

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

The Cooperation Council

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DRAFT MINUTES

Subject: 15th South Africa – European Union Joint Cooperation Council (JCC) held in South Africa, Pretoria on 7 December 2022

1. Introduction

The 15th Session of the Joint Cooperation Council (JCC) took place in South Africa, Pretoria on 07 December 2022. It was co-chaired by Mr Zane Dangor, Director General at the South African Department of International Relations and Cooperation (DIRCO) and Ms Rita Laranjinha, Managing Director: Africa at the European External Action Service (EEAS).

Around thirty South African delegates from various departments attended the meeting including officials from the EEAS and the EU Delegation of Pretoria. The JCC was the opportunity for the active sectoral dialogues to report back on their achievements and future priorities.

The JCC followed various Sectoral Dialogues and meetings on trade, human rights, development cooperation, science and technology as well as education and training

The JCC provided the opportunity to discuss the perspectives on the Strategic Partnership in the wake of the Covid 19 pandemic.

2. Opening remarks

The opening was conducted by Co-Chairs Mr Dangor and Ms Laranjinha, and both acknowledged the sterling work that is being done by the South Africa-EU Dialogue Facility, which has gained prominence in recent years.

Both sides noted the effectiveness of the Dialogue Facility has, however, resulted in many of our departments overlooking the Structured Dialogues with more focus on projects generated by the Dialogue Facility. This is one area we need to work on bearing in mind that the Dialogue Facility is meant to support and give effect to the Structured Dialogues. It is indeed not meant to replace them.

During the meeting in Brussels in September, both sides agreed that only the active and / or relevant Dialogues would be present at this JCC, to ensure a more focused engagement in line with current purposes and areas of cooperation.

Both Co-Chairs agreed that the meeting should also finalise preparations for the Ministerial Political Dialogue, and ultimately the Summit in such a way as to ensure that action plans are focussed, measurable and that there are deliverables, and this will then truly revitalise this partnership.

3. Adoption of the draft agenda

The JCC agenda was adopted (see ANNEX).

4. Adoption of the minutes of the 14th meeting of the JCC

The minutes of the last JCC were adopted with no amendments.

5. Reports by current South Africa-EU Structured Dialogues:

5.1 Political and Security Dialogue Forum (PSDF)

Presenters: Ms Rita Laranjinha (Managing Director, EEAS) and Mr Zane Dangor (Director-General, DIRCO)

Both sides reiterated the importance and value of the strategic coordination between them in approaching current challenging international issues and that common ground was found on many items, especially relating to multilateralism and rule of law with South Africa stressing the importance of their application in a consistent manner.

South Africa also underscored its strong interest in the process of UN reform. Both sides recognised the value of the different experiences that each side brings to the Dialogue such as South Africa's previous UNSC membership, SADC Organ Chair, UN Peacebuilding Commission membership as well as the EU's experience with Common Security and Defence Policy (CSDP) missions, support to UN and AU operations and the strategic direction of EU Member States for EU security and defence role in coming years.

The two sides appreciated the regularity of PSDF engagements and stressed the importance of linking the dialogue with concrete follow-up and joint strategic actions. Substantial and in-depth discussions took place on a range of issues relating to political and security coordination at the 10th South Africa-EU Political and Security Dialogue Forum (PSDF) in Brussels on 5 September 2022. These topics included European Security and Defence Cooperation; cooperation in multilateral fora including Cyber-Crime, Disarmament and Non-Proliferation, United Nations (UN) reform, African Union-EU (AU-EU) cooperation, counterterrorism and the fight against violent extremism, as well as illicit financial flows. In addition, constructive exchanges took place on developments in the two strategic partners respective regions – Mozambique / Cabo Delgado, Democratic Republic of the Congo (DRC), and Zimbabwe, as well the Russian-Ukraine war and its global consequences.

The 10th PSDF agreed on the following outcomes:

- To establish a dedicated Security and Defence Dialogue, chaired by diplomats (DIRCO and EEAS) but including representatives from other relevant departments from both sides that would provide a platform to discuss security and defence matters, including cyber security.
- To immediately establish a Working Group on Counterterrorism and Illicit Financial Flows to assist the South African Government to enhance its understanding of the information-based issues and requirements, and how it could improve policy to address the related issues of concern, to avoid grey-listing by the Financial Action Task Force (FATF).

