

Parties shall start cooperation in the area of consumer policy and consumer health protection, in particular aiming at:

- (a) establishing systems of mutual information on domestically prohibited and dangerous products;
- (b) exchanging information and experience on the establishment and operation of post-market surveillance of products and product safety;
- (c) improving information provided to consumers especially on prices, characteristics of products and services offered;
- (d) encouraging exchanges between consumer interest representatives;
- (e) increasing the compatibility of consumer policies and systems;
- (f) exchange of information on increasing consumer awareness through information and education;
- (g) notifying enforcements and cooperation between the Parties in investigating harmful or unfair business practices;
- (h) exchange of information on effective ways of redressing any wrongs to consumers victimised by illegal activities.

TITLE V

Development Cooperation

SECTION A

General

Article 65

Aims

1. Development cooperation between the Community and South Africa shall be conducted in a context of policy dialogue and partnership, and shall support the policies and reforms carried out by the national authorities.
2. In particular, development cooperation shall contribute to South Africa's harmonious and sustainable economic and social development and to its insertion into the world economy and to consolidate the foundations laid for a democratic society and a state governed by the rule of law in which human rights in their political, social and cultural aspects and fundamental freedoms are respected.
3. Within this context, priority shall be given to supporting operations, which help the fight against poverty.

Article 66

Priorities

1. The areas of development cooperation will mainly concern the following:
 - (a) support for policies and instruments towards the progressive integration of the South African economy into the world economy and trade, for expansion of employment, for development of sustainable private enterprises, for regional cooperation and integration. In this context, special attention will be given to providing support to the

adjustment efforts occasioned in the region by the establishment of the free-trade area under this Agreement, especially in the SACU;

(b) enhancement of living conditions and delivery of basic social services;

(c) support to democratisation, the protection of human rights, sound public management, the strengthening of civil society and its integration in the development process.

2. Dialogue and partnership between public authorities and non-governmental development partners and actors will be promoted.

3. Programmes shall be focused on the basic needs of the previously disadvantaged communities and reflect the gender and environmental dimensions of development.

Article 67

Eligible Beneficiaries

Cooperation partners eligible for financial and technical assistance shall be national, provincial and local authorities and public bodies, non-governmental organisations and community-based organisations, regional and international organisations, institutions and public or private operators. Any other body could be made eligible if so designated by both Parties.

Article 68

Means and Methods

1. The means that may be deployed under the cooperation operations referred to in Article 66 shall include in particular studies, technical assistance, training or other services, supplies and works, and also evaluation and monitoring audits and missions.

2. Community financing, in local or foreign currency, depending on the needs and nature of the operation, may cover:

(a) government budget expenditures to support reforms and policy implementation in the priority sectors identified through a policy dialogue;

(b) investment (with the exception of the purchase of buildings) and equipment;

(c) in certain cases and in particular where a programme is implemented by a non-government partner, recurrent expenditure.

3. Contribution from the partners defined in Article 67 shall in principle be required for each cooperation operation. The nature and amount of this contribution shall be adapted to the possibilities of the partner and the nature of operations.

4. Opportunities may be sought for coherence and complementarity with other providers of funds, particularly the Member States of the European Union.

5. Appropriate steps will be taken by both Parties to ensure that the Community character of development cooperation under this Agreement is made known to the general public.

Article 69

Programming

1. Multiannual indicative programming based on specific objectives derived from the priorities in Article 66 and indicating modalities for the preparation, implementation and monitoring of the development cooperation and resulting operations during a reference period shall be carried out in the context of close contacts between the Community and the South African Government with the contribution of the European Investment Bank. The outcome of programming discussions shall be set out in a multiannual indicative programme signed by both Parties.
2. Detailed operational procedures and provisions for implementation and monitoring of the development cooperation shall be attached to the multiannual indicative programme.

Article 70

Project Identification, Preparation and Appraisal

1. The identification and preparation of development operations shall be the responsibility of the Government of South Africa National Authorising Officer as defined in Article 80, or any other eligible beneficiary defined in Article 67.
2. Project or programme dossiers submitted for financing by the Community must contain all the information necessary for their appraisal. Such dossiers shall be officially transmitted to the Head of Delegation by the National Authorising Officer or the other eligible beneficiaries.
3. The appraisal of development operations shall be undertaken jointly by the National Authorising Officer and/or the other eligible beneficiaries and the Community.

Article 71

Financing Proposal and Decision

1. The conclusions of the appraisal shall be summarised by the Head of Delegation in a financing proposal prepared in close collaboration with the National Authorising Officer and/or the requesting partner.
2. The Commission shall finalise the financing proposal and forward it to the Community's decision-making body.

