

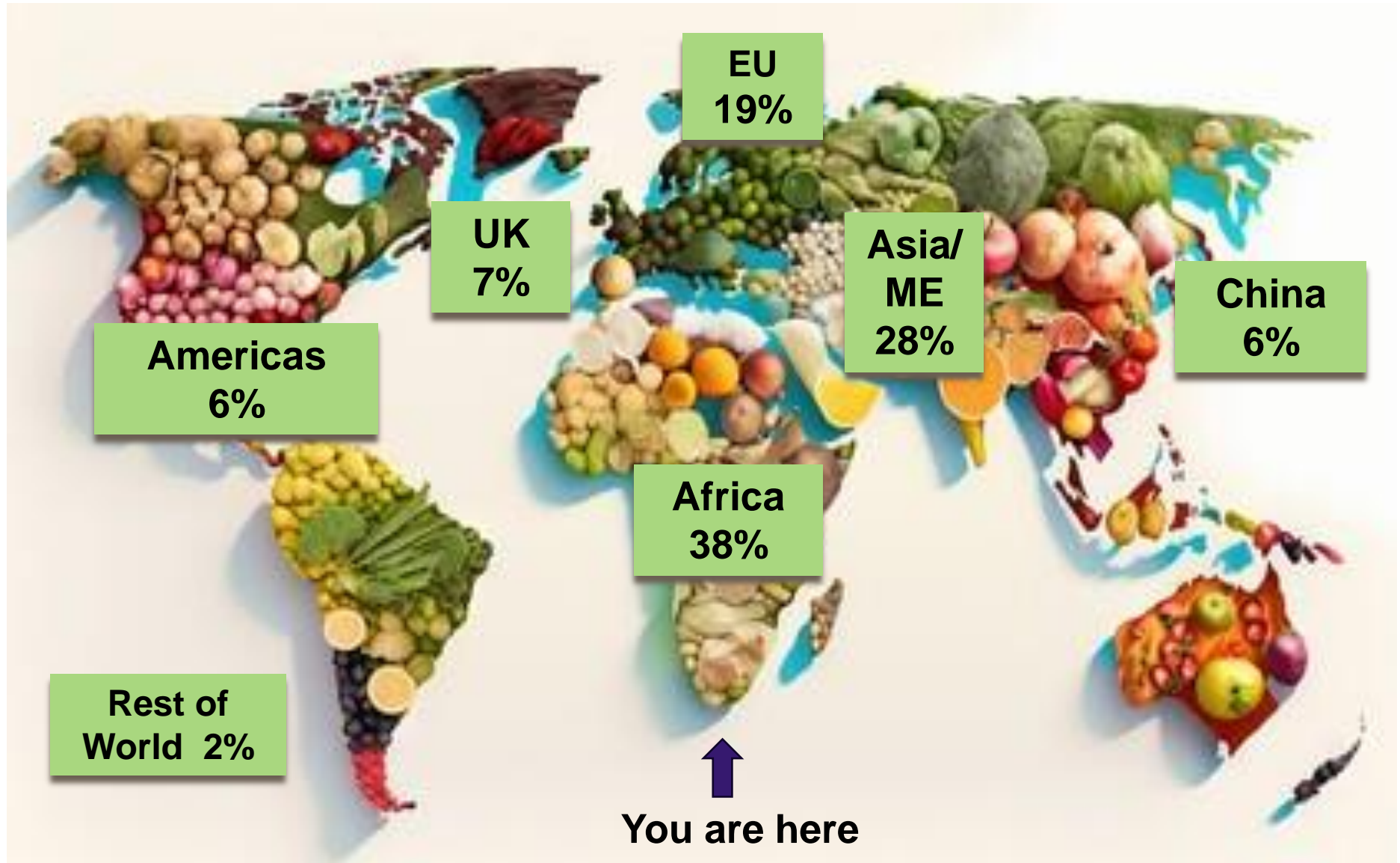
Trade as an enabler of growth

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Agri export values

- Over 50% of SA's agricultural production is exported, in value terms. Fruit sector % is as high as 80% in some commodities.
- **Total agricultural exports reached a new record of US\$13,2 billion in 2023, in spite of logistic, energy and input cost issues**
- **Very diversified trade, spread across multiple regions.**
- Agricultural exports of US\$4,12 billion in the third quarter, 2024 a 5% increase relative to same period 2023. Total exports of US\$10,55 billion in 2024 to date up 4% from 2023 period.
- Year-to-date cumulative trade surplus up 3%, at US\$5,03 billion

Agri export value

- Nationally – citrus/grapes/apples/pears as a group = slightly higher export value than either SA manganese or chrome exports
 - **Total SA agri exports** are nearly **2 x iron ore export value**
 - 4 x chrome, 3 x manganese
 - Nearly **2 x SA's iron & steel** export value
 - **2 x SA's machinery** export value
 - Close to vehicle export value

SPS Market Access Update

Commodity	Market	SPS Protocol signed
Apples	Thailand	2024
Pears	China	2022
Avos	Japan, China, India	2024
Beef	Saudi Arabia	2022
	China	2023, compartment MoU 2024
Dairy	China	2024
Greasy Wool	China	Treatment confirmed mid-2024
Rooibos	China	MFN tariffs 30% to 6%, 2024
Citrus	Vietnam	2024

SPS Market Access Update, continued...

