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3.18.1

Trade policy

a.

It is a top priority to develop a prosperous and balanced regional economy in Southern Africa, based on the principles of equity and mutual benefit. of trade with neighbouring states needs to be addressed i.e. more balanced and mutually beneficial.

Consequently the structure

In addition, there is a need to strengthen Southern Africa as a trading block as well as to initiate effective measures to promote intra-regional trade. the trade imbalances in the region needs to be developed without delay.

A programme to address

3.18.2

Industrial strategy

a.

To maximize the region's comparative and competitive advantages, the formulation of a regional industrialization policy should jointly be undertaken.

3.18.3

upgrading infrastructure

a.

In addition to upgrading infrastructure in existing areas, its extension to all parts of the sub-continent will eliminate or lessen the effects of uneven development in the past, and open up new economic potential in the areas of production and tourism.

3.18.4

Transport and communications

a.

An efficient transportation and communications network is an important vehicle for the reconstruction and development of the sub-continent.

An integrated transportation and communications system is required to link the South African economy with the region and internationally. their potential capacity is required to determine their contribution to the development of the regional economy.

A review of all systems and

Harmonization of elements of regional transportation should be pursued as a priority.

departments involved in policies and functions relating to transport and

All South African government

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The SADC Treaty

3. 3

The SADC Treaty is a legally binding and all-encompassing framework by which countries of the region shall coordinate, harmonise and rationalise their policies and strategies for sustainable development in all areas of human endeavour.
states to fundamental principles of:

It also commits member

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Sovereign equality of member States;

Solidarity, peace and security;

Human rights, democracy and rule of law;

Equity, balance and mutual benefit.

The Treaty is structured as an enabling instrument. Accession to the Treaty commits member states to accepting a series of principles on mutually beneficial and equitable cooperation and integration; to participating in the structures and institutions of SADC; and to negotiate a series of protocols to give practical effect to its aims.
of the Treaty, SADC's objectives are to:

According to Article 5

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Achieve development and economic growth, alleviate poverty, enhance the standard and quality of life of the peoples of Southern Africa and support the socially disadvantaged through regional integration;

Evolve common political values, systems and institutions;

Promote and defend peace and security;

Promote self-sustaining development on the basis of collective self-reliance, and the interdependence of member States;

Achieve complementarity between national and regional strategies and programmes;

Promote and maximise productive employment and utilisation of resources of the region;

Achieve sustainable utilisation of natural resources and effective protection of the environment;

and

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At an early stage, the integration process should provide arrangements for member States to harmonise their general macro-economic, fiscal and monetary policies, particularly to establish a strong relationship among the region's currencies. In this context, measures to control inflation and to ensure overall financial and monetary stability, will be critical.

South African participation in SADC

3.10 On 3 August 1994 the South African Cabinet decided on SADC membership and on 29 August 1994 at the Gaborone Heads of State Summit, South Africa acceded to the SADC Treaty. National Assembly on 13 and 14 September 1995 respectively.

This accession was approved by the Senate and

3.10.1

3.10.2

3.10.3

Within the context of its

Since becoming a member of SADC in 1994, South Africa has been heavily involved in the activities of the Community. commitment to the region, South Africa has been assigned the Financial and Investment Sector of the SADC as its special area of responsibility. South African national line-function departments are actively involved in SADC sectors and regularly attend sectoral meetings and workshops in the region.

The 15th SADC Heads of State and Government Summit was held in South Africa on 28 August 1995 at the World Trade Centre in Johannesburg. October to 2 November 1995, South Africa hosted a SADC/EU sponsored conference on drug- trafficking in Mmabatho. Summit on Nigeria, initiated by South Africa, was also held in Pretoria to share and exchange views on what the region's response would be on the Nigerian situation.

On 11 December 1995 a special SADC

From 30

South Africa was also instrumental in highlighting the importance of water in the socio-economic development of the region, and, at a meeting of Water Ministers of SADC countries in Pretoria, from 23 to 24 November 1995, they directed the SADC Secretariat to assess the Viability of having water as an independent sector in the SADC structure. Conference was hosted by South Africa from 22 January to 3 February 1996 at Gallagher Estate in Midrand. Investment.

This year's theme was Trade and

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Southern African people.
approach existing fora (SADC), agreements (Lomé) and strategies (Lagos Plan of Action) that are supported by and have credibility with Southern African Governments and its people should be utilized.

In pursuing this

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The Southern African region can achieve

Cooperation in developing effective growth and development strategy based on equity and mutual benefits.
its full potential only through close cooperation by African countries in the exploitation of natural resources in a coordinated fashion, the pooling of technical expertise, the harmonization of trade practices and the promotion of economies of scale.
development is of paramount importance as the economies of Southern African countries are interdependent

The promotion of economic growth and

The reality of the socio-economic

Linkage of Reconstruction and Development in the region.
conditions of the majority of South Africans are, in some respects, worse than those of the citizens of a number of developing countries.
approach based on collectivity and equality is therefore in South Africa's interest.
Through
Close interaction individual African states stand to benefit.
For this reason, South Africa's
approach vis-à-vis Southern Africa should be firmly linked to the RDP.
the RDP therefore should also be seen within a broader context.

