

Soya trade in Africa

2017 - 2021

A REGIONAL VALUE CHAIN ANALYSIS

Global Africa Soya Total Trade
US\$5.9 bn
(Exports = 19% share)

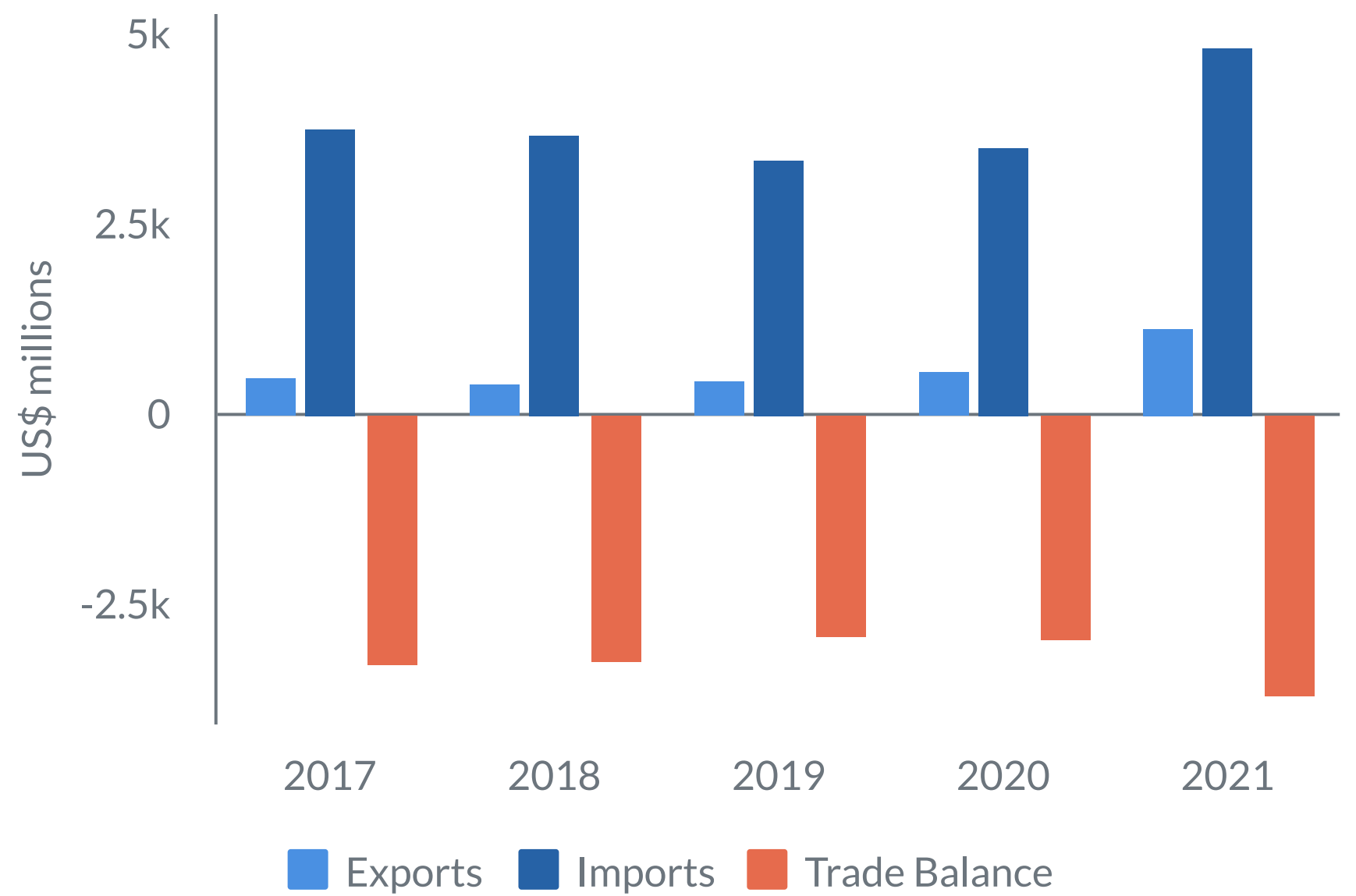
Soya beans Africa total trade
US\$1.3 bn
(Exports = 27%)

