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Vote Three: Foreign Affairs

Introduction

This brief provides an analysis of the budget vote for the Department of Foreign Affairs (DFA) for the 2008/08 financial year. The mission of the DFA is to promote South Africa's national interests and values, the African Renaissance and the creation of a better world for all.ⁱ Among other things, the strategic objectives of the DFA include:

- Project and promote through bilateral and multilateral interactions South African National interests and values;
- Conduct and co-ordinate South Africa's international relations and promote its foreign policy objectives;
- Protect South Africa's sovereignty and territorial integrity;
- Contribute to the formulation of international law and enhance respect for the provisions thereof;
- Maintain a modern, effective and excellence driven Department; and
- Promote multilateralism to secure a rules based international system

The legislative mandate of the DFA derives from the country's Constitution, which, among other things provides that the President is ultimately responsible for South Africa's international relations. In accordance with these Constitutional provisions, the Minister of Foreign Affairs is 'entrusted with the formulation, promotion and execution of South Africa's foreign policy and with the daily conduct of South Africa's international relations'.ⁱⁱ

Policy Priorities for 2008/09

The policy priorities for the 2008/09 financial year are derived from a number of documents including the DFA strategic plan: 2008-2011; the Government clusters in particular the International Relations, Peace and Security (IRPS) Cluster, as well as the 2008 State of the Nation Address. In identifying the priorities for the 2008/09, it is important to state from the onset most of the issues raised in the 2008 State of the Nation Address, find resonance in the DFA's Strategic Plan: 2008-2011 and the issues identified by the IRPS Cluster. In fact, the State of the Nation Address, in the main, served to confirm already existing areas of work for South Africa in the sphere of international relations. In a nutshell, the priority issues for the 2008/09 financial year can be summed up as follows:

Strengthening relations among the countries of the South:

The State of the Nation Address re-iterated South Africa's commitment towards ensuring that initiatives such as the India-Brazil-South Africa (IBSA) Forum and the New Africa-Asia Strategic Partnership (NAASP) achieve their intended objectives.ⁱⁱⁱ This re-commitment is found in the DFA's strategic plan: 2008-2011 wherein the Department re-affirms that South Africa will participate in all relevant forums of IBSA and NAASP in line with the planned activities of these forums in 2008/09.



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Consolidating the Africa Agenda:

Over the last few years, South Africa has consistently maintained its resolve to contribute to peace and stability in Africa through for instance, the strengthening of the African Union (AU) and all its organs. It has remained committed to Africa's socio-economic recovery through ensuring that the New Partnership for Africa's Development (NEPAD) and its key projects are implemented. These still remain as priorities for 2008/09 as efforts will be expended towards ensuring that NEPAD's priority sectors are implemented, AU structures such as the African Court of Justice are operationalised and that provision is made for the building of a permanent seat for the Pan-African Parliament (PAP).^{iv} The hosting of the African Diaspora Conference in 2008 is indicative of the country's role in ensuring that the African agenda succeeds by drawing support from Africans outside the continent. Of particular importance in this regard would be the work that South Africa will undertake when it assumes the Chair of the Southern African Development Community (SADC) in August 2008^v, a region that must among other things, implement its free-trade area (FTA) agreements as of 2008.

North-South Dialogue

The 2008 State of the Nation Address and the DFA's Strategic Plan: 2008-2011 highlight in unison the imperative of engaging the countries and inter-governmental groups from the North such as the G8 in order to ensure better representation of African interests. In this regard, efforts such as ensuring better outcomes in the on-going Economic Partnership Agreements (EPAs) and the effective participation in the Tokyo International Conference on African Development (TICAD) are key priority areas in this regard.^{vi}

Global Governance: Socio-Economic and Politics and Security Issues

South Africa will continue to drive important matters within the United Nations (UN) as it enters its last leg of occupying of a non-permanent seat in the UN Security Council (UNSC) and key among these would be to push for proper co-ordination between the UN and regional organisations (AU) on peace and security matters. Other areas of importance, which were identified in the State of the Nation Address and find resonance in the DFA's Strategic Plan include, the country's contribution to efforts aimed at realising the objectives of the Kyoto Protocol on Climate Change, successful conclusion of the World Trade Organisation (WTO) Doha Round of negotiations.

Fundamentally, the success of any initiatives undertaken by DFA rests upon an efficient Department with functioning information technology, human and financial resources.

