



AUSTRALIAN HIGH COMMISSION PRETORIA

‘Australia and South Africa: A New Dynamic’

**South African Institute of International Affairs
East London**

**5.30pm on MONDAY 10 FEBRUARY 2009
REGENT HOTEL
EAST LONDON**

**Remarks by Her Excellency Ms Ann Harrap
Australian High Commissioner to South Africa, Botswana, Namibia;
High Commissioner-Designate to Lesotho, Mozambique and Swaziland; and
Ambassador-Designate to Angola**

Good afternoon Ladies and Gentleman.

Thank you very much for the warm welcome. As a ‘returnee’ to South Africa, I know the role that the Institute can play in stimulating dialogue and debate on issues of importance to South Africa’s citizenry.

So I congratulate you on the work that you do and thank you for giving me the opportunity to talk to you about the Australia-South Africa bilateral relationship. It is a relationship built on strong people-to-people ties and a long and productive history of cooperation across a wide range of issues, both bilaterally and multilaterally.

I also want to take some time to talk to you about Australia’s strong commitment to enhancing its engagement with the countries and regional institutions of Africa more broadly – primarily because this represents a shift in the Australian Government’s approach from that which existed under Prime Minister Howard. And it is a shift which, in my view, creates real opportunity to grow the Australia-South Africa relationship in a way that will allow it to reach its full potential.

Because, in my view, it doesn’t reach that potential now – the relationship is underdone. We can and should be doing so much more together.

But before I articulate where we can do more, let me quickly give you a snapshot of the current relationship.

Australia and South Africa – southern sisters

Everyone knows about rugby and cricket.

And passions certainly do run high on the sporting field – but it is unfortunate that sometimes that’s all we think about – and this can obscure the reality that Australia and South Africa actually share a great deal in common:

- historically, we both experienced British colonisation and, although we inherited many British institutions, such as parliament, we have both developed these to suit our own unique circumstances;
- we share a fundamental commitment to democracy and good governance;
- we are countries with a common history of migration and multiculturalism
- our economies are highly dependent on commodities and have suffered in the past from the tyranny of distance from many important world markets, although this is changing;
- we share similarities in the roles we play in our respective regions - South Africa in its near neighbourhood; Australia in the South West Pacific; and
- we share overwhelming similarities in climate and landscape, not to mention the lifestyle and sporting interests that bring countless points of contact between our two countries.

It is partly this commonality of experiences that means we often share close perspectives and similar strategic interests on a wide range of regional and global issues.

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.

And in the past six months in particular, Australia and South Africa have taken many similar perspectives and objectives on the international response to the global economic crisis to the G20 meetings in Washington and London.

We have both pushed reform of international financial institutions to make them more representative of the new global dynamic. We have done this particularly through our work together as co-chairs of the G20 working group on the reform of the International Monetary Fund. That work has helped to drive progress on the international response to the global downturn and has demonstrated the punch of our collective weight.

A strengthened sense of collaboration

Bilaterally, these 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.

And we are expanding our science and technology cooperation. The broad, open spaces that characterise Australia and South Africa mean that we are both strong candidates to host the Square Kilometre Array or SKA project, which has been described as the international radio telescope for the 21st century and is probably one of the largest and most ambitious international science projects ever devised.

Although Australia and South Africa are competing for the privilege to host the project, our existing bilateral cooperation on science and technology has been broadened such that Australia and South Africa agreed earlier this year to work more closely together in partnership to advance the global SKA program – so that irrespective of where the telescope is ultimately located, participation in the project will be a win-win for both our countries.

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.

Our trade has grown steadily in recent years such that it is now worth close to 25 billion Rand each year. Sixty (60) per cent or so of South Africa's exports to Australia are motor vehicles. Many of the motor vehicles driven on Australian roads – the Mercedes C class, VW Polo, BMW 3 series and Toyota Corolla's – are made here in South Africa, including in the Eastern Cape.

And of course, people-to-people relationships are the bread and butter of any bilateral relationship. And it is clear that there are more and more South Africans and Australians interacting than ever before – through business, education and sport.

- We now have up to twenty direct flights each week between Australia and South Africa;
- tourism numbers, although affected by the global downturn, remain resilient and with the Australian soccer team now having qualified for the FIFA World Cup next year, you can expect many Australian football fans to bolster those numbers further;

- Even Australian sports, namely the Australian Football League is creating a new avenue of interaction between our countries – over 17 000 South Africans have embraced “footyWILD”, the local version of AFL and plans are afoot to develop “footyWILD” more in South Africa;
- and of course, we do have a significant South African community numbering some 120,000 in Australia, although I would note that while this is a significant community, it is not large by Australian standards where we are home to very large migrant communities from Europe, China and South East Asia.

Migration – not all bad

I might digress here for a moment just to talk about migration to Australia because it is an often misconstrued dynamic in our relations.

In many ways, the migration phenomenon is helping to bring our societies together. It is certainly one of the major reasons why there are now so many direct flights between Australia and South Africa each week. It helps explain the more than a hundred thousand tourists who go between our countries each year. And, though it is difficult to demonstrate, it probably is a significant driver in the steady growth in our trade and investment partnership.

But it is sensitive because there are significant costs to an economy like South Africa’s of the loss of skilled people.

