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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL COUNCIL OF PROVINCES

QUESTION FOR WRITTEN REPLY

QUESTION NO. 1661

Sustaining export growth for SMEs

Ms S M Mokoena (KwaZulu-Natal: MKP) to ask the Minister of Trade, Industry and Competition:

(a) How has South Africa's trade surplus of R15.6 billion of October 2025 impacted small and medium enterprises and (b) what actions are being taken to ensure export growth is sustained? CW1887E

REPLY

(a) South Africa has recorded a trade surplus in 55 of the past 60 months (i.e. since November 2020). The preliminary October trade surplus of R15.6 billion is in fact lower than the September surplus of R22.3 billion. On a month-on-month basis (September to October), exports increased by 2.8% while imports increased by 7.2%, accounting for the narrowing trade surplus. The increase in exports were driven by gold, diamonds, and unwrought aluminium. Imports were driven by crude oil, petroleum oils, and original equipment components. The value of gold exports has increased, even though the volume has declined. This is driven by the strong increase in the price of gold – 54.6% over the past year.

The available trade data is not differentiated per company size. In general, though, a trade surplus could strengthen the exchange rate, which would make imports cheaper and therefore increase competition in the domestic market, while also making exports less competitive. If the trade surplus is due to strong international demand, it augers

well for the domestic industry in terms of increased production, income and employment. If, however, the surplus is due to weak domestic economic activity, low consumer demand and less demand for imports, the negative impact will also be experienced by small business selling locally.

(b) To sustain export growth, the Department of Trade, Industry and Competition (**the dtic**) is implementing a comprehensive programme that expands access to finance, strengthens inclusivity, and diversifies markets. The “butterfly strategy” of diversification is accelerating the expansion of exports into new regions and product categories. This includes product diversification, value-addition, sectoral balance, and resilience against global shocks. South Africa’s diversification drive builds on trade agreements with the European Union, European Free Trade Association (EFTA), Mercosur, and AfCFTA, ensuring access to over 90 countries globally, while strategic relations with ASEAN, Gulf Cooperation Council (GCC), and Japan further expand opportunities.

High-level engagements with key partners and targeted export promotion initiatives, including international trade fairs and outward selling missions, are profiling South African exporters globally.

Together, these measures ensure that export growth remains resilient, geographically diversified, and inclusive of SMEs, women-owned, and youth-owned enterprises.

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