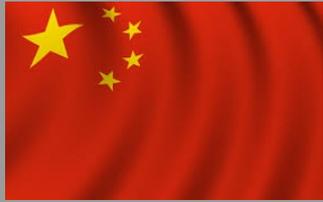


# China's trade with Africa

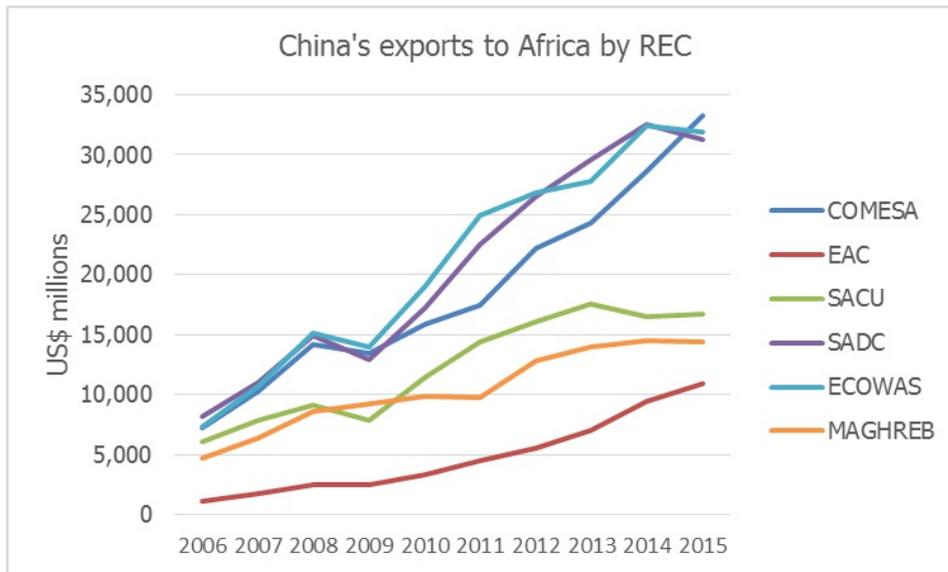
2016 Trade Update



## The Trade Profile

This Trade Brief documents the trading relationship between the South Africa and the rest of the African continent from 2006 to 2015. The analysis uses UNCOMTRADE data sourced from the International Trade Centre (ITC) Trade Map

**China has become by far Africa's biggest trading partner, exchanging about \$175 billion-worth of goods in 2015;**

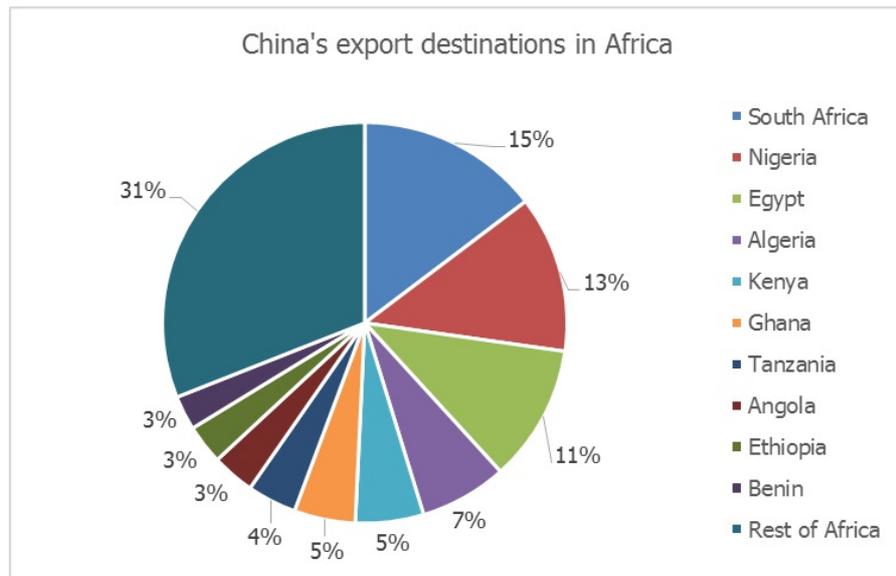


**Exports are relatively equally distributed across the different RECs and showing an upward trend over the review**

## Low priced goods from China have helped spur demand

### Top 10 markets for China's exports to Africa

**Top 10 markets for Chinese products account for almost 70% of total trade; South Africa, Nigeria and Egypt accounting for almost 40% share**



### The Big Picture - exports

- Exports to all African RECs are steadily rising, with significant growth in exports to COMESA, SADC, and ECOWAS;
- Top 20 exports to Africa are mainly composed of electrical appliances for line telephony, footwear, clothing and textiles, furniture, and television receivers.

