

Gulf Research Center
Knowledge for All

South Africa - GCC Relations



January 2023



Key Domestic Developments

The Republic of South Africa is a constitutional democracy composed of three levels of government—the national, the provincial, and the local levels. Each of these levels of governance is composed of separate executive and legislative branches and is distinctive, interdependent, and interrelated, but equally bound by the principles and guidelines spelled out in the Constitution. Post-apartheid South Africa as we currently know it, is a rather young sovereign democratic nation based on equality, the advancement of human rights, and freedom, having just taken effect on February 4, 1997.

The government is divided into executive and legislative branches with an independent judiciary. The legislature is operated by a bicameral parliament—the National Assembly, responsible for electing the president, and the National Council of Provinces. Members of parliament are elected by the general population. The executive branch includes the president, the deputy president, and the cabinet of ministers, all of whom are appointed by the president. The president serves 5-year terms, limited to two terms. The current president of South Africa, Mr. Cyril Ramaphosa

of the African National Congress party, the social democratic party that has prevailed since the end of apartheid in 1994, has been in office since 2018, when he replaced the then President Jacob Zuma following the latter’s resignation. At that time, Ramaphosa was serving as Deputy President, and in 2019 he was formally elected to his first full term in office, thus making him eligible to run for re-election in 2024. The current deputy president is Mr. David Mabuza.

South Africa is a democracy born out of a long history of colonization. Though today freedom and equality are the core values of the country, there is still a significant amount of turmoil within the country, high levels of crime, and poverty. South Africa was once the largest economy in Africa, but that has changed with poverty and unemployment levels at the highest they have been in decades, yet it still boasts the most diversified economy on the African continent. Additionally, South Africa’s development, infrastructure, and level of overall stability exceed that of its regional neighbors. South Africa’s economy is dependent on exports of gold, platinum, and other natural resources, but experienced a devastating blow post-Covid-19, the effects of which are still being felt by businesses and citizens alike.





The prevailing crisis in the country is the energy shortage. The national power utility, ESKOM, has suffered failures due to aging infrastructure and outdated systems. 85% of the country's energy comes from coal, but ESKOM has only been able to supply about 50% of the needed capacity. Since 2007, the country has been forced to endure increased blackouts and load-shedding, which has adversely affected businesses, hospitals, and the citizens' daily lives. South Africans faced the most intensive year of load-shedding in 2022, with 1,949 hours as of October 3, 2022. This number is not expected to improve in 2023, with the facilities at ESKOM only deteriorating and energy growing ever more scarce. The unfortunate side effect of the energy crisis has been the loss of jobs, increased crime, and mistrust by the citizens for their government whom most are blaming for the energy disaster. President Ramaphosa delivered the State of the Nation address on February 9, 2023, where he addressed the energy crisis, food insecurities, and the nation's high unemployment rate, which stood at 32.9% at the end of 2022, making it the country with the highest rate of unemployment in the world. During his address, President Ramaphosa offered plans to end load-shedding, and hope that the dire circumstances in the country would be overcome in the year ahead. The address was met with mixed reviews however, with many feeling underwhelmed by the action plans that the President continues to suggest.

Key Economic and Social Data

GDP: \$419.9 Billion USD (2021)

GDP Per Capita: \$6,994.21 USD (2021)

Annual Growth Rate: 4.9%

Inflation: 7.4 % (2022)

Population: 60.1 million (2021)

Unemployment Rate: 32.9% (2022)

Credit Rating: S&P- BB- with positive outlook; Moody's-Ba2 with stable outlook; Fitch- BB with stable outlook

Foreign Policy

Key Foreign Policy Initiatives

Foreign policy in South Africa (SA) is based on unification, economic development, and prosperity for the citizens of the African continent. Until recently, South Africa was the continent's largest economy, but the Department of International Relations and Cooperation is responsible for formulating, coordinating, implementing, and managing South Africa's foreign policy and international relations programs and initiatives. SA maintains congenial relationships with its neighbors, particularly in the years post-apartheid when SA transitioned to a fully democratic republic. SA embraces bilateral cooperation with other African countries through participation in various international organizations. It is an active member of the African Union, a driving political force in the union, and has been chair of the AU in 2002-2003 and 2020-2021.