5.2 Human Rights Dialogue (HRD)

Presenters Ambassador Francis Moloi (Chief Director Human Rights and Humanitarian Affairs, DIRCO) and Ms Rita Laranjinha (Managing Director Africa, EEAS). Following two years of Covid-19 disruptions, South Africa and the EU held the 7th session of the South Africa-EU Human Rights Dialogue Forum on 07 September 2022 in Brussels.

The session discussed wide ranging human rights topics of mutual interest, including amongst other, human rights defenders, anti-racism, gender equality and women empowerment, right to development, establishment of legally binding instrument on transnational corporations and other business enterprises, elaboration of international regulatory framework governing the activities of private military and security companies, as well as cooperation in the UN multilateral forums.

On Covid-19 both sides acknowledged the disruptions and human rights challenges caused by Covid-19 in various countries and regions. Both sides noted that Covid-19 pandemic posed and inherent danger to the enjoyment of human rights including the right to life and committed to convene future discussions on lessons learnt from the pandemic.

Regarding human rights defenders, both sides identified challenges facing both sides relating to the protection of human rights defenders. To this end, the EU invited South Africa to join the discussions on how to develop and strengthen measures to protect human rights defenders. The two sides will have a joint initiative involving other countries to share views.

On racism, racial discrimination, xenophobia and related intolerance, South Africa expressed its concern on the EU decision not to participate in the 20th Anniversary of the Durban Declaration and Programme of Action held in September 2021. The item will be discussed in the next dialogue session to explore possible areas of cooperation in the UN Multilateral context.

Both sides shared views on gender equality and women's empowerment and on how to advance these rights in the build up to the Ministerial meeting scheduled for 2023. Consequently, the EU requested South Africa to participate in a joint side event in the margins of the 67th session of the Commission on the Status of Women and invited South Africa to take part in the 52nd Session of the Human Rights Council (February -March 2023) to discuss the decriminalisation of the LGBTIQ+.

The two sides also discussed the right to development. In this regard, both sides emphasised the importance of the universality, indivisibility, interrelatedness and equality of the civil and political and economic, social and cultural rights. To this end, the two sides agreed to convene an expert's workshop to share knowledge and perspective on the subject.

South Africa-EU further exchanged views on business and human rights, including the ongoing discussions on a possible Legally Binding Instrument on Transnational Corporations and Other Business Enterprise with respect to human rights (TNCs). It was noted that the two sides have different approaches to the issue and therefore should continue to discuss the issue in the next session. South Africa also suggested organizing a joint side event on business and human rights, possibly on the margins of the HRC, with the involvement of civil society and private sector

The EU encouraged South Africa to join the Global Alliance for Torture Free Trade.

The EU acknowledged the leadership role of South Africa in the development of the instrument to regulate the activities of the Private Military and Security Companies (PMSCS) within the context of the elaboration of international regulatory framework relating to the activities of the PMSC's and promised to continue to actively participate in the working group's efforts to develop the instrument. However, due to different approaches to the issue, both sides agreed to hold an expert level workshop to examine all aspects of the issue.

The session also discussed cooperation in multilateral fora, in particular cooperation in the UN General Assembly Third Committee and the Human Rights Council of which South Africa would now be a member. In this context the two sides agreed to intensify cooperation in all common and shared areas.

Both sides agreed on the importance to highlight cooperation on human rights in the Ministerial and Summit Joint Communiques.

5.3 Trade and Investment Dialogue

Presenters Ms Dora Correia (Director, DG TRADE) and Advocate Niki Kruger, Chief Director: Trade Policy and Negotiations, Department of Trade, Industry and Competition (DTIC).

Both sides agreed on the positive impact of the SADC-EU EPA on trade flows, as well as the important role of EU investments in South Africa. They also concurred on the partnership required to further diversify the export basket of South Africa towards higher value – added products through initiatives aimed at fostering value chains and unlocking further investment flows by addressing possible impediments.

Both sides concurred on the utility to continue the dialogue under the denomination of 'Dialogue on Trade and Investment', covering all trade and investment issues of bilateral nature as well as those related to the EPA agenda when bilateral discussions would be useful to help EPA implementation. They acknowledged that dialogue on exiting trade irritants on both sides shall continue with a view to finding mutually satisfactory solutions.

Regarding WTO issues, both sides recognised the excellent collaboration leading to a successful outcome of MC12 and stressed the commitment to work towards a successful MC13. In terms of possible deliverables for a South Africa-EU Summit, both sides agreed to focus on the following outcomes: 1) recognise the positive trade agenda anchored in the SADC-EU EPA; 2) acknowledge the positive collaboration leading to a successful MC12 and commitment to work together towards a successful MC13; 3) continue the dialogue on all outstanding trade irritants with a view to finding a mutually satisfactory way forward addressing the demands on both sides.

