AGREED OUTCOME AND MINUTES OF THE FIRST MEETING OF THE BI-NATIONAL COMMISSION BETWEEN THE REPUBLIC OF SOUTH AFRICA AND THE ARGENTINE REPUBLIC

26 TO 28 FEBRUARY 2007

PRETORIA, SOUTH AFRICA

The Minister of Foreign Affairs of the Republic of South Africa and the Minister of Foreign Affairs, International Trade and Worship of the Argentine Republic, together with their respective delegations, met from 26 to 28 February 2007 in Pretoria, South Africa. The meeting constituted the first meeting of the Bi-National Commission that was established in accordance with a Bilateral Agreement signed between South Africa and Argentina in New York during September 2005. It was agreed that the next (second) meeting of the Bi-National Commission will take place in Buenos Aires, Argentina during 2008. The specific dates for the meeting will be agreed through the appropriate diplomatic channels.

The Delegation of the Republic of South Africa was headed by South Africa's Minister of Foreign Affairs, Dr Nkosazana Dlamini Zuma. The Delegation of the Argentine Republic was headed by Argentina's Minister of Foreign Relations, International Trade and Worship, Mr Jorge Taiana

The discussions were held in a friendly and cooperative atmosphere. The following issues were discussed:

- Recent developments in Argentina.
- · Recent developments in South Africa.
- An analysis of the bilateral relationship.
- Regional developments in Africa.
- Regional developments in Latin America and Caribbean.
- Inter regional issues, including progress the SACU/Mercosur preferential trade agreement negotiations.
- Multilateral issues, including the UN Security Council, trade negotiations and human rights.

The two delegations agreed that the relations between the two countries are sound and cordial. Both Parties recognised the need to further deepen their relations and agreed that

the signing of the Bi-National Commission Agreement in 2005 between the two Governments would play an important role in achieving this.

The discussions on the following issues produced the following outcomes:

1. Bilateral Cooperation

1.1 Regional Issues and Co-operation

It was agreed that the South Africa and Argentina will continue to work actively to bring their respective regions closer together. Both countries were satisfied with the outcome of the recently held first Summit between Africa and South America. It was underlined that the Summit has the potential to provide significant impetus to greater cooperation between the two regions, and the South African and Argentine sides agreed to work closely together to ensure that future meetings of the Summit focus on substantive areas of potential cooperation that can lead to real benefits for both regions.

Argentina is very supportive of Africa and its development agenda and views its relationship with South Africa as being a foundation for its greater engagement with the continent. Both parties agreed to continue discussing the challenges faced in the African and Latin American and Caribbean Regions. Argentina congratulated the African Union (AU) on its institutional development and repeated its support for African regional integration, for the policies in the framework of the New Partnership of Africa's Development (NEPAD) and the consolidation of the African Agenda.

1.2 Bilateral Agreements

The implementation of the bilateral Agreements signed between South Africa and Argentina in 2006 on (a) Coordination of their Maritime and Aeronautical Search and Rescue Services, and (b) on Cooperation in Science and Technology was welcomed.

During the course of the Bi-National Commission the opportunity was utilised to sign three important bilateral agreements:

- An extradition treaty;
- An agreement on mutual legal assistance in criminal matters; and,
- A bilateral agreement on sport.

2. <u>Multilateral Cooperation</u>

2.1 Multilateralism and the United Nations

The South African and Argentine sides reaffirmed their commitment to an international order that is founded on the equality of States, that promotes respect for international law, and that recognises that multilateralism provides the most certain approach to addressing issues of international concern. Their continued support for the United Nations was also underlined as was the need for the organisation to be reformed so as to allow it to more effectively address the challenges confronting the international community at the current time. While South Africa and Argentina have differing perspectives about the reform of the UN Security Council, both sides agreed that the body should be reformed to more effectively address issues of international peace and security and to be more representative of the current international community. South Africa's recent assumption of a non-permanent seat in the UN Security Council was welcomed, and the role that Argentina has played during its term as a nonpermanent member over the last two years was complimented. African and Argentine sides furthermore reiterated the willingness of both countries to contribute to the maintenance of international peace and security by, inter alia, making personnel available to serve in UN Peacekeeping Missions.

