



**the dtic**

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

## THE NATIONAL ASSEMBLY

### QUESTION FOR WRITTEN REPLY

#### QUESTION NO. 1325

**Mr W M Douglas (MK) to ask the Minister of Trade, Industry and Competition**

***[Interdepartmentally transferred from International Relations and Cooperation with effect 26 March 2025]***

(1) Given that the United States (US) has increasingly used trade agreements, such as the African Growth and Opportunity Act (AGOA), as economic weapons to threaten developing countries with sanctions and exclusion from global trade and noting that the Republic's continued over-reliance on AGOA exposes its economy to unnecessary external pressure, what steps has the Government taken to accelerate the Republic's trade diversification strategy away from the United States and towards (a) BRICS+, (b) Africa and (c) the Global South to reduce economic dependency on US-dominated trade systems;

(2) whether his department has engaged in negotiations for alternative trade agreements within BRICS+, including bilateral trade deals with China, Russia, India and Brazil that could replace AGOA's benefits without political conditionalities; if not, what is the position in this regard; if so, what are the relevant details;

(3) whether, given the geopolitical risks of US trade weaponisation, the Government supports the establishment of a South-South Trade and Investment Forum to (a) ensure Africa's economic sovereignty and (b) prevent future economic coercion from Western powers; if not, why not; if so, what are the relevant details?

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#### REPLY:

- (1) It is necessary to put South Africa's exports to the US in perspective. In 2024, South Africa exported goods to the value of R156.594 billion to the US (excluding gold). Of South Africa's total global exports of R2 040.314 billion, the US exports therefore accounted for 7.8%. The trade data shows that 25.7% of imports from SA actually utilized the preferential tariffs available under the AGOA and the Generalised System of Preferences (unilateral preferential schemes). Thus,

majority of South African exports were traded under WTO terms. This would translate into 2% of South Africa's total global exports that utilize AGOA treatment.

(a) The Government has been actively diversifying exports markets, including negotiating the African Continental Free Trade Agreement which opens up the African Continental market beyond SADC. In addition, Government is also strengthening relations with countries in Asia and the Middle East to open new market access opportunities. Some of these efforts are bearing fruit with new market access opportunities for our agriculture products. Discussions continue within BRICS+ on supply chain resilience and fostering mutually beneficial trade partnerships based on complementarities. Economic, Trade and investment matters within BRICS+ are discussed under the Contact Group on Economic and Trade Issues (CGETI) reporting to the BRICS Trade Ministers.

(b) South Africa is party to the Southern African Customs Union (SACU), the Southern African Development Community (SADC) Trade Protocol, Tripartite Free Trade Agreement between East African Community, Common Market for Eastern and Southern Africa and SADC; and the African Continental Free Trade Area. The focus of the department is to increase utilization of these agreements, all of which provide preferential access to these various African markets.

(c) South Africa continues to strengthen relations with the Global South. Our country is currently a Sectoral Dialogue Partner in The Association of Southeast Asian Nations (ASEAN). BRICS+ also provides a key platform to enhance bilateral trade relations with countries of the South.

Government will continue to lead numerous specialised trade missions to BRICS+, other African countries and the Global South and will intensify efforts in the sectors most impacted by the US trade tensions, such as automotive components, agro-processing and mining equipment.

- (2) South Africa signed a Memorandum of Understanding aimed at deepening bilateral trade cooperation with China. This provides a platform to exchange product list of export to South Africa to increase and diversify SA exports.

With regard to India, negotiations for a Preferential Trade Agreement between SACU and India are underway.

Brazil is a member of the MERCOSUR bloc with which SACU has a Preferential Trade Agreement granting preferential market access to 1000 products from SACU, thus providing an alternative market for South Africa.

With Russia, **the dtic** continues to participate in the *SA–Russia* Joint Inter-Governmental Committee on Trade and Economic Cooperation to find ways and means of increasing trade.

- (3) Broadly, South Africa supports a South- South trade and investment agenda as part of its resilience building efforts. It is important to note that currently there has not been any discussion on the South-South Trade and Investment Forum. BRICS+ provides a key platform for South Africa to engage with countries of the South on trade matters.

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