

SOUTH AFRICA - ALBERTA RELATIONS



PROFILE

Capital: Pretoria (administrative); Cape Town (legislative centre); Bloemfontein (judicial centre)

Population: 42.6 (2005 est.)

Languages: IsiZulu, IsiXhosa, Afrikaans, Sepedi, English (business language), Setswana, Sesotho, Xitsonga, SiSwati, IsiNdebele and others.

Government: Republic

Head of State/Government: President Thabo Mbeki [(ANC) re-elected April 2004]

Currency: South African Rand
\$1 CDN = 6.27 ZAR (July 2006)

GDP: US\$239.5 billion (2005)
GDP (PPP): US \$548 billion (2005)

GDP Per Capita (PPP): US\$12,878 (2005 est.)

GDP growth rate: 3.76% (2001 to 2005 average)

Inflation: 3.9% (2005)

Unemployment: 26.6% (2005)

Key Industry Sectors: mining, automobile assembly, metalworking, machinery, textiles, iron and steel, chemicals, fertilizer, foods and commercial ship repair.

DID YOU KNOW?

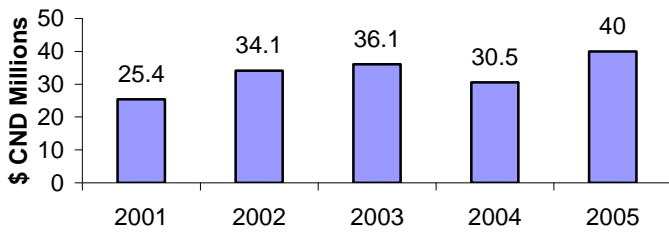
- South Africa rejoined the Commonwealth of Nations in 1994, 33 years after its expulsion due to apartheid. The country's first democratic elections for national and provincial government were held in the same year. South Africa was divided into nine provincial districts.

- South Africa is a nation of diversity that includes a wide variety of cultures, languages and religious beliefs giving rise to the term 'rainbow nation'.
- The landscape in the South African highlands resembles that of the prairies in Southern Alberta.
- South Africa is preparing to host the 2010 FIFA World Cup.

RELATIONSHIP OVERVIEW

- Throughout the apartheid era, Alberta supported Canada's policy of sanctions against South Africa in order to bring about a more democratic political system.
- From 1993 to 2004, the Canadian International Development Agency (CIDA) funded the "Canada-South Africa Provincial Twinning Project" to assist South African provinces develop democratic government structures and practices.
- In 1996, Alberta twinned with the South African province of Mpumalanga (formerly the eastern Transvaal) under the Canada-South Africa Provincial Twinning Project.
- In 1998, the Alberta Ministry of Education was awarded an \$8 million five-year CIDA-funded contract to strengthen the teacher in-service capacity of provincial departments of education in Mpumalanga, Gauteng, and Free State, as well as the National Department of Education.
- In 2005, Alberta and Mpumalanga reaffirmed their mutual interest in continuing their twinning relationship with the extension of the Alberta-Mpumalanga Memorandum of Understanding (MOU) until 2010.
- Alberta remains committed to further develop and foster its relations with the provincial Government of Mpumalanga, particularly in areas of governance, intergovernmental and legislative cooperation, economic development, trade and investment, infrastructure development, health, tourism promotion, sustainable environmental development and agriculture.

Alberta Exports to South Africa (2001 to 2005)



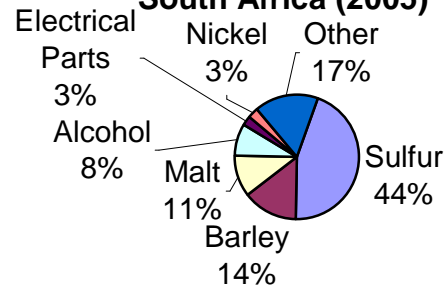
TRADE AND INVESTMENT

- South Africa is Alberta's 34th largest trading partner with exports averaging \$33.2 million CDN per year over the past five years. In 2005, Alberta exports to South Africa were valued at \$40 million CDN. Top exports include sulfur, barley, malt, alcohol, electrical parts and nickel.
- In 2005, Alberta imports from South Africa were worth approximately \$70 million CDN and included metal products, fruit, wine, machinery and cocoa beans.
- South Africa is considered to have the most sophisticated free-market economy in Africa. It is an emerging market with an abundant supply of natural resources and a well-developed physical and economic infrastructure.
- Major strengths for the South African economy include its developed infrastructure, natural mineral and metal resources, a growing manufacturing sector, and strong growth potential in the tourism, higher value-added manufacturing and services industries.
- According to the Economist Intelligence Unit, current obstacles for the South African economy include social inequalities, low levels of savings and investment, high inflation, lack of skilled labour, high unemployment and the rising incidence of HIV/AIDS.
- South Africa is the world's largest producer of platinum, gold, and chromium.
- South Africa is self-sufficient in major agricultural products and is often a net food exporter.

ENERGY

- The Republic of South Africa is Africa's largest energy consumer, and second largest energy producer.
- South Africa has 15.7 million barrels of proven oil reserves and is not a significant oil producer. However, South Africa's refining capacity at approximately 0.5 millions barrels per day is the second largest in Africa, surpassed only by Egypt.
- South Africa is a net importer of oil; Saudi Arabia, Iran, and Nigeria are South Africa's chief suppliers.
- South Africa's natural gas reserves are 1.3 trillion cubic feet. Alberta's natural gas reserves are 40 trillion cubic feet.
- Coal is the primary fuel produced and consumed in South Africa. The country has the world's sixth largest amount of recoverable coal reserves at 53.7 billion short tons (approximately 5% of the world's total) and is the world's sixth largest coal producer.

Alberta's Merchandise Exports to South Africa (2005)



- The Province of Mpumalanga accounts for 83% of South African coal production (Alberta accounts for 50% of Canada's coal production).
- South Africa is an established world leader in developing technology to convert coal into synthetic fuels and other petrochemicals.

EMERGING OPPORTUNITIES

- Opportunities for Alberta exist in the following sectors: petrochemicals, livestock management, mining, tourism, forestry, geographic information systems, consulting & engineering, and agri-processing.

SOUTH AFRICAN COMMUNITY

- The South African Community in Alberta numbers approximately 2,500.

RECENT VISITS

- September 2005: Premier Klein visited South Africa to support Alberta companies exhibiting and participating in the World Petroleum Congress and to renew and expand the Alberta-Mpumalanga twinning relationship. The Premier was joined by Alberta Energy Minister Greg Melchin and Alberta MLA Shiraz Shariff.
- September 2005: Mpumalanga Premier Thabang S.P. Makwetla visited Alberta in honour of its Centennial.
- July 2005: Two officials with the South African Department of Land Affairs were in Edmonton as part of cross-Canada Study Tour to develop a policy on foreign ownership of land.
- July 2004: Mr. Paresch Pandya and Mr. Siphosile Silinda from the Mpumalanga Investment Initiative visited Alberta to explore business opportunities in food processing, forestry and wood processing.
- June 2004: Nineteen delegates from seven South African provinces visited Alberta to study the province's role in intergovernmental and international relations.
- February 2004: Six delegates from Mpumalanga visited Alberta to study government service delivery in multi-purpose service centres.

DIPLOMATIC REPRESENTATION

- Ms. Nowetu Ethel Luti is South Africa's Acting High Commissioner to Canada.
- Ms. Sandelle Scrimshaw is Canada's High Commissioner to South Africa.