



**AUSTRALIAN HIGH COMMISSION  
SOUTH AFRICA**

**Remarks by Australian High Commissioner, HE Mr Graeme Wilson, to  
the EIDOS Institute Policy Congress  
Cape Town, Thursday 7 February 2013**

Thanks very much for inviting me to address the third EIDOS International Public Policy Congress. I'd like to thank EIDOS Professor Bruce Muirhead, as well as the University of Pretoria, for their continued support of this Congress, which is a great example of an innovative Australian-South African partnership. I am particularly pleased that Australia's development assistance agency, AusAID, has been able to support this year's EIDOS Congress through a grant of A\$70,000.

It is a great pleasure to be with you here today just over a week after presenting my credentials to President Zuma as Australia's new High Commissioner to South Africa. Given my recent arrival, I would like to take this opportunity to give you a sense of the breadth of Australia's relationship with South Africa, as well as my ideas for further strengthening the bilateral relationship during my term as High Commissioner. Additionally, as I know international partnerships are a core part of the EIDOS International model, I will also touch on Australia's development assistance to Africa and in particular, what Australia is doing to support cooperation between Australian and African institutions.

**Africa engagement strategy**

I should start by outlining the broader context for Australia's policy of engagement with Africa as a whole.

Australia brings a unique perspective to its partnerships with Africa, different from many other major developed countries. We are situated in the 'south',

between the Indian and Pacific oceans and 22 of our 24 closest neighbours are developing countries.

As some of you may know, since 2007, the Australian Government has implemented a deliberate strategy of increased engagement with the countries, institutions and peoples of Africa, in recognition of the region's growing strategic and economic importance. We are developing deeper and more sustained political and diplomatic linkages with Africa. We now have diplomatic relations with all 54 countries on the continent. We are strengthening trade and investment links, we are increasing cooperation on peace and security issues – particularly in light of Australia's 2013-14 term on the United Nations Security Council - and we are expanding our development assistance program.

Of course, trade and investment continues to be a key driver of Australia's closer engagement with Africa. Our trade with Africa is growing – to some \$9.7 billion last year – and with a trade balance two-to-one in Africa's favour.

For the financial year 2011/12, our direct aid to Africa is likely to be close to \$360 million, with programs across the continent. This represents a quadrupling of the aid budget in Africa in the last three or four years and our intention is to grow this budget to close to \$500 million by 2015/16. This figure is augmented by our substantial contributions to global programs operating in Africa, that in effect nearly double these figures. Last year, the Australian aid program delivered a total of 1000 short and long term study opportunities for 50 African countries. In the last month alone, a total of 345 African students from 22 countries have left for Australian shores to undertake Masters and PhD level degrees. AusAID has offered another 450 short course awards scholarships for 2103 and 400 post-graduate awards for 2014. Shortlisting for these courses is underway.

We are also joining the African Development Bank so that we can contribute to major projects financed by the bank across many sectors.

### **Australia-South Africa bilateral relationship**

So that's the broader context for looking at Australia's relationship with South Africa. I will also be non-resident High Commissioner/Ambassador (once I present credentials) to six other countries in southern Africa – Angola, Botswana,

Lesotho, Mozambique, Namibia and Swaziland – but in the interests of time I will confine my remarks today to South Africa.

Australia's bilateral relationship with South Africa is tracking very well and new opportunities for cooperation are emerging. There is already considerable breadth and depth to the relationship, which is underpinned by a Memorandum of Understanding signed by our respective Foreign Ministers in September 2010. We have nine treaty-level agreements with South Africa, covering areas as diverse as double taxation, air services, science and technology, defence cooperation and extradition. Most recently, a bilateral agreement on the co-production of films entered into force (in August 2011) – which makes it easier for jointly produced films to be made in either country and to access funding schemes from either jurisdiction. We also have a working agreement on inter-country adoption.