The implementation of

A regional

Actual execution of regional foreign policy objectives

3.13 The actual execution of South Africa's foreign policy as a central government function cannot be determined and directed without the recognition of activities, needs and the potential of other line-function departments and the provincial administrations.
seven of the nine provinces border states of Southern Africa, it is of vital importance that the formulation of a foreign policy framework for Southern Africa in future be determined in consultation with the provincial governments.

As

While the country's interests cover international affairs in all parts of the world, South Africa's relations with Southern African states include a wide and more complex variety of activities ranging from technical cooperation, trade links, environmental

suggested that South Africa should initiate within the Southern African region as a whole a greater commitment to the promotion of human resources development, especially with regard to management-related capacity building.

Regional priorities with specific reference to South Africa's membership of SADC

3.24 As part of a general reorientation and reorganisation,

it is felt that South Africa should endeavour to influence its SADC counterparts to revisit the entire structure and functioning of SADC, including the Secretariat.

At present the Secretariat is the driving force behind the organisation's activities and strongly influences policy decisions. rather be the vehicle for implementing policies formulated by member countries, and should not become an end unto itself, nor in itself a "regional government".

It should, however,

The South African government should actively participate in the process to develop formulas to streamline the current SADC procedures and to improve communications between the SADC member countries.

In this regard the Director-General of Foreign Affairs, in his capacity as leader of the South African delegation to the Standing Committee of Officials, and other senior South African officials should play an instrumental role in initiating the restructuring of SADC working procedures.

A comparative evaluation of the capacity of each SADC Sector Coordinating Unit could provide the Department of Foreign Affairs as well as the line departments with valuable information with regard to what can be expected in terms of planning and coordination from these units. evaluation, suitable qualified persons may be identified and seconded to the SADC institutions where necessary, in order to expand their capacity.

Bearing in mind this

3.26.

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It may be necessary for South Africa to initiate a process steering away from the existing practice of Sector Coordinating Units (SCUs) towards the establishment of more permanent sectoral commissions.

The establishment of a commission is a solution to the lack of capacity of a particular SCU.

While SCUs are part of national governments, and are staffed and financed by the sector coordinating country, sectoral commissions are

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An integrated approach to regional planning

3.15 The initiation of planning and development activities

While SADC provides the most viable vehicle

with South Africa's neighbours is a most important issue.

through which regional planning and development to the benefit of the whole region can be realised, it remains an ambitious and daunting task to bring together these strategies of planning and development in an integrated approach which involves both national and provincial departments.

3.15.1

3.15.5

It is essential that the GNU should adopt a clear policy on regional planning and development in Southern Africa.

the culmination of firstly interaction and consultation between all national and provincial lineâ\200\224function departments and, secondly discussions with the other countries in Southern Africa.

Such a policy should however be

It is necessary to accentuate in this regard that once an agreed position has been reached amongst South African participants on how to proceed, this of necessity still has to be cleared with the SADC counterparts at the interâ\200\224â\200\224governmental level (both through bilateral and multilateral initiatives taken by South Africa).

The Department favours a cautious and stepâ\200\224by-step approach towards regional development, taking into account the availability of resources and of manpower, coupled with the general capacity of the region to accommodate initiatives and to effectively act thereâ\200\224upon.

Furthermore, the existing disparate levels of economic performance in the region will naturally dictate economic development approaches and priorities.

geometry approach such as including Zaire in the Southern African Power Pool agreement as well as a multi-speed approach so that the Southern African Customs Union can continue within the SADC framework.

Practicalities may dictate a variable

The need for a phased approach to this goal reflects the complexity of the situation. South Africa moves with undue speed towards the ideals of full integration and trade liberalisation, negative migration trends in capital, skills and labour might well set in.

In this regard the Department encourages initiatives

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b.

c.

early warning of potential crises, joint problem solving, implementing Confidence and Security Building Measures (CSBMs), negotiating security agreements and treaties as well as resolving inter-state conflict through peaceful means.

In the development of the proposed SADC Organ on Political Cooperation, Defence and Security, it is obvious that the coordination of this Sector will be the responsibility of Foreign Affairs departments/ministries. Although it is not foreseen that South Africa will be coordinating the Organ, its participation in the Organ will necessitate strong leadership and guidance to the process.

To this end the Department of Foreign Affairs will play a coordinating role between the other concerned South African line-function departments in the design, establishment and running of the Organ, especially with regard to the translation of the Inter-State Defence and Security Committee to become one of the institutions of the Organ.

South Africaâ\200\231s sectoral responsibility for Finance and Investment

3.19 The Department of Foreign Affairs recognises that the

future of intraâ\200\224SADC trade will be determined by the availability of negotiable goods and the means to pay for them as well as the issue for control over reâ\200\224exporting.

assumes special significance within this context, also because South Africa has been assigned the responsibility to coordinate the Finance and Inward Investment Sector of SADC.

