

COMMONWEALTH DECLARATION OF OPPOSITION

TO APARTHEID

A. A BAN ON ALL NEW LOANS TO THE GOVERNMENT OF SOUTH AFRICA AND ITS AGENCIES

USA Measure

- President Reagan's letter to Congress, Sept. 9, 1985 "I have prohibited.... (1) the making or approval of bank loans to the South African Government with certain narrow exceptions."

- Executive Order Sept. 9, 1985 "(a) The making or approval of any loans by financial institutions in the United States to the Government of South Africa or to entities owned or controlled by that Government. This prohibition shall enter into force on November 11, 1985."

Page 5, Paragraph 8 (a) Continued

It shall not apply to (i) any loan or extension of credit for any educational, housing, or health facility which is available to all persons on a nondiscriminatory basis and which is located in a geographic area accessible to all population groups without any legal or administrative restriction; or (ii) any loan or extension of credit for which an agreement is entered into before the date of this Order.

Canadian Measures

- SSEA's Statement in
House of Commons
Sept. 13

"The Canadian Government is introducing a voluntary ban on loans to the Government of South Africa and all its agencies. We are asking all Canadian banks to apply such a ban and we have

reason to believe that they will do so. Some have already acted on their own and we welcome that. The ban will not affect any outstanding credit nor prevent loans that would clearly be to the benefit to blacks."

British Position

No action, hortatory or otherwise.

B. A BAN ON THE SALE OF KRUGERRANDS

USA Measure

- Letter to Congress,
Sept. 9, 1985

"I have directed (6) the Secretary of State and the United States Trade representative to consult with other parties to the General Agreement on Tariffs and Trade with a view toward adopting a prohibition on the import of Krugerrands."

- Executive Order,,
Sept. 9, 1985

"Sec. 5 . (a) The Secretary of State and the United States Trade Representative are directed to consult with other parties to the General Agreement on Tariffs and Trade with a view toward adopting a prohibition on the import of Krugerrands."

- Washington Telegram
2881 October 10,
1985

Administrative Order on October 1, 1985, Banning import of Krugerrands effective October 11, 1985.

Canadian Position

SSEA Statement
Baie Comeau
July 6, 1985

"9. The Security Council recently recommended that governments prohibit the sale of Krugerrands in their jurisdiction. Because that may involve problems with GATT, we have decided to discourage their sale by drawing that resolution to the attention of all Canadians and by conveying it to

the financial institutions which deal in gold coins. I would emphasize that the Security Council's resolution is not binding. There is therefore no coercion in this matter but our consultations make us confident that the recommendation will be respected."

British Position

No action taken.

C. ENDING OFFICIAL SUPPORT FOR INVESTMENT IN, AND TRADE WITH SOUTH AFRICA

USA Position

The USA Export-Import bank has made loans for transactions in South Africa subject to so many conditions (regarding the employment of blacks in South Africa and measures taken to oppose apartheid) that none - we understand - have been issued for several years. We are also not aware of any measures of official investment insurance being available in the United States.

- Letter to Congress,
Sept. 9, 1985

"I have prohibited....(5) the extension of export marketing support for U.S. firms employing at least twenty-five persons in South Africa which do not adhere to fair labour standards."

"Sec. 2 (a) The majority of United States firms in South Africa have voluntarily adhered to fair labor principles which have benefitted those in South Africa who have been disadvantaged by the apartheid system. It is the policy of the United States to encourage strongly all United States firms in South Africa to follow this commendable example.

(b) Accordingly, no department or agency of the United States may intercede after December 31, 1985, with any foreign government regarding the export marketing activity in any country of any national of the

United States employing more than 25 individuals in South Africa who does not adhere to the principles stated in subsection (c) with respect to that national's operations in South Africa. The Secretary of State shall promulgate regulations to further define the employers that will be subject to the requirements of this subsection and procedures to ensure that such nationals may register that they have adhered to the principles."

Canadian Position

Canada has terminated all official support for investment in, and trade with, South Africa.

- Mr. Jamieson's
Statement in 1977

- withdrawal of trade commissioners, 1977;
- closure of consulate 1977;
- investment insurance suspended in 1978;

- export credits and loans
(government account)
suspended in 1978;
- Mr. MacGuigan's
Statement, 1980
- export credits and loans
(corporate account) suspended
in 1980;
- SSEA's Statement
at Baie Comeau
July 6, 1985
- export insurance, suspended
in 1985
- export market development
grants (PEMD), suspended in
1985

British Position

Business as usual: no
suspension of ECGD loans,
credits or guarantees

Trade officers are active in
South Africa.

D. A BAN ON THE EXPORT OF COMPUTERS AND OTHER SENSITIVE
EQUIPMENT TO THE SOUTH AFRICAN MILITARY FORCES, POLICE
AND GOVERNMENT AGENCIES INVOLVED IN THE ENFORCEMENT OF
APARTHEID

USA Measure

- Message to Congress,
Sept. 9, 1985

"I have prohibited (2) the export of computers and related goods and technology to certain government agencies and any apartheid enforcing entity of the South African government."

"The following transactions are prohibited October 11, 1985...

(c) (1) Issuance of any license for the export to South Africa of goods or technology which are to be used in a nuclear production or utilization facility, or which, in the judgment of the Secretary of State, are likely to be diverted for use in such a facility; any authorization to engage, directly or indirectly, in the production of any special

nuclear material in South Africa; any license for the export to South Africa of component parts or other items or substances especially relevant from the standpoint of export control because of their significance for nuclear explosive purposes; and any approval of retransfers to South Africa of any goods, technology, special nuclear material, components, items, or substances described in this section.

Canadian Measures

- SSEA's Statement,
Baie Comeau,
July 6, 1985

"2. The government will tighten its application of the United Nations arms embargo by restricting exports of sensitive equipment such as computers to the police, the armed forces, and other South African departments and agencies involved in the enforcement of apartheid."

British Position

- Text of the EEC
Communique, issued
on Sept. 11, 1985

As joined EEC concensus:
"suppression des exportations de
matériel sensible destiné à
l'armée et à la police de la
RSA".

Statement by Foreign
Office Spokesman,
Sept. 25, 1985

Cessation of exports of
sensitive equipment destined for
the police and armed forces of
South Africa, spokesman said
that such equipment was already
covered for the UK by the terms
of the export of goods control
order, and as such was already
subject to licence.

E. A BAN ON THE SALE OF OIL AND OIL PRODUCTS TO SOUTH
AFRICA

USA Position

No action taken.

Canadian Position

SSEA's Statement in
House of Commons
Sept. 13, 1985

"The Canadian government will apply a voluntary ban on the sale of crude oil and refined products to South Africa. To this end, we are asking Canadian companies not to enter into any contracts for the sale and export of these goods to South Africa. Our sales in this area have been limited in the past. This measure is being taken now to ensure that Canada does not become an alternative source of supply in the future."

British Position

- This measure was introduced some years ago by the Labor government. (it is not clear whether it covers refined products.)
- British joined the EEC concensus

EEC Communiqué,
Sept. 11, 1985

Suppression des exportations de
pétrole vers la RSA.

Foreign Office Spokesman,
Sept. 23, 1985

Cessation of oil exports to South Africa. Spokesman referred to guidelines from HMG to companies exporting oil from the UK continental shelf, which require that this oil should be exported only to countries which were either members of the European Community or the International Energy Agency.