



Joint Declaration of Business Unity South Africa (BUSA), Southern Africa Initiative of German Industry (SAFRI) for the Federation of German Industries (BDI), the Association of German Chambers of Commerce and Industry (DIHK) and the Africa Association (Afrika-Verein), and the Southern African German Chamber of Commerce and Industry (SAGCC).

**Business Organizations call for enhancing the Economic Relations
between South Africa and Germany
Friday 5 October 2007**

The relationship between South Africa and Germany has been going from strength to strength in recent years. South Africa and Germany not only play an important role in the integration process within their own regions, but they should also take the lead in advancing the relationship between SADC and the EU. South Africa and Germany need closer cooperation to overcome the challenges that our countries face in the 21st century. South Africa and Germany need to be partners with the shared purpose of achieving economic development in our regions.

With this in mind, the business organizations of Business Unity South Africa (BUSA), the SA-German Chamber of Commerce and Industry, and Southern Africa Initiative of German Industry (SAFRI) are calling on South African and German authorities to make every possible effort to enhance the economic relations between our countries. Progress on the following issues has been identified as a priority.

1. The business organizations welcome the new Industrial Policy Action Plan of the South African Government and the overall Global Growth Plan. Special emphasis must be put on the strengthening and the further development of the motor industry in South Africa, in order to ensure a sustainable growth both of the country and the industry, which is an important contributor to South African exports. We look forward to the finalization of the review of the MIDP and ongoing consultation with the private sector in this regard.
2. The hosting of the FIFA World Cup 2010 is a great opportunity for South Africa to present herself and the Southern African Region as an attractive investment destination and trading partner. The FIFA World Cup will offer additional growth prospects for Southern Africa. German companies contributed to the successful hosting of the World Cup 2006. South African and German companies are prepared and willing to cooperate in mutually

beneficial partnerships for accelerating economic growth for everyone. A special focus will be on the extension and the improvement of the infrastructure in South Africa in the areas of transport, telecommunications, electricity production and distribution, and also in the use of sustainable renewable energies. Partnerships in these areas between South African and German companies will lead to increased employment in South Africa and the development of skills within the work force. Technology transfer on all levels of the preparation process for the FIFA World Cup will ensure a successful “African World Cup” as proposed by President Mbeki.

3. Electricity costs are a major determinant in the overall cost of doing business in a country. Renewable energies and energy efficiency are important factors in an overall concept for sustainable energy provision for South Africa. Solar, wind and other alternative sources of energy need to be supported in their early stages by feed-in tariff regulations for industrial and private producers of electricity as well as mandatory blending and regional captured fleet solutions for bio fuels.
4. Given the evidence that global climate change is already taking place, it is in the fundamental interest of South Africa and Germany to increase energy efficiency and to reduce greenhouse gas emissions in a manner that promotes sustainable economic growth. The business organizations support long term, market oriented governmental policies to encourage improvements in energy efficiency and the application of new technologies. For these reasons, the business organizations are calling for an enhanced cooperation between South African and German research institutions, universities and companies.
5. The South African government’s policy for Broad Based Black Economic Empowerment is the foundation for increased economic participation of the previously disadvantaged communities and the sustainable future of South Africa. Building a skilled workforce is essential for sustainable economic growth. South African and German companies in South Africa are involved in various vocational training schemes. Increased efforts in the field of vocational training are necessary in order to promote Broad Based Black Economic Empowerment through more training and to guarantee employability of the young people of South Africa. The involvement of women in the economy needs to be strengthened in both countries. We therefore support initiatives to encourage stronger links between business women, including the proposed visit to Germany next year of a South African delegation.