

MEDIA RELEASE

For Immediate Release

31 August 2023

AAMEG STATEMENT

CLOSURE OF THE AUSTRALIA SOUTH AFRICA OFFICE

Perth, Western Australia: The Australia-Africa Minerals and Energy Group (AAMEG) is calling on the Australian Government to reconsider its ill-advised decision to close the Austrade office in South Africa. AAMEG believes the decision to be misguided and short-sighted at a time when the country should be expanding, not narrowing, its trade and investment engagement on the continent.

Speaking after news of Austrade's decision to retreat from South Africa, AAMEG chief executive Roger Staley says Austrade's decision means it will no longer be present in Australia's top African investment destination.

"Not only is South Africa widely acknowledged as a gateway to the continent, but it is also Australia's largest export market in Africa with two-way trade in goods and services totalling AUD3.14 billion in 2021," Staley says. "The country is also renowned for the depth, experience and expertise of its mining industry and many Australian miners, explorers and METS companies operating across Africa have benefitted from partnerships with South African companies.

The Australian government and Austrade itself have previously stated that: *'South Africa is.... the gateway into Africa thanks to its comparatively superior infrastructure, transport, telecommunications and highly developed financial and banking system [and is] well known for its dominance in minerals and agricultural products, South Africa has transformed into a sophisticated manufacturing and service-based economy'*.

Additionally, of the 162 economic agreements (Bilateral Investment Treaties, Double Tax Agreements or Free Trade Agreements) that Australia could have with the 54 countries of Africa, there is only one – a DTA with South Africa."

While AAMEG acknowledges the budget constraints faced by Austrade, the decision to close the South African office in favour of opening a desk in Nairobi, Kenya, raises questions about the Government's commitment to our closest partners on the continent and to the country's world-leading mining and METS sectors.

“Is relocating its African interests to Kenya the best thing it could do?” Staley asks. “Yes, it is close to considerable exploration, development and mining activities by Australian companies next door in Tanzania but neither destination comes close to the opportunities afforded by South Africa.

That this abrupt decision was taken without any known stakeholder consultation – including with AAMEG, an organisation established at the behest of the former Trade Minister, the late Hon. Simon Crean – further calls into question Austrade’s commitment to supporting Australia’s international mining interests.”

Austrade’s move comes a week before the African mining world descends on Perth for the annual Africa Down Under conference, an event which highlights the depth of Australian mining’s engagement with the entire Southern African region. As well as a dozen ASX-listed companies attending, the conference will welcome senior ministerial delegations from South Africa and Namibia as well as Botswana President HE Dr Mokgweeti Eric Keabetswe Masisi.

The visit of President Masisi at a time when Austrade is withdrawing from his region is a major disappointment for AAMEG and its members active in Southern Africa.

“It’s imperative that the Australian government reconsiders this ill-advised decision and prioritizes the value of collaboration and engagement on the African stage,” Staley says.

— ENDS —

FOR MEDIA ENQUIRIES, PLEASE CONTACT:

Skye Gilligan
Gilligan Group
T: +61 (0) 416 854 264
skye@gilligangroup.com.au

ABOUT AAMEG

Founded in May 2011, the Australia-Africa Minerals & Energy Group (AAMEG) is the peak body representing Australian companies engaged in the development of Africa’s resource industry. AAMEG provides a forum for members to network and share operational experience; to advocate at an industry level on behalf of members; and to assist member companies to engage with Australian and African governments and other relevant institutions and organisations.