Soya oil Africa total trade
US\$3.0 bn
(Exports = 14%)

Soya bean meal Africa total trade
US\$71 mn
(Exports = 84%)

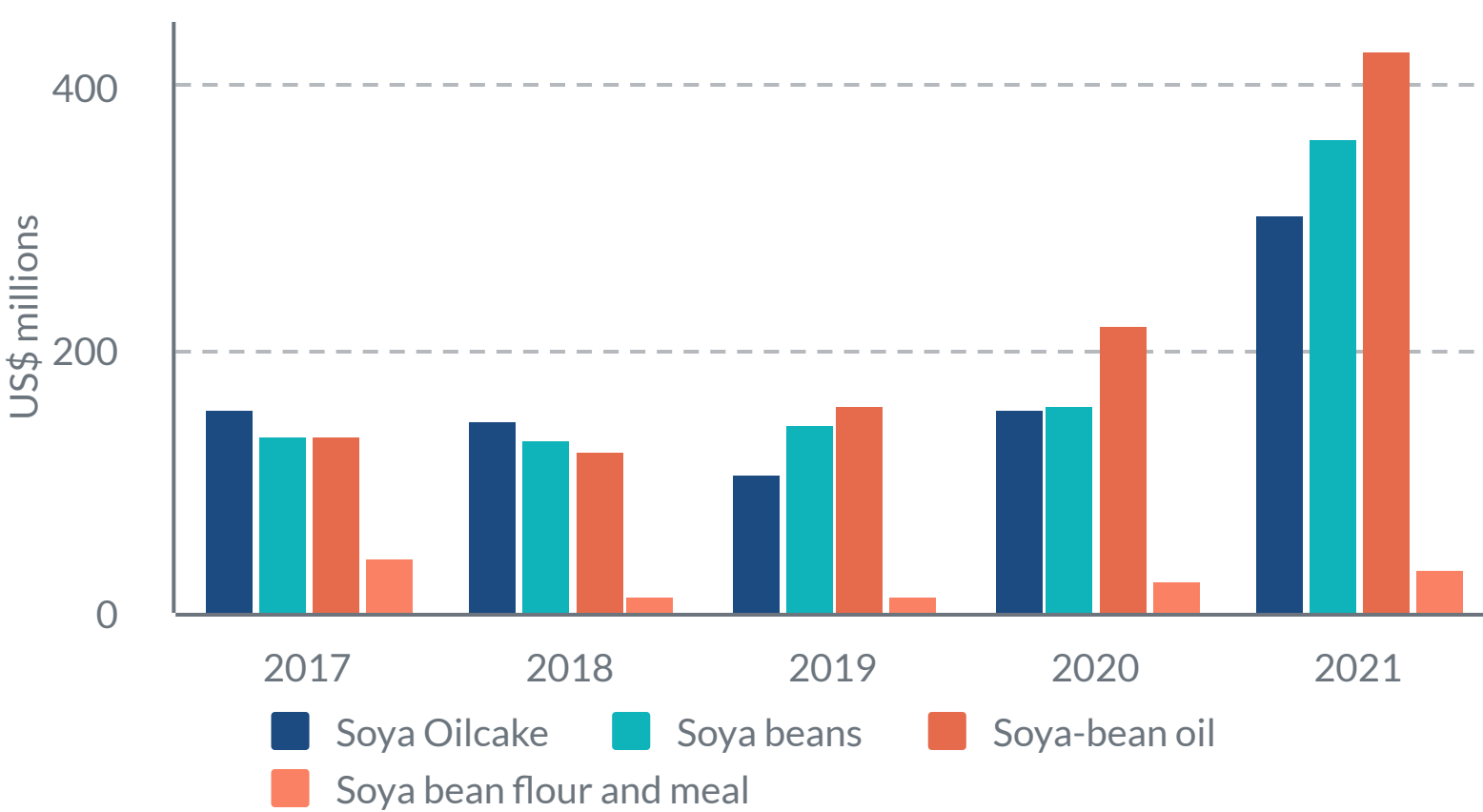
Soya oilcake Africa total trade
US\$1.6 bn
(Exports = 40%)