2.2 Human Rights

In their recent history, both countries have suffered through the imposition of authoritarian regimes. South Africa has overcome the system of apartheid, while Argentina restored a sound democracy after being subjugated to a military dictatorship. Both the apartheid regime in South Africa and the military dictatorship in Argentina were characterised by severe human rights abuses. Taking into account their respective historical contexts of massive and systematic violations of human rights, and their unequivocal commitment to the full respect of human rights and democracy, both sides agreed to work jointly at all international forums in order to strengthen universal and regional systems for the promotion and protection of human rights, in particular within the work of the Council of Human Rights of the United Nations and the African and the Inter-American systems of human rights.

The initiative to hold seminar on "Argentina and South Africa: A Common Vision on Human Rights", as well as the "Images of Memory Exhibition" that was organized in collaboration with the Centre for Human Rights of the University of Pretoria on 26 February 2007, and which was jointly opened by Minister Dlamini Zuma and Minister Taiana, provided an unprecedented opportunity for both countries to share experiences on how they have addressed, and are addressing, the consequences of the human rights abuses that occurred in

their respective countries. It also provided a forum to address other important themes such as the fight against all forms of discrimination and the prevention of genocide.

In order to enhance their common values and perspectives on human rights, both sides agreed to carry out regular bilateral consultations and cooperation activities on human rights, coordinated by their respective Foreign Ministries, which will include (a) meetings of national government, legislative and judiciary officials involved in human rights policies, (b) consultations and exchanges of views on the main human rights negotiations at multilateral and regional forums, especially the Human Rights Council and the Third Committee of the UNGA, (c) academic events organized jointly by the Governments and NGOs of both countries, on human rights issues of common interest and (d) bilateral cooperation projects, through which both countries can share best practices and knowledge of the development and implementation of human rights policies with particular reference to the national implementation of international human rights standards.

3. Trade, Investment and Development Cooperation

3.1 Trade and Investment

South Africa and Argentina are two countries of the South which are in very similar positions with regard to their levels of socio-economic development and to the socio-economic challenges that they still confront. These similarities provide a real opportunity for South Africa and Argentina to work more closely together in ensuring that they contribute to one another's development and economic growth, and that they also, in the broader context, promote the interests of developing countries in the South.

On the question of bilateral trade it is noted that there are broad areas where the South African and Argentine economies complement one another, and that a focus of the trading relationship will not only substantively increase the level of economic interaction, but also allow both countries to diversify their export markets and sources of supply. This approach to the trading relationship will furthermore provide a solid foundation for expanding mutual trade and investment on a more equitable basis.

Both sides reviewed trade relations between the two countries expressing their determination to seek ways and means that would expand cooperation in line with the existing potential of their respective economies. In this context, both delegations expressed their satisfaction for the success of the Seminar "Argentina: Trade, Investment and Business Opportunities" which was held in

parallel to the Bi-National Commission meeting. Taking into account this success, both parties committed to promote participation in trade fairs, commercial missions, seminars on trade and investment opportunities.

Concerning the SACU/Mercosur negotiations, both delegations stressed the importance to finalise and expand the agreement on preferences. They noted with satisfaction the substantial progress made on practically all the outstanding issues. Regarding the automotive sector they discussed, at length, possible ways to reach an understanding. Accordingly the Parties presented various methods through which to advance the process. It was decided that the various ideas explored could be useful as inputs for SACU and Mercosur discussions.

One of South Africa's mining companies has undertaken a successful investment in the mining sector in Argentina as has a leading South African fishing company. These are accomplishments which have recently been added to by a very significant investment of one of South Africa's major banks in the Argentina financial sector and of an investment by a leading South African media group.

3.2 <u>Multilateral Trade Negotiations</u>

Both delegations expressed their support for the DOHA Round of Multilateral Trade Negotiations. They underscored the need to reach an ambitious and balanced outcome where the concerns of development are actually taken into account. They stressed the importance of the proposals made by the G-20 in the area of agriculture and by NAMA-11 in the area of non-agriculture manufactures. Both countries participate actively in these groups and both delegations highlighted that the proposals from both groups, being ambitious and balanced, constitute a proper basis to negotiate the conclusion of the Round.

Both Parties urged the major trading partners to show the necessary flexibility to lead to a positive outcome of the negotiations.

Given the importance of NAMA negotiations for industrial developments both delegations agreed that there is a need to organise a high level meeting of the NAMA-11 to promote the views of the group as a central element for the DOHA Negotiations on the matter.

3.3 Small and Medium Enterprises (SMEs)

As regards cooperation among small and medium-sized enterprises, the Argentine delegation stressed its interest in initiating talks with the South African counterpart about exchanging experiences on SMEs including in the area of Technical and Financial Assistance and in the development of programs for the support of foreign trade.

