



## Fact Sheet: Advancing U.S.-South African Cooperation



*"I see Africa as a fundamental part of our interconnected world – as partners with America on behalf of the future we want for all our children. That partnership must be grounded in mutual responsibility and mutual respect."*

*President Barack Obama, Accra, Ghana*

*"I've often heard it said that African problems need African solutions. Well, I'm here to say that some of our global problems need African solutions too."*

*Secretary Hillary Rodham Clinton, Cape Town, South Africa*

In June 2012, President Obama approved a Presidential Policy Directive (PPD) that outlines his vision for U.S. efforts in sub-Saharan Africa. Over the past four years, the work of the U.S. Mission to South Africa has helped advance key pillars of this policy: strengthening **democratic institutions**, spurring **economic growth, trade and investment**, advancing **peace and security**, and promoting **opportunity and development**.

South Africa is a strategic partner and friend of the United States. Since 2009, South Africa has hosted successful visits by Vice President **Joe Biden**, First Lady **Michelle Obama**, and Secretary of State **Hillary Clinton**, reflecting the importance the United States places on the bilateral relationship. In 2010, Secretary Clinton and Minister Nkoana-Mashabane launched the **U.S.-South African Strategic Dialogue** to advance cooperation on issues of mutual importance. Over the last three years we have held numerous ministerial meetings and three Annual Bilateral Forums, under which 14 working groups ensure concrete progress on shared concerns from education to energy to the environment. Some examples of our cooperation include:

### Global Peace and Security

- South Africa and the United States work together on a range of issues impacting the region and the world. While we may not always agree on tactics for addressing these challenges, we share similar goals. In 2012, we inaugurated a formalized mechanism for discussing cooperation, including non-proliferation, climate change, human rights, developments in Iran and Syria, and regional crises in Zimbabwe, Somalia, Sudan and South Sudan, and the Sahel. Dialogue under this **Working Group on African and Global Issues** is a mark of our shared commitment to cooperation on the multilateral stage, whether in the African Union, the UN Security Council, the UN Human Rights Council, the Nuclear Suppliers Group, the G20 or other international fora.

### Health

- The United States has made an unwavering commitment to South Africans living with HIV/AIDS. Since 2004, we invested more than \$3.2 billion in South Africa through **PEPFAR**, including over \$500 million in 2012. In 2009-10, the U.S. government provided \$120 million to prevent a stock-out of antiretroviral drugs and technical assistance that reduced the cost of such vital medications by half through a new procurement model. Hundreds of thousands of lives have been saved, 6.8 million individuals have received counseling and testing, 720,000 pregnant women access services to prevent mother-to-child transmission, and 1.7 million individuals receive antiretroviral treatment. Through the Partnership Framework Implementation Plan announced in August, the United States will continue to play a strong supporting role over the next five years as South Africa takes the lead in caring for those living with HIV/AIDS.
- Another sign of our mutually beneficial cooperation on health was the recent launch of a **Global Disease Detection Center**, co-directed by the U.S. Center for Disease Control and South Africa's National Institute for Communicable Diseases, the only such center co-directed by a host country.

### Education

- On November 2012, we launched the \$7.5 million **School Capacity Innovation Program (SCIP)**, a public-private partnership between USAID, the ELMA Foundation and J.P. Morgan designed in collaboration with the Department of Basic Education to improve teacher quality.
- In August 2012, Secretary Clinton announced a \$500 million **Opportunity Grants Program** for South Africa to help disadvantaged students study at U.S. universities. This is in addition to the over \$12 million that the U.S. Government currently provides for graduate-level Fulbright scholarships and other exchange and speaker programs.
- The U.S. Government operates a series of reading rooms and information centers in Soweto, Mamelodi, Pretoria, Pietermaritzburg, Bloemfontein, Cape Town, Durban, and Johannesburg to provide current information to students.

