reaching significance as President Xi Jinping and other participating leaders will jointly discuss plans for the future development of BRICS and South-South cooperation.

In a world of major development, transformation and adjustment, BRICS was founded as a response to the call of the age, and has since grown from strength to strength amid a changing international landscape, benefiting its five members and the world over. It has now developed into a South-South cooperation platform with global influence, making a remarkable contribution to the economic growth, governance reform, peace and stability of the world.

Like a vibrant river that keeps running forward, BRICS cooperation builds on a strong past, gains strength along its course and flows to a bright future. At the successful Xiamen Summit presided over by President Xi Jinping last September, the five leaders agreed to forge a closer, broader and more comprehensive strategic partnership. They reinforced the cooperation framework in three key areas, namely economy and finance, political and security and people-to-people exchanges, and adopted the BRICS Plus approach, ushering in the second golden decade of BRICS cooperation.

At the Xiamen Summit, President Xi highlighted three important practices to be carried forward in BRICS cooperation: first, treating each other as equals and seeking common ground while reserving differences; second, taking a results-oriented, innovative

approach to make our cooperation benefit all; third, developing ourselves to help others with the well-being of the world in our mind. This is what the BRICS spirit is all about. It reflects the value of BRICS partnership and distinct features of the BRICS mechanism. Defined by such value and features, BRICS cooperation has gained endorsement and support from other countries, emerging markets and developing countries in particular, and BRICS has become a positive, enterprising and constructive force in international affairs.

The world is faced with changes unseen in a century. Global economic recovery is gaining momentum. The Fourth Industrial Revolution is nurturing new growth drivers. And emerging markets and developing countries are powering an unstoppable trend of development. That said, however, the rising unilateralism, protectionism, Cold War mentality and zero-sum game thinking have added uncertainties and destabilising factors to the international situation.

Faced with unprecedented opportunities and challenges, China wants to work with South African Chairship and other members to keep BRICS cooperation in the right direction with a broader strategic vision and a stronger sense of responsibility. We want to create wider development space for all emerging markets and developing countries and build a more balanced global governance system that embodies the will and interests of the greatest majority of countries.

## Deepening economic cooperation to energise development

Practical cooperation lays the groundwork for BRICS cooperation. China commends the efforts by South Africa to prioritise the Fourth Industrial Revolution and inclusive growth. It is important for us to keep abreast of the trend of the times, devote ourselves to reform and

innovation with a keen sense of urgency, and facilitate the process of industrialisation and economic transformation of BRICS countries through the Partnership on New Industrial Revolution (PartNIR). We need to ensure the smooth progress of the New Development Bank, a flagship project in BRICS cooperation, and support the early operation of its African Regional Centre to lend fresh impetus to infrastructure and sustainable development in Africa. Efforts should also be made to enhance macroeconomic policy coordination and synergise development strategies, step up cooperation in trade and investment liberalisation and facilitation, e-commerce, public private partnership, local currency bond market, and infrastructure connectivity. In this way, we will be able to make new progress toward the goal of a big market for trade and investment, closer monetary and financial cooperation, and greater infrastructure connectivity.

## Strengthening strategic coordination to make the voices of BRICS heard

In this world of uncertainties, BRICS cooperation reflects the aspirations of emerging markets and developing countries and embodies their endeavours to build a better world. It is important for us to unite together and closely cooperate at the UN, the WTO and the G20, firmly support multilateralism, respect each other, treat each other as equals, explicitly oppose unilateralism, protectionism, and reject the practices of the big and strong bullying the small and weak. Thus we will be able to uphold the common interests and space for development of emerging markets and developing countries. Efforts should also be made to make full use of mechanisms such as the Foreign Ministers Meeting, Meeting of National Security Advisers, and



regular consultations among our permanent representatives to the UN and speak with one voice on multilateralism, global governance, counter-terrorism, peace-keeping, cybersecurity and other major issues. We want to foster a new type of international relations featuring mutual respect, fairness, justice and win-win cooperation.

In a world of major development, transformation and adjustment, BRICS was founded as a response to the call of the age, and has since grown from strength to strength amid a changing international landscape ...

#### **Promoting people-to-people exchanges to solidify the foundation for cooperation**

BRICS countries, known for their rich cultural heritages, have made people-to-people exchanges the third pillar of cooperation at the Xiamen Summit, opening a new chapter in BRICS cultural exchanges. Going forward, we will continue to enhance amity and communication between our peoples by supporting friendly exchanges in diverse forms. A variety of events, such as the Film Festival, Cultural Festival, the BRICS Games and co-production of film, will deepen BRICS cooperation and get more people involved, building increasing public support for BRICS cooperation.

#### **Strengthening outreach dialogue to expand the partnership**

Since its inception, the BRICS cooperation mechanism has been tied closely to the development of the emerging market and developing countries.

Five years ago, South Africa brought African leaders and BRICS Leaders together in Durban for their first dialogue, enlarging

BRICS' circle of friends. Under the Chairship of South Africa this year, BRICS countries have made progress once again in the cooperation with other emerging market and developing countries, as we focus on Africa in the context of developing a global partnership.

This will enhance the BRICS Plus cooperation approach adopted at the Xiamen Summit, boost the development of the African continent and facilitate the South-South cooperation across the globe. China will hold the Beijing Summit of the Forum on China-Africa Cooperation in September. We hope these two summits will reinforce each other and promote the development and prosperity of African countries.

2018 marks the 100th anniversary of the birth of Mr Nelson Mandela. This great statesman once said, "It always seems impossible until it's done".

There is also an old Chinese saying that "Those who have a strong will get things done". Let us join hands and work together to write a new chapter of BRICS cooperation in Johannesburg in the new era. ☺





**Cipla**

# Caring for life

**“Our work is not just about making medicines. It is about making a difference.”**

- Dr YK Hamied, Cipla chairman

## **Purpose Inspired**

We pride ourselves on a strong legacy of crusading care. Cipla played a pioneering role in HIV/AIDS treatment globally as the first company to reduce the cost of ARVs to less than one dollar a day, thereby improving the lives of millions of patients. We strive to find solutions that deliver on our ethos of “Caring for Life”.

## **Excellence focussed**

Cipla believes everyone has the right to world-class medication at affordable prices. Our unique formulations enable us to produce medicines of superior quality across a diverse range of therapeutic categories.

## **Innovation Driven**

As part of our commitment to manufacturing in Africa for Africa, Cipla is expanding our local manufacturing footprint. Our state-of-the-art factories in Uganda and South Africa, along with other manufacturing facilities worldwide, have the stamps of approval from all the main regulators and enable us to advance healthcare for all.



Social responsibility has been at the core of Cipla, since inception. It mirrors Cipla's relentless commitment to improve lives and aims to build access and affordability for the most vulnerable groups in society. The Cipla Foundation has initiatives spanning healthcare, education and enterprise development with its aim to improve life for all South Africans.

For more information or to get involved, visit [www.ciplafoundation.co.za](http://www.ciplafoundation.co.za)



## milesforsmiles

Miles for Smiles creates awareness and raises funds for Operation Smile to facilitate corrective surgery on children born with cleft lip and cleft palates.

**2,500  
smiles**

**R8.7  
million**  
raised since 2006

## ajuga

Ajuga creates a safe environment where young children can learn, grow and thrive.

**5 ECDs  
3 crèches**  
since 2012



## sha'p left

Sha'p Left is a nurse-driven primary healthcare service that treats people close to home in their communities.

**8 urban  
nurse  
surgeries**

**3 rural  
nurse  
surgeries**  
since 2014

## owethu

Owethu focuses on providing access to a broad range of primary healthcare services to communities most in need.

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# Making space for new areas and ways of cooperation

**Professor Anil Sooklal**

South African BRICS Sherpa and DDG: Asia and Middle East Department of International Relations and Cooperation

South Africa is honoured and takes seriously its responsibilities as Chair of BRICS. We look forward to welcoming the Leaders and delegates of BRICS, Africa and other emerging markets and developing countries to South Africa in July; and to continuing the legacy and spirit of Nelson Mandela in our efforts.

The Republic of South Africa first hosted a Summit of the BRICS Forum in 2013, in Durban, two years after we joined this eminent platform of emerging markets and developing countries. Since its inception, BRICS's performance has gone from strength to strength and has surpassed the initial expectations of members and observers alike.

The marking of a decade of cooperation at the level of Heads of State and Government (i.e. summits) is thus an important aspect of the South African Chairship in 2018, and we intend to use the 10th BRICS Summit to chart the path for the next chapter of meaningful and impactful BRICS cooperation.

As a member, and in pursuit of national and regional objectives, South Africa intends to maximise its Chairship of BRICS in 2018 to derive tangible cooperation results for our partners, our continent and the developing community more broadly. In particular, this cooperation should allow us all to better navigate the transition into the Fourth Industrial Revolution, and to benefit from shared prosperity in this new reality, rather than to be overwhelmed by its effects.

Our objectives during our first tenure of Presidency were modest but emphatic in their intention to contribute to the institutional agenda of the BRICS forum. The platforms that we proposed in 2013, including the BRICS Think Tanks Council and the BRICS Business Council have gained traction and have been fully embraced and strengthened

by the efforts of all members over the years. These have become positive platforms of knowledge generation and sharing, as well as for the formulation of responsive answers to the questions posed to us by the unfolding modern realities.

Furthermore, the New Development Bank (NDB) truly took form in 2013, in the discussions under South Africa's Chairship. Along with the Contingent Reserve Arrangement, these are considered the flagship institutions of BRICS cooperation.

Our theme in 2013 namely, "BRICS and Africa: Partnership for Development, Integration and Industrialisation", articulated an objective that we still hold as imperative today; that being, to use our participation in BRICS to enjoin BRICS and Africa in development cooperation and to advocate for the support of BRICS members for Africa and its endogenous regional policy objectives.

Of course, we began weaving the African Agenda into BRICS declarations as soon as we joined the forum at the 2011 Sanya Summit. However, it was important to ensure that the sentimental support was buttressed by a practical and tangible articulation of this support.

Thus, subsequent to our arranging an Outreach Dialogue between African and BRICS Leaders in 2013, the BRICS Leaders mandated that the first regional centre of the NDB would be in Africa and would be established concurrently to the NDB headquarters. South Africa is delighted to have delivered on the mandate given to us by our African partners. The Africa

Regional Centre was launched in August 2017 and, although at a nascent stage, it has commenced its work and has credible plans in place to facilitate infrastructure and industrial development projects on the continent.

South Africa was the first to initiate these outreach dialogues and our BRICS partners have all given momentum to this initiative through the outreach summits they have respectively hosted since 2013. We will bring this initiative full circle this year, when President Cyril Ramaphosa again hosts the BRICS-Africa Outreach, during the 10th BRICS Summit. Additional to this, we have invited representative leaders from the Global South for an interaction in the BRICS Plus format.

As much as the agenda of BRICS is driven by consensus, South Africa on its part is pleased to have made notable and valuable contributions over the years. South Africa's current Presidency, as with those of our partners in the past, has been anchored in two approaches, namely ensuring continuity for the projects and programmes that are in place, and carrying those successfully forward; while keeping innovation in mind and making space for new areas and ways of cooperation.

This means that, during our Chairship, we will preside over an annual calendar of events that comprises more than 100 sectoral meetings. In this regard, the meetings of the BRICS Sherpas and Sous-Sherpas are particularly valuable, as they provide the first point of consultation among our countries and are instrumental in building consensus

around ideas that subsequently become BRICS projects and programmes.

Thus far, we have hosted four meetings of the BRICS Sherpas and Sous-Sherpas in the Western Cape, Limpopo and Gauteng, respectively. These meetings not only gave our partners unique and multi-dimensional offerings of our country but, more importantly, we caucused our key Chairship deliverables and proposals, which received resounding support. These include: the establishment of a BRICS Vaccine Research Centre; a BRICS Peacekeeping Working Group; a BRICS Women's Forum; BRICS Tourism Cooperation; and leveraging the Strategy for BRICS Economic Partnership towards the pursuit of inclusive growth and advancing the Fourth Industrial Revolution. All of these represent an effort to provide responses to challenges and realities in the political, economic and social spheres.

In addition to the Sherpas' meetings, we have hosted various high-level engagements and ministerial meetings. These include, but are not limited to, an Anti-Corruption Working Group Meeting (February 2018); the 17th Meeting of the Contact Group on Economic and Trade Issues (February 2018); the Ninth Technical National Statistics Offices (March 2018); Counter-Terrorism Working Group (April 2018); Security in the Use of ICTs (May 2018); Meeting of BRICS Environment Ministers (May 2018); and the Meeting of the Energy Working Group (May 2018).

Furthermore, the BRICS Ministers of Foreign Affairs/International Relations met on 4 June 2018. The ministers' discussions reinforced the core values that brought BRICS countries together – including the safeguarding of the United Nations and its Charter and upholding multilateral cooperation. In the face of the current global realities, including the turn by some international players towards unilateralism and protectionism, these values have become even more important and BRICS must lead the way in their protection and further entrenchment. A global world order that is based on equity and fairness depends on this. The Ministers' Meeting was equally demonstrative of the manner in which the BRICS countries are, and must continue to be, responsive to global developments and realities as they unfold.

The BRICS Envoys (Deputy Ministers) on the Middle East and North Africa met from 20 to 21 June and similarly grappled with burgeoning international crises in this complex region, and forging BRICS consensus in responding to these.

These meetings, and those to come, are laying the path to the 10th BRICS Summit and constitute the sectoral backbone of the upcoming meetings of the BRICS Leaders.

Further meetings will be held throughout the year, until the conclusion of the South African Chairship in December.

Currently, in addition to being seized with their sectoral work, South African national departments and stakeholders are in the process of consolidating the Johannesburg Summit Declaration, which will be a comprehensive and reflective outcomes document.

The declaration will speak to the key issues that we are driving this year, particularly the Fourth Industrial Revolution, and of the areas of shared importance for BRICS countries. As always, BRICS will consider the international realities and endeavour to collectively respond to those.

South Africa is honoured and takes seriously its responsibilities as Chair of BRICS. We look forward to welcoming the Leaders and delegates of BRICS, Africa

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# The BRICS New Development Bank (NDB)

By Kundapur Vaman (KV) Kamath

President of the BRICS New Development Bank

The biggest economic opportunity today is that we can invest in a new generation of smart and sustainable technologies to meet our infrastructure requirements. We will leverage these transformations and promote knowledge flows to support appropriate and effective solutions in our member countries.



In 2017, we continued to build strong momentum in our operations and strengthen our institutional foundations in all functional areas.

Six projects aggregating over US\$1.8 billion were approved by the Board in 2017. The total amount approved since inception was US\$3.4 billion at the end of 2017. In addition, certain projects of about US\$900 million were appraised but were not put up for Board consideration, as we await necessary government approvals. All of these projects focussed on improving sustainability and addressed some of the critical developmental needs of our member countries.

These projects go beyond the core renewable energy sectors that we earlier focussed on in areas such as ecosystem restoration, water supply, irrigation system restructuring and energy conservation, reflecting our ability to appraise increasingly complex projects as we continue to move up the learning curve.

The Africa Regional Centre (ARC), based in South Africa, opened for business last year. The ARC will be lean and initially tasked with project identification and project preparation

for the New Development Bank (NDB). It will serve as the bank's interface for governments, private-sector entities, financial institutions and project preparation agencies as we scale up our operations in South Africa. The ARC will serve as a focal point for the NDB in Africa and gradually help expand the bank's footprint on the continent.

In September 2017, we formalised the Project Preparation Fund (PPF). The PPF is a contributory multi-country fund that will enable infrastructure and sustainable development projects to be better prepared, so that they can attract financing more easily. The PPF will enhance the project preparation capacity of member countries, facilitate feasibility studies where necessary and support improved project implementation. The emphasis will be on leveraging local expertise.

Our members continue to demonstrate strong support for the NDB by timely, and in some cases, advance payment of equity capital. By May 2018, we had received US\$4.1 billion in capital contributions, with Russia and China already having paid their 2019 commitments.

In September last year, we had the groundbreaking ceremony of our permanent

headquarters. The construction of the building is now in full swing. We expect to move in by 2021. In line with the bank's sustainability mandate, the building has been designed to be environmentally friendly, ensure a healthy working space for its occupants and involve low maintenance costs. Our new headquarters will contribute to Shanghai's emphasis on green buildings, while also contributing architecturally to the skyline of Shanghai.

## The current development context

We stand today at the dawn of a new industrial revolution where technology-led disruption is transforming the way we perceive products, services and our physical space.

At the same time, the benefits of an infrastructure-investment-led growth model on job creation and poverty alleviation are well documented. But the scope of this infrastructure investment is changing fast, with technology disrupting infrastructure design.

Take for example bike-sharing. Bike-sharing provides convenience to its customers by offering "the perfect last-kilometre solution". Such solutions, combined with ride-hailing

technologies, reduce overall trips, as fewer people individually drive to work. Reduced overall trips means less road and parking space is required. Additional urban space opens up, including, possibly for green belts.

Another example of a disruptive technology is that of autonomous vehicles. Autonomous vehicles can be on the road longer, travel further, and, potentially, more safely. In a few years' time, as more cars become autonomous, public transport networks may need to be realigned to this new pattern of transportation.

This will fundamentally change the way roads, bridges and parking systems are designed and built.

Smart grids, green buildings, large-scale off-grid systems, hyper-loops and underground roadways have the potential to advance rapidly in conjunction with the ongoing innovations in network connectivity and bandwidth. These developments will have a material impact on how we perceive and think about infrastructure. The infrastructure that we need to build today, for use over the next several decades, is fundamentally different from what we built in the past.

It is also becoming increasingly apparent that the impact of technology from artificial intelligence (AI) to block-chain to fifth generation (5G) networks will completely revolutionise approaches to economic development and service delivery. Early signs of this emerging trend are visible in Shanghai, where technology is transforming the city into a smarter, greener and even more sustainable city. "Conventional wisdom" clearly needs to be redefined.

We, at the NDB, are conscious of these ongoing transformations and we will align our activities and processes taking these shifts into account. We will act swiftly, be agile and leverage technology in everything we do. The NDB is determined to go beyond a short-term, purely economics-based focus for infrastructure development to a longer-term, broader assessment of its economic, environmental, social, and climate change impact. The NDB's first batch of projects were all in the renewable energy sector. This was more than a symbolic gesture; it conveyed the message of the founders that we are committed to a better and more sustainable future for our member countries. We are now focussing not only on renewables, but also on projects which aim at undoing the damage done to the environment during earlier growth phases of some of our members. Sustainable infrastructure will make up about two-thirds of the NDB's total projects.

In 2018, so far, we have approved projects aggregating over US\$1,7 billion out of our target of US\$4 to US\$4,5 billion for the year.


We are striving to have a balanced portfolio across our member countries. By the end of this year, our project approval book should be about US\$7,5 to US\$8 billion.

Besides the traditional set of lending products, we will also begin offering non-fund-based financial products like guarantees and credit enhancements.

We will increase the scale and scope of our ARC and operationalise the Americas Regional Office in Brazil and the PPF.

On the funding side, we will continue to explore opportunities in the local capital markets of our members as well as global capital markets. We will strive to maintain a balance between pursuing a conservative approach to institutional growth so as to obtain and maintain the highest possible credit rating and addressing our borrowers' needs, both in local and foreign currency.

Since the beginning, getting the right staff in place has been a priority for us. Our recruitment strategy is based on the principles of meritocracy and gender-neutrality and takes into consideration the landscape we operate in. Our current staff strength is about 115 professionals, which is estimated to increase to 210 by this year end. We believe that blending the energy and vigour of youth with the wisdom of seasoned professionals is the correct approach in keeping the organisation agile and nimble in the dynamic global development landscape.

The biggest economic opportunity today is that we can invest in a new generation of smart and sustainable technologies to meet our infrastructure requirements. We will leverage these transformations and promote knowledge flows to support appropriate and effective solutions in our member countries. By doing so, we will contribute to sustainable development and poverty alleviation. As we do so, we at the NDB will continue to listen, to learn and to innovate. 

*This is an extract of Mr Kamath's address at the Third Annual Meeting of the New Development Bank, Shanghai, China, on 28 May 2018*

The biggest economic opportunity today is that we can invest in a new generation of smart and sustainable technologies to meet our infrastructure requirements.



At the Fourth BRICS Summit in New Delhi in 2012, the Leaders of Brazil, Russia, India, China and South Africa considered the possibility of setting up a new development bank to mobilise resources for infrastructure and sustainable development projects in BRICS members and other emerging economies, as well as in developing countries.

They directed finance ministers to examine the feasibility and viability of this initiative, to set up a joint working group for further study and to report back by the next summit in 2013.

Following the report from the finance ministers at the Fifth BRICS Summit in Durban in 2013, the Leaders agreed on the feasibility of establishing the New Development Bank (NDB) and made the decision to do so. It was also agreed that the initial contribution to the bank should be substantial and sufficient for it to be effective in financing infrastructure. During the Sixth BRICS Summit in Fortaleza in 2014, the Leaders signed the Agreement establishing the NDB.

In the Fortaleza Declaration, the Leaders stressed that the NDB would strengthen cooperation among BRICS members and would supplement the efforts of multilateral and regional financial institutions for global development, thus contributing to collective commitments for achieving the goal of strong, sustainable and balanced growth.

"The Bank shall have an initial authorized capital of US\$100 billion. The initial subscribed capital shall be US\$50 billion, equally shared among founding members. The first chair of the Board of Governors shall be from Russia. The first chair of the Board of Directors shall be from Brazil. The first President of the Bank shall be from India. The headquarters of the Bank shall be located in Shanghai. The New Development Bank Africa Regional Center shall be established in South Africa concurrently with the headquarters." (Fortaleza Declaration)

The inaugural meeting of the Board of Governors of the NDB was chaired by Russia and held on the eve of the Ufa Summit on 7 July 2015, when the bank formally came into existence as a legal entity. During the meeting, the appointment of the President, Mr KV Kamath, as well as four vice presidents and the Board of Directors took place.

At the signing of the Headquarters Agreement with the Government of the People's Republic of China and the Memorandum of Understanding with the Shanghai Municipal People's Government on 27 February 2016, the NDB became fully operational.

In 2016/17, the Board of Directors of the Bank approved loans involving financial assistance of over US\$3,4 billion for projects in the areas of green and renewable energy, transportation, water sanitation, irrigation and other areas.

Source: [www.ndb.int](http://www.ndb.int)



# Envisioning inclusive development through a socially responsive global economy

By HE Naledi Pandor

Minister of Higher Education and Training

The decision several years ago to establish both the academic forum and the collaboration of think tanks was a welcome recognition of the contribution that research and policy advice should play in influencing development.

We regard the role of the Think Tanks Council of Brazil, Russia, India, China and South Africa (BRICS) as critical to contributing to the achievement of the stated goals of the BRICS partnership.

The decision several years ago to establish both the academic forum and the collaboration of think tanks was a welcome recognition of the contribution that research and policy advice should play in influencing development. BRICS has become an important bloc in global politics, but there is a great deal we need to do to translate the bloc into one that has the capacity and knowledge that support it to impact on and shape world affairs.

Beyond focussing on our partnership, concerted effort has been directed at finding a means of ensuring that the rich portfolio of resources, capacities and expertise brought together in BRICS is used effectively to support the development agenda of Africa and of other BRICS regions that require development support. This strategic imperative is supported by all BRICS partner governments.

South Africa has shown practical commitment to contributing to the development priorities of the continent as set out in Agenda 2063 of the African Union as well as the regional agenda of the Southern African Development Community.

As part of the knowledge-generating community, we live in uncertain times. A time in which knowledge and truth are threatened not just by those who are very powerful and wealthy, but also by those who have been so marginalised in our world that the opportunities offered by knowledge are regarded as an irrelevant and distant stranger. Our think tanks need to reflect on these developments and provide advice on how they should be approached by policymakers and by BRICS.

The BRICS partnership offers an alternative model of global friendship and solidarity. It needs to articulate a more optimistic and a more resolute narrative of inclusion and progressive values, a narrative that commits to addressing the needs and interest of the most vulnerable, a narrative that suggests the possibility of a bloc that can redress the imbalances that confront so many millions in our communities and the world broadly.

The partnership programmes the BRICS nations have developed indicate that we know what must be done. When BRICS was first established, the key areas of cooperation tended to be largely economic, with a focus on international trade and global governance. Reform of multilateral institutions such as the International Monetary Fund, World Bank and the United Nations Security Council was key on our agenda. These remain as areas we must address.

However, we have recognised the need to elaborate a broader agenda and have done so. Our agenda includes issues ranging

from agriculture, health, education, energy, science and technology, academic exchange and many others. We must ensure though that this list contributes to real change and not increased dialogue.

We believe the think tanks facility establishes a strategic platform for designing initiatives that will signal a collaborative approach to knowledge creation, research and the development of concrete advice on solutions. It will be vital that the ideological philosophy that informs our knowledge generation is progressive and oriented to people development, justice and democracy.

Linked to this, we also need to factor in the important task of creating a new body of talented young people able to lead think tanks and fully appreciative of the need for progressive and responsive concepts and ideas.

When the BRICS Leaders met in Sanya in 2011, and later in New Delhi in 2012, there was consensus that for the BRICS initiative to succeed, it must have its own body of experts and a think tanks formation that would guide policymaking and development trajectories for BRICS as a collective as well as for individual member countries. The stated expectation of our Leaders in launching the BRICS Think Tanks Council was to have a capacity that would be a reservoir of ideas for BRICS leaders. Much has been achieved by the Think Tanks Council since its formation in 2013. The 10th year of the BRICS Summit provides a unique opportunity for the council

and the Academic Forum to take stock and reflect on achievements and impacts in their first five years. This will also allow you to determine matters on which you may wish to interact with ministers of education and research and possibly BRICS heads of state on think tank matters.

It is vital to have the following questions answered? Have we achieved all we wanted to? Has our work had any impact on decisions taken by BRICS Leaders? What happens to the papers that we publish from our meetings?

One of the inadequacies in many of our countries is short-term policy thinking. We need to think long term and plan long term and if capacity for this is lacking we must ensure it is created. The 2015 Long-Term Strategy document of the Think Tanks Council included a focus on peace and security; health and education; social justice and sustainable development; and inclusive growth. All of these continue to be important for BRICS and we must generate sufficient knowledge in these to guide policy interventions.

South Africa has decided to ensure it includes the Africa Outreach programme for the 2018 summit. This is in line with the conclusions of the Sanya Summit. This is intended to ensure continuity with commitments made at the 2013 Summit in South Africa, especially those of support for African industrialisation and infrastructure development. The summit will include a number of invited African heads of state based on the current or pending chairship of their regional bloc.

This year's Academic Forum included several African embassy representatives as observers. I am certain that as the BRICS knowledge project grows and matures and takes concrete shape, more stakeholders and interested parties will be invited to participate. Again this will be acting on the intentions expressed in various resolutions of our summits as communicated by BRICS Leaders. ¶

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#### About the BRICS Think Tanks Council (BTTC)

The establishment of the BRICS Think Tanks Council (BTTC) was proposed at a meeting of the five BRICS countries' think tanks in March 2013 and confirmed by the BRICS Leaders at the eThekweni Summit in Durban later that month.

The BTTC comprises the Institute for Applied Economic Research (IPEA) (Brazil), the National Committee for BRICS Research (NRC/BRICS) (Russia), the Observer Research Foundation (ORF) (India), the China Centre for Contemporary World Studies (CCCWS) (China), and the National Institute for the Humanities and Social Sciences (NIHSS) (South Africa).

The main purposes of the establishment of the body, as encapsulated in the BTTC Declaration on the Establishment of the BRICS Think Tanks Council, are to form a platform for the exchange of ideas among researchers, academia and think tanks; to convene the BRICS Academic Forum, and to present policy recommendations and guidance to the BRICS Leaders for consideration.

#### About the South African BRICS Think Tank (SABTT)

***BRICS is a platform for dialogue and cooperation for the promotion of peace, security and development in a multipolar, interdependent and increasingly complex, globalising world – Delhi Declaration, 27 March 2012***

The National Institute for the Humanities and Social Sciences (NIHSS) was established on 5 December 2013 as an independent statutory body in terms of Gazette No. 37118 vol. 582 and in accordance with Section 69 read with sections 38A, 38B, and 38C of the Higher Education Act (Act 101 of 1997). The scope or application of the NIHSS will be to advance and coordinate scholarship, research and ethical practice in the fields of Humanities and the Social Sciences (HSS) within and through the existing public universities and those to be established or declared in future as public universities.

The work of the NIHSS is guided by the following principles:

- cooperation between institutions and the establishment of communities of scholarship in South Africa, Africa and internationally
- functional differentiation as opposed to resource differentiation.

The role of the NIHSS is to broadly enhance and support the HSS in South Africa and beyond, as well as to advise government and civil society on HSS-related matters. It conduct its work through various programmes, including the Doctoral Schools, Catalytic Projects, African Pathways Programme and through supporting the Department of Higher Education and Training in the implementation of the proposed corrective interventions.

In 2015, the NIHSS was requested to be the permanent host of the South African BRICS Think Tank, including the Academic Forum. In February 2015, the former Minister of Higher Education and Training, Dr Bonginkosi Nzimande, gave the NIHSS the function to permanently host the South African BRICS Think Tank.

The South African BRICS Think Tank is chaired by Professor Ari Sitas.

#### SABTT objectives:

- Provide a platform for researchers and academics to exchange ideas and to generate evidence-based policy recommendations.
- Shape the strategic vision of South Africa and the wider African region around global financial, economic and governance issues.
- Provide research-based technical and institutional support to the South African Government in the formulation and re-formulation of relevant BRICS-related public policies and development programmes.
- Conduct policy analysis aimed at informing the long-term strategy of BRICS.
- Conduct broad-based analysis on the relationships between South Africa and the BRICS countries from the perspective of both South Africa's national interests, the interests of the African continent and the interest of the BRICS countries.
- collaboration will not be for its own sake but on the basis of mutual respect and development).
- social responsibility and equity as enshrined or implied in the Constitution.
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# Why BRICS is important to South Africa

By Dr Iqbal Survé

Chairperson of the BRICS Business Council, SA Chapter

We have to credit our government for realising the goal for South Africa to be a partner in this multinational forum. The State continues to amend policies and laws to create attractive conditions to draw investments.

When you identify an opportunity, grab it, steer it and keep it on course with everything you have. I believe in steering true north, and now we have an opportunity to chart a new course for the great *SAS South Africa*. As the Chairperson of the Brazil, Russia, India, China and South Africa (BRICS) Business Council, South Africa Chapter; as an innovative entrepreneur and businessman; and above all else, a South African, I have many concerns.

Our high unemployment rate, educating our youth, equipping them with relevant skills, building infrastructure, our gross domestic product (GDP) and attracting foreign direct investment (FDI) are high on my agenda. There is no argument that we are dealing with one of the most important destructive apartheid legacies, second-class education – which led to a myriad of social evils. The results of which need more than just two decades to repair.

We have to credit our government for realising the goal for South Africa to be a partner in this multinational forum. The State continues to amend policies and laws to create attractive conditions to draw investments.

It was after intense lobbying with economic giants and wealth-creating nations, Brazil, Russia, India and China, that we joined the partnership eight years ago. We set ourselves on a course to roll back centuries of economic drought.

BRICS gives us an opportunity to create jobs, and work in tangent with the partnership to re-skill and up-skill our workforce. It is not up to the Government alone to fix this. The State is not a creator of a lot of jobs. This is where the private sector has a role to play; to work hand in hand with the Government.

It is without question, for our economy to grow, we need to create jobs for millions of

young people. South Africa has participated in many multinational institutions, such as the United Nations, the African Union and the G20. Our partnership with BRICS is not meant to be at the exclusion of other investment partners such as the European Union and North America. It is intended to augment the partnership and draw increased investment.

## Protectionism

However, protectionism politics from traditional trading partners such as the United States and some European countries, has had immediate negative economic consequences for South Africa and the 1.2 billion-strong African family. To keep the ship afloat, we have to remain innovative and in tune with our alliance. We must see BRICS as a flotilla, able to survive the headwinds and the storms.

One of the opportunities BRICS gives is to cut red tape and we have made some headway in that. Even though our economy is smaller than the rest of the BRICS nations, we are equal partners when it comes to decision-making and entering into agreements with other partners.

BRICS and the BRICS Business Council, South African Chapter, which I lead by appointment of the Government, oversees and guides infrastructure, deregulation, agribusiness, financial services, skills, manufacturing, energy and the green economy working groups.

The Business Council plays a crucial role. It is there to ensure that as a country we can channel FDI from across the world, but mostly from Brazil, Russia, India and China.

Through BRICS, we have access to the global market, and access to capital. Our government debt is 51,7% of the GDP; most of the country's budget goes to servicing that debt and investing in infrastructure. Therefore, because we are constrained, we cannot invest in new opportunities to create jobs. But, our partners in BRICS, which have

the capital, are able to invest to create jobs. When we seek out FDI, we must ensure that there are skilled jobs, in addition to jobs in low-cost manufacturing. We are aiming for investment that needs a higher skill level, such as in car manufacturing. The more skilled our workforce, the more attractive we become for investments.

The BRICS Skills Development Working Group set up the BRICS Skill Governance Body to oversee skills development for the labour force, which includes the learnings and challenges faced in skills development.

The year-on-year employment growth was driven by manufacturing (145 000), construction (143 000) and finance (152 000). There is no doubt we are on a road made of BRICS, cemented by the hopes and dreams of 3,6 billion people. ☺

Therefore, because we are constrained, we cannot invest in new opportunities to create jobs. But, our partners in BRICS, which have the capital, are able to invest to create jobs. When we seek out FDI, we must ensure that there are skilled jobs, in addition to jobs in low-cost manufacturing.





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**The Cradle of Humankind World Heritage Site is one of nine in the country. It's the world's richest hominin site, home to around 40% of the world's human ancestor fossils. The area is also home to a diversity of birds, animals and plants, some of which are rare or endangered.**





# Our own new dawn is part of a broader continental dawn

By President Cyril Ramaphosa

Our own new dawn is part of a broader continental dawn of shared growth and prosperity, in which South Africa retains its position as a gateway to Pan-African opportunity for the peoples of this continent and our international partners.

South Africa's own growth stands to benefit significantly from – and contribute to – the rising tide of development in our region and continent.



**T**his year, we mark the centenaries of two notable Africans: Tata Nelson Mandela and Mama Albertina Sisulu.

These are Africans who, at different times in the history of our continent, bequeathed to us values and behaviours that stand us in good stead in the 21st century.

Both Tata Mandela and Ma Sisulu dedicated their lives to securing better social and economic conditions for all the people of our country and our continent.

I was recently very honoured to interact with a global industrial giant and a group of highly skilled and productive young South Africans in Amanzimtoti, KwaZulu-Natal. My visit to the South Coast took me to the Volvo Trucks factory, where Volvo had firmly placed its confidence and its capital in South Africa as a vibrant, productive and profitable investment destination.

Sensitive to the need for us to promote manual work in the midst of the unstoppable march of automation, Volvo continues to invest in providing skills to its energetic team of assembly workers.

Between them, these impressive young people turn the key on a new Volvo truck every 45 minutes, thanks to the skills, sound working conditions and motivation with which they have been empowered.

These young workers have not only become self-sufficient individually, but the

material support they provide to their families means that purchasing power and personal pride and dignity are living side-by-side in neighbourhoods around Amanzimtoti.

This story illustrates that the achievement of the African Union's (AU) Vision 2063 relies on seemingly isolated and disparate stories that are unfolding from Amanzimtoti to Abidjan, Algiers and Addis Ababa.

Yet, instead of being isolated and disparate, these examples of progress are in fact part of a rich tapestry of social and economic transformation that, collectively, produce a composite image of a continent on the rise.

