



## HIGHLIGHTS FROM THE POST-STATE OF THE NATION ADDRESS (SONA) INTERNATIONAL COOPERATION, TRADE AND SECURITY (ICTS) CLUSTER BRIEFING

***“South Africa’s collective destiny is inextricably linked to the fortunes of the African continent, and we will in the year ahead continue to play an active role in continental and global affairs. This cluster will provide you with regular reports on progress as we implement the National Development Plan (NDP) in the spirit of transparency and accountability to the public. We encourage you to share our priorities and plans for the year with all South Africans so that they can play their part in creating a better South Africa, contributing to a better and safer Africa in a better world.”***



*From left to right: Minister of Energy, Tina Joemat-Pettersson; Minister of Tourism, Derek Hanekom; Minister of Environmental Affairs, Edna Molewa; Minister of International Relations and Cooperation, Maite Nkoana-Mashabane; and Minister of Telecommunications and Postal Services, Siyabonga Cwele*

The ICTS Cluster, chaired by the Minister of Environmental Affairs, Edna Molewa, briefed the media on Sunday, 12 February, in Cape Town, on the implementation of the cluster's programme of action for the year, following the 2017 SoNA. Minister Molewa was supported by the Co-Chairperson, the Minister of International Relations and Cooperation, Maite Nkoana-Mashabane, and members of the Cluster.

The ICTS Cluster further expanded on announcements made by President Jacob Zuma during the SoNA on 9 February 2017.

The work of the cluster is informed by the Medium-Term Strategic Framework (MTSF) 2014-2019, Outcome 11: "Create a better South Africa, contribute to a better and safer Africa in a better world".

"The MTSF is government's five-year action plan towards implementation of the NDP. The NDP is the nation's blueprint for the inclusive economy we are building. It sets out ambitious goals for poverty reduction, economic growth, economic transformation and job creation. Although still in its infancy, we are confident that the NDP will place us on a path to a better future for all."

The ICTS Cluster has the following priorities:

1. Trade and Tourism
2. Regional Integration
3. Peace and Security
4. International Cooperation.

## TRADE AND TOURISM

- South Africa's economic diplomacy remains pivotal to attracting investment, creating jobs, fighting poverty and inequality as well as growing and transforming the economy.
- South Africa has risen two places in the annual World Economic Forum's (WEF) *Global Competitive Index* and now stands at 47 (up from 49 in 2015) of 138 countries measured on 12 pillars. WEF Africa will also focus on the Fourth Industrial Revolution, thus allowing Africa to prepare for its role and contribution in this important endeavour.
- During the 2016 SoNA, the President committed to the establishment of a one-stop shop for investors: InvestSA. InvestSA has been launched and is fully operational, working with the private sector. Forty projects have been approved, of which 10 will be launched by the President during 2017.
- Since the amendment of the Automotive Investment Scheme in 2014, South Africa has witnessed streams of investment coming through. In May 2016, the President launched a R6-billion investment by Toyota for the manufacturing of new Toyota Hilux and Fortuner models.
- The Renewable Energy Independent Power Producer Procurement (REIPPPP) has already established a flagship public-private partnership model for South Africa, and indeed the rest of Africa. Through six bid windows, the REIPPPP secured the following successes:
  - One hundred and two projects have been procured, bringing investments of R194,1 billion (of which R53,4 billion are from foreign investors). A green industry has started to develop to the point that some manufacturers have become exporters of renewable energy plant components.
  - Sixty-four projects have signed contracts representing 4 006 MW capacity, of which 3051 MW was online (including early operation) as at 17 January 2017.
  - Substantial jobs (57 000 jobs) for South African citizens have been created (of which more than 47% are for the youth) as well as opportunities for black industrialists and women-owned enterprises have been created.
  - Socio-economic development initiatives have been initiated in local communities, while a significant contribution has been made to a cleaner environment and to helping South Africa meet its international climate change mitigation commitments.
- South Africa's exports of agricultural, forestry and fishery products increased by 18% last year, making our country a net exporter. The level of investment in agriculture increased by 9,6% in 2016.
- South Africa is also focussing on increasing market access for smallholders through the implementation of the South African Good Agricultural Practice and Intra-African trade.
- Trade with traditional partners in the West remains a significant contributor to our economy. The Economic Partnership Agreement with the European Union (EU) came into force in September 2016, thus providing new market-access opportunities for South African products. Almost all South African products (about 99%) will have preferential market access in the EU, compared to about 95% under the Trade Development Cooperation Agreement (TDCA).

