



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL COUNCIL OF PROVINCES

QUESTION FOR WRITTEN REPLY

QUESTION NO. 1054

Mr M Billy (KwaZulu-Natal: DA) to ask the Minister of Trade, Industry and Competition:

(a) What progress has his department made in facilitating South African business access to preferential markets under the African Continental Free Trade Area and (b) how many (i) bilateral trade and/or (ii) investment opportunities have been brokered by his department through such framework in the past year? CO896E

REPLY:

(a) Through negotiating and implementing the African Continental Free Trade Area (AfCFTA), **the dtic** strives to create an environment within which the business sector can utilize preferential access to markets and have the certainty of a rules-based trading system. The progress made in negotiating and implementing the AfCFTA is outlined below.

Preferential trade under the AfCFTA was launched on 1 January 2021 subject to the finalization of the necessary legal requirements (domestic legislation and tariff phase down schedules) on products where we have agreed Rules of Origin.

South Africa gazetted the SACU Provisional Schedule of Tariff Concessions on 26 January 2024 and launched the start of preferential trade under the AfCFTA on 31 January 2024 at the Port of Durban. During the launch, South Africa exported its first shipment of goods to Ghana and Kenya under the AfCFTA. Following the gazetting of the SACU tariff offer, South Africa and SACU Member States are now able to trade preferentially with other AfCFTA countries that have finalized the necessary domestic legislation.

As of April 2025, 48 tariff offers have been verified by the AfCFTA Secretariat to be in accordance with the agreed modalities for tariff liberalization. Only six (6)

Member States have not yet tabled offers, namely: Djibouti, Eritrea, Libya, Sahrawi Republic, Sudan and Somalia.

(b)(i) Currently, of the 48 adopted offers, the following 24 countries have started implementing preferential trade [1] under the AfCFTA:

Algeria, Botswana, Cameroon, Egypt, Ethiopia, Ghana, Kenya, Mozambique, Mauritius, Morocco, Namibia, Nigeria, Rwanda, Tanzania, Tunisia, South Africa, Eswatini, Lesotho, Burundi, Uganda, Malawi, Seychelles, the Gambia and Zambia. The new market access for SA is in the 13 non-SADC countries, as SA will continue to trade with SADC Member States under the SADC Trade Protocol provisions.

As other non-SADC countries implement their approved tariff offers, they will be added to the list of names in SA's domestic legislation with whom preferential trade under the AfCFTA can take place. Final implementation of the Schedules of Tariff Concessions will be undertaken when the remaining 10% category of the tariff books (7% sensitive products – subject to a longer period of liberalisation and 3% excluded products) and outstanding rules of origin have been finalised.

Since SA's launch of trade under the AfCFTA in January 2024, South Africa's exports under preferential terms have been steadily increasing. From January 2024 to May 2025, our exports under the negotiated AfCFTA preferences amounted to approximately R1.2 billion, spanning a diverse range of products, including mining equipment, appliances, food items, apparel, plastics, and electrical machinery. Currently, our main export destinations within the AfCFTA framework include Ghana, Kenya, Egypt, Rwanda, Cameroon and Algeria. In this regard, the South African Revenue Service (SARS) does not share information on individual companies and their deals or transactions due to protection of personal information.

Whilst various elements of the AfCFTA implementation continues with more countries starting to implement the agreement, **the dtic** continues with export promotion activities in the continent, including in countries not yet implementing the AfCFTA. In this regard, during the 2024/25 financial year exports of around R834 million were reported for roughly 20 orders linked to participation at events held in the continent, and funded through the Export Marketing and Investment Assistance (EMIA) scheme. **The dtic** will be facilitating further access for South African companies through various future National Pavilions, missions, and business fora in non-SADC countries, with countries such as Algeria, Egypt, Ethiopia, Ghana, Kenya, Morocco, Nigeria, and Tunisia being targeted.

In advancing trade with rest of Africa, **the dtic** also hosted business fora with Algeria, Angola, and Nigeria in December 2024, aimed at profiling strategically important sectors essential for driving sustainable economic growth at national, regional, and continental levels.

(b)(ii) The AfCFTA Protocol on Investment is not yet ready to be ratified and enter into force. The African Union Summit held in February 2023 in Addis Ababa adopted the Protocol on Investment with a built-in agenda of negotiations on the outstanding Annexes. The AfCFTA Investment Protocol seeks to foster coherence and consistency with respect to the rules and principles that govern the promotion and facilitation of investment on the African continent; and to attract great investment flows to the continent and facilitate intra-African cross-border investment.

Technical negotiations to conclude the Annex on the Rules and Procedures for the Prevention, Management and Resolution of Disputes of the AfCFTA Protocol on Investment are ongoing. Once the outstanding Annexes have been finalised, South Africa would be in a position to process the Protocol for ratification, which will enter into force once 22 instruments of ratification have been deposited.

Because the AfCFTA Investment Protocol has not yet entered into force, no outward investment has been realized yet under the AfCFTA framework. At this time, therefore, investment takes place on bilateral basis, and not under the framework of the AfCFTA.

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