It is therefore with a sense of hope and optimism that we find inspiration in the transformation that is sweeping across our continent in waves of varying intensity and size.

These waves of development and transformation are constantly reshaping the shoreline of underdevelopment and disadvantage that used to characterise life on our continent. Hopelessness and despair are being eroded by the expansion of education



and entrepreneurship on our continent, and the advancing empowerment of women in African societies and economies.

In March this year, the AU Summit in Kigali, Rwanda, reached the historic milestone of an Agreement on the African Continental Free Trade Area (AfCTA).

This agreement seeks to dissolve barriers to shared opportunity and prosperity by enabling the movement of people, goods, services and knowledge around our continent.

This agreement places the best that Africa has to offer at the disposal of all Africans and promises to reduce the inequality that exists across national borders.

Poverty and underdevelopment often exist just a few kilometres away from prosperity and progress.

The agreement on an AfCTA took place on a continent far removed from the Africa in which Pixley ka Seme penned his 1906 essay, titled: *The Regeneration of Africa*.

Seme called for all the people in the land to unite and see the continent as equal in its contribution to civilisation.

His generation understood that the responsibility rested on their shoulders to restore the dignity of the African people.

They challenged the Eurocentric stereotypes of Africa as a dark continent.

It was our forebears, especially those who had early contacts with their Diaspora counterparts studying overseas, who exchanged ideas on how to confront colonial oppression.

In the interconnected world of today where we as Africans assert ourselves as equals – not subjects – in the global governance system and the globalised economy, we are able to sustain the thinking and work pioneered by Pixley ka Seme.

Our current task is to shape the progressive

and prosperous Africa we wish to bequeath to future generations.

This future must be the outcome of a shared vision in the same way that our dismantling of the shackles of oppression and colonialism relied on solidarity and unity in resistance.

Therefore, in 2018, we continue to be guided and inspired by Kwame Nkrumah of Ghana, Murtala Mohammed of Nigeria, Patrice Lumumba of Congo, Amilcar Cabral of Guinea Bissau, Agostino Neto of Angola, Eduardo Mondlane of Mozambique, Seretse Khama of Botswana, WEB Du Bois and Martin Luther King Jr of the United States, Marcus Garvey of Jamaica, and our own Albert Luthuli and Nelson Mandela.

We remain inspired by the words of Madiba, when he said: "I dream of the realisation of the unity of Africa, whereby its leaders combine in their efforts to solve the problems of this continent."

The realisation of Madiba's dream rests on leaders from all sectors of our society – leaders in government, business, labour, communities and civil society at large across the continent.

In our own instance as South Africa, we are taking steps to transform an economy that remains largely characterised by the structural flaws of a racist and patriarchal past.

Our own new dawn is part of a broader continental dawn of shared growth and prosperity, in which South Africa retains its position as a gateway to Pan-African opportunity for the peoples of this continent and our international partners.

South Africa's own growth stands to benefit significantly from – and contribute to – the rising tide of development in our region and continent.

This rising tide entails political and economic cooperation, with outcomes that

include greater regional integration and the development of regional infrastructure, services and knowledge bases that equitably benefit all member states.

Investors and innovators must feel at home in Africa.

We must be inspired by our ancestors, whose boundless creativity and majestic works endure today.

The magnificent pyramids of Egypt, the sculptures of the ancient kingdoms of Ghana and Mali and Benin, the temples of Ethiopia, and the rock paintings of the Kgalagadi, all speak volumes about Africa's innovation and contribution to human development.

Increasingly, these representations of African civilisation are being supplemented by advanced infrastructure, industrial parks, scientific laboratories and corporate tower blocks that mark our continent's urban landscapes.

The engineers and artists of ancient times have worthy successors in a new generation of young scientists, technicians, financiers, coders and designers.

Our task is to create the conditions for this new generation to grow and thrive and to build a continent of hope and progress.

We must constantly remind them of the words of Madiba, who said:

"Sometimes, it falls upon a generation to be great. You can be that generation. Let your greatness blossom."

It is then that the brighter day of which Pixley ka Seme spoke will rise upon Africa.

It is then that our chains will be dissolved, our plains will be red with harvest and our crowded cities will send forth the hum of business.

It is then that we will achieve an African renaissance.

God bless Africa. Nkosi sikelel' iAfrica. 🙏

Hopelessness and despair are being eroded by the expansion of education and entrepreneurship on our continent, and the advancing empowerment of women in African societies and economies.

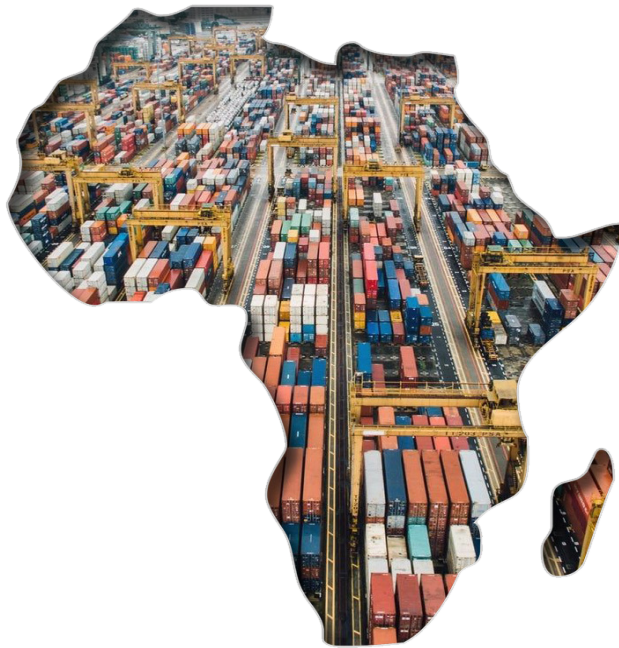


# Landmark resolutions place Africa on the path to rapid growth, stability

By Lindiwe Sisulu

Minister of International Relations and Cooperation

The agreement is an important step towards South Africa's participation in this market that will create opportunities and many benefits for the country and enable South African companies to export goods and services across the continent.



The recent African Union (AU) Summit, held in Nouakchott, Mauritania, took several important decisions that will place the continent on a path to rapid growth and stability, as envisioned in the AU's long-term vision document, Agenda 2063.

Agenda 2063 is a strategic framework for the socio-economic transformation of the continent up to the year 2063, the centenary year of the founding of the AU's predecessor, the Organisation of African Unity.

The vision document sets out ways through which African states can collectively accelerate the implementation of past and existing continental initiatives for growth and sustainable development.

The *Africa Rising* narrative has never been more evident than now with the AU's collective commitment to the implementation of the African Continental Free Trade Area Agreement, which will have a far-reaching impact on the African economies and significantly increase intra-Africa trade, investment and infrastructure development.

The free trade area agreement will integrate Africa, leading to the creation of a single market of over one billion people and approximately US\$3,3 trillion in gross domestic product (GDP), making it the world's largest free trade area.

To date, 49 of the 55 member states of the AU have signed the agreement, while six countries have ratified the agreement.

During the summit, South Africa, Namibia, Burundi, Lesotho and Sierra Leone signed on to the agreement, increasing the number of signatories to 49 countries.

eSwatini and Chad deposited their instruments of ratification, thereby increasing the number of states who have ratified the free trade area agreement to six. The other countries that have ratified it are Kenya, Ghana, Rwanda and Niger. The agreement will enter into force once 22 states have ratified it.

Following the signing of the agreement at the Summit by President Cyril Ramaphosa, the agreement will be submitted to Parliament as part of the process towards its ratification.

The agreement is an important step towards South Africa's participation in this market that will create opportunities and many benefits for the country and enable South African companies to export goods and services across the continent.

It will contribute to the growth and diversification of our economy and therefore create jobs, as well as reduce inequality and unemployment.

Another landmark resolution adopted at the summit with a view to enhancing Africa's economic development, trade and

**CFTA**

#AUCitizen | #AFCFTA



**1 CREATE** a single continental market for goods and services, with free movement of business persons and investments

**2 RESOLVE** the challenges of multiple and overlapping memberships and expedite the regional and continental integration processes



**3 EXPAND** intra African trade through better harmonization and coordination of trade across RECs and Africa

**4 ENHANCE** competitiveness at the industry and enterprise level

investment, is the establishment of the AU Development Agency.

The AU Summit approved the establishment of the agency as a technical body of the AU, and requested the AU Commission, in consultation with the New Partnership for Africa's Development (NEPAD) Planning and Implementation Agency, to develop a statute for the agency and submit it for adoption at the January 2019 AU Summit.

The NEPAD Agency is responsible for the implementation of the AU's Agenda 2063 and works to support the realisation of various development programmes and initiatives within African countries. The transition from NEPAD to the development agency will be undertaken as part of the establishment of the latter.

These positive developments offer the prospect of a new dawn for Africa.

The unity and renewal of our African continent must be pursued together with efforts to transform the global system.

It is within this context that the upcoming 10th Brazil, Russia, India, China and South Africa (BRICS) Summit in Sandton, Johannesburg, under our Chairship, will host an Africa Outreach meeting of selected Heads of State and Government.

This approach was started in Durban when we hosted the BRICS Summit in 2013.

Our view is that we must continue to promote and enhance the implementation of the AU's Agenda 2063 through the BRICS mechanisms, among other routes.

In this way, we will be able to improve intra-Africa trade and leverage more on alternative sources of funding than the BRICS New Development Bank provides for infrastructure development and sustainable development.

The continent is already benefitting in this regard, particularly in implementing the

BRICS-funded AU North-South Development Corridor projects.

An effective, efficient and a financially self-reliant AU is required if the continent is to achieve its goal of integration, development, peace and security.

In this regard, the AU Summit discussed various institutional and financial reform measures, which will not only place our continent on the path towards Africa's transformation, but will also reverse the dependency that hampers the development of the full potential of our continent.

Africa continues to make progress in its quest to mobilise financial resources within the continent through the full implementation of the decision on financing of the AU, adopted in 2016.

With the efforts that have been put in place in the fight against corruption and illicit financial flows, Africa can augment and enhance its prospects for adequate self-financing for its development agenda.

The continent has become generally politically stable and has over the past 20 years made significant strides in deepening democracy and good governance. Conducting elections has also become regular.

Peace and security matters were also high on the agenda of the AU Summit, where the situation in South Sudan, Ethiopia, Eritrea, Libya and Somalia was discussed. Progress made in the fight against terrorism and extremism on the continent was also raised.

The AU Summit adopted two very important resolutions on the AU's Agenda 2063 Flagship Project on "Silencing the Guns in Africa by 2020".

Firstly, member states were urged to mark September as Africa Amnesty Month by mobilising citizens to voluntarily surrender illegally owned weapons.

Secondly, member states were called on to submit reports on their efforts to implement the AU master roadmap on practical steps to silence the guns in Africa by 2020.

The goal of "Silencing the Guns in Africa by 2020", as contained in Agenda 2063, will coincide with the end of South Africa's two-year tenure on the United Nations Security Council (UNSC). Our term as a non-permanent member of the UNSC will run from January 2019 to December 2020.

Among the priorities South Africa will pursue in the council to achieve this goal will include: addressing the inextricable link between security and development; strengthening political solutions to conflict situations, including through preventive diplomacy, conflict prevention and management, mediation and peace-building; and strengthening cooperation between the UNSC and the AU Peace and Security Council in the maintenance of international peace and security.

South Africa is fully committed to implementing the decisions taken at the AU Summit level.

For too long, laudable initiatives have failed to come to fruition as a result of failure to implement. Our leaders are becoming increasingly impatient with delays and procrastinations. ☹

The unity and renewal of our African continent must be pursued together with efforts to transform the global system.

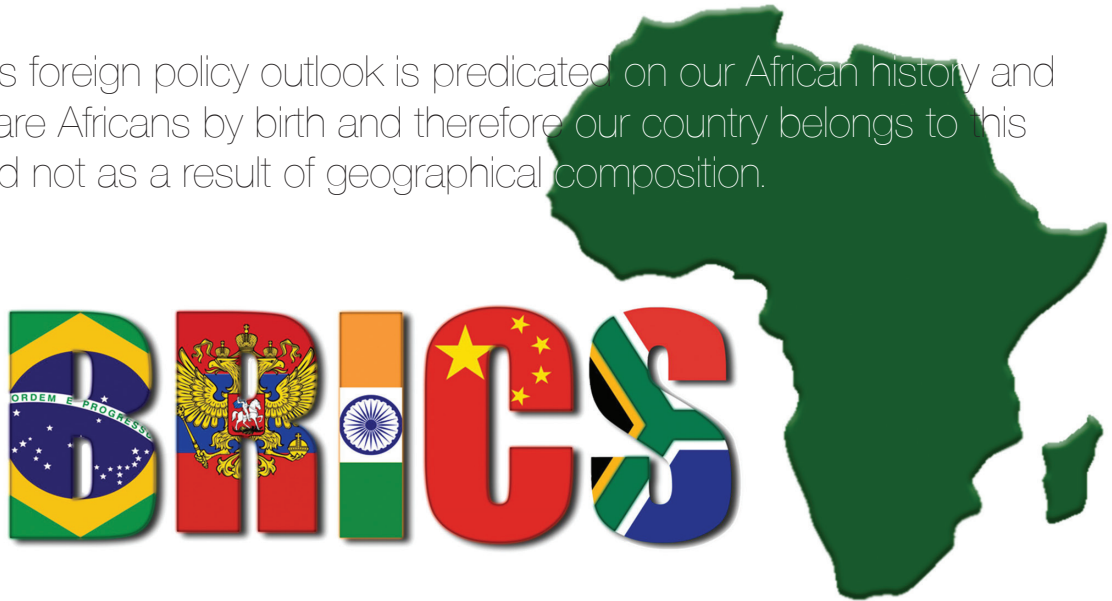


# BRICS in Africa: Working towards the realisation of African aspirations

**By Luwellyn Landers**

Deputy Minister of International Relations and Cooperation

South Africa's foreign policy outlook is predicated on our African history and identity. We are Africans by birth and therefore our country belongs to this continent and not as a result of geographical composition.



The 10th anniversary of Brazil, Russia, India, China and South Africa (BRICS) and our hosting of the BRICS Summit in July takes place in a very important year, the Year of Nelson Mandela, who would have turned 100 in 2018. This is an opportune time to again reflect on the important pillars of our foreign policy that Nelson Mandela identified in 1993 when he penned an article, titled: "South Africa's Future Foreign Policy: New Pillars For A New World". He said: "Economic development depends on growing regional and international economic cooperation in an interdependent world".

This is one of the pillars our foreign policy objectives remain predicated on. Suffice to say that it is in this context that South Africa accepted the invitation to join BRICS in 2011. We believe that economic cooperation remains an important instrument to pursue our national interests and improve the living conditions of our people.

South Africa's foreign policy outlook is predicated on our African history and identity. We are Africans by birth and therefore our country belongs to this continent and not as a result of geographical composition.

In the same vein, Africans are part of the Global South comprising in the main countries which were colonised and citizens who were subjugated for a long time. The BRICS formation signifies a longstanding tradition of

solidarity that was firmly established 63 years ago, in April 1955. This was when countries of Asia and Africa met at the historic Bandung Conference to determine their stance and common goals in the emerging Cold War era and assert themselves in the international system. The historic result of the Bandung Conference was the formation of the Non-Aligned Movement (NAM) in later years.

Amid pressure from the Cold War bipolarisation, those countries were able to concertedly affirm that they would choose neither the East nor the West, but pursue their own path and strategy under the "Bandung Principles" of the Afro-Asia solidarity. South Africa was at the Bandung Conference, represented by selected African National Congress leaders.

Russia as a member of the BRICS identified themselves with the anti-colonial struggle and development of countries of the South. Their involvement in our own country as well as our struggle against apartheid is well documented and they continue to support our development priorities in the post-Cold War and post-apartheid era.

Following the attainment of democracy, South Africa has appreciated the common socio-economic challenges of countries of the South. These challenges continue to be compounded by an international system that perpetuates the marginalisation of developing countries. In this context, South Africa sought to forge partnerships with other developing

countries through formations such as BRICS to address historic imbalances and economic inequalities.

Even before South Africa joined BRICS, reference was made by scholars and commentators to its potential. The concept "BRIC" was first mooted by Jim O'Neill of Goldman Sachs in reference to emerging economies. Perhaps what becomes important and relevant today is that while this concept was intended to reflect emerging markets and investment opportunities, the acronym became equated to a shift in global economic power.

The original projections for the emerging economies to become dominant global powers were estimated at around 2050. However, due to unforeseen positive growth in their economies, particularly at the time of the global financial crisis, such projections have since been revised to 2027. The BRICS countries produce a third of the world's industrial products and one half of agricultural goods.

According to the Standard Bank Report on BRICS, published in 2017, as at the end of 2016, the collective gross domestic product of BRICS was larger than that of the entire European Union, and accounted for 22,5% of total global output. Though the value of external trade relationships has declined, BRICS is still a collectively profound trading partner for developing economies in general and Africa in particular, with these flows

bolstered by investment on the continent, particularly from China, South Africa and India.

In this regard, there is general consensus that since its inception, the BRICS formation has joined an array of interregional bodies that contribute to the global diffusion of power. It is not an illusion that BRICS countries collectively and individually contribute to the tectonic shift due to, among others, the increased economic dominance of China and the re-emergence of Russia.

These shifts and changes in the global sphere augur well with our African Agenda. The unity and renewal of our African continent must be pursued together with efforts to transform the global system. Humanity can thrive when their collective and individual interests and aspirations are responded to and the BRICS formation is tilting the balance of forces to ensure exactly that.

It is within this context that during the upcoming Summit, we will host an Africa Outreach meeting of selected Heads of State and Government. This approach was started in Durban when South Africa hosted BRICS in 2013. Our view is that we must continue to promote and enhance the implementation of the African Union's (AU) Agenda 2063 through BRICS mechanisms.

There is no contestation that the establishment and subsequent operationalisation of the BRICS New Development Bank (NDB) provides an alternative for project funding. This will again complement the existing global traditional financial institutions. The BRICS mandate is to ensure that infrastructure and sustainable development project funding by the BRICS bank is made available to countries that are not members of the formation.

We have started to implement some of the selected and profiled BRICS projects. These projects and areas included: Insurance and Re-insurance Cooperation; the BRICS Seed Bank; Infrastructure, including Electricity Generation and Transmission; the BRICS Cable Project; the AU North-South Development Corridor; the Oceans Economy; Cooperation in Aviation; and Manufacturing.

We witnessed with pride the first tranche of NDB project loans disbursed in 2016. This included a project in renewable energy amounting to US\$180 million to South Africa. This has enabled us to stabilise our electricity grid supply and keep much-needed jobs through continued operations in factories.

In May 2018, South Africa was granted an additional loan of US\$200 million by the NDB for expansion of the Durban Port. The NDB has disbursed loans totalling US\$5,1 billion.

As we continue leveraging the opportunities provided by the BRICS formation, we must

ensure that we infuse and harness youth dividends. Young people represent 66% of South Africa's population and the challenge, at hand, is how to harness their collective potential to be productive and contribute to the growth of an inclusive, knowledge-driven industrial economy.

In his maiden State of the Nation Address, President Cyril Ramaphosa gave clear direction on youth empowerment; a message that will cascade to all the facets of the 10th BRICS Summit. "Our most grave and most pressing challenge is youth unemployment. It is, therefore, a matter of great urgency that we draw young people in far greater numbers into productive economic activity. Young South Africans will be moved to the centre of our economic agenda."

I am certain that this can be achieved within the ambit of the intra-BRICS cooperation work programme, as contained in the BRICS Action Plan. Similarly, we want to see deepened engagements with the South African BRICS Business Council, BRICS civil society and academic community.

In 2017, China innovated on the traditional Outreach approach by introducing the concept of BRICS Plus, which entailed a dialogue with emerging markets and developing countries.

The rationale behind the BRICS Plus concept is to create a platform for greater interaction and partnerships among countries of the Global South to shape the agenda to effect changes in the global economy, notably for:

- development and economic growth through trade and investment integration
- cooperation in global governance financial, economic and political institutions.

In the interest of ensuring maximum synergy between South Africa's Chairship of BRICS and that of China's in 2017, South Africa has also elected to consider a BRICS Plus element. In this regard, South Africa has elected to invite the leaders of the following countries representing regional economic communities in the Global South and the United Nations (UN):

- Argentina: as Chair of the G20 and influential Common Market of the South member
- Indonesia: as Co-Chair of the New Africa-Asia Strategic Partnership with South Africa and influential Association of Southeast Asian Nations member
- Egypt: as Chair of the Group of 77 (G77) +China
- Jamaica: as incoming Chair of the Caribbean Community
- Turkey: as Chair of the Organisation of Islamic Cooperation

- UN Secretary-General, Mr António Guterres.

We are confident that the 10th BRICS Summit will prove a success as the previous one hosted in eThekweni in 2013. The following new areas of BRICS cooperation have been proposed by South Africa:

- establishment of a Working Group on Peacekeeping
- establishment of a Vaccine Research Centre for Collaboration with BRICS vaccine innovation and development partners – this is intended to be a physical research centre focussed on research and development and vaccine innovation
- establishment of a BRICS Gender and Women's Forum – intended as a dedicated track for gender and women's issues, given the economic benefit to be derived from the socio-economic empowerment of women, particularly in developing countries
- leveraging the Strategy for BRICS Economic Partnership towards the pursuit of inclusive growth and advancing the Fourth Industrial Revolution – this is intended to foster discussions to address opportunities provided by the Fourth Industrial Revolution, as a means of leapfrogging development stages and bridging the digital divide
- establishment of a BRICS Tourism Track of Cooperation.

South Africa's approach to its Chairship is grounded in the intention to ensure programmatic continuity for BRICS and commitment to execute approximately 100 sectoral meetings, reflective of the expanded BRICS architecture. We also intend to bring a specific focus to the challenges and opportunities presented by the Fourth Industrial Revolution.

We believe that, in this second decade of existence, the BRICS formation has gained sufficient experience to play a larger, active and more constructive role in global affairs. We must build on the achievements recorded in the past decade and further strive towards collective prosperity and contribute to the greater cause of humanity.

We have stated in various platforms that our membership of BRICS will never be misconstrued as a negation of our relations with countries of the North. This is a complementary mechanism, which has already proven to be beneficial to its members and certainly will benefit the African continent 🌍



# BRICS provides us with a unique opportunity

**By Reginah Mhaule**

Deputy Minister of International Relations and Cooperation

The global economy is showing signs of recovery and improved growth. Here at home, we have entered into a new contract, a new dawn, where our economy occupies centre stage, and business confidence and investor sentiment are improving.



**B**razil, Russia, India, China and South Africa (BRICS) provides us with a unique opportunity as we usher our country into a new dawn of shared prosperity for all.

2018 has been declared the Year of Nelson Mandela with a view to commemorate his centenary and to celebrate his legacy. Similarly, this year also marks the centenary of Mama Albertina Sisulu and as such, South Africans will be joined by the international community for the commemorations of the centenary of not one but two international icons of the anti-apartheid struggle.

This year's programmes have been designed in such a way that it deliberately remembers and follows on the footsteps of these two gallant stalwarts of our liberation as a lesson to the new generation of commitment, resilience, selflessness and dedication in service of the people.

The global economy is showing signs of recovery and improved growth. Here at home, we have entered into a new contract, a new dawn, where our economy occupies centre stage, and business confidence and investor sentiment are improving.

We are working extra hard to capitalise on this positive turn as indicated in the reversed economic rating from negative to stable by Moody's.

As President Cyril Ramaphosa alluded in his speech at the South Africa-Canada Investor Engagement: "This is a positive development, which can be attributed to the implementation of more predictable and transparent policies.

"The revised outlook conveys the message that South Africa is politically and economically stable and is becoming more attractive to potential investors."

We are aware of the challenges that face us here at home and also on the international

stage, where South Africa continues to punch above its weight, while the global trends have indicated the rise of Alt-Right popular politics and also an increase in inward-looking policies that have shifted defined goalposts on matters surrounding international trade and migrations.

These challenges offer us a unique opportunity as the Brazil, Russia, India, China and South Africa (BRICS) grouping to assume a key role in introducing initiatives that will champion the course of internationalism that is under siege under the theme: "BRICS in Africa: Collaboration for Inclusive Growth and Shared Prosperity in the 4th Industrial Revolution".

We are therefore continuing with efforts to fast-track the socio-economic transformation of our society in line with our shared vision as encapsulated in the National Development Plan (NDP) 2030. As spelt out in the NDP, our transformation agenda can only be

realised through cooperative partnership with business through public-private partnerships. For our part, government is doing everything possible to improve existing conditions to increase foreign investment in the country.

South Africa remains an investment destination with strong economic and financial sectors.

Furthermore, our intensive efforts in engaging in various strategic partnerships are yielding positive returns. Such partnerships will greatly contribute to the diversifying of African economies while also contributing to the continental efforts of building infrastructure which will bode well for the intra-Africa trade agenda we are working on.

The intention of the BRICS Leaders to find expression beyond the highest political domain is being realised through increased people-to-people cooperation, which has spurred new and increased platforms for BRICS cooperation, including youth and women, among others.

In the context of South Africa's summit deliverables for 2018, a proposal has been made for the establishment of a BRICS Women's Forum as a fully-fledged cooperation track, under which discussions around the socio-economic empowerment and advancement of women will be deliberated and advanced.

The Fourth BRICS Youth Summit, organised by the National Youth Development Agency (NYDA), in cooperation with the Department of National Planning and Evaluation, took place from 16 to 21 July 2018 under the theme "Radical Economic Transformation – Making the BRICS Bank Work for Youth". The objectives of the Youth Summit were to:

- encourage young leaders among BRICS nations to actively participate in addressing the most significant global challenges, economic and social issues and development agenda
- establish constructive exchange of views on strategic issues empowering youth
- build ideas for a brighter and better tomorrow.

A Concept Note on the establishment of the BRICS Women's Forum was presented by the Department of Women at the First BRICS Sherpa/Sous-Sherpa Meeting from 4 to 6 February 2018 in Cape Town.

It is envisaged that the Women's Forum will be established prior to the 10th BRICS Summit from 25 to 27 July 2017 in Johannesburg.

The proposed forum is aimed at providing a platform for BRICS members to:

- engage on critical issues of gender equality and women's empowerment
- address major concerns related to women across the BRICS countries

- promote mainstreaming of women's issues across BRICS' processes, priority areas, declarations and agreements
- provide a platform for exchange of best practice, research and knowledge relating to BRICS women and girls.

Proposed priority areas for collaboration of the BRICS Women's Forum include poverty eradication, financial inclusion of women, entrepreneurship and business innovation, and bridging the digital divide.

The President has urged all stakeholders to work together on a social compact to create jobs, particularly for young South Africans. In this regard, we have, in collaboration with the private sector, launched the Youth Employment Service initiative in March this year.

Over the next three years, this initiative aims to create paid work experience opportunities in South African companies to at least one million young people. Young people represent 66% of South Africa's population and the challenge at hand is how to harness their collective potential to be productive and contribute to the growth of an inclusive and knowledge-driven industrial economy.

We are confident as well that we will realise our full growth potential and targets of our social pact, which President Ramaphosa announced to drive investment that aims to raise US\$100 billion over the next five years. The interaction with the private sector under the auspices of the BRICS Business Council will assist us to realise this undertaking.

This is important considering that all BRICS member states are committed to support youth employment in their respective countries. One of the ways to overcome the challenge of youth unemployment, is for BRICS to prioritise the development of small and medium enterprises. In doing so, we must place emphasis on creating young entrepreneurs as compared to job seekers.

For our part, the African Union focussed its thematic work in the previous year on harnessing the demographic dividends and therefore work has begun to deal with youth unemployment on the continent. We believe that the young generation will help us to realise our development aspirations as contained in Agenda 2063 as well as ensuring that we are not left behind in this era of the Fourth Industrial Revolution.

We remain steadfast in utilising the BRICS mechanisms to achieve both our national and continental development agenda. The BRICS New Development Bank (NDB) has opened its Africa Regional Centre and we believe that this centre will facilitate development funding for countries on the continent. The NDB has already accomplished the unthinkable in the

few years of its existence. By June 2018, the bank has approved loans of US\$5,1 billion (R68,7 billion) and it envisages to reach US\$15 billion worth of loans by 2021. The recent meeting of the Board of Directors and Governors of the NDB has approved a budget for six new projects.

Accordingly, the bank has approved a loan of US\$200 million to Transnet in order to enhance the capacity of the Port in Durban. The project will see the rehabilitating of the port's container terminal docks that are currently operating beyond their original design, and the upgrading of port infrastructure to provide additional slots for larger vessels.

Our aim is to unlock the economic potential of our country, which includes realising the full benefits of our ocean economy to fight poverty and underdevelopment. This requires commitment to initiate and manage systemic changes in our economy.

Other benefits from our membership with BRICS countries is the increase in foreign direct investment and access to markets which were witness when South Africa starting exporting beef to China. Our business community and in particular, small to medium enterprises, utilise these leverage of our bilateral and multilateral agreements to achieve business success and create much-needed jobs for our economy.

In this context, I recall Tata Madiba's words during the rally address following his release from Pollsmoor Prison, on Sunday, 11 February 1990, in Cape Town when he called for: "A fundamental restructuring of our political and economic systems to ensure that the inequalities of apartheid are addressed and our society thoroughly democratised."

We are under no illusion that a lot still needs to be done to improve the ease of doing business in our country and also ways of incorporating small business into the economy. Our special economic zones should be encouraged to open up opportunities to small, medium and micro-enterprises to stimulate economic growth and enhance participation of the previously disadvantaged.

We must work hard to eliminate the constraint of doing business to grow the economy and also attract new investment. South Africa is indeed open for business. 🇿🇦

One of the ways to overcome the challenge of youth unemployment, is for BRICS to prioritise the development of small and medium enterprises.









**Rooi Els is a small seaside village which forms part of the Kogelberg Biosphere Reserve and is situated in the Overberg region of the Western Cape**



# BRICS is more important than ever in a changing world

**By Nomvula Mokonyane**  
Minister of Communications

The second leg of the theme this year is the importance of what is being called the Fourth Industrial Revolution. One of the least understood realities is that there is a direct link between what has become known as "science fiction" and economic history.

The recent sign of tension in the G7 grouping has led to more focus being placed on other multilateral organisations around the world, including Brazil, Russia, India, China and South Africa (BRICS).

This is an important moment in world history, with the United States of America (USA) adopting a go-it-alone policy and determined to pursue a unilateralist form of international economic diplomacy. The time has come for the BRICS grouping to increase its interaction with partners, particularly in Africa, which already contains some of the fastest-growing economies in the world.

And that is why the theme this year is "BRICS in Africa: Collaboration for Inclusive Growth and Shared Prosperity in the 4th Industrial Revolution".

While BRICS is well known as an inclusive body where disparate languages and cultures are able to gather together in peace and cooperation, there is much to do to expand the relevance of the grouping internationally.

South Africa, by hosting the 10th BRICS Summit in 2018, is crucially positioned to feature as the main glue in this process. The BRICS bloc has much to trumpet, as it comprises around a quarter of the world's land mass and more than 40% of the population according to figures released by the International Monetary Fund (IMF) in 2017.

BRICS countries contributed over 23% to the world economy in 2017 and this is likely to rise to nearly 27% by 2022 according

to the IMF. So, as delegates arrive for the commemoration of the first decade of the grouping, they will be well aware of their importance to the global order.

The G7 is far more powerful economically, however, with the USA beginning to withdraw, particularly in the last meeting in Canada in June 2018 during which President Donald Trump announced that he did no longer honour pre-arranged agreements, this august body may be down to what is known as G6 plus one.

This is a clear opportunity for the BRICS grouping as the voice of the developing world and none more so than in the area of shared trade and finance.

An important focus of the BRICS grouping is the New Development Bank (NDB), along with the Chamber of Commerce and Industry (CCI). The latter was set up ostensibly to promote entrepreneurship and encourage the youth to establish and grow businesses across national boundaries.

In the modern world of online buying and selling, accessing products from across the world and then distributing them in your country of interest, BRICS 2018 is what could be called a perfect moment. The CCI is tasked with building a repository of data and information that can be used by members. It also is building a database of business partners across the world, as well as different business sectors. However, a major stumbling block, which it has been asked to address, is the culture of doing business, which is different across the BRICS countries.

For example, in South Africa, the banking industry is owned by private enterprise,

whereas in China and Russia, there is a much closer link between the State and banks. This poses challenges for businessmen and women from Brazil, South Africa and India, for example, who want to work more closely with Chinese business but may face headwinds as trade issues escalate.

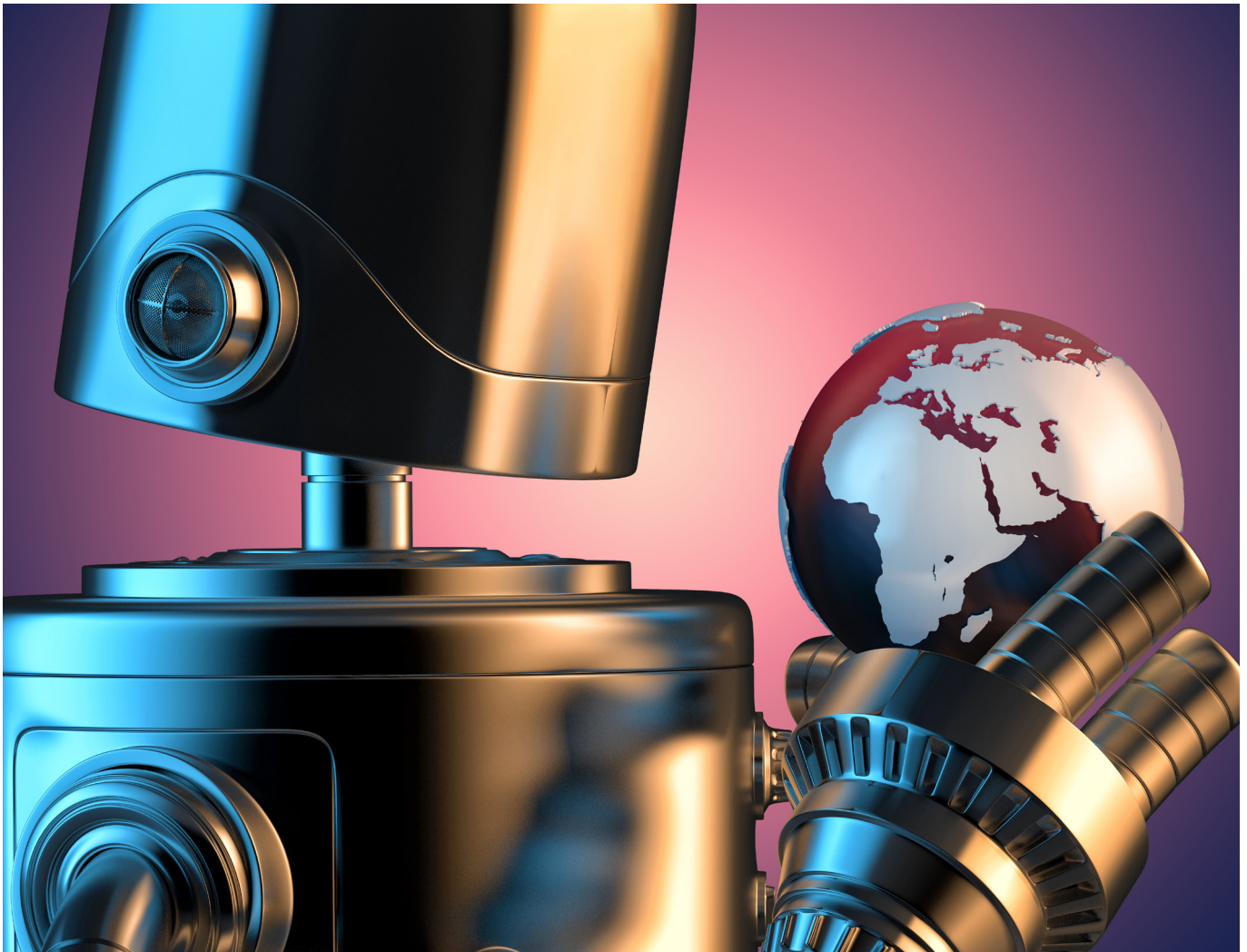
The same is true of Russia, where US and European Union sanctions over the Crimea means South African businesses could fall foul of international law, should they pursue growth in their BRICS partner country. Yet, we remain committed to our BRICS partners as they come under pressure, and considering South Africa's fundamentally important role in Africa, there are other opportunities that have emerged in recent years.