About 96% of the products will enter the EU market without being subjected to customs duties or quantitative restrictions. The other 3% will still have access, albeit partial, that is similar or improved compared to the TDCA. The Southern African Customs Union as a group has granted EU lower-market access of 86%, in line with the developmental nature of the agreement.

- Our message remains that “South Africa is open for business”. The 2017 WEF Africa will be held from 3 to 5 May 2017 in Durban, providing yet another opportunity to showcase South Africa as an attractive investment destination.
- The tourism sector presents many opportunities for young South Africans. South Africa has seen a significant turnaround in the performance of tourism in key markets. A total of 793 610 tourist arrivals were recorded for September 2016, which represents an increase of over 20% in overseas arrivals for 2016.
- South Africa will host the Annual Meetings Africa from 27 to 28 February 2016 in Johannesburg.
- South Africa will host the annual Tourism Indaba from 16 to 18 May 2017 to promote development, investment and opportunities in the industry.

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## REGIONAL INTEGRATION

- South Africa will assume the role of chair of the Southern African Development Community (SADC) from August 2017 to August 2018. It will utilise its tenure to, among others, fast-track the implementation of the SADC Industrial Strategy.
- The SACU-Mercosur Preferential Trade Agreement has entered into force. This is an agreement that promotes South-South trade.
- The cluster also undertakes to work towards the acceleration of the integration agenda and the implementation of the SADC-Common Market for Eastern and Southern Africa (COMESA)-East African Community (EAC) Free Trade Area that was launched in June 2015. This will enable us to build momentum for the conclusion of the Continental Free Trade Agreement negotiations to enhance intra-Africa trade.
- President Zuma announced in the SoNA that government and the regulatory institutions would continue to focus on efforts to reduce the cost of communications, including data. While our policy focus is mainly on reducing the price of data in South Africa, we will also engage the operators to participate in the SADC Home and Away roaming initiative to reduce the cost of roaming in the region.
- In 2016, South Africa and the African Union (AU) launched the SADC Internet Exchange Point as part of the efforts to bring down the cost of communications on the continent. The exchange point is managed by the private sector and is aimed at ensuring that online content circulates in the region. This will improve user experience by reducing the time it takes to access Internet sites and transmit content.
- In September 2017, South Africa will host the SADC Information and Communications Technology (ICT) Ministers Meeting. This meeting will lay the foundation for the region’s plan to facilitate regional integration through the use of ICTs, as well as define a position for the region to participate in the Fourth Industrial Revolution.

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## PEACE AND SECURITY

- “We recognise the 100-year Centenary of the tragic sinking of the *SS Mendi* on 22 February 2017. We will honour and pay tribute to the courage, bravery and extra-ordinary discipline of the men of the 802nd South African Native Labour Corps. The *Mendi* has also given its name to South Africa’s highest award for courage, the Order of the Mendi Decoration for Bravery, bestowed by the President on South African citizens who have performed extraordinary acts of bravery.”
- “Just as important is the push for peace and security on the continent. We are therefore committed to work towards the realisation of the AU’s Agenda 2063 of silencing the guns by 2020. We will continue with our involvement in mediation efforts, peacekeeping operations and peace-making initiatives in Lesotho, Democratic Republic of Congo, Burundi, Mozambique, South Sudan, Somalia and Libya.”
- The South African National Defence Force (SANDF) continues to counter piracy activities along the eastern seaboard as part of its Maritime Security Strategy. The SANDF will also continue to contribute to conflict prevention, peacekeeping, peace and security and post-conflict reconstruction and development.
- “Regarding the Israel-Palestine conflict, we continue to urge the international community to contribute towards the realisation of the two-state solution, with Israel and Palestine living side-by-side and in peace. It is imperative that the occupied Palestinian land is returned to the rightful owners and that peace prevails in the Middle East.