Budget Analysis

This section of the paper analyses the budget of the DFA based upon the allocations reflected in the Estimates of 2008 National Expenditure (ENE). The budgetary allocations to the DFA are through its four core programmes namely, Administration, Foreign Relations, Public Diplomacy and International Transfers. Table 1 below reflects that the total allocation to the DFA for the 2008/09 financial year amounts to R4.3 billion compared to R4.1 billion in the 2007/08 financial year. This shows a nominal increase of 5.4 per cent. Several reasons accounts for this increase during this period including, plans to build the Pan-African Parliament (PAP), projects being undertaken and funded through the African



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Renaissance and International Co-operation Fund, the hosting of African Diaspora and the chairing of SADC. South Africa has also been increasing its diplomatic missions abroad, while maintaining those that already exist and currently the Department currently manages 123 missions which reflect a steady increase since the 2004/05 financial year. The number of these missions and the fact that 'the bulk of the expenditure for missions and bilateral relations is incurred in foreign currency' issues of foreign exchange rate impacts on the budget.^{vi}

Programme	Budget		Nominal Increase / Decrease in 2008/09	Real Increase / Decrease in 2008/09	Nominal Percent change in 2008/09	Real Percent change in 2008/09
	R thousand	2007/08				
Administration	1 190 681	1 049 913	- 140 768	- 210 370	-11.82 per cent	-17.67 per cent
Foreign Relations	2 143 411	2 410 711	267 300	107 486	12.47 per cent	5.01 per cent
Public Diplomacy & Protocol	139 714	147 258	7 544	- 2 218	5.40 per cent	-1.59 per cent
International Transfers	645 257	732 826	87 569	38 988	13.57 per cent	6.04 per cent
TOTAL	4 119 063	4 340 708	221 645	- 66 114	5.4 per cent	-1.61 per cent

Table 1

Furthermore, Table 2 below reflects share of each of the four programmes of the DFA for the 2008/09 financial year. It can be noted from the table below that the foreign relations programme still accounts for the bulk of the total share of the budget which is 55.5 per cent exhibiting an increase of 3.5 per cent from the previous financial year. Given the fact that Foreign Relations take up a lion's share of the budgetary allocations, a further programme breakdown and analysis is made below.

The second highest share is the Administration programme, which among other things, is responsible for the management of foreign and domestic properties of the DFA. Apart from the on-going drive to acquire chanceries and official residences and refurbish existing properties, the allocation to this programme for the 2008/08 financial year is also due, in part to the initial phase of the construction of the Pan-African Parliament (PAP) permanent home. The initial phase for the building of a permanent home for the PAP in Midrand follows an Africa wide-competition which took place during the 2007/08 financial year and the creation of such a home is in line with the Host Country Agreement entered into with the AU.

The implementation of the management of properties and/or land is being undertaken following a feasibility study undertaken in the 2005/06 financial year which made a set of recommendations on how the DFA should carry out this task.^{viii} This is therefore an on-going activity entailing three areas of work, namely: a) the acquisition of land and properties, b) design and construction of facilities and



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c): maintenance of properties, all designed to ensure proper use, maintenance and management of properties abroad. For example, although, the ENE indicates broadly the land and properties to be acquired over the Medium Term Expenditure Framework (MTEF), the Strategic Plan: 2008-2011 identifies two acquisitions of land and properties for the 2008/09 financial year namely, India (New Delhi) and Kenya (Nairobi).^x The Strategic Plan also mentions projects which during the 2008/09 financial year would be under the design phase. These include a Chancery in Angola (Luanda) and a Chancery and official residence in Saudi Arabia (Riyadh).

The International Transfers programme also sees an increase from 15.67 per cent in 2007/08 to 16.8 per cent in 2008/09, this being partly due to the increasing work that is being done through the African Renaissance and International Co-operation Fund. Lastly, it seems that the Public Diplomacy and Protocol Services programme did not have any significant increase for the financial year 2008/09 and it may be necessary to ascertain the reasons for this taking into consideration the role of this programme and its activities outlined in the Strategic Plan: 20008-2011. For instance, the selected performance indicators contained in the 2008 ENE indicates that some of the activities undertaken fall within the scope of the Public Diplomacy and Protocol Services, and these activities are reflected as going to increase each year. Basically, the question is whether the allocations to the Public Diplomacy and Protocol Services Programme would sufficiently cover its intended outputs for the year.

