



AUSTRALIAN HIGH COMMISSION PRETORIA

‘Australia’s strategic engagement of Africa

**The Institute for Global Dialogue (IGD)
Midrand**

**12.00pm on Wednesday 30 September 2009
IGD House, Midrand**

Remarks by Mr Peter Budd

**Acting Australian High Commissioner to South Africa, Botswana, Namibia,
Lesotho and Mozambique; Acting Australian High Commissioner Swaziland;
and Ambassador-Designate to Angola**

Good afternoon Ladies and Gentleman.

I very much welcome the opportunity to speak to you this afternoon about Australia’s strong commitment to enhancing its engagement with the countries and regional institutions of Africa.

This represents a shift in the Australian Government’s approach from that which existed under the previous Government and creates real opportunity to grow the Australia-Africa relationship in a way that will allow it to reach its full potential.

When the Rudd government came to power in November 2007, it recognised that Australia had not always given Africa the priority it required and deserved. Business and people-to-people links had grown and had significantly outpaced government activity.

Enhanced engagement of Africa

Under the Rudd government, we have committed to increasing our engagement with Africa across the board

This includes through strengthened political contacts, enhanced trade and commercial linkages, cooperation on peace and security, increased development assistance and commitment to multilateralism to ensure the collective voices of the Australian and African continents either side of the Indian Ocean are heard.

Australia has increased its diplomatic reach, formally establishing diplomatic relations with seven new countries - our diplomatic reach now spans from Madagascar in the east to Sao Tome and Principe in the west. That means we now have diplomatic ties with 48 African countries.

We are strengthening the high-level links between leaders and ministers that are vital to effective links between governments and peoples.

In January this year, the Minister for Foreign Affairs visited Africa to address a meeting of African Union Foreign Ministers in Addis Ababa - becoming the first Australian Foreign Minister to do so.

Our Defence Minister visited Africa in February to discuss defence, security and peacekeeping issues.

And, most significantly, the Governor General made a historic visit to nine African countries earlier this year.

Australia has reached out to Africa, and that gesture has been warmly reciprocated.

This year alone, the foreign ministers of five African countries have made official guest of government visits to Australia. This represents more in one year than in the previous ten years combined. From Tanzania, Kenya, Rwanda, Botswana and Mozambique, African foreign ministers have responded to Australia's new interest. These Ministers have brought a consistent message - that Australia's increased engagement is welcome and, indeed, required to pursue our broad commonality of interests.

Making a real difference

But while part of Australia's enhanced engagement with Africa is about increasing the political and diplomatic level contact, it is also about putting real substance into the relationships that we have with Africa as a whole, through the African Union, and at the bilateral level.

Australia's higher level of diplomatic engagement provides a strengthened platform for relations with Africa across a range of fields.

For many years, Australia has undertaken useful development work in Africa. Because of our new focus on the continent, and because of our commitment to making an impact on the Millennium Development Goals, we are determined to increase our level of development support to Africa.

The Government will direct \$164 million in development assistance to Africa in 2009-10, an increase of more than 40 per cent from the previous year.

Australia will never be the largest donor in Africa. Therefore, our assistance will deliberately focus on those areas where Australia is best able to make a difference.

In particular, we will target those areas where we have comparative advantage and experience, such as food security and agriculture, maternal and child health, and water and sanitation.

We will also increase support for education and training.

Human capital is the fundamental building block of sustainable development. Conscious of that, the Government has announced an expanded scholarships program in Africa, offering up to 1000 awards per year by 2012-13 - a tenfold increase from the current 100 awards a year.

This significant investment in Africa's future - which will be pan-African in scope - aims to develop an alumni who are better equipped to lead or support accelerated progress towards achievement of the MDGs in Africa.

Building Trade and Investment

We recognise that development assistance alone will not deliver Africa's progress against the MDGs. Nor can it be the defining element of our engagement.

Australia, is the world's 14th largest economy. One in five Australian jobs are tied directly to international trade. Australia cannot ignore a continent of 53 nations and 1 billion people. Our shared interests simply do not allow it.

A case in point is the Australian mining industry in Africa. Skilled Australians identified new opportunities in African countries with strengthening mining and investment regimes. Australians backed their capabilities and their instincts about Africa's improving governance, with the result being Australian investment in Africa's mining and resource sector worth around \$20 billion.

And despite the global economic crisis the majority of Australian companies have indicated their willingness to stay the distance in Africa through the tough times.

