Item 2 in DNB0002 of 970102, as well as item 4 in DNB0003 of today, 970103, have reference.

Section A is the complete text of the press release from DFA.

Section B is an interview with Minister Nzo as published in the Pretoria News of 16 December 1996.

A. DEPARTMENT OF FOREIGN AFFAIRS PRESS RELEASE 30 DECEMBER 1996

END OF YEAR REPORT BY MINISTER ALFRED NZO ON THE ACTIVITIES OF THE DEPARTMENT OF FOREIGN AFFAIRS

During the past year major changes in the Ministry and the Department's reprioritisation of goals and activities have taken place in the international domain. As part of this ongoing process, and in refining South Africa's new foreign policy objectives, a workshop with civil society on our Foreign Policy Discussion Document was held during September. Broad consultation with stakeholders and regular interaction with the Portfolio Committee on Foreign Affairs and the Parliamentary and Senate Select Committees have ensured a high level of debate.

In terms of the operational activities of the Department, the following should be highlighted:

Relations with Southern African states, especially the Southern African Development Community (SADC) constitute a cornerstone of our foreign policy. South Africa's principal aim is to attain a more balanced regional development pattern. The challenge is to design and implement an effective regional growth and development strategy, based on equity, mutual benefits and environmental sustainability as far as allowed by the region's comparative advantages and resources. The following progress in pursuit of this aim can be reported:

- Cabinet approved a framework for cooperation with countries in the Southern African region, incorporating a vision for and practical steps towards accelerated and more structured cooperation in the region.
- The rationalisation of SADC institutions was included in the Review of the current SADC Programme of Action.
- South African Government departments have been cooperating closely to promote regional peace and stability, especially in defining the exact role, structure and functions of the Organ on Politics, Defence and Security.
- South Africa is part of the Joint Steering Committee which assesses progress in terms of the Berlin Declaration.
- South Africa became the chair of SADC on 1 September 1996. Two high-level delegations have since travelled to Gaborone for briefings by SADC role players, confirming our commitment to our new regional responsibility.

Active expansion of economic ties between Equatorial Africa, the non-SADC Indian Ocean Islands region and South Africa has been encouraged. South Africa has also been participating substantially in international efforts to bring an end to internal conflicts in Africa, including Burundi and Rwanda. A Special Representative was appointed for Burundi, and South Africa's official representation in the region was much expanded in order to deal with new demands and responsibilities.

Bilateral Commissions have proven to be a most effective platform from which relations with the Maghreb countries can be conducted. Having included the establishment of such Commissions in our objective portfolio, an Agreement to this effect was concluded with Morocco. Full-scale Commission meetings were also held during the year with both Tunisia and Egypt.

Since joining the OAU, South Africa has endeavoured to participate as effectively as possible in a wide range of activities. Some of our objectives in this regard include (a) Support for democratization by eg. providing election monitors and (b) Support for conflict prevention by contributing to the development of an African philosophy for conflict prevention. South Africa has also taken its first tentative steps toward contributing materially to conflict prevention and resolution with the appointment of a Special Envoy to Burundi.

South Africa played a major role in the suspension of Nigeria from the Commonwealth during the last Commonwealth Head of Government Meeting in Wellington, due to Nigeria's human rights violations. South Africa was elected as one of the eight Commonwealth Ministerial Action Group (CMAG) countries to monitor the improvement of human rights in Nigeria, and if necessary, introduce sanctions against Nigeria.

In respect of the UN, South Africa has been an active participant during 1996. We fully supported the reform of the UN in general and the restructuring and democratisation of the UN Security Council, in line with the African Group and SADC, in particular.

In view of the role that NAM is playing as an intercontinental multilateral forum, it may be important that Africa be considered as the next host of the Heads of Government Summit. Should South Africa be offered the opportunity, we would do our best to uphold the objectives, principles and the mission of NAM.