Programme	Budget	Percent of total budget per programme	Budget	Percent of total budget per programme	Change in percent allocation
R thousand	2007/08		2008/09		
Administration	1 190 681	28.91 per cent	1 049 913	24.19 per cent	-4.72 per cent
Foreign Relations	2 143 411	52.04 per cent	2 410 711	55.54 per cent	3.50 per cent
Public Diplomacy & Protocol Services	139 714	3.39 per cent	147 258	3.39 per cent	0.00 per cent
International Transfers	645 257	15.67 per cent	732 826	16.88 per cent	1.22 per cent
TOTAL	4 119 063	100.00 per cent	4 340 708	100.00 per cent	0.00 per cent

Table 2

Programme Analysis

This section focuses on Programme Two: Foreign Relations, which as noted above accounts for the biggest share of the budgetary allocations to DFA. The purpose of the Foreign Relations programme is to formulate, co-ordinate, implement and manage South Africa's foreign policy and international relations programme. The programme is divided into two sub-programmes namely, the Bilateral Relations Management which is the 'head office component' responsible for the management of



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missions abroad and the Diplomatic Representation which is for the South African missions in each country worldwide.

Table 3 below shows the budgetary allocation for each sub-programme of foreign relations. As it can be noted, under the diplomatic representation, Africa and Asia and Middle East have received an increase in allocations and this would reflect the DFA's on-going work which includes the increasing the number of diplomatic representation in these continents. Table 3 also shows a significant increase of 34 per cent in the allocations for Africa-Bilateral Relations Management for the 2008/09 financial year. Given that this sub-programme constitutes work at had office level, it would be important for the Committee to ascertain some of the activities that have necessitated this increase for Africa-Bilateral Relations Management. Compared to others, there is also an increase of 11.13 per cent for multilateral under Diplomatic Representation sub-programme. It would therefore be useful for the DFA to explain some of the reasons that account for this increase.

Programme	Budget		Nominal Increase / Decrease in 2008/09	Real Increase / Decrease in 2008/09	Nominal Percent change in 2008/09	Real Percent change in 2008/09	
	R thousand	2007/08					2008/09
Bilateral Relations Management:		305 612	394 032	88 420	62 298	28.93 per cent	20.38 per cent
Africa		198 132	284 376	86 244	67 392	43.53 per cent	34.01 per cent
Asia and Middle East		40 787	52 224	11 437	7 975	28.04 per cent	19.55 per cent
Americas and Europe		28 515	23 758	- 4 757	- 6 332	-16.68 per cent	-22.21 per cent
Multilateral		38 178	33 674	- 4 504	- 6 736	-11.80 per cent	-17.64 per cent
Diplomatic Representation:		1 837 799	2 016 679	178 880	45 188	9.73 per cent	2.46 per cent
Africa		548 789	601 793	53 004	13 109	9.66 per cent	2.39 per cent
Asia and Middle East		399 699	452 063	52 364	22 395	13.10 per cent	5.60 per cent
America and Europe		811 933	870 724	58 791	1 068	7.24 per cent	0.13 per cent
Multilateral		77 378	92 099	14 721	8 615	19.02 per cent	11.13 per cent
TOTAL		2 143 411	2 410 711	267 300	107 486	12.5 per cent	5.01 per cent

Table 3



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Issues for Consideration by the Committee

This section identifies some of the issues that the Committee can consider when engaging with the DFA during its presentation on the Budget Vote.

Foreign Relations Issues:

- The 2008 ENE refers to the final draft of the NEPAD implementation strategy for South Africa which was developed to, among other things guide all stakeholders in the country. In light of South Africa's on-going participation in NEPAD programmes and the Committee's role of oversight, it is imperative that such a strategy document is availed to the Committee. This would enable the Committee to engage on NEPAD related issues from a more informed basis and allow for effective monitoring of the work being undertaken.
- The decision to integrate NEPAD into the AU structures and processes was taken during the 2006 Banjul Summit of the AU. It would be important for the DFA not only to highlight progress and challenges regarding this integration but to also indicate what are the timeframes, if any, for the realisation of this objective.
- The 2008 ENE indicates a consistent approach to opening of Diplomatic Missions in Africa between 2004/05-2007/08 whereby four missions were opened per year. The changes in terms of this consistency occurred from the 2008/09 financial year. It may be useful for the Department to explain this change in the number of Missions opened in Africa and whether the envisioned 2011 deadline will be met.
- The ENE indicates three countries that would be assisted in election processes in the 2008/09 financial year. Given the fact that there are more than three countries scheduled to hold elections at different levels (i.e., national/local/presidential) in the course of 2008 it would be relevant for the DFA to indicate which countries are these and what kind of support is envisioned.
- The strategic plan: 2008-2011 re-confirms South Africa's role in attempts to strengthen the AU and its organs. Among other things, it is indicated that the DFA would continue with the process of operationalising relevant AU institutions. What would be important, if at all possible, is to 'break-down' the concept of operationalisation and make it clear what are the specific tasks that would be undertaken in 2008/09 to realise this objective. The main point in this regard is that, 'operationalisation' can mean a variety of tasks at different times. So, it would help the Committee engage in proper oversight and monitoring if there are specific and measurable activities that would be undertaken in the context of 'operationalising'.
- 2008 marks the last year of the country's holding of a non-permanent seat in the UNSC, given the significance of this role, it would be useful for the DFA to inform the Committee on the specific country priorities in the UNSC this year and relate this to its role during April when it would preside over the UNSC.



