



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. policy toward sub-Saharan Africa. Over the past four years, the work of U.S. Mission to South Africa has helped advance the 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 continues to place on our relationship with South Africa. 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 bilateral 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. Although 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 and human rights, developments in Iran and Syria, as well as 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 have invested more than \$3.2 billion (R25 billion) in South Africa through **PEPFAR**, including over \$500,000 in 2012 alone. In 2009-10, the U.S. government provided \$120 million to prevent a stock-out of antiretroviral drugs as well as technical assistance that resulted in the cost of such vital medications being reduced by half through a new procurement model. As a result of our efforts, 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. The Partnership Framework Implementation Plan announced in August reinforces our commitment to continue this fight as South Africa takes the lead in caring for those living with HIV/AIDS. We will continue to play a strong supporting role to ensure a smooth transition over the next five years.
- We launched a **Global Disease Detection Center**, co-directed by the U.S. Center for Disease Control and South Africa's National Institute for Communicable Diseases, as another sign of deep and mutually beneficial cooperation on health. This is the only such center co-directed by a host country national.

Education

- On November 8, 2012, we launched the \$7.5 million **School Capacity Innovation Program (SCIP)**, a public-private partnership between USAID, the ELMA Foundation and JP Morgan designed in collaboration with the Department of Basic Education to improve teacher quality.

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 (AGOA)**.
- 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, which promotes and maintains competition within the economy, 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 and renewable energy technologies and improving energy efficiency. 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 to stimulate development of South Africa's renewable energy sector. In February 2012, the EX-IM signed an \$805.6 million (98.97 million rand) **direct loan with South African utility company Eskom** for the purchase of engineering and management services related to a new coal-fired plant. OPIC (Overseas Private Investment Corporation) has launched a new program that will support US companies seeking to develop renewable energy programs in SA.

Rule of Law and Democratic Governance

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

Military Cooperation

- Military to military cooperation has long been institutionalized through the **U.S.-South Africa Defense Committee**, which has met on a regular basis since 1997. The recent visit of South African Minister of Defense Mapisa-Nqakula to Washington in September for a meeting with U.S. Secretary of Defense Panetta signals the strength of this enduring relationship. Our two countries look forward to building upon the success of **Exercise Shared Accord 11** during the next Shared Accord combined military exercise scheduled for July 2013, which will strengthen our nations' capacity to conduct humanitarian response 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 and a U.S. Trade and Development Agency study of water conservation in the Olifants River catchment area.
- 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.