Our political leaders and ministers meet regularly, including in the margins of international meetings. Most recently, in January 2013, Australia's Parliamentary Secretary (Deputy Minister) for Foreign Affairs undertook a bilateral visit to South Africa. Australia's Prime Minister and Foreign Minister met President Zuma and Foreign Minister Nkoana-Mashabane in the margins of last year's UN General Assembly meeting, and President Zuma also visited Perth in October 2011 for the Commonwealth Heads of Government meeting. Our hope is that President Zuma will also be able to take up an invitation for a state visit to Australia some time this year.

South Africa continues to be Australia's largest trading partner in Africa, and there is significant Australian investment in the South African resources sector.

The relationship is also built on strong people-to-people links, with a large South African diaspora in Australia and growing numbers of Australians living and working in South Africa. These people-to-people links are fostered through sport, tourism, business, the cultural sector, and increasingly, by the strong ties between Australian and South African educational institutions.

Over 500 South African students are currently enrolled in Australian education institutions, both onshore and offshore. And there are some 24 agreements on

cooperation, staff and student exchange or research collaboration between Australian universities and universities or like institutions in South Africa.<sup>1</sup>

On the development cooperation front, the relationship between Australia and South Africa has been strong for many years, particularly in the human resource development field. Not only is this work having strong impacts for the poorest people on the African continent, it is proving to be immensely valuable in developing and consolidating our ongoing people-to-people links.

Both South Africa and Australia recognise the importance of building human capacity in our development cooperation. It is key to development, delivering far-reaching social and economic returns. It is fundamental to sustainable exploitation of resources, and the creation of wealth and jobs. For this reason, it attracts about 25 per cent of Australia's Africa program budget. I'll come back to this topic a bit later to expand on some of my ideas for taking this development partnership forward.

### **Opportunities for increased cooperation**

#### *1) Trade, investment and people-to-people links*

While the trade and investment figures are good - with two way merchandise and services trade worth A\$3.3 billion and two-way investment totalling A\$5 billion in 2011-12) - there is room for improvement.

Australia's commercial interests in South Africa have historically been concentrated in the mining and resources sector. South Africa continues to have the largest number of existing and new Australian mining projects anywhere in Africa - approximately 130. Australian mining services companies are also increasingly using Johannesburg as a base for their activities in the rest of the continent. According to a recent Austrade survey, 44% of Australian METS companies have operations in South Africa, the third most popular destination behind New Zealand and Indonesia, and equal to Papua New Guinea.

But we also need to find ways to take advantage of the range of other South African investment opportunities that are becoming attractive to international investors, from retail to agribusiness to financial and education services,

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<sup>1</sup> including agreements between Australian institutions and the University of Pretoria, the University of Stellenbosch, University of Cape Town, Rhodes University, University of Kwazulu-Natal, Walter Sisulu University, University of Zululand and Wits

information technology, franchising and infrastructure - particularly green building capabilities.

South African trade and investment into Australia is more diversified than one would imagine. For example, Woolworths SA owns one of Australia's premium clothing and homeware brands, Country Road. SASOL is developing significant gas tenements off Western Australia; Anglo American own coal mines in Queensland; Investec helps to grow the savings of Australians; Australians even eat Nando's chicken and drink South African beer!

I think the diaspora in South Africa and Australia have contributed a lot to the steady growth in the trade and investment relationship, and as Australian High Commissioner to South Africa, I look forward to strengthening these already substantial people-to-people links, so as to ensure there continues to be a good two-way flow of ideas and experiences.

A new exciting era in scientific cooperation is also dawning with South Africa and Australia's joint hosting of the Square Kilometre Array (SKA), one of the world's most important scientific projects – a A\$1.9 billion radio telescope aimed at collecting data from from tens of millions of galaxies. As well as deepening research partnerships and academic exchanges between our two countries, the SKA is also likely to present important opportunities for increasing trade and investment linkages.

## *2) Multilateral cooperation*

As neighbours either side of the Indian Ocean and members of the United Nations, the Commonwealth, the G20 and the World Trade Organisation, Australia and South Africa have many similar strategic interests that can be drawn on to foster closer cooperation at the multilateral level.