The issue of industrial development

The new Sector for Finance and Investment takes over from the work that was being done over the past fifteen years, partly by the Sector of Trade and Industry coordinated by Tanzania, and by the SADC Secretariat. This multiâ\200\224sectoral responsibility places South Africa in a position to influence many regional initiatives. The agreed upon focus of South Africaâ\200\231s approach for this responsibility is to promote private sector involvement in as many initiatives as possible.

The mandate of the Sector covers regional economic policy coordination and analysis and development of the

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South Africa's regional foreign policy objectives

3.11 The Department of Foreign Affairs' vision for the

Southern African region is one of the highest possible degree of economic cooperation, mutual assistance where necessary and joint planning of regional development initiatives, leading to integration consistent with socio-economic, environmental and political realities. It is therefore fundamentally important for South Africa's foreign policy initiatives to support the processes of economic cooperation and integration. importance of existing institutions should be taken into account in the formulation of policy and particularly the principles and guidelines of the Organisation of African Unity (equality, mutual benefit and peaceful coexistence). post-apartheid regional order should be developed by the people of the region (i.e not imposed by a "regional power").

In addition, the

The

The main emphasis of South Africa's foreign policy towards the region should therefore be directed towards the maximisation of each country's potential in the region.

As such the Department of Foreign Affairs' stated policy principles are directed towards :

and

and

and

Democracy is not confined to

Democratization
periodic elections in the various countries.
is an active regional process enabling all interests which may be affected to make proposals and thus contribute to the region's reconstruction and development, and provide transparency to all affected parties.

It

For economic growth and

Peace and security.
development to thrive, a prerequisite is peace and stability in Southern Africa.
peace and security, South Africa should actively promote its foreign policy principles in Southern Africa and should encourage countries to promote human rights and democracy.
freedom and respect for human rights and the pillars of South Africa's approach to international relations and durable peace and stability cannot be realized.

To achieve lasting

Without democracy,

Stakeholders (NGOs,

Consensus within the region.

Governments, parastatals, development agencies etc) should together shape the future of Southern Africa.

the allocation of only South African resources to other Southern African countries, rather it is about active involvement and empowerment of the

Development of the region is not about

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DEPARTMENT OF FOREIGN AFFAIRS

CABINET MEMORANDUM NO :

6/96

FILE NO

DATE

SUBJECT

:

:

:

470/4/1/2

11 APRIL 1996

DRAFT FRAMEWORK FOR COOPERATION
WITH THE COUNTRIES IN THE SOUTHERN
AFRICAN REGION

1.

OBJECTIVE

1.1

The aim of this cabinet memorandum is to provide a broad framework containing the vision for and practical steps towards accelerated and more structured cooperation within the Southern African region. framework was requested by the Cabinet Committee for Economic Affairs on 23 August 1995, which recommended that the Department of Foreign Affairs should submit a broad framework for cooperation with countries in the Southern African region.

This

_SUMMARY

The countries of the Southern Africa region can achieve their full potential only through close cooperation in the exploitation of natural resources in a coordinated fashion, the pooling of technical expertise, the harmonization of trade practices and the promotion of economies of scale.

South Africa should strive to achieve regional economic development by utilizing the instrument that is ready to hand, in the form of the Southern African Development Community (SADC). structures provide valuable opportunities for developing and executing South Africaâ\\200\\231s foreign policy objectives within Southern Africa.

SADC's organization and

The aim of SADC is to create a Community providing for regional peace and security, sector cooperation and an integrated regional economy.

As a regional institution

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enhancing efforts to deal with issues such as human, animal and plant diseases, which know no borders;

facilitating the sharing of regional natural resources; sharing information, knowledge and experience;

enhancing the region's infrastructure;

enhancing the bargaining power of member countries when they act collectively with respect to sectoral issues at international fora; and attracting donor funding.

Sectoral cooperation, moreover, buttresses trade integration because it sets the institutional framework for trade in specific sectors, such as water, electricity and wood. In addition, the development of sound infrastructure such as transport and communications facilitates trade among member countries.

Trade integration and sectoral cooperation contribute both directly and indirectly to sustainable economic growth and development in all countries of the region.

.8.1

.8.2

In this regard SADC has established sixteen functional sectors and subsectors to facilitate its objectives of trade integration and sectoral cooperation (see Annexures A-1 to A-5).

The SADC Treaty calls for every member state to contribute equally to the maintenance of the organisation.

contributions to the Sector Coordinating Units with no real link between contributions and the amount required to meet sector objectives.

In practice this has meant small

3.

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Obviously, the coincidence of policies and plans of member States in all the areas of cooperation is critical for the integration process. programmes and projects require a regional approach to sector planning, if they are to yield maximum results.

Regional

.9.1

This approach, in turn, requires a strong sector policy coordination.

Therefore, the integration process will also create arrangements to promote the harmonisation of sector policies and plans. Moreover, the successful integration of sector policies and plans, in turn requires a high level of harmonisation of macro\200\224economic policies.

The Sector also has the

financial sector.
responsibility of undertaking further work on the Draft Protocol on Finance and Investment, in close collaboration with the Industry and Trade Sector, given that the development of the Industry and Trade Sector is predicated on the support services to be provided by the new Sector.