### Economic Development, Trade and Investment

- The United States is one of South Africa's key trading partners, with **two-way goods and services trade reaching \$21.8 billion last year**, a new high and an 18% increase over 2010. The United States is the largest portfolio investor in South Africa (R8.56 billion) and the third largest source of foreign direct investment.

- South Africa is a key export destination for the United States, constituting 15.5% of total trade with Africa. South African exports to the U.S. were \$856.3 million in 2011. More than 97% of South African exports enter the United States duty free under various trade preference programs, including the **African Growth and Opportunity Act**.
- In August 2012, a business delegation of U.S. corporate executives traveled to South Africa with Secretary Clinton for the **U.S.-South Africa Business Summit**, where they built private sector linkages to create opportunities for trade, investment, and technology transfers.
- USAID recently established a credit guarantee facility for South African-based asset management firm Cadiz Life Limited, which will make up to **\$150 million in funding available to more than 300 small and medium enterprises** and could help create over 20,000 jobs in South Africa.
- In support of South Africa's goal of sustainable economic growth, USAID helped to establish **South Africa's Supplier Diversity Council** to champion procurement opportunities for historically disadvantaged businesses. USAID is also partnering with South Africa's Competition Commission and the U.S. Federal Trade Commission to build the capacity of competition agencies throughout the region.

#### Energy

- South Africa and the United States share a commitment to developing clean, renewable, and efficient energy technologies. A recent **\$2 billion agreement was signed between the U.S. Export-Import Bank (EX-IM) and South Africa's Industrial Development Corporation** to provide credit guarantees for the development of the renewable energy sector. In February 2012, EX-IM signed an \$805.6 million **loan with South African utility company Eskom** for the purchase of engineering and management services related to a new coal-fired plant. The Overseas Private Investment Corporation (OPIC) will support U.S. companies to develop renewable energy programs in South Africa.

#### Rule of Law and Democratic Governance

- Over the next five years, USAID will invest \$32.1 million to **democratic governance programs** throughout the region. The U.S. government is also spending \$1.7 million on **bilateral law enforcement programs** this year and committed an additional \$2 million in each of the following two years to provide training and support to South African government departments for victim empowerment, combating sexual and gender-based violence, border and port security, judicial capacity building, financial crimes, fraud detection, consumer protection, corruption, fugitive apprehension, LGBT rights, anti-terrorism assistance and women's justice and empowerment.
- A partnership between USAID, the MAC AIDS Foundation and the South African government is combating the scourge of gender-based violence through the expansion of **Thuthuzela Care Centers** in South Africa and in the region. These centers provide counseling, medical and legal services to survivors of such violence.
- The United States and South Africa cooperate to bolster democracy in the region through **14 trilateral assistance projects** that provide expertise to nine countries in Africa on gender-based violence prevention, natural resource management and constitutionalism in post-conflict areas. For example, USAID has partnered with South Africa's **Independent Electoral Commission (IEC)** and the University of South Africa to provide training to elections bodies, including for the South Sudan High Elections Committee, a critical institution in Africa's newest democracy.

#### Military Cooperation

- Military cooperation has long been institutionalized through the **U.S.-South Africa Defense Committee**, which has met on a regular basis since 1997. The visit of South African Minister of Defense Mapisa-Nqakula to Washington in September 2012 for a meeting with U.S. Secretary of Defense Panetta signals the strength of this enduring relationship. We will build on the success of **Exercise Shared Accord 11** during the next Shared Accord combined military exercise in July 2013, which will strengthen our nations' capacity to conduct humanitarian operations.

#### Environment

- In 2011, we worked closely with South Africa at the **COP 17** to move all parties toward a meaningful outcome on climate change. Several recent bilateral grants help address our shared concerns, including a USAID program to assist with water management in the Limpopo and Orange-Senqu trans-boundary river basins.
- The United States is committed to **stopping wildlife trafficking**, a national security, public health and economic security issue that spans continents. The U.S. government is providing policy and technical assistance to countries world-wide, including South Africa, to improve awareness, surveillance, detection, law enforcement, and prosecutions.