South Africa also joined BRICS, cooperation with Brazil, Russia, India, and China to be among the world's fastest-growing and emerging market economies. Even during recent economic slowdowns, the BRICS bloc has maintained its alliance, strengthened economic and diplomatic ties, as well as aligned stances on important global issues. South Africa has continued to maintain a neutral stance with regard to the war in Ukraine, urging diplomatic resolutions, but refusing to condemn Russia for its attacks. It has also arranged for military drills to be conducted on its waters in late February 2023 with Russia and China—much to the chagrin of the global community, citing that these drills and exercises are a normal practice among friendly countries.



South Africa has maintained generally cordial ties with Europe and has collaborated with the European Union since the signing of the South Africa-European Union Trade, Development, and Cooperation Agreement in 1999 and the SA-EU Strategic Partnership Joint Action Plan in 2007. SA is the first country in Africa to have signed an FTA with the EU, signifying the importance of the relationship between SA and the EU. The aim of the cooperation between the EU and SA has been to strengthen trade, create jobs, promote socio-economic and political progress, and address poverty and inequality to provide a brighter and more stable future for generations to come. The EU is South Africa’s largest trading partner and largest foreign investor. Although South Africa does not boast the largest GDP on the continent, it is still the powerhouse of Africa in terms of development and economic diversity.

Establishment of Diplomatic Relations:

Bahrain: 1993

Kuwait: 1995

Oman: October 1995

Qatar: May 10, 1994

Saudi Arabia: May 29, 1994

United Arab Emirates: 1994

Current Diplomatic Representation:

Bahrain: Non-resident South African Ambassador to Bahrain – H.E. Mr. Mogobo David Magabe
Bahrain currently has no representation in South Africa

South Africa Trade in Goods with GCC Countries 2021 (USD)

Source: Comtrade

Country	Exports	Imports	Balance of Trade
Bahrain	16,984,855	315,153,350	-298,168,495
Kuwait	101,570,119	89,652,717	11,917,402
Oman	54,516,512	1,880,394,058	1,825,877,546
Qatar	102,827,053	267,945,443	-165,118,390
Saudi Arabia	375,094,155	4,102,140,995	-3,727,046,840
United Arab Emirates	2,257,032,255	1,882,148,514	374,883,741
GCC Total Amount	2,908,024,949	8,537,435,077	9,872,611,030





Kuwait: South African Ambassador to Kuwait – H.E. Mr. MP Genge
Kuwaiti Ambassador to South Africa – H.E. Mr. Ayman Mohammad Youssef Al-Adsani
<http://www.dirco.gov.za/kuwait/aboutembassy.html>

Oman: South African Ambassador to Oman – H.E. Mr. Manabile Shogole
Omani Ambassador to South Africa – H.E. Mr. Ali Al Kathiri
<http://www.dirco.gov.za/Oman/aboutembassy.html>

Qatar: South African Ambassador to Qatar – H.E. Mr. Ghulam Hoosein Asmal
Qatari Ambassador to South Africa -
<http://www.dirco.gov.za/doha/abouttheembassy.html>

Saudi Arabia: South African Ambassador to Saudi Arabia – H.E. Mr. Mogobo David Magabe
Saudi Ambassador to South Africa – H.E. Mr. Saal Al-Angari
http://www.dirco.gov.za/saudi_arabia/

United Arab Emirates: H.E. Mr. Saa’d Cachalia
The UAE Ambassador to South Africa – H.E. Mahash Saeed Alhameli
<http://www.dirco.gov.za/abudhabi/>

Key Officials with Responsibility for the Gulf

Region:

Minister of International Relations and Cooperation: Ms. Grace Naledi Mandisa
Deputy Minister of International Relations: Mr. Alvin Botes
Deputy Minister of International Relations: Ms. Candith Mashego-Dlamin
Minister of Defense: Ms. Thandi Modise

Key Research Centers and Think Tanks

[South African Institute of International Affairs \(SAIIA\)](#)
[New South Institute](#)
[South African BRICS Think Tank](#)
[Institute for Economic Justice](#)
[The Brenthurst Foundation](#)
[Institute for Security Studies](#)

Key Regional Experts

[Dr. Greg Mills \(The Brenthurst Foundation\)](#)
[Jakkie Cilliers \(ISS\)](#)
[Elizabeth Sidiropoulos](#)
[Yacoob Abba Omar](#)

Key Recent Literature

[The Future of the South African Political Economy Post-COVID 19](#)
[Law and Social Policy in the Global South](#)
[Democracy and Political Governance in South Africa](#)