5.4 Science, Technology and Innovation (including Space)

Presenters: Ms Maria Cristina Russo (Director, DG Research & Innovation), Ms Sabine Henzler (Director, JRC) and Mr Francois Davel, Acting Chief Director International Mobilisation, Department of Science and Innovation (DSI).

Both sides confirmed the very active and vibrant cooperation between South Africa and the EU in this area.

South Africa's White Paper on STI, and the recently concluded STI Decadal Plan 2022, was informed by the long-standing partnership with the EU, and provides a solid policy platform for the ongoing implementation of the partnership.

South Africa shares priorities with the EU, as seen in the below mentioned activities:

- Multilateral Dialogue with a focus on ethics, and research integrity.
Open science, where the outputs from joint workshops are important inputs in the Open Science Strategy for South Africa.
The South Africa-EU Dialogue Facility, where South Africa benefits in areas of Open Science, Disruptive Technologies, 4IR, and the Circular Economy.
The EU Framework Programmes, where it is exciting that the participation of emerging researchers on the South Africa side is increasing.
Mobility Instruments where South African researchers can benefit from exposure to EU science.

- Research Infrastructures, with the SKA project as a good example of the ongoing collaboration. The following areas were identified as main axes of cooperation in STI: (i) the multilateral dialogue on values and principles in Research & Innovation (R&I); (ii) hydrogen, with the opportunity for South Africa to join the EU in the global initiative of “Mission Innovation (MI)” in the near future; (iii) Public health, especially through the European and Developing Countries Clinical Trials Partnership (EDCTP), which has now evolved in the Public-Private Partnership of Global Health EDCTP3 Joint Undertaking; (iv) Marine research with the All-Atlantic Alliance Ocean R&I Alliance (AAAORIA) and (v) regional cooperation on the joint AU-EU Innovation Agenda, expected to be adopted through a second AU-EU R&I Ministerial Meeting in June 2023.

Both sides recognised the contribution of the scientific cooperation between the JRC and South African scientific institutions to the South Africa-EU Dialogue on STI. Promising areas to deepen the cooperation are, nuclear medicine, place-based Science Technology and Innovation Roadmaps, research infrastructures and data for policymaking, including the JRC Africa Knowledge Platform. In view of the forthcoming South Africa-EU Ministerial, both parties agreed on the potential for this cooperation to grow stronger through the implementation of AU-EU Innovation Agenda, the possible participation of South Africa in Mission Innovation and the enhanced scientific cooperation between South African scientific institutions and the EC Joint Research Centre.

5.5 Education, Training and Skills Dialogue

Presenter Mr Xolani Khumalo, Chief Director: Department of Higher Education and Training), South Africa appreciates the support provided by the EU over the years in building capacity in the post-school education and training which has grown from the strength to strength. The signing of the Joint Declaration between EU and South Africa in the fields of Education and Training made it possible for Senior Officials to meet annually, alternating between Pretoria and Brussels to identify themes for Policy Dialogue and discuss the organisation, implementation and results of the Dialogue activities and future cooperation. The last SOM was held in Brussels in January 2020.

South Africa expressed its gratitude of the financial contribution received from the EU for the Teaching and Learning Development Sector Reform Contract to strengthen teacher education in all subsectors. This indeed has been a flagship project which has led to the establishment of three centres, (visual impairment studies, Deaf studies, and neuro-developmental learning) needs to address the barriers faced by learners with special education needs. *

South Africa is appreciative of the high-level engagements / visits undertaken by officials and stakeholders in the Education sector to Brussels over the years to learn and share best practices and current trends in education.

South Africa takes note of the participation of South African universities in the European Universities Alliance to enhance knowledge production.

South Africa takes pride in the appointment of the DDG: University Education as the National Africa Focal Point of Erasmus Mundus programme. The appointment of a Branch Head signifies the importance the EU attaches to such a position. The Department will capitalise on this in seeking mobility / exchange opportunities for students, academics, researchers and international partners as part of transformation of higher education at South African public universities.

South Africa expressed appreciation of initiatives launched by the EU to build capacity in the vocational education and training sector as this is an area that South Africa regards as a strategic focus as it is an enabler in re-igniting the economy.