A novel innovation stemming from the preparatory work for the formal establishment of the Finance and Investment Sector Coordinating Unit was the creation of two committees managed by senior officials from the ministries responsible for Finance and Investment; and the Central Bank Governors.
sector and its committees is the responsibility of the Finance and Investment Sector Coordinating Unit (FISCU) based in the Department of Finance.
committees, working independently, will both report directly to the Committee of Ministers.
of coordination, the Sector Coordinator in the Department of Finance will attend the meetings of both committees, and facilitate the development of consensus and uniformity in the policy formulation process.

The coordination of the

These two

For purposes

In August 1995, SADC Council accepted the Terms of Reference for the Sector of Finance and Investment, and paved the way for the drafting of regional policies so as to provide an integrative link between the policies and activities pursued by each national government and the regional framework for cooperation.
official sectoral meeting of Government and Central Bank officials on September 14, 1995, the three broad objectives of the Sector were highlighted.
They are:

At the first

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To promote the development of sound investment policies of member states in order to establish an enabling environment for investment in the region.

To provide a framework for regional cooperation in the area of finance in collaboration with central banks, other regulatory and supervisory authorities, banks and other financial intermediaries in order to mobilise resources for investment.

To encourage movement toward regional macroeconomic stability by, among other things, promoting prudent fiscal and monetary policies.

It is envisaged that this process would provide a

vision for addressing key issues of concern to each national economy and a strategy for collective response by the region as a whole.

In this regard it is

communications should consult and coordinate such policies and functions in order to promote their individual interest as well as that of the Southern African region.

Telecommunication manufacturing, installation and maintenance should focus on appropriate and compatible technology to the Southern African region's own advantage, and with the objective of exports to the rest of the continent.

3.18.5

Water and sanitation

a.

Treaties have to be negotiated ensuring fair and equitable allocation of water resources to the benefit of all people in the region.

3.18.6

Mining and minerals

a.

Expertise should be made available in the region to rehabilitate and develop mineral resources to their fullest potential.

The mining sectors of the various countries have important roles to play in securing balanced regional growth and development.

3.18.7

Fisheries, wildlife and forestry

a.

Cooperation regarding the protection and development of fisheries, forestry and wildlife resources should also be pursued.

Greater emphasis should be placed on a regional position within the current negotiations on international environmental conventions, i.e. Desertification, Climate Change, Biodiversity and the Basel Convention.

leading role in coordinating preparatory meetings with SADC member states in order to formulate a unified position on issues of regional concern, which can then be discussed with the Africa Group and the G-77 countries.

South Africa should play a

A regional "coastguard" should be established to protect marine resources.

3.18.8

Technical and scientific cooperation

a.

South Africa should be willing to share expertise to promote development in the region eg. agricultural, environment, health,

issues, water and sanitation, tourism, migration, refugees and crime prevention to cooperation in respect of transport and communications infrastructure and power generation.

3.14.1

Although SADC provides the most Viable vehicle through which regional planning and development to the benefit of the whole region can be realised, it remains an ambitious and daunting task to bring together these strategies of planning and development in an integrated approach which involves both national and provincial departments.

It is important that national and provincial departments/administrations bear in mind that official international liaison, not only across the borders of South Africa but also throughout the world, have to be in line with South Africa's general foreign policy framework and to the benefit of the whole of South Africa.

It should be emphasized that in terms of agreed procedure and in order to maintain a coordinated approach towards SADC, provincial governments and other stakeholders are required to interact with their neighbouring SADC Member States through the relevant sector contact points in the national government departments (see Annexure B). approach is not followed, it could result in unnecessary complications and confusion.

If this

South African national and provincial government departments/administrations are encouraged to prepare regional policies within their line-functions and duties, in which their individual contributions towards the promotion of balanced growth and prosperity for the region is clearly stated..

With regard to their participation in SADC activities, departments are encouraged to evaluate within their departmental objectives all enquiries and invitations received from SADC institutions, and, on a priority basis participate only in those initiatives which are to the benefit of Southern Africa as a whole and which have the highest immediate and long-term potential for successful cooperative results.

3.14.4

3.14.5

regional institutions staffed and financed by subscriptions from member countries.

3.27 With regard to the strategic planning and evaluation process within SADC, South Africa is a member of the SADC subcommittee which will oversee the SADC Rationalisation Plan of Action and its Terms of Reference.

3.27.

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Within this subcommittee, the Department will play a leading role, and its primary intention is the creation of a Southern African Regional Planning, Programme Management, Assessment and Coordination capacity within the SADC Secretariat.

The long-term objective will be to commission a Regional Resources Assessment Programme to create an all-encompassing resource data base for the SADC region, on inter alia, the regional demography; human natural and mineral resources; infrastructure and services, as a fundamental requirement for the long-term planning of reconstruction and development in the region. the basis of the above data base, comprehensive infrastructural reconstruction and development plans for the region can be drawn up, covering all

On

the relevant sectors.

3.27.

3

In this process of translating the imperatives of the RDP into the Southern Africa region, South Africa should place a greater emphasis on Agenda 21, which is complementary to the principles of the RDP in that it is aimed at marrying socio-economic developmental concerns with environmental concerns.

