

# South Africa - GCC Relations



### **Key Domestic Developments**

South Africa, officially known as the Republic of South Africa, is a constitutional democracy with a three-tier system of composed government of national. provincial, and local levels. The country operates under a parliamentary system, with the president serving as both the head of state and government. The National Assembly, the main legislative house of South Africa's bicameral parliament, elects the president to serve concurrently with its five-year terms. Parliament can vote to replace the president at any time, and presidents can serve a maximum of two terms of five years each.

South Africa's political history is deeply shaped by its past under apartheid, which officially ended in 1994 with the first democratic elections, leading to the dominance of the African National Congress (ANC) in the country's political scene. The 2024 elections were highly anticipated, marking a significant moment in South Africa's political landscape. The ANC, led by President Cyril Ramaphosa, faced increasing challenges from opposition parties, primarily the Democratic Alliance (DA) and the Economic Freedom Fighters (EFF).

The ANC's support has waned over recent years due to growing public dissatisfaction with the government's handling of issues like corruption, unemployment, and the ongoing energy crisis. In fact, despite the ANC's historical dominance, the 2024 elections were fiercely contested, ultimately resulting in the ANC coalition losing its majority for the first time since 1994 by securing only 40% of the votes. The DA and EFF followed with 22% and 14% of the votes, respectively. As the ANC could not form a government on its own, President Ramaphosa had to form a centrist coalition government with the DA and other smaller parties. Out of the 34 cabinet ministers, the ANC now holds 22 appointments while the DA holds 6.

Outside of the political context, South Africa faces several economic challenges. In previous years, South Africa faced constant power outages (load shedding) due to ageing infrastructure, inefficiencies, and rising demand. Efforts to address the crisis were hindered by mounting debt, corruption, and mismanagement, economic negatively impacting businesses and the economy. In response, the government announced changes to the energy sector by diversifying the energy mix to include more renewable energy and gas while decommissioning outdated coal power plants. South Africa is



incorporating more climate-conscious policies by decarbonizing and aiming for a net zero goal, like incentivizing electric vehicles through tax rebates and subsidies. As a result of these reforms, a stabilization in supply starting March 2024 was witnessed.

Other structural challenges exist in the transport and logistics sector due to the mismanagement of state-owned companies like Transnet, which has constrained South Africa's export capacity. South Africa's economic woes are further aggravated as the decelerates, mining sector having negligible impact on growth. The growth rate fell to 0.6% in 2023 from 1.9% due to lower global demand; however, manufacturing, service sectors, and domestic trade supported the limited growth. Unemployment is a critical issue; as of 2023 the unemployment rate stood at 32.4%, with women and youth suffering the most.

Corruption remains a significant issue in South Africa, affecting various levels of government and public institutions. The Ramaphosa administration has made efforts to combat corruption, but still, high-profile corruption cases, particularly those linked to state-owned enterprises like ESKOM, have eroded confidence in the ruling party and government institutions. Given the high unemployment rates, economic hardship, and distrust in the government, social unrest prevails throughout society in the form of increased protests, strikes, and violent crime.

South Africa's public health and education systems are also under strain. The healthcare system, while relatively advanced compared to some of its African neighbors, struggles with inequality in access and quality of care. Education faces similar challenges, with significant disparities in resources and outcomes between wealthy and impoverished areas.

### **Key Economic and Social Data**

**GDP:** 373.23 billion USD (2024)

**GDP Per Capita:** 5,975 USD (2024)

**Unemployment Rate:** 32.4% (2023)

**Annual Growth Rate:** 0.6% (2023)

**Population:** 64 million (2024)

Credit Rating: Fitch—BB with a stable outlook; Standard & Poor's—BB with a stable outlook; Moody's--Ba2 with a stable outlook

### **South Africa's Foreign Policy**

South Africa's foreign policy under the ANC government has been marked by nonalignment and the strengthening of the South through multilateral Global institutions. The nation maintains relations with Western governments, Russia, China, Iran, and Cuba, at time to the ire of Western governments. The country has adopted a more defined stance for the Israeli-Palestinian conflict, by leading a case at the International Court of Justice accusing Israel of violating international law and committing genocide against the people of Gaza.

South Africa's role in the BRICS group of countries seeks to prioritize the interests of the Global South as the global system perpetuates extractive policies that can limit developing countries from reaping the benefits of these resources. Through BRICS, countries in the Global South can work together to improve their economies. Under the stewardship of the ANC, South Africa has advocated for a permanent African seat in the United Nations Security Council. The nation emphasizes economic development, peace, and stability in the region, aiming to

strengthen partnerships within Africa and contribute to the continent's prosperity. This is evidenced by its membership in the Southern African Development Community, the African Union, and the African Continental Free Trade Agreement.