Both sides agreed on the importance of the two main instruments underpinning the dialogue on education and training, namely the European Education Area – through both its internal and its geopolitical dimension - and the international dimension of the Erasmus+ programme, which is also reflected by the appointment of a DHET high-level official as South Africa's Erasmus+ National Focal Point.

Both sides agreed on the relevance of mutual exchanges of knowledge and good practice at different levels, to inspire and support innovation and reforms in the different education and training sectors and closer interaction. The EU hinted in particular at the growing interest of European Universities for reaching out to South African institutions.

Both sides welcomed South Africa's significant participation in Erasmus+ mobility and cooperation actions. The EU pointed out that the programme's increased budget for Sub-Saharan Africa enhances the potential for South Africa's increased participation and partnership opportunities. South Africa stressed in particular the strategic relevance of the Erasmus+ action for Capacity Building in the field of Vocational Education and Training to support economic recovery.

Both sides also welcomed the good participation of South Africa in the Marie Skłodowska-Curie Actions (MSCA), and on the need to further promote its potential, for example by establishing an MSCA National Contact Point in South Africa.

Both sides agreed to continue their dialogue through the two main existing instruments

5.6 Environment, Climate and Water Dialogue

Presenters: Mr Zaheer Fakir, Chief Policy Advisor, International Governance and Resource Mobilisation, Department of Forestry, Fisheries and the Environment and Ms Maja-Alexandra Dittel (Head of Unit DG CLIMA) and Mr Davor Percan (Head of Unit, DG ENV)

The South Africa-EU Forum on environment, climate change, sustainable development and water was initially established in 2007 between the departments of environmental affairs and water and sanitation of the Republic of South Africa and the European Commission, aiming to enhance political and policy dialogue on issues of mutual interest.

The Forum was re-launched in 2016 when the revised Terms of Reference for cooperation were signed at the Ministerial level. Since then, the Forum has met annually with the last meeting most recently taking place in October 2022. The Forum meetings are a useful platform to exchange respective domestic policy developments, and on multilateral issues in the run-up to multilateral events, as well as to inform on ongoing EU support and to help identify joint priorities for programming of EU assistance. The Forum has assisted in unlocking concrete outcomes through the identification of concrete and implementable actions.

During the bilateral forum meeting held in October 2022, both sides deliberated on issues pertaining to domestic policy developments and multilateral issues. The topics that were discussed included the Circular economy and resource efficiency, biodiversity, climate change as well as water resource management.

During the meeting, South Africa indicated that at a domestic level, South Africa it has developed a National Waste Management Strategy Implementation Plan, which identifies Circular economy approaches as one of the priorities. South Africa also initiated a process for the development of a Circular Economy Action Plan (with studies commissioned on all sectors identified in the Africa Circular Economy Alliance big bets report); the development of an import / export regulation on the control of transboundary movement of Waste to support the implementation of the Basel Convention on Hazardous waste, which was recently gazetted and opened for public comments and the preparation of a Waste Economy Master Plan. South Africa has also initiated a process for developing Extended Producers Responsibility (EPR) schemes in three waste streams namely e-waste, paper and packaging. The EPR for pesticides and batteries is under consideration.

With regards to biodiversity related issues, the Parties deliberated the upcoming CBD Cop 15. South Africa indicated that CBD Strategic framework and Aichi targets 2010 - 2020 were not met due to lack of capacity and increased financial support, therefore, whilst the Global Biodiversity Framework currently under negotiation, needs to be ambitious, however, to achieve the GBF and its targets, the level of ambition needs to be matched with commensurate ambitious means of implementation from developed countries and realistic timeframes. In addition, Access and benefit sharing (ABS) and digital sequence information (DSI), including for resource mobilisation remains a priority to South Africa and the Africa Region.

South Africa's work on Climate Change is informed by the Climate Change Response Policy which was developed in 2011. South Africa has embarked on the process of developing climate change legislation, including the climate change bill which is currently at the National Assembly as part of the approval process. South Africa has also updated the emission targets on the updated its Nationally Determined Contributions (NDCs). South Africa has also developed the National Adaptation Strategy.

The dialogues held in the bilateral forum are also expected to contribute to a better understanding and alignment of the respective positions in Multilateral Environmental Agreements including but not restricted to the UNFCCC, CBD, CITES) in order to discuss key areas of interest. The parties reflected on preparations of the recently concluded UNFCCC CoP 27. For South Africa it remained important that CoP 27 deliver: increased action on adaptation, finance for loss and damage, recognition of the special circumstances of Africa, meaningful discussions on reforms of the international financial system and developed countries delivering climate finance.