So far, the CCI has arranged a number of working visits where mainly government officials have exchanged views on global business. The chamber's focus is on the digital economy, food processing and agribusiness, manufacturing, rural and affordable healthcare and logistics while at all times seeking to improve skills development and entrepreneurship.

While the CCI goes about its business, the country is chairing other bodies, including the Southern African Development Community and the Indian Ocean Rim Association.

Furthermore, South Africa was successful in its bid for a non-permanent seat on the United Nations Security Council (UNSC) in June 2018, and will take up its seat between 2019 and 2020.

South Africans are fully aware of the role of BRICS and early in June 2018, during the visit by the BRICS ministers of foreign affairs/



international relations, the subject trended on social media in the republic.

One of the most important aspects of the grouping is the outreach programme, which seeks to improve inclusivity and extend cooperation to developing economies. With the theme rooted in Africa this year, South Africa is hard at work using a two-pronged approach to this outreach concept by promoting the BRICS Africa Dialogue and the BRICS Plus cooperation.

Russia, in particular, along with South Africa has been instrumental in being vocal about the outreach concept. The BRICS Plus initiative was outlined during China's Chairship and a meeting attended by the presidents of Egypt, Tajikistan, Mexico and Guinea and Thailand's Prime Minister as invited guests took place during the BRICS Summit in Xiamen.

There is a drive to invite other regional associations from Africa to the summit in Johannesburg in order to reaffirm the principle of inclusive cooperation. There are areas of mutual interest such as all-round innovation and sustainable development, which is the watchword on the continent with its incredible diversity.

However, it's the spirit of unilateralism and the knowledge gleaned through decades of

being involved in such negotiations that put South Africa in a strong position when it comes to the BRICS process. The rules-based order, which is at the core of international interests, has seen the country voted onto the UNSC for the period 2019 to 2020. This means South Africa has once again emerged as a facilitator and globally important partner.

The ministers commended African countries and the African Union on the signing of the African Continental Free Trade Area as an important step to economic integration on the continent, unlocking the tremendous potential of intra-African trade and addressing the socio-economic challenges. In this regard, the ministers reiterated their support for Agenda 2063 and efforts to promote continental integration and development.

Free trade is vital in order to secure growth in the world's economies and any attempt to shut down or overprotect trade through tariffs is a short-term solution to a long-term challenge. It is also likely to damage direct investment by business.

This is where the BRICS forum can make a difference in the year South Africa is hosting the 10th Summit. Ministers have already pledged their support for efforts towards improving governance through increased

representation of marginalised nations as well as greater participation of developing economies in decision-making. An exciting development is the progress reported by the NDB, which alongside the Africa Regional Centre, will help consolidate this modern investment thinking inside BRICS.

The second leg of the theme this year is the importance of what is being called the Fourth Industrial Revolution. One of the least understood realities is that there is a direct link between what has become known as "science fiction" and economic history.

South Africans are well endowed with a long list of brilliant thinkers who have made a name for themselves internationally, using the innovation that comes from African thinking combined with a global market. Elon Musk, who was born and raised in Pretoria, is an example. While now living and working in the USA, there is no doubt the developer of, among others, the Tesla electric, was shaped by his formative years avidly consuming science fiction and other science-related material while being surrounded by a vibrant and changing society.

Another is Mark Shuttleworth, who was an early adopter to the technology of the Internet and who created a way and who understood





that the revolution of the digital world fundamentally changed the way we live and work. He designed and built the first online payment system called Thawte, which is now the standard in an industry that is worth hundreds of billions of dollars.

We are only into the second decade of this revolution and there is no real blue print and future map. Governments around the world are trying to respond to this tech heavy future by rapidly developing their core skills and improving education methodology to take advantage of this new world.

While the digital revolution began mid-way through the 20th century, the blurring of the lines is now accelerating and causing some confusion for policymakers. For example, how should the Internet be run in terms of freedom of information, cost of reaching that information and dispensing the content, and coping with the threats in the digital world?

Countries can now reach out and strike each other through a few keystrokes on a computer keyboard. According to the World Economic Forum (WEF), there are three reasons why this revolution of technology is different from the previous.

The first is the scope of the change. Now, we have entire factories being run by robots which are interlinked using data-reading computers. The speed at which we now have to work or that business must operate is a second reason why this revolution is different. Think about the trading systems on stock exchanges such as the Dow where algorithmic trade, as it is now called, accounts for most of the daily activity instead of humans pressing buttons.

The third is the impact on systems. Disruptions are taking place at a pace which is hard to fathom. Applications and platforms are replacing legacy businesses such as in human transport, with Lyft and Uber, among others, now dominating the so-called gig-economy. The flow of cash and capital between companies and out of countries has become a threat in terms of tax and other financial systems. How does a country in the BRICS bloc such as Brazil or South Africa ensure that the registered company in these locales are paying the taxes associated with their sector?

The Fourth Industrial Revolution has its challenges, particularly with warnings that it could lead to greater inequality as it disrupts traditional labour. Automation means fewer people are being hired and as youth employment directly relates to societal stability, how are countries going to create new jobs for their citizens lost to technology? This is going to be one of the points under discussion during the BRICS Summit in South Africa.

However, there will be an increase in safer jobs with machines going underground to protect workers. In South Africa, the mining industry is a major job creator, but mines that are up to three kilometers deep are by their very nature, incredibly dangerous places to send men and women.

With talent emerging as a central feature of the Fourth Industrial Revolution, the displaced workers will quite possibly be working in more rewarding and safer jobs, according to the WEF and other think tanks. However, the low skill/low pay versus high-skill/high pay segments of our various populations could lead to increased social tension, but it is something that the BRICS countries are highly aware of, and are proactively dealing with.

Our Chinese partners, for example, are building a capacity in terms of global innovation when it comes to solar energy. Beijing has focussed on this technology for strategic and economic reasons, and South Africa has already seen 27 large-scaled power projects signed off this year alone, which will use sustainable energy to produce electricity.


More than 30% percent of the globe now uses social media platforms of various types to learn about the world around them. However, this technology is being exploited by governments and private enterprises and even propagandists to spread racist and other extremist content. This is a challenge that must be well met and managed by BRICS states and we cannot avoid the implications for each country in the bloc.

The growing demand for transparency is to be welcomed as South Africa has led the drive to improve the quality of information that can be used by its citizens in order to improve services. However, citizens are also free to voice their opinions and even share content linked to services, so it is actually helping to improve government's delivery by listening more effectively to its people.

As the physical, digital and biological worlds continue to converge, new technologies and platforms will increasingly enable citizens to engage with governments, voice their opinions, coordinate their efforts and even circumvent the supervision of public authorities.

Governments which are able to successfully embrace this new disruptive world caused by the Fourth Industrial Revolution and improve efficiency in operations will endure.

A traditional top-down approach to responding to this new opportunity is no longer satisfactory as the rapid pace of change means those countries with a highly stratified process of information management may find their own citizens will circumvent their

policies and build their own. Agile governance has become the watchword for governments around the world, and our BRICS partners are well placed in this to adapt to the ever-changing environment and become more collaborative. 

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# Importance of the BRICS trade and investment agenda

By Rob Davies

Minister of Trade and Industry

Global trade rules should facilitate effective participation of all countries in the multilateral trading system in order for developing and least-developed countries to secure a share in the growth of world trade commensurate with the needs of their economic development. In this regard, we continue to work with our BRICS partners to advocate for an inclusive multilateral trading system that promotes inclusive growth, integration of developing countries in the global economy and sustainable development.



The year 2018 marks the 10th anniversary of the Brazil, Russia, India, China and South Africa (BRICS) partnership. Since its inception, BRICS cooperation has expanded to a wide range of issues – trade, industry, international cooperation and security, science, health, energy, water, environmental affairs, and agriculture, among others.

With a combined gross domestic product of US\$15 trillion (R205 trillion), BRICS countries account for 19,3% of gross global product; 25,7% of the world land area; more than 40% of the world population; and have contributed more than 50% to the world's economic growth during the last 10 years. Intra-BRICS trade grew from

US\$567 billion in 2010 to US\$744 billion in 2017. Similarly, South Africa-BRICS trade grew from US\$28 billion to US\$35 billion over the same period. Both South Africa exports to and imports from other BRICS countries have grown at a rate faster than South Africa's global trade, thus increasing the importance of other BRICS countries in South Africa's trade basket.

Combined, the BRICS countries account for 15,4% of South Africa's global exports and 25,4% of the country's imports. The BRICS Trade and Industry Ministers' meetings are taking place at a time when the multilateral trading system is facing unprecedented challenges.

This includes the rise in unilateral measures that are incompatible with the World Trade Organisation (WTO) rules that

put the multilateral trading system at risk. Of key concern is the disregard of the multilateral rules and principles that underpin international trade.

We are also witnessing a shift that seeks to question the continued relevance of development-focussed multilateralism. In addition, the Fourth Industrial Revolution is transforming the global economy.

New technologies and approaches are merging the physical, digital and biological worlds in ways that will fundamentally transform humankind. The extent to which that transformation is positive will depend on how we navigate the risks and leverage the opportunities that arise along the way.

The Fourth Industrial Revolution is based on distributed smart systems, integrated in the "Internet of Things", that include high levels



of digitisation, automation and networking. Cyber-physical systems are an essential feature of the technical infrastructure. This is expected to lead to disruptive changes in production and services, which require appropriate regulatory frameworks, infrastructure and skills to support and enable the Fourth Industrial Revolution.

In the context of these global developments, South Africa's membership of BRICS has been one of the key strategic partnerships of the democratic South Africa and is a key platform for promoting South-South trade and investment. South Africa's drive to attract US\$100-billion investment over the next five years requires leveraging trade and investment partnerships to achieve this objective.

South Africa is relatively well represented as a destination country for intra-BRICS investment. In 2016, it attracted 6,2% of intra-BRICS investment, at R34,5 billion. This mainly originated from India and China. South African companies utilised investment opportunities in other BRICS countries, mainly Brazil and China, to the value of R22,6 billion.

BRICS countries are important developers of technology, sometimes embodied in investment. Investment promotion aims to contribute to the creation and development of hi-tech industries and move South Africa towards a knowledge economy. Our objective is to also promote investment into South Africa's special economic zones.

South Africa's Chairship of BRICS presents an opportunity for collaboration among BRICS countries on the Fourth Industrial Revolution with a view to share and exchange

views on regulations and policies to shape markets, including learning best practice from other BRICS members to ensure businesses in the respective countries can effectively participate in the Digital Industrial Revolution.

While BRICS countries are competitors in the trade and investment sphere, there is agreement to advance cooperation on the basis of complementarity. South Africa's participation in BRICS, therefore, provides opportunities to build its domestic manufacturing base, enhance value-added exports, promote technology sharing, support small business development and expand trade and investment opportunities. This is more likely to be achieved through participation in the value chains of these countries.

In relation to the multilateral trading system, the BRICS Trade and Industry meetings present an opportunity for the development of a coordinated message on the centrality of a rules-based multilateral trading system, as embodied in the WTO.

Global trade rules should facilitate effective participation of all countries in the multilateral trading system in order for developing and least-developed countries to secure a share in the growth of world trade commensurate with the needs of their economic development. In this regard, we continue to work with our BRICS partners to advocate for an inclusive multilateral trading system that promotes inclusive growth, integration of developing countries in the global economy and sustainable development.

What makes BRICS more significant is the expansion of its institutional framework, including the establishment of

the New Development Bank (NDB) and the development of a Strategy for BRICS

The NDB aims to finance, among others, infrastructure projects in developing countries. This presents an opportunity for collaboration in the development of key infrastructure projects that contribute to regional integration in the African continent and facilitates the creation of regional value chains to boost industrial development. ▮

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Investment promotion aims to contribute to the creation and development of hi-tech industries and move South Africa towards a knowledge economy. Our objective is to also promote investment into South Africa's special economic zones.



# BRICS STI partnership a recognised force in global science arena

**By Mmamoloko Kubayi-Ngubane**  
Minister of Science and Technology

In South Africa, we live by the credo that science knows no borders. It is only by sharing our resources, experience and expertise that the global community will effectively put research and innovation at the service of our societies, achieving the Sustainable Development Goals. We should therefore concertedly invest in and further develop our BRICS STI partnership, which has become a recognised force in the global science arena. ►►





The Department of Science and Technology (DST) is strongly committed to the Brazil, Russia, India, China and South Africa (BRICS) partnership in science, technology and innovation (STI). Over the years the five BRICS partners have developed an impressive portfolio of jointly funded BRICS research and innovation initiatives, which have also played a critical part in fostering friendship, solidarity and political and economic relations between the BRICS partners. We have put Science Diplomacy into practice.

When we meet as BRICS ministers recently, our mission was to strengthen our partnership to ensure STI plays an optimal role in further enhancing the competitiveness of the BRICS economies and in improving the quality of living of all our citizens. Our Heads of State entrusted this critical task to us when at the 2017 BRICS Summit they explicitly recognised innovation as a key driver for growth and sustainable development. The 2018 BRICS Summit, to be hosted by President Cyril Ramaphosa in July, under the theme of “BRICS in Africa: Collaboration for Inclusive Growth and Development in the 4th Industrial Revolution”, will provide a further opportunity to consider the critical role of STI as part of the overall BRICS partnership.

As policymakers for our governments, the BRICS Ministerial Meeting provided a valuable opportunity for us to share within our partnership, our respective experiences and expertise, in formulating and implementing policies and strategies, which will ensure innovation-driven growth. This is especially useful for South Africa, as the Ministry of Science and Technology is preparing a new *White Paper on STI*. The White Paper is intended to guide our efforts to ensure we are successful in promoting inclusive development in South Africa through science and innovation.

The new policy document will have an important focus on the role government should play in enabling innovation, notably by instilling a national innovation culture across all spheres of government. This is certainly an area where we can learn much from our BRICS partners. In addition, receiving attention will be ensuring that appropriate supply-side measures such as funding and other incentives fulfil their role as drivers for innovation performance. Equally important will be the role of demand-side measures to promote the so-called innovation pull, through for example the leveraging of public procurement and specific support for small and medium enterprise development. This is an area where Brazil has significant experience.

Another priority will be the promotion of grassroots innovation, ensuring all South Africans enjoy the opportunity to create and exploit innovation opportunities. Grassroots innovation is notably a strategic focus area in our bilateral cooperation with India.

Of course, we will not achieve our vision without successful policies and practices to facilitate the contribution of industry and business to innovation-driven growth. Without the participation of our enterprises, the so-called innovation chasm, which hampers our economies, will continue to persist. Unless our enterprises assist us to bridge this divide between research and the marketplace, we will be faced with the continued inability to translate a significant proportion of our research and development results into socio-economically useful products and services. Through STI, the business sector also has a critical role to play in diversifying our economy, helping us to develop a competitive knowledge economy, not dependent on raw materials and other commodities.

For South Africa, cooperation with and learning from our BRICS partners is crucial also in this domain. We therefore greatly value the strategic partnership with China on Science Park Cooperation, launched during Vice Premier Liu Yandong's visit to South Africa last year. We, for example, admire the success of the Skolkovo Innovation Centre in the Russian Federation, a prime example of concerted investment in a public-private partnership to boost innovation and the development of hi-technology enterprises.

We should also spare no effort to promote youth innovation and entrepreneurship. In this regard, the DST hosted in the City of Durban, as a precursor to the BRICS Ministerial Meeting, the annual BRICS Young Scientists Forum, bringing together more than a 100 young scientists from the BRICS partners. The youth is our future. Eliminating poverty, unemployed and inequality starts by investing in our youth. The immense potential of their ingenuity, drive and commitments are our most precious assets for the future, and these should be permitted to blossom in the BRICS partnership.

In South Africa, we live by the credo that science knows no borders. It is only by sharing our resources, experience and expertise that the global community will effectively put research and innovation at the service of our societies, achieving the Sustainable Development Goals. We should therefore concertedly invest in and further develop our BRICS STI partnership, which has become a recognised force in the global science arena. Successful cooperation between South Africa, China and India, is for example one of the pillars underpinning the global partnership

to advance the Square Kilometre Array global radio telescope project, of which we launched the MeerKAT precursor telescope on 13 July 2018. We hope the Russian Federation and Brazil will join soon.

Furthermore, in another example of the impact of our collaboration, South Africa and Brazil have launched a science plan for South-South research cooperation in the South Atlantic Ocean. I hope that we will also be able to support the building of STI capacities elsewhere in Africa through our BRICS partnership. In this regard, I would like to acknowledge the efforts of China under the Forum for China-Africa Cooperation and also of all the BRICS partners who continue to invest in and support Africa.

This year marks the centenary anniversary of democratic South Africa's first President, our beloved and iconic leader, Nelson Mandela. His legacy should also inspire our BRICS partnership, including in science and technology, to take action and inspire change.

In the words of one of the other historic leaders of South Africa's liberation struggle Chief Albert Luthuli, who in 1961 stated: “Scientific inventions at all conceivable levels should enrich human life, not threaten existence. Science should be the greatest ally, not the worst enemy of mankind.”

The youth is our future. Eliminating poverty, unemployed and inequality starts by investing in our youth. The immense potential of their ingenuity, drive and commitments are our most precious assets for the future, and these should be permitted to blossom in the BRICS partnership.



# Small business is big business

By **Lindiwe Zulu**

Minister of Small Business Development

Across the globe, experience demonstrates that small business and cooperatives thrive if an enabling environment is created and if there is a robust partnership between government, big business and the SMMEs and cooperative sector.



South Africa's Brazil, Russia, India, China and South Africa (BRICS) membership contributes to further leveraging economic opportunities for its own development agenda, as well as that of the continent. South Africa's interaction with fellow BRICS states is premised on three levels of engagement:

- national: to advance its national interests
- regional: where it promotes regional integration and interaction with specific emphasis on the African Union (AU) mandate given to South Africa to promote infrastructure development throughout the continent
- global: where it advocates for a more inclusive global governance system.

As part of the developing world, South Africa faces the triple challenges of poverty, unemployment and inequality. BRICS Leaders engage in peer learning and share

best practices and development models to address and combat these common challenges.

South Africa uses its membership of BRICS to garner BRICS support for AU priority programmes, including Africa's infrastructure development; industrialisation; and spatial and regional integration initiatives; and more recently, for the overarching socio-economic development plan, Agenda 2063.

BRICS seeks to advance the restructuring of the global political, economic and financial architecture into one that is more equitable and balanced and which rests on the important pillar of multilateralism. International financial institutions that are more just and representative will better serve and support the interests of all members, especially the development of emerging economies.

Our government has identified small businesses and cooperatives as critical to creating an economy that benefits all. It is by investing in small businesses and entrepreneurship that we will be able to defeat the triple challenges of poverty, unemployment and inequality. Small businesses and cooperatives hold the key to unlock our country's economic potential.

There is consensus across government that the economy needs a thriving small business and cooperative sector to reach national socio-economic goals of a prosperous and inclusive society. It is only through a flourishing inclusive economy that the challenges of inequality, unemployment and poverty can be comprehensively addressed.

Across the globe, experience demonstrates that small business and cooperatives thrive if an enabling environment is created and if there is a robust partnership between government, big business small, medium and micro-enterprises (SMMEs) and cooperative sector.

It is in this context that the Department

of Small Business Development (DSBD) was established. As a department, we are committed to fulfilling the objectives of the National Development Plan (NDP), which enjoys overwhelming support from the people of South Africa as a realistic proposition to grow and develop an inclusive national economy.

Since 2014, we have been mobilising society across the board and raising awareness around the issues and challenges confronting small businesses. We are successfully placing small businesses and cooperatives firmly on the national agenda.

In order to unlock the potential of (SMMEs) and cooperatives, we have proposed five critical areas that could play a major role in the promotion and development of the small business sector. The five areas are:

- public sector procurement
- building market access into private-sector value chains
- simplifying the policy and regulatory environment
- access to finance
- support to township and rural economies.

The country's high rate of unemployment and extreme inequality call for bold and far-sighted interventions. The NDP is the vehicle which will address poverty, unemployment and inequality. It sets an ambitious aim to treble the size of the economy by 2030; a daunting challenge that will require our collective contribution. Meeting the NDP's growth target of 5,4% for the next 16 years will not only guarantee South Africa's material prosperity, but will be an elevating and inspiring narrative for the country – "an optimistic new story", as the NDP phrases it.

As the NDP makes clear, getting South Africa onto a high-growth trajectory demands that we fundamentally change our game plan and place small businesses and cooperatives



at the centre of our war against poverty, inequality and unemployment. Developing a strong and growing SMME community is a cornerstone of the NDP's vision. SMMEs are expected to be central to South Africa's job creation efforts, in line with international trends.

One of the specific targets of the NDP is to reduce unemployment to 6% by 2030 through the creation of 11 million jobs. The NDP projects that if we implement the full range of its recommendations, our economy will grow at 5% per annum, with 60% to 80% of this value being generated by SMMEs and expanding businesses, and that this sector will create 90%, or 9.9 million, of the 11 million new jobs we will boast by 2030. Hence our bold assertion: small business is big business!!

This task is not only limited to government but is a joint compact between government, civil society and the private sector. The key responsibility of government is to create an enabling environment for small business to take their rightful place in the mainstream economy.

We see small businesses and cooperatives as critical to creating an economy that benefits all.

Our point of departure is that small businesses can be the backbone of any economy and the main driver of economic growth, poverty reduction and job creation. A healthy SMME sector can make a massive contribution to the economy by creating more employment opportunities and generating higher production volumes.

As South Africans, we remain concerned that small businesses have an exceedingly

high failure rate, and the majority of the casualties are black and women-owned businesses. Statistics tell us that small businesses have only 37% chance of surviving four years and only a 9% chance of surviving 10 years. Between 70% and 80% of small businesses fail in their first year, and only about half of those who survive remain in business for the next five years. Among a variety of reasons why small businesses collapse, is lack of access to markets. For this reason, we must prioritise supplier development as one of our key and critical intervention strategies.

We have adopted new Broad-Based Black Economic Empowerment codes, which incorporate supplier development programmes that include and integrate SMMEs. There is, however, a need for us to ensure that we have a solid monitoring and evaluation system that ensures that big business includes SMMEs in their supplier development programmes.

It is through the department's overall portfolio that includes the Small Enterprise Development Agency (SEDA), which provides non-financial support to enterprises, and the

Small Enterprise Finance Agency (SEFA), which offers financial support to SMMEs and cooperatives, that we believe we can implement these interventions to enable SMMEs and cooperatives to develop and thrive.

Access to finance is one of the key constraints faced by entrepreneurs, be it a start-up or an existing SMME and cooperative wishing to diversify or explore a new opportunity. Time and time again, these start-ups, young people, people living with disabilities and women in particular, tell us of their frustrations with banks and development finance institutions (DFIs), which refuse to support them because they are perceived as high-risk ventures, irrespective of the brilliance of their proposals or demonstrable potential to succeed.

A core tenant of government's small business policy is the provision of finance to start-up enterprises and those that struggle to get funding from commercial finance institutions. Since its establishment six years ago, SEFA has financed 286 000 SMMEs and cooperatives to the value of R5,5 billion and facilitated the creation and maintenance of 312 235 formal and informal sector jobs.

The provisional 2017/18 financial year

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disbursed R1,2 billion to 45 035 SMMEs and cooperatives and facilitated 54 144 jobs. Integral to its mandate, SEFA has during the last 12 months provided targeted finance support to:

- 44 792 black-owned enterprises to the value of R836 million
- 9229 youth-owned enterprises to the value of R191 million
- 44 116 women-owned enterprises to the value of R403 million.

The Black Business Supplier Development Programme (BBSDP) is another financial instrument, which a cost-sharing grant mainly extended to expanding SMMEs. Since 2014/15, 2 558 SMMEs were supported to the value of R1,32 billion.

President Cyril Ramaphosa reiterated in the State of the Nation Address that "government will honour its undertaking to set aside at least 30% of public procurement to SMMEs, cooperatives and township and rural enterprises."

Hence, the department together with National Treasury, is determined to sharpen the monitoring and implementation of the 30% Set Aside Policy for SMMEs. The *Public-Sector Supply Chain Review* confirmed that in 2016/17 alone, government spent over R750 billion on the procurement of goods and services, as well as construction works. However, many SMME continue to complain that they are overlooked.

We hold the view that 30% is not the ceiling. Instead it is the minimum value of contracts which should be awarded to the SMMEs and cooperatives. It is encouraging that there are many departments and a few provinces which have far exceeded the 30%.

The payment of suppliers within 30 days remains a challenge. As at September 2017, a total of 71 883 invoices to the value of R4,3 billion were older than 30 days and not paid. In the 2017/18 financial year, the DSBD was among those departments which paid 100% of its invoices within 30 days. However, there are many departments who are non-compliant.

We are determined to implement stronger enforcement measures because we cannot turn a blind eye to departments who are in flagrant violation of a policy decision and Treasury Regulations and who cause the collapse of SMMEs and cooperatives. Our programmes are responding directly to the

The Cooperatives Incentive Scheme (CIS) is a support programme in the form of a grant set aside for cooperatives. It provides a 100% grant for the acquisition of tools, machinery and equipment for both start-up and expanding cooperatives, thereby providing them an opportunity to start production and generate profits.

plight of small businesses and cooperatives. The BBSDP continues to support the development of black entrepreneurs through the provision of equipment, machinery and tools, which they require to expand their business operations. This cost-sharing grant funding has been in operation for quite a number of years now, and has benefited black-owned businesses all over South Africa.

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Financial support entails access to business loans that are provided through SEFA at favourable rates (below market rates). The role of the DSBD is to:


- assist youth access financial support from SEFA
- ensure quality and accessibility of support from SEFA and act as an intermediary where there are challenges
- identify additional programmes for financial support within the context of the incentives offered by the department.

It is important to note that the incentives administered by the department, except for the CIS grant, focus on growth and expansion of SMMEs and are only accessible to enterprises that have been established and operational for at least a year and stipulate other criteria which the CIS beneficiaries will have to fulfil. The department's Youth Directorate will also assist with handholding and counsel, by directing young entrepreneurs to DFIs.

SEFA offers a range of financing products to qualifying SMMEs and cooperatives to start and grow their businesses. These products include:

- Working capital loans, targeted at enterprises which do not have sufficient working capital to fulfil a specific contract. Such loans are for a maximum duration of 12 months.
- Term loans to finance longer-term working capital requirements.
- Specific capital acquisition.
- Business expansion projects with a repayment term of between one and five years.
- Revolving credit facilities for established SEFA clients with satisfactory credit records and is to facilitate short-term capital requirements for the delivery of existing customer contracts or orders. The capital repayments plus interest are structured in relation to the cash flow projections of the borrower.

There are a range of non-financial support measures, ranging from identifying a business idea, conducting market analysis, business finance, bookkeeping etc. which are primarily offered by the DSBD through SEDA. SEDA has a national footprint, with offices in all provinces as well as at district level and in some instances, municipalities. The department will facilitate access to this support for beneficiaries who have an interest in establishing a business or cooperative.

Together, we move SMMEs and cooperatives forward. 

President Cyril Ramaphosa reiterated in the State of the Nation Address that "government will honour its undertaking to set aside at least 30% of public procurement to SMMEs, cooperatives and township and rural enterprises."

The provisional 2017/18 financial year loan performance indicators show that SEFA disbursed R1,2 billion to 45 035 SMMEs and cooperatives and facilitated 54 144 jobs.

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# SA mining sector: A vibrant, competitive and sustainable investment destination of choice

**By the Department of Mineral Resources**

The mining sector in South Africa has been a cornerstone of South Africa's economy with over 150 years of formal mining experience and it continues to be a mineral investment destination of choice. The country continues working to ensure the growth and sustainability of the sector through innovation.

When South Africa joined Brazil, Russia, India and China (BRIC) in 2010, it was an affirmation of what the country had achieved and represented a strong foundation for building Africa's growth and regeneration. BRICS member countries have natural resources and investment potential that are changing the face of the mining world. South Africa is

one of the most promising emerging markets globally, mainly because of the abundance of natural resources and huge exploration real estate; political and economic stability with sound mining regulatory and macro-economic management; a world-class financial system; favourable cost of doing business supported by excellent infrastructure; readily available geological information; and skills availability.

South Africa's mining industry is one of the country's key economic sectors with the potential for a substantial contribution

to economic growth, job creation and transformation, consistent with government's objectives of higher and more balanced economic and inclusive growth as stipulated in the National Development Plan.

The mining sector in South Africa has been a cornerstone of South Africa's economy with over 150 years of formal mining experience and it continues to be a mineral investment destination of choice. The country continues working to ensure the growth and sustainability of the sector through innovation.

Government intends on strengthening the linkages between mining and manufacturing, thus ensuring maximum benefit is leveraged from the development of the country's mineral resources and that the country is placed on a more sustainable growth path by supporting industrialisation.

South Africa's partnerships in mining with other BRICS member countries:

### Brazil

South Africa and Brazil held a joint commission in 2013 and an action plan was produced. The action plan provides for various measures to be taken in a variety of fields, including mineral resources, more balanced trade, encouragement of investment in South Africa's manufacturing industry (mineral beneficiation) and skills development.

South Africa has noted with interest the decision by Brazil to abolish a vast national reserve to open the area for commercial mineral exploration to stimulate and grow the contribution of mining to the Brazilian economy.

### Russia

South Africa continues to support the Inter-Governmental Committee on Trade and Economic Cooperation, which was established in 1999 as a coordinating bilateral body to exploit trade and investment opportunities and identify and resolve potential obstacles in areas of cooperation between South Africa and Russia.

The Department of Mineral Resources, supported by relevant state-owned entities, engages its Russian counterparts on the following areas of cooperation:

- Sub-committee on Mineral Resources, which was established to implement the Agreement between South Africa and Russia on Cooperation in the Field of Exploration, Mining, Processing and Beneficiation of Minerals, signed in 1999. The implementation plan was finalised in October 2017 and is awaiting sign-off by the two ministers.
- Joint Working Group on Platinum Group Metals (PGMs), which is the implementation mechanism of the 2013 Memorandum of Understanding (MoU) on Cooperation in PGMs. The strength of the South Africa-Russia partnership lies in their dominance in PGM resources. This partnership is envisaged to lead to better collaboration in the discovery of new technologies to diversify the application of PGMs, the sharing of best practices for geological survey and exploration of PGMs and combating illicit trafficking, among others.

### India

India has a vibrant diamond beneficiation industry, which South Africa can learn from as one of the largest diamond-producing countries. India also has an advanced diamond cutting and polishing industry. One of the identified value chains in the Beneficiation Strategy of South Africa is the establishment of the Integrated Jewellery Hubs under the Jewellery Fabrication Value Chain. South Africa is considering collaborating with India in the following areas:

- training in cutting and polishing of diamonds
- fostering cooperation between South African designers and large-scale producers from India
- joint programmes aimed at improving jewellery manufacturing facilities in South Africa
- encouraging Indian jewellery manufacturing companies to set up commercial jewellery manufacturing and trading hubs in South Africa
- technology exchange and transfer.

### China

The collaboration between South Africa and China in the fields of mining and mineral development takes place within the framework of the MoU on Cooperation in the Field of Geology and Mineral Resources, concluded in 2011.

The two countries agreed to the establishment of a Comprehensive Strategic Partnership based on equality, mutual benefit and common development.

Under this partnership, the Bi-National Commission was established to guide and coordinate exchange and cooperation on political and economic matters of mutual interest in the bilateral and multilateral spheres.

Mining Sectorial Committee meetings have been taking place, with the last one held in November 2016 between the Department of Mineral Resources and the National Development and Reform Commission of China.

Some of the areas of collaboration that have been identified include:

- Deepened collaboration within the context of the Kimberley Process.
- The creation of favourable environments to stimulate reciprocal investments in South Africa and China to facilitate mineral value chain integration.
- Encouraging both governments to support each other's companies' investment in their respective countries, as far as possible.
- Cooperation and investment in beneficiation of product/projects, albeit

not limited to, polished diamonds, precious metals jewellery, ferro-alloys, and autocatalytic convertors. China has urged South Africa to provide a list of activities or projects aimed at expanding collaboration and stimulating local production.

- Commitment to exploring collaborative opportunities between our respective technical entities, which include mineral processing technologies as well as diamond trading, cutting and polishing techniques.

South Africa will continue with efforts to support investment in mining and beneficiation with a particular focus on the growth and promotion of small and medium-sized enterprises.

The country's mining sector has the potential to unlock economic investment opportunities that will develop and sustain the country even beyond the lifespan of mining operations.

The Department of Mineral Resources will support business and create an environment conducive for investment in the mining space. The department will further work with its counterparts in forging stronger partnerships for the benefit of all South Africans, and the African continent in general. ▬





# BRICS countries must become climate change patrons

**By Sezeni Zokwana**

Minister of Agriculture, Forestry and Fisheries

Through our collegiality as BRICS countries, I plead that let us hand-hold each other; let's share information and experiences in our scientific and technological advances that each one of us has. As the BRICS bloc, we must be driven by the great sense of solidarity rather than competition, brotherhood rather than enmity and increased intra-trade.

It was with great honour that South Africa hosted the Eighth Meeting of the BRICS Ministers of Agriculture and Agrarian Development in June 2018 in Mpumalanga. It is not just about hosting but about the important resolutions that we ratified arising out of the work done by our technical teams. Important forward-looking decisions were taken last year in Nanjing, China, and these were built on during the Eighth Meeting of Ministers.

As Brazil, Russia, India, China and South Africa (BRICS) agriculture ministers, we are racing against time in making meaningful impact against hunger, food security and climate change phenomena. While our pace is commendable in this regard, we must not rest on our laurels and be complacent about the mammoth tasks lying ahead.

As BRICS, we are an emerging bloc that carries with it the aspirations of more than 40% of the world population. Within this population lies challenges of poverty, food insecurity and the effects brought about by climate change as it affects production levels.

The United Nations Food and Agriculture Organisation (FAO) made an interesting observation that: "With the clock ticking toward the 2030 deadline for meeting the international goals to eradicate hunger and poverty, ministries of agriculture in five of the world's most important emerging economies are well positioned to take a leading role in helping to achieve these objectives ..."

In his address to the Seventh BRICS Meeting of Ministers in China last year, Assistant Director-General and the FAO's Regional Representative for Asia and the Pacific, Kundhavi Kadiresan, made the following interesting remarks: "Despite the trends towards urbanisation, poverty in the world today is primarily rural. As a result, accelerating rural development will be key to achieving the Sustainable Development Goals. The question is how to do it? Our experiences in countries in different parts of the world have shown that it can best be done through a combination of agricultural growth and targeted social protection, but also through growth in the rural non-farm economy ... Agriculture can be a driver of sustained and inclusive rural growth. In low-income countries, growth originating from agriculture is twice as effective in reducing poverty as growth originating from other sectors of the economy".

Economic indicators show that agriculture in many parts of the world, no less in our own country, carries a potential of being a larger contributor (than it is) to national gross domestic product, thereby representing a sunshine economic sector that we must nurture for prosperity of our nations. In South Africa, despite the effects of drought to the sector, the agricultural sector displayed resilience and extricated this country from technical recession in the third quarter of 2017 when other sectors faced sluggish growth.