Australia understands this and we do what we can to ameliorate it.

This is the only country in the world where we do not market Australia as an immigration destination. In all other comparable countries, the government regularly holds ‘skills expos’ to encourage migrants. We do not do this here.

And perhaps more importantly, Australia has been fully supportive of the South African government’s various programs since 1994 to address the skills crisis. South Africans are often surprised to learn that, since 1994, the Australian government has spent over half a billion rand in development assistance in South Africa, and trained 350 South Africans in Masters level programs in Australia.

In fact, we are recognised by the South African Government as one of its valued cooperation partners on the issue of skills development.

So while migration is potentially sensitive, it is not an issue which should detract from what is, by any account, a positive and multi-faceted relationship.

But we can do more...

But as I said at the beginning, in Australia, there is a strong sense that we can do more with South Africa, and more with Africa.

Which is why I want to bring you up to speed with the Rudd Government’s policy to enhance engagement with the countries and regional institutions of Africa. I

believe this policy shift will offer some excellent opportunities for our two countries to work more closely together, including in third countries for our mutual benefit.

Enhancing Australian engagement with Africa

When the Rudd government came to power in November 2007, I think it recognised that Australia had not always given Africa the priority it required and deserved. Australian minerals and petroleum resource companies and our people-to-people links had grown and had significantly outpaced government activity.

Not only that, but Africa was beginning to play a greater role on the world stage. I think that there was also a recognition that that greater role would continue in the years to come.

So early in the Rudd Government's term it announced publicly that Australia would enhance engagement with Africa.

Better political and diplomatic connections

Certainly in the beginning that has meant growing the political and diplomatic level contacts.

In January this year we saw the Australian Foreign Minister Mr Smith attend the African Union summit in Addis Ababa – the first Australian Foreign Minister ever to do so. While there he met over 30 African foreign ministers and addressed the Executive Council of the African Union.

His visit was followed up a month later by that of the then Australian Defence Minister, Joel Fitzgibbon, who went to Addis to discuss African peace and security and future Australian defence cooperation.

Then in March this year, the Australian Governor-General (our head of state) visited 10 countries in Africa – the first visit by an Australian Head of State to Africa in over 30 years.

We have recently established diplomatic relations with Burkina Faso, Liberia, Republic of Congo and Niger and in the last month, we have had the Tanzanian Foreign Minister visiting Australia as a guest of the Australian Government – to be closely followed by 4 other African Foreign Ministers in the next 6 months.

In other words, the political and diplomatic level contact between the Australian and African continents is ramping up and is the best it has been for a long time.

With South Africa we will need to make a special effort – the new Foreign Minister has shown herself to be open and approachable and we look forward to an early meeting between her and the Australian Foreign Minister. And I know that Prime Minister Rudd is looking forward to getting to know President Zuma, including through the G20 leaders' meetings.

Making a positive and unique contribution

So 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 those we have at the bilateral level.

It is also about doing our utmost to assist African countries reach the important Millennium Development Goals.

Which is why the second arm of our enhanced engagement strategy focuses on our development assistance program to Africa. Our development assistance to Africa has already grown almost forty (40) per cent from A\$116 million in 2008/9 to A\$163 million in 2009/10 and the government has reiterated its commitment to increasing our spending on ODI to .5% of GNI by 2015.

Australia will never be the biggest donor in Africa. But we believe that we can make a unique and positive contribution in areas where Australia has expertise and experience.

Which is why Australia is focusing its efforts on specific areas, such as maternal and child health, food security and clean water and sanitation.

In particular we are helping to address key capacity challenges in these areas through an expanded scholarships program. This will see the number of scholarships available for African students grow from 100 to 1000 in the next 3 years. This will include a mix of long- and short-term scholarships across Africa, and will be designed to be responsive to African needs and priorities.

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 colleagues.

As first steps, Australia plans to establish a Defence Attaché in Africa, and offer training in Australia to African defence personnel. In addition, Australia will co-host with the African Union and the United Nations a peacekeeping symposium to allow for exchange of experience and expertise.

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.

More trade and investment

Beyond improved political and diplomatic contact and an expanded development assistance program in Africa, the final prong of our enhanced engagement strategy with Africa involves building on our already healthy trade and investment relationship, particularly in the resources sector.

There is currently around USD20 billion of investment in current and potential projects in the resources sector in Africa by more than 300 Australian mining, oil and gas companies. 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.

But it is not only about minerals – slowly but surely other sectors are building stronger trade and investment links, and the hosting of next year's FIFA World Cup here in South Africa will offer some opportunities to build these further. Plans are already well underway for a number of business promotion events built around the World Cup in Cape Town.

Working together we can do more

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, I can tell you Ladies and Gentlemen that we

are also adopting, as it happens, a South African election mantra – ‘working together we can do more’.

To my mind, this mantra sums up exactly the potential for a new dynamic in the relationship between Australia and South Africa.

Working together 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.

Working together 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.

Working together we can 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

Ladies and Gentlemen - I trust that I’ve given you the sense that Australia – South Africa relations are wide-ranging, deep and largely on the right trajectory.

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 Australians, for South Africans and for others on this continent who need our help to alleviate their poverty.

I certainly pledge during my time here as High Commissioner to work towards those goals – and I look forward to keeping you updated on progress as we get there.

Thank you.