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## South Africa's agricultural interests in BRICS are not at the expense of the existing key export markets

- South Africa's agricultural interests in the BRICS markets are not at the expense of the existing and vital export markets in the African continent, EU, Asia, Americas, Middle-East and others. These existing markets are essential; thus, South Africa exported a record US\$12,8 billion in agricultural products in 2022. The African continent was the leading market, accounting for 37% of South Africa's agricultural exports in 2022. Asia was the second largest agricultural market, accounting for 27% of exports, followed by the E.U., the third largest market, accounting for 19%. The Americas region was the fourth largest, accounting for 7%, and the remaining 10% went to the rest of the world. The U.K. was one of the leading markets within the 'rest of the world' category.
- Maize, wine, grapes, citrus, berries, nuts, apples and pears, sugar, avocados, and wool were some of the top exportable products 2022.
- In value terms, South Africa already exports roughly half of its annual agricultural produce annually. As we expect our production to increase in the coming years with additional land put into production, we will need other export markets. It is at this point that BRICS becomes essential. As things stand, BRIC(S – excluding South Africa) countries account for a relatively small share of South Africa's agricultural exports – an average of 8% over the past ten years in total agricultural exports of US\$9,9 billion.
- China is the leading market, accounting for an average of 5% of South Africa's agricultural exports worldwide. The top products were wool, citrus, beef, nuts and grapes. The second largest market within BRIC(S) was Russia, accounting for an average of 2%, with citrus, apples, pears, grapes and wine as some of the top products. At the same time, India and Brazil were negligible importers of South African agricultural products.
- While the BRIC (with South Africa excluded in this calculation) countries imported an average of US\$764 million of agricultural products from South Africa, a small share in the nearly US\$10 billion South Africa exported over the past decade annually, the grouping – BRICS -- imported an average of US\$241 billion worth of agricultural products from the world market. This is according to data from Trade Map.
- The US\$764 million imported by BRIC from South Africa over the past ten years makes South Africa a small player in the agricultural trade of this grouping. China is the largest importer accounting for 67% of the total BRIC agriculture import of US\$196 billion, followed by Russia (16%), India (12%), and Brazil (5%).

- These realities imply that within the agribusiness stream of the BRICS Business Council and the broader political grouping, the South African representatives should continue to advocate for lowering import tariffs for agricultural products, specifically within India and China. At the same time, the business community will have to actively promote the "proudly South African" agriculture (and broadly food, fibre and beverages) products within the bloc. So, when one calls for increased focus on the BRICS, this is not at the exclusion of other existing and important agricultural export markets for South Africa.

## **Policy considerations**

- Beyond the BRICS matters, I must stress that South Africa's agriculture is export-orientated. Thus, the focus should be on maintaining smooth relations with these critical export markets while searching for additional new markets.
- The priority countries for expanding agricultural exports should be China, South Korea, Japan, the USA, Vietnam, Taiwan, India, Saudi Arabia, Mexico, the Philippines and Bangladesh. All have sizeable populations and large imports of agricultural products.
- The Department of Trade, Industry and Competition, along with the Department of Agriculture, Land Reform and Rural Development, all share the view of widening the export markets for South Africa's agriculture. This should be at the top of the policy agenda, with many domestic production-oriented interventions for the sector.