We must embrace the technological take-over that is replacing old agricultural methods of doing agricultural business. These are necessary disruptions that put us on a hi-tech competitive edge with younger generations becoming the masters of the new technological revolution in the sector. Through our collegiality as BRICS countries, I plead that let us hand-hold each other; let's share information and experiences in our scientific and technological advances that each one of us has. As the BRICS bloc, we must be driven by the great sense of solidarity rather than competition, brotherhood rather than enmity and increased intra-trade.

Like many other countries which are affected by extreme weather events and vulnerable to the effects of climate change, South Africa has been affected by meteorological hazards such as drought, which has negatively affected our economy.

South African agriculture, forestry and fisheries are highly vulnerable and exposed to the impacts of climate change due, on the one hand, to our socio-economic context (e.g. the many land-dependent rural poor) and, on the other hand, to an already high risk natural environment (including high season to season climate variability, extreme weather events and times of severe water stress).

The impact of climate change is felt on both food security and livelihood perspectives, particularly by poor smallholder and emerging farmers, as they are especially vulnerable



as they have little means or no resources to cope with the increasing climate variability and frequencies of extreme weather events.

Extreme weather events and their impacts are increasing at an alarming rate. The frequency and intensity of extreme weather events are expected to increase as a result of increasing climate variability and climate change and this will negatively affect agricultural productivity and food security.

Recent model projections for South Africa generally indicate an increase in temperature and rainfall variability. Adaptation to climate change remains a top priority for the developing countries such as South Africa. Smallholder farmers represent about 80% of sub-Saharan Africa's farming population, and suffer disproportionately in the face of droughts, floods and other weather-related events.

Extreme weather events are becoming more frequent and more severe, threatening the reliability and productivity of agriculture. This state of affairs contributes negatively to the already extreme levels of poverty and is reinforcing inequity and chronic under-nutrition.

These problems can only be solved through the widespread adoption of more resilient, productive, sustainable, equitable and increasingly efficient farming practices. It is important to increase capacity in the risk reduction of disasters, the prioritisation of training and awareness. These interventions will ensure that knowledge about potential hazards and usage of climate information become widespread.

We also have to promote and adopt climate smart agroforestry/fisheries approaches to mitigate and adapt to the climate change impact as well as to increase adaptive capacity of producers, especially small growers in the forestry and producers in the fisheries sectors.

However, this climate change threat calls on all of us as BRICS countries to become climate change patrons by playing a more meaningful role in the fight against global warming. Global warming in large measure, is man-made through selfish chasing of profits by excessive industry heavy machine polluters that produce greenhouse gas emissions that influence our ozone, and in turn affect our climate and agricultural land for food production.

We are excited that significant progress has been made to implement the BRICS Action Plan: 2017 – 2020 for Agricultural Cooperation of BRICS Countries, and this includes the achievement of broader aims such as:

- supporting the United Nations (UN) efforts in fighting poverty and eradicating hunger at the global level; exchanging information, experiences and policies; ensuring food security; enhancing the food supply capacities of BRICS countries; and reducing food crises
- implementing national programmes of the 2030 Agenda for Sustainable Development; exchanging and sharing basic agricultural information and technologies adaptive to climate change; strengthening resilience of agricultural

productive systems and their adaptability to natural and climate disasters; and deepening cooperative research

- improving the livelihoods of farmers, especially through capacity-building and the participation of smallholder farmers in the global agricultural value chains; helping BRICS smallholders to increase food productivity and improve food security through meetings, technical cooperation, technology demonstration and training; as well as holding BRICS seminars to share experiences of agricultural resilience and adaptation to climate change.

We would like to express our sincere gratitude to all the participants (both local and BRICS member states) who shared valuable information and experiences and also provided their valued contributions at the BRICS Climate Smart Approaches Seminar from 19 to 20 June 2018. The outcomes of the successful BRICS Seminar encouraged all of us to deepen cooperation under the theme: "Promoting Cooperation and Exchange on Climate Change for Stronger Agricultural Resilience to Natural Risks".

We proposed that BRICS member states continued to engage on matters that would enable us to achieve our common objectives and ensure priorities are met. We should focus more on increasing agricultural research cooperation among the academic and research institutions within BRICS and tapping into international funding mechanisms. ☺



# Education – an important area of collaboration for BRICS

By Naledi Pandor

Minister of Higher Education and Training

What started off as a trade and economic partnership, has evolved into an array of collaborative projects in education, science and technology, arts and culture, agriculture, health, sports and many others.

The Brazil, Russia, India, China and South Africa (BRICS) partnership has come a long way. In the beginning, there were many sceptics and naysayers who gave it little chance of success.

Yet, here we are today, with a series of meaningful structures, collaborations and exchanges across a wide spectrum of areas in place.

What started off as a trade and economic partnership, has evolved into an array of collaborative projects in education, science and technology, arts and culture, agriculture, health, sports and many others.

Education is an important area of collaboration for BRICS, given the many developmental challenges that our countries still face. In November 2013, the BRICS ministers responsible for education met on the margins of the United Nations Educational, Scientific and Cultural Organisation General Conference in Paris to agree on a roadmap for education collaboration across BRICS.

Higher education mobility was a key aspect of the discussions, leading to the establishment of the BRICS Education Working Group a year later in Brasilia.

There, the BRICS Heads of State reaffirmed the importance of higher education exchange for BRICS and called for a network of universities across the BRICS countries to collaborate and exchange knowledge and research experience.

In November 2015, a Memorandum of Understanding on the establishment of the BRICS Network University was signed in Moscow, Russia.

This shows that the Network University initiative is deeply entrenched within BRICS, and in fact, a lot is expected from it, not only by the BRICS Leaders and

countries, but by the entire developing world. If universities in BRICS collaborate successfully on research and teaching and engage in student and staff exchanges, we can make a significant contribution to global knowledge production. The BRICS Network University is grounded in the challenges, opportunities and aspirations of the BRICS communities.

Through its research partnerships, the BRICS Network University can help reduce poverty, unemployment and inequality that characterise many countries in the developing world.

Through its teaching partnerships, the BRICS Network University can promote academic programmes that produce the kind of graduates that can lead our societies into the future.

The thematic areas – energy, information security, climate change, water resources and pollution treatment – for the BRICS Network University have been carefully crafted to exploit our knowledge strengths.

We have a clear thematic focus, but this list is not exhaustive. There are many others that we will have to consider as we strengthen our collaboration. Issues such as food security, health, the changing nature of work and others will come to mind.

Our BRICS university collaboration has enormous potential to bolster the existing strong political and economic relations between our countries.

By working together, we can achieve our goal of becoming a powerful force for growth, development and discovery. As part of the global effort to combat diseases such as HIV and AIDS, our countries have made significant progress in the production of generic antiretroviral drugs.

As part of the global effort to explore the universe, our countries have

made significant progress in satellite construction and astronomy research. As part of the global effort to contain the impact of climate change, our countries have taken significant steps.

The BRICS Network University is an important structure that will undertake the research that is needed to inform the overall BRICS collaboration and how it must evolve.

We need to manage participation in the network carefully.

We must ensure that we do so in a way that does not advantage only a few universities.

We must seek to ensure that a broad spectrum of our universities benefit from and contribute to the shaping of this important structure.

There are pockets of excellence in all our universities and our goal should be to benefit all.

The development of joint research projects and joint postgraduate programmes at Master's and PhD levels is important.

The BRICS Network University can be a driving force for building a closely knit BRICS intellectual community. It can foster new dynamics in South-South cooperation while advancing intellectual bonds and exchanges among the BRICS academic community.

It can be a transmitter of cultural knowledge and exchange between the BRICS countries.

I hope that our universities will take full advantage of this initiative and seek opportunities to collaborate in terms of research, and in doing so, learn as much as possible from one another.

I hope that universities will take ownership of the initiative and come up with collaborative projects that will be of benefit not only to BRICS, but the developing world as a whole. ■





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# Discovering the soul of Africa

**By Derek Hanekom**

Minister of Tourism

We have unique attractions to share and stories to tell, stories of our common origins and of early African civilisations. Stories of courage and resilience abound, including the story of Nelson Mandela, who would have turned 100 years old this year.

**T**he powerful stories of Africa – a continent that has given so much to the world – will never cease to amaze the visitors to our continent.

A record 62 million people visited Africa in 2017, representing nothing less than 8% year on year growth.

And to varying degrees, all countries on the continent have the potential for exponential growth, given that arrivals to our vast continent represent only 5% of global tourists.

Travel and tourism is the fastest-growing sector in the world, outperforming other sectors of the global economy.

In Africa, examples abound of diverse, world-class and accredited attractions supported by transport, services and communications infrastructure that compete with the best on offer elsewhere in the world.

This is why we were able to offer 62 million visitors the opportunity to discover the soul of the real Africa – not the false picture sometimes portrayed on news bulletins.

## **Our attractions**

In Africa, we know how to welcome visitors with warmth and with our own unique flair, and we know how to host them professionally in our own way.

We can guarantee a life-changing experience. Story-telling is part of who we are.

We have unique attractions to share and stories to tell, stories of our common origins and of early African civilisations.

Stories of courage and resilience abound, including the story of Nelson Mandela, who would have turned 100 years old this year.

We have experiences to offer of sacred sites, of natural wonders, beautiful landscapes, spectacular mountains, wide open deserts and exquisite coastlines; of

heritage and culture; of music and dance and astonishing artistic creativity. Visitors to Africa experience one of the most profound stories the world has witnessed: how the birthplace of civilization is catapulting itself into the future.

Stories of ancient African civilisations such as Great Zimbabwe and Mapungubwe predate the story of Gorée Island in Senegal which is, perhaps, one of our continent's most important symbolic sites.

Together with much-visited sites like Mozambique's Ibo Island and the Slave Market in Stonetown, Zanzibar, these places portray the triumph of the human spirit, and, in the same way as Auschwitz, serve to renew our commitment to never allow the atrocities of history to be repeated.

Gorée Island and the rock hewn churches of Lalibela in Ethiopia were the first two sites inscribed on the World Heritage List in 1978. Our continent now has more than 130 world heritage sites.

As these sites become better known around the world, they find their way onto the bucket lists of tourists as iconic attractions, and they become included in itineraries that connect countries, attractions and people.

However, our strongest selling point that sets us apart from the rest of the world is probably our abundant wildlife.

In Tanzania, the Ngorongoro Crater Nature Reserve has the largest concentration of wild animals in the world.

In the Serengeti, tourists can witness the most spectacular migration of animals on the planet.

In the Mount Kenya National Park, home to Africa's second-tallest mountain, you can touch the sky and experience the migratory route of African elephants.

The Bwindi Impenetrable National Park in Uganda is one of the last remaining homes of the mountain gorilla.

These are animals you will see nowhere else in the world. And we are of course also proud of our own Kruger National Park, and the many other national parks we have in our country. Our visitors invariably become our brand ambassadors as they return home with a deeper understanding of Africa's stories, and they spread the magic of Africa.

## **Planning for the future**

Tourism already contributes about 8% to Africa's gross domestic product and employs 6,5% of the workforce. Imagine the impact it will make on growth, jobs and livelihoods if, or rather when, we double and quadruple that.

We can exponentially increase the value that tourism brings by collaborating to make tourism work for everyone.

We must continuously enhance and expand our attractions, we need constant training to professionalise our services, and we need to market our attractions in the most effective way. We need to work together to ensure ease of travel. All this in turn creates the right climate and opportunities for investment, which will lead to greater growth.

The Tourism Investment Seminar this year will help us to assess the appetite for emerging opportunities. We have created opportunities for investors to interact with a wide array of product owners, tourism operators, development finance institutions and representatives of government.

The African Ministers' Session, which we have hosted at the Africa Travel Indaba for the past four years, has established itself as a platform for policymakers to discuss emerging tourism trends, opportunities and challenges facing the tourism sector on our continent, and most critically, the interventions required to enhance the performance of the sector.

This year, we focussed on how integrating regional tourism could be used as a tool for



In Africa, our enduring tourism sites and ancient cultural artefacts provide many compelling reasons to visit. It's a package, which is unmatched anywhere in the world, and as we work together to market ourselves to the world, we start to write the true story of Africa.

economic development. We explored the role of governments in creating a conducive environment for regional tourism integration and the role of the private sector and investors in developing regional tourism products and promoting growth.

Our countries are intertwined and our complementary, rather than competitive, interaction will lead to a fairer share of the economic benefits of tourism for Africa.

There are many ties that bind the people of this continent. During the years of our liberation struggle, so many of us lived in exile, and we were welcomed by our fellow brothers and sisters in Africa.

The story of our struggle is a story that unites us, a story that in the coming years will no doubt see the unveiling of new sites of historical interest to share with the rest of the world.

The modern traveller is looking for a travel experience that is distinctive and authentic.

Travel in Africa offers exactly that: an unforgettable experience that leaves you with unique stories to tell.

In Africa, our enduring tourism sites and ancient cultural artefacts provide many compelling reasons to visit.

It's a package which is unmatched anywhere in the world, and as we work together to market ourselves to the world, we start to write the true story of Africa.

Tourism growth and sharing the benefits of tourism contribute to replacing poverty and despair with prosperity and hope.

South Africa welcomed over 10 million international visitors in 2017 and the forecast for 2018 is very positive. We are determined to stimulate inclusive growth in

the mainstream tourism economy and create meaningful opportunities for the majority of our population.

Indeed, the entire value stream of tourism lends itself to the inclusion of women and young people and those living in rural areas. At this year's Africa Travel Indaba, held in May in Durban, KwaZulu-Natal, 135 smaller enterprises from all nine provinces attended.

This was 50% more than in 2017. We call them our "Hidden Gems". These small, up-and-coming businesses add to the diversity of our tourism offering and they are the rising stars of tomorrow.

We are committed to supporting this critical sector of our economy.

Let us take inspiration from what President Cyril Ramaphosa said in his State of the Nation Address.

He acknowledged tourism as a significant driver of our economy and our country's development, and his rallying call *Tuma Mina* – or "send me" – has echoed throughout our nation.

It has been taken up in earnest by people from all walks of life, and we are more motivated than ever to continue building and growing our tourism sector inclusively, and to be the best ambassadors for tourism.

"Send us" on our homeward journeys to develop and enhance what each of our countries has to offer the world's tourists. "Send us" to do more business and grow tourism and to create even more jobs.

"Send us" to convert the immense potential of tourism into tangible and durable benefits for all our economies, so that we improve the lives of all our people. This year, we are celebrating the centenary of our beloved

President Nelson Mandela. The South African Tourism Campaign in celebration of the Nelson Mandela centenary identifies 100 experiences, attractions and destinations around South Africa that have strong historical and social ties to Madiba's life.

Tourists can experience the emotion and relevance of each location through audio, text and image galleries.

The two iconic well-known sites associated with our first democratically elected President are Robben Island and Vilikazi Street in Soweto. The life story of this extraordinary man is laid out for all to experience at many other sites in our country.

As we take our brand of tourism to the world, let us tell our own stories in our own authentic way.

Let's work together to replace the sometimes negative narrative of Africa with the real story of so many nations on the move, of people innovating and moving confidently into the future.

Let's ensure that tourism makes a positive and meaningful contribution to the lives of all the people of Africa. ♪

The South African Tourism Campaign in celebration of the Nelson Mandela centenary identifies 100 experiences, attractions and destinations around South Africa...



# Cultural collaboration strengthened

By Nathi Mthethwa

Minister of Arts and Culture

We are connected in many different ways, through shared roads and waterways, through markets and trade routes, through networks of interchange and exchange and bound by a common agenda of economic prosperity for all our people.

**A**s we strengthen relations between the Brazil, Russia, India, China and South Africa (BRICS) partners, let us be guided by history that tells us that long before colonisers arrived on our shores, there was thriving Indian Ocean trade between southern Africa and the Far East.

Archaeological evidence indicates that shards of pottery and stoneware from the Ming Dynasty, which began in the 1300s, were found at the ruins of Great Zimbabwe as well as a coin from the Sultan of Kilwa at about the same period. Trade existed on the Limpopo River during this period in an area rich in gold. Pottery and beads from India and Iran have been found at Iron Age sites in South Africa.

The earlier kingdom of Mapungubwe, dated to about 1045 AD, located at the confluence of the Shashe and Limpopo rivers, left behind remains that demonstrated its importance in the trade between southern Africa, East African ports, India and China. The wealth of this society and its involvement in gold smelting, was evident in the finding of golden artefacts, notably the golden rhinoceros, which has become a symbol of an African civilization that flourished in pre-colonial times.

The late poet Laureate, Keorapetse "Bra-Willie" Kgotsitsile, wrote that: "If destroying all the maps known / would erase all the boundaries / from the face of this earth / I would say let us / make a bonfire / to reclaim and sing / the human person". His words inspire us to move beyond the boundaries of colonialism and into a future characterised by the free flow of ideas between progressive countries of the South and the championing of the BRICS agenda.

## BRICS Film Festival

It is in recognition of this great legacy of

pre-colonial trade, through our embrace as a country of multilateralism, the reclaiming of humanity through the striving for a more inclusive and anti-racist world and the collective efforts of BRICS countries, that the Third BRICS Film Festival will have the emblem of the Golden Rhino for its awards and the celebration of the centenary of the birth of former President and statesman, Nelson Mandela, as its central theme.

The BRICS Film Festival takes place from 22 to 27 July 2018 in Durban as an initiative of the Department of Arts and Culture together with the National Film and Video Foundation, with the opening and closing ceremonies hosted at the Playhouse. The film festival includes the best films from the BRICS partners, a competition and award segment for directors, actors and producers, and a discussion on establishing a BRICS Film Fund and a BRICS Film Treaty. These are new initiatives, which will further develop and strengthen the BRICS film industry and sector.

The BRICS Film Forum will provide a space to further interrogate these ideas, as well as the funding of films, an audiovisual and co-production treaty, distribution strategies and animation matters.

## BRICS Cultural Programme in 2018

The film festival is part of a broader cultural programme. The Department of Arts and Culture will present a cultural programme during the South African Chairship of BRICS, lasting from July to October 2018. This will include showcasing the best artistic talents during a cultural festival in September, building on BRICS institution-to-institution collaboration in youth theatre, museums, galleries and libraries, culminating in the BRICS Cultural Ministers Meeting in October 2018.

South Africa will develop and build on previous BRICS cultural initiatives, initiated in

Brazil, Russia, India and China, and introduce new areas of collaboration.

South Africa will host a cultural showcase, presenting *Madiba, the African Opera*, thus paying tribute to former President Mandela and carrying his spirit into the year of BRICS in South Africa.

In September, South Africa will host BRICS artists for a week-long cultural festival, including established and new artists in music and dance, bringing together the best of BRICS arts and culture to South African audiences in different provinces. Outreach programmes and master classes will form part of the festival, exposing young South Africans, and introducing our veterans to our BRICS partners.

A special BRICS exhibition will showcase the world cultural heritage of the five BRICS countries and expose South Africans to the global wonders of the world.

The Department of Arts and Culture is focussing on the following areas that will define South Africa's Chairship of BRICS 2018 in relation to culture.

## BRICS fashion collaboration

The inaugural BRICS Fashion Show will take place from 23 to 27 October during the SA Fashion Week. During this week, fashion councils and weeks of the BRICS countries will also be invited to discuss collaboration. Each BRICS country will send three fashion designers to participate in the BRICS Fashion Show. The idea is that the BRICS Fashion Show will take on a rotational format similar to the BRICS Film Festival.

South Africa will host the inaugural BRICS Fashion Show and business-to-business conversations with the aim to:

- discuss and collaborate on fashion-related issues and challenges of BRICS countries
- establish an accelerator programme for young BRICS designers – an innovative



educational programme intended to help young designers learn about the hot trends of the fashion industry

- create market access and consumption of fashion among BRICS countries
- make space for BRICS fashion designers to participate in each other's premier fashion shows
- explore manufacturing, textile and retail opportunities within BRICS countries.

#### **Institutional Collaboration/Exchange Programme**

During the BRICS Ministers of Culture Meeting in China in 2018, an action plan was signed and this plan together with letters of intent on museums, galleries, national libraries and children's theatre present an opportunity to increase the level of corporation between BRICS countries' cultural institutions. It is through these institutions that professionals and experts in various areas will be able to engage each other, plan projects jointly and share expertise and skills.

A BRICS Working Group will be established to provide the necessary stimulus and engagement in between the BRICS Summit and Ministers of Culture meetings. The group, made up of senior government officials and industry experts (co-opted), will

meet to develop joint projects and determine policy issues for ministerial approval. This will be a platform to share ideas and knowledge systems to ensure that BRICS culture is promoted among BRICS countries.

The institutional collaboration among BRICS countries' museums, children's theatre and libraries started in 2017. Letters of intent were signed in 2017. The Department of Arts and Culture is coordinating these institutions' input regarding modalities and content. The museum meeting is scheduled in China later in the year and the library meeting will take place in South Africa on the margins of the BRICS Ministers Meeting in October.

#### **BRICS Ministers of Culture Meeting**

The cultural programme will culminate in a meeting of BRICS culture ministers in South Africa in October 2018. The meeting will discuss various issues related to culture and creative Industries, including the adoption of legacy projects and work towards the finalisation of the BRICS Audio-Visual Co-Production Treaty. Progress will be reported to the ministers on collaboration in youth theatre, libraries, galleries, museums and film development. Exchanges and training opportunities for artists and cultural practitioners will be presented, with the

ministers providing leadership and direction on BRICS cultural collaboration going forward.

The cultural partnerships between the BRICS countries will provide ongoing impetus as we consolidate our legacies, through strengthening the cultural strands and heritage that brought us together in the earliest times as people were eager to form networks, trade and exchange knowledge in peace.

These are historical stepping stones from Mapungubwe to the present, further consolidated in our shared struggles for national liberation, the spirit of internationalism and the solidarity of the nations of the South. The historical consciousness set off by earlier generations inspires us to carry out our present mission.

Arts and culture build the mental framework that strengthens our resolve and provides our marching orders as we strive for a better life for all. Together, we shall make cultural industries a major cornerstone of our relationship.

We are connected in many different ways, through shared roads and waterways, through markets and trade routes, through networks of interchange and exchange and bound by a common agenda of economic prosperity for all our people. 🇵🇹



# BRICS Friendship Cities, Local Government Forum

**By Andries Nel**

Deputy Minister of Cooperative Governance and Traditional Affairs

The role of technology in enhancing cities as centres of development will enable us as emerging markets and developing nations to play a more prominent role in stimulating inclusive growth and shared prosperity. This gels well with the broader BRICS theme of being positioned to take advantage of the Fourth Industrial Revolution.

**R**apid urbanisation is a worldwide phenomenon. In Africa, projections are that in 2050, 60% of its people will be urbanised, while in South Africa the United Nations (UN) estimates that 71% of the population will be urbanised by 2030. This presents challenges for sustainable and resilient urbanisation.

South Africa is a signatory to various global agreements on resilient urbanisation, which we regard very highly. These include the New Urban Agenda, adopted in 2016 in Quito, Ecuador; Agenda 2030, on Sustainable Development Goals (SDGs); Agenda 2063, The Africa We Want; and the Sendai Framework for Disaster Risk Reduction 2015 – 2030.

We submitted a progress report on implementation of the six SDGs, which was discussed recently at the UN High Level Political Forum in New York.

In February this year, the delegation we sent to the World Urban Forum in Malaysia reported on progress with regard to the implementation of the New Urban Agenda, which we are embedding in our own local policy, the Integrated Urban Development Framework (IUDF), thus localising the New Urban Agenda.

We are also aligning and positioning this national urban policy in line with the SDG Goal 11, which is to make cities and human settlements inclusive, safe, resilient and sustainable.

Our legislative review regarding disaster management also factors in the Sendai Framework and aligns it to these global commitments and international practice. Our planning and legislation also factor in climate change risk adaptation.

Building urban resilience and ensuring sustainable development demand integration of urban governance, climate and risk-sensitive development planning, as well other systems, services and resources.

Both the New Urban Agenda and the IUDF emphasise the importance of integrated urban infrastructure planning for accessible and sustainable services, which must also bring together spatial and fiscally targeted agreements for land use, human settlements and public transport in particular.

South Africa is proud to be actively engaged in all these processes as part of its own urban agenda and sustainable development, and looks forward to diverse perspectives from this forum.

The BRICS Friendship Cities, Local Government Forum took place under the theme: “BRICS in Africa: Collaboration for Inclusive Growth and Shared Prosperity in the 4th Industrial Revolution”. The theme is reflective of the core BRICS priority of the creation of an inclusive society and global partnerships that will bring prosperity to all humankind.

Reflecting on the history of BRICS cooperation preceding the 10th Summit, the First Brazil, Russia, India and China (BRIC) Summit, held in Russia in 2009, called for a greater say and representation of emerging markets and developing countries in international financial institutions.

At the BRICS Leaders’ Summit, which we hosted in 2013, the eThekweni Declaration and Action Plan were issued, which committed to setting up the New Development Bank (NDB).

Five years later, here in South Africa, we celebrate the recently launched Africa Regional Centre of the NDB, and the bank’s Board of Governors is Chaired by our Minister of Finance, the Honourable Nhlanhla Nene.

Importantly, the bank’s Strategy for 2017 – 2021 focusses on financing sustainable development and infrastructure projects in BRICS and other economically more developed countries.

Physical infrastructure is a critical enabler of faster, inclusive and sustainable economic growth. However but, currently, infrastructure investments needed in South Africa far exceed available fiscal resources, affecting municipal services as well.

Typically, just the energy, waste, water and sanitation networks are responsible for nearly 50% of city budgets in South Africa. Research shows that while capital requirement for water services (and water resources) will decrease with water demand management, approximately R97 billion is still required to rehabilitate existing assets.

To get infrastructure to suitable standards, the South African Financial and Fiscal Commission estimated that an additional R4 billion per sector would be required yearly for five years in the case of water and sanitation, and for just under seven years in the case of electricity.

Yet, infrastructure development is integral to overcoming poverty and inequality, as well as building environmental sustainability and urban resilience, particularly in the light of rapidly risen urbanisation rates.

A recent State of South African Cities Report, entitled *Toward Resilient Cities*, indicated that sustainable infrastructure approaches were starting to be adopted by the country’s cities, and this was a promising trend.

Moving towards a more inclusive urban spatial form thus requires considerable long-term planning; we must examine in more depth, how sustainable and how realistic is continuing state investment without sufficient



spatial modelling to inform these locational investment decisions?

At national level, strategies are currently being formulated to better guide our urban infrastructure investments, with recognition of the interface between the objectives of the Fourth Industrial Revolution, the National Industrial Policy, spatialised investment planning and the implementation of the country's national urban policy.

President Cyril Ramaphosa has embarked on an investment drive targeting US\$100 billion in investment over the next five years. South Africa will host an investment conference in September to further advance this goal.

At the 2016 World Economic Forum Annual Meeting, held under the theme “Mastering the Fourth Industrial Revolution”, the need to prepare for this revolution was highlighted. The Fourth Industrial Revolution is characterised by a range of new technologies that are fusing the physical, digital and biological worlds, impacting all disciplines, economies and industries, and even challenging ideas about what it means to be human.

The key questions are how do we create meaningful collaboration through this revolution, how can new technologies assist the world to close a US\$1 trillion annual infrastructure investment gap, and design long-term oriented investment frameworks to create a sustainable future?

In line with the theme of the 10th BRICS Summit, it is also important to mention that research by the Organisation for Economic Cooperation and Development, World Bank and others, highlight that new thinking in

industrial policy pays attention to spatial outcomes of development processes to address inequalities.

This means that we must critically examine our own National Industrial Policy Action Plan, which has a special focus on minerals and beneficiation, agriculture and agro-processing, energy, attracting investments and growing the oceans economy – from the perspective of spatial profiling that understands and facilitates the location of key growth points across regions.

Our strategies have to grow the economy and bring social cohesion and spatial justice to all our people.

Our urban policy, the IUDF, provides an urban vision and policy for South Africa and presents practical interventions for implementing the policy.

These are premised on nine policy levers. These levers provide entry points for planning and implementing optimal city environments. The key lever is for interdisciplinary spatial planning and land-use management practices that actively integrate infrastructure investments, public transport and human settlements as the baseline for the productive, inclusive and liveable city.

These interventions are to be sustained through building more inclusive urban economies, improving the way that cities are governed, strengthening the management of city finances and empowering communities to participate in urban design and form.

The IUDF addresses cross-cutting levers, namely the promotion of urban-rural interdependency, urban safety and urban environmental resilience.

Our urban agenda commits us to action on these levers through the mobilisation of “An all of government, and a whole of society approach”, which at the global level, invites our BRICS partners to support and engage with us on our mutual commonalities, challenges and opportunities for cooperation and collaboration.

The role of technology in enhancing cities as centres of development will enable us as emerging markets and developing nations to play a more prominent role in stimulating inclusive growth and shared prosperity. This gels well with the broader BRICS theme of being positioned to take advantage of the Fourth Industrial Revolution. ▮

President Cyril Ramaphosa has embarked on an investment drive targeting US\$100 billion in investment over the next five years. South Africa will host an investment conference in September to further advance this goal.



# BRICS calls for peace, stability and prosperity in the MENA region

**By Luwellyn Landers**

Deputy Minister of International Relations and Cooperation

The Middle East and North Africa are regions that since ancient times have had rich civilizations, cultures and traditions, contributing positively to advancements in various facets of life, including science, arts, culture, politics etc.



In June 2018, the BRICS (Brazil, Russia, India, China, and South Africa) deputy ministers/special envoys on the Middle East and North Africa (MENA) region met in Pretoria. The purpose was to exchange views on the current situation in preparation for the 10th BRICS Summit of Heads of State and Government, scheduled to take place from 25 to 27 July 2018 in Johannesburg. This meeting of the deputy ministers and special envoys has established itself as an integral part of BRICS.

The Middle East and North Africa are regions that since ancient times have had rich civilizations, cultures and traditions, contributing positively to advancements in various facets of life, including science, arts, culture, politics etc. The MENA region is now at a critical juncture in its history, as its people struggle to contain and resolve persistent conflict, address the challenges of terrorism and extremism and develop democracy. The underlying causes of these conflicts are deeply complex.

Since the 2011 uprisings, conflicts of divergent origins across the Middle East and North Africa have intersected and spread into other regions. Some of these uprisings have managed to develop into peaceful transitions towards democracy. Others have remained within the range of civil conflicts. Two have become horrific civil wars; the unintended consequences of which have spread and affected the continental and international geopolitical sphere.

Underlying our deliberations was the commitment to the basic principle that international peace and security should be achieved and sustained solely in accordance with, and in full respect of international law, including the United Nations (UN) Charter, with the UN Security Council (SC) bearing the primary responsibility for maintaining international peace and security. No effort to undermine the multilateral system, however imperfect and unreformed it might be, should deter international cooperation at all levels to prevent and resolve conflict and to create the

conditions for peace, stability, development and prosperity.

There is no place for unlawful resorting to force or external interference in any conflict. Ultimately, lasting peace can only be established through broad-based, inclusive national dialogue with due respect for the independence, territorial integrity and sovereignty of each of the countries of the MENA region. In our discussions, we reflected on specific country situations, namely: Syria, Libya, Iraq, Yemen, and the Middle East Peace Process (MEPP), among others.

We as the BRICS deputy ministers/special envoys remained concerned about the situation in Syria and reiterated our support for an inclusive "Syrian-led, Syrian-owned" political process, which safeguards the state sovereignty, independence and territorial integrity of Syria, in pursuance of UNSC Resolution 2254 (2015). We also gave our support for the continuation of the important work done in the context of the Geneva Peace Talks. We furthermore welcomed key



contributions of the Astana Process, which showed signs of positive developments on the ground in the last few months, in particular the creation of de-escalation zones and holding of the Congress of the Syrian National Dialogue in Sochi on 30 January 2018.

With regard to Libya, we expressed serious concern about the political and security situation in that country, highlighting the extremely negative consequences for the Middle East, North Africa and Sahel region. We noted that the military intervention in the country in 2011, led to instability, dire humanitarian consequences and the spread of terrorism, extremism and other criminal activities in the region and beyond.

Notwithstanding these challenges, we expressed our support for the continued efforts of the UN Special Representative for Libya, Ghassan Salame. We also reaffirmed our support for the regional role players such as the African Union High-Level Panel on Libya, chaired by Congo's President, Denis Sassou-N'Guesso, to engage all Libyan stakeholders in a constructive dialogue in pursuance of the UN Action Plan for Libya, announced in September 2017.

On Iraq, we welcomed the parliamentary elections held in May this year, as well as the complete liberation of territories in the country previously occupied by ISIS. We hope that the holding of and the outcome of these elections will strengthen Iraq's democratic institutions,

broaden dialogue, strengthen negotiations and promote more peaceful political co-existence. The international community must continue to support the Government and people of Iraq in their efforts to fight terrorism and extremism.

With respect to Yemen, we expressed grave concern about the ongoing conflict, which is having a disastrous impact on human security as well as regional stability. This conflict has already led to unspeakable suffering among the civilian population, including women, children and the elderly. It has also resulted in the wilful destruction of a significant part of its essential services and infrastructure, resulting in a major humanitarian crisis. We have therefore as the BRICS deputy ministers/envoys on MENA called for unhindered access for the provision of humanitarian assistance to all parts of Yemen in order to relieve the health, social and economic situation in this country. We also urge all parties to fully respect international law, to cease hostilities and to return to the UN brokered peace talks. Furthermore, the UN Special Representative Martin Griffiths' efforts to restart talks among all Yemeni parties must be supported. The way forward to achieve peace, prosperity and security in Yemen is through an inclusive Yemeni-led dialogue towards the achievement of a political solution to the conflict.

In our deliberations on the MEPP, we were gravely concerned that, for years now, there

had neither been peace nor a real process. The recent killings of over 100 Palestinians and thousands more injured in Gaza by Israeli troops have led to the situation becoming even graver with dire humanitarian consequences for the Palestinians, not only in Gaza and the West Bank, but also within Israel itself. The decision to move the United States Embassy to Jerusalem has further aggravated the situation.

In this regard, we were unanimous in our resolve that the conflicts elsewhere in the MENA should not be used as pretext to delay the resolution of the long-standing Palestinian-Israeli conflict. We reiterated the need for renewed diplomatic efforts to achieve a just, lasting and comprehensive settlement of the Israeli-Palestinian conflict. This is important if we are to achieve peace and stability in the Middle East with a view to creating an independent, viable, territorially contiguous Palestinian state living side by side in peace with Israel.

The media statement we adopted at the end of our meeting highlighted all these serious realities we faced and specified how we as BRICS countries intended to contribute to resolving them. We will continue to hold regular consultations on the MENA until there is lasting peace, stability and prosperity in the MENA region. ¶





# The year of Nelson Mandela, a better Africa and a better world

**By Reginah Mhaule**

Deputy Minister of International Relations and Cooperation

South Africa joined the Brazil, Russia, India, and China (BRIC) formation to advance our foreign policy objectives that are predicated on leveraging our international agreements for domestic gains, and promotion of the African Agenda and the Agenda of the Global South.

**A**s we celebrate the centenary of Nelson Mandela, it is imperative that we remember that our own destiny and future can never be divorced from that of the continent. From Nkwame Nkruma in Ghana to our very own son of the soil, Rolihlahla Nelson Mandela, one can only marvel at the depth of wisdom and patriotism that these thought leaders expressed in their call for African renaissance in calling for unity in diversity, peace and tolerance.

Our founding fathers of the Organisation of African Unity (OAU), which is now the African Union (AU), envisaged an African continent that is independent, united, peaceful and prosperous. This vision was exemplified through the long struggle for liberation of the

Africa continent. While the primary agenda of decolonisation has been realised, with only Western Sahara still under the colonial occupation by Morocco, the continent is still lagging in terms of economic emancipation of the African child.