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- There seems to be an increasing engagement in SADC around issues of economic integration and trade as indicated in on-going TFA negotiations with other regions and countries as well as SADC's own intra-regional economic relations. It would be useful for the Committee to have a comprehensive picture of the SADC-Secretariat capacity to handle these matters and what has been the country's specific contribution towards enhancing that capacity.

Administration Issues:

- The 2008 ENE refers to a once-off expenditure in 2009/10 for the acquisition of air transport for foreign travel. Further information and detail regarding what is entailed in this acquisition would be relevant.
- The strategic plan: 2008-2011 contains a list that shows 'current status per occupational category, race and gender as at 31 December 2007. Over and above the race and gender category, it would be useful for the DFA to inform the Committee the extent to which it has been able to employ people with disabilities and what challenges, if any, are faced in this regard. Also, the list contained in the Strategic Plan reveals that there is still more men than women in senior positions at DFA, as such it would be important to know what strategies are in place to close this gap.
- The 2008 ENE indicates that among other things, the DFA would be implementing the new 'foreign service dispensation'. It may be useful for the DFA to give the detail of this especially in light of the fact that, in the previous financial year, the Department received less than what it had initially requested from the treasury for this initiative.
- The Strategic Plan: 2008-2011 contains an ICT Plan for the Department. It would be important for the Department to indicate, what progress has been done from the ICT plan contained in the 2006-2009 Strategic Plan. Related to this, in the 2007/08 financial year the Department was allocated less than what it requested from the treasury for its ICT Plan. It would be important to know the extent to which the implementation of its ICT plan has been affected by this and what strategies are in place to deal with challenges created by the short-fall.
- The Strategic Plan indicates that there are moves afloat to enhance the skills of the DFA's workforce and this has been confirmed by the creation of the Branch: Diplomatic Academy. In the past, the Committee has raised its concerns about the location of the Africa Institute of South Africa (AISA) in the Department of Science and Technology instead of DFA. It would be important for the DFA to indicate whether this matter has been attended to, in light of its renewed commitment to train and equip its staff.

African Renaissance and International Co-operation Fund:

- The projects undertaken by and supported through the African Renaissance and International Co-operation Fund have increased over the years. It would be useful for the Department to indicate, the extent to which proper evaluation and monitoring measures are in place to ensure that the support provided through the fund meets its intended objectives.



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- The 2008 ENE lists 12 countries that will be assisted with post-conflict reconstruction and development. It would be important to provide detailed information about these countries, the nature of the assistance provided and whether such assistance forms part of the African Renaissance and International Co-operation Fund or it is separate from the Fund.

Public Diplomacy and Protocol Services:

- When it comes to public diplomacy, the Strategic Plan: 2008-2011 states as an indicator for 2008/09 the implementation of Communication and Media Strategy as part of an attempt to among other things, project a positive image of South Africa. It would be helpful if detail can be provided on what would be entailed in the 'media strategy' and 'marketing strategy' in 2008. Related to this, in the past, the Department had attempted to engage with local stakeholders on the country's foreign policy through *Izimbizo* programme; it may be useful to know the extent to which plans are there, if any, to continue with this initiative.



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ⁱ Strategic Plan: 2008-2011. 2008

ⁱⁱ Strategic Plan: 2008-2011. 2008

ⁱⁱⁱ Mbeki, &. 2007

^{iv} Estimates of National Expenditure (ENE). 2008.

^v Lekota, M. (2008)

^{vi} Lekota, M. (2008)

^{vii} Estimates of National Expenditure (ENE). 2008.

^{viii} Estimates of National Expenditure (ENE). 2008.

^{ix} Strategic Plan: 2008-2011. 2008