# INTERNATIONAL COOPERATION

## AU Summit

- The 28th Ordinary Session of the Assembly of Heads of State and Government of the AU was held in Addis Ababa on 30 and 31 January 2017, under the theme: "***Harnessing the Demographic Dividend through Investment in the Youth***".
- The summit emphasised the need for an integrated approach to improve youth development across the continent and that member states should invest in young people to fight the high levels of unemployment and poverty that affect the youth in particular, and to ensure full participation of young people in economic activities.
- On 29 January 2017, there was also a retreat of the AU Heads of State and Government, which gave particular attention to the report on the institutional reform of the AU, prepared by President Paul Kagame of Rwanda at the request of the 27th Summit of the AU held in Kigali in July last year. This report will help transform the way the organisation is operating and improve its governance systems. The report also presented methods on how the AU should be financially self-reliant.
- The Assembly took note of the recommendations for the proposed reforms to further strengthen the AU, in the following five areas:
  - focus on key priorities with continental scope
  - realign AU institutions to deliver against those priorities
  - connect the AU to its citizens
  - manage the business of the AU efficiently and effectively at both the political and operational levels
  - finance the AU sustainably and with the full ownership of the member states.
- The President of Guinea, HE Alpha Conde, was elected as Chairperson of the AU for a term of one year, succeeding the President of Chad, HE Idris Deby.
- The Minister of Foreign Affairs of Chad, Mr Moussa Faki Mahamat, was elected as the new chairperson of the AU Commission, succeeding South Africa's Dr Nkosana Dlamini Zuma, who was elected to the position in 2012.
- Dr Dlamini Zuma received high praise from all quarters for the exemplary work that she had done as the head of the AU Commission, in particular for being such a fearless proponent of women's rights and the protection of Africa's children. South Africa looks forward to working closely with the new Chair of the AU Commission in the best interest of the organisation and our continent.
- Another major outcome of the 28th Summit was the admission of the Kingdom of Morocco as the 55th Member State of the AU. As President Zuma has stated, South Africa accepted the outcome of the summit on the readmission of Morocco to promote unity and coherence within the continent. However, there were strong views from member states that by virtue of acceding to the Constitutive Act, Morocco should abide by all provisions of the Act and immediately resolve its relations with Western Sahara to ensure territorial integrity between the two states. The summit agreed on the view that the AU should prioritise the impasse between the two countries to change the status quo, otherwise we would risk undermining the principles on which the AU was constituted, as articulated in the Constitutive Act.
- We align ourselves by the decision of the AU Assembly on matters relating to the International Criminal Court.
- The summit received a report from the President of the Republic of the Congo and current Chair of the AU High-Level Committee on Libya, HE Denis Sassou Nguesso, on the political and security situation in Libya following the meeting of the High-Level Committee in Brazzaville on 27 January 2017. South Africa is a member of the committee.
- The summit accepted the progress made by the AU High-Level Committee on Libya to resolve the impasse and to create a fully operational Government of National Accord. The Assembly reiterated the need for the convening of a meeting of Libyan stakeholders to address the issue of national reconciliation, in accordance with the Kigali Assembly decision of 2016, including the necessary measures for the normal functioning of the Government and all institutions of the country and requested the commission to finalise necessary modalities for the organisation of this meeting.
- The Assembly endorsed the decision of the AU High-Level Committee and decided to expand the committee by including in its membership the neighbouring countries of Libya, namely Algeria, Chad, Egypt, Niger, Sudan and Tunisia.