COMESA consists of 19 member states, namely Burundi, Comoros, D.R. Congo, Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Swaziland, Uganda, Zambia, and Zimbabwe

EAC consists of 5 member states, namely Burundi, Kenya, Rwanda, Tanzania and Uganda

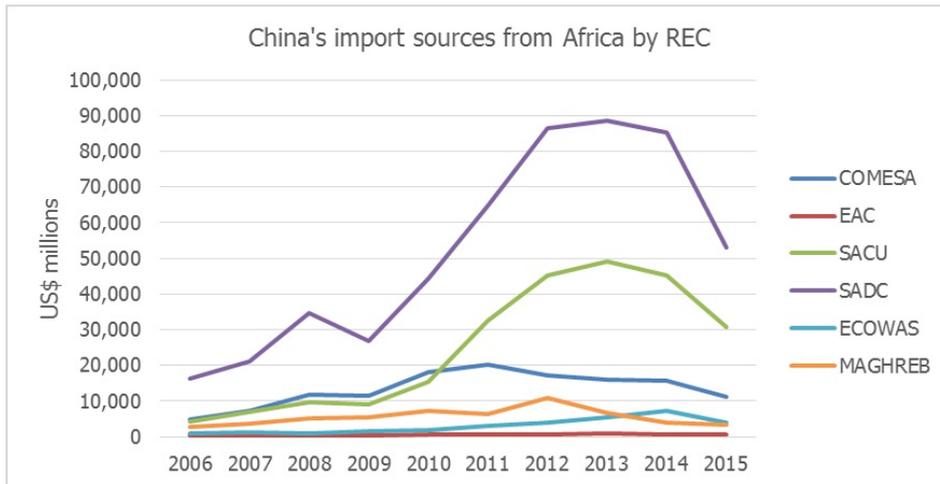
SACU consists of 5 member states, namely Botswana, Lesotho, Namibia, South Africa and Swaziland.

SADC consists of 15 member states, namely Angola, Botswana, Democratic Republic of Congo (DRC), Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, United Republic of Tanzania, Zambia and Zimbabwe.

ECOWAS consists of 15 member : Benin, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, , Niger, Nigeria, Senegal, Sierra Leone, Togo, and Burkina Faso (which joined as Upper Volta).

The Maghreb consists of 5 member states, namely Algeria, Libya, Mauritania, Morocco, and Tunisia.

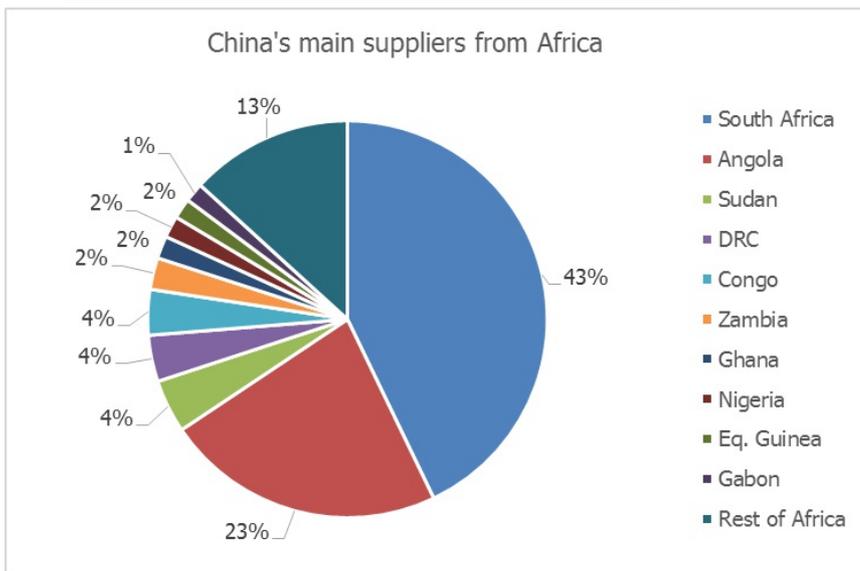
The African commodity boom which China helped to stoke in recent years is mainly attributed for the increased imports prior to 2012



Changes in China's economy present challenges and opportunities for African countries. Slowdown and the planned re-balancing of growth away from investment towards domestic consumption, are expected to have effects on China's economic partners including African countries. As the Chinese economy moves from a 7% growth annually towards a projected 4.6% by 2030, it will require less imports to fuel its domestic manufacturing production. This could in turn disproportionately impact African exporters of commodities, raw materials and oil.

## China demand for commodities slowing and prices falling.

### Top 10 import sources for China



China's thirst for raw materials is clearly shown by the profile of its top ten suppliers who are major suppliers of natural resource based products, such as oil; iron ore; and copper

### The Big Picture - imports

- Between 2014 and 2015, China's imports from Africa fell by more 50% from US\$115.7 billion to US\$70.40 billion. This was mainly due to fall in oil prices, a major African export commodity, mainly from Angola.
- The imports of crude oil from Angola fell from US\$31 billion in 2014 to US\$16 billion in 2015.
- On the whole imports from African RECs have been falling since 2012, with significant decline being recorded for SACU and SADC as a result of the slump in commodity prices especially crude oil