3.4 Mining

The growing mining sector in Argentina provides both countries with a further opportunity to strengthen their economic ties and to make an effective contribution to Argentina's development.

Both Parties agreed to foster co-operation in the areas of:

- Exploration (Geology)
- Exploitation
- Beneficiation (Mineral processing)

The Argentine Party encouraged South African Mining Companies to take advantage of the mining incentives offered by the Argentine Government by investing in mineral related projects.

Both Parties agreed that there is need for mining related associations to exchange information on mining technology and transfers of skills. Furthermore, the Parties agreed that in order to help eradicate poverty, especially in rural areas, small scale mining must be promoted.

It is proposed that a Technical Team from South Africa visit Argentine before the end of the year, to identify specific projects in this field.

3.5 Tax and Customs

Regarding custom cooperation, both sides agreed to begin discussions on a general draft on tax and customs cooperation on a suitable date to be agreed through diplomatic channels. The South African Party presented a draft agreement on customs cooperation.

In respect to double taxation, the South African side asked to explore the possibility to organise a meeting for further discussions on the matter before the

resumption of the flights by South African Airlines (SAA) in July 2007. In this regard, other options were discussed if the start of negotiations on a comprehensive treaty to avoid double taxation is not possible in the near future. Possible options could be a specific agreement to avoid double taxation on air transport, the application of reciprocal exemptions or other solutions that the taxation offices can contemplate.

4. Air-links and Tourism

4.1 Air-Links

The delegations expressed their satisfaction about the decision taken by South African Airways to resume their direct flight starting July 2007. For purposes of making progress with the normative aspect in the field of air transport services, the Argentine aeronautical authorities presented a proposal to South Africa to hold a meeting between the two countries in the next two months. The South African side agreed tentatively to have this meeting on a suitable date during April or on the first available date after that month.

Both Parties considered the resumption of flights by South African Airways to Argentina as an important event that bodes well for the further development of trade, tourism and cultural contact between the two countries.

4.2 Environment Tourism and National Parks

It was agreed that South Africa and Argentina should cooperate in the areas of tourism, especially in view of the recently announced commencement of SAA flights to Argentina. They also agreed on the importance that the tourism industry holds in general, and highlighted the increasing demand generated by a higher tourist flow as well as by a higher business, institutional and cultural flow that has been observed between the two countries over the last few years.

Argentina presented a draft Agreement on Cooperation between the Administración de Parques Nacionales (APN) and the South African National Parks (SANParks). The purpose of this draft agreement would be to establish a general framework of technical cooperation and exchange of expertise between the two institutions on protected areas (in particular on the conservation and management of biological and cultural diversity and on the planning, administration and management of protected areas, including also the social development linked to them).

The Parties agreed to continue discussing and exchanging information on the contents of the draft agreement with a view to signing a Memorandum of Understanding in the very near future.

Both Parties agreed on the importance of the tourism industry, and highlighted the increasing demand generated by a higher tourist flow as well as by the higher business, institutional and cultural flow that has been observed in the last years between the two countries. For that purpose, the Argentine authorities expressed their desire to learn more about South Africa's interest in continuing with the negotiations concerning the Cooperation Agreement in the Field of Tourism.

South Africa requested assistance on the following issues pertaining to tourism development, particularly in areas that would have impact on the success of 2010 FIFA World Cup and beyond.

- Language training for volunteers and tourist guides in Spanish.
 - Small Medium and Micro-Enterprise (SMME) development programs and partnership.
 - Internship programs for unemployed graduates.
 - Sports tourism.
 - Scholarship programs for 2007/08.
 - Familiarization visit to Argentina by a South African delegation.
 - Tourism investment opportunities in South Africa.

With regard to Transfrontier Conservation Areas (TFCA's), South Africa offered to provide assistance on the following:

- Tourism development on TFCA parks
- Opportunities available within TFCA
- Familiarization trip to South Africa for exchange of information and investment opportunities
- Ecotourism

5. Agriculture

5.1 Bilateral Agricultural Cooperation

The relationship between South Africa and Argentina in the area of agriculture is extensive, and it was agreed that the opportunities that exist for even greater agricultural cooperation and trade would allow this relationship to strengthen even further. As regards to agricultural cooperation and possible benefits to both Parties, the Argentine Institute of Agricultural Technology (INTA – Instituto Nacional de Tecnología Agropecuaria) expressed its desire to organize a seminar and visits to farms in Argentina to demonstrate the advantages of the "direct sowing method". South Africa will consider this offer. Additionally, Argentina expressed its willingness to initiate talks with South Africa on agricultural machinery.

