

**COOPERATION
BETWEEN
THE EUROPEAN UNION
AND SOUTH AFRICA**

The Cooperation Council

Brussels, 1 October 2012

UE-ZA 4911/12

NOTE

Subject: Transport report

Cooperation on transport issues between the EU and South Africa was established under Article 59 and 59A in the Trade Development and Cooperation Agreement (TDCA) as amended. The aim of the cooperation is to improve access to affordable, safe, and reliable modes of transport and to facilitate the flow of goods and services from both parties through support and development of intermodal infrastructure networks and that are economically and environmentally sustainable.

The last dialogue meeting on Transport took place between DG MOVE and the Department of Transport in July 2011 to discuss progress in the transport cooperation and envisage the establishment of the Transport Dialogue Forum with the adoption of Terms of Reference. This overarching transport dialogue forum is envisaged to cover all modes of transport in contributing to the restructuring and modernisation of the transport network system. Aviation and Maritime transport dialogues have been established in order to identify areas of common interest through the exchange of views and sharing of best practices.

However, no further exchanges have taken place since then, as the EU side insisted on first finding a way forward on the longstanding discussions on restoring the legal certainty of the existing bilateral Air Services Agreements between South Africa and the EU Member States before finalizing the Terms of reference.

The South African Department of Transport commissioned a feasibility study on the South Africa – EU Horizontal Agreement proposed by the EU in order to amend the existing bilateral Air Services Agreements to ensure their conformity with EU internal market legislation and the EU Treaty. The study which aimed to assess the implications of the EU designation of air carriers for South Africa's air transport, had been completed in mid-2011 and the outcomes were to be submitted for the Cabinet's consideration.

The EU delegation recalled the importance and urgency of restoring the legal certainty to the bilateral framework of existing air services agreements and reminded the meeting of the spirit and the letter of discussions at the 2008 Bordeaux Summit. The EU delegation called for the Cabinet decision on the study to issued at the latest for the next EU-South Africa Summit on 18 September 2012 in Brussels in order to reach a final agreement on the way to solve the legal issue.