While South Africa clearly continues to see its strategic priorities in terms of Africa and strong south-south cooperation, it has also sought to play a leadership role in global forums. Australia shares the view that we need strong regional and multilateral institutions reflective of the new strategic and economic international environment.

Australia and South Africa have both pushed reform of international financial institutions to make them more representative of the real global dynamic. We have done this particularly through our work together in the G20, co-chairing the working group on reform of the International Monetary Fund. That work resulted in a change to IMF quotas and voting rights. As Australia starts preparing for our G20 host year in 2014, we are keen to work even more closely with South Africa, the only African member of the G20, on issues across the G20 agenda, particularly where we have similar interests. This includes job creation and employment, and many aspects of the G20 development agenda.

South Africa has just finished serving its second term as a non-permanent member of the United Nations Security Council (UNSC), and Australia is now commencing its term on the Council for 2013-14. We are delighted to have been elected to the Council and were honoured by the strong support we received from Africa, including South Africa. During our period on the UNSC we are seeking to deepen our engagement with African partners and to consult widely on peace and security issues affecting Africans directly. We will look to play an active and constructive role across the Council's agenda, including ensuring the Council's work reflects the nexus between security and development, promoting the use of conflict prevention tools, prioritising the protection of civilians, and supporting the UNSC to work more effectively with regional organisations.

Australia and South Africa both support sensible reform of the UNSC, to better reflect the realities of the modern world. Australia agrees that it is important for Africa to have a permanent voice on the UNSC, and we support the expansion (without veto) of the number of permanent and non-permanent seats, including a permanent seat for Africa and permanent seats for Japan, India and Brazil. We also support reform of the UNSC's working methods to increase transparency and provide for greater participation by non-members.

Australia and South Africa will not always see eye to eye on international peace and security issues – as has been the case with Libya and Syria, where we have had different perspectives on how to deliver the best outcomes for the citizens of those countries. However, there is much we can achieve through increased dialogue and creative exchanges of ideas – including in supporting the UNSC to

work more effectively with the African Union and sub-regional organisations such as ECOWAS, COMESA, SADC and the ICGLR (International Conference of the Great Lakes Region).

Another regional organisation of strategic interest to both South Africa and Australia is the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC). With Australia assuming chairmanship of IOR-ARC for 2013-14, we will seek to work more closely with South Africa across IOR-ARC's agenda, which includes important issues such as maritime security and climate change.

The very successful meeting of the Conference of Parties to the United Nations Framework Convention on Climate Change (UNFCCC) hosted by South Africa in Durban in 2011 was a major step towards comprehensive international action on climate change. Australia and South Africa share many geographical and climatic characteristics. For example, we both have extensive coastlines and arid interiors. Climate change will impact on us in similar ways. We look forward to working with South Africa to address the environmental challenges which lie before us.

Australia and South Africa are both founding members of the Global Institute for Carbon Capture and Storage, highlighting our shared commitment to research into new technologies to make our businesses cleaner and more energy efficient. In 2010, our bilateral Climate Change Partnership was renewed for a further five years. Under the auspices of this partnership, Australia is providing A\$1 million of fast-start funding for two projects in South Africa – one involving capacity building for measurement, reporting and verification in the land sector, and the other supporting the retro-fitting of houses in Cato Manor township in Durban with energy efficient technologies.

We have also recently recruited a volunteer Climate Change expert to work with South Africa's Department of Science and Technology on progressing the SADC Science and Technology Climate Change Implementation Plan. The volunteer will assist to build climate change capacity through overseeing a stocktake of climate change readiness across SADC countries.

### 3) *Development partnership*

Given that many of you here today have a particular interest in international partnerships, I'd like to expand on what South Africa and Australia are doing together to support capacity building and development in South Africa and across the continent, as well as some of the opportunities for taking this partnership forward.

#### *TVET sector*

The South Africa-Australia partnership in skills development dates back many years. In 2002, we together implemented the South Africa-Australia Vocational Education and Training Program, which ran for three years and developed more than 10% of South Africa's accredited learnership programs. Equally importantly, the program assisted the establishment of a policy and regulatory framework for the operation of 'group-training' to provide employment opportunities for young South Africans.