On water matters, the South Africa-EU shared perspectives on the preparations for UN Water Summit 2023 (in March) and are also expected to scale-up their cooperation on water management, notably in where both parties supported the creation of a UN special envoy on Water issues, an initiative supported by 140 countries.

The EU stressed that the acceleration of the green transition in South Africa and the EU justifies that more strategic exchanges on environment, climate change and water are sought. The ensuing discussion showed that both sides consider that there is a need to look at the mode of engagement to ensure it involves all strategic stakeholders.

5.7 Macro-economic Dialogue

Presenters: Ms Yolande Smit, Chief Director Macro Economic Policy, National Treasury and Mr Moises Orellana (Head of Unit, DG ECFIN)

Both sides agreed on the importance of the Macro-economic Dialogue, particularly during times of severe economic challenges both at national and international level as was currently the case. With the latest dialogue held in Pretoria on 30 November 2022, the return to in person exchanges after two years of virtual dialogues and many staff changes were welcomed. Both sides considered the macroeconomic dialogue as a well-established and valuable tool for mutual learning, sharing best-practices, deeper understanding of current macroeconomic challenges as well as for discussing the appropriate policy responses at both national and global level.

Whilst meetings are generally conducted once a year, usually in November or December, on occasion, additional meetings have been scheduled over the course of the year, when appropriate, to discuss topics of mutual interest that have arisen.

The meetings are generally structured as follows: each delegation conducts a presentation on their respective macroeconomic outlook and policy priorities, which is then followed by a question-and-answer session. These presentations cover an extensive array of relevant macroeconomic developments including for example GDP growth, the global economic environment, unemployment, inflation and monetary policy, capital flows, risk premia, and exchange rate movements, amongst others, as well as policy initiatives and implementation of structural reforms, (for example those announced in the Budget or MTBPS, such as efforts towards fiscal consolidation and debt stabilisation).

In addition to these macro-economic and policy overviews, areas of mutual concern / mutually beneficial learnings or relevant geopolitical developments are discussed. Past topics have for example included the macroeconomic implications of Brexit, fiscal consolidation exercises in the EU (following the global financial crisis), the EU experience of the socio-political management of SOE reforms, and the impact of EUR pegging by periphery countries.

In addition to sharing information and efforts to learn from each other's experiences, areas of potential co-operation are discussed. As an example, while the EU is South Africa's largest trading partner by currency bloc, the euro accounts for only a relatively small proportion of currency transactions. Discussion therefore focussed on obstacles that companies and banks face in using the euro more extensively. More recently, meetings have placed a strong emphasis on climate change and related economic matters (such as green budgeting and sustainable investment plans in energy policy)

Building on the positive experience of open, frank, and cooperative-spirit discussions, both sides agreed to follow-up the latest dialogue with a more in-depth, technical discussion on an issue of mutual interest. This is to be further explored by the two sides and made concrete in the coming months or by the time of the next macroeconomic dialogue.

6. South Africa-EU Structured Dialogue on Development Cooperation

Presenters: Mr Robin Toli, (Chief Director International Development Cooperation, National Treasury) and Ms Sylvie Millot (Head of Unit, INTPA)

The Annual Consultations on Development Cooperation between South Africa and the EU were last held in Pretoria, on 30 November 2022. The Government of South Africa was represented by the International Development Cooperation unit of the National Treasury and the EU by the EU Delegation to South Africa.

The Government of South Africa and the EU enjoy a positive relationship on development cooperation since the dawn of democracy in 1994. Since then, total committed funding to South Africa has reached over €2.7 billion. The funding from the EU assists the Government of South Africa in economic and social programming, which complements South Africa's fiscal resources through piloting, innovation and demonstration, capacity development, and sharing of skills and knowledge. This approach further supports the global agenda towards evidence-based policy development.

EU cooperation with South Africa dates to the European Special Programme (ESP) adopted in 1985 in the form of financial aid to people who were historically disadvantaged by apartheid and colonialism. Since 1994, South Africa and the EU have signed four Country Strategy Papers: 1994-1999 for over €630 million; 2000-2006 for €870 million; 2007-2013 for €980 million; and most recently €241 million over 2014-2020, increased to close to 282 million.