With the recent appointment of Ronald Lamola as Minister of International Relations and Cooperation, promoting national economic interests is becoming a hallmark of South Africa's foreign policy. Notably, he is expected to promote green financing and equitable global economic governance reform as South Africa hosts the G20 in 2025.

### **South Africa Trade in Goods with GCC Countries in 2023 (USD)**

Country	Export Value (USD millions)	Import Value (USD millions)	Balance of Trade (USD millions)
Bahrain	21	1,520	-1,499
Kuwait	88	235	-147
Oman	49	2,500	-2,451
Qatar	76	365	-289
Saudi Arabia	435	3,100	-2,665
<b>United Arab Emirates</b>	2,530	4,000	-1,470

Source: Comtrade

## **Establishment of Diplomatic Ties:**

Bahrain: 1993 Kuwait: 1995

**Oman:** October 1995 **Qatar:** May 10, 1994

Saudi Arabia: May 29, 1994 United Arab Emirates: 1994

# **Current Diplomatic Representation:**

#### Kuwait:

South African Ambassador to Kuwait - H.E. Dr. Manelisi Genge

Kuwaiti Ambassador to South Africa - H.E. Salem Al-Shebli

### Oman:

Representation accredited from Saudi Arabia

Omani Ambassador to South Africa – vacant, Charge d'Affaires -Mr. Ali Kathiri

### Qatar:

South African Ambassador to Qatar - H.E. Mr. Ghulam Asmal

Qatari Ambassador to South Africa - H.E. Ben Nasser Al- Khalifa

### Saudi Arabia:

South African Ambassador to Saudi Arabia – H.E. Mr. Mogobo Magabe

Saudi Ambassador to H.E. Mr. Faisal Al-Habri

### **United Arab Emirates:**

South African Ambassador to UAE – vacant. Charge d'affaires Mr. LP Malati

Emirati Ambassador to South Africa- H.E. Mr. Mahash Alhameli

# **Key Officials with Responsibility for the Gulf**

Minister of International Relations and Cooperation: H.E. Mr. Ronald Lamola

Deputy Minister of International Relations: Mr. Alvin Botes

Minister of Defense: Mrs. Angie Motshekga

Minster of Trade and Industry: Parks Tau

### **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 (SAIIA) Yacoob Abba Omar Hubert Kinkoh

# **Key Developments in South Africa- GCC Relations**

South Africa has pursued economic and political ties with the GCC as they demonstrate several mutual interests in trade, investments, and regional stability. South Africa serves as a key exporter of minerals and agricultural products to the GCC, especially to the UAE. Meanwhile, South Africa has served as a beacon for GCC investments in mining, energy, infrastructure, and tourism. The frequent power outages in South Africa present opportunities for energy cooperation. Notably, the Oryx Gas to Liquid project is a partnership between South African Sasol and Qatar Petroleum and demonstrates the long-standing economic relations between the GCC and South Africa.

On the political front, South Africa and the GCC share a common interest in promoting regional stability in Africa and the Middle East and have a particular interest in advancing the cause of the Palestinian people.

### South Africa – Bahrain

- January 2024: Ambassador Jamal Fares Al Rowaiei, Permanent Representative of Bahrain to the United Nations (UN) in New York, chaired the Arab Group at the open debate of the UN Security Council on the situation in the Middle East affirming support of the Arab Group for South Africa's suit against Israel before the International Court of Justice.
- March 2021: The Chairman of the Bahrain Chamber of Commerce and Industry, 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 regards to

business and investment. The meeting was meant to highlight the opportunities for expansion of relations in the areas of tourism, education, and health.

### **South Africa - Kuwait**

- July 2024: South African Amb. to Kuwait H.E. Manelisi Genge inaugurated the "Lulu Proudly South Africa" campaign in Kuwait's Lulu Hypermarket, which celebrated the diversity of South African food, culture, and community.
- June 2024: Following President Ramaphosa's election, H.H. Amir Sheikh Al-Sabah sent a congratulatory cable to the President, demonstrating their continued positive bilateral relations.
- May 2024: South African Ambassador to Kuwait H.E. Genge emphasized his commitment to facilitating visa applications from Kuwaiti travellers by exempting them from visa fees.
- April 2024: Kuwaiti Ambassador to South Africa, Salem Al-Shebli, presented his credentials to President Ramaphosa and discussed areas of cooperation between the two countries.

### **South Africa - Oman**

- June 2024: His Majesty Sultan Haitham bin Tarik sent a cable of congratulations to President Cyril Ramaphosa for his reelection.
- April 2023: H.H. Sayyid Fahd bin Mahmoud Al Said, Deputy Prime Minister for the Council of Ministers, received Thabo Mbeki, the former President of South Africa.

