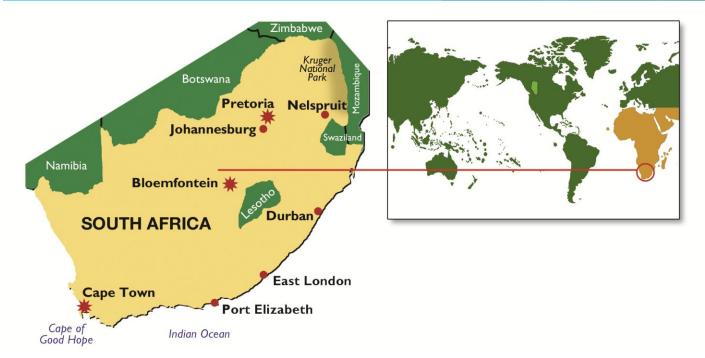
# South Africa – Alberta Relations





#### **PROFILE**

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

Population: 52.8 million (2013)

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

Government: Republic

**Head of State/Government:** President Jacob Zuma (since May 2009)

**Currency:** South African Rand \$1 CDN = 9.35 ZAR (2013)

**GDP:** \$351.027 billion USD (2013)

**GDP (PPP):** \$663.2 billion USD (2013)

GDP Per Capita (PPP): \$12,566 USD

(2013)

**GDP growth rate:** 1.9% (2013)

**Inflation:** 5.8% (2013)

**Unemployment:** 24.7% (2013)

**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'.
- South Africa's policy of Black Economic Empowerment (BEE), which seeks to address the inequalities of the apartheid era, has contributed significantly to social stability.
- The landscape in the South African highlands resembles that of the prairies in Southern Alberta.
- South Africa is Canada's largest trading partner in Sub-Saharan Africa.
- South Africa is the world's largest producer of platinum, chrome, manganese, vanadium and vermiculite.

## **RELATIONSHIP OVERVIEW**

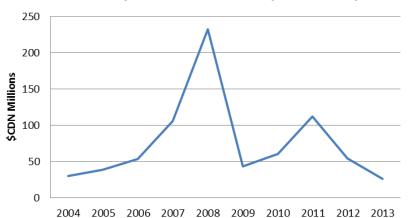
 Throughout the apartheid era, Alberta supported Canada's policy of sanctions against South Africa in order to bring about a more democratic political system.

- In 1996, Alberta twinned with the South African province of Mpumalanga (formerly the eastern Transvaal) under a Canadian International Development Agency (CIDA) sponsored project to assist South African provinces in developing democratic government structures and practices.
- The University of Calgary has supported the expansion of South African scholarship opportunities and has recently conducted land tenure and biology field research in Cape Town and Western Cape province. Currently, the U of C offers a student exchange program with the University of Kwazulu-Natal.
- The Alberta government has contributed matching grants to Alberta organizations for several projects in South Africa that have focused on education/literacy, infrastructure support, program delivery, building projects and HIV/AIDS initiatives.

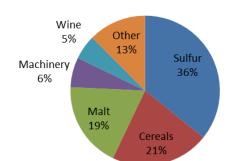
## **SOUTH AFRICAN COMMUNITY**

Between 2009 and 2013, Alberta received 1,621 immigrants from South Africa, of whom 77% were economic immigrants, as well as 998 temporary foreign workers and 279 international students.

## Alberta's Exports to South Africa (2004 - 2013)



# Alberta Merchandise Exports to South Africa 2009 - 2013 Total Average (\$59.4 Million)



## TRADE AND INVESTMENT

- Between 2009 and 2013, Alberta exports to South Africa averaged \$59.4 million CDN per year, and included sulfur, barley, rye, malt and machinery.
- During the same period, Alberta imports from South Africa averaged approximately \$33.3 million a year, and included organic chemicals, wine and machinery.
- South Africa is one of Canada's most significant political and commercial partners in Africa. Canada's bilateral merchandise trade with South Africa totalled over \$43.5 million in 2013, consisting of more than \$26 million in exports to, and more than \$17.5 million in imports from, South Africa.
- Top Canadian merchandise exports to South Africa include machinery, aircraft and parts, inorganic chemicals, pharmaceuticals, and electrical machinery and equipment.

## **ENERGY**

- The bulk of South Africa's energy consumption mix is comprised of coal, which the country primarily uses to produce synthetic fuels. South Africa also consumes a substantial amount of oil. Only a small percentage of the energy consumption mix is comprised of natural gas and nuclear.
- South Africa has 15 million barrels of proven oil reserves (2011 est.). All are located off shore in the southern Bredasdorp basin.
- South Africa has a refining capacity of approximately 0.49 million barrels per day, the 2<sup>nd</sup> largest in Africa and surpassed only by Egypt (2012). The majority of crude oil imports destined for South Africa refineries arrive from Saudi Arabia and Iran followed by Nigeria and Angola.
- South Africa has conventional natural gas

- reserves of 0.32 billion cubic feet (Bcf) (2009 est.), while Alberta has reserves of 39.8 trillion cubic feet (Tcf) (2009
- South Africa has the world's fifthlargest shale gas reserves and recently lifted a moratorium on the resource's exploration. It is estimated that South Africa's shale gas reserves could hold about 390 Tcf of shale gas.
- Coal is the primary fuel produced and consumed in South Africa providing 72% of the country's primary energy supply (2008 est.). The country has the world's 9th largest amount of recoverable coal reserves at about 33 billion short tons.
- South Africa's Sasol Limited uses technology, based on techniques similar to Alberta's Swann Hills Synfuels' in-situ coal gasification operations, to convert coal into liquid petrochemicals.
- South Africa plans to generate 15% of its electricity from renewable sources by 2020.
- Calgary's Pure Technologies Ltd. has licensed its Smart Ball technology, which detects leaks in energy pipelines, to South African companies.
- In 2011, Calgary-based Talisman Energy sold 50% working interests in both its Farrell Creek and Cypress A assets in British Columbia's Montney shale gas play to Sasol Limited.
- In May 2012, Canadian Natural Resources Limited announced its search for a partner with off-shore experience in drilling its first oil exploration well off the coast of South Africa.

## **EMERGING OPPORTUNITIES**

Opportunities for Alberta exist in the petrochemical, livestock management, mining, tourism, forestry, information

- communication technology, consulting and engineering, and agri-processing sectors.
- South Africa's market is in the midst of a fundamental transformation as the majority of the population is increasingly drawn into the mainstream, commercial economy, boosting demand for services and for higher-value-added processed foodstuffs, household durables, electronic equipment and motor vehicles, as well as financial products and telecommunications services.

## **RECENT VISITS**

- June 2014: South Africa's High Commissioner to Canada, His Excellency Membathisis Mdladlana attended the Global Petroleum Show.
- February 2014: A delegation from South Africa's Road Traffic Infringement Agency came to learn about policies and practices from Alberta Transportation.
- November 2013 and 2014: Alberta lead a delegation of companies to Africa Oil Week in Cape Town.
- June 2013: South Africa representatives came to Alberta to present investment opportunities in the energy sector.
- May 2011: South Africa's High Commissioner to Canada, Her Excellency Mohau Pheko, was a guest speaker at the International Academy of African Business and Development conference in Edmonton.

## **DIPLOMATIC REPRESENTATION**

- South Africa's High Commissioner designate in Ottawa is Membathisi Mphumzi Shepherd Mdladlana.
- Canada's High Commissioner to South Africa, located in Pretoria, is Gaston Barban.



For more information, contact: Alberta Intergovernmental, International and Aboriginal Relations Tel: 780-427-6543 Fax: 780-427-0699

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