We will continue to play our part in conflict resolution in those countries that are still plagued by pockets of instability and conflict. In addition, South Africa reaffirms its continued solidarity to assist the people of Western Sahara in pursuit of their inalienable right to self-determination and decolonisation. South Africa remains steadfast in its rejection of all acts of terrorism and extremism that have increasingly affected countries on our continent, contributing negatively to internal instability.

It was anticipated that the readmission

of Morocco into the AU would expedite the resolution of this dispute. However, the contrary prevails. To this end, we will continue to lobby all AU members and the broader international community to expedite the resolution of the Saharawi question.

As South Africa, we'll also continue with our conflict and mediation processes in South Sudan until we find lasting peace to Africa's youngest nation.

This year marks 30 years of the battle of Cuito Cuanavale, which Nelson Mandela regarded as a milestone in the quest to end the tyranny of colonialism and apartheid.

Our iconic leader, in reflecting on his impressions of the Cuito Cuanavale battle during his visit to Cuba on the occasion of the 38th celebrations of the Moncada victory, said:

"I was in prison when I first heard of the massive assistance that the Cuban internationalist forces provided to the people of Angola, on such a scale that one hesitated to believe, when the Angolans came under combined attack of South African, CIA-financed FNLA mercenaries, UNITA and Zairean troops in 1975. We in Africa are used to being victims of countries wanting to carve up our territory or subvert our sovereignty. It is unparalleled in African history to have another people rise to the defence of one of us".

We continue to be encouraged by the internationalist spirit and character of the Cuban people and we are forever indebted.

We have been elected to serve as Africa's rotational non-permanent member of the United Nations Security Council (UNSC) for the period 2019 to 2020. We will use this seat to achieve Africa's goals.

In carrying out the legacies of President Mandela and OR Tambo of democracy and equality, South Africa will also prioritise the transformation of the system of global governance based on African's common position, famously known as the Ezulwini Consensus, to make the system more responsive to the needs of the developing countries and ensure fair representation in global governance structures. The reform of the UNSC thus remains a recurrent essential element of South Africa's overall effort to reform the UN in order to make it more broadly representative, efficient and transparent and thus further enhance its effectiveness and legitimacy.

In 2018, South Africa assumed the Chair of the Southern African Development Community (SADC) under the theme: "Partnering with the Private Sector in Developing Industry and Regional Value Chains". We will continue to focus on building our political and economic integration of SADC states. We will continue to strengthen peace, security, democracy and development. It is also worth noting that the SADC accounts for approximately 80% of our total trade with the continent.

We welcomed the adoption and launch of the Continental Free Trade Area (CFTA) in Kigali in March 2018, as well as the signing of the Kigali Declaration. The Kigali Declaration served as a complementary political statement of unity in purpose, symbolising a unified commitment to conclude the outstanding issues necessary for operationalisation and full implementation of the CFTA.

As soon as we finalise the parliamentary approval process, South Africa stands ready to ratify.

Furthermore, we recognise that both SADC and the Southern African Customs Union are primary vehicles to regional economic integration. They are important building blocs

to achieving the Tripartite Free Trade Area and the CFTA.

Additionally, the launch of the Single African Air Transport Market as part of the Agenda 2063 Legacy projects is indicative of the development path the continent is striving towards. This initiative will indeed contribute towards the ease of travel and doing business on the continent.

South Africa joined the Brazil, Russia, India, and China (BRIC) formation to advance our foreign policy objectives that are predicated on leveraging our international agreements for domestic gains, and promotion of the African Agenda and the Agenda of the Global South.

These objectives informed our continued participation in the forum. In order to give effect to the centrality of Africa in our foreign policy through BRICS, we hosted the Fifth BRICS Summit under the theme, "BRICS and Africa: Partnership for Development, Integration and Industrialisation", in Ethekwini in 2013.

We have again assumed the Chairship of BRICS from 1 January 2018 and will conclude this role on 31 December 2018. We understand that our identity is not based on geographical composition and that our engagement with other formations must benefit the continent. South Africa will host the 10th BRICS Summit from 25 to 27 July 2018 under the theme: "BRICS in Africa: Collaboration for Inclusive Growth and Shared Prosperity in the 4th Industrial Revolution", which underscores our commitment to Africa's development and prosperity.

The BRICS countries produce a third of the world's industrial products and one half of agricultural goods. Furthermore, the BRICS countries constitute 43% of the global population and as such have a large human resource base and a significant consumer market. Member states such as South Africa and India also enjoy a promising demographic dividend.

South Africa also assumed the Chair of the Indian Ocean Rim Association (IORA) in October 2017 and will continue until October 2019. It has been agreed that we will lead this pre-eminent regional body linking Africa, the Middle East, Asia and Australasia via the Indian Ocean, based on the elements of our theme of "IORA: Uniting the Peoples of Africa, Asia, Australasia and the Middle East through Enhanced Cooperation for Peace, Stability and Sustainable Development".

In collaboration with the new South African Secretary-General of the association, we will further strengthen its work programme, particularly the IORA Action Plan (2017 – 2021), which South Africa is championing to make the organisation more outcomes-

oriented. Importantly, we will create and enhance the institutional mechanisms necessary to advance important priorities for South Africa and the region, such as women's economic empowerment; maritime safety and security; the Blue Economy; and tourism.

Our work will also seek to align under Operation Phakisa: Oceans Economy and the AU's 2050 African Integrated Maritime Strategy with the overall focus of IORA on the Blue Economy.

Africa remains home to some of the fastest-growing economies in the world for 2018. This positive economic outlook provides South Africa with a unique opportunity to not only drive investment in Africa, but also attract investment from the continent. This approach is in line with the announcement of President Cyril Ramaphosa during the State of the Nation Address to, among others, host an Investment Summit during the year.

The Department of International Relations and Cooperation is firm in its belief that both the public and private sectors from across the continent have an important role to play in this important initiative.

Lastly, we must utilise our youth bulge for the development and reconstruction projects of the continent so as to realise other key agenda activities that formed the basis of the formation of the OAU/AU, which is prosperity on the continent.

As such, all hands must be on deck to help us usher in a new dawn for the continent, and be true to Madiba's counsel that South Africa cannot escape its African destiny. And all of us must also honour President's Mandela's dream that: "I dream for an African which is at peace with itself".

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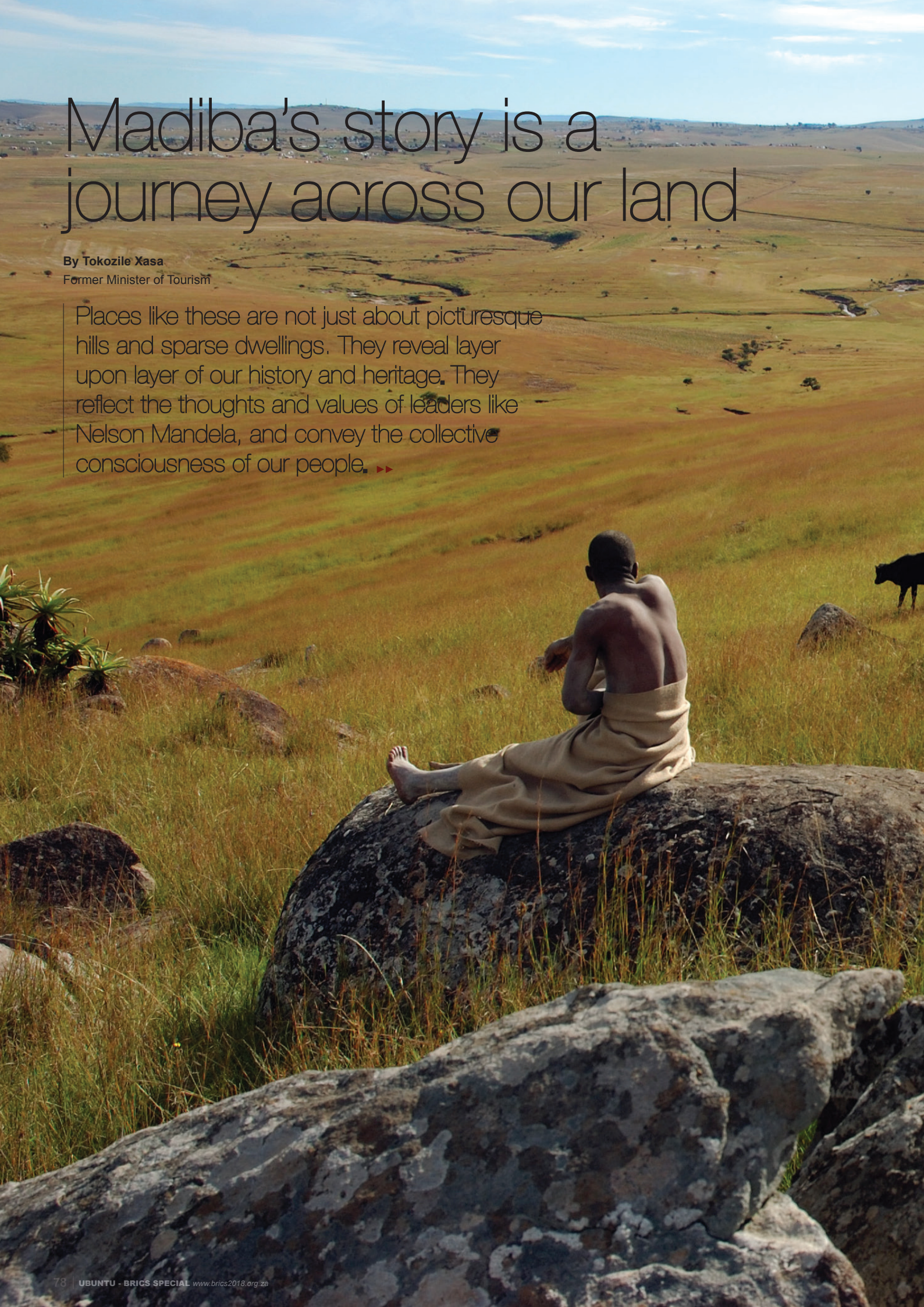


# Madiba's story is a journey across our land

By Tokozile Xasa

Former Minister of Tourism

Places like these are not just about picturesque hills and sparse dwellings. They reveal layer upon layer of our history and heritage. They reflect the thoughts and values of leaders like Nelson Mandela, and convey the collective consciousness of our people. ►►











Join me on a journey to some very special places in our country, places that tell a remarkable story for the whole world.

Let's start our tour among the rolling hills around Qunu in the Eastern Cape. Scattered homesteads are sometimes clustered into little villages reached only by dusty, bumpy roads.

The cattle that you can see dotted around the landscape would have been tended by a young Rolihlahla Mandela as they grazed all day long, nearly a century ago. There would have been a small school in this area, where a teacher bestowed the name "Nelson" upon a young man, little knowing that he was to become a universal symbol of the spirit of humanity and reconciliation among people. Places like these are not just about picturesque hills and sparse dwellings. They reveal layer upon layer of our history and heritage. They reflect the thoughts and values of leaders like Nelson Mandela, and convey the collective consciousness of our people.

You can have an authentic interaction by living in private homes and local lodges in many rural communities like these. Here, you can gain first-hand insight into how traditional beliefs and cultural practices intermingle with modern life. You can understand how the

history and hardships of our people guide our aspirations to transform our economy and bring marginalised communities into the tourism mainstream.

This place was so important to former President Mandela that he chose to return there to retire, after leading a divided nation striving to reconcile itself, and serving our country as the world's most revered statesman.

Let's leave the quiet rural countryside of Qunu for now, we will return later.

Let's head north to Gauteng, to Soweto in Johannesburg. It was here, in Vilakazi Street, that Mandela lived in a small red brick house typical of apartheid's townships. Further down the road, lived Desmond Tutu.

Together with church colleagues and comrades in arms, Tutu and Mandela led the long struggle to tear down the policies that confined their people to live within their tiny boxes.

Vilakazi Street became the heart of the struggle against apartheid.

Today, the precinct is bustling with restaurants and street vendors who depend on the busloads of visiting tourists for trade. It is the only street in the world that was once home to two Nobel Peace Prize laureates.

Most visitors are international tourists, but more and more of our people are starting to

experience the benefits of exploring their own country as our domestic marketing and promotional campaigns take root.

More tourist traffic through Vilakazi Street means better prospects for the economy of the precinct. Here, the layer of our historic social struggle is interwoven with many economic dimensions: the precinct supports jobs, small businesses and many entrepreneurs. Tourist guides, transport operators and vendors of memorabilia all benefit from tourism.

The former home of Mandela, and the Vilakazi Street precinct that developed around it, demonstrate the power of tourism to convert cultural heritage assets into tangible benefits for communities today.

We leave the city of Johannesburg and head for the quiet town of Howick in the KwaZulu-Natal Midlands. It was here, along a winding back road, that Mandela was captured by security police, leading to the Treason Trial, his imprisonment on Robben Island and the remarkable transformation in our country following his release.

The capture site is marked by an iconic sculpture which gives visitors a sense of the important historic event which changed the course of our history so dramatically. The tourism economy around the site is not as well developed as that of Vilakazi Street, but it has

become a must-see site for passing tourists. That single moment in time, when a policeman stopped a car driven by a man disguised as a chauffeur, was to become a defining moment in South Africa's history.

Standing at the capture site, you feel the full significance of that momentous event along this very ordinary road.

From here, our journey follows Nelson Mandela to the prison cell he occupied for over two decades on Robben Island. A short ferry ride from Cape Town takes you to the island's small harbour.

A tour of the prison conveys the hardship its occupants were subjected to.

Standing in the cell that held Mandela captive is an extraordinary, life-changing experience. You cannot stop thinking about how someone who was confined to the brutality of this place can emerge with such humanity, even towards his captors.

This experience forces all of us to look deep within ourselves, and to question our own sense of humanity towards others. It forces us to discover the Mandela within each of us, and to express the values he espoused in whatever ways we can.

The penultimate leg of our trip once again follows the footsteps of Nelson Mandela, this time from Robben Island to the Union Buildings in Pretoria, where the prisoner became the President.

On the front lawns, an imposing statue of a smiling Nelson Mandela stretches out his arms, protecting his people with the warmth it exudes. It is a fitting tribute to Mandela the man, the statesman and the father of our democratic nation.

From here, we will make one more stop before our journey ends. We return to a traditional family gravesite at Qunu, to Nelson Mandela's final resting place.

As his family and comrades gathered here to return his body to the very soil that sustained his early life, the nation resumed life without one of the greatest sons of Africa.

But the story is far from over: Nelson Mandela will be with us forever, through the political legacy that brought freedom and democracy for all in our country, and through the many sites that continue to reflect on momentous events in his life.


From Qunu to Vilakazi Street, from Howick to Robben Island and Pretoria, and, finally back to Qunu, a journey through these sites brings our history and heritage to life.

I hope that many more South Africans will be able to make this remarkable journey.

And I wish that corporate South Africa, philanthropic foundations and others join hands and work together to make the trip possible for those who cannot afford to travel, especially

our youth. They will also return home with a renewed sense of what these sites mean for all of us in South Africa, and for humanity all around the world. Experiencing the story of Nelson Mandela, and understanding the values and principles it reveals, makes each

one of us a better person, and this is what makes the world a better place for all of us.

We end our journey as changed people, with a deeper understanding of ourselves and each other, fulfilling the ultimate purpose of tourism. 



In a coup for South Africa, the former Minister of Tourism, Tokozile Xasa, was elected one of two deputy chairpersons of the Regional Commission for Africa (CAF) during the 22nd General Assembly of the United Nations World Tourism Organisation (UNWTO) in China recently.

On the sidelines of the UNWTO General Assembly in Chengdu, held from 11 to 16 September 2017, Minister Xasa was appointed Deputy Chair of the CAF for a two-year term alongside her counterpart from the Gambia, Amat Bah. Kenya's Najib Balala was elected to chair the regional commission, succeeding Zimbabwe's Walter Mzembi.

The regional tourism commissions enable member states to meet once a year to discuss concerns and formulate proposals to submit to the UNWTO for consideration.

"We extend our warm congratulations to Minister Xasa on this significant appointment. It's a vote of confidence in the vision and leadership shown by South Africa as a major tourism player on the African continent and, indeed, on the world stage," said South African Tourism's Chief Executive Officer, Sisa Ntshona.

"Furthermore, to be voted into this important position by her peers on the African continent is an endorsement of Minister Xasa's zeal in pushing the agenda of the African Union in multilateral engagements, and her passion for championing women and small businesses in the tourism sector. African tourism faces its own distinct opportunities and challenges, and we have every confidence in her ability to articulate these on the global stage," he said.







# What is a Sherpa?

**By Professor Anil Sooklal**

Deputy Director-General: Asia and the Middle East, Department of International Relations and Cooperation and South Africa's BRICS Sherpa

The role of the Sherpas can be seen as “informal” in nature, but in terms of enhancing cooperation and consensus-building, it is a critical one.

South Africa, as the Chair for the Brazil, Russia, India, China and South Africa formation (BRICS) in 2018, will host the 10th BRICS Summit from 25 to 27 July in Sandton, Johannesburg.

As this will be a milestone summit, culminating in a decade of BRICS cooperation, the build-up thereto consists of many sectoral meetings hosted by South Africa. The meetings

of the BRICS Sherpas/Sous-Sherpas are held in preparation for the BRICS Leaders' Summit.

South Africa hosted several meetings in preparation for the BRICS Summit, providing progress updates in respect of proposals made previously, as well as presentations on new initiatives. A key element in all these interactions undertaken to prepare for the annual BRICS Summit is the Sherpa. Often their role is not publicised and not many know their key role/function.

## **What is a Sherpa?**

The role of the Sherpas can be seen as “informal” in nature, but in terms of enhancing cooperation and consensus-building it is a critical one.

In the governmental and diplomatic arena, a Sherpa is usually a senior official, often a career diplomat, who has been appointed by a Head of State or Government. They are tasked with being their countries' representatives in multilateral organisations



Sherpas climb and assist expeditions up the Himalayan Mountains. They prepare camps, the load and meals, and they chart the course for the professional climbers. In essence, they conduct the risky part of the enterprise by running ahead and setting up the ropes and ladders in order to ensure the safety of their clients and to enable them to reach the summit.

modification of a Tibetan word meaning “dweller in an eastern country”, originally referring to the Sherpa people, Asian nomads who migrated from Eastern Tibet to Nepal. The word is also used in the personal names of the ethnic group.

According to Bruce Foreman’s *The Sherpa Cheat Sheet: 9 Things you were Embarrassed to Ask* (2017), the word is pronounced “shar-wa” by the Sherpa clan. Sherpas climb and assist expeditions up the Himalayan Mountains.

They prepare camps, the load and meals, and they chart the course for the professional climbers.

In essence, they conduct the risky part of the enterprise by running ahead and setting up the ropes and ladders in order to ensure the safety of their clients and to enable them to reach the summit.

Before going further with the explanation of the term “Sherpa” within the realm of diplomacy, it is important to understand the origins of another term to which Sherpa is often connected, i.e. Summit. The *Oxford English Dictionary* defines a summit as “the highest point of the hill or mountain”.

Within diplomacy and politics, the term was reportedly first used by Sir Winston Churchill. (*The Palgrave Macmillan Dictionary of Diplomacy*, 2003).

This was during the Cold War, in order to describe a face-to-face meeting between heads of state/government, especially at a time when these meetings were a rare occurrence.

Although the term “Sherpa” has been used in various contexts, such as in fashion or business, it has equally been used in the diplomatic field, where the symbolism of “reaching the top” is more pronounced.

Its origins in this regard date back to the 1970s (Michael Quinion, *World Wide Words*, 2005). Thomas P Thornton stated that former President Jimmy Carter was referring to Ambassador Henry Owen in a self-effacing statement in a letter, made in respect of the latter’s contribution as a Sherpa in the Group of Seven (G7) Summit preparations in 1977. He wrote: “You did a superb job on the Summit meeting in London. Your tremendous talents

really paid off. Thank you for letting me take credit for your good work.” (Alan Beattie *et al*, *Sherpas are the Unsung Heroes at the G7 Negotiations*, 2016)

The initiative of “Sherpas” preparing the work ahead of the G7 Summit was a result of the former French President Valéry Giscard d’Estaing, who invited the leaders of Germany, Italy, Japan, the United Kingdom and the United States to meet in 1975. He invited the leaders to appoint representatives (from the foreign and finance ministries, as well as note-takers) to meet ahead of time for “fire-side chats” in order to prepare for the “Summit”. The aim was to cut out the “bureaucracy and formality” and to ensure a relatively nimble decision-making apparatus (Alan Beattie *et al*, 2016).

According to Friedman, the term “Sous-Sherpa” (“sous”: a French word meaning “under”) refers to the official/s who work closely with the Sherpa – subject matter experts in finance/economics or diplomacy who report to the Sherpa. The word was informally used first by the European Union (EU) (taken from the term “sous-chef”).

### The profile of a Sherpa

Although the role of the Sherpa is similar in most of the multilateral organisations, the differences pertain to what mandate or level of authority/decision-making they are given by their Head of State/Government.

This renders their roles different from country to country and organisation to organisation. Several articles noted the following about what their role entails: among others, that Sherpas “prepare leaders to scale a summit”; have a “peculiarly discreet and yet influential role”; and are “senior officials working behind the scenes [who] do much of the heavy lifting”.

The Sherpas also highlight possible divergence and try to find convergence. Therefore, they assist in resolving the contentious issues ahead of the high-level meetings. This eases the discussions at the level of the Heads of State/Government when they eventually meet at the “Summit”. The Sherpas meet several times a year before and after summits.

or fora. This is in respect of preparatory work and coordination concerning their countries’ activities and events, linguistic inputs, as well as positions on particular issues within a particular organisation such as the G20, BRICS or India, Brazil, South Africa (IBSA). The Sherpas guide their principals in terms of policy, agenda-setting for cooperation, and the drafting of resolutions, declarations, communiqués or statements. This entails decisions taken at high-level meetings and/or summits

### Historical background

In attempting to trace the origins of the term “Sherpa”, *The Ascent of Sherpa* by Nancy Friedman (2013) refers to the momentous historical milestone of the first humans to summit Mount Everest, the highest peak in the world. The ascent of Edmund Hillary from New Zealand and Sherpa Tenzing Norgay of Nepalese descent, on the morning of 29 May 1953 to the summit of Everest brought acclaim to the Sherpa clan. Sherpa is the English





A Japanese G7 Sherpa is quoted as saying that the Sherpas need to bond, therefore their meeting locations “away from the capital” create the right ambience for cordial discussions.

This rests on the fact that they spend much of their time negotiating face to face for days at a time and, as such, a sense of teamwork, fraternity and solidarity is necessary to progress in their work and ensure that all sensitive differences are worked out in advance to ensure consensus and success, while still protecting their nations’ sovereign interests and status.

The BRICS Sherpas/Sous-Sherpas work according to a Terms of Reference document that outlines their levels of engagement and sets the norms and standards for their cooperation.

The Sherpas meet several times a year; at least on five different occasions.

The First Meeting is usually an introduction by the host country chairing in the particular year. Conversely, the last meeting concludes proceedings for the host country and a handover is put into play for the next host country.

The main Sherpas’ meeting is the meeting preceding the BRICS Summit. They also meet on the margins of the United Nations General Assembly (UNGA) in New York ahead of the BRICS Foreign Ministers’ Meeting. Sherpas also meet prior to the informal meeting of BRICS Leaders on the margins of the Group of Twenty (G20) Summit.

The engagements in the G20 consist of two channels: “a Sherpa track” and a “Finance track”. The former is led by the foreign affairs/international relations ministries of the respective member states, while the latter is driven by the finance or economic ministries.

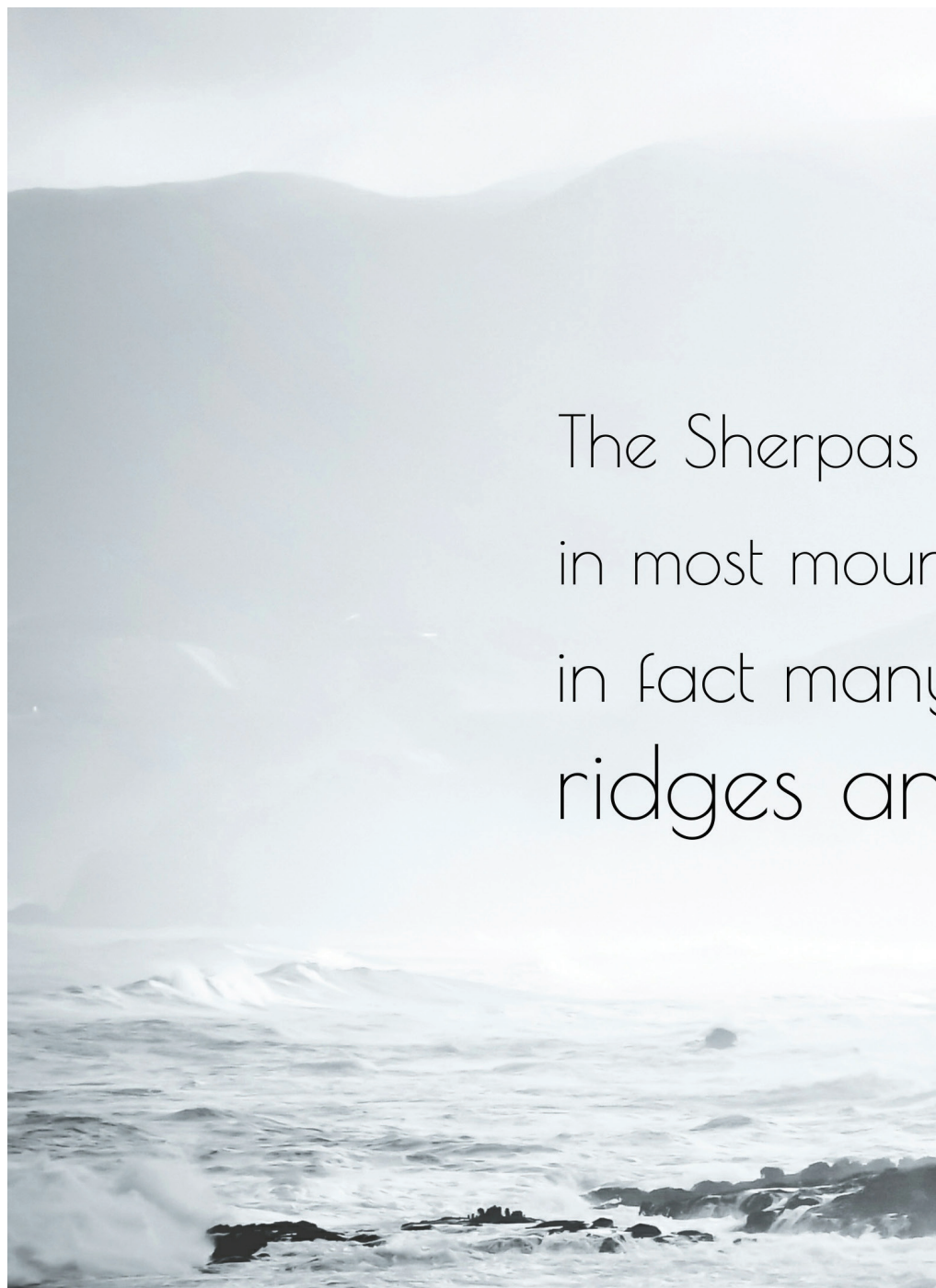
The various member states have one Sherpa each.

Depending on which country is the “rotational Chair”, the frequency of their meeting is the aforementioned five times a year, including the meeting prior to the G20 Summit.

The Sherpas work on technical and policy matters related to development, and the Sherpa track itself consists of working groups.

The two tracks then meet to finalise the G20 Communiqué that would be issued by the Leaders as the outcome document at the G20 Summit. Like the BRICS Sherpas, the G20 Sherpas coordinate inputs regularly and meet in various locations within the Chair’s country to deliberate on the priorities and objectives for the year and the implementation thereof.

In both instances, the agendas of the two groupings have grown substantially and, therefore, there are cross-cutting issues that necessitate the Sherpas referring technical



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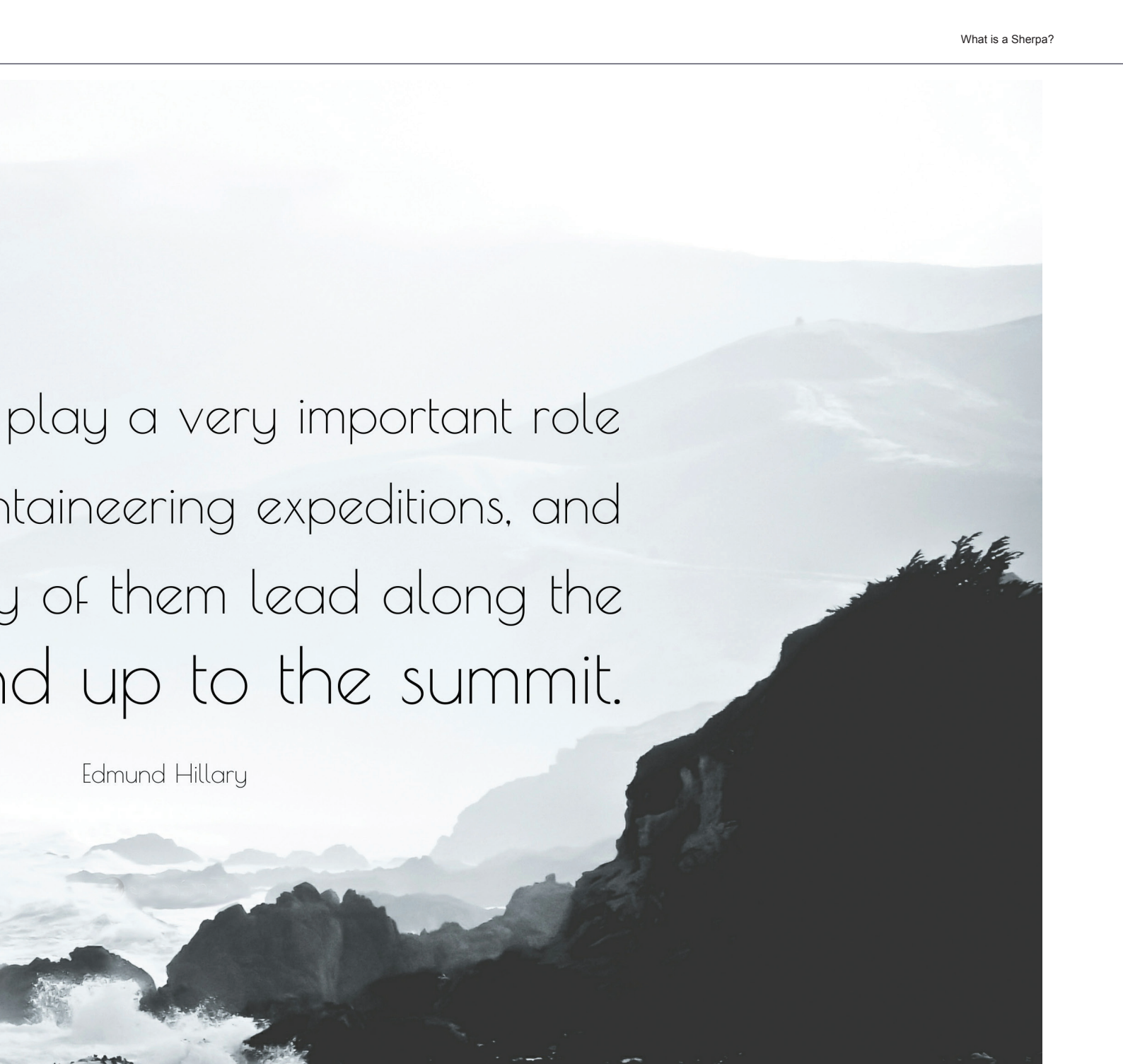
issues to other officials and related agencies at Head Office.

They have to be agile and keep learning as new trends and issues are introduced as subsets of the agenda.

A study conducted by Emmanuel Murlon-Druol *et al* (2014), providing a comparison of the G7/8 Sherpas who held the role from

1975 to 1991 (over 17 summits), provides interesting insights into the characteristics of a Sherpa, revealing the common traits as well as differences.

The results of this study were published in *International Summitry and Global Governance. The Rise of the G7 and the European Council, 1974-1991*, and



play a very important role  
mountaineering expeditions, and  
y of them lead along the  
and up to the summit.

Edmund Hillary

Their role is that of laying the ground in a way that allows their principals be successful in their “summits” or talks, without the Sherpas themselves taking any of the credit for the success achieved.

highlighted the following. The G7 Sherpas are typically males in their mid-fifties, who are mostly civil servants. The majority have a diplomatic background, with some experience working in an international organisation, while others may have expertise in economics or hail from academia. Their level of education is usually at a doctorate level with a strong research focus. Their tenure as Sherpas

often extends for a few summits, therefore the continuity and their performance are well regarded.

#### Conclusion

It is now clear to see that, just as Sir Edmund Hillary (who was a professional and leader in his own right) entrusted Sherpa Tenzing Norgay to guide his expedition, Heads of

State/Government of multilateral fora such as BRICS, the G20, the G7, and to some extent, the EU in the case of “Brexit”, entrust Sherpas to be their “personal representatives”.

Norgay was knowledgeable and experienced, and assisted in the preparations of the journey. He would take the risks and safeguard his client.

The Sherpas in these fora are tasked with a Tenzing Norgay-esque role within the arena of politics and diplomacy. Their role is that of laying the ground in a way that allows their principals be successful in their “summits” or talks, without the Sherpas themselves taking any of the credit for the success achieved. Their existence and goal is unequivocally one of solid preparatory support and it is indeed invaluable. 🇿🇦



# BRICS Brand is being developed and shaped through cooperation among developing nations

**By Linda Magapatona-Sangaret**

Chief Marketing Officer, Brand South Africa

South Africa remains committed to championing the African development agenda and uses multilateral platforms such as Brazil, Russia, India, China and South Africa (BRICS) to increase strategic cooperation among emerging market economies of the South in support of this agenda.

South Africa's interaction with the global community is premised on its commitment to creating a better South Africa in a better Africa in a better world. Together with peer BRICS members, South Africa advocates for the transformation of systems of global governance, and therefore remains open to finding new and inspiring ways to cooperate with global partners, through institutions such as BRICS.

So, what does South Africa bring to the table when it engages with peers at multilateral fora such as BRICS. Recent findings from the *AT Kearney Foreign Direct Investment Confidence Index* graded South Africa the 25th top investment destination as ranked by global business audiences. During recent months the EY (Ernst & Young) Africa Attractiveness Programme once again indicated that not only did South Africa attract the bulk of foreign direct investment (FDI) destined for the African continent, but it was also this year the fifth-largest source of FDI in the African economy. Furthermore, South Africa's hard and soft infrastructures, its diversified market, and the sophistication of its financial and business sectors, provide BRICS partners with a solid foundation for either inward investment into our economy, or to utilise South Africa as a springboard for operations within the African continent.

Premised on this notion, South Africa supports the Africa Development Integration

Agenda, which is underpinned by three critical elements, namely: market integration, and industrial and infrastructure development. These pillars aim to address the critical constraints facing Africa, which are small and

fragmented markets, inadequate productive capacity as well as inadequate infrastructure development.

South Africa's membership of BRICS further entrenches its commitment to





deepening South-South relations with the aim of not only supporting multilateral discussion and exchange, but to open new channels for trade, investment and mutual support in challenging times.

To this end, we believe that BRICS has, since inception, matured to become more than an informal club of emerging markets, but is graduating to becoming an international institution to be reckoned with, which can, through collective efforts and careful coordination, effect tangible change in their domestic and international environments.