In the field of arms control and disarmament South Africa's role was enhanced by its membership of the Geneva based Conference on Disarmament (CD) on 17 June 1996. This follows South Africa's constructive role during the more recent conclusion and signature of the African Nuclear-Weapon-Free Zone Treaty (Pelindaba Treaty) on 11 April 1996. South Africa was actively engaged in the negotiations which led to the conclusion of the Comprehensive Nuclear Test Ban Treaty (CTBT), which was signed It also participated in the Review on 24 September 1996. Conference of the Certain Conventional Weapons Convention (CCW) which ended successfully with the adoption of a new Protocol banning blinding laser weapons and a revised Protocol placing more rigorous restrictions on the use of, inter alia, land South Africa has further been negotiating its participation in the Biological Weapons Convention, Chemical Weapons Convention and the Missile Technology Control Regime.

With regard to the environment, marine affairs and the specialized bodies of the UN, we have been playing a valuable role in re-establishing relations in these fields, both in sending delegations to conferences and during preparatory discussions. South Africa has in the meantime been elected to

the councils of the Commission on Narcotic Drugs, FAO, ITU, UPU and WMO.

In the area of Human Rights, South Africa ratified two UN conventions, one relating to Discrimination Against Women and the other dealing with the Rights of the Child. South Africa has also acceded to the three UN/OAU treaties relating to refugees, as well as the African Charter on Human and Peoples' Rights.

South Africa was elected as a member of the UN Commission for Social Development for a term of four years as well as to the UN Commission on Human Rights for a term of three years, in both cases from 1997. In addition, a South African expert has been elected to the UN Working Group on the Right to Development.

In terms of South Africa's multilateral development and economic relations, the following achievements could be mentioned:

Five financing agreements from the 1995 European Programme for Reconstruction and Development (EPRD) budget, totalling approximately R300 million, were signed on 14 May 1996 with the European Commission.

In terms of SA/EU negotiations, the South African position will soon be completed and approved by the Core Group of Ministers. This will be followed by another round of negotiations during the first quarter of 1997. There seems to be more understanding in EU circles regarding South Africa's need for regional consultation on the effects of the proposed FTA on neighbouring countries.

South Africa's objective is to finalize the Lomé Protocol in time for it to be ratified together with the Lomé IV bis agreement, thereby de-linking this aspect from the bilateral negotiations. As South Africa's membership of the Lomé Convention would exclude trade or economic advantages, thorough research into the advantages and disadvantages of the proposed accession to Lomé was undertaken. It was found that there would be negative political reaction if South Africa did not accept the offered limited membership of Lomé. Furthermore, there could be certain political benefits from membership as a new and radically different Lomé agreement will have to negotiated by the end of the decade.

South Africa has continued its participation in other regional economic organizations with an emphasis on the South, such as the Zone of Peace and Cooperation of the South Atlantic (ZPCSA), the South Centre and the Indian Ocean Rim initiative.

As the host of UNCTAD IX, South Africa clearly indicated its fundamental support for the ongoing work of UNCTAD to assist developing countries to integrate into the world economy. South Africa has supported the efforts to reform UNCTAD to enable it to remain relevant in a changed world economy.

Our Presidency of and participation in UNCTAD have resulted in an increased focus on the implementation of programmes of action for the least developed countries (LDCs) and proposed initiatives in this regard have brought South Africa to the forefront of the debate.

During 1996 South Africa's relations with Asia deepened considerably with trade expected to exceed the record level of R42 billion reached during 1995. (Trade with Asia during 1995 increased by 30 per cent over the previous year.) This makes Asia South Africa's second largest trading bloc after the European Union. Significant investments also flowed into South Africa from Asia especially from Japan and Malaysia.

Good progress was made to put into place the framework for improved economic interaction with Asian countries, such as the avoidance of double taxation, investment and most favoured nation (MFN) agreements.

South Africa's relations with the Greater China region changed dramatically after President Mandela's announcement on 27 November 1996.

