EU-South Africa relations

South Africa, with approximately 49 million inhabitants, occupies a position of geo-strategic importance in the Southern hemisphere. It is the only African member of the G20 and the BRICS and was a non-permanent member of the UN Security Council in 2011-2012.

The EU-South Africa strategic partnership

A strong relationship has evolved between the European Union and South Africa since the birth of South African democracy in 1994.

This relationship is underpinned by the Trade, Development and Cooperation Agreement (TDCA) signed in 1999, which provides the legal basis for close relations on trade, development, economic cooperation and political dialogue.

The relationship was further consolidated with the establishment of a Strategic Partnership in 2007. The Strategic Partnership has two main pillars: (i) enhanced political dialogue on issues of shared interest like climate change, the global economy, bilateral trade, and peace and security matters and (ii) policy dialogues and sectorial cooperation on a broad range of areas (environment, science & technology, transport, space, etc.).

The previous EU-South Africa Summits were held in Bordeaux in 2008, in Kleinmond, South Africa in 2009, in Brussels in 2010, in Kruger Park in 2011 and again in Brussels in 2012.

EU-South Africa Joint Cooperation Council

The EU-South Africa Joint Cooperation Council is the body that oversees the overall implementation of the Trade and Development Cooperation Agreement (TDCA). It meets on an annual basis, in order to take stock of progress in implementing the TDCA and also to discuss the way forward on the wide range of areas where policy dialogues and cooperation have been established in the context of the EU-South Africa strategic partnership. Its next meeting is scheduled in Brussels on 15 October 2013.

Development cooperation

The EU is the most important donor by far in South Africa: the EU and its member states provide together approximately 70% of the total cooperation funds, 1.3% of the South African budget, i.e. 0.3% of the GDP. EU development cooperation with South Africa is financed from the EU budget (Development Cooperation Instrument). It has been operational since 1995, and since then annual financial commitments have averaged €125 million.

Recent programmes have included major budget support operations in health, primary education and employment creation.

For the years 2007-2013, the indicative amount assigned by the EU to co-operation with South Africa is €980 million.

For the 2014-2020 period EU development cooperation policy is going to be focused on the poorest countries. Discussions on whether upper middle-income countries in general, and South Africa in particular, should continue to receive development cooperation funds after the end of 2013 continue between the Commission, the Council and the European Parliament. A decision is expected before the end of the year.
Trade relations

South Africa is the EU's largest trading partner in Africa and is by far the strongest of sub-Saharan Africa's economies.

The EU is the most important trading partner of South Africa and South Africa's main destination for exports, with a share of 17.6% of the total country's exports in 2012. The EU is also the main source of South Africa's imports, with a share of 24.4% of the total country's imports in 2012. South Africa's exports to the EU are growing and the composition of these exports is becoming more diverse. South Africa is gradually moving from mainly commodity-based products to a more diversified export profile that includes manufactured products.

Since 2004, total trade between South African and the EU has increased by 128%. EU-South Africa trade in goods represented €47.1 billion in 2012, topping the pre-crisis totals of 2008. EU-South Africa trade in services amounted to €11.6 bn in 2011. South Africa was the EU's 17th largest trading partner in 2012. In line with the TDCA, the EU has eliminated tariffs on 92% of all tariff lines, while South Africa has done away with tariffs on 72% of its tariff lines.

The Southern African Development Community (SADC) Economic Partnership Agreement (EPA) group is negotiating an Economic Partnership Agreement with the EU. The members of this group are Botswana, Lesotho, Mozambique, Namibia, South Africa and Swaziland (Angola is an observer). South Africa is a member of this group even if its trade with the EU is already covered by bilateral trade provisions under the TDCA. The negotiations on an EPA with the SADC EPA group are now in an advanced stage and the next round will probably take place end September.

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