As explored in a research report by Brand South Africa in September 2015, BRICS as a young multilateral organisation, has high compliance levels by member states, which are positive indicators that reaffirm that the BRICS Brand is being developed and shaped through cooperation among developing nations.

In addition, it can be noted that through the years, BRICS has developed several interventions such as the Academic Forum, the New Development Bank, Contingency

Reserve Arrangement and a host of interventions aimed at bridging geographical, linguistic and cultural barriers between the nations. As a multicultural and multireligious society, South Africa welcomes, and is open to deepening these interactions.

Indeed, the BRICS countries have provided significant opportunities for growth in the global economy and have greater prospects to do so in the future. It is evident that the size of the BRICS economies, and their demand for a prominent and influential political voice on the international stage, make them particularly relevant to the African continent's regional development and investment prospects programme as outlined in Agenda 2063.

As we prepare to host the 10th BRICS Summit under the theme "BRICS in Africa: Collaboration for Inclusive Growth and Shared Prosperity in the 4th Industrial Revolution", we as a nation stand ready to contribute to inspiring the discussions on a wide range of summit-level issues related to global governance, aimed at the development of humanity in pursuing the agenda for a more equitable and fair world for all.

The hosting of the 10th Summit is therefore a milestone for BRICS. As host country, South Africa has enhanced efforts to significantly increase inward investments as announced by President Cyril Ramaphosa, who has put in place a drive to attract US\$ 100 billion over the next five years. South Africa is open for business and prioritises BRICS partners to assist meeting this ambitious, but necessary objective. The summit is a major opportunity to create awareness among BRICS partners about this investment drive, and the opportunities it creates for increased trade with South Africa.

The theme is reflective of the core priorities of each of the BRICS members, notably to strive towards the creation of an inclusive society and global partnerships that will bring prosperity to all humankind.

Team South Africa remains cognisant of the work that needs to be done to ensure that our country remains an attractive investment destination. This is one of the messages we would like to take to the BRICS Summit – being that South Africa is not only open for business, but that the country welcomes increased cultural, economic, academic, and societal interactions. South Africa believes that we can enhance human development through our economic and business relations that we share with our BRICS members.

We are committed to the sustained growth of the African continent, and our fraternity in the continent transcends geographical borders. ∩





# The BRICS Brand – from economic concept to institution of global

**Dr Petrus de Kock**

Brand South Africa, General Manager: Research

The BRICS Brand is therefore an outcome, or result, of several levels of concerted effort by member states to institutionalise interactions. For example, since inception, the BRICS Research Group has found that there have been more than 160 formal meetings between members and it adopted 60 documents, subsequently implemented through various working groups and coordination mechanisms.



In a research report published during 2015, Brand South Africa began exploring the development of Brazil, Russia, India, China and South Africa (BRICS) and its institutionalisation. It asked rather speculatively whether BRICS could be approached or analysed as an emerging institution of global governance, and hence, a brand in and of itself.

With South Africa hosting the 10th BRICS Summit in 2018, Brand South Africa set out to update the 2015 research with relevant new information that appeared subsequently. The 2018 report is entitled, *The BRICS Brand – From Economic Concept to Institution of Global Governance*.

It is found that BRICS nations have, in a proverbial counter-cyclical fashion, been increasing interaction, seeking more opportunities for trade and deepened interactions beyond state-to-state engagements, covering several domains of economic and socio-cultural action.

This is what leads some analysts to argue that, in an ironic twist of geopolitical fate in the 21st century, five developing nations are becoming the protectors of free global trade, advocates of globalisation, activists for protection of the global climate and a force that advances the cause of a just, equitable and an integrated multipolar international order.

This report captures findings related to three aspects interrogated through the research, namely:

- firstly, the emergence of BRICS as an institution in the global governance arena
- secondly, how the institutionalisation of BRICS contributes to the development of the BRICS Brand
- thirdly, how this BRICS Brand presents a unique case of compound soft power, or, as alternatively referred to, the multilateralisation of soft power.

Essentially, this research explores how the increased formalisation of intra- and inter-

BRICS interactions, the establishment of institutions such as the BRICS New Development Bank (NDB), and increased interaction on platforms such as the Business Council and Think Tank structures, also led to the development of the BRICS Brand, or collective image, of the five member states.

*BRICSceptics* tend to argue that due to the diverse nature of member states' internal composition, and geopolitical and economic policy objectives, the organisation may find it hard to cohere and develop. But, contrary to such analyses, an important strand of research on the BRICS is finding that the geographic and internal diversity of the member states are assets that in fact strengthen cooperation, while congruently increasing the soft power impact of BRICS and individual member states.

The BRICS Brand is therefore an outcome, or result, of several levels of concerted effort by member states to institutionalise interactions. For example, since inception,

the BRICS Research Group has found that there have been more than 160 formal meetings between members and it adopted 60 documents, subsequently implemented through various working groups and coordination mechanisms.

Furthermore, between the 2009 and 2017, the BRICS countries made a total of 406 commitments. The BRICS Research Group furthermore finds a staggering high level of compliance by BRICS members when it comes to the implementation of summit decisions. It is found that BRICS members implement 70% of summit decisions. This indicates high levels of commitment to making BRICS a reality through deepened interaction.

Scholars are increasingly acknowledging BRICS as a multilateral brand. The research finds that this acknowledgement is a direct result of increased institutionalisation. Important in this regard is the analysis of the soft power of the BRICS collective, and how the institutionalisation of the group is contributing positively to entrenching it as a unique manifestation of global governance in a volatile geopolitical and international economic arena. Based on assessments of BRICS, Chatin & Gallarotti (2016), for example, argue:

“The bloc has also transformed into a diplomatic forum representing increasing power, value and capacity of action for the member states, this attributing to them a distinctive standing and an image associated with a ‘special mark’. Along the same lines, Montbrial stresses that the BRICS have become a ‘real brand,’ to which the states composing the group dedicate great attention.”

In conclusion, it is found that this research report links the following concepts: institutionalisation of the BRICS, its emergence as an institution of global governance, soft power and the development of BRICS as brand.

This means that as BRICS is institutionalised; as it implements summit decisions; as it establishes shared institutions (e.g. the BRICS NDB); as it furthers the cause of a multilateral, fair, just, and inclusive global governance system; and as it seeks peaceful resolution of international conflicts – it builds the (BRICS) Brand, and enhances the soft power of both the BRICS as institution, and the individual member states.

However, developments in the global economy and geopolitical environments, play a major role in driving the search for strengthened, deepened and institutionalised BRICS interactions. The development of the BRICS Brand (based on the institutionalisation of the group) takes place in a post-Global Financial Crisis world

characterised by turbulent change: increasing trade protectionism (witness United States imposition of import tariffs and overtures of trade wars), isolationism and economic nationalism (BREXIT and increasing popularity of anti-European Union political parties in Europe), anti-globalisation, and epically destructive proxy conflicts in crisis-prone regions (witness developments in Ukraine, Syria, Yemen, Somalia, and to a lesser degree Libya). The aforementioned conflicts unfold in regional environments already destabilised by decades of ongoing external (often unilateral) interventions, and internal civil and political conflicts in countries such as Iraq and Afghanistan.

However, through BRICS interactions, the member states have been putting their proverbial money where their mouths are. Consequently, BRICS countries have been bucking trends of anti-globalisation and counter-integrationist discourses that have emerged in the northern hemisphere, and in so-called “advanced nations” in the past decade.

Furthermore, the anchoring principle and shared vision of a multilateral and fair global governance system sit at the heart of the evolution of BRICS as global governance institution and evolving brand.

Cedric de Coning argues that:

“No analyst foresaw, nor did the BRICS themselves, that in less than a decade, these actions would bring them to a point where the BRICS has become an important force in defence of global governance, economic globalisation, free trade, and collective climate action.”

This is due to the fact that nations which, in the 20th century were advocates of globalisation, free (unrestricted) global trade, regional integration and a rule-based systems of global governance, have made stunning about-turns on such issues.

This article concludes with a brief overview of the sections of the report, and the issues covered therein.

- Converging diversities – a short history of BRICS
  - Wherein three phases of the development of BRICS is explored for context on the evolution of BRICS as a multilateral developmental brand.
- From economic concept to global governance institution
  - Based on research conducted by the BRICS Research Group, this section explores how the group has achieved a 70% implementation/compliance rate in terms of implementing summit decisions. It

furthermore interrogates research that indicates how BRICS is surprising commentators with the speed of its institutionalisation.

- BRICS agreements, commitments and compliance
- Provides concrete evidence on how BRICS is deepening interactions and platforms of political, economic, policy and academic exchange.
- Themes emerging from the summit declarations
  - Explores key summit decisions and commentary on the global governance role of BRICS in contemporary geopolitics.
- The BRICS Brand and compound soft power – will the sum be more than its constituent parts?
- Referred to as “compound soft power” in academic literature, this section explores the collective impact of BRICS. This analysis views the collective soft power resources of BRICS as a form of power augmentation that is also referred to as a “multilateralisation effect”. Increased institutionalisation, deepening interactions among members outside of summits, and the impact coordinated actions have for the collective brand of BRICS is explored in this section of the report.

In a rapidly changing world, the BRICS is evolving as organisation, and is creating solid platforms for ongoing exchange, mutual learning and interaction. Each member state represents more than just a country. It connects 42% of the world population, is establishing new institutions and conversations to create a world where bricks are there to build bridges of mutual understanding, and not to create walls of division, conflict, exploitation, unilateralism and exclusion. ¶

“No analyst foresaw, nor did the BRICS themselves, that in less than a decade, these actions would bring them to a point where the BRICS has become an important force in defence of global governance, economic globalisation, free trade, and collective climate action.”



# City of Ekurhuleni, a partner in the prosperous march of our nation

**By Mzwandile Masina**

Executive Mayor of the City of Ekurhuleni

As the seat of Africa's biggest Aerotropolis and with our housing, healthcare, energy efficiency, transport, water and sanitation infrastructure and youth empowerment programmes, we have managed, in a very short space of time, to stamp our authority as a major player in the Gauteng City Region and South Africa at large and become the gateway to and from the world.

**A**s we welcome Brazil, Russia, India, China and South Africa (BRICS) Leaders and delegates to South Africa, this major hub that connects South Africa to the world and serves as a key point of connectivity and industry for the country and continent, we are proud of the defining features of this liveable and lovable city, one of the most sought-after investment destinations in the country.

The investment features include adequate, reliable and top-class urban infrastructure, like good-quality roads and efficient public transport; biodiversity; housing; water infrastructure and supply; a good public healthcare system; and an extensive electricity system.

With the above features, the City of Ekurhuleni is able to provide a robust investment destination to the world and is truly, a city to live, play and invest in through a favourable climate for both short-term and long-term investment.

There are many reasons why the city, a sprawling metropolis of 4,25 million people dispersed across a distance of approximately 100 km<sup>2</sup>, is always ready to be a partner in the prosperity march.

As the seat of Africa's biggest Aerotropolis and with our housing, healthcare, energy efficiency, transport, water and sanitation infrastructure and youth empowerment programmes, we have managed, in a very short space of time, to stamp our authority as a major player in the Gauteng City Region and South Africa at large and become the gateway to and from the world.

## **Aerotropolis**

Just as speed in travel and the delivery of goods and services defines where people



travel to and where companies decide to locate, the aerotropolis anchored by the OR Tambo International Airport which is ready to turbocharge the regional and international economies, is becoming an increasingly sought-after bridge for business, leisure and logistics companies to set up regional headquarters, high technology firms and other businesses.

This programme is a deliberate growth trajectory that aims to reposition and enhance the value proposition of the Gauteng City Region, with a particular emphasis of the Ekurhuleni regional economy as the footprint of the first aerotropolis on the African continent.

The aerotropolis offers opportunities in a range of sectors, including aerospace manufacturing and aviation; logistics and distribution; manufacturing and high technical industries; rail locomotives and supplier plants; health and life sciences; agri-business and food processing; natural resources and energy; retail as well as professional services; banking; and public administration.

Additionally, housed in our airport city are the following strategic urban developments that offer a broad range of investment opportunities:

- OR Tambo International Airport Precinct
- Tambo Springs Inland Port



- Prasa-Gibela Railway Manufacturing plant
- GreenReef
- Lord's View Industrial Estate
- Leeuwpoot Housing Development
- Riverfields Mixed-Use Development
- M&T Industrial Development
- S&J Industrial Park
- Carnival Junction
- Glen Gory Mixed Use Development.

The above projects confirm that an Aerotropolis is a launch-pad for investment facilitation, creating a world-class destination hub for airport transportation needs, including passenger travel, cargo logistics and related commercial, industrial and residential enterprises.

#### **Investment development facilitation**

Here also lies the Ekurhuleni Investment

of industrial activity in these areas. The Kempton Park-to-Germiston corridor will become a new urban core and central business district. Partnership between the public and private sector will be important in enabling these developments. With this initiative and others like it, city planners are expanding the horizon that will see Ekurhuleni blossom into a prosperous region for all its citizens.

Investment opportunities also exist for the development of trade and exhibition spaces, conferencing and hotels, leisure, retail and residential estates, as well as industrial and office parks.

Our Investment and Development Facilitation Strategic Policy Framework improves turnaround times in facilitating and decision-making on investment and development applications, thus improving the city's investment-friendly environment.

which allocated each municipality a score out of 100 points based on five indicators: audit outcome for 2014/15; whether it had a permanent or acting municipal manager and chief financial officer; how strictly it managed its debtors; whether it under- or overspent its 2015/16 operational budget; and whether it spent its conditional infrastructure grants that fiscal year. In the rating index conducted by the newspaper, *Business Day* newspaper, our city came out tops with 81.9 points.

Also, the Moody's Credit Rating confirms that our investment profile remains healthy. This means the city remains the opportune and/or preferred destination for investment.

#### **Energy efficiency**

Accelerating energy efficiencies is key in service delivery commitments. Our city strives to improve the provision of electricity to its citizens and other stakeholders. We



Centre, which has registered and facilitated many large-scale projects valued at billions of rands, and has the potential to create hundreds of jobs over the coming years.

Not far from the aerotropolis, plans are underway to turn Germiston into an administrative headquarters for the city, with other precincts following a similar path. Germiston was chosen very strategically and for a number of reasons. Along with Kempton Park and Boksburg, Germiston forms part of what we dub the city's economic triangle.

A significant portion of the City of Ekurhuleni's revenue is drawn from these three nodes and there is an overconcentration

#### **Financially sound**

We have received two unqualified audits and two clean audits from the Office of the Auditor-General South Africa during the last four years.

This is the ultimate seal of auditing approval, and means that the city has passed the audit test in three areas, namely: fair presentation and absence of material misstatements in financial statements, reliable and credible performance information on predetermined performance objectives, and compliance with legislation governing financial matters.

Last year, the city was ranked top out of the eight metros in South Africa, in an index

continuously work hard to realise that access to affordable energy is one of the pillars of South African life. We promote major investments in energy efficiency to stimulate economic growth and create jobs across the country.

The city's energy capacity is stable and reliable and there is enough energy to accommodate all business, big or small, operating across the city. In fact, our energy supply is bigger than some provinces in South Africa and bigger than some southern African countries at around 2 500 Megawatts, which leaves us with spare capacity for new investments.



## Transport

As a metropolitan municipality, our role is to make transport the heartbeat of the economy, and continue to mobilise public- and private-sector participation in transport projects aimed at developing the city, province and country's economy.

The city boasts a world-class transport network and our connectivity across rail, road and air is significant. The Gillooly's interchange is the busiest in the southern hemisphere, and Germiston railway hub is one of the busiest on the continent.

We offer safe, affordable and reliable transport services for our people through a bus rapid transit system called Harambee, which has changed the face of public transport in the City of Ekurhuleni. Ekurhuleni is committed to increased mobility for goods and services to spur economic growth, a rising standard of living and improved quality of life from which our citizens will benefit.

## University to expand skills

Plans are at an advanced stage to open a university in our metro to serve as a fountain from which we can draw the skills resources to serve as the human capital that will drive the development of our city. It will help to systematically develop the knowledge base and intellectual capital needed to improve economic productivity, diversity and the competitiveness of our city.

Among others, this intellectual resource is needed to improve our industrial capabilities in manufacturing and enhance the potential of the region to become a city with the most robust local manufacturing value chain with a touch of modernisation to improve those outdated industrial assets that our region has while roping in new innovation and entrepreneurship.

Our economic decisions are connected to human values, which are based on transparency and justice. We work according to plans and goals for a prosperous growth that will benefit individuals today and in the future.

We believe in openness and economic partnerships beneficial to all and we are open to investments while deploying tools that will make partnerships flourish and grow. With the quality of life that is envied around the globe, our city offers one of the most cost-effective business and investment climates in the world.

Let me invite all of you to be a partner in the prosperous march of our city and this nation. I can confidently assure you that you will truly be happy that you took such a decision.

City of Ekurhuleni – a place to Live, Play, Invest. 🇿🇦











# The City of Tshwane's African Sister Cities Initiative (ASCI): Collaboration for Inclusive Growth and Shared Prosperity

Africa is beyond bemoaning the past for its problems. The task of undoing that past is ours, with the support of those willing to join us in a continental renewal. We have a new generation of leaders who know that we must take responsibility for our own destiny, that we will uplift ourselves only by our own efforts in partnership with those who wish us well. – Nelson Mandela

At the turn of the century, scholars agreed that Africa's development crisis was largely characterised by policy failure. One of the key reasons for this failure was simply that Africans had not conceived, owned and driven their own policy agenda. However, the combined

effect of commitment to transformation by African governments (as embodied in the African Union's (AU) Vision 2063) and the rapid rise in their economic growth rates has brought about a change in global perspectives on Africa within the first decade of the 21st century. The vision has shifted from the concept of a "hopeless continent" to one of "Africa rising", as emerging evidence

documents the major transformations in the region's agricultural sectors and broader economies. Today, the pace and scope of transformation rest on enlightened policies informed by solid evidence and constructive engagement between African policymakers. The fundamental questions at the core of Africa's future are linked to issues of political governance – whether governments will adopt policies and spend their scarce resources in ways that truly promote growth across all sectors – and mutual learning through greater intra-Africa cooperation.

For this reason, the Executive Mayor of Tshwane, Councillor Solly Msimanga, invited a select group of mayors of African capital cities to attend the ASCI side-event, Continental Renewal through Ubuntu, in Pretoria on 7 June 2018. The purpose of this event was to create a platform for strategic dialogue around greater collaboration between African capital cities across six thematic areas.





The mayoral and/or national representatives in attendance included the following:

- **Democratic Republic of Congo (DRC):**
  - Bene M'Poko, DRC Ambassador to South Africa
  - Guy Kingolo, Kinshasa's Provincial Minister of Finance, Economy, Industry and Small and Medium Enterprise
- **Ghana**
  - Juliet Mekone Sale, Regional Director, West Africa Regional Office, United Cities and Local Government of Africa
  - Abdoul Gafarou Tchalaou, Covenant of Mayors in Sub-Saharan Africa
- **Liberia**
  - Mayor Jefferson T Kojee, Monrovia
- **Nigeria**
  - Udo Samuel Atang, Director of the Office of the Permanent Secretary, Abuja
- **Tanzania**
  - Deputy Mayor Benjamin Ndalichako, Dar es Salaam
- **Uganda**
  - Deputy Lord Mayor Sarah Kanyike, Kampala
- **Zambia**
  - Acting Mayor Chilando Chitangala, Lusaka
- **Zimbabwe**
  - Mayor Bernard Manyenyeni, Harare
  - Mayor Pinias Mushayavanhu, Ruwa.

#### **ASCI: Proposed areas of engagement**

In keeping with the overarching Brazil, Russia, India, China and South Africa (BRICS) objective of peace, security, development and cooperation, ASCI consists of six thematic programmes that are designed to facilitate actionable diplomacy that has a material impact on the lives of Africa's urban residents. These programmes include the following:

#### **ASCI-1: Facilitating Regional Trade and Investment Programme**

- The primary objective of the ASCI-1 programme is to facilitate continental trade and investment opportunities for local businesses in order to stimulate employment opportunities across all sectors.

#### **ASCI-2: Building Bridges: Towards Cross-Cultural Understanding Programme**

- As a means of addressing xenophobia at its core, ASCI-2 will launch a campaign that facilitates cross-cultural learning and appreciation as a means of reducing violence.

#### **ASCI-3: Enhancing Resilience to Climate Change Programme**

- Under the ASCI-3 programme, African sister cities will measure and mitigate greenhouse gas emissions through partnerships on greening and clean energy use, ensure food security through the promotion of climate-smart urban agriculture and safeguard water security through the revitalisation of urban watershed areas.

#### **ASCI-4: Ensuring Safety and Security Programme**

- Through partnerships, ASCI-4 will not only enhance cross-border tracking of criminals, but also facilitate cooperation among local police departments in African sister cities.

#### **ASCI-5: Strategising for Health Programme**

- By addressing the health gap from a pan-African municipal level, through evidence-based programming and policy recommendations, this programme will have a demonstrable impact on the equity issues that surround access to healthcare.

#### **ASCI-6: Building an Educated and Skilled Youth Programme**

- Through the ASCI-6 programme, the City of Tshwane will build continental cooperation around capacity and skills development for youth, through utilising existing programmes and continental initiatives.

#### **ASCI: Ensuring mutually beneficial collaboration**

Through aligning with the BRICS spirit of mutual respect and understanding of our respective development paths, ASCI will intentionally partner with Africa-based institutions. For example, under the ASCI-1, ASCI-3 and ASCI-6 programmes, the City of Tshwane has partnered with the Regional Network of Agricultural Policy Research Institutes (ReNAPRI), Timbali and African Business Energy (ABE) in order to develop evidence-based, climate-resilient investment strategies that will facilitate regional trade and address the challenge of youth employment in member cities.







ReNAPRI comprises regionally coordinated agricultural policy think-tanks that were established and are operating in select sub-Saharan Africa member states. ReNAPRI was created on the initiative of the national agricultural policy institutes in order to enable them to effectively coordinate with each other, share data, collaborate on providing solutions to the common challenges that face the region, and to enable national policymakers to learn from the experiences of other countries. Through a baseline survey and the development of a Monitoring and Impact Evaluation Framework, ReNAPRI will provide the necessary evidence that underpins public and private investments under ASCI-1, ASCI-3 and ASCI-6.

Timbali Technology Incubator has set up small-scale farmers in sustainable businesses since 2003. As a non-profit organisation, it provides business development services that include, but are not limited to, business management, accounting and sales. Technical skills, technology and clustering (grouping farmers together to share services and create bulk buying power) create the ability for small-scale farmers to compete with commercial farmers. Timbali also assists with

their route to market, ensuring that farmers sell products and get a good amount paid into their accounts, which is linked closely to careful financial planning and other business skills. Timbali's holistic model provides more than training – it mitigates all risks that a small-scale farmer faces. As a result, 100% of Timbali's farmers remain operational through the first year of business. Collaborating under ASCI-1, ASCI-3 and ASCI-6, Timbali seeks to develop new agri-incubators in urban areas.

Established in 2016, ABE is a subsidiary company of Africa Business Group. The three core areas of activity of ABE are:

- Energy Efficiency
- Solar, Mini-hydro and Bio-gas Project Development and Implementation
- Climate and Energy Project Research, Policy Development and Capacity Development.

ABE aims to become a leading project developer in energy efficiency and renewable energy in Africa, with a particular focus on productive electrification (i.e., development of systems that support industrial, commercial, government-building, hospitality, healthcare and agricultural projects). Through its off-

grid renewable energy business, ABE will train and develop young entrepreneurs in the green technology sector under ASCI-1, ASCI-3 and ASCI-6.

By partnering with local stakeholders, the City of Tshwane will ensure the design of tailor-made, evidence-based programmes and city-level investment strategies that address the unique circumstances of each member city.

#### ASCI: BRICS in Africa

By means of the ASCI, the City of Tshwane has adopted the BRICS philosophy of "equitable, open, all-round, innovation-driven and inclusive development".

Through the framework of this multilateral city-level agreement, South Africa aims to domesticate the economic, social and environmentally sustainable development targets embodied in both the United Nations 2030 Agenda for Sustainable Development and the AU Agenda 2063.

In the words of Madiba, Africa's mayors are the new generation of leaders who are ready to take responsibility for the destinies of our cities through Ubuntu. <sup>11</sup>



# HERE'S TO A MATCH MADE | IN BUSINESS.

Partnering with BRICS has reinforced South Africa as a nation that's ready to do business. We're no longer just known for thriving in the agricultural, mineral and automotive sectors. We're moving towards becoming a knowledge-based economy, with a greater focus on innovation, technology, e-commerce, financial and other fields. We're more than ready to partner with you. Are you ready?

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Brand South Africa







# When China and South Africa join hands, it's business unusual

By Stanley Cai

South African Bureau of the Economic Daily

Twenty years on, China and South Africa have engaged in various ways and cultivated a sense of understanding and trust among each other. Partnership, friendship and even comradeship are the talk when it comes to the bilateral relationship between our two countries.

When the late former President Nelson Mandela made the decision to establish a diplomatic relationship with the People's Republic of China 20 years ago, he knew it would bring a lot of changes to both

nations and peoples. However, no one had ever envisioned that the changes would be so swift and so far reaching.

Twenty years on, China and South Africa have engaged in various ways and cultivated a sense of understanding and trust among each other. Partnership, friendship and even comradeship are the talk when it comes to

the bilateral relationship between our two countries. The increasing synergy between China and South Africa does not matter to ourselves only, but has generated huge impacts globally. When our two countries join hands, the world knows it's business unusual.

Political ties between Beijing and Pretoria have always been warm and have since





grown rapidly, advancing from a partnership to a strategic partnership and, finally, a comprehensive strategic partnership. It is convincing proof of the high mutual political trust, based on mutual respect and win-win, over the years.

As Ambassador Manelisi Genge, Chief Director for East Asia and Oceania at South Africa's Department of International Relations and Cooperation (DIRCO), put it, the relationship has grown in this short time into "one of the most important partnerships" for the African nation. Ambassador Genge made such comments at an event to celebrate the 20th anniversary of the diplomatic relations between the two countries.

Statistics show that the economic cooperation between China and South Africa has made significant achievements over the years. China has for nine consecutive years remained South Africa's largest trading partner. China is also South Africa's largest source of foreign investment.

On the other hand, South Africa is China's biggest trading partner and the most important destination for Chinese investment in Africa. In 2017, bilateral trade grew by 11,7% to US\$39,17 billion, a more than 20-fold increase from the figure at the beginning of diplomatic relations in 1998. Chinese investment in South Africa has grown from zero to an accumulative total of over US\$20 billion of

direct investment, reaching thousands of businesses in South Africa.

The year 2017 saw South Africa and China strengthening friendship through the inaugural South Africa-China High-Level People-to-People Exchange Mechanism, which took place in Pretoria in April.

It was the first of its kind on the continent. The two countries hope that the mechanism will deepen mutual understanding between the peoples of South Africa and China, and enhance people-to-people exchanges and cooperation in the areas of culture, education, communication, health, science, technology, sports, tourism, women and youth. Moreover, an increasing number of South African students will study in China under a Beijing-sponsored programme, whereas China accounts for the largest number of international visitors to South Africa.

There are recent reports about South African youth shining in China, one of whom is University of Johannesburg graduate, Boithabiso Mokoena.

Together with two partners, Mokoena formed Thrive Beijing ([www.thrivebj.com](http://www.thrivebj.com)), an online platform that profiles young professionals thriving in Beijing, helps professionals network or draws attention to their businesses, as well as highlighting places to see and events never to be missed. That shows how our young generations are

engaging robustly and enthusiastically with each other.

China and South Africa have also been working closely under Brazil, Russia, India, China and South Africa (BRICS).

Over the past 10 years, BRICS has proven to be an important global bloc, and is far more relevant now than it has been at any other time since its formation, says Professor Anil Sooklal, South Africa's BRICS Sherpa as well as Deputy Director-General of Asia and Middle East at DIRCO. As major emerging economies, BRICS countries work together not only for the benefits of their own people, but also seek to reform the unjust global political and economic system.

This year marks the centenary of the great leader of the South African and African people, and the world at large, Nelson Mandela. This year also marks the 20th anniversary of China-South Africa diplomatic ties.

With South Africa hosting the 10th BRICS Summit in July and China the Forum on China-Africa Cooperation in September, the two countries will again be on the focus on the global stage.

Looking forward, we hold no doubt that the China-South African relationship will embrace a brighter future. ☺



# South Africa an ideal investment destination: CEOs know

The campaign probed into the overarching question: "Why invest in South Africa?" and showcased inspiring stories as told by the respective CEOs, who uncovered facts that were not commonly known about investing in South Africa, thereby highlighting South Africa's competitive strengths as an attractive foreign investment destination.



South African Tourism CEO, Sisa Ntshona; the Johannesburg Stock Exchange CEO, Nicky Newton-King; MD and Partner of Goldman Sachs South Africa, Colin Coleman; Executive Head of Anglo American South Africa, Andile Sangqu; CEO of Shell Companies South Africa, Hloniphizwe Mtolo; Toyota South Africa Motors CEO and President, Andrew Kirby; and Pierre-Yves Sachet MD and CEO of Total.

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Commenting on the campaign, Brand South Africa said: "This campaign came at a time which saw the private and public sector in collaborative efforts to strengthen and accelerate progress in building a more prosperous and equitable South Africa.

"For this campaign, we took a word-of-mouth approach with private-sector CEOs, as it was a critical indicator in influencing business decisions to invest in any country. This translates to how their respective organisations then contribute and respond to South Africa's economic growth and development".

## The petroleum sector's contribution to South Africa's economy

According to the South African Petroleum Industry Association, the petroleum sector contributed 8,5% of the national gross domestic product (GDP) – with an increased government revenue of R90 billion in the 2016/17 financial year. Brand South Africa interviewed Hloniphizwe Mtolo, Chairperson

Inspired by the need to build a positive reputation for South Africa, Brand South Africa, the official marketing agency of the country, recently conducted a six-week digital campaign called *CEOs Know*.

The campaign was in collaboration with Business Leadership South Africa with the

objective of positioning South Africa as an ideal investment destination.

The *CEOs Know* Campaign featured various CEOs from multinational corporations based in South Africa, who shared insights behind their continued investment into South Africa. The campaign featured, among others,

of Shell South Africa, on the company's as well as the petroleum industry's impact on the nation's economic development.

Mloto said: "The industry contributed approximately R330 billion to the country's economy in 2016 in terms of revenue, and of that, at least R83 billion went into taxes and duties of the country, which is a significant contribution to the economy."

In relation to South Africa as an attractive investment destination, Mloto said that the country's well-regulated market guaranteed foreign investors returns on their investments into South Africa. The South African Nation Brand continues to be the largest recipient of foreign direct investment (FDI) on the African continent, and is the largest source of intra-regional investment – this is in addition to having recently made a comeback in the top 25 most attractive global investment destinations.

"The recent political change and developments have been positively received by the industry and by our sector in particular. President Cyril Ramaphosa has brought a positive sentiment for reaffirming policy certainty and he seems to be pro-business, which has been positively received by the markets.

"South Africa is finding itself in a positive trajectory, both economically and politically; this is inspiring as we are all now facing the right direction to do our best in contributing to the development of our country," concluded Mloto.

Shell has been active in South Africa since 1902. The company's main business activities in South Africa include retail and commercial fuels, lubricants and oils, aviation, marine, manufacturing and upstream exploration. Throughout its long association with South Africa, Shell has played an important role in the country, not only as a premier oil company, but also as a committed corporate citizen and change agent.

Pierre-Yves Sachet, MD and CEO of Total, said the industry's successes were as a result of the country's conducive investment climate. "South Africa is a great place for investment for various reasons due to the numerous incentives that are in place, and the most iconic of these has to be the 28% company tax, which is probably one of the lowest in the entire Africa parameter."

South Africa's constitutional democracy, rule of law, exemplary judiciary which continues to demonstrate high levels of resilience and the country's prudent fiscal management and monetary policies, sound financial system, and world-class infrastructure indicate that the country remains the continent's leading (FDI) hub. These are all aspects which Sachet says are important in fostering FDI to South Africa.

"South Africa has always been and remains one of the countries where the rule of law and independence of justice are respected and they work, and this is important for foreign investors," adds Sachet.

Established in 1954 in South Africa, Total has grown its business in more than 130 countries. Total is now a major player in the oil, gas and chemical industries. Its shareholders and employees come from a diverse range of backgrounds. The Total Brand's presence in the southern African region is made up of Total South Africa, Total Namibia, Total Botswana, Total Swaziland and Totalgaz.

#### **Toyota SA explains its continued investment into South Africa**

South Africa's vehicle market remains the biggest in Africa, accounting for 37% of new vehicle sales on the continent. Andrew Kirby, President and CEO of Toyota South Africa Motors, attributes this to the direction that the South African Government has taken to make South Africa an attractive investment destination.

"The automotive sector is a bright spot for us in South Africa because we have long-term stability of the industrial policy from government, and over the years, there has been consistent support from the motor industry," said Kirby.

"The benefit for us is that we get asset investment support, and we also get support through the Automotive Production and Development Programme, which incentivises the production and exports of vehicles, which allows us to offset a lot of the initiation costs, and that makes us globally competitive."

#### **The Johannesburg Stock Exchange leads by example**

Brand South Africa also interviewed Nicki Newton-King, the CEO of the Johannesburg Stock Exchange (JSE) who shared her thoughts on why the JSE led by example.

"We are really proud of the way the JSE leads by example; we have world-class financial markets in a developing economy – something that takes many of our international clients by quite considerable surprise. The JSE is also one of the world's top 20 equity markets, one of the world's top 10 derivatives markets, and one of the world's top 5 bond markets."

The JSE continues to dominate the sub-Saharan Africa region, representing 38% of all listed companies and 83% of total market capitalisation in the region in 2012. In fact, 68 of sub-Saharan Africa's 100 largest companies in terms of market capitalisation are listed on the JSE, including the five largest companies in Africa. In addition to being the most advanced stock exchange in

the region, the JSE is also among the global top 20 of exchanges in market capitalisation and turnover. With a market capitalisation of 159% of GDP in 2012, South Africa also has one of the largest equity markets in the world, relative to the size of its economy.

Touching on the transition in political leadership which led to Cyril Ramaphosa being elected as President of the Republic, Newton-King said that this change had brought about a sense of renewed hope – not only for South Africans, but also for foreign investors.

"When foreign investors have come to talk to us recently – they started out with the question 'is the political change for real' and what we are able to confidently tell them is that this change had imbued our people with a real sense of home and optimism. They ask us about the rule of law, and whether or not we all respected their rights and of course we proudly said that we had one of the world's most respected constitutions and one of the most respected judiciary – and these were enormously positive things to say about our country.

"This country is the most extraordinary place to live in, there is a beat that you wake up to every single day. I am inspired by the diversity that we have as a competitive advantage in this country," concluded Newton-King.

#### **Tourism sector is attractive for foreign direct investment**

"There is no other sector in the country that is showing 8% growth per annum," said Sisa Nthsona, CEO of South African Tourism.

Commenting on the industry as a key driver for South Africa's economy, Nthsona said that the tourism sector accounted for 9% of South Africa's GDP, and an estimated 8,5 % of the continent's GDP, up from 6,8% in 1998.

"From a business and development perspective, tourism is a significant contributor – which in turn translates to job creation. 2016 was a record-breaking year, with 10 million international tourists coming to South Africa

South Africa is best known for its beach and safari holiday experiences. Stunning as the coastline and the game parks are, there are plenty more on offer to tourists, both in South Africa itself, and in the wider southern African region.

Nthsona said, however, that "South Africa is more than just the 3 Bs (the beach, the berg and the bush)", stating that the country's secret weapon was its diversity and people.