Japan's Official Development Assistance (ODA) offer in 1994 of US 1,3 billion dollars was utilised in 1996 and was in fact expanded to US 1,6 billion dollars.

During the past year, South Africa has normalised its relations with all the countries on the Arabian peninsula. Only Bahrain and Qatar are now not represented in South Africa, while South Africa operates missions in Iran, the UAE, Bahrain and Saudi Arabia.

The focus of South Africa's relations with this region is on trade. Between 1994 and 1995 South Africa's exports to the region increased to R882 million, while imports, mostly consisting of oil, increased to R6,2 billion. Iran remains South Africa's major supplier of crude oil.

In the past year the South African Hajj and Umrah Council was established, with the aim of assisting South African pilgrims to Mecca and Madinah.

Existing relations with the Levant countries (Palestine, Israel, Lebanon, Jordan, Iraq and Syria) were further consolidated in a variety of spheres in 1996.

South African officials participated in an OAU contingent of observers at the elections for the Palestinian Authority in January. Assistance projects in Palestine were arranged in conjunction with the Palestinian authorities, eg the provision of emergency doses of brucellosis vaccine from Onderstepoort. The South African Ambassador in Cairo was accredited as non-residential Ambassador to Lebanon in the course of this year, raising the profile of bilateral engagement. A visit to Iraq by a senior delegation from the Department took place in order to evaluate the status and future of our relations with that country. His Majesty King Hussein of Jordan paid a successful visit to South Africa at the time of UNCTAD, with concomitant good effect on bilateral relations.

The first meeting of the Joint Commission with Israel took place in Pretoria. Several agreements were negotiated, the application of which will benefit South Africa in fields as diverse as technology, agriculture, science and environmental conservation. Developments in the Middle East Peace Process were carefully monitored, especially in the wake of both Israel's Operation Grapes of Wrath in Lebanon and the election of Prime Minister Netanyahu's conservative government.

The conclusion of the second round of US-SA Binational Commission consultations in Washington during July 1996 between senior US and South African delegations was an important milestone in the evolution of the special relationship between the two countries. Deputy President Mbeki, accompanied by members of Cabinet, deputy ministers and senior officials were able to discuss the development of closer ties in spheres such as trade, agriculture, science and technology, education, energy and combating crime with Vice President Al Gore and other senior US decision-makers. The Department of Foreign Affairs acts as Secretariat for the South African component of the US-SA It is anticipated that the Commission Binational Commission. will play an increasingly important role in directing the development of relations between the two countries. specifically, a Double Taxation Agreement was concluded and the Armscor issue was finally resolved.

Relations with Canada are sound. Our main objectives are to increase trade, to continue working closely with the Canadians in channelling development assistance to South Africa, and to cooperate with Canada in various multilateral fora to achieve mutual objectives. A large number of South African delegations have visited Canada in the last year to achieve these objectives and have participated in a number of trade-related seminars and exhibitions.

Bilateral relations with Latin American countries were given a significant boost by visits by high-level delegations to evaluate our representation in the region. This resulted in a re-evaluation of priorities. South Africa has now established diplomatic relations with all the countries in South and Central America.

South Africa's admission as a full member of the Zone of Peace and Co-operation in the South Atlantic has led to closer cooperation with the 23 other member states in areas such as countering of drug trafficking, as well as marine and environmental conservation.

The importance of Latin American countries for South Africa also lies in the existence of various large trading blocs on the sub-continent. The expansion of relations with Latin America is evidenced by the significant increase in trade with most of these countries, notably Brazil, Cuba, Argentina, Chile, and Peru. Tourism from a number of countries in the region has also shown a marked increase, contributing to a general awareness as well as economic growth and development in South Africa.