In December 2021, the EU adopted a new 2021 – 2027 Multiannual Indicative Programme (MIP) for South Africa with an indicative envelope for the initial period (2021 - 2024) of €129 million under NDICI-Global Europe (NDICI-GE) and additional resources possible after the Medium-Term Review. The 2021-2027 MIP builds on South Africa's development priorities and their alignment with the EU's partnership and development objectives. It aims to support South Africa reshape its socio-economic landscape towards a more sustainable and resilient growth, whilst addressing the needs of the most disadvantaged sectors of society. Agreed priority areas centre on sustainable, resilient, transformative, and inclusive growth; reducing inequality; and partnerships.

These priority areas are in support of South Africa's fight against its triple challenges of inequality, unemployment and poverty; while supporting the aspirations of National Development Plan for a prosperous nation for all, of its NDCs and the country's Economic Reconstruction and Recovery Plan (ERRP). EU cooperation is guided by the 2030 Agenda; the Global Strategy for the EU's Foreign and Security Policy; the new European Consensus on Development; the European Green Deal; and relevant Multilateral Environmental Agreements. The priority areas are also aligned with EU's overarching policy priorities set for its external cooperation notably on green alliances and partnerships; digital transformation and data technologies; sustainable growth and decent jobs and governance.

Both sides acknowledged that the relationship has not been without challenges. The envelopes committed towards South Africa have declined significantly since peaking between 2007 and 2013; the decrease is associated with a general decline in grant funding towards Middle-Income Countries and not reflective of the state of the relationship. The South African side called for complementary sources of funding to offset the decline in grant funding to assist in meeting the country's developmental needs. Both sides agreed that funding must align to the country's transformative policy agenda.

The EU highlighted the fact that under the NDICI-GE, South Africa was eligible for funding from regional envelopes, which could usefully complement the bilateral allocation. South Africa was encouraged to explore together with EU opportunities to tap into such funding for cross-border and regional programmes, including on strategic corridors.

Both parties agreed that the Covid pandemic negatively affected working engagements, programme delivery and implementation, though causing limited slippages. Moreover, South Africa underlined that its fiscal challenges resulted in capacity gaps within government, which affected programme delivery specifically, and governance more generally. Both parties, however, acknowledged the swift and flexible Covid response provided by the EU and, overall, the results obtained so far in a good working atmosphere between National Treasury, implementing Departments and the EU Delegation.

Both sides agreed to draw the lessons from successes and challenges, from the implementation of budget support (BS), which both agreed to maintain in the modality mix of their future partnership. The EU recognised and appreciated the importance of the National Treasury's determination towards accountability and transparency when supporting line Departments. Both parties agreed to explore ways to jointly continue to support the latter to make optimal use of the EU BS for innovative and pilot initiatives.

Both sides reaffirmed their commitment to working together to address identified challenges, to enhance governance arrangements and optimise programming, and programme delivery. South Africa called for a more comprehensive approach, which addresses capacity and capability at both departmental and officials' level at improving governance, capacity, capability and programme performance.

South Africa and the EU welcomed the convergence of the joint agenda on Green Transition and agreed to engage in discussions regarding the possibility of investing a substantial proportion of the remainder of the 2021-2027 MIP's first phase envelope to just energy transition.

South Africa and the EU reiterated that the relationship has made significant strides since 1994, despite a challenging and constantly changing environment. South Africa and the EU welcomed the potential for increased funding towards the country and will work together to reinforce and ensure accountability, transparency and sound financial controls in the management of public funds as required by law in both jurisdictions.

7. Report by South Africa-EU Dialogue Facility

Presenters: Mr Henry William Short (Director Regional Organisations, DIRCO) and Mr Theo Kaspers (Head of Cooperation at the EU Delegation in Pretoria)

The presenters gave an overview of the facility and the results obtained:

Result 1: Improved sectorial policy dialogue between South Africa and the EU, where possible supporting the creation of synergies among the various dialogues.

Result 2: Increased institutional capacity to help implement the areas of cooperation of the TDCA, the Strategic Partnership Joint Action Plan and the SADC EPA.

Result 3: Increased awareness and understanding of the TDCA, the Strategic Partnership Joint Action Plan and the EPA.

Result 4: Effective program implementation and appropriate visibility of actions is ensured.

The presenters indicated that a Policy Dialogue typically comprises: Formal proposal with written support from both South Africa and EU public sector institutions, requesting various workshops / conferences, short term Technical Assistance by Non-Key experts providing research support and possibly a study tour to European counterpart institutions.

