

## THE NATIONAL ASSEMBLY

## **QUESTION FOR WRITTEN REPLY**

## 4436. Mr V Pambo (EFF) to ask the Minister of Trade, Industry and Competition:

- (1) Whether, in view of the recent announcements by the United States (US) President, Mr D J Trump, regarding the imposition of new tariffs ranging from 25% to 40% on exports from 14 countries, including key US trading partners, as part of an intensified trade pressure campaign, the Government has received any formal communication from the US indicating that the Republic may be affected by the new tariffs; if not, what is the position in this regard; if so, what is the potential impact of the new US tariff measures on the Republic exports, particularly in sectors with (a) automotive, (b) steel and (c) agricultural products;
- (2) what diplomatic and/or trade policy responses will his department consider to protect the trade interests of the Republic either (a) bilaterally with the US and/or (b) multilaterally through platforms such as the World Trade Organisation, Group of 20 and/or BRICS;
- (3) given that some of the affected countries are key trading and investment partners of the Republic such as Japan and South Korea, how does his department intend to mitigate any indirect consequences for supply chains and/or industrial policy of the Republic;
- (4) whether he will be engaging with the African Continental Free Trade Area Secretariat and other regional bodies to co-ordinate a unified response to rising global protectionism; if not, why not; if so, what are the relevant details? NW4993E

## **REPLY**

(1) The letter in which South Africa was advised of a 30% tariff was provided to the South African government. It was also published on President Trump's social media platform on 7 July 2025, and has since been followed by similar letters to a number of other countries.

- (a), (b), (c) The high tariffs will have a negative impact on SA exports to the US, likely most so in the automotive and steel sectors. For the three sectors listed here, combined, the US accounted for approximately 26% of their exports over the past three years. In general, SA exports to the US account for a relatively small share of its global exports. However, in certain individual products and for certain companies the US is an important market. For those companies the impact could be considerable.
- (2) (a) Government submitted to the United States, a framework to promote mutually beneficially trade and investment, with the intention that this could serve as a basis for negotiations. In this regard, Minister Tau also had a bilateral engagement with the USTR Ambassador Greer to present the framework. Further, President Ramaphosa discussed the framework with President Trump. This was followed by a meeting of Deputy Minister Godlimpi with the Assistant United States Trade Representative responsible for Africa, on the margins of the US-Africa Business Summit in Angola, 23-24 July 2025. A meeting was also held with the US chargé d'affaires.
  - (b) South Africa supports the multilateral rules-based trading system with the WTO at its core. As such, we will pursue the avenues established by the various WTO agreements, including the trade remedy provisions. South Africa is also engaging through the WTO and other multilateral fora both in Africa and in BRICS to ensure coordinated approaches to the unilateral measures that are presenting significant challenges for global trade. In the G20 we have put forward priorities that highlight the need for inclusiveness, sustainable development, just energy transition, and the continued need for multilateralism.
- (3)Apart from the efforts to maintain access to the US market, the Department is also continuously working to diversify and expand South Africa's global trade footprint. The diversification efforts 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, SADC-European Union Economic Partnership Agreement, the European Free Trade Association, the SACU-Mozambique Economic Partnership Agreement with the United Kingdom, as well as a preferential trade agreement with MERCOSUR comprising Brazil, Argentina, Paraguay and Uruguay. In addition, South Africa established strategic relationships with a number of countries in Asia and the 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.

(4) At the 16<sup>th</sup> Meeting of the AfCFTA Council of Ministers on 15 April 2025 in Kinshasa, I raised the issue of rising global protectionism, prompting the introduction of a dedicated agenda item to address its impact on Africa and the AfCFTA.

Ministers agreed on the urgent need to recalibrate AfCFTA liberalisation and fast-track implementation to cushion African economies against external shocks. The Council tasked the AfCFTA Secretariat to work with the AU Commission and other AU institutions to develop practical steps for accelerated implementation of the Agreement and a unified external trade policy. These efforts reflect Africa's commitment to collective action, resilience and strategic integration in the face of global challenges.

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