MANPOWER IMPLICATIONS

The proposed framework for cooperation with countries in the Southern African region will involve most if not all of the national government departments, as well as a number of the Provincial Administrations (see Annexure A). In the light of criticism regarding the size of the Public Service and efforts to right size it, in the opinion of the Minister for the Public Service and Administration it is contentious for departments/ administrations to, at this stage, consider expanding their staff establishments as a means to deliver effective inputs with regard to their sectoral responsibilities.

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7.1.8

7.1.9

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The Minister of Finance (reference M.3/12/3
(3260/96) dd 17 January 1996);

The Minister of Defence (reference
MS/R/501/10/36342 dd 22 January 1996);

The Minister of Sport and Recreation (reference
1/3/1 dd 23 January 1996);

The Minister of Housing (reference 1/16/4 (SP
10/1/2) dd 12 February 1996);

The Minister of Correctional Services (reference
8/5/1/6 dd 20 February 1996); and

The Deputy Minister of Land Affairs (9 January
1996, reference MA 3/9/2/10).

8.

RECOMMENDATIONS

8.1

8.2

It is recommended that this cabinet memorandum be considered by the Cabinet Committee for Economic Affairs as a working document to formulate a fully integrated and coordinated approach towards future cooperation in the Southern African region.

In the light of developments since the 1995 SADC Heads of State Summit, held in Johannesburg on 28 August 1996, and the 1996 SADC Annual Consultative Conference, held at Midrand from 27 January to 2 February 1996, it may be useful if the document could be used as a working document during a proposed inter-ministerial meeting of all ministers and departments/administrations concerned with SADC, to discuss South Africa's future participation in this organisation.

8.3

It is recommended that the inter-ministerial meeting be held well in advance of the 1996 SADC Heads of State Summit, which will take place in Maseru on 24 August 1996.

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Strengthen and consolidate the long-standing historical, social and cultural affinities and links among the peoples of the region.

To give practical effect to these objectives, Article 22(1) provides for member States to conclude a series of protocols to "spell out the objectives and scope of, and institutional mechanisms for cooperation and integration.

the member States and, after approval by the Summit, become an integral part of the Treaty.

identifies the following areas in which cooperation towards integration would be pursued (additional areas of cooperation are also permitted under Article 21(4)):

These protocols are to be negotiated by

Article 21(3)

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food security, land and agriculture;

infrastructure and services;

industry, trade) investment and finance;

human resources development, science and technology;

natural resources and environment

social welfare, information and culture; and

politics

Regional integration through Sectoral Cooperation, Trade Integration and Harmonisation of Policy

3. 6

SADC is in the process of implementing the two basic models for regionalism â\200\224 sectoral cooperation and trade integration â\200\224 simultaneously.

Although the two models

are distinct modes of regional integration, success in one area tends to reinforce success in the other.

While both forms of integration are to reinforce success in the other, they are also greatly enhanced and facilitated by sectoral cooperation in the area of finance and investment.

Trade integration has the potential to yield substantial benefits primarily because it reduces both tariff and nonâ\200\224tariff barriers to trade and provides

member countries with broader markets for their commodities.

Sectoral cooperation yields benefits by:

â\200\224

decreasing duplication of functions in different member countries;

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2.4

2.5

2.6

it has laid the basis on which regional planning and development in Southern Africa could be pursued.

It also provides the desired instrument by means of which member countries should move along the path towards eventual economic integration.

With particular benefit to South Africa, SADC provides the framework for translating the imperatives of the Reconstruction and Development Programme (RDP) onto a regional plane.

In so doing it enhances the degree to which, individually and collectively, the countries of the region offer a climate for sustained growth and development.

As such it is essential that the GNU should adopt a clear policy on regional planning and development in Southern Africa.

culmination of firstly interaction and consultation between all national and provincial line-function departments and, secondly discussions with the other countries in Southern Africa.

Such a policy should however be the

South Africa should encourage a step-by-step approach to development, taking into account availability of resources and manpower.

disparate levels of economic performance in the region will naturally dictate economic development approaches and priorities.

Furthermore, the existing

3.

MOTIVATION

Introduction to SADC

3.1

The Southern African Development Co-ordination Conference (SADCC) was established in Lusaka in 1980, following the adoption of the Lusaka Declaration - Southern Africa : Towards Economic Liberation. establishment of SADCC was largely in response to South African plans for a Constellation of Southern African States.

Lesotho, Malawi, Mozambique, Namibia, Swaziland, Tanzania, Zambia and Zimbabwe.

SADCC comprised 10 members : Angola, Botswana,

The

3.1.1

The basic aim of SADCC was to reduce its members economic dependence on South Africa and to promote economic development.

was to concentrate on promoting cooperation in the

field of infrastructure.

SADCCâ\200\231 5 original strategy

3.1.2

In practice its primary activities were aimed at

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5.