Bilateral relations with European countries, representing one of the three most highly industrialised regions in the world, have, on the whole, been sturdy and trouble free, and have been symbolised by a stream of high level visits in both directions. Thus South Africa played host to the President of the French Republic, the Queen of England, the Chancellor of the Federal Republic of Germany, the Queen of the Netherlands, the Prime Ministers of Sweden and Norway, the President of Ireland, the First Deputy Prime Minister of the Russian Federation, and numerous other high ranking dignitaries. This stream of

visiting VIPs does not show any sign of diminishing in the near future.

In parallel with the series of visits an extensive network of bilateral agreements has developed. These agreements cover, for the most part, the reciprocal protection of investments, the avoidance of double taxation, the status and application of overseas development assistance for the reconstruction and development programme, and various other topics such as air and maritime matters, cultural, and scientific and technological agreements. All these agreements have helped to remove points of friction and to facilitate interchanges between South Africa and the partner country.

The opening up of relations with Europe has had a direct effect on the patterns of trade. Thus South African exports to Europe have increased from R23bn in 1991 to R31bn in 1995, while imports have leapt from R24bn in 1991 to than R47bn in 1995, an increase of almost 100%. Bilateral trade with Europe still constitutes by far the single largest source/destination although bilateral trade with other areas of the world is increasing more rapidly in percentage terms. In addition to trade, Europe is still the most important source of foreign direct investment in South Africa with the UK, Germany and Switzerland in the lead.

The picture is slightly different with regard to the countries of Eastern Europe, many of which are struggling to overcome the aftermath of years of centralist political and economic ideologies. It will take time before their governments are settled and their markets begin to mature, yet the potential for strong growth is there and is being explored. In general our relations with the countries of Eastern Europe, while not as mature as those with Western Europe, are good and improving steadily, as is evidenced by the large number of foreign embassies from that region in South Africa.

Insofar as institutional changes in the Department are concerned, arrangements to address inequalities in the race and gender composition of the Department have continued with a view to achieving the goal of representativeness, both at Head Office and at missions abroad. It is to be noted that the situation at Head Office has improved dramatically. Out of a total of 99 new appointments, 41 were black, 29 white, 18 Indian and 11 coloured. Of the 68 officials that successfully completed diplomatic training 49 were black, 9 Indian, 5 coloured and 5 white.

In terms of the placement of trained line function officials at missions abroad, out of a total of 95, 45 were black and 50 white. It must be understood that the more rapid progress registered at Head Office can only be translated to the missions over time as periods of service abroad expire and vacancies arise.

The amalgamation of the South African and TBVC Departments of Foreign Affairs has been concluded. 113 officials of the old Department of Foreign Affairs were declared redundant. 40 officials of the former TBVC states were similarly declared redundant. 104 employees of the former TBVC states were declared redundant as a result of their non-transferability to

Pretoria. Only 21 cases of this group remain unresolved and negotiations are proceeding to conclude these matters.

Seven posts of Chief Director have been filled, the nominees for which included one former TBVC official.

- 19 posts of Director had been filled with 15 white officials and four black officials.
- 69 posts of Deputy Director have been filled, of which 56 were white, 8 black and 5 Indian.

Six Directors: Administration have been appointed including three white women and one black woman (formerly from the TBVC).

Further vacancies at lower rank levels have been advertised and will be filled shortly.

ISSUED BY THE DEPARTMENT OF FOREIGN AFFAIRS PRETORIA
30 DECEMBER 1996

=====

- B. FOREIGN POLICY IN GOOD SHAPE, SAYS UPBEAT NZO by Political correspondent Marci Granelli Pretoria News, 961216, p.7
- The minister fends off his critics and stresses the importance of SA's regional partners -

One could be forgiven for presuming this was a year Foreign Affairs Minister Alfred Nzo would rather forget. Ill health, constant criticism from certain quarters and frequent speculation he was going to be fired coupled with SA's on-off involvement in Zaire and finally its bitter break with long-time friend the Republic of China would have given the most seasoned foreign minister cause for pause. Not so Mr Nzo?