It was indicated that 7 Calls for Proposals have been launched to date - 84 dialogue proposals submitted resulting in 42 approved and over 72 months: 139 events spanning 192 days with 12,359 participants in dialogue average of 89 delegates / event. South Africa to EU total of 21 study tours – 164 South African delegates to 19 EU Member States. 20 Sub-Saharan delegates participated in dialogues.

It was agreed that the report on the Dialogue Facility should not be a standing item on the JCC Agenda; however, given the considerable period from the previous JCC held in 2014, it was considered important that the JCC should note the progress made in terms of the Facility.

8. New areas of South Africa-EU cooperation to be considered:

Establishment of Structured Dialogue on Raw Material Value Chains and Energy Transition
Presenters: Ms Barbara Bonvissuto (Head of Unit, GROW) and Mr Makgabo Tsiri (Director, Department Mineral Resources and Energy)

The EU welcomed the South African proposal to establish a new structured dialogue on raw materials value chains and energy transition under the JCC. The EU presented its views on the scope of the new dialogue. It highlighted that the main objective of the dialogue could be to coordinate future work on a possible future partnership on raw materials value chains and energy transition which is currently discussed at technical level.

This new dialogue would have a key role to play to monitor progress on the implementation of the associated roadmap and approval of its updates. The structured dialogue could in the future be organised around two sub-groups (one on raw materials value chains and one on energy transition). The EU further clarified their view that the scope of the structured dialogue would depend on outcome of the ongoing technical discussions on the strategic partnership. Establishment of this new structured dialogue should be endorsed at the South Africa-EU Ministerial meeting on 27 January 2023.

South Africa provided an overview of:

The two energy efficiency projects for a total funding of R120 million through the 4th General Budget Support (GBS-4) of the EU. These two projects are, namely:

- improving energy and environmental performance of twenty government buildings through an accelerated integration of renewable energy and energy efficient technologies and
- achieving a net-zero energy of three Wastewater Treatment Plants (WWTPs) through the deployment of integrated biogas cogeneration / Combined Heat and Power (CHP) and energy efficient technologies.

The programme is implemented jointly by the DMRE and SANEDI, each project was allocated R60 000 000.

South Africa recently released, for public comment, a Just Energy Transition Investment Plan as the basis for our pathway towards a low-carbon and climate resilient society. According to the Plan, South Africa will need approximately \$98 billion over the next five years to enable a just transition and achieve our ambitious emissions reduction targets.

Green hydrogen is identified in the Investment Plan as one of the four ‘big frontiers’ of a just energy transition, indicating that it has huge growth and investment potential. Globally, the demand for green hydrogen and green hydrogen-based products, such as ammonia and synthetic jet fuels, is rising significantly.

This presents a unique opportunity for South Africa to link its mineral endowment with its renewable energy endowment to drive industrialisation. At the same, it will create jobs, attract investment, bring development to rural provinces and support a just transition from fossil fuels.

South Africa has existing and future potential to produce green hydrogen. It is estimated that South Africa has the potential to produce 6 to 13 million tons of green hydrogen and derivatives a year by 2050. To do so would require between 140 and 300 gigawatts of renewable energy.

The focus would be on green hydrogen exports, electrolyser and fuel cell production, and the manufacture of green steel, sustainable aviation fuel, ammonia, fertilisers and renewable energy components. South Africa has many inherent advantages that makes it internationally competitive in the production of green hydrogen. These include a world class endowment of both onshore wind and solar irradiation.

South Africa has a supportive legislative environment and experience in the deployment of renewable energy with the largest installed capacity of wind and solar power projects on the African continent. Companies like Sasol and PetroSA have expertise in the production of synthetic fuels like diesel, petrol and kerosene, as well as a range of chemical products. South Africa already produces 2.4 million tons of grey hydrogen for domestic consumption.

Infrastructure South Africa has developed a pipeline of over R300bn of green hydrogen projects. Most of the projects are at a pre-feasibility stage with a few advancing to feasibility stage.

9. Preparations for 15th South Africa-EU Ministerial Political Dialogue, to take place on 26 and 27 January 2023

Mr Henry William Short (Director Regional Organisations, DIRCO) gave an overview of preparations and indicated that during the meeting between President Ramaphosa and President Michel of the European Council in Pretoria in July 2022, it was agreed that the next South Africa-EU Summit would be held in the first half of 2023 in South Africa. The South Africa-EU Ministerial Political Dialogue (MPD) held in extended format would be the most efficient mechanism to prepare for the Summit.