FINANCIAL IMPLICATIONS

5.1

Due to the fact that the contents of this proposed framework for cooperation with countries in the Southern African region will have a direct functional and financial impact on the various departments/administrations, they should be given the opportunity to quantify and consider it within their respective departmental management plans. of view, this is a crucial exercise because, in the View of the Minister of Finance, it is not possible to increase budget allocations especially to increase staff establishments. regarded as having a high priority, it should be funded from departments/administrations normal budget allocations or from funds generated from the scaling down of lower priority services.

If the proposed activities are

From a financial point

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6.

COMMUNICATION IMPLICATIONS

6.1

Although the execution of South Africa's foreign policy, also within the region, is a central government function, this cannot be determined and directed without the recognition of activities, needs and the potential involvement of provincial governments and other stakeholders. As seven of the nine provinces border States of Southern Africa, it is of special importance that the formulation of a regional policy framework for Southern Africa should be determined in consultation with the provincial governments.

7.

OTHER DEPARTMENTS/INSTITUTIONS CONSULTED

7.1

A draft framework for cooperation with countries in the Southern African region was circulated by the Ministry of Foreign Affairs to all members of Cabinet on 7 December 1995 for comment (reference MB 5/1 (ii)). Comment received from the following Ministries has been incorporated into the document:

7.1.1

7.1.2

7.1.3

The Minister of Transport (reference M3/6/6/7 dd 4 January 1996);

The Minister for the Public Service and
Administration (reference DG.96 dd 9 January
1996);

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The Minister of Provincial Affairs and
Constitutional Development (reference 2/5/2 dd 16'
January 1996);

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transport and communications infrastructure planning, development, operations and management, etc. as well as to recognise the expertise available in the rest of the region.
be actively encouraged.

Networking within the region should

3.18.9

Promotion of Regional Tourism

a.

Establishing and managing of networks in which regional tourism can be promoted and related issues be managed, should be more actively pursued.

This should include the development and implementation of an appropriate regional strategy and structure to address the key regional issues, as well as appropriate and effective member country participation, support and representation on a future regional tourism structure (including a balance between public and private sector representation).

3.18.10

Regional Crime Prevention Policing

a.

In order to contribute towards regional growth, development, investor confidence and increased regional tourism, a coordinated regional policing network should be established.

Specific attention ought to be given to :
Combating of drug trafficking; illegal cross-border migration; and the combating of arms smuggling and general criminal activities, such as money laundering, extradition of criminals and the exchange of information.

Consideration should be given to the creation of a Sector criminal justice to give formal recognition and structure to the regional cooperation which already exists in the areas of policing, the judiciary and prisons.

3.18.11

Political cooperation, defence and security

a.

South Africa should seek to strengthen the security and defence forums within the Southern African region.
arrangements could facilitate the sharing of information, intelligence and resources, the

Common security

in those sectors which have the highest immediate and long-term potential for successful cooperative results, such as electricity, water, transport, communications, environment, etc.

Consensus on a draft policy framework should be reached within South Africa as a first step with it being the product of Close consultations with other stakeholders. Thereafter such a framework could become the basis for negotiating SADC sector-specific protocols or biâ\200\224 and multilateral agreements within the region.

.1

.2

Once acceptable to central government, consultations within the broader region to promote consensus with all stakeholders should take place. It should be kept in mind that bilateral agreements can form the buildingâ\200\224blocks for an envisaged multi-lateral agreement at a future stage.

It is necessary to accentuate in this regard that once an agreed position has been reached amongst South African participants on how to proceed, this of necessity still has to be Cleared with the SADC counterparts at the interâ\200\224governmental level (both through bilateral and multilateral initiatives taken by South Africa).

Duplication of efforts must be avoided,

With regard to the Southern African Customs Union, a closer working relationship between SACU and SADC must be promoted.

and, if required, and in cases where it is relevant, joint SACU/SADC task teams should be formed. It should be noted that South Africa, together with the other members, are presently renegotiating the 1969 SACU Agreement.

Whilst the redesign of the revenue and stabilising sharing formulae are an obvious element of these negotiations, far more important are matters relating to equitable industrial development and institutions for decisionâ\200\224making within SACU. regard, within SADC, a trade protocol is presently under discussion.

In this

Priority areas for cooperation

3.18 It is suggested that priority be given to the following

areas and activities that do not impair national sovereignty; but where the harmonisation of activities and the development of sector specific protocols and agreements will promote cross border activity and economic coordination and, with that, a more balanced regional development pattern:

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the coordination of members' development initiatives and assisting in raising donor funds for these projects.

The emphasis later shifted from specific projects towards the coordination of sectoral plans and programmes, and also from the development of infrastructure to measures intended for the promotion of investment and production. This was seen not only as a step towards reducing economic dependence, but also as laying the foundation for genuine and equitable integration.

All of

In August 1992, SADC came into existence in Windhoek with the transformation of SADCC into the Southern African Development Community (SADC). This organisation changed from "development coordination" to "development integration". From SADC now provides the desired instrument by means of which member countries should move along the path towards eventual economic integration.

The emphasis of

In its new

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Unlike the Southern African Customs Union (SACU), SADC has a formalized structure. This includes the Summit of Heads of State; the Council of Ministers; the Standing Committee of Officials; Sector Committees of Ministers; Sector Committees of Senior Officials; and Sector Coordinating Units that provide support to the Sector Committees. As the principal executive institution of SADC, the SADC Secretariat is responsible for strategic planning and management of SADC programmes.