"It was a great year and I am very satisfied with what we achieved," he said unhesitatingly in a year-end interview. "I think it's safe to say the year 1996 went very well as far as the tasks carried out by my ministry. We were able to make SA participate very actively in very important events that concern humanity today and also in implementing some of our priorities in our foreign policy."

Adding that he would not have done anything differently, Mr Nzo said the single biggest success was SA's election to head the SADC. "This will give us the opportunity to lead SADC over the next three years in the implementation of policies that seek to achieve the integrated development of our region." SA's role and participation in the SADC cannot be overstated, Mr Nzo said. It is the driving force behind much of SA's own foreign policy and heads his 1997 action plan list. "One of our priorities is to see that SADC works. SADC partners will be meeting in early February in Windhoek and we will use this opportunity to lay out a programme for SADC. We will look at various aspects such as the role of the secretariat so that we streamline the operations of SADC to make them stronger. SA

feels the secretariat should concentrate more on the implementation of decisions that have been taken."

Other challenges ahead include the expansion of SA's role in peacekeeping and humanitarian assistance across the whole continent and the on-going negotiations with the EU regarding a Free Trade Agreement. But in this too our neighbours' influence cannot be ignored. "What has emerged in the past regarding negotiations with the EU is that the EU accepts SA cannot act as if it is an entity unto itself. They have understood that it is important for SA to carry out negotiations for the region as a whole."

Another priority for the minister next year is the normalisation of relationships between SA and the Republic of China short of diplomatic relations. Mr Nzo is confident that in spite of Taiwan's reaction to SA's diplomatic snub - the island suspended its aid projects, a number of treaties and agreements and threatened to recall its ambassador - strong ties are still possible. "I am confident we can iron out our differences. think we should appreciate the reaction of Taiwan. After all, it was, in a sense, quite traumatic and you would expect them to act in the manner they did. But we are going to sit down around a table to renegotiate how we are going to proceed in the future and I am confident that at least we will reach a workable agreement especially in the areas of trade and investment. There are already indications they have come to accept the fact SA is not likely to reverse its decision."

Mr Nzo said while his objectives for the year included strengthening the country's position and participation in a number of global organisations including the OAU, UN and the Non-Aligned Movement, it was not actively seeking a permanent seat on the UN Security Council. "SA has had no ambitions at all to obtain a seat on the UN Security Council. But of course, as a member state of the United Nations the possibility is there of a non-permanent seat. As the round goes, SA will become one aspirant for those temporary seats but as of now we are not aspiring to any permanent seat in the United Nations."

He denied speculation SA's break with Taiwan and new diplomatic relations with China were to gain support for this or its nomination of OAU chief Salim Ahmed Salim as new UN Secretary General. "Our decision on Taiwan was totally unconnected to the possibility of a seat on the United Nations. It simply had to do with SA conforming to international practice."

Mr Nzo said criticism by some media that SA's foreign policy was driven more by President Mandela and Deputy President Thabo Mbeki than himself was misplaced. "What must be understood is that the President is head of state and government and, therefore, nobody should think he can't exercise that perogative to comment on various issues including foreign policy and to make suggestions. That does not mean that he thinks the Ministry of Foreign Affairs is redundant. But he has this perogative insomuch as the Deputy President has that perogative. We are in constant consultation on such issues and, therefore, what has been surprising (from critics) is that I as Minister of Foreign Affairs must act independently of the President. How do I do that? How doe we detach ourselves from a head of government who has that perogative which is not, by

the way, directed only towards foreign affairs but to the entire spectrum of our government?"

He said calls for his resignation were falling on deaf ears. "My activity is not media driven. The media can say what it pleases. My activity is driven by implementation of policy. The day it is felt by government that we have deviated from the norms of policy they will tell us and we will knock ourselves into shape. But so far the government has not done so. As long as we are satisfied in the Department of Foreign Affairs that we are carrying out the policy acceptable to government the media can shout and do what they want - I'm not about to go."

BT NNNN EINDE