"I am constantly inspired about how South Africa fights above its weight. South Africans are ambitious, driven and passionate people. We are a diverse people who love our country, and our space and we want to share our home with the world for them to be part of our ever-growing story," concluded Ntshona.

And it's not just South Africa – the entire continent is set for a tourism boom. Speaking at the launch of Indaba in 2017, Africa's top travel trade show, Ntshona predicted that Africa would be the new tourism frontier. He reported that the continent had an 8% surge in international arrivals in 2016, with Sub-Saharan Africa increasing by 11% and South Africa by 13%.

#### **"South Africa has investment opportunities across the economic spectrum"**

Sasol Limited CEO and Joint President, Bongani Nqwababa, joined the list of multinational CEOs who provided testimonials on Brand South Africa's *CEOs Know* Campaign on why their corporates continued to invest in South Africa, while highlighting South Africa's competitive strengths as an attractive foreign investment destination.

Nqwababa said that he was inspired by how resilient South Africans were as well as their ability to overcome adversity. The country is a great investment destination because it not only has opportunities in the resources, but also has opportunities across the economic spectrum.

Sasol is an international integrated chemicals and energy company that leverages technologies and the expertise of 30 300 people working in 33 countries. The multinational develops and commercialises technologies, and builds and operates world-scale facilities to produce a range of high-value product stream, including liquid fuels, chemicals and low-carbon electricity.

Sasol was established in 1950 in South Africa and it remains one of the country's largest investors in capital projects, skills development and technological research and development. The company is listed on the JSE in South Africa and on the New York Stock Exchange in the United States.

"As the most industrialised country in southern Africa, South Africa offers opportunities for companies to grow domestically and also for them to expand into the African continent. From an FDI perspective, South Africa is a wonderful place to invest in for a variety of reasons – our legal system is developed, our courts and judiciary are independent, we have sound financial systems and well-developed local capital markets," said Nqwababa.

#### **"Africa is the next large growth region for the world"**

"Transformation and innovation is the name of the game and that is what inspires me about South Africa and the African continent," said Goldman Sachs Partner and MD, Head of Investment Banking in Sub-Saharan Africa, Colin Coleman.

Coleman shared his insights on what made South Africa an attractive investment destination during his interview with Brand South Africa for the *CEOs Know* Campaign.

The Goldman Sachs Group, Inc. is a leading global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and individuals. Founded in 1869, the firm is headquartered in New York and maintains offices in all major financial centres around the world.

The South African Government's Invest SA initiative, which formalised a relationship with the World Bank to improve the country's ease of doing business, coupled with a dynamic and stable economy, solid economic fundamentals, prudent fiscal management and monetary policies were distinguishing factors that made South Africa an ideal investment location, said Coleman.

A recent assessment by Goldman Sachs indicates that South Africa is part of the "next big emerging market story" of 2018. It notes that the growth cycle is picking up after an earlier downturn in investment growth. It says that improved confidence is likely to lead to a better outlook for growth and investment.


This is confirmed by the *South African Economic Update*, released recently by the World Bank. While the economy's performance is improving, it notes that higher growth will require ambitious structural policies. It estimates that a successful conclusion of the Mining Charter deliberations, for example, could increase investment in the sector by 25%.

"South Africa is the hot emerging market for 2018 because it stands out in the post-transition of the Presidency to Cyril Ramaphosa as an environment which offers opportunity. This political change together with the President's economic policy give a clear roadmap as to where South Africa is going," said Coleman.

President Ramaphosa recently announced that a central priority for government this year was to encourage significant new investment in South Africa's economy. Investment is necessary for the growth of the economy and the creation of jobs on a scale that will significantly reduce current levels of unemployment.

Coleman noted that South Africa's modern market environment had seen South African companies venturing into the African continent to expand operations and had also afforded global corporates the opportunity to establish their business in South Africa.

"We at Goldman Sachs see South Africa as a base for our African business and so do many other multinationals – and this is attributed to a sound institutional framework built on the foundation of a constitutional democracy, sound regulatory framework as well as commercial and legal practices, which are in line with those in the rest of the developed world.

"All of these attributes position the country positively and it is through the independence of institutions that the nation will be able to maintain business confidence," added Coleman."  Brand South Africa

"As the most industrialised country in southern Africa, South Africa offers opportunities for companies to grow domestically and also for them to expand into the African continent. From an FDI perspective, South Africa is a wonderful place to invest in for a variety of reasons – our legal system is developed, our courts and judiciary are independent, we have sound financial systems and well-developed local capital markets."

# South Africa is under new leadership

It's a new dawn. The winds of change have swept across the country, bringing hope and untold possibility. It's time for a new way: the **Bozza** way.

**The Bozza network is now, officially, SA's Best Network\*\*.**

It took years of dedication, meticulous planning, blood, sweat and, yes, even the odd tear. All to give the people of South Africa the connectivity they deserve. But we won't stop here. Our commitment to you is to work even harder, to be even better, to be more **Bozza**.

Come over to the **Bozza** network that never stops working to give you more

***everywhere you go***

\*MyBroadband Q4 2017 Mobile Network Quality Report, 15 January 2018. Results based on MyBroadband App tests and on Android devices only. Valid until 31 March 2018.

\*\*'Best in Test' for Voice and Data (P3 Mobile Benchmark South Africa 02/2018)  
Fastest Mobile Network (MyBroadband Mobile Network Quality Report – Q4 2017)  
Best Download Speed (MyBroadband Mobile Network Quality Report – Q4 2017)

[mtn.co.za](http://mtn.co.za)







## WILDLIFE AND SAFARI



## ACTIVE ADVENTURE



## CITY LIFESTYLE

### Experience an untouched world of perfect hushed silences and raw wildlife moments

Here in the South African wilderness, you begin your journey into the soul of Africa. It's one that engages all your senses from the very first moment, sparked to life when you first hear the distant roar of a lion, the laugh of a hyena in the night, or the song of thousands of cicada beetles at midday. Then experience the heightening of these senses when you first spot a rare leopard hidden in a tree, or feel the ground vibrate as a herd of giant elephants cross right in front of you.

With the ever-present sun shining on your face, (or on the brim of your safari hat) the South African wild is yours to explore. Leave your trip in the hands of a friendly game ranger, an expert on absolutely everything there is to know about the wild, who'll charm, intrigue and leave your head spinning with the facts and fascinating myths of the world you're entering. Start the day the way nature intended, at the crack of dawn, to see the wild residents emerge for a drink from the busy waterhole as the sun begins to rise over the iconic bushveld scenery. Then with your trusty guide by your side, track a herd of buffaloes as they amble along the great open expanses. And after a day of never-to-be-forgotten sights and safari moments, it's time to return to the warmest embrace of luxury lodges and some of the friendliest hosts around. When you've eaten enough for a family of elephants and shared all your favourite stories of the day, it's finally time to drop into bed and be lulled to sleep by the sounds of the bush.

Whatever experience you're after, South Africa has accommodation for any budget – from luxury lodges to camping under a million stars. And it's not just classic bushveld safari like you know it; our wildlife experiences spread through lush forests, wetlands, beaches, rivers and deserts. Choose from guided game-vehicle tours, to relaxing walks, horseback and river safaris or take it all in from the air as you fly over the landscape in a hot air balloon.

You'll soon feel that this world moves at its own speed, and to witness it and be part of it is something you won't forget. Coming this close to nature is a vivid reminder of why we have always been inspired by the untouched wild.

### Free the adventurous spirit within. Come play!

Stepping up to the edge of the world's highest bridge bungee jump, your heart hammers in your chest as your eyes widen at the site of the valley way down below. Then, you go for it! You push forward from the bridge, dropping down at what feels like a million miles an hour, into the gorge beneath you. The wind roaring in your ears, your heart pounding even more now than ever, and all your senses are electrified. You are flying free. Then with a tug, you're swinging back up towards the sky, catching your breath as you get ready to experience it all over again on the next plunge. You'll never feel more alive than this. It's like walking a couple of inches taller than everybody else on the planet, and you're never looking back. This is what adventure tourism in South Africa does to you. It's these feelings that come with every experience that stick with you forever. The awesome people you meet along the way or who share the thrill with you make these memories even sweeter.

If you want to tick some items off the bucket list, this is the place to do it. Take on your first shark-cage diving experience, and stare straight into the eyes of a majestic Great White shark. Try adventuring along South Africa's famous rivers, in white-knuckled rafting experiences, cruising gently in some places before simply roaring past the riverbanks in a frenzy of white-water adrenalin. These are no everyday moments.

Then prepare to have your mind boggled by thousands of migrating sardines, followed closely by hungry dolphins and other fish, during the world-famous Sardine Run. Or get the hiking boots on and head out on the popular and challenging Otter, dolphin or Tsitsikama Falls hiking trails, or climb to the top of Table Mountain to see thousands of indigenous plant species and a view of Cape Town that will stay with you forever.

Whatever your pleasure, South Africa is an endless outdoor playground that will make you feel alive and free. From skydiving to quad biking, hot air ballooning to windsurfing, treetop zip lining or sailing along the coastline – there's no shortage of raw adventures and 'wow' moments surrounded by some of the world's most beautiful scenery.

### Meet the Rainbow Nation in buzzing cities bursting with colour and life

While the frenetic energy of a big city always commands attention, an African city like Johannesburg does more than that – it takes you by the hand and leads you into the heart of a place that constantly surprises, invigorates and charms, where the unexpected becomes the reality.

South Africa's City of Gold is where you'll feel true urban energy packed with local colour, flavour and soul. Hang out with the trendiest locals at street-side cafes, overlooked by contemporary apartment blocks, or get the taste buds revved up and ready to try everything you can see or smell at weekend food markets, aroma-filled coffee shops or some of the finest restaurants on the continent that are dotted throughout the city. There's always something happening on the streets, among Jozi's high-rise buildings. Join genuinely fun and friendly urban South Africans for a cocktail on packed rooftop bars, or meet them at art galleries and spaces brimming with culture and expression. This is a place like no other, where you can create some of your most vivid memories while making a whole lot of new friends.

Just a short flight away, there's Cape Town, one of the world's favourite cities, a place so beautiful, one picture is enough to sell it to anyone. In this stunning city, the locals almost outshine the sights and their famous mountain, with a reputation to keep you smiling, chatting and dancing throughout your stay. Don't miss the chance to take in some jazz at the city's acclaimed international festivals, and prepare to be mesmerised by local musicians and the rhythms that define this city. Then sneak away for a picnic, or an unforgettable open-air concert at the Kirstenbosch Botanical Garden, the most peaceful setting imaginable, hidden against the slopes of Table Mountain.

And city life doesn't stop there; this country has plenty more remarkable cities to explore, like Durban on the semi-tropical east coast, where beachlife lives in perfect harmony with an energetic modern city, or feel perfectly at home in the historic coastal city of Port Elizabeth, known as the 'Friendly City' to us.

Every South African city has its own unique story to tell, and the best people to tell those stories are the locals themselves. So, let them be your guide to all the hot spots, dance spots, taste experiences and best-kept secrets around the cities they call home.

-  1 **KRUGER NATIONAL PARK**
-  2 **PILANESBERG GAME RESERVE**
-  3 **MOUNTAIN ZEBRA LODGE**
-  4 **KAROO NATIONAL PARK**
-  5 **HLUHLUWE-IMFOLOZI**
-  6 **DWESA NATURE RESERVE**
-  7 **KOSI BAY**
-  8 **ADDO ELEPHANT PARK**

-  9 **HORSE RIDING**
-  10 **RIVER RAFTING**
-  11 **PARAGLIDING**
-  12 **BUNGEE JUMPING**
-  13 **ORANGE RIVER CANOE**
-  14 **CANOPY TOURS**
-  15 **SURFING J-BAY**
-  16 **CAVING**

-  17 **JOZI NIGHTLIFE**
-  18 **DURBAN NIGHTLIFE**
-  19 **CAPE TOWN NIGHTLIFE**
-  20 **CAPE TOWN JAZZ FESTIVAL**
-  21 **CHERRY FESTIVAL**
-  22 **KIRSTENBOSCH BOTANICAL GARDEN**
-  23 **ARTS ON MAIN**
-  24 **DURBAN JULY**

# SOUTH AFRICA HANDY FACTS

## OUR COUNTRY

We have a population of 52.98 million beautiful, warm and friendly people.

We have 11 official languages- Afrikaans, English, isiNdebele, Sepedi (officially Sesotho sa Leboa), Sesotho, siSwati, Setswana, Xitsonga, Tshivenda, isiXhosa and isiZulu.

South Africa offers multiple tourist experiences within close proximity to one another.

Experience an untouched world of perfect hushed silence and raw wildlife moments; free the adventurous spirit within; meet the Rainbow Nation in buzzing cities; take a journey of discovery from the roots of all humanity; free your imagination, and let the waves lift your soul or just see where breathtaking nature stretches out in every direction. We have it all!

## TIME

South Africa is in the GMT +2 time zone (UTC+2), which is the same as Athens, Bucharest, Cairo, Istanbul, Jerusalem, Harare and Helsinki. We are six hours ahead of New York; six hours behind Beijing, eight hours behind Sydney and just an hour ahead of London.

The country does not apply daylight saving, so it's relative time remains constant.

The South African work week runs from Monday to Friday, typically from 8:30 to 17:00. Generally retailers operate until 17:00 on Saturdays and 15:00 on Sundays.





# CULTURAL ROOTS

Take a journey of discovery from the roots of all humanity to a human story that inspired the world

It was here that the world's human story first began, a staggering four million years ago. Today a World Heritage Site, South Africa's Cradle of Humankind stands as humbling evidence of the earliest origin of modern humans, who lived and evolved here at the tip of the continent before spreading to the rest of the world. This is where it all started, and we can't wait to welcome you home.

The spirit of ancient Africa can still be seen today at the site of the lost Iron Age Kingdom of Mapungubwe, an advanced civilisation famous for its gold, which was traded as far as Asia hundreds of years ago. That spirit lives on in culture, tradition and myths, none more fascinating than the Limpopo province's Rain Queen Modjadji who still rules today.

Journey back to a time of war in KwaZulu-Natal, and walk the haunting battlefields where the mighty Zulu Kingdom fought under the reign of the warrior King Shaka Zulu. Then meet the proud Zulu culture of today at one of many cultural villages, and be charmed by their famous animal prints, art, food and traditions passed down over centuries. Of course, you can't leave South Africa without immersing yourself in the inspiring story of Nelson Mandela. Follow his footsteps from humble beginnings at Mvezo in the Eastern Cape to his former home in Soweto and on to the tiny prison cell on Robben Island where he spent 18 of his 27 years in prison.

While South Africa embodies our most ancient roots, we have evolved into an amazing mix of modern cultures. Share in the truly South African urban and rural settings that celebrate our diversity and way of life, like buzzing urban markets, famous townships like Soweto, cosmopolitan bars filled with contemporary beats and good times, theatres, jazz clubs and traditional restaurants to mention a few. Diversity is South Africa's proud legacy, and you are invited to become part of the celebration of all nations and cultures by meeting and sharing a South African-style handshake and more than a few memories with those who call this place home.

To be in South Africa is to feel part of a story that goes back to the start of our shared humanity, the first chapter of our story and everyone else's, and to be welcomed back "home" not as a traveller, but as a friend.



# COASTAL BEACH

Free your imagination and let the waves lift your soul, all along our sun-soaked coast

There's nothing more amazing than getting right up close to a hundred dancing and diving dolphins, their splashes speckling your camera lens with water. Nothing stops time like the explosion of sound and feeling of pure awe as a Southern Right whale breaches the blue ocean just meters away from you. No moment is more dreamlike than standing in frozen silence, witnessing baby loggerhead turtles hatch in the moonlight and make their awkward way to the ocean for the very first time. These are the moments that make South Africa special. And there are plenty more of them to be witnessed and experienced along our 2700km of coastline.

It's more than just the place where the cool Atlantic and warm Indian Oceans meet. It's where the folklore of fishing communities is as charming and real today as it ever was; where perfect beaches lure you into staying all day and the freshest flavours of the sea are piled onto your plate at seaside restaurants or right there on the sand, while the smell of the ocean fills your lungs.

Explore South Africa's natural wetlands where fauna and vegetation range from thickets and woodlands to marshes, forests and reed; home to hippo, crocodiles, black rhino, thousands of fish and bird species that go on with life just like they have for thousands of years. Be a welcomed guest in their world, go hiking along famous trails, crossing secret beaches, jumping over hidden rock pools and stopping to watch ocean sunsets with only the waves for company.

Come experience beach days that feel like they should never end and the finest beach-side hotels to spoil you when they eventually do. South Africa's sun-soaked coast lies ready, all-year round, to share its secrets, adventures and lazy days with you.



# SCENIC OUTDOORS

See where breathtaking nature stretches out in every direction to horizons that never end

Among mountains that look like they've been painted on the horizon and wide open panoramas that run further than your eyes can see, an elastic thread of tarmac transports you through a country that shifts and changes right before your eyes. From some of the world's most ancient landscapes like the awe-inspiring plains of the Lonely Karoo to the Limpopo bushveld and the incredible Tsitsikamma Forest, secluded beaches or the valleys of some of the most beautiful winelands you will ever see, you can't help but feel you are somewhere special.

Let us introduce you to our places of wonder that make us swell with pride and take our breaths away again and again. Come stand at the top of the mesmerising Blyde River Canyon and feel your eyes try in vain to take in every inch of this enormous artwork of nature. Crane your neck up to see the mind-blowing peaks of the Drakensberg Mountains rising above you like gigantic castle towers and explore the world's largest collection of ancient San Rock Art preserved on their rock faces and hidden caves. And, if you stick around for the cool winter months you might get to see these famous mountains capped in pure white snow. From here, follow the path of their foothills into the KwaZulu-Natal Midlands and get lost in a world of artists' villages, cool streams, farms dotted with plump cattle and friendly guesthouses all enriched with African culture and locals who absolutely love sharing their beautiful part of the country.

Every day in scenic South Africa ends with a horizon to look out on. Whether you enjoy it with friends, welcoming locals or just by yourself as you contemplate the world going by, it's sure to create the kinds of memories that will stay with you forever.



25 CRADLE OF HUMANKIND



26 MAPUNGBUWE NATIONAL PARK



27 RAIN QUEEN MODJADJI



28 BATTLEFIELDS



29 GOLD REEF CITY



30 SOWETO TOUR



31 ROBBER ISLAND



32 KIMBERLEY



33 WHALE WATCHING



34 DOLPHIN WATCHING



35 PENGUINS



36 SEAL ISLAND



37 SARDINE RUN



38 TWO OCEANS AQUARIUM



39 USHAKA MARINE WORLD



40 SHARK-CAGE DIVING



41 CAPE AGULHAS



42 TABLE MOUNTAIN



43 AUGRABIES FALLS



44 DRAKENSBERG



45 THREE RONDAVELS



46 CANGO CAVES



47 GOD'S WINDOW



48 CLARENS

## OUR WEATHER

Our weather is great!

Generally warm, dry and sunny. Daytime winter temperatures average around 18° and 28°. The Western Cape has dry summers and wet winters. KwaZulu-Natal is subtropical on the coast and can be very hot, as can Mpumalanga and the Kruger National Park.

The interior is hot with spectacular thunderstorms in summer and is dry, frosty and sunny in winter.

## MAKING SENSE OF CENTS

Our currency is the Rand, which is divided into 100 cents. Notes come in R10, R20, R50, R100 and R200 denominations and coins are issued in R1, R2, R5 and 5, 10, 20 and 50 cent denominations. R10 can buy you a can of coke, R20 a cappuccino, R50 a sandwich and smoothie, and R100 a gourmet pizza.

Some foreign exchange outlets stay open until 19:00 and the large cities have ATMs that exchange foreign

currency. Visa and MasterCard are acceptable everywhere and credit cards are essential for car hire. ATMs are open 24 hours a day.

We have a levy of 14% value-added tax (VAT). Overseas visitors taking purchases home can claim the VAT on these items if their value exceeds R250, so remember to ask for a tax invoice when you're doing your shopping.

## PLUGGING IN

The electricity supply is 200/230 volts AD 50Hz except in Pretoria (230V) and Port Elizabeth (200/250V).

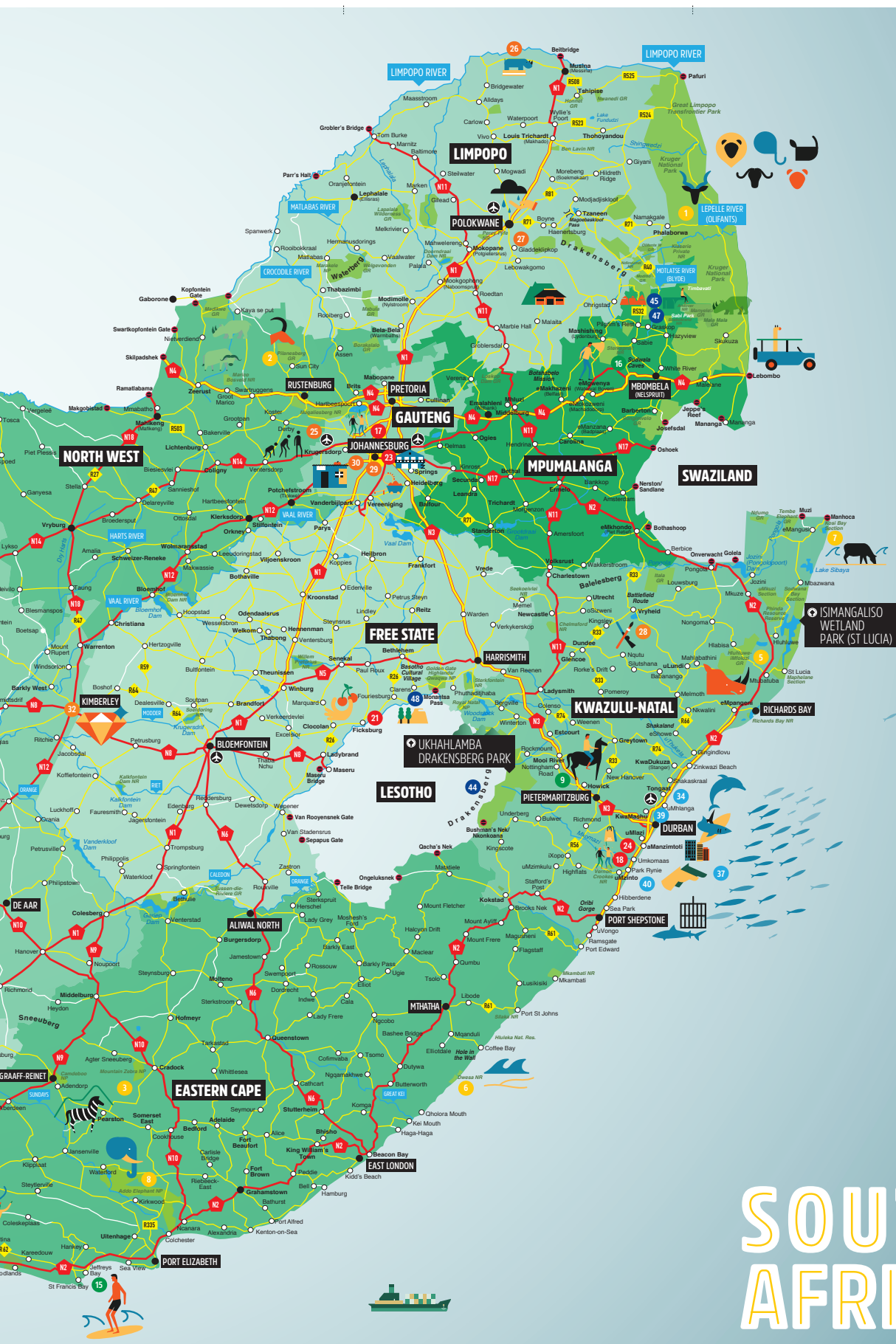
Most plugs are three or two pin and adaptors can be purchased. US appliances may need a transformer. Most hotel rooms have 100 volt outlets for electric shavers and appliances.

South Africa has an average internet connection speed of 3.4Mbps. Many restaurants, hotels, libraries and shopping malls have Wi-Fi accessibility. The cost of 1GB of prepaid mobile data ranges from R99 to R160 depending on the service provider.



- 1 KRUGER NATIONAL PARK
- 2 PILANESBERG GAME RESERVE
- 3 MOUNTAIN ZEBRA LODGE
- 4 KAROO NATIONAL PARK
- 5 HLUHLUWE-IMFOLOZI
- 6 DWESA NATURE RESERVE
- 7 KOSI BAY
- 8 ADDO ELEPHANT PARK
- 9 HORSE RIDING
- 10 RIVER RAFTING
- 11 PARAGLIDING
- 12 BUNGEE JUMPING
- 13 ORANGE RIVER CANOE
- 14 CANOPY TOURS
- 15 SURFING J-BAY
- 16 CAVING
- 17 JOZI NIGHTLIFE
- 18 DURBAN NIGHTLIFE
- 19 CAPE TOWN NIGHTLIFE
- 20 CAPE TOWN JAZZ FESTIVAL
- 21 CHERRY FESTIVAL
- 22 KIRSTENBOSCH BOTANICAL GARDEN
- 23 ARTS ON MAIN
- 24 DURBAN JULY
- 25 CRADLE OF HUMANKIND
- 26 MAPUNGUBWE NATIONAL PARK
- 27 RAIN QUEEN MODJADJI
- 28 BATTLEFIELDS
- 29 GOLD REEF CITY
- 30 SOWETO TOUR
- 31 ROBBER ISLAND
- 32 KIMBERLEY
- 33 WHALE WATCHING
- 34 DOLPHIN WATCHING
- 35 PENGUINS
- 36 SEAL ISLAND
- 37 SARDINE RUN
- 38 TWO OCEANS AQUARIUM
- 39 USHAKA MARINE WORLD
- 40 SHARK-CAGE DIVING
- 41 CAPE AGULHAS
- 42 TABLE MOUNTAIN
- 43 AUGRABIES FALLS
- 44 DRAKENSBERG
- 45 THREE RONDAVELS
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- 47 GOD'S WINDOW
- 48 CLARENS





# SOUTH AFRICA



# About South Africa:

## "The Cradle of Humankind"

### Government:

Constitutional multiparty democracy, with three spheres – local, provincial and national government.

**National Day:** Freedom Day, 27 April. Freedom Day commemorates the first democratic elections held in South Africa on 27 April 1994.

**Population:** For 2017, Statistics South Africa estimated the mid-year population at 56,52 million. Approximately 51% (approximately 28,9 million) of the population was female.

**Life expectancy:** Life expectancy at birth is estimated at 59,7 years for males and 65,1 years for females

**Languages:** The country is multilingual with 11 official languages, each of which is guaranteed equal status. Most South Africans are multilingual and able to speak at least two or more of the official languages. The languages are: Afrikaans, English, isiNdebele, isiXhosa, isiZulu, Sepedi, Sesotho, Setswana, siSwati, Tshivenda and Xitsonga. Attention is also paid to the Khoi, Nama and San languages and to sign language.

**Religion:** South Africa is a secular democracy with freedom of religion. Many religions are represented in the ethnic and regional diversity of the population. The majority of South Africans or 79,8%, are Christian.

**Land surface area:** 1 219 602 km<sup>2</sup>

Capitals: Pretoria (administrative); Cape Town (legislative); Bloemfontein (judicial). The Constitutional Court is located in Johannesburg.

**Provinces:** Eastern Cape, Free State, Gauteng, KwaZulu-Natal, Limpopo, Mpumalanga, Northern Cape, North West and Western Cape.

**Currency:** Rand (ZAR) – 100 cents equals one rand.

South Africa is a country where various cultures merge to form a unique nation proud of its heritage.

The country boasts some of the world's most breathtaking scenery and features an amazing display of bird- and wildlife species, which include the Big Five (lion, leopard, elephant, buffalo and rhino). South Africa's biggest asset is its people – a rainbow nation with rich and diverse cultures.

South Africa is often called "The Cradle of Humankind" for this is where archaeologists discovered 2,5-million-year-old fossils of our earliest ancestors, as well as 100 000-year-old remains of modern man.

### Geography

South Africa occupies the southernmost tip of Africa. The country stretches latitudinally from 22° to 35° S and longitudinally from 17° to 33° E. Its surface area is 1 219 090 km<sup>2</sup>.

The country has common boundaries with Namibia, Botswana and Zimbabwe, while Mozambique and Swaziland lie to the north-east.

Completely enclosed by South African territory in the south-east is the mountain kingdom of Lesotho.

To the west, south and east, South Africa borders on the Atlantic and Indian oceans.

Isolated, some 1 920 km south-east of Cape Town in the Atlantic, lie the Prince Edward and Marion islands, annexed by South Africa in 1947.

The country's physical features range from bushveld through deserts and forests, up majestic mountain peaks and down to wide unspoilt beaches and coastal wetlands.

### The oceans

South Africa's largest neighbours are the Atlantic and Indian oceans, which meet at the southwestern corner of the continent.

The warm Mozambique-Agulhas Current skirts the east and south coasts as far as Cape Agulhas, while the cold Benguela Current flows northwards along the west coast as far as southern Angola.

The contrast in temperature between these two currents partly accounts for important differences in climate and vegetation between the east and west coasts of South Africa.

The coastline stretches more than 3 000 km and is an even, closed one with few bays or indentations naturally suitable for harbours.

### Climatic features

Although the country is classified as semi-arid, it has considerable variation in climate.

The subtropical location, on either side of 30° S, accounts for the warm temperate conditions so typical of South Africa, making it a popular destination for foreign tourists. Being in the southern hemisphere, the seasons in South Africa are opposite to those of Europe and North America.

The country also falls squarely within the subtropical belt of high pressure, making it dry with an abundance of sunshine.

Although Durban (east coast) and Port Nolloth (west coast) lie more or less on the same latitude, there is a difference of at least 6° C in their mean annual temperatures.

Temperature conditions in South Africa are characterised by three main features: they tend to be lower than in other regions at similar latitudes, for example, Australia, due primarily to the greater elevation of the subcontinent above sea level; despite a latitudinal span of 13°, average annual temperatures are remarkably uniform throughout the country; and there is a striking contrast between temperatures on the east and west coasts. Owing to the increase in the height of the plateau towards the north-east, there is hardly any increase in temperature from south to north.

Temperatures above 32° C are fairly common in summer, and frequently exceed 38° C in the lower Orange River Valley and the Mpumalanga Lowveld.

Spring: September, October, November

Summer: December through February

Autumn: March, April, May

Winter: June through August

### Population

For 2017, Statistics South Africa estimated the mid-year population at 56,52 million. Approximately 51% (approximately 28,9 million) of the population was female.

Gauteng comprises the largest share of the South African population. Approximately 14,3 million people (25,3%) live in this province. KwaZulu-Natal is the province with the second largest population, with 11,1 million people (19,6%) living in this province. With a population of approximately 1,21 million people (2,1%), Northern Cape remains the province with the smallest share of the South African population.

About 29,6% of the population is aged younger than 15 years and approximately 8,1% (4,60 million) is 60 years or older. Similar proportions of those younger than 15 years

live in Gauteng (21,1%) and KwaZulu-Natal (21,1%). Of the elderly aged 60 years and older, the highest percentage 24,0% (1,10 million) reside in Gauteng. The proportion of elderly persons aged 60 and older is increasing over time.

#### Government system

South Africa is a constitutional democracy with a three-tier system of government and an independent judiciary.

The national, provincial and local levels of government all have legislative and executive authority in their own spheres, and are defined in the Constitution as distinctive, interdependent and interrelated.

Operating at both national and provincial levels are advisory bodies drawn from South Africa's traditional leaders.

It is a stated intention in the Constitution that the country be run on a system of cooperative governance.

Government is committed to the building of a free, non-racial, non-sexist, democratic, united and successful South Africa.

Parliament consists of the National Assembly and the National Council of Provinces (NCOP). Parliamentary sittings are open to the public. Several measures have been implemented to make Parliament more accessible and accountable.

The National Assembly consists of no fewer than 350 and no more than 400 members, elected through a system of proportional representation for a five-year term. It elects the President and scrutinises the executive.

The NCOP consists of 54 permanent members and 36 special delegates. The purpose of the NCOP is to represent the interests of the provinces in the national sphere of government.

#### Constitution

South Africa's Constitution is one of the most progressive in the world and enjoys high acclaim internationally. Human rights are given clear prominence in the Constitution.

The Constitution of the Republic of South Africa of 1996 was approved by the Constitutional Court on 4 December 1996 and took effect on 4 February 1997.

The Constitution is the supreme law of the land. No other law or government action can supersede the provisions of the Constitution.

#### Judicial system

The judicial authority in South Africa is vested in the courts, which are independent and subject only to the Constitution and the law. No person or organ of State may interfere with the functioning of the courts, and an order or decision of a court binds all organs of State and people to whom it applies.

The Constitution provides for the following:

- Constitutional Court
- Supreme Court of Appeal
- high Courts, including any High Court of Appeal that may be established by an Act of Parliament to hear appeals from high courts
- magistrates' courts
- any other court established or recognised in terms of an Act of Parliament, including any court of a status similar to either high courts or magistrates' courts.

Other courts include: Income tax Courts, the Labour Court and the Labour Appeal Court, the Land Claims Court, the Competition Appeal Court, the Electoral Court, divorce courts, small claims courts, military courts and equality courts.

Decisions of the Constitutional Court, the Supreme Court of Appeal and the high courts are an important source of law. These courts uphold and enforce the Constitution

#### International relations

South Africa's unique approach to global issues has found expression in the concept of Ubuntu. This concept informs the country's particular approach to diplomacy. This philosophy translates into an approach to international relations that respects all nations, peoples and cultures. It recognises that it is in South Africa's national interest to promote and support the positive development of others.

South Africa therefore accords central importance to:

its immediate African neighbourhood and continent  
working with countries of the South to address shared challenges of underdevelopment promoting global equity and social justice

working with countries of the North to develop a true and effective partnership for a better world

doing its part to strengthen the multilateral system, including its transformation, to reflect the diversity of nations and ensure its centrality in global governance.

By prioritising Africa and promoting its renewal, development and reconstruction, South Africa is contributing to building a better Africa, which is the central foreign policy goal of the South African Government. After the democratic elections in 1994, South Africa ceased to be the pariah of the world; it regained its rightful place in Africa, in the United Nations (UN) and in the family of nations. South Africa emerged as a democratic country into a fundamentally transformed world with a visionary foreign policy that promotes relations with other countries.

South Africa maintains diplomatic relations with countries and international organisations through 124 missions in 107 countries abroad, and through the accreditation of more than 160 countries and international organisations resident in South Africa. The diplomatic and consular missions implement South Africa's foreign policy to enhance its international profile and serve as strategic mechanisms for the achievement of national interest. South Africa is a member of various regional, continental and international organisations.

#### Economy and finance

South Africa is a dynamic and stable economy with solid economic fundamentals. It has a sound financial system, highly regulated banking sector, world-class infrastructure and is investor-friendly. The country has the most diversified economy on the continent and advocates for Africa's advancement.

The implementation of the National Development Plan (NDP) is the cornerstone of the country's democracy. As the strategy for reducing unemployment, inequality and poverty by 2030, the NDP provides a strong platform for collaboration among business, government, labour and civil society.

The plan promotes enhanced competitiveness, expanded infrastructure, greater spatial efficiency in growing cities and accelerated rural development. It prioritises measures to build a capable, effective state that delivers services to citizens while encouraging business investment and growth.

#### Transport

South Africa has a modern and well-developed transport infrastructure. The air and rail networks are the largest on the continent, and the roads in good condition. The country's ports provide a natural stopover for shipping to and from Europe, the Americas, Asia, Australasia and both coasts of Africa.

South Africa's three major international airports are OR Tambo International Airport (Johannesburg); Cape Town International Airport; and King Shaka International Airport (Durban). There are also many regional airports, including the Kruger Mpumalanga International Airport in Mbombela (Nelspruit).

