



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

4859. Mr T P Mogale (EFF) to ask the Minister of Trade, Industry and Competition:

What (a) is the anticipated impact of the announcement by the President of the United States of America (USA), Mr D J Trump, of a 30% tariff on South African goods and produce exported into the USA from 1 August 2025 on the economic growth and employment levels of the Republic and (b) short- and long-term measures has his department put in place to mitigate the negative effects of the tariffs on (i) local industries, (ii) workers and (iii) export markets? NW5416E

REPLY

- a) The US is one of the significant markets for SA goods and a key source of investment. The US is SA's third largest trading partner, after the European Union as a block, and China. SA is the largest exporter to the US on the African continent. SA is the second largest export destination for the US on the African continent after Egypt. SA accounts for a share of 0.25% in total US imports; however, many AGOA-eligible products including wine, fruit, and autos will from 1 August 2025 face a 30% tariff, eroding preferential access SA has enjoyed in the US market and export competitiveness. The US accounted for 7.5% of SA global exports in 2024. In 2024, US imports from SA consisted of platinum (25.4%) of total exports to the US; followed by Articles of precious metals (18.7%); motor vehicles (16.5%); diamonds (7.3%); and gold (4.7%). It is becoming clear that the automotive sector, especially the brands supplying a significant part of the production to the US market, will be negatively impacted.

The uncertainty of the new tariff line is already incorporated into economic projections. For example, various economists estimated that the 30% tariff may

shave off 0,2% of South Africa's economic growth. The reduction in growth from the 30% tariff depends on a number of factors, including our ability to find alternative markets. It should be noted, however, that 35% of SA exports remain exempted from the tariffs.

- b) (i), (ii) and (iii) **the dtic** has working with other Departments is finalising an Economic Response package to support affected sectors in order to preserve productive capacity and jobs. We have also been strengthening trade and investment partnerships with various trade partners. These efforts are bearing fruits, targeting markets across Africa, as well as in Asia, Europe, Middle East, and Americas. Our announcement on the Clean Trade and Investment Partnership with the European Union in March has unlocked a R90 Billion Investment Package that has been initially committed. This Clean Trade and Investment Partnership also aims to unlock new market access opportunities for South Africa, including the export of Sustainable Aviation Fuel (SAF) by Sasol and the exports of hybrids and Electric Vehicles. This will create jobs and promote the resilience of the SA economy. We have also made significant progress in opening up vast new markets like China and Thailand, securing vital protocols for products like citrus and others. With China alone being a \$200 billion market, we are confidently expanding our reach and creating new opportunities for our agricultural producers. We are making significant inroads into new, high-growth markets across Asia and the Middle East, including the UAE, Qatar, and Saudi Arabia, as well as with ASEAN and Turkiye.

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