

**No. 45052\***

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**South Africa  
and  
China**

**Memorandum of understanding between the Government of the Republic of South Africa and the Government of the People's Republic of China on promoting bi-lateral trade and economic cooperation (with annex). Pretoria, 28 August 2006**

**Entry into force:** *28 August 2006 by signature, in accordance with article 9*

**Authentic texts:** *Chinese and English*

**Registration with the Secretariat of the United Nations:** *South Africa, 18 June 2008*

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**Afrique du Sud  
et  
Chine**

**Mémorandum d'accord entre le Gouvernement de la République sud-africaine et le Gouvernement de la République populaire de Chine sur la promotion de la coopération commerciale et économique bilatérale (avec annexe). Pretoria, 28 août 2006**

**Entrée en vigueur :** *28 août 2006 par signature, conformément à l'article 9*

**Textes authentiques :** *chinois et anglais*

**Enregistrement auprès du Secrétariat des Nations Unies :** *Afrique du Sud, 18 juin 2008*

\* *The texts reproduced below are the original texts of the agreement as submitted. For ease of reference, they were sequentially paginated. Their final UNTS version is not yet available.*

*Les textes reproduit ci-dessous sont les textes authentiques de l'accord tel que soumises pour l'enregistrement. Pour référence, ils ont été présentés sous forme de la pagination consécutive. Leur version finale RTNU n'est pas encore disponible.*

[ ENGLISH TEXT – TEXTE ANGLAIS ]

#### Preamble

The Government of the Republic of South Africa and the Government of the People's Republic of China (hereinafter jointly referred to as the "Parties" and in the singular as a "Party");

PURSUANT to the talks on bilateral trade, and economic and technological cooperation;

WILLING to further expand bilateral economic and trade cooperation between the Parties under the principle of equal cooperation and mutual benefit;

ACCEPTING each Party's views over the issues of trade remedies, restructuring of the textile and apparel industry, resource and technological cooperation, policy and institutional support framework, and having recognised China's Market Economy Status in June 2004;

ACKNOWLEDGING positive achievements obtained through friendly cooperation in the fields of economy and trade since the establishment of diplomatic ties between the two countries;

and

DESIROUS to continue to strengthen and elevate bilateral economic and trade relations to a higher level and expand them into more extensive fields;

HEREBY AGREE as follows:

#### Article 1 Definitions

In this Memorandum of Understanding unless the context indicates otherwise—

"South Africa" means the Government of the Republic of South Africa;

"China" means the Government of the People's Republic of China;

"this Memorandum of Understanding" includes the Annexure hereto.

#### Article 2 Competent Authorities

The competent authorities responsible for the implementation of this Memorandum of Understanding shall —

- (a) in the case of the Republic of South Africa, be the Department of Trade and Industry; and
- (b) in the case of the People's Republic of China, be the Ministry of Commerce.

#### Article 3 Trade Remedy

- (1) The Parties agree to enhance dialogue on anti-dumping investigations, grant equal treatment to enterprises from both sides, and address differences

through consultation.

- (2) For purposes of Article 3(1), the Parties' shall sign the Record of Understanding on Anti-dumping Investigation to –
  - (a) implement South Africa's commitment to recognize China as a market economy; and
  - (b) establish a mechanism of cooperation between the Parties' anti-dumping investigation authorities.
- (3) In view of the arrangement made by the Parties pertaining to the textile and apparel trade, South Africa commits itself to not applying Article 16 of the Protocol on Accession of China to the World Trade Organisation, and Paragraph 242 of the Report of the Working Party on the Accession of China against products originating from China, with the understanding that contentious trade issues shall be dealt with in an amicable manner.

#### Article 4

##### Textile and Apparel Industry Restructuring

- (1) China shall provide special assistance to South Africa for the purpose of contributing to projects on the training and exchange of information, skills and expertise in the textile and apparel industry. Such projects will be identified through mutual consultation.
- (2) China shall encourage and support Chinese textile and apparel companies to invest in South Africa and South Africa shall provide the necessary facilitation.
- (3) China hereby confirms its inclusion of South Africa in *The Guiding Directory of Countries For Overseas Investment Industries*.
- (4) China shall embrace increased imports from textile and apparel companies in South Africa.
- (5) South Africa shall urge its textile and apparel companies to increase their understanding of the Chinese market.
- (6) The Parties shall administer the trade in certain textile and apparel products as set out in the Annexure.

#### Article 5

##### Joint Resource Development and Technological Cooperation

- (1) South Africa shall encourage South African companies to explore mutually beneficial co-operation with their Chinese counterparts, including in the field of technology transfer in mining and energy.
- (2) The Parties shall commit themselves to providing investment facilitation for companies in resource development and related business, including the timely sharing of information requested on the transfer and sales of the ownership of related mineral resources.

- (3) South Africa shall compile a list of competent BEE (Black Economic Empowerment) companies and encourage their cooperation with Chinese companies.

#### Article 6

##### Framework of Institutional and Policy Support

- (1) The Parties shall, through their customs administrations and in accordance with the provisions set out in this Memorandum of Understanding, afford each other mutual assistance:
  - (a) to ensure that the customs law in force in their respective territories is properly observed;
  - (b) to prevent, investigate and combat customs offences.
- (2) For the purposes of customs co-operation, the customs administrations of the Parties have had in-depth discussions and will conclude a framework on customs co-operation.
- (3) The Parties shall enhance cooperation to further rectify and standardize bilateral trade relations with the aim of promoting sound, stable and sustained development of bilateral trade.
- (4) The Parties shall encourage and support enterprises to engage in events such as marketing and commodity exhibitions, and increase exportation to each other's markets in various ways.
- (5) South Africa commits itself to reviewing its current policies and practices in order to—
  - (a) facilitate the speedy processing of visa applications in accordance with its domestic law with the understanding that this is done to—
    - (i) create a better and stable environment for trade and investment; and
    - (ii) attract more Chinese enterprises to invest in the Republic of South Africa;
  - (b) conduct trade activities that can help to create more job opportunities in the Republic of South Africa; and
  - (c) further promote bilateral trade and economic cooperation between the Parties.

#### Article 7

##### Amendments

This Memorandum of Understanding may be amended by mutual consent of the Parties through an Exchange of Notes.

**Article 8**  
**Settlement of Disputes**

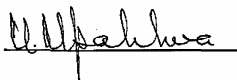
Any dispute arising out of the interpretation, application or implementation of the provisions of this Memorandum of Understanding shall be settled amicably through consultations or negotiations between the Parties.

**Article 9**  
**Entry into Force, Duration and Termination**

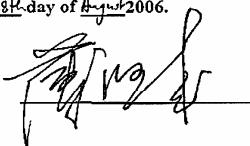
- (1) This Memorandum of Understanding shall remain in force unless terminated through mutual consultation. Either Party shall give six months notice in advance through the diplomatic channel of its intention to terminate it.
- (2) The Parties agree to meet at least once a year to review matters.
- (3) The Memorandum of Understanding shall enter into force upon the last signature thereof.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto by their respective Governments, have signed and sealed this Memorandum of Understanding in two originals in the English and Chinese languages, both texts being equally authentic.

DONE at Pretoria on this 28th day of August 2006.



MANDISI MPAHLWA



BO XILAI

FOR THE GOVERNMENT  
OF THE REPUBLIC OF SOUTH  
AFRICA

FOR THE GOVERNMENT  
OF THE PEOPLE'S REPUBLIC OF  
CHINA