

# EU supports South Africa to boost job creation, small business development and improved governance with €62 million

Commissioner for International Cooperation and Development, Neven **Mimica** is visiting South Africa, where he is meeting the Minister of Finance, Mr Nhlanhla Nene, and the Minister for Small Business Development, Ms Lindiwe Zulu.

On the occasion, Commissioner **Mimica** said: *“Ten years after the establishment of a strategic partnership with South Africa, the European Union remains very much engaged with the country as a crucial regional and global player. We are looking forward to enhancing our relations with President Ramaphosa and his administration. The fight against unemployment, poverty and inequality are at the heart of our common agenda and I am happy to launch two programmes, worth a total €62 million, in line with those priorities, during my visit. We look forward to continuing our joint work beyond 2020 with new and innovative approaches.”*

The new EU programme ‘Employment Promotion through small, micro and medium enterprises Support Programme for South Africa’, worth €52 million, will help to boost job creation in South Africa by supporting the country’s National Development Plan 2030, which foresees that 90% of new jobs in the country should come from small and emerging business by 2030. Implemented by the South African Department for Small Business Development, the new programme will help reduce the cost of doing business for small enterprises, improve business, production and marketing skills, increase access to funding by de-risking enterprise development lending and keeping the interest rate at reasonable levels.

The new Enhancing Legislature Oversight Programme of €10 million will strengthen democracy and good governance through effective execution of the core mandate of the National Parliament and the Provincial Legislatures to legislate, exercise oversight and ensure public participation.

Commissioner **Mimica**’s visit takes place a month after President Ramaphosa’s new Government was nominated. As well as meeting Ministers Nene and Zulu, Commissioner **Mimica** will also meet with EU Member States representatives and development stakeholders. He will visit an EU-funded project that develops unemployed mothers’ skills in retailing, as well as the historical site of Liliesleaf that played an important role in the life of Nelson Mandela whose centenary is celebrated this year.

## **Background**

The EU is a longstanding partner of South Africa, and has long supported the

anti-apartheid cause. Governmental cooperation then started with the advent of democracy in 1994 and it rapidly intensified, leading to the establishment of a Strategic Partnership in 2007.

Currently, bilateral cooperation with South Africa (2014-2020) focuses on 3 focal sectors: employment creation, education, training and innovation, as well as building a capable and developmental State. The total EU allocation for this period is €268 million.

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