From platinum in South Africa, to uranium in Namibia, to copper in Zambia, to gold in Ghana and the Congo, the high levels of skill and expertise and the positive 'can-do' attitude of many Australian miners and service companies is helping to develop the mining industries of many African countries, with high economic benefits to both Africa and Australia.

Just as we expect of them in Australia, Australian corporations operating in Africa are expected to bring new benefits to the communities in which they work.

This means benefits such as local employment opportunities, skills development through education and training, local procurement of equipment and technology where possible, community development, infrastructure and service provision, and environmental management.

Australia's miners and investors have led the way - but Australia's traders are not that far behind.

Australia's trade with Africa is more substantial than many would think. Two way trade with the continent topped \$6 billion in 2008. Over the last five years Australia's trade with Africa has increased by 8.5 per cent per annum which puts it amongst the fastest growing regions for Australia's trade. Now, more than 300 Australian companies are active in at least 30 African countries.

This is a great story - but it is one that we want to get better. The Government is committed to working with Australian companies to support their efforts to do business with Africa. Through our embassies, and the work of Austrade, we are focussed on key industries of importance to both Australia and Africa.

Austrade has major offices in Johannesburg and Tripoli, and has recently opened two new posts in Accra and Nairobi. This will increase our ability to identify opportunities, and bring people together.

The mining industry in Africa is already mature, but there are many other fields where Australian business can add value. Infrastructure projects - including those funded by donor or loan agencies - is a field where Australia has strong expertise.

We can contribute when it comes to port and rail construction and large scale resource transportation; port and route security; road transport systems; toll road construction; and transportation in tropical climates.

Building and improving food security across Africa is a major focus of African and international efforts. Australia can help the efforts of African countries to advance this important goal through our agribusiness sector, especially in the utilization of Australian technology driven solutions in the areas of tropical agriculture, dry land farming, drought (and perhaps flood) mitigation, pest control and water management.

In education, there is great scope to build links with faculties across the tertiary sector, driving investment, training and new market development in the industry across Africa - the added benefit being a strengthened rapport between students and educators across our two continents. Monash and Newcastle, university institutions synonymous with quality tertiary education in Australia, are delivering the same high quality education and skills to students in South Africa, Botswana, Lesotho, Swaziland and Kenya.

Finally, as Australia looks forward to being part of the FIFA World Cup in South Africa, we can bring additional value to what we are confident will be an excellent event through our own expertise in major sporting events. As a bidding nation to host the 2018-2022 World Cup we also anticipate drawing on South Africa's experience and knowledge from securing and hosting the event.

There are many opportunities, and plenty more ways that we can work better by bringing people from business and government together.

We have Australians and Africans travelling between our respective countries every day as the strength of our people-to-people links - through sport, through education, through business and through culture - continue to grow.

Australia and South Africa – key partners for global solutions

At this point, I should emphasise that Australia's commitment to multilateralism is a key pillar of our foreign policy and underpins Australia's Africa engagement. We are determined to ensure that multilateral institutions and processes – including the UN Security Council – can and do play a central role in meeting global challenges and are representative.

Towards this end, South Africa is a key partner with whom we are committed to making a special effort. President Zuma's Cabinet is engaged and committed to building mutually beneficial international links. Foreign Minister Nkoana-Mashabane has shown herself to be open and approachable and Foreign Minister Smith has indicated his keen interest to build the relationship, including through the possibility of reciprocal visits over the next 12 months.

I know, having been personally involved in facilitating calls between our leaders, that Prime Minister Rudd has been working effectively with President Zuma, to secure a successful conclusion to the G20 leaders' meetings in Pittsburg. It is note-worthy that Prime Minister Rudd in his Post Pittsburg summit media address, highlighted the support of President Zuma in securing the successful outcomes of the Pittsburg meeting.

In the G20, South Africa sits, with Australia, at one of the world's top tables. Australia and South Africa have already enjoyed very close cooperation, together leading the historic process of reforming the IMF.

The establishment of the G20 as a new, permanent global grouping reflects the new international realities. The developed G8 economies no longer dominate the global economy to the extent they can meaningfully coordinate world economic policy. Developing economies represent 50 per cent of global GDP. As such, they have too big a share of the world economy to be left out of key decision-making bodies.

Through fora such as the G20, Australia is working effectively with South Africa, to ensure the interests of our respective continents are represented.