In the field of Genetically Modified Organisms, the Argentine Party offered the South African Party cooperation for mutual assistance on regulatory issues and, in the framework of the Cartagena Protocol, to open a channel of communication to coordinate better implementation of the Protocol and to exchange positions before each Meeting of the Protocol Parties. The South African side thanked the Argentine side for the offer and has undertaken to consider it and respond as soon as possible.

Both delegations stated, once again, that they are willing to further the cooperation that has been taking place in connection with the update of phytosanitary and zoosanitary requirements, which can promote market access of agricultural products in both directions, reviewing the position of the main products that are of interest for both countries.

5.2 Bilateral Agricultural Issues

Technical discussions took place regarding the export of citrus, fresh cherries, peaches, figs and in vitro potato plantlets from Argentina to South Africa. South Africa is in the process of finalizing the import conditions for fresh cherries and Argentina will submit the relevant information for peaches. Argentina provided information to facilitate the export of citrus, figs and in vitro potato plantlets. Discussions regarding the export of lemon bud wood, various seeds and plant material of blueberries, apples and pears from South Africa to Argentina took place. Information will be provided by the South African party to help facilitate this process.

In the field of Animal Health, both sides exchanged information on outstanding issues, especially the re-opening of the South African market for beef from Argentina and the agreement of the export of sheep and goat embryos from South Africa to Argentina. It was agreed that a positive outcome will be

reached as soon as the animal health experts from Argentina will come to South Africa in order to facilitate the conclusion of the outstanding issues.

6. Science and Technology Cooperation

6.1 Bilateral Science and Technology Agreement

With regards to Science and Technology, and in accordance with the agreement reached in a meeting held between the competent authorities of each country in 2006, the South African Minister of Science and Technology will be leading a delegation to Argentina in July 2007 following the invitation of the Secretary of SECyT (Secretaría de Ciencia, Tecnología e Innovación Productiva). During the visit both Parties agreed to conduct a seminar in Buenos Aires. Such an event would be held in the framework of the activities provided for in the Agreement for Science and Technology Cooperation, and would comprise topics related to social sciences, biotechnology, nanotechnology, energy and hydrogen economy, and agriculture research.

6.2 Space and Satellite Science

There are also significant opportunities for close cooperation in the areas of space activities. In this field, the National Commission on Space Activities (CONAE) of Argentina and the Department of Science and Technology (DST) of South Africa, met and agreed to advance cooperation through the exchange of information and experiences in the field of peaceful uses of outer space. In particular, the cooperation will focus on the applications of space technology for disaster and health. In addition, CONAE and DST agreed to an exchange of satellite data that they receive from their respective satellite missions, SAC-C and SumbandilaSat. The cooperation will also cover collaboration of the respective ground stations including technical exchanges on telemetry, tracking and command.

The Parties agreed to instruct the respective entities responsible for the space activities in each country to conclude an institutional cooperation agreement and to define specific projects in the areas of interest.

6.3 Peaceful Nuclear Cooperation

Both parties expressed their strong desire to expedite the signing of the draft agreement on peaceful nuclear cooperation, preferably not later than July 2007. The following matters were agreed upon:

(a) Molybdenum 99

- The Atomic Energy Commission of Argentina (CNEA) undertook to investigate the possibility to supply 20 DU molybdenum target plates free of charge to the South Africa Nuclear Energy Corporation (NECSA). NECSA will test these plates and provide the CNEA with an evaluation report. If the result is positive, NECSA will continue to negotiate the provision of target plates and/or technology transfer from CNEA.
- CNEA undertook to supply NECSA-Nuclear Technology Products (NTP) with their marketing requirements to enter the South American Market.
- Agreement will be reached on target dates for the above-mentioned issues within 3 months. The contact persons are Dr CR Calabrese (CNEA) for Argentina and Mr PA Louw (NTP) for South Africa.

(b) LEU fuel plates

 NECSA and CNEA will explore the possibility to supply CNEA LEU fuel plates. NECSA will supply the silicide fuel plate specifications and CNEA will provide a quotation for 760 plates.

(c) Industrial radioactive sources

CNEA undertook to do a market study for Ir192 and Cs137 industrial sources in the South American market within 3 months.
 CNEA will approach NECSA (NTP) for assistance in conducting the study, if so required. The study will also consider the possibility of technology transfer on Ir192 and Cs137 from NTP to CNEA.

