



Joint Press Release

Department of Trade and Industry, Republic of South Africa
European Commission Delegation to the Republic of South Africa
Department for International Development

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.../for immediate release

The South African Government, European Commission and UK's Department for International Development today launch a €120 million (close to R1.3 billion) Economic Support and Employment Creation Programme, during the 2nd SA-EU Summit

"The purpose of the Programme is to assist the economic sector departments of the South African government to accelerate South Africa's economic growth rate and provide more and better jobs for poor people." Dr Rob Davies, South African Minister of Trade and Industry, was addressing the 2nd South Africa-European Union (EU) Summit held at Kleinmond in the Western Cape. The South African Minister of Economic Development, Mr Ebrahim Patel, highlighted that amidst the present economic climate, the Economic Support and Employment Creation Programme will be critical in accelerating the implementation of government's Programme of Action to deal with South Africa's socio-economic challenges.

The European Commission (EC) and United Kingdom Department for International Development (DFID) are providing €100 million and £18 million respectively to the Programme, to support the South African government's work in its three clusters - Economic, Employment and Infrastructure - and stimulate innovative ways of accelerating growth and creating job opportunities in the country.

The EU's Commissioner for Development and Humanitarian Aid, Mr Karel De Gucht, is unequivocal, "Our relationship with South Africa is about improving peoples' lives - with this new partnership we continue to build on our already extensive co-operation and trust that our commitment will go some way towards strengthening South Africa in its pursuit of the Millennium Development Goals." The Commissioner also praised the co-ordinated action of the EC and UK as a good example of harmonisation and alignment with government priorities that would, hopefully, guarantee maximum effectiveness of the assistance.

"With the global economic downturn, the launch of the Programme is a timely initiative to help create jobs and propose innovative ways for reducing unemployment," explained the Head of DFID Southern Africa, Ms Helen Mealins, adding that with South Africa being a key driver of economic growth in Southern Africa, the Programme will contribute to a better quality of life for people in South Africa and the region.

Government departments in the economic sectors will have access to additional funds to promote skills development and initiate programmes that expand the capacity of the productive economy. The Programme is also expected to stimulate joint planning, implementation and co-ordination across government departments and with civil society and the private sector.

National government departments will also be able to access funds in order to partner provincial and local government, research institutions, the private sector, labour and civil society, to promote dialogue and find innovative ways of stimulating higher economic growth and employment.

Minister Davies added that the Programme will also help the South African Government increase the technical capacity of the Economic Cluster Secretariat to support the implementation of the Programme of Action and Framework Response to the International Economic Crisis, by enabling better planning and co-ordination across departments of the three clusters.

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