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Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

## **THE NATIONAL ASSEMBLY**

### **QUESTION FOR WRITTEN REPLY**

#### **QUESTION NO. 3274**

**Ms O M C Maotwe (EFF) to ask the Minister of Trade, Industry and Competition:**

Following the recent bilateral meeting between the South African delegation led by the President of the Republic, Mr M C Ramaphosa, and the United States (US) administration led by the US President, Mr D J Trump, which focused on trade relations between the two countries, what (a) specific economic and/or financial outcomes did the Republic target from the engagements and (b) quantifiable trade and/or investment value is anticipated as a result of the discussions? NW3748E

#### **REPLY:**

- (a) The purpose of the working visit to the US was fourfold: i) to reset the bilateral relations between our two countries; ii) to set up a process of engagement between the two countries; iii) to discuss the importance of the US participation in G20; and iv) to discuss the renewal of the Africa Growth and Opportunity Act (AGOA).

The visit was successful as it did achieve its objectives. Both South Africa and the United States endorse the Trade and Investment Framework Agreement as platform to discuss issues of mutual interest. Further, in order to enhance mutually beneficial trade and investment relations, South Africa submitted a Framework Deal to the United States for consideration and for further negotiations.

The Framework includes, among other, the following elements:

- Import of LNG, complemented with US investment in gas infrastructure in SA.

- Cooperation in key technologies to unlock production of gas in SA.
- Market access for US poultry and blueberries.
- Promoting two-way investment and improving the investment climate.

In return, South Africa requested that US to consider the following:

- Exemption of certain volumes of cars and parts, and steel and aluminium from Section 232 tariffs.
- While negotiations are underway, the US to maintain the reciprocal tariff at 10% or lower rate for other exports and maintain the AGOA preferential rate on MFN duties.
- Furthermore, for the US to exempt counter-seasonal fresh produce and exports from SMEs of less than US\$1 million per annum from the reciprocal tariff.
- For the US to grant market access for citrus, avocados, litchis and mangoes.

- (b) The discussions on the Framework Deal have not yet commenced and these negotiations will determine the outcomes on trade and investment.

**-END-**