

# EU/South Africa relations: strategic partnership

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**PURPOSE** : to present a communication on an EU-South Africa Strategic Partnership.

**CONTENT** : the purpose of this Communication on a Strategic Partnership with South Africa is to propose a comprehensive, coherent and coordinated long-term framework for political cooperation with South Africa, one which is mindful of South Africa's traumatic past, of its role as an anchor country in the region and of its unique position on the continent and on the global scene. The paper discusses the progress made in post-apartheid South Africa. This progress includes a constitutional multi-party political system, a functioning parliamentary democracy, a prevailing sense of constitutionalism and of the rule of law, mechanisms for accountability, transparency and information in public administration, and an independent judiciary. It also discusses the major social challenge facing the country - the wide social and economic disparities that affect the whole of society. This is further illustrated by two dramatic issues: the alarmingly high prevalence of HIV/AIDS with an estimated adult prevalence rate of 21.5%; and the level of both ordinary and organised crime and violence affecting in particular women and children.

At present, the Trade Development and Cooperation Agreement (TDCA) is the legal basis for overall relations between South Africa and the EU. It covers political dialogue, trade, development cooperation, economic cooperation as well as cooperation in a whole range of other areas. South Africa is also a party to the Cotonou Agreement, but has no access to its financial instruments or preferential trade regime. The current organisation of political dialogue is based on exchanges with the EU Heads of

Mission in Pretoria, regular visits by Ministers and senior officials in both directions and the annual Cooperation Council. In addition, exchanges between the European Parliament and South African Parliament are held through the EP Delegation for South Africa, and South Africa is an active participant in the ACP-EU Joint Parliamentary Assembly. This institutional setup has been considered satisfactory in the past, but needs to be reviewed in the light of the strategic nature of the EU-South Africa partnership.

The EU is South Africa's main economic trade partner, accounting for approximately 32% of its exports and 41% of its imports. South Africa is also the EU's largest trade partner in Africa. The EU's exports to South Africa have risen by an average of 9.5% annually since the entry into force of the TDCA. With regard to development cooperation, the EU is by far the most important donor: the Commission and the Member States together provide about 70% of total donor funds, which amount to about 1.3% of the government budget and 0.3% of GDP. Development cooperation in the shape of the "European Programme for Reconstruction and Development" (EPRD) amounts to nearly EUR 130 million a year and is financed from the Community budget.

Meeting in the Joint Cooperation Council, South Africa, the European Commission and the Member States have acknowledged that recent changes in EU-South Africa relations call for a more coherent strategic framework. The proposed Strategic Partnership seeks to implement this process:

- § by bringing the Member States, the Community and South Africa together in a single and coherent framework, with clearly and jointly defined objectives, covering all areas of cooperation and associating all stakeholders;
- § by moving from political dialogue to strategic political cooperation and shared objectives on regional, African and global issues;

§ by enhancing existing cooperation, developing stronger and sustainable economic cooperation, fully implementing the TDCA provisions on trade-related areas and extending cooperation to the social, cultural and environmental fields.

In addition, the Strategic Partnership must build on the “MDG Package”, “The European Consensus on Development” and the “EU Strategy for Africa” by putting at the heart of political dialogue the progress towards attaining the MDGs along with governance issues and peace and security at both domestic and international level.

**Political cooperation:** The most important element of the proposed Strategic Partnership consists in moving from mere political dialogue to active political cooperation. The South Africa–EU Partnership must become a meeting place for building bridges between two consensus-seeking representatives of the North and the South. Its main purpose must be to enable the two parties to actively seek common ground on issues of mutual interest, support each other’s political agendas and take joint political action at regional, African or global level.

**Promoting trade:** The free-trade agreement foreseen in TDCA must be developed to include the harmonisation of trade regimes and new commitments on matters such as services, government procurement and investment. Both parties must also seek to develop cooperation in several trade-related areas: customs cooperation, rules of origin, the fight against fraud and irregularities in customs and related matters, competition policy, intellectual property rights, consumer protection, food safety, sanitary measures, technical barriers to trade, and standards and norms, both from a domestic application and an export promotion point of view. Air transport plays an important role in economic development, regional integration and the promotion of trade. The TDCA provisions on economic and other cooperation open up a wide area of potentially fruitful cooperation that could benefit both parties, such as in the area of **regional policy** and social cohesion.

**Development cooperation – a new Country Strategy for 2007-2013:** the 2007-2013 development cooperation programme needs to take into account South Africa’s position as a middle income country (MIC), and examine South Africa’s need for ODA and focus on the added value of Europe’s contribution. It must ensure the protection of the natural resource base and be environmentally sustainable.

The Commission invites the Council, the European Parliament and the European Economic and Social Committee to endorse the main thrust of the Communication. On the basis of these broad principles, the Commission will draft an action plan for implementing the Communication, which will be submitted to the Joint EU-South Africa Cooperation Council later this year and should lead to a Joint Declaration by the partners. Depending on the discussion in the Council, the European Parliament and the Economic and Social Committee as well as on the South African views, such an action plan could focus on:

- § strengthened political dialogue, leading to common political positions and joint action;
- § active joint involvement in regional and global issues;
- § implementation of a jointly drafted Country Strategy Paper in line with this Communication;
- § revision and full implementation of the TDCA according to the above priorities.