

# Procedure file

Basic information	
INI - Own-initiative procedure	1994/2164(INI)
Economic and trade relations with South Africa	Procedure completed
Subject	
6.20.03 Bilateral economic and trade agreements and relations	
Geographical area	
South Africa	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>RELA</b> External Economic Relations	PSE <a href="#">SMITH Alex</a>	22/11/1994

Key events			
14/11/1994	Committee referral announced in Parliament		
21/06/1995	Vote in committee		Summary
21/06/1995	Committee report tabled for plenary	<a href="#">A4-0150/1995</a>	
09/10/1995	Debate in Parliament		
10/10/1995	Decision by Parliament	T4-0444/1995	Summary
10/10/1995	End of procedure in Parliament		
30/10/1995	Final act published in Official Journal		

Technical information	
Procedure reference	1994/2164(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 54
Stage reached in procedure	Procedure completed
Committee dossier	RELA/4/06135

Documentation gateway			

Committee report tabled for plenary, single reading	<a href="#">A4-0150/1995</a> <a href="#">OJ C 249 25.09.1995, p. 0004</a>	21/06/1995	EP	
Text adopted by Parliament, single reading	T4-0444/1995 <a href="#">OJ C 287 30.10.1995, p. 0023-0032</a>	10/10/1995	EP	Summary

## Economic and trade relations with South Africa

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The Committee on External Economic Relations adopted the report by Mr SMITH (PSE, UK) on economic and trade relations with South Africa. In his report, Mr SMITH reaffirmed the importance of economic and trade relations between the Union, South Africa and southern Africa and welcomed the forthcoming negotiations with a view to concluding a long-term agreement. The rapporteur stressed the need to encourage the integration of South Africa in the world economy and acknowledged that the SPG extended to this country was still insufficient to enable it to develop its foreign trade and long-term growth. The rapporteur called for a strategy to be applied which was designed to improve both South Africa's access to the market for basic products and job-creating sectors (especially manufacturing industries) and help diversify exports, so that South Africa could restructure its economy. In the rapporteur's view, any new trade agreement should provide adequate guarantees for both Union producers and traditional suppliers. In particular, the Union should encourage bilateral agreements on investment protection, cooperation between customs services, the promotion of compatible standards and certification systems and the joint promotion of common products (wine, cut flowers). In addition, the Commission should encourage ecological and socially fair forms of production and release funds to support projects in this area (ecological agriculture, cooperatives etc.). The rapporteur also stressed the importance of developing interregional trade in southern Africa, especially in South Africa. Interregional investment should be encouraged by extending the provisions of the Lomé Convention on cumulation to South Africa and by allowing South African companies to take part in EDF invitations to tender. The report called on the Council to take steps designed to guarantee the abolition of all forms of trade discrimination by granting a complete SPG in the agricultural area as of July 1995 and for questions relating to cumulation and invitations to tender to be fully resolved during the mid-term review of Lomé IV. It also called for a special clause on the accession of South Africa to the Lomé Convention to be adopted. Finally, the rapporteur called for Parliament to be informed at each stage of the negotiations between South Africa and the European Union and for a European Parliament delegation to attend negotiations on the trade and cooperation agreement to be concluded.?

## Economic and trade relations with South Africa

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Adopting the report by Mr Alex SMITH (PSE, UK) on the future of economic and trade relations between South Africa and the European Union, the European Parliament stressed the need to encourage the integration of South Africa into the world economy by promoting harmonious, balanced and sustained development. It reaffirmed the importance of economic relations between the Union and South Africa and particularly welcomed the negotiations on the framework for long-term economic and trade relations between the parties, which were officially opened on 30 June 1995. It called for the application of a strategy to radically improve access to the market for the basic products and sectors most likely to exercise a real impact on the development of South Africa. Recognizing in this respect that extending the SGP to South Africa was insufficient to promote the expansion and diversification of South-African exports, the SMITH report called for economic restructuring to be promoted by encouraging the development of manufacturing industries. The European Parliament also called for any new trade agreement to provide adequate and transparent guarantees for both Union producers and traditional suppliers and encouraged the conclusion of bilateral agreements, especially on investment protection and the joint promotion of common products such as wine and cut flowers. It also stressed the need to ensure that nothing hampered the expansion of interregional trade in southern Africa and welcomed the efforts made by South Africa to restructure regional trade. It called in this respect for trade and interregional investments to be encouraged by extending the provision of the Lomé Convention on cumulation to South Africa. Similarly, the European Parliament called for South-African companies to be authorized to apply for membership with a view to winning contracts financed by the EDF. The European Parliament called on the Commission to carry out an analysis of the impact of a free trade zone on industry in South Africa and in its partner SACU countries sector by sector and called for any new trade agreement to be negotiated in close consultation with the region of southern Africa and the ACP group. It called in particular for the Commission to examine the possibility of introducing a process leading to the gradual and mutual liberalization of trade with a view to establishing a real free trade zone. In conclusion, it called on the Council to: - adopt a special clause on the accession of South Africa to the Lomé Convention during its mid-term review; - consult the European Parliament at each stage of the negotiations between the two parties and allow European Parliament observers to attend the negotiations; - grant South Africa a full System of Generalized Preferences, including in the agricultural sector.?