It would also enable, for the first time, the correct sequencing of meetings under the South Africa-EU Strategic Partnership i.e., Joint Cooperation Council (JCC), MPD, Summit. Given that the EU selected South Africa as a Strategic Partner due also to its role in the SADC region and Continent, these should feature on the MPD agenda in terms of EU engagement with these regions / institutions. The High Representative of the EU for Foreign Affairs and Security Policy and Vice-President of the EU (HR / VP) Josep Borrell accepted Minister Naledi Pandor's invitation to the 15th South Africa-EU MPD to be held in South Africa and the dates of 26-27 January 2023 were confirmed. HR / VP Borrell indicated several EU Commissioner would accompany him to the MPD.

Those already confirmed include: the EU Commissioner for International Partnerships, Ms Jutta Urpilainen; the EU Commissioner for Health and Food Safety, Ms Stella Kyriakides; and the EU Commissioner for Financial Services, Financial Stability and Capital Markets Union, Ms Mairead McGuinness. Minister Pandor had, therefore, invited several South African Ministers to participate in the 15th Session of the South Africa-EU MPD: Minister of Agriculture, Land reform and Rural Development, Ms Thoko Didiza; Minister of Higher Education, Science and Innovation, Dr Blade Nzimande; Minister of Health, Dr Joe Phaahla; the Minister of Finance, Mr Enoch Godongwana; and the Minister of Trade, Industry and Competition, Mr Ebrahim Patel.

The South African Ministers will engage their European counterparts in separate meetings at their respective premises on 26 January 2023. Minister Pandor will host the usual MPD with HR / VP Borrell in the afternoon of 26 January 2022. Several additions to the draft agenda for this meeting were proposed by the EU side. Discussions on the revised draft agenda will be held soon with the EU Delegation to consolidate the agenda. A dinner will be hosted by the Minister for HR / VP Borrell and the EU Commissioners on the evening of 26 January 2022.

The extended version of the MPD will then be held on 27 January 2023 and will discuss how to strengthen the Partnership as well as look at future areas of cooperation. Preparations for the 8th South Africa-EU Summit will also be discussed.

10. **Any other business**

The EU side raised the issue of their proposal for South Africa to join the EU INTERREG programme for the Indian Ocean which would have no financial implication for South Africa. The EU had not yet received a response from South Africa. South Africa to follow-up and respond to the EU.

11. **Closing remarks (co-chairs EU, South Africa)**

The remarks were made by the EU Ambassador to South Africa, Ms Sandra Kramer and by the South African Ambassador to Brussels, Ms Thokozile Xasa. Ambassador Kramer highlighted that the EU's engagement in South Africa is even broader and more multi-faceted than the various structures / dialogues or mechanisms can show.

One needed to look more holistically at the relationship as not all the engagement could be measured but was constantly ongoing and successful in many spheres. Both Ambassadors appreciated the value of the Strategic Partnership and its future potential given the shared and common values including the strong commitment to multilateralism.

Ambassador Xasa noted the importance of the partnership in assisting development, not only in South Africa but also in the region and Africa helping to create a better world. The Ambassadors also expressed their thanks to the Teams, both physically present and on-line from both sides, who had worked hard to ensure a successful Joint Cooperation Council.

The next session of the JCC will be held in Brussels in 2024.

Draft Agenda

15th Meeting of the EU–South Africa Joint Cooperation Council

South Africa, Wednesday 07 December 2022

Draft agenda

1. Opening remarks (co-chairs South Africa, EU).
 2. Adoption of agenda.
 3. Adoption of the minutes of the 14th meeting of the JCC.
 4. Reports by current South Africa-EU Structured Dialogues:
 1. Political and Security (EU leads).
 2. Human Rights (South Africa leads).
 3. Trade and Investment (EU leads).
 4. Science, Technology and Innovation (including Space) (EU leads).
 5. Education, Training and Skills (EU leads).
 6. Environment, Climate and Water (South Africa leads).
 7. Macro-economic (South Africa leads).
 5. Report by South Africa-EU Structured Dialogue on Development Cooperation (South Africa leads).
 6. Report by South Africa-EU Dialogue Facility (South Africa leads).
 7. New areas of South Africa-EU cooperation to be considered:
 1. Establishment of Structured Dialogue on Energy and Minerals (EU leads).
 8. Preparations for 15th South Africa-EU Ministerial Political Dialogue, to take place on 26 and 27 January 2023 (South Africa leads).
 9. Any other business.
 10. Closing remarks (co-chairs EU, South Africa).
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