Australia recognises that the role of Africans is key to the resolution of some of the most complex challenges facing us. We cannot conceive a solution to these challenges without the buy-in and support of African states.

Whether we are considering a solution to climate change, a better approach to food security, or the resolution of the Doha Development Round of trade negotiations, engagement of Africa is vital.

Similarly reform of the UN Security Council cannot take place without a greater role for Africa.

On issues such as climate change, support for free trade in agriculture, United Nations reform, nuclear disarmament and the importance of the Millennium Development Goals, it would be fair to say that we are largely on the same page.

Bilaterally, the broad similarities between our two countries have meant we have found it easy to develop a range of mutual assistance and other treaty-level agreements which are designed to improve the lives of our citizens, make doing business easier and help grow our trading relationships – these agreements range from double taxation, to film co-production to air services.

In more recent years we have sought to find additional areas of collaboration for our common benefit. For example, our common reliance on coal as an energy source as well as the reality of the serious potential impacts of climate change on both of our countries means we are working constructively together in a climate change partnership.

Australia and South Africa are both founding members of the Global Institute for Carbon Capture and Storage which means we both recognise the importance of more research into new technologies to make our businesses cleaner and more efficient.

Sharing our experience on peace and security

Another area of focus for our enhanced engagement will be to assist African countries address peace and security challenges.

Peacekeeping has become a vital element in Australia's contribution to international peace and security. As well, it is now an essential and highly-valued skill for our military and police forces.

Australia's national contribution to the United Nations' peacekeeping budget is the 12th largest of United Nations member states and Australia supports the efforts of UN Secretary-General Ban Ki-moon to strengthen the UN peacekeeping system.

We have long participated in peacekeeping operations in Africa. Australian personnel are currently serving in the UN Mission in Sudan and the UN-AU Mission in Darfur. Australia also makes a major financial contribution to UN missions in the Democratic Republic of Congo, Liberia, the Central African Republic and Chad.

But these days, peacekeeping is no longer the exclusive domain of the United Nations. Non-United Nations led peacekeeping operations are now commonly undertaken by other multinational or regional groupings.

In Australia's neighbourhood, the success of the missions, in which Australia played a leading role, in the Solomon Islands, East Timor, and Bougainville reflect the positive effect that regional groups can have and the importance of developing regional solutions to regional problems.

Australia now wants to share that experience with our African partners.

Australia is also making a commitment to strengthen African law enforcement agencies and legal institutions through technical assistance to African countries

to develop forensic investigation capacities, support anti-money laundering activities and strengthen legal frameworks and capacity.

Working together we can do more

The snapshot of cooperation that I've just painted shows that there is an existing strong dynamic to the relationship. This is bolstered by a strong trade and investment partnership and growing people to people links.

I've outlined some areas for expansion in our relations across the continent. And as Australia enhances its political engagement with the countries of Africa and grows its development assistance there is more we can do.

We can do so much more to help other African countries meet their MDGs – by leveraging our collective development assistance we can deliver better outcomes for the children of Africa.

We need to be creative in how we do this – we could utilise South African experience, but Australian funding or vice versa. We could combine our resources to deliver a bigger bang for the buck. Certainly we will be interested in engaging early with the proposed new development assistance and coordination agency situated in the Department of International Relations and Cooperation.

We can do so much more to help the people of Zimbabwe. That devastated country has much to rebuild, and Australia wants to play a constructive role in this process. Leveraging off our relative strengths and working together in a collaborative manner will be of benefit to all three countries.

We can also help shape the agenda and the outcomes in multilateral forums. As I have said, we have already collectively helped to shape thinking on IMF reform within the G20. Australia would like to continue that dialogue but also build on it in other forums such as the Cairns Group of agriculture exporting nations, the World Wine Trade Group and the WTO. We would like to hear South Africa's voice on the best ways to take African interests into account in those forums. We would like to explore ways in which the interests of developing countries can be represented and addressed on issues such as climate change and nuclear disarmament.

Conclusion

I trust that I've given you the sense that Australia – South Africa relations are wide-ranging, deep and largely on the right trajectory. Australia's commitment to the African continent is for the long-term.

But I also hope I've conveyed the sense that now is really the time to move to the next level – to reach our full potential bilaterally but also, in particular, to work together more, including in multilateral forums, to leverage better outcomes for our respective countries and continents.

Thankyou.