Key Developments in South Africa-GCC Relations

Relations between the GCC member countries and South Africa have been steadily growing in recent years. As the GCC has sought to extend its global political influence, it has increased investments and with an aim to diversify their economies beyond oil, expanded business investments in emerging economies around the world. South Africa is in a period of great economic distress—its unemployment numbers are extremely high; its energy sector is crumbling, and it is desperately seeking to maintain its status as the most industrialized and advanced economy in Africa. In order to address their challenges, South African President Ramaphosa has maintained positive relations with virtually all nations and is thus nurturing its relationship with GCC countries. In particular, South Africa’s



relations with Saudi Arabia, the UAE, and Qatar have been of interest, especially since Saudi Arabia and the UAE have pledged billions in federal direct investment toward the upgrading and development of vital sectors in South Africa. In spite of these investments, Saudi Arabia and the UAE's request for nations to boycott Qatar in 2017 fell on deaf ears in South Africa. Then South African president Jacob Zuma chose to remain neutral, not involving the country in international quagmires. Within a year of said boycott, bilateral trade between South Africa and Qatar increased by 70% and work began on a port in South Africa meant to receive natural gas deliveries from Qatar. Since then, the interaction between GCC countries and South Africa has substantially increased in three areas in particular: tourism, business investment, and diplomatic exchange. As the GCC seeks deeper relationships with various international partners to achieve its own political agenda and South Africa needs investment and partnerships to support its crippling economy and maintain its status in Africa, the union of the two regions is a solid one for achieving a synergistic relationship. Soft power politics is not lacking either between the GCC and South Africa. Since the early 1980s, the GCC has been working through organizations such as Rabitat Al Alam al Islami, the Muslim World League, building mosques, dispersing religious books, and celebrating Islamic festivities throughout Sub-Saharan Africa, with an aim to foster a sense of brotherhood and comradery between Muslims of both regions.

South Africa-Saudi Arabia

- In October 2022, Saudi Crown Prince Mohammad bin Salman received South African President Cyril Ramaphosa in Jeddah to discuss investment opportunities resulting in \$15 billion in deals signed in the areas of renewable energy, industry, mining, tourism, logistics, and agriculture.
- Foreign Minister of Saudi Arabia visited South Africa in February 2017 in an effort to increase diplomatic exchange efforts and

highlight the growing support between the two countries.

- The South Africa-Saudi Arabia Joint Economic Commission held its 9th session on October 3, 2022, in Pretoria, hosted by the South African Minister of Trade, Industry, and Competition, Mr. Ebrahim Patel. The objective of the forum was to provide a platform for South African and Saudi Arabian companies to discuss bilateral trade, industrial, and investment opportunities.
- Saudi Arabia is the largest source of imports for South Africa, making mutually beneficial trade agreements ever more important between the two parties.
- On November 2, 2022, the Saudi-South African Parliamentary Friendship Committee of the Shura Council met. The meeting was chaired by the Shura Council Member and Vice-Chairman Dr. Hussein Al-Sharif and hosted the Ambassador of the Republic of South Africa to the Kingdom of Saudi Arabia, Mr. Mogobo David Magabe. During the meeting, the two discussed the importance of maintaining close relations and the many issues of mutual interest, as well as ways to strengthen their relations.

South Africa-United Arab Emirates

- South Africa has enjoyed friendly and mutually beneficial relations with the UAE, since they first established diplomatic ties in 1994. UAE is South Africa's most important trade partner in the GCC and the South African Business Council in the UAE promotes investment and business development opportunities between the two countries.
- There is a significant South African expatriate community in UAE, estimated to be between 50,000 living in Dubai alone.
- The two countries are party to multiple bilateral agreements including the Protocol on the Establishment of Diplomatic Relations; Bilateral Air Services Agreement; Bilateral Agreement on Economic, Trade, and Technical Cooperation; Memorandum of Understanding on Police Cooperation; Defense Cooperation Agreement; Memorandum of Understanding on Political Consultations; Agreement on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income; Agreement on Mutual Legal Assistance in Criminal Matters; Extradition



Treaty; Memorandum of Understanding on Cooperation in the Field of Social Development.