Public transport in major cities include the Gautrain between Johannesburg and Pretoria and the Bus Rapid Transport System in Cape Town, Johannesburg and Pretoria.

#### Mineral wealth

South Africa's mineral wealth translates into, among others, 96% of known global reserves of platinum-group metals, 74% of chrome, 80% of manganese, 25% of vanadium and 11% of gold reserves.

Mining is one of the centres of South Africa's economy.





It accounts for 7,9% of gross domestic product (GDP) and employ almost 460 000 people. There are more than 1700 operational mines in South Africa

### Agriculture

Agriculture is a catalyst for economic growth and the current contribution of the sector towards the GDP of about 2,5% is far below the capacity of the sector. The sector contributes another 12% to the GDP through value added from related manufacturing and processing.

The estimated value of imports for 2015/16 came to R76 511 million, an increase of 22,1% from R62 648 million

for 2014/15. The value of exports increased by 0,2%, from

R82 839 million in 2014/15 to R83 022 million in 2015/16.

According to the 2015/16 export values, citrus fruit (R12 565 million), wine (R8 036 million), grapes (R6 584 million),

apples, pears and quinces (R6 255 million) and maize (R3 467 million), were the most important agricultural export products.

Wheat and meslin (R6 373 million), maize (R5 997 million), rice (R5 607 million), meat (R5 227 million) and undenatured ethyl alcohol (R3 903 million) accounted for the highest imports in terms of value.

### Communications

South Africa has a well-developed communications infrastructure. A number of cellphone providers offer national coverage and there are well-established landline phone networks. Internet and Wi-Fi are easily accessible in most urban areas.

### Media

South Africa has a vibrant and independent media.

- According to the Bill of Rights, as contained in the Constitution, everyone has the right to freedom of expression, which includes:
- freedom of the press and other media
- freedom to receive or impart information or ideas
- freedom of artistic creativity
- academic freedom and freedom of scientific research.

The South African Broadcasting Corporation (SABC) is the country's only public service broadcaster.

There are a number of private and community radio and television stations in South Africa.

Technical handling of the print media in South Africa rates among the best in the world. This is one reason why newspapers and magazines have held their own in a volatile information era, characterised by the vast development of various new forms of media-delivery platforms via the Internet.

Most South African newspapers and magazines are organised into several major publishing houses.

### Health

South Africa has been well known for its medical skill since Professor Christiaan Barnard performed the first successful human heart transplant in the country in 1967. There are many world-class private hospitals and medical centres around the country, especially in the urban areas, while many state hospitals

also offer excellent care, among them Groote Schuur Hospital in Cape Town.

Most of South Africa is malaria-free, but visitors to the Kruger National Park or low-lying parts of northern KwaZulu-Natal are entering malarial areas and should take precautions in the form of prophylactic medication.

### Tourism

South Africa's tourism industry is well established, with an exciting sector of emerging entrepreneurs. The country is strong on adventure, sport, nature and wildlife, and is a pioneer and global leader in responsible tourism. In 2017, more than 10 million international tourists visited South Africa.

Popular tourist attractions include:

- Kruger National Park on the border of Limpopo and Mpumalanga
- Table Mountain and Robben Island in the Western Cape
- Durban's beaches and the Drakensberg mountain range in KwaZulu-Natal
- South Africa's nine world heritage sites
- Addo Elephant National Park and the Wild Coast in the Eastern Cape
- Apartheid Museum and the Cradle of Humankind in Gauteng
- Pilanesberg Game Reserve and Sun City in North West
- Vredefort Dome and the eastern Free State
- The Big Hole and the Kgalagadi Transfrontier Park in the Northern Cape.

Sources: Mid-year population estimates, 2017, Statistics South Africa; Pocket Guide to South Africa 2016/17; South Africa Yearbook 2016/17; [www.brandsouthafrica.com](http://www.brandsouthafrica.com); [www.southafrica.net](http://www.southafrica.net); departmental budget votes. For more information on the South African Government, visit [www.gov.za](http://www.gov.za)



# 10 REASONS WHY YOU SHOULD INVEST IN SOUTH AFRICA

1		<b>HOT EMERGING MARKET</b> South Africa has a growing middle class, affluent consumer base and excellent returns on investment.
2		<b>NO.1 DIVERSIFIED ECONOMY IN AFRICA</b> South Africa is the leading services destination, regional manufacturing hub and most industrialised country in Africa.
3		<b>LARGEST PRESENCE OF MULTI-NATIONALS ON AFRICAN CONTINENT</b> South Africa is the multinationals' location of choice. Global corporates enjoy benefits of doing business in the country, with its growing and supportive ecosystem as a hub for innovation, tech and fintech.
4		<b>PROGRESSIVE CONSTITUTION AND INDEPENDENT JUDICIARY</b> South Africa has a progressive Constitution and an independent judiciary. It has a mature, accessible legal system, providing certainty and respect for the law. Ranked no. 1 in Africa for the protection of investment and minority investors.
5		<b>FAVOURABLE MARKET ACCESS TO GLOBAL MARKETS</b> The African Continental Free Trade Area will boost intra-Africa trade and create a market of more than one-billion people with a GDP of \$2.6 trillion that will unlock industrial development. South Africa has several trade agreements that provide an export platform into global markets.
6		<b>ABUNDANT NATURAL RESOURCES</b> South Africa is abundantly endowed with precious metals, is the world's leading producer of PGMs, the sixth-largest producer of gold, has world-renowned underground mining expertise, and more than 110 listed mining companies with operations in the country.
7		<b>ADVANCED FINANCIAL SERVICES AND BANKING SECTOR</b> South Africa has a sophisticated banking sector with a major footprint in Africa and is a financial hub in Africa, with the JSE being the largest stock exchange by market capitalisation.
8		<b>WORLD-CLASS INFRASTRUCTURE AND LOGISTICS</b> With government investment of more than R1 trillion and continued investment in infrastructure, South Africa has the largest air and port network that links into the African continent. It is ranked no. 1 in Africa on the World Bank's Logistics Performance Index.
9		<b>YOUNG TRAINABLE LABOUR FORCE</b> South Africa has a number of world-class universities and technikons, producing a skilled, talented and capable workforce. It offers a diversified skill set, emerging talent, large pool of trainable labour, and government support for training and skills development.
10		<b>EXCELLENT QUALITY OF LIFE</b> Favourable cost of living, diversified culture, cuisine and sports destination all year round. Renowned hospitality sector.





# South Africa's provinces: A world in one country

South Africa has nine provinces, which vary considerably in size. The smallest is tiny and crowded Gauteng, a highly urbanised region, and the largest, the vast, arid and empty Northern Cape, which takes up almost a third of South Africa's total land area.

South Africa has been aptly described as a microcosm of the world, a place where civilisations meet. With its spectacular views, stunning wildlife and unbeatable biodiversity in contrast with its bustling modern cities, and vibrant economy, South Africa is often described as “A world in one country.”

The country has more than 290 conservation parks. It is home to almost 300 mammal species, about 860 bird species, and 8 000 plant species.

The annual sardine run is the biggest migration on the planet.

South Africa boasts nine world heritage sites and seven different biomes. It is considered the cradle of humankind and boasts 40% of all hominid finds on Earth. The country has a lot to offer in the form of places of interest and varying forms of amusement.

South Africa has nine provinces, which vary considerably in size. The smallest is tiny and crowded Gauteng, a highly urbanised region, and the largest, the vast, arid and empty Northern Cape, which takes up almost a third of South Africa's total land area.

Each province has its own Legislature, Premier and Executive Council. The

country has common boundaries with Namibia, Botswana and Zimbabwe, while Mozambique and Swaziland lie to the north-east. Completely enclosed by South African territory in the south-east is the mountain Kingdom of Lesotho.

## Eastern Cape

The Eastern Cape, lying on the south-eastern South African coast, is a region of great natural beauty, particularly the rugged cliffs, rough seas and dense green bush of the stretch known as the Wild Coast.

In the Eastern Cape, various floral habitats meet. Along the coast, the northern tropical forests intermingle with the more temperate woods of the south.

The province is serviced by airports situated in Port Elizabeth, East London, Mthatha and Bhisho.

The Eastern Cape, at 168 966 km<sup>2</sup>, is South Africa's second-largest province after the Northern Cape, taking up 13,9% of the total land area.

The province has a population of more than 6,5 million people, the majority of whom speak isiXhosa, followed by Afrikaans and English. It is a region of great natural beauty, particularly the rugged cliffs, rough seas and dense green bush of the Wild Coast.

The region has remarkable natural diversity, ranging from the dry, desolate Great Karoo to the lush forests of the Wild Coast and the Keiskamma Valley; the fertile Langkloof Valley, renowned for its rich apple harvests; and the mountainous southern Drakensberg region at Elliot.

Various floral habitats meet in the province, ranging from tropical forests in the north to the more temperate woods of the south.

The province is home to a number of higher education institutions, including Rhodes University, the Nelson Mandela Metropolitan University, the University of Fort Hare and the Walter Sisulu University of Technology.

It has airports in Bhisho, East London, Mthatha and Port Elizabeth. It also has two major harbours in East London and Port Elizabeth respectively.

## Agriculture, fisheries and forestry

The fertile Langkloof Valley in the south-west has enormous deciduous fruit orchards, while sheep farming predominates in the Karoo.

The Alexandria-Grahamstown area produces pineapples, chicory and dairy products, while coffee and tea are cultivated at Magwa.

An olive nursery has been developed in collaboration with the University of Fort

Hare to form a nucleus of olive production in the Eastern Cape.

The coastal areas receive good summer rainfall and have a moderate climate, becoming more subtropical to the north-west, which makes it particularly suitable for forestry.

The basis of the province's fishing industry is squid, some recreational and commercial fishing for line fish, the collection of marine resources, and access to line-catches of hake.

### Industry

There are two industrial development zones: the West Bank in East London and Coega, near Port Elizabeth, which includes the deepwater Port of Ngqura.

The metropolitan economies of Port Elizabeth and East London are based primarily on manufacturing, the most important being automotive manufacturing. The province is the hub of South Africa's motor industry. With its ability to link throughout the economy, the Government has identified the automotive industry as a key growth sector. Other important sectors include renewables and green industries, forestry and timber processing, pharmaceuticals, plastics and chemicals, capital goods and tourism.

### Free State

According to the *Mid-year Population Estimates, 2017*, there were over 2,8 million people in the Free State on about 129 825 km<sup>2</sup> of land. The main languages spoken are Sesotho, Afrikaans and isiXhosa.

The Free State has wide horizons and blue skies, farmland, mountains, goldfields and widely dispersed towns.

It lies in the heart of South Africa, with Lesotho nestling in the hollow of its bean-like shape. Between the Vaal River in the north and the Orange River in the south, this immense rolling prairie stretches as far as the eye can see.

Mangaung, comprising Bloemfontein, Botshabelo and Thaba Nchu, has an established institutional, educational and administrative infrastructure. With Bloemfontein being South Africa's judicial capital, the province houses the Supreme Court of Appeal. Important towns include Welkom, Sasolburg, Odendaalsrus, Kroonstad, Parys, Phuthaditjhaba, Bethlehem and the charming village of Clarens situated in the rolling foothills of the Maluti Mountains.

Some of South Africa's most valued San rock art can be found in the Free State. Other tourist attractions include the Golden Gate National Park, the annual air show in Bethlehem, the Cherry Festival in Ficksburg and the Fauresmith International Endurance

Ride equestrian event. The annual Mangaung African Cultural Festival, known as Macufe, is hosted in partnership with the Tourism Authority and the Performing Arts Centre of the Free State.

The Vredefort Dome, 10 km in diameter, is a World Heritage Site.

### Agriculture

Agriculture dominates the Free State landscape, with cultivated land covering 32 000 km<sup>2</sup> and natural veld and grazing 87 000 km<sup>2</sup> of the province. Field crops yield almost two thirds of the gross agricultural income of the province. Animal products contribute a further 30%, with the balance generated by horticulture.

### Mining

The National Development Plan has intensified the mining potential that still exists in the goldfields region of Matjhabeng in the Lejweleputswa District as a job intervention zone. The De Bron-Merriespruit and the Bloemhoek gold project are included as potential development projects in the scope of work of the Presidential Infrastructure Coordinating Commission.

The province has 12 gold mines, producing 30% of South Africa's output and making it the fifth-largest producer of gold in the world. Gold mines in the Free State also supply a substantial portion of the total silver produced in the country. Uranium occurring in the gold-bearing conglomerates of the goldfields is extracted as a by-product.

The Free State's gold reef of more than 400 km stretches across the province from Gauteng. South Africa's largest goldmining complex is Free State Consolidated Goldfields, with an area of 330 km<sup>2</sup>.

Bituminous coal is mined and converted to petrochemicals at Sasolburg.

The province also produces high-quality diamonds from its kimberlite pipes and fissures, and the country's largest deposit of bentonite is found in the Koppies district.

### Manufacturing and industry

The Maluti-a-Phofung Special Economic Zone is the Free State's share of the logistics and industrial corridor. The Vehicle Distribution Centre was established in partnership with the German Bremen Logistics Group, which committed R60 million towards this project. The Harrismith Food Processing Park forms part of the broader development initiative.

The Ingula Pumped Storage Scheme forms part of Eskom's capital expansion programme. This energy infrastructure project is located on the border of the Phumelela and Maluti-a-Phofung local municipalities in the Free State and eMnambithi Local Municipality

and the uThukela District Municipality in KwaZulu-Natal.

### Gauteng

The *2017 Mid-Year Population Estimates* show that Gauteng remains the most populous province – 14 278 700 (25,3%).

Gauteng contributes 33,9% to South Africa's gross domestic product (GDP) and is also one of the biggest contributors to continent's economy.

Gauteng accounts for the bulk of all employees' remuneration in the country, at 47,7%, and is responsible for 50,4% of all company turnover in South Africa. Financial and business services, logistics, manufacturing, property, telecommunications and trade are some of the province's most important economic sectors.

It is the business heart of South Africa, but it is also the shopping mecca of Africa, with 60% of tourists from the rest of the continent citing shopping as their reason for visiting the province.

The population of more than 13 million people has the highest per-capita income level in the country.

The province blends cultures, colours and first- and third-world traditions in a spirited mix, flavoured by a number of foreign influences.

Most overseas visitors enter South Africa via OR Tambo International Airport in Johannesburg.

The City of Johannesburg is the capital of the province. South of Johannesburg lies Soweto, the most populous urban residential area in the country, with a population of more than a million.

Some 50 km north of Johannesburg lies South Africa's administrative capital, Pretoria. The magnificent Union Buildings, which overlooks the city from Meintjieskop, represents the official seat of the South African Government and houses the offices of the country's President.

The industrial area of Rosslyn and the townships of Soshanguve and Ga-Rankuwa are situated north of Pretoria.

Cullinan, which is well known for its diamonds, and Mamelodi lie to the east. To the west lies Atteridgeville.

Other important Gauteng towns include Krugersdorp and Roodepoort on the West Rand; and Germiston, Springs, Boksburg, Benoni, Brakpan and Kempton Park on the East Rand. Vanderbijlpark and Vereeniging in the south of the province are major industrial centres, while Heidelberg, Nigel and Bronkhorstspuit, to the east, are of agricultural importance.

The University of Pretoria is the largest residential university in South Africa, while





the University of South Africa is believed to be the largest correspondence university in the world. Other universities include the University of the Witwatersrand and the University of Johannesburg.

The province also has several other tertiary educational institutions such as universities of technology and further education and training colleges. Gauteng is also home to leading research institutions such as the Council for Scientific and Industrial Research (CSIR), the Agricultural Research Council, the Onderstepoort Veterinary Institute and the Human Sciences Research Council.

Manufacturing includes basic iron and steel, fabricated and metal products, food, machinery, electrical machinery, appliances and electrical supplies, vehicle parts and accessories, and chemical products.

All major gold and diamond mining houses have their headquarters in Johannesburg, the biggest being Anglo American and De Beers.

### Technology

More than 60% of South Africa's research and development takes place in Gauteng.

The CSIR is one of South Africa's leading science and technology research, development and implementation centres. Located in Pretoria, the CSIR's research and development areas include biosciences; the built environment; information and communications technology; materials science and manufacturing; natural resources and the environment; mineral resources; space technology; nanotechnology and synthetic biology.

The Innovation Hub in Pretoria is Africa's first internationally accredited science park and a full member of the International Association of Science Parks. Its community has become a regional centre of innovation and knowledge creation, linked to the fast-moving world of global interconnectivity, and made up of small, medium and micro-

enterprises and multinational companies, employing over 1 000 people.

### Industry and agriculture

A large area of Gauteng falls within the so-called "Maize Triangle".

The province is an integrated industrial complex with major areas of economic activity in three subregional areas, namely the Vaal Triangle; the East, West and Central Rand; and Pretoria. Johannesburg houses the Johannesburg Stock Exchange Limited, the largest securities exchange in Africa.

### KwaZulu-Natal

KwaZulu-Natal is one of the country's most popular holiday destinations. It includes South Africa's lush subtropical east coast, stretching from Port Edward in the south to Mozambique in the north.

The Drakensberg mountain range stretches the entire length of KwaZulu-Natal's western boundary. The Drakensberg forms the boundary between South Africa and the mountain kingdom of Lesotho, and offers some of the country's most awe-inspiring landscapes.

Within the area is a vast 243 000-hectare sweep of basalt summits and buttresses; this section was formally granted World Heritage status in November 2000, and was renamed uKhahlamba-Drakensberg Park.

The summer-rainfall coastal regions are hot and humid, with a subtropical climate. The Midlands area is drier, with extremely cold conditions in winter and snow on the high-lying ground. In the north, the subtropical strip extends around Swaziland to the edge of the escarpment.

Visitors can enter the province through the King Shaka International Airport at La Mercy, north of Durban, or use the extensive national road network. There are also two major harbours – the Port of Durban, which is one of the busiest in Africa, and Richards Bay, which

is an important coal-export harbour.

There are several nature reserves including the Royal Natal National Park, Giant's Castle and the Kamberg Nature Reserve.

Tertiary institutions of learning in the province include the University of KwaZulu-Natal and the Durban Institute of Technology.

KwaZulu-Natal is the only province with a monarchy specifically provided for in the Constitution.

### Industry and agriculture

KwaZulu-Natal has a diverse industrial sector, with major industries having developed around the Port of Durban.

Major industries in the province are agriculture, forestry, aluminium, petrochemicals, automotive manufacturing, steel production, plastics and packaging, paper and board manufacturing, and a range of industries associated with imports and exports through the ports of Durban and Richards Bay.







The coastal belt is also a large producer of subtropical fruit and sugar, while the farmers in the hinterland concentrate on vegetables, dairy and stock farming.

Another major source of income is forestry in the areas around Vryheid, Eshowe, Richmond, Harding and Ngome, which is also known for its tea plantations.

### Limpopo

South Africa's northernmost province shares borders with Mozambique, Zimbabwe and Botswana, making it the ideal gateway to Africa. Named after the Limpopo River that flows along its northern border, the province is rich in wildlife, natural beauty and historical and cultural treasures.

The province is linked to the Maputo Development Corridor through the Phalaborwa Spatial Development Initiative, which is a network of rail and road corridors connected to the major seaports, opening up Limpopo for trade and investment. This

is complemented by the presence of smaller airports in centres such as Phalaborwa and Musina, as well as the Gateway International Airport in Polokwane, the capital city, which lies strategically in the centre of the province.

The Great North Road, running through the centre of the province, strings together a series of towns such as Bela Bela, with its popular mineral spa; Modimolle, with its beautiful Waterberg mountain range; Mokopane; Polokwane; Makhado, at the foot of the Soutpansberg mountain range; and Musina, which is well-known for its majestic baobab trees. The crossing into Zimbabwe is at Beit Bridge.

Phalaborwa and Thabazimbi are Limpopo's major mining centres, while the town of Tzaneen in the picturesque Magoebaskloof is known for its tea plantations, forestry products and tropical fruit.

The province is in the Savanna Biome, an area of mixed grassland and trees, generally known as bushveld. Natural resources include

more than 50 provincial nature reserves and several private game reserves. The largest section of the Kruger National Park is along Limpopo's eastern boundary, which borders on Mozambique.

Several museums and national monuments bear testimony to the ancient people and fearless pioneers who braved the unknown.

Living museums include the Bakone Malapa Museum near Polokwane and the Tsonga Open-Air Museum near Tzaneen.

Mapungubwe ("Place of the Jackal") Hill, some 75 km from Musina, is a world heritage site. It served as a natural fortress for its inhabitants from about 950 AD to 1200 AD.

### Agriculture

Limpopo produces a wide range of agricultural products. The area is a potato belt and known for its superior quality potatoes for high-end markets. It also produces 75% of the country's mangoes; 65% of its papayas; 36% of its tea; 25% of its citrus, bananas and litchis; 60% of





its avocados and two thirds of its tomatoes. Other products include coffee, nuts, guavas, sisal, cotton, tobacco, sunflower, maize, wheat and grapes. In addition, more than 170 plantations produce timber.

Most of the higher-lying areas are devoted to cattle and game ranching, earning a reputation for quality biltong (salted, dried meat), which is a popular South African delicacy.

### Industry and mining

Limpopo also has abundant mineral resources, making mining the critical sector of the province's economy by contributing 22% of the gross geographic product. Metals include platinum, chromium, nickel, cobalt, vanadium, tin, limestone and uranium clay.

Other reserves include antimony, phosphates, fluor spar, gold, diamonds, copper, emeralds, scheelites, magnetite, vermiculite, silicon, mica, black granite, corundum, feldspar and salt.

The Medupi Power Station, a new dry-cooled, coal-fired power station, is under construction near Lephalale. It is expected to create around 40 000 job opportunities.

### Mpumalanga

Spectacular scenic beauty and an abundance of wildlife make the province one of South Africa's major tourist destinations.

Mpumalanga, which means "Place Where the Sun Rises", is home to just more than four million people. The principle languages are Siswati and isiZulu.

With a surface area of only 76 495 km<sup>2</sup>, it is the second-smallest province after Gauteng, yet has the fourth-largest economy in South Africa.

Bordered by Mozambique and Swaziland in the east, and Gauteng in the west, the province is situated mainly on the high plateau grasslands of the Middleveld. In the north-east, it rises towards mountain peaks terminating in an immense escarpment. In some places, this escarpment plunges hundreds of metres down to the low-lying area known as the Lowveld.

The province has a network of excellent roads and railway connections, making it highly accessible. Owing to its popularity as a tourist destination, Mpumalanga is also served by a number of small airports, including the Kruger Mpumalanga International Airport.

Mbombela is the capital of the province and the administrative and business centre of the Lowveld. Other important towns are eMalahleni, Standerton, Piet Retief, Malalane, Ermelo,

Barberton and Sabie, which lies in the centre of one of the largest man-made forests in the world. Mpumalanga lies mainly within

the Grassland Biome. The escarpment and the Lowveld form a transitional zone between this grassland area and the Savanna Biome.

The Maputo Corridor, which links the province with Gauteng, and Maputo in Mozambique, facilitates economic development and growth for the region.

### Agriculture and forestry

Mpumalanga is a summer-rainfall area divided by the escarpment into the Highveld region with cold frosty winters and the Lowveld region with mild winters and a subtropical climate.

The escarpment area sometimes experiences snow on the high ground. Thick mist is common during the hot, humid summers.

Agriculture, as the backbone of the province's economy, employs 8,1% of its total workforce. An abundance of citrus fruit and many other subtropical fruit – mangoes, avocados, litchis, bananas, papayas, granadillas, guavas – as well as nuts and a variety of vegetables are produced here.

Mbombela is the second-largest citrus-producing area in South Africa and is responsible for one third of the country's orange exports. The Institute for Tropical and Subtropical Crops is situated in the city.

Groblersdal is an important irrigation area, which yields a wide variety of products such as citrus, cotton, tobacco, wheat and vegetables. Carolina-Bethal-Ermelo is mainly a sheep-farming area, but potatoes, sunflowers, maize and peanuts are also grown there.

### Industry and manufacturing

Most of the manufacturing production in Mpumalanga occurs in the southern Highveld region; especially in Highveld Ridge, where large petrochemical plants such as Sasol 2 and Sasol 3 are located.

Large-scale manufacturing occurs especially in the northern Highveld area, particularly chrome-alloy and steel manufacturing. In the Lowveld subregion, industries concentrate on manufacturing products from agricultural and raw forestry material. The growth in demand for goods and services for export via Maputo will stimulate manufacturing in the province.

Mpumalanga is rich in coal reserves with eMalahleni being the biggest coal producer in Africa. South Africa's major power stations are situated in this province. Kendal Power Station's cooling towers are the largest structures of their type in the world. The Kusile Power Station near Delmas, which was completed in 2016, is the country's biggest, contributing a massive 4 800 MW of electricity to the national grid. One of the country's largest paper mills is situated at Ngodwana, close to its timber source.



### Northern Cape

The Northern Cape is South Africa's largest province, taking up almost a third of the country's total land area. However, the province is sparsely populated with only about 1,2 million people on 372 889 km<sup>2</sup> of land.

About 68% of the people speak Afrikaans while Setswana, isiXhosa and English are also widely spoken.

The last remaining true San people live in the Kalahari area, mainly along the Orange and Vaal rivers. Many fossils and San rock engravings have been found here, some of which are displayed at the McGregor Museum in Kimberley.

The province lies to the south of its most important asset, the mighty Orange River, which provides the basis for a healthy agricultural industry.

The Northern Cape borders the Atlantic Ocean in the west with Namibia and Botswana to the north and north-west, respectively. It is fringed by the Swartberg mountain range on its southern border.

With two major airports at Kimberley and Upington, and an excellent road network, the province's interior is easily accessible from South Africa's major cities, harbours and airports.

Sutherland hosts the southern hemisphere's largest astronomical observatory, the multinational-sponsored Southern African Large Telescope.

The Northern Cape is one of two sites to host the Square Kilometre Array radio-telescope. Developed by scientists from 17 countries, it will be the largest and most advanced radio telescope in the world.

Among many other benefits, the province's tourism and hospitality industry is profiting from the project, as scientists and other interested parties are flooding into the town of Carnarvon. The province has several national parks and conservation areas, including the Kgalagadi Transfrontier Park, Ai-Ais/Richtersveld Transfrontier Conservation Park and Augrabies Falls National Park.



The largest part of the province lies in the dry Nama-Karoo Biome, which contains a number of fascinating plants, including the elephant's trunk ("halfmens" or half-man) tree, aloe ("kokerboom" or quiver tree) and a variety of succulents. The area is well known for its spectacular annual spring flowers, which attract thousands of tourists.

#### **Agriculture and industry**

The economy of the province's Karoo region depends on sheep farming, while the karakul-pelt industry is one of the most important in the Gordonia district.

The province has fertile agricultural land, especially in the Orange River Valley. A variety of fruit is cultivated at Upington, Kakamas and Keimoes. The Vaalharts Irrigation Scheme near Warrenton facilitates the production of wheat, fruit, peanuts, maize and cotton.

Wine is also produced in the Northern Cape's Orange River wine region, which accounts for 25,6% of South Africa's Colombar vines and 10% of its Chenin Blanc. The Niewoudtville Rooibos Tea processing initiative centres on the development and economic empowerment of smallholder farmers. It is aimed at unlocking economic potential, creating sustainable jobs and increasing the skills base. The installation of pasteurisation equipment has been completed and tea has been exported to countries such as Germany, Spain and Japan.

#### **Mining**

Mining contributes 27,6% to the gross regional domestic product.

Iron-ore mining in the north-eastern corner of the province has been expanding despite the global recession, driven largely by China's demand for steel.

Sishen is the biggest iron-ore mine in the country and its owner, Kumba Iron Ore, is engaging in a new project at Kolomela. New manganese projects are also underway. Diamond mining, in contrast, has seen declining volumes and job losses. Diamond

mining is increasingly moving away from the older mines to alluvial mining along the Orange River and its tributaries and in the Atlantic Ocean.

The province also has copper, asbestos, fluorspar, semiprecious stones and marble

#### **North West**

North West is bordered by Botswana in the north and fringed by the Kalahari desert in the west, Gauteng to the east, and the Free State to the south. It is known as the "Platinum Province", owing to its wealth of this precious metal.

The province has a population of more than 3,6 million people who mainly speak Setswana.

Mahikeng is the capital city and well known for the Mafikeng Siege, which took place in October 1899 during the Anglo-Boer/South African War.

Most of the province's economic activity is concentrated between Potchefstroom and Klerksdorp, as well as in Rustenburg and the eastern region, where more than 83,3% of the province's economic activity takes place.

The province has various tourist attractions including Sun City, the Pilanesberg National Park, Madikwe Game Reserve and the De Wildt Cheetah and Wildlife Trust.

A portion of one of South Africa's nine Unesco world heritage sites also falls within the borders of North West namely the Taung hominid fossil site, which has been incorporated into South Africa's Cradle of Humankind.

#### **Mining and manufacturing**

Mining contributes 23,3% to North West's economy, and makes up 22,5% of the South African mining industry. The Rustenburg and Brits districts produce 94% of the country's platinum, which is more than any other single area in the world. In addition to granite, marble, fluorspar and diamonds,

the province also produces a quarter of South Africa's gold.

Employment along the Platinum Corridor, from Pretoria to eastern Botswana, accounts for over a third of the province's total employment.

North West's manufacturing sector centres on the municipalities of Brits, Rustenburg, Potchefstroom, Klerksdorp and Mahikeng, which together account for more than 50% of the province's total manufacturing production.

The industries in Brits concentrate on manufacturing and construction, while those in Klerksdorp are geared towards the mining industry. In the manufacturing arena, automotive parts, machinery, electronic, audio, and medical equipment are manufactured using local materials and resources.

#### **Agriculture**

Some of the largest cattle herds in the world are found at Stellaland near Vryburg, which explains why this area is often referred to as the Texas of South Africa. Marico is also cattle country.

North West is South Africa's major producer of white maize.

The areas around Rustenburg are fertile, mixed-crop farming land, with maize and sunflowers being the most important crops

#### **Western Cape**

Situated on the south-western tip of the African continent, the Western Cape with its wide beaches and breathtaking scenery, complemented by a rich variety of cultures, historical landmarks, world-class restaurants and entertainment, is a world-famous tourist destination.

Cape Town, often referred to as the "Mother City", houses Parliament and is South Africa's legislative capital. The province has a strong network of higher education institutions, including the universities of Cape Town, Stellenbosch and the Western Cape, and Visitors to the province can disembark at one of the province's two main airports, Cape Town





International or George Airport or at the sea ports of Cape Town, Mossel Bay and Saldanha.

Table Mountain, the Cape winelands, Robben Island and the Kirstenbosch Botanical Gardens are among the province's most popular tourist attractions.

The Western Cape is also known for its floral diversity. The Cape Floristic Region World Heritage Site, comprising eight separate protected areas, covers an area of more than 553 000 ha, stretching from the Cape Peninsula to the Eastern Cape.

The Knysna-Tsitsikamma region has the country's biggest indigenous forests.

The cold Atlantic Ocean along the West Coast is a rich fishing area, while the warmer Indian Ocean skirts the province's southern beaches.

#### **Agriculture and fisheries**

The Western Cape's sheltered valleys between mountains are ideal for the cultivation of export-grade fruit such as apples, table grapes, olives, peaches and oranges.

A variety of vegetables is cultivated in the eastern part of the Western Cape, while the Swartland and Overberg districts are well-known as the country's prime wheat-growing areas.

The agricultural sector is critical to the Western Cape economy, accounting for 60% of regional exports.

The Western Cape is also well known for its wine production. According to a study, commissioned by the SA Wine Industry Information & Systems, published in 2015, some 300 000 people were employed both directly and indirectly in the wine industry in 2015, including farm labourers, those involved in packaging, retailing and wine tourism.

The study also concluded that of the R36,1 billion GDP contributed by the wine industry to the regional economy, about R19,3 billion eventually would remain in the Western Cape.


Some 75% of all South African fishing takes place along the Western Cape coastline. The rich fishing grounds on the west coast are protected from exploitation by a 200-km commercial fishing zone and a strict quota system. Snoek, Cape lobster, abalone, calamari, octopus, oysters and mussels are among the delicacies found in these waters.

Other exports are fruit, wine, wool and ostrich. The high quality of exports, combined with the relative weakness of the local currency, makes the products some of the most affordable high-quality exports in the world.

#### **Industry**

The Saldanha Bay Industrial Development Zone (SBIDZ) is drawing strong international interest. The SBIDZ Licencing Company had signed six lease agreements with international and South African oil and gas companies. These include firms specialising in oilfield services, oil rig operations, logistics operators, ship repair, engineering and market support.

A feasibility study conducted by the Department of Trade and Industry found that Saldanha Bay was strategically located to serve as a service, maintenance, fabrication and supply hub for the booming African oil and gas sector, due to the increasing number of oil rigs requiring maintenance, and their traffic flow passing from the west to the east coast of Africa.

The Western Cape Government has invested R25 million over five years in setting up the SBIDZ. 

Source: SA Yearbook 2016/17, Government Communication and Information System









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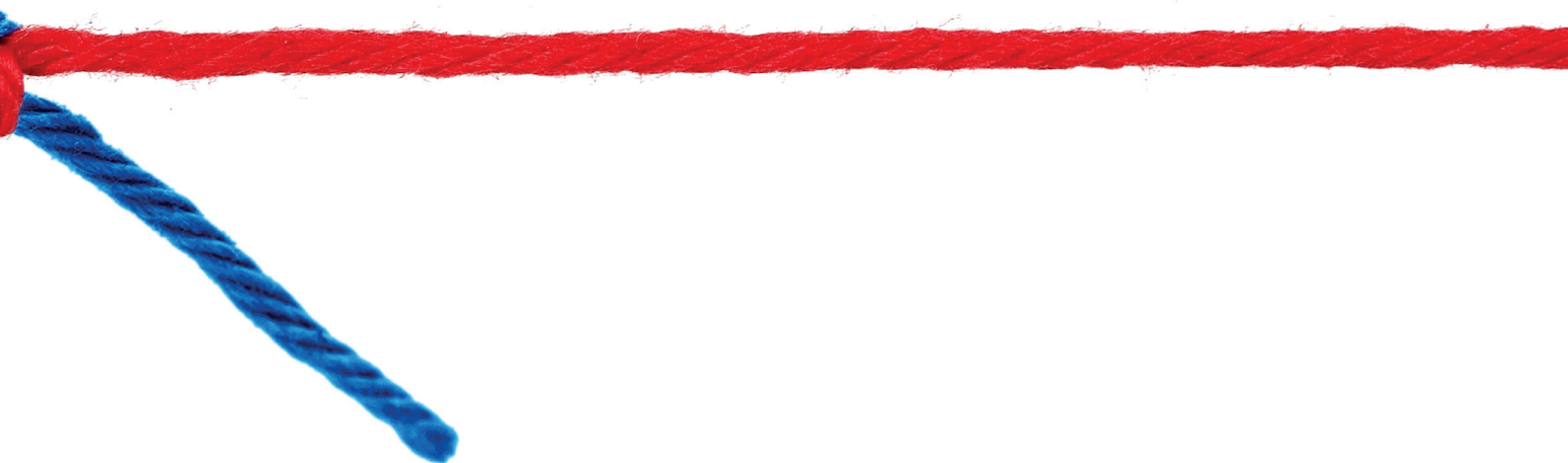
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# 中非伙伴关系成功的基石 - 精诚合作 互利共赢



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战略携手十周年，两行强力助推中非经贸往来。

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ond Meeting of the BRICS Sherpas and Sous-Sherpas was held at Mabula Lodge in Limpopo from 6 April 2018. The delegation visited Marakele National Park where they experienced the Big Five.

