

KUALA LUMPUR, October 1989

The Commonwealth Summit was held in Kuala Lumpur at a time of increasing change in South Africa. President de Klerk campaigned for the September 1989 elections on a reform platform and subsequently acclaimed his victory, albeit with a reduced majority, as a mandate for "orderly" reform. He pledged that the "door to a new South Africa is open".

Just prior to the Kuala Lumpur meeting, President de Klerk freed eight senior political prisoners, including Walter Sisulu, applied a new and welcome tolerance to peaceful political protest, and spoke in more concrete terms about the requirement for fundamental reform.

In this more hopeful situation, the Commonwealth agreed to give President de Klerk "running room" of approximately six months to demonstrate, in substantive ways, his stated goal of dismantling apartheid.

In its statement entitled "South Africa: The Way Ahead", the Commonwealth agreed that where there had been movement in South Africa, more was required. It determined that existing sanctions would be maintained and (with the exception of the United Kingdom), pressure increased by way of: urging banks and financial institutions to limit export credits to terms of 90 days; calling on governments to take South Africa "off cover" for official trade credit and insurance purposes; and encouraging the UN to strengthen the arms embargo. Commonwealth Heads of Government also endorsed the establishment of an independent agency to review and report on South Africa's international financial links.

Canadian Response:

Canada had instituted all of the financial sanctions agreed to at Kuala Lumpur prior to September 1989. In addition, we extended the ban on high technology items and tightened our policy on sports contacts and on contracts with majority South Africa-owned companies. Canada has also agreed to provide \$50,000 per annum towards the operation of the Centre for the Study of the South African Economy and International Links.