Sanitary and Phytosanitary Access expected in near term (note, no tariff reductions)

- **India:** Citrus
- **Thailand:** Pears
- **Philippines:** table grapes
- **China: Protocol** awaited for pet food.
 - Still targeting pork, dried abalone, alignment of citrus SPS & shipping timeline, concurrent processing of application for blueberries, mangoes and cherries

Can SPS applications alone suffice for new markets?

Commodity	BRICS markets	SPS timeline
Avocados	SA to India	Process commenced in 2013. First response on quarantine pest list in 2018. 10 years & counting.
Pears & Stonefruit	SA to China	Process for pears & stonefruit commenced in 2003. Pears finalised 2022. 19 years.
Apples	SA to China	Process commenced around 2001. Finalised 2016. 15 Years.
SPS Agreements are vulnerable to unilateral action. No legal framework or dispute resolution mechanisms. Single commodity. Queues,		

Trade Policy Update – Africa



AfCFTA

- SA joined **Guided Trade Initiative** in January 2024. All non-sensitive (Category A) goods are included. 38 countries. 12 fully compliant. Trade may commence in these products.
- Protocols in Digital Trade and Competition now being negotiated, as well as goods Categories B (Sensitive) and C (Excluded).
- SA National Implementation Committee being formed.

AfCFTA, continued...



Tools for trade under the AfCFTA

- Searchable **e-tariff book** now live
- **Africa Trade Gateway** effort to digitise transactions for intra-African trade. Platform of platforms. eCommerce, due diligence, market intelligence, supply chain finance, payments. Financing, investment. Pan-African Payment system
- Plans underway to develop a **portal for SPS and TBT notification** as well as information sharing.
- **Matchmaking** possible via National/Country Focal Points
- Companies can register on AfCFTA database and receive AfCFTA token/trader number

Africa – TFTA, SADC, SACU



TFTA

- 14th country has ratified, now in force, trade expected early 2025.

SADC

Angola is acceding to the SADC Protocol on Trade. Offers have exchanged.

SACU

- Border closures, bans. Namibia and Botswana. Fresh produce and citrus. New Botswana government. Agbiz advocacy and engagement.
- Legality of border measures?
- Possible way forward, SACU channels, revive Sectoral Liaison Committees, Ad Hoc Tribunal, G2G engagement, B2B engagement. SACU study into non-tariff barriers underway.
- **SACU study** into utilisation of existing agreements & potential new trade agreements

Trade Policy Update – EU / India

EU

- Review of the SADC-EU Economic Partnership Agreement – impasse on scope of review. EU opposition to comprehensive review including market access revisions. The list of agricultural Tariff Rate Quota products may not be revised.

India

- SACU-India PTA – India seeking an FTA, not just a PTA. Uncertain.

Trade Policy Update - AGOA

- SA citrus and avos SPS protocols remain in limbo. Apparent pork linkages for citrus.
- **2025 AGOA Annual review** underway, outcome January 2025
- **AGOA Renewal** expected in 2025
- SA eligibility risks have lessened but remain. NDAA amendment, BRICS friction, Israel-Hamas war, out of cycle reviews.
- AGOA may be expanded, strengthened, or may be renewed largest in current form, but include trade in critical minerals

Trade Policy Update – BRICS

- BRICS+ now comprises about half of global agricultural trade.
- However, intra-BRICS trade remains low.
- New members – 2024: Egypt, Ethiopia, UAE, Iran
- ‘Partner countries’ 2024: Algeria, Belarus, Bolivia, Cuba, Indonesia, Kazakhstan, Malaysia, Nigeria, Thailand, Türkiye, Uganda, Uzbekistan, Vietnam
- Agbiz Chief Economist chairs Agribusiness WG
- Agribusiness position advanced a Kazan Summit via BRICS Business Council
 - Brazil, China, and South Africa most vocal about the need for tariff reduction
 - Agreed that BRICS+ must address any phytosanitary barriers that currently hinder trade.
 - WG members concerned with EU’s environmental policies in agriculture

Trade Policy Update – WTO

WTO

SA-EU Citrus cases

- False Coddling Moth (FCM) – Stage 2 (Adjudication Panel) has commenced
- Citrus Black Spot (CBS) – Stage 2 (Adjudication Panel) has commenced
- Stage 1 – 60 days, Stage 2 Panel – 6 months. 18 months if appeal. Ruling: change measures or pay ‘compensation (proportional tariff countermeasures to essentially match damage suffered). If EU refuses, SA can request permission to apply unilateral retaliatory countermeasures.
- The work of the Panel is expected to commence in early 2025 once both panels constituted and capacitated and initial research undertaken.

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