The Secretariat, headed by the Executive Secretary, is located in Botswana and financed by subscriptions from member countries. The Secretariat is charged with the task of implementing decisions made by the Summit and the Council. Kaire Mbuende of Namibia.

The present Executive Secretary is Dr

The

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DEPARTMENT OF FOREIGN AFFAIRS

CABINET MEMORANDUM NO :

6/96

FILE NO

DATE

SUBJECT

:

:

:

470/4/1/2

11 APRIL 1996

DRAFT FRAMEWORK FOR COOPERATION
WITH THE COUNTRIES IN THE SOUTHERN
AFRICAN REGION

1.

OBJECTIVE

1.1

The aim of this cabinet memorandum is to provide a broad framework containing the vision for and practical steps towards accelerated and more structured cooperation within the Southern African region. framework was requested by the Cabinet Committee for Economic Affairs on 23 August 1995, which recommended that the Department of Foreign Affairs should submit a broad framework for cooperation with countries in the Southern African region.

This

_SUMMARY

The countries of the Southern Africa region can achieve their full potential only through close cooperation in the exploitation of natural resources in a coordinated fashion, the pooling of technical expertise, the harmonization of trade practices and the promotion of economies of scale.

South Africa should strive to achieve regional economic development by utilizing the instrument that is ready to hand, in the form of the Southern African Development Community (SADC). structures provide valuable opportunities for developing and executing South Africaâ\200\231s foreign policy objectives within Southern Africa.

SADC's organization and

The aim of SADC is to create a Community providing for regional peace and security, sector cooperation and an integrated regional economy.

As a regional institution

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Southern African people.
approach existing fora (SADC), agreements (Lomé) and strategies (Lagos Plan of Action) that are supported by and have credibility with Southern African Governments and its people should be utilized.

In pursuing this

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The Southern African region can achieve

Cooperation in developing effective growth and development strategy based on equity and mutual benefits.
its full potential only through close cooperation by African countries in the exploitation of natural resources in a coordinated fashion, the pooling of technical expertise, the harmonization of trade practices and the promotion of economies of scale.
development is of paramount importance as the economies of Southern African countries are interdependent

The promotion of economic growth and

The reality of the socio-economic

Linkage of Reconstruction and Development in the region.
conditions of the majority of South Africans are, in some respects, worse than those of the citizens of a number of developing countries.
approach based on collectivity and equality is therefore in South Africa's interest.

Through
Close interaction individual African states stand to benefit.
For this reason, South Africa's
approach vis-à-vis Southern Africa should be firmly linked to the RDP.
the RDP therefore should also be seen within a broader context.

The implementation of

A regional

Actual execution of regional foreign policy objectives

3.13 The actual execution of South Africa's foreign policy as a central government function cannot be determined and directed without the recognition of activities, needs and the potential of other line-function departments and the provincial administrations.
seven of the nine provinces border states of Southern Africa, it is of vital importance that the formulation of a foreign policy framework for Southern Africa in future be determined in consultation with the provincial governments.

As

While the country's interests cover international affairs in all parts of the world, South Africa's relations with Southern African states include a wide and more complex variety of activities ranging from technical cooperation, trade links, environmental

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transport and communications infrastructure planning, development, operations and management, etc. as well as to recognise the expertise available in the rest of the region.
be actively encouraged.

Networking within the region should

3.18.9

Promotion of Regional Tourism

a.

Establishing and managing of networks in which regional tourism can be promoted and related issues be managed, should be more actively pursued.

This should include the development and implementation of an appropriate regional strategy and structure to address the key regional issues, as well as appropriate and effective member country participation, support and representation on a future regional tourism structure (including a balance between public and private sector representation).

3.18.10

Regional Crime Prevention Policing

a.

In order to contribute towards regional growth, development, investor confidence and increased regional tourism, a coordinated regional policing network should be established.

Specific attention ought to be given to :
Combating of drug trafficking; illegal cross-border migration; and the combating of arms smuggling and general criminal activities, such as money laundering, extradition of criminals and the exchange of information.

Consideration should be given to the creation of a Sector criminal justice to give formal recognition and structure to the regional cooperation which already exists in the areas of policing, the judiciary and prisons.

3.18.11

Political cooperation, defence and security

a.

South Africa should seek to strengthen the security and defence forums within the Southern African region.
arrangements could facilitate the sharing of information, intelligence and resources, the

Common security

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The SADC Treaty

3. 3

The SADC Treaty is a legally binding and all-encompassing framework by which countries of the region shall coordinate, harmonise and rationalise their policies and strategies for sustainable development in all areas of human endeavour.
states to fundamental principles of:

It also commits member

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-
-

Sovereign equality of member States;

Solidarity, peace and security;

Human rights, democracy and rule of law;

Equity, balance and mutual benefit.