(d) Manufacturing of nuclear components

• NECSA (NTP) undertook to explore cooperation with INVAP in the local and African market in nuclear technology.

- NECSA (NTP) will evaluate the Radiotherapy Systems available from INVAP and will consider a subsequent agency agreement.
- NECSA undertook to supply specifications for Beryllium reflector elements to INVAP for quotation purposes.
- For the above-mentioned items the contact person from NTP will be MR PA Louw and from INVAP Mr. JJ Gil Gerbino.
- NECSA undertook to explore cooperation with CNEA Enterprises Group (CONUAR-FAE-DIOXITEK-ENSI) for local and African markets in nuclear technology. The contact persons will be Mr M Bisauta (CNEA) and Dr Van Zyl de Villiers (NECSA).

(e) Regulatory Cooperation

• The representatives of the Argentine Nuclear Regulatory Authority (ARN) and the South African National Nuclear Regulator (NNR) met and had discussions related to technical co-operation on safety matters. The ARN and NNR discussed and finalised the content of an agreement for fostering this technical co-operation and exchange of information. This agreement will be signed by the Argentine Ambassador, on behalf of the ARN, and the Chief Executive Officer of the NNR during the plenary session to be held on 28 February 2007.

6.4 <u>Industrial Science and Technology</u>

Concerning Industrial Technology, both Parties expressed their willingness to progress on common thematic areas of interests. In this context, INTI (Instituto Nacional de Tecnología Industrial) will invite the CSIR (Council for Scientific and Industrial Research) authorities to visit the Argentine institute during the present year. Additionally INTI stressed its interest in signing an interinstitutional agreement with CSIR.

7. Defence Cooperation

It was agreed that this is a special moment to deepen bilateral relations, taking into account that both countries have undertaken modernization and reform processes of their defence systems within a democratic context.

The Parties agreed to continue with the exchange of ideas and lessons learned, and to explore new cooperation opportunities, on matters of civil oversight of the armed forces, military education, jointness, scientific and technological research and development, and peace-keeping operations.

As regards this last field, in which both countries have significantly contributed in the regional and global level, both with military contingents as well as with training activities, Argentina presented the curricula of the courses offered at its peacekeeping training center, CAECOPAZ. Information was exchanged on the respective regional initiatives to prepare integrated forces for peace-keeping operations.

The parties agreed to a defence cooperation plan for 2007 and 2008 in order to implement activities between the defence ministries and armed forces.

Finally, with the purpose of giving a framework to this growing cooperative will, it was resolved to conclude a defence cooperation agreement, including the establishment of a standing consultative mechanism. The South African side undertook to prepare and present a draft instrument, which will be finalized by middle 2007. It was agreed to continue exchanging ideas and hold an inaugural meeting in Buenos Aires in the second semester of 2007.

8. Sport and Recreation Cooperation

Sport contact remains a significant area of cooperation and contact between the sporting authorities and peoples of South Africa and Argentina. welcomed the decision for South Africa and Africa to host the 2010 Football World Cup and they noted that South America is to be the host for the following World Cup tournament. South Africa looks forward to not only hosting the Argentine football team, but also the many Argentine football supporters that Both sides believe that football provides a will be supporting their side. significant area for possible cooperation between South Africa and Argentina in the sporting area. The systems that have been established in Argentina to develop its players, especially amongst the youth, could assist South Africa in the further development of the sport. Strong links exist especially in the context of rugby, where South Africa has been a traditional supporter of the development of the sport in Argentina. Both sides strongly encouraged contact amongst the other sporting disciplines and welcomed initiatives already underway as regards hockey and polo. Both sides have agreed to extend the cooperation to basketball, volleyball and the high performance exchanges.

Argentina expressed its interest in cooperation with the development of infrastructure in South Africa in connection with transportation, housing, airports and other related sectors, in the light of South Africa's existing projects for the organisation of the 2010 Football World Cup.

10. <u>Cultural Cooperation</u>

A cultural agreement between Argentina and South Africa is currently under negotiation and should reach finalization in the near future.

Done in Pretoria, Republic of South Africa on the 28th of February 2007.

Dr. Nkosazana C. Dlamini-Zuma Minister of Foreign Affairs of the Republic of South Africa Mr Jorge Taiana Minister of Foreign Affairs, International Trade and Worship of the Argentine Republic

Co-Chairperson of the Bi-national Commission between the Republic of South Africa and the Argentine Republic Co-Chairperson of the Bi-national Commission between the Argentine Republic and the Republic of South Africa