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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 2515

Dr W J Boshoff (FF Plus) to ask the Minister of Trade Industry and Competition:

- (1) In light of the United States' (US) recent imposition of a 10% baseline tariff on all imports and a 30% reciprocal tariff on the Republic's goods, effective April 2025, with a 90-day pause on the reciprocal tariff, what are the details of the (a) list of key Republic export categories affected by the specified tariffs, including the (i) specific tariff rates applied to each category and (ii) exemptions and (b) corresponding tariffs the country imposes on similar goods imported from the US;
 - (2) what steps has his department taken to (a) assess the impact of the specified tariffs and (b) negotiate (i) exemptions and (ii) alternative trade arrangements?
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REPLY:

- (1) (a)(i) In April 2025, the US announced reciprocal tariffs against numerous countries including a 30% reciprocal tariff on products from South Africa. A 90-day pause has been announced on the reciprocal tariffs effective from 9 April 2025 and this is replaced with a 10% tariff that is imposed in addition to the most favoured nation (MFN) duty. However, under AGOA, of which South Africa is a beneficiary, the MFN duty is waived thus giving AGOA beneficiary countries still a margin of preference. The US also implemented Section 232 tariffs on imports of automobiles and auto parts and also on steel and aluminium from all countries.

Therefore, AGOA-eligible countries including SA will be subjected only to the 25% Section 232 tariffs on steel, aluminium and automotive and auto parts, and also the reciprocal tariffs.

(ii) Sectors such as copper, pharmaceuticals, semiconductors, lumber articles, certain critical minerals, and energy and energy products have been excluded from the reciprocal tariffs. A full list of excluded products can be found at <https://www.whitehouse.gov/wp-content/uploads/2025/04/Annex-II.pdf>

(1)(b) South Africa's average tariff is 7.6%. Approximately 54% of South Africa's tariff lines are duty free. This means that imports from the world including the US face lower tariffs when entering South Africa. For the US, previous estimates indicate that a 77% of imports enter South Africa duty-free.

(2) (a) In 2024, South Africa's merchandise exports to the US were dominated by platinum group metals (PGMs), which accounted for 31.8% of the export basket; and motor vehicles, parts and accessories (21.8%). These two export categories therefore accounted for 53.6% of the export basket to the US. Other key exports include non-ferrous metal products, basic iron and steel, other manufacturing (such as jewellery, metal waste and scrap), mining of chrome and manganese, diamonds, as well as chemical products.

Due to exemptions from reciprocal tariffs, around 35% of SA exports are exempted from the tariffs. Approximately 40% of exports (automobiles and auto parts, and steel and aluminium) will be subject to Section 232 tariffs at the rate of 25%. As a result, around 25% of SA's exports are subject to the 30% reciprocal tariffs.

On 07 July, the US sent letters to certain countries announcing tariffs from 1 August 2025, with SA facing 30% tariff. In the letter announcing tariffs, the US remained open to deals to address deficit and non-tariff barriers, as well as for countries to invest in the US.

(2)(b) Two initiatives are underway: i) Government is finalising a response to these developments in the United States as announced by His Excellency President Cyril

Ramaphosa. South Africa submitted its proposal of a Framework Deal during President Ramaphosa's visit to the US on 20 May 2025, which was followed by the revised Framework submitted on 12 August 2025. After the US sent draft text of a proposed Agreement on Reciprocal Tariffs on 25 August 2025, the two sides are having continued discussions towards a deal; and ii) diversification of markets to create resilience. The diversification initiatives focus on countries with which South Africa has trade agreements in place such as the Southern African Customs Union (SACU), Southern African Development Community (SADC), African Continental Free Trade Area (AfCTA), the European Union, the European Free Trade Association as well as a preferential trade agreement with MERCOSUR comprising Brazil, Argentina, Paraguay and Uruguay. Further, South Africa has established strategic relationships with a number of countries in Asia and Middle East.

To safeguard and expand South Africa's global trade footprint in light of trade disruptions, 22 priority markets have been identified, across various regions. The priority countries include countries in Africa and a mix of high-demand economies and longstanding trade partners.

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