



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 2189

Mr S Thambo (EFF) to ask the Minister of Trade, Industry and Competition:

(a) How does his department plan to handle the fallout caused by the introduction of the reciprocal tariffs by the United States of America which threatens global trade and (b) what strategy has his department developed to diversify markets and bilateral trade? NO2212E

REPLY:

a) The US' reciprocal tariffs have been imposed on all countries. Initially, the US imposed different tariffs for countries, with South Africa facing a 30% tariff, but this has since been paused for 90 days and during that period lowered to 10% for all countries. Products such as copper, pharmaceuticals, semiconductors, lumber articles, certain critical minerals, stainless steel scrap and energy and energy products have been exempted from the reciprocal tariffs.

It should however be noted that SA's exports of automobiles and auto parts are facing 25% Section 232 tariffs, implemented on national security grounds. All other products face 10% reciprocal tariffs, with exception of products exempted from the reciprocal tariffs such as critical minerals, pharmaceuticals, and metal waste and scrap. To handle this trade environment, Government has two process underway:

- Government is finalising a response to these developments in the form of a package for engagement with the United States as announced by His Excellency President Cyril Ramaphosa; and
 - diversification of markets to create resilience.
- (b) To safeguard and expand South Africa's global trade footprint in light of trade disruptions, 22 priority markets have been identified, with additional focus on strategic markets across all regions. The priority countries include African countries and a mix of high-demand economies and longstanding trade partners.

-END-