- South African Minister of Basic Education Mrs. Angie Motshekga met with the Ambassador of the UAE His Excellency Mahasha Saeed Almameli in Pretoria on October 25, 2021, to discuss bilateral relations in the area of education including an agreement that UAE will support education in South Africa by donating computers, tablets, uniforms, stationary, and books among other things, to schools across South Africa.
- In March 2022, South African President Cyril Ramaphosa was received by Ambassador to South Africa in the UAE Saa'd Cachalia and the Ambassador to the UAE in SA Mahash Saeed Salem Mahash to lead Dubai Expo's celebration of South Africa Day.
- In January 2023, H.H. Sheikh Abdullah bin Zayed of UAE met with South Africa's Minister of International Relations and Cooperation, Her Excellency Dr. Naledi Pandor, to discuss bilateral relations and cooperation between the two countries. They emphasized the importance of leveraging opportunities for growth in the areas of trade and economy, food security, and renewable energy.

South Africa-Qatar

- Since the establishment of diplomatic ties in 1994, South Africa and Qatar have demonstrated their amicable relationship through many areas of cooperation in the areas of trade, investment, and energy.

- On June 21, 2021, South African President Cyril Ramaphosa participated virtually in the opening remarks of the Qatar Economic Forum at the request of the Emir of the State of Qatar His Highness Sheikh Tamim Bin Hamad Al-Tahani, where issues of social, economic, and political changes post COVID-19 were discussed.
- In 2022, the Qatari Businessmen Association signed an MoU with the South African Chamber of Commerce and Industry aimed at stimulating Qatari-South African trade and investment relations and developing partnerships between the private sectors in both countries as the volume of exports from Qatar to South Africa in oil and gas products have recently reached \$3 billion.

South Africa-Kuwait

- South Africa and Kuwait have enjoyed a friendly relationship since the beginning of diplomatic ties in 1995. The two countries have a history of open dialogue and transparency as well as are party to multiple bilateral agreements and Memorandums of Understanding, including an MoU on the Establishment of Bilateral Consultations.
- Additional agreements were signed in an attempt to provide a strong legal framework through which the two countries can pursue trade, economic, and political relations as well as other matters of mutual interest.
- In 2021 Her Excellency Dr. Naledi Pandor, the South African Minister of International Relations and Cooperation visited Kuwait and was received by Prime Minister of Kuwait



H.H. Sheikh Sabah Al Khaled Al Sabah and Foreign Minister Sheikh Dr. Ahmad Al Nasser Al Sabah.

- South African Ambassador to Kuwait Manelisi Genge acknowledged the strong ties South Africa has with Kuwait, noting that Kuwait is an important market for South African products and businesses as well as the hope that the number of mutual investments and collaborations will continue to expand especially in the sectors of mining, agriculture, food products, livestock, and pharmaceuticals among others.

South Africa-Oman

- Since the establishment of diplomatic ties in 1995 between South Africa and Oman, trade has remained on an upward trajectory, as growing interest in mutual investment and tourism between the two countries has expanded.
- In 2022, a number of high-level delegates from Johannesburg, Cape Town, Pretoria, and Bloemfontein visited the Sultanate of Oman to hold meetings as part of the Oman-South Africa Business Forum. During these meetings, experts in food and beverage industries, chrome and mining, among others, discussed opportunities for investment and business growth between the two countries.
- The two countries are party to multiple bilateral agreements including the Avoidance of double taxation and prevention of fiscal evasion of taxes on income, signed in 2004, and the Memorandum of Understanding on Military Cooperation and a Trade Cooperation Agreement.

South Africa-Bahrain

- Although the two countries do not have dedicated representation in each other's countries, they have enjoyed warm relations since the start of diplomatic ties in 1993.
- In March 2021, the chairman of the Bahrain Chamber of Commerce and Industry Mr. Sameer Nass received the Riyadh-based South African Ambassador to Bahrain His Excellency Cosbert Themba Rubushe. The two lauded the friendly ties between Bahrain and South Africa, especially with regard to

business and investment. The meeting was meant to highlight the opportunities that are available to expand their relations in the areas of tourism, education, and health.

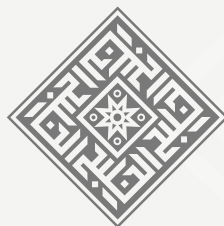
Supporting documents

GRC Publications and Workshops

GRM Workshop 2009: The Gulf and Africa: Developing a New Strategic Partnership

[GRM Publication 2015: Africa and the Gulf Region: Blurred Boundaries and Shifting Ties](#)





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