



MINISTRY OF FINANCE
REPUBLIC OF SOUTH AFRICA

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MEDIA STATEMENT

STATEMENT BY MINISTER OF FINANCE ENOCH GODONGWANA ON HIS MEETING WITH U.S. SECRETARY OF TREASURY JANET YELLEN

The United States Secretary of Treasury Janet Yellen and Minister of Finance Enoch Godongwana met in Pretoria on Thursday to discuss a range of issues and explore ways to extend the already extensive areas of economic and financial cooperation between the two countries.

Topping the agenda was the state of the global economy, policies to promote regional growth and investment, and the further development of trade and investment ties between the United States and South Africa.

The U.S. ranks among South Africa's top trading partners, with a diverse flow of goods, services, and know-how between the two states serving as a critical launchpad for the development of both economies.

Secretary Yellen and Minister Godongwana also discussed support by the United States for South Africa's Just Energy Transition. The U.S. is part of the International Partners Group of developed economies that in 2021 pledged US\$8.5 billion, including around US\$1 billion from United States Government agencies, to support South Africa's move to a low-carbon economy and plans to reduce emissions.

Minister Godongwana expressed his gratitude for the United States' commitment to South Africa's energy transition, noting that it comes at a critical stage when the country is facing grinding energy shortages. He reiterated his view that developed nations could do more in this regard, especially by ensuring that the financial support includes a much larger grant-funding component.

Africa's "Special Needs and Circumstances", said Minister Godongwana, needed to be recognised globally, especially due to the reality of a high number of resource-dependent economies on the continent, in addition to high levels of poverty, unemployment and underdevelopment.

This recognition would be an important step towards unlocking the financial flows to the continent, allowing it to play its role in the global transition to a low-carbon future.



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Minister Godongwana also urged Secretary Yellen to support South Africa's push for the expedited reform of international financing institutions and multilateral development banks to include wider participation of developing countries and middle-income economies that historically have had limited representation on these critical platforms.

Strengthening the development outcomes of these institutions and the finance they provide would also be a critical area of cooperation, said Minister Godongwana.

He expressed his commitment to continuing to advocate for the implementation of the Common Framework for debt treatment.

The global financial crunch triggered by the COVID-19 pandemic, and its lingering after effects, has pushed a number of poor and emerging economies into debt distress, Minister Godongwana noted. This, he added, underlined the urgency of these reforms, as well as for the need for greater support for speedy and equitable debt resolution mechanisms.

On the issue of bilateral cooperation in combating money laundering, illicit financial flows and cross-border crimes, Minister Godongwana appraised Secretary Yellen of South Africa's far-reaching reforms and concrete actions the country has undertaken since receiving an adverse evaluation from the Financial Action Task Force (FATF).

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