## Indian Ocean Rim Association (IORA)

- On 7 March 2017, President Joko Widodo of Indonesia will host the Leaders' Summit of the IORA, where the 20th Anniversary of IORA's existence will be commemorated. At that summit, President Widodo will hand over the chairship of IORA to South Africa.
- South Africa and Indonesia are both founding members of IORA, which comprises 21 coastal states of the Indian Ocean. South Africa served as Vice Chair from 2015 to early 2017 and will serve as Chair from 2017 to 2019.

## Global Entrepreneurship Congress (GEC)

- The Global Entrepreneurship Congress (GEC) is an interdisciplinary gathering of start-up champions from all around the world. The year 2017 gives South Africa the opportunity to showcase its entrepreneurial capabilities to the world and it will be the first African country ever to host the GEC in March 2017 at the Sandton Convention Centre.

## Expanding access to information and communications technology (ICT)

- “The ICT sector is highly regulated in terms of international standards that are set out by multilateral institutions such as the International Telecommunication Union and the Universal Postal Union (UPU). Our government continues to participate in these international institutions as well as continental and regional ones. Since the dawn of democracy and South Africa’s readmission into the international community, our government has been playing a significant role in the creation of a global communications environment that advances equal development of people and countries.”
- Over the past year, government championed the quest for a fair global Internet agenda by hosting the African Internet Governance Forum in Durban and leading the African input at the Global Internet Governance Forum in Mexico. Through these efforts, the world is moving towards a new dispensation that will enable all countries and people to enjoy the benefits and opportunities brought about by the Internet that include the Internet economy, e-commerce and cybersecurity. Importantly, these developments allow countries to work together to use the Internet to accelerate development covering all spheres of life.
- On the continent, one of the key vehicles towards achieving an African Internet economy and enhancing socio-cultural benefits is to build national and regional top-level domain names, a project agreed to by the AU ICT Ministers under the 2009 Oliver Tambo Declaration.
- On 9 February 2017, the United States courts, which were hearing a case on the protracted legal battle around the ownership of the DotAfrica domain name, declared that the AU member states were the legitimate owners of the DotAfrica domain name. The AU Commission gave South Africa the responsibility to operationalise the DotAfrica domain name on behalf of the African states. Informed by this judgment, South Africa will work with the AU and other countries to make this a reality. Consultations with our partners on the continent will enable us to develop a comprehensive plan of action to operationalise this.
- “South Africa also received support of the AU member states of the UPU to be re-elected into the Council of Administration for the period 2017 to 2020. The Council of Administration is the decision-making body of the UPU in between congresses and thus this position allows us to contribute towards the development of a postal agenda that seeks to transform the postal sector to play a bigger role in the economy. This is in line with our current agenda and plan to transform the SA Post Office as a hub of electronic commerce and financial services. The appointment enables South Africa to play its part, in line with our foreign policy, to contribute towards the restructuring of the UPU to ensure equitable geographic proportional representation and safeguard the development agenda in favour of the countries that lag behind, most of which are here on the African continent.”
- South Africa continues to serve on the United Nations Broadband Commission that looks at ways of connecting the estimated 3,9 billion people who do not have access to public information and services that are increasingly available through the Internet. Most of these people are on the African continent and in other developing countries.

## Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) COP17

Last year, South Africa hosted the largest-ever international wildlife conference, CITES COP17, where critical decisions were taken to address the illegal wildlife trade.

Some of the important decisions that have been adopted include the following:

- decisions to address CITES and livelihoods and engaging rural communities in CITES processes
- decisions on the conservation and management of African grey parrot, including decisions to facilitate the registration of breeding operations (South Africa breeds significant numbers of African grey parrots)
- decisions on compliance and enforcement matters, including the development of guidelines for ivory stockpile management
- a decision on cycads (document submitted by South Africa) to collaborate on matters relating to illegal trade in cycads

- decisions relating to rhino matters, including missions to Vietnam and Mozambique by the CITES Secretariat to assist them in terms of activities to be implemented.

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