The Treaty is structured as an enabling instrument. Accession to the Treaty commits member states to accepting a series of principles on mutually beneficial and equitable cooperation and integration; to participating in the structures and institutions of SADC; and to negotiate a series of protocols to give practical effect to its aims.
of the Treaty, SADC's objectives are to:

According to Article 5

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Achieve development and economic growth, alleviate poverty, enhance the standard and quality of life of the peoples of Southern Africa and support the socially disadvantaged through regional integration;

Evolve common political values, systems and institutions;

Promote and defend peace and security;

Promote self-sustaining development on the basis of collective self-reliance, and the interdependence of member States;

Achieve complementarity between national and regional strategies and programmes;

Promote and maximise productive employment and utilisation of resources of the region;

Achieve sustainable utilisation of natural resources and effective protection of the environment;

and

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the coordination of members' development initiatives and assisting in raising donor funds for these projects.

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7.1.4

7.1.5

7.1.6

7.1.7

7.1.8

7.1.9

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The Minister of Finance (reference M.3/12/3
(3260/96) dd 17 January 1996);

The Minister of Defence (reference
MS/R/501/10/36342 dd 22 January 1996);

The Minister of Sport and Recreation (reference
1/3/1 dd 23 January 1996);

The Minister of Housing (reference 1/16/4 (SP
10/1/2) dd 12 February 1996);

The Minister of Correctional Services (reference
8/5/1/6 dd 20 February 1996); and

The Deputy Minister of Land Affairs (9 January
1996, reference MA 3/9/2/10).

8.

RECOMMENDATIONS

8.1

8.2

It is recommended that this cabinet memorandum be considered by the Cabinet Committee for Economic Affairs as a working document to formulate a fully integrated and coordinated approach towards future cooperation in the Southern African region.

In the light of developments since the 1995 SADC Heads of State Summit, held in Johannesburg on 28 August 1996, and the 1996 SADC Annual Consultative Conference, held at Midrand from 27 January to 2 February 1996, it may be useful if the document could be used as a working document during a proposed inter-ministerial meeting of all ministers and departments/administrations concerned with SADC, to discuss South Africa's future participation in this organisation.

8.3

It is recommended that the inter-ministerial meeting be held well in advance of the 1996 SADC Heads of State Summit, which will take place in Maseru on 24 August 1996.

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2.4

2.5

2.6

it has laid the basis on which regional planning and development in Southern Africa could be pursued.

It also provides the desired instrument by means of which member countries should move along the path towards eventual economic integration.

With particular benefit to South Africa, SADC provides the framework for translating the imperatives of the Reconstruction and Development Programme (RDP) onto a regional plane.

In so doing it enhances the degree to which, individually and collectively, the countries of the region offer a climate for sustained growth and development.

As such it is essential that the GNU should adopt a clear policy on regional planning and development in Southern Africa.

culmination of firstly interaction and consultation between all national and provincial line-function departments and, secondly discussions with the other countries in Southern Africa.

Such a policy should however be the

South Africa should encourage a step-by-step approach to development, taking into account availability of resources and manpower.

disparate levels of economic performance in the region will naturally dictate economic development approaches and priorities.

Furthermore, the existing

3.

MOTIVATION

Introduction to SADC

3.1

The Southern African Development Co-ordination Conference (SADCC) was established in Lusaka in 1980, following the adoption of the Lusaka Declaration - Southern Africa : Towards Economic Liberation. establishment of SADCC was largely in response to South African plans for a Constellation of Southern African States.

Lesotho, Malawi, Mozambique, Namibia, Swaziland, Tanzania, Zambia and Zimbabwe.

SADCC comprised 10 members : Angola, Botswana,

The

3.1.1

The basic aim of SADCC was to reduce its members economic dependence on South Africa and to promote economic development.

was to concentrate on promoting cooperation in the

field of infrastructure.

SADCCâ\200\231 5 original strategy

3.1.2

In practice its primary activities were aimed at

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Strengthen and consolidate the long-standing historical, social and cultural affinities and links among the peoples of the region.

To give practical effect to these objectives, Article 22(1) provides for member States to conclude a series of protocols to "spell out the objectives and scope of, and institutional mechanisms for cooperation and integration.

the member States and, after approval by the Summit, become an integral part of the Treaty.

identifies the following areas in which cooperation towards integration would be pursued (additional areas of cooperation are also permitted under Article 21(4)):

These protocols are to be negotiated by

Article 21(3)

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food security, land and agriculture;

infrastructure and services;

industry, trade) investment and finance;

human resources development, science and technology;

natural resources and environment

social welfare, information and culture; and

politics

Regional integration through Sectoral Cooperation, Trade Integration and Harmonisation of Policy

3. 6

SADC is in the process of implementing the two basic models for regionalism â\200\224 sectoral cooperation and trade integration â\200\224 simultaneously.

Although the two models are distinct modes of regional integration, success in one area tends to reinforce success in the other.

While both forms of integration are to reinforce success in the other, they are also greatly enhanced and facilitated by sectoral cooperation in the area of finance and investment.

Trade integration has the potential to yield substantial benefits primarily because it reduces both tariff and nonâ\200\224tariff barriers to trade and provides

member countries with broader markets for their commodities.

Sectoral cooperation yields benefits by:

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decreasing duplication of functions in different member countries;