### **South Africa - Qatar**

 November 2024: H.E. Prime Minister and Minister of Foreign Affairs Sheikh Mohammed bin Abdulrahman bin Jassim

- Al-Thani met his South African counterpart H.E. Dr. Naledi Pandor to discuss bilateral relations and South Africa's support for the Palestinian cause.
- August 2024: Qatari Ambassador Al Khalifa met with senior leaders of Sasol, one of the largest energy producers in South Africa, to discuss further cooperation between the energy company and Qatar, as Qatar Petroleum is in partnership with them.
- August 2024: Ambassador Al-Khalifa met Former President Mbeki in 2024, demonstrating the strength and longevity of bilateral relations between South Africa and Oatar.
- August 2024: Qatar Airways acquired a 25% stake in Airlink, South Africa's largest regional airline.
- November 2023: H.H. Sheikh Tamim bin Hamad Al Thani hosted President Ramaphosa for a state visit. The President delivered remarks at the Qatar-South Africa Business Roundtable and held discussions with the Qatar Business Association and the Qatar Chamber of Commerce.

### South Africa - Saudi Arabia

- December 2024: Saudi Defence Minister Prince Khalid bin Salman bin Abdulaziz met with South Africa's Defence Minister H.E. Angie Motshekga to discuss defence cooperation.
- November 2024: Saudi Deputy Minister of Culture, Mr. Fahd Kanaan, held bilateral meetings with South Africa's Minister of Sports, Arts, and Culture, Mr. Gayton McKenzie.
- October 2024: Saudi's Minister of Commerce H.E. Dr. Majid Al Kassabi led a delegation to South Africa and met South African Ministers of trade, Tourism, and Agriculture to strengthen economic relations.

- October 2024: Saudi Minister of Economy and Planning, H.E. Faisal bin Fadhil Alibrahim, met with his South African counterpart Maropene Ramokgopa in Hamburg to discuss economic ties.
- September 2024: Saudi Minister of Communications and Information Technology, H.E. Abdullah bin Amer Alswaha met with his South African counterpart, Bonginkosi Nzimande, to discuss a strategic partnership in research, development, and innovation.
- August 2024: South Africa's Vice President Paul Mashatilie received the Saudi Ambassador to South Africa H.E. Faisal bin Falah Al-Harbi to discuss cooperation in various fields and presented his credentials.
- June 2024: The Saudi Foreign Minister met with Foreign Ministers of BRICS countries in Russia to discuss common interests and current global challenges.
- March 2024: The Vice Minister for Foreign Affairs, Eng. Waleed bin Abdulkarim El-Hereiji, received South African Ambassador Mogodo Magabe in Riyadh to enhance bilateral relations.
- February 2024: South Africa's defense and aerospace company Milkor, received approval to manufacture drones in Saudi Arabia and is in high-level talks with Saudi Arabian officials to secure orders as part of a defense initiative.
- January 2024: The South African-Saudi Arabia Business Council held a conference to boost trade and identify investment opportunities for energy, tourism, hospitality, mining, and agriculture.
- January 2024: Saudi Arabia lifted a 20year ban on meat imports from South Africa.
- November 2023: Deputy President Mashatile led South Africa's delegation to the Saudi-Africa Summit.

### **South Africa - UAE**

- December 2024: His Excellency Sheikh Shakhboot Bin Nahyan Al Nahyan, Minister of State, met with His Excellency Cyril Ramaphosa, President of South Africa, to discuss bilateral relations in Johannesburg.
- June 2024: Emirati Ambassador to South Africa H.E. Mahash Alhameli oversaw the signing of an MoU between the UAE Chamber of Commerce and the SMME Chamber of Commerce by H.E. Humaid bin Salem and Noah Debeila, the President of South Africa's Chamber.
- April 2024: DP World acquired a majority of BP Southern Africa's transport assets.
- April 2024: AMEA Power signed a 20year power purchase agreement (PPA) for 120 million USD with Eskom, the South African utility company, for the 120MW Doornhoek Solar Photovoltaic Project.
- June 2023: The Emirati embassy opened the Dubai Chamber officers in Johannesburg.
- April 2023: AMEA Power signed a power purchase agreement (PPA) with Africa GreenCo Group through its southern entity, GreenCo Power Services (Pty) Limited for the 85MW PV power plant.
- Infinity Power acquired 100% of Lekela Power's shares for an unspecified figure, completing Africa's biggest renewable energy deal.

## **GRC Supporting Documents**

- New Alliances: The 2024 BRICS Summit and Its Strategic Implications for the Gulf Region, November 2024
- Araa Magazine Issue 193, January 2024

- South Africa GCC Relations January 2023
- GRM Publication 2015: Africa and the Gulf Region: Blurred Boundaries and Shifting Ties
- GRM Workshop 2009: The Gulf and Africa: Developing a New Strategic Partnership