

SOUTH AFRICAN COUNTRY STATEMENT
UNITED STATES OF AMERICA-AFRICA LEADERS' SUMMIT
AUGUST 2014

South Africa welcomes the holding of the first USA-Africa Leaders' Summit in Washington in August 2014. President Obama, a son of Africa, deserves credit for launching this initiative after his historic visit to three African countries in 2013. African nations and the USA have much to offer each other and all are striving for a more peaceful and democratic world in which justice and equity prevail and where poverty and underdevelopment are tackled in a substantial and results-oriented manner.

Africa is a continent on the move with impressive economic growth and attractive investment prospects. We have seen considerable progress in promoting good governance and the rule of law across the continent and we know as well as anyone that the surest way to promote democracy, stability and good governance is to promote the prosperity and well-being of all our citizens, both young and old, and both men and women. Also Africa's robust Africa Peer Review Mechanism assists in maintaining good governance and stability.

The African Union is spearheading the continent's development agenda which seeks to promote regional economic integration to the mutual benefit of all its members. At the same time, this integration will provide attractive markets for foreign investors. It must be noted that Regional Economic Integration not only provides attractive markets for investors but also facilitates Intra-Africa trade and considerably ensure consistent ease of trade between Africa and global markets. The African Union is celebrating the 50th anniversary of the founding of the Organisation of African Unity, the OAU, which itself gave birth to the African Union. We in Africa have much to be proud of as the AU has emerged as a powerful force for good on the continent of Africa. There are still many challenges and the maintenance of peace and security, the promotion of democracy and good governance and the roll-back of poverty remain key challenges for us.

The USA on the other hand has a long history of democracy, prosperity and good governance and is also the most powerful country in the world, with the largest economy on the planet. There is much the US can do to support the AU in its primary objectives and help Africans to realize their ideals of peace, justice and prosperity. The AU in return is ready to work with the USA to promote peace and stability across the

globe and not only in Africa. We have a common interest in peace and stability, whether in Africa, in Europe and Asia, or in the Americas, since economic development and prosperity can only thrive in a stable environment.

The AU has demonstrated a clear determination to advance peace and security on the continent and at the same time promote good governance and democracy. We would welcome the support and assistance of those able to help, and in this regard the USA is in a good position to join us in achieving our objectives. The African Standby Force can play a decisive role in advancing the cause of peace and stability and the USA could play an important role in supporting this. Other areas where the US can play an important supporting role, is to assist Africa in achieving the post-2015 development goals and helping us realize the vision of Agenda 2063. We would also want to count on the USA to use its influence to expedite the process of UN Security Council Reform.

This summit occurs at a time when the US government's important AGOA programme is up for renewal. The whole of Africa is benefitting from AGOA, and it is important that it be renewed in order that the work of Africa's industrialization can continue. South Africa is more advanced in this regard than most, but the benefits enjoyed by South Africa benefit the entire Southern African region and South Africa's prosperity contributes to the prosperity and growth of the entire region. We would like to thank the USA for AGOA but also urge the USA to re-authorise it unconditionally and without the threat of graduating SA out of AGOA as that could be a disincentive for any other African country to industrialise, manufacture and export more than just raw commodities.

The AU has ambitious plans to build on the strong economic growth that so many African countries are enjoying and South Africa has been asked to spearhead the development of Africa's infrastructure, especially what we call the North-South corridor. Regional economic integration is one of the top priorities of the AU and there is no doubt that a strong infrastructure, including transport and communication links, will be to the benefit of all. The US and other developed countries can also benefit since the strong economic growth that we are witnessing provide not only growing markets for a wide range of goods and services, but also an attractive investment environment with the promise of even faster growth in future.

Africa is emerging from its historical role as a provider of raw materials and instead is showing promise of a much more diversified set of economies. This can only be to the benefit of all, whether in Africa or beyond its shores.

I would like to commend President Obama for combining this Summit with a high-level dialogue with CEOs of major companies, both from Africa and from the USA. This African Leaders-CEOs Forum underscores the fact that in Africa, as in the USA, the primary engine of growth is the private sector: the job of the politicians and the

bureaucrats is to provide an enabling environment for the private sector to flourish: we can do our best to ensure stability and security, but the role of the private sector is paramount.

On his 2013 Africa trip, President Obama also announced an important contribution to Africa's ability to provide power to its people. The "Power Africa" initiative is one that we hope the US will not only support in the six countries that it has identified so far, but will continue to build on this initiative and extend the model to other countries as well. South Africa stands ready to partner with the USA in this regard.

We have our own power initiatives and probably the most impressive is the "Grand Inga" project in the Democratic Republic of Congo. Here the DRC government has been joined by partners such as South Africa to develop what could truly be a major contributor to powering the continent. In addition to the Partnership Treaty between SA and DRC on Grand Inga II, Eskom has also committed to an agreement to acquire almost 50% of the energy generated; South Africa is thus providing an immediate market for Inga.

In South Africa we also have other ambitious power projects. We plan to extend our nuclear power capabilities and we are also exploring what benefits our shale gas deposits could hold for us. In both these sectors the US is a leading player and we look forward to exploring possible partnerships.

General Electric has won a South African tender that will produce the first locomotives that will assist us to upgrade our own transport infrastructure. The model we are using is that many South African workers will receive training from GE in Erie and then will return to South Africa and apply those skills to assisting with the building of the rest of the locomotives in the contract. This partnership will go a long way towards meeting Transnet's rolling stock requirements and fits in with our overall strategic objective to re-industrialise the South African economy, up-skill our workforce and acquire the latest technologies to revitalise our rail network and expand our freight rail infrastructure, which is such a crucial enabler for the rest of the economy. South Africa's ability to benefit companies like GE through our infrastructure development programme is directly the result of SA's full and successful utilisation of the AGOA programme whose benefits are being returned to the USA via our capability to drive infrastructure.

South Africa welcomes new investments and we also need high-level skills which would allow us to innovate; create decent jobs and become globally competitive.

On shale gas we still have work to do in preparing to develop this potentially huge source of fuel and we note the progress the US has made in this field. We can surely learn much from your experience. And let us not forget areas where South Africa itself is a global leader, such as in gas-to-liquid technology. While we are keen to welcome

more US investment in South Africa, South African companies are in fact investing heavily in the USA in the field of GTL technology, notably at the Lake Charles plant in Louisiana.

Mr President, let me conclude by commending you once again for this ground-breaking conference and assure you that we welcome the US as a partner on the continent of Africa. The future is bright: let us work together to realize its promise.

Thank you.