Article 72

Financing Agreements

1. Any project or programme approved by the Community shall be covered by:
 - (a) either a financing agreement drawn up between the Commission, acting for the Community, and the National Authorising Officer acting for the Government of South Africa, or the eligible beneficiary;

(b) or a contract with international organisations or legal bodies, physical persons or any other operator defined in Article 67 responsible for carrying out the project or programme.

2. All financing agreements or contracts shall provide for on-the-spot checks by the Commission and the European Court of Auditors.

SECTION B Implementation

Article 73 Eligibility of Contractors and Supplies

1. Participation in invitations to tender and contracts shall be open on equal terms to all natural and legal persons in the Member States of the European Union, South Africa and the ACP States. Participation may be extended to include other developing countries in duly substantiated cases and in order to ensure the best cost-effectiveness ratio.

2. Supplies shall originate in the Member States, South Africa or the ACP States. In duly substantiated exceptional cases, they may originate in other countries.

Article 74 Contracting Authority

1. Works, supply and service contracts shall be prepared, negotiated and concluded by the eligible beneficiary, in agreement and in collaboration with the Commission.

2. The eligible beneficiary may request the Commission to prepare, negotiate and conclude service contracts on their behalf, directly or through its relevant agency.

Article 75 Procurement Procedures

Procedures for procurement or for contracts financed by the Community are laid down in the general clauses attached to the financing agreements.

Article 76 General Regulations and Conditions

The award and performance of works, supply and service contracts financed by the Community shall be governed by this Agreement and by the respective general regulations for works, supply and service contracts and general conditions as adopted by decision of the Cooperation Council.

Article 77 Settlement of Disputes

Any dispute arising between South Africa and a contractor, supplier or provider of services during the performance of a contract financed by the Community shall be settled by arbitration according to the procedural rules on conciliation and arbitration of contracts as adopted by decision of the Cooperation Council.

Article 78

Fiscal and Customs Arrangements

1. The South African Government shall apply to all contracts financed by the Community a full exemption from fiscal and custom duties and/or taxes or charges having an equivalent effect.

2. The details of the arrangements, referred to in paragraph 1 shall be established by means of an Exchange of Letters between the South African Government and the Commission.

Article 79

Chief Authorising Officer

The Commission will appoint a chief authorising officer who shall be responsible for managing resources made available by the Community for development cooperation with South Africa.

Article 80

National Authorising Officer and Paying Agent

1. The South African Government shall appoint a national authorising officer to represent it in all operations relating to projects financed by the Commission which are the subject of a financing agreement between South Africa and the Community. A paying agent shall also be appointed.

2. Obligations and tasks of the chief authorising officer and the national authorising officer and the paying agent shall be established by way of an exchange of instruments between the South African Government and the Commission in accordance with the provisions of the financial regulations of the Commission applicable to preferential agreements.

Article 81

Head of Delegation

1. The Commission is represented in South Africa by the Head of Delegation who ensures, together with the national authorising officer, the implementation, monitoring and follow-up of the financial and technical cooperation in conformity with the principles of sound financial management and the provisions of this Agreement. In particular, the Head of Delegation shall be granted powers to facilitate and expedite the preparation, appraisal and execution of projects and programmes.

2. The South African Government shall accord to the Head of Delegation and the officials from the Commission appointed in South Africa privileges and immunities in accordance with the Vienna Convention on Diplomatic Relations of 1961.

3. In defining the tasks and obligations of the national authorising officer and the head of delegation, the Parties shall seek to ensure the greatest degree of local management of projects and programmes as well as compatibility and coherence with practices applying in the other ACP States.

Article 82

Monitoring and Evaluation

1. The objective of monitoring and evaluation shall consist in the external assessment of development operations (preparation, implementation and subsequent operation), with a view to improving the development effectiveness of ongoing and future operations. This work shall be done jointly by South Africa and the Community.

2. Monitoring and evaluation of the cooperation shall be done jointly by South Africa and the Community. Annual consultations may be held to assess progress and agree on the measures to be taken to adapt and improve implementation of the multiannual indicative programme and to prepare for future operations.

TITLE VI

Cooperation in Other Areas

Article 83

Science and Technology

The Parties undertake to intensify scientific and technological cooperation. Detailed arrangements for the implementation of this objective have been set out in a separate agreement, which entered into force in November 1997.

Article 84

Environment

1. The Parties will cooperate to pursue sustainable development through the rational use of non-renewable natural resources and the sustainable use of renewable natural resources, thus promoting protection of the environment, prevention of its deterioration and the control of pollution. The Parties will aim to improve the quality of the environment and work together to combat global environmental problems.

2. The Parties will give special consideration to the development of capacity in environmental management. There will be dialogue on the identification of environmental priorities. The impact of past South African policies on the state of the environment will be reviewed and addressed where possible.

3. The cooperative relationship will involve, inter alia, matters relating to urban development and land use for agricultural and non-agricultural purposes; desertification;