We also worked together with the World Bank on the program called "Closing the Skills and Technology Gap in South Africa", which was completed last June. This project funded senior researchers to develop a series of papers that identified and analysed the key constraints in higher education, skills development, and technology absorption in accelerating labour absorption and shared growth in South Africa.

The papers informed the work of the South African Department of Higher Education and Training in developing South Africa's 2012 *Green Paper on Post School Education and Training* - the nation's new policy framework for upgrading post school education and training.

There are many opportunities to continue this cooperation. For example, in 2013, we are expanding our expert volunteers program into the TVET sector.

#### *Tertiary sector cooperation*

At the tertiary level, you are all aware that Australian universities are increasingly developing ties with universities in Africa, and particularly in South Africa.



I refer to the great work between the University of Queensland and the University of Pretoria in delivering practical Regional Diplomacy Training during 2011 and 2012 as a case in point. The program commenced with two courses in 2011 involving the two universities and the Kofi Annan International Peace Keeping Centre in Accra, and expanded to involve around 20 African countries. A total of 10 courses have been delivered to date.

The courses were developed in close cooperation with Australian Embassies and High Commissions, involved both academics and practitioners, and most importantly, responded to direct requests for assistance from our partner governments. They enabled extensive cross-fertilisation of ideas between countries and were melting pots for new relationships and friendships between individuals across the continent. We are currently planning events for 2013 to bring alumni of these programs together to ensure the momentum created in the diplomatic field by those courses in Africa is maintained.

#### *Australia-Africa Partnerships Facility (AAPF)*

Another program of ongoing cooperation is the Australia-Africa Partnerships Facility. Established in 2010, the Facility is a fast-response aid delivery mechanism that mobilises both training and technical assistance in direct response to requests from partner governments. It has worked with more than 1000 Africans to date, again in African government priority areas.

The facility works with African governments, including the South African Department of Minerals and Energy, to enhance the sustainability and development benefits of extractives industries. South Africa's recent involvement in the work of the facility has included participating in a number of study tours to Australia. With Australian support, South Africans also participated in the 2012 International Geological Conference in Spain. The Hon Minister of Mines, Susan Shabangu, opened our *Women in Mining* study tour which took place in South Africa and Australia in November last year.

The frequent involvement of Australian, South African and other stakeholder governments' ministers and senior level ministry officials in AAPF activities makes it a key to strengthening our partnerships.

This year South Africa has again been invited to participate in the International Geological Congress, as well as a new 18-month pilot vocational learning program in mining-related infrastructure planning. This in-Africa program will include secondments, workshops and peer-to-peer vocational training.

### *Alumni*

Our substantial engagement in human capacity building means we have a growing cadre of alumni – from our scholarships program alone, our alumni in Africa stand at around 5000. We are currently consolidating strategies so that we can more formally engage with these alumni and with alumni from other AusAID programs. For example, we are launching an African Women in Leadership Interest Group to engage women alumni on women’s issues and opportunities; an Alumni Ambassador Initiative of high-profile volunteer champions to assist promoting and representing our programs; and we are collaborating with South Africa to hold a major alumni conference which will focus on the topic of “leading change” in Cape Town from 16-18 September.

The conference will engage 125 high calibre alumni with South African, Australian and international development experts to generate ideas for future Africa-wide development strategies.

### **Conclusion**

I hope that my remarks today have helped to give you a better understanding of Australia’s relationship with South Africa and some of my ideas for increasing the current level of cooperation. It is an exciting time for the bilateral relationship, with Australia coming onto the UN Security Council in 2013 and hosting the G20 Summit in 2014, with the huge SKA scientific cooperation project underway and with enormous opportunities to build on our people-to-people connections, including through sport, culture, tourism and education. Given our expanding development assistance profile, we are also placing increasing emphasis on using delivery partners with credibility and a track record – and in my view that spells opportunity for both Australian and South African academic institutions.

I wish you all the best for the 2013 EIDOS International Public Policy Congress.

Thank you.