

South Africa - Sweden Binational Commission

Stockholm, 3 - 4 October

South Africa and Sweden have a very special relationship. Our relations with Sweden are very strongly based on the support and the solidarity shown by Sweden in the dark days of Apartheid. This has always formed a very strong basis and foundation for our relations with Sweden.

A number of years ago the Heads of State of the two countries, as a result of this very strong relationship and the solidarity that exists between South Africa and Sweden, in 1999 decided that in order to give further substance to relations between both countries, a Binational Commission would be created. The first session took place in 2000 and since then four sessions have been held. The one in Sweden 3 - 4 October 2007 will be the fifth session of the BNC.

We utilise the BNC, to amongst others, have a very active and in depth political dialogue between South Africa and Sweden on issues related to our bilateral relations, regional and continental and global issues where we share many common positions.

Deputy President Mlambo-Ngcuka will be hosted by Deputy Prime Minister Maud Olofsson while in Sweden for the BNC deliberations.

Sweden's foreign policy has not changed significantly under the new government. The foreign policy of Sweden has always been based on respect for human rights and international law and working very closely with the developing world. In terms of our relations under the new government, it has been more of the same with excellent co-operation between the two countries and governments.

Regarding development co-operation: since 1994 South Africa has worked very closely with Sweden on a host of issues in terms of development co-operation to reduce poverty, inequality, vulnerability. There are various highly commendable projects in many of the provinces. We have been working very closely with them in the health sector to, amongst others, combat HIV and Aids and SIDA (the development agency of Sweden) has been an excellent partner in that they have very closely aligned their support and assistance to South Africa with our own national objectives and priorities in the various sectors in which we co-operate.

Our trade relations are growing apace – right now, the total trade between South Africa and Sweden amounts to R10 billion coming off a very low base in 1994. However, South Africa imports much more, double the amount, that we export. We import approximately R6.5 billion from Sweden and we export about R3.5 billion. These are one of the issues of the BNC: to address this skewed trade relationship.

The BNC has been structured in such a manner that we have three committees: political affairs committee, economic affairs committee and social affairs committee.

The Political Affairs committee obviously looks at our bilateral relations, closer co-operation between the Ministries of Foreign Affairs of Sweden and South Africa. We also created a Peace and Security

Working Group (PSWG) with regard to Africa which meets on a regular basis to discuss issues on the continent and region. In fact, Sweden has been a very valuable partner for South Africa in terms of engaging in trilateral projects in Africa. We will continue to discuss this when we are in Sweden there are surely projects on which we will agree, particularly in areas related to South Sudan.

We co-operate very closely in terms of defence. South Africa has decided to buy Gripen planes from SAAB/BAE that are in the process of being delivered to South Africa.

On broader foreign policy issues, like UN reform, peacekeeping, the human rights council, we share common positions. We have very fruitful and constructive discussions on many issues in the political affairs committee.

The Economic Affairs committee has the objective to further actively promote economic ties. We have in South Africa a number of Swedish companies – Volvo, SAAB, Ericsson – who have investments in South Africa. The agenda will include issues of expanded co-operation within the context of AsgiSA. What is very encouraging is that we are in the process of agreeing with Sweden on a formal partnership between Sweden and South Africa on skills development in a JIPSA context.

The Swedish Embassy recently hosted an economic awareness week in order to create opportunities and increase awareness of the trading opportunities in Sweden. As a result of this, there have been some positive developments and an increasing amount of South African exporters to Sweden.

Deputy President Mlambo-Ngcuka will have two major engagements in this regard: a business breakfast where 15-20 top Swedish business people will be present. This will be followed by an investment conference where the Deputy President and her counterpart will focus particularly on increased investment from Sweden to South Africa.

There are other issues related to this: corporate social responsibility and the World Trade Organisation.

A sizeable South African business delegation will accompany the Deputy President to Sweden to participate in this investment seminar jointly hosted by South Africa and Sweden.

The third committee is **the Social Affairs committee** headed by the South African Department of Treasury and the Swedish Ministry of Social Development. This committee focuses on co-operation in the field of health, communicable diseases, science and technology and the education field.

This particular committee focuses on the development co-operation between the two countries which continues to expand.

The Deputy President will arrive in Sweden on 3 October 2007 and will meet her counterpart following which they will jointly open the plenary of the BNC. The committees will then break-away to deliberate and will report back the next day on the progress that has been made. Deputy President will have a host of engagements that day, including inter alia, with SAAB, Gripen, the Swedish Ministers for Employment,

Education and Science. The focus of which will be skills development within the context of JIPSA. We hope to enable a formal government-to-government skills development partnership.

The Deputy President will lay a wreath at the grave of Olof Palme who played a very important role in the struggle against Apartheid. There will be a business breakfast the next day providing an opportunity for engagement between captains of industry from South Africa and Sweden. This will be followed by the investment seminar referred to earlier.

The Deputy President will visit the Swedish Institute of International Affairs to deliver an address on Africa during which she will focus on developments within SADC, the African Union and NEPAD with the objective to further promote the African agenda. The Deputy President will also visit the top research hospital in Sweden, particularly in the field of communicable diseases. We will discuss the possibility of skills development in the health sector.

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