Africa's global trade in Soya (2021)

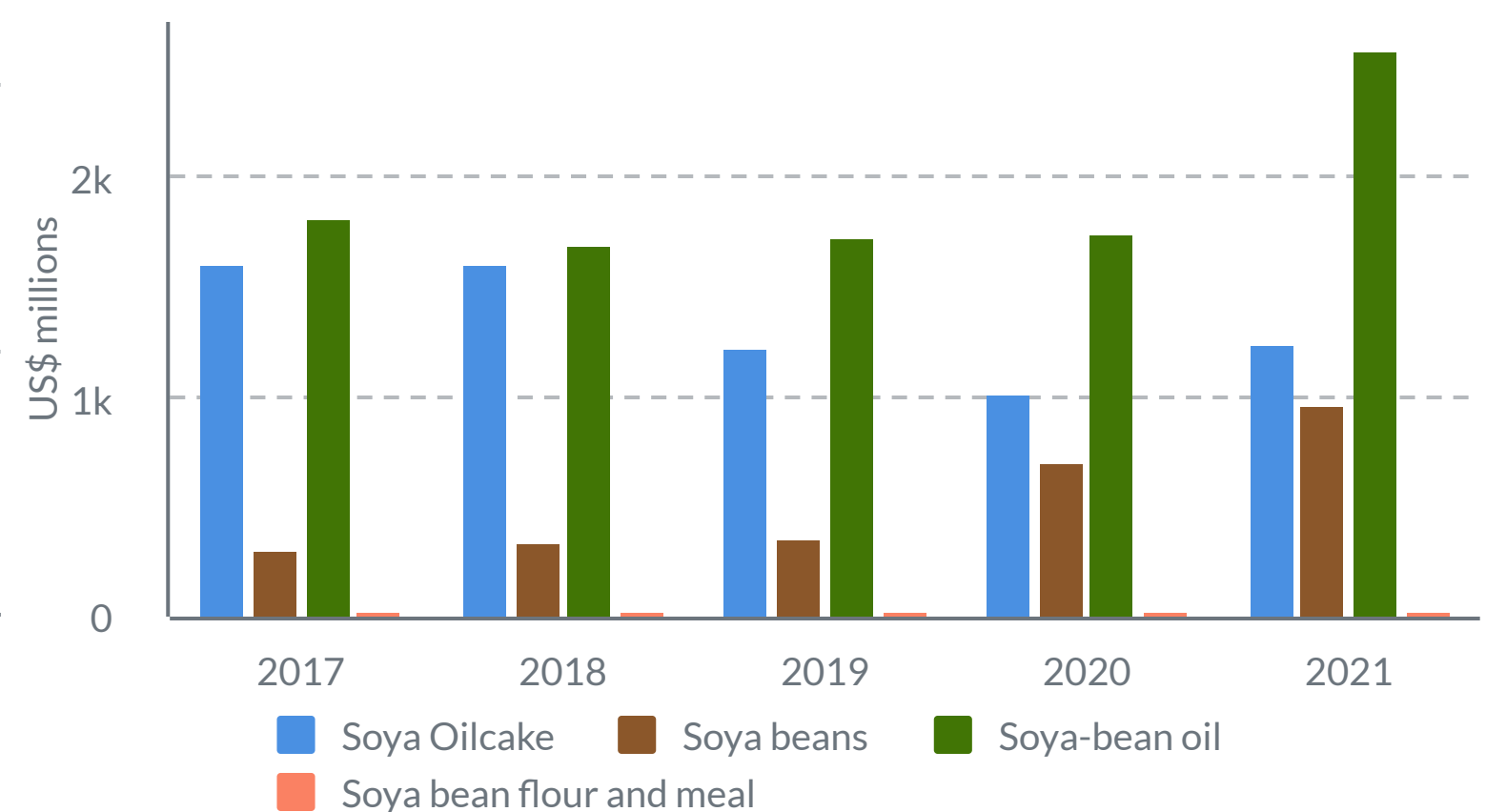


Africa's soya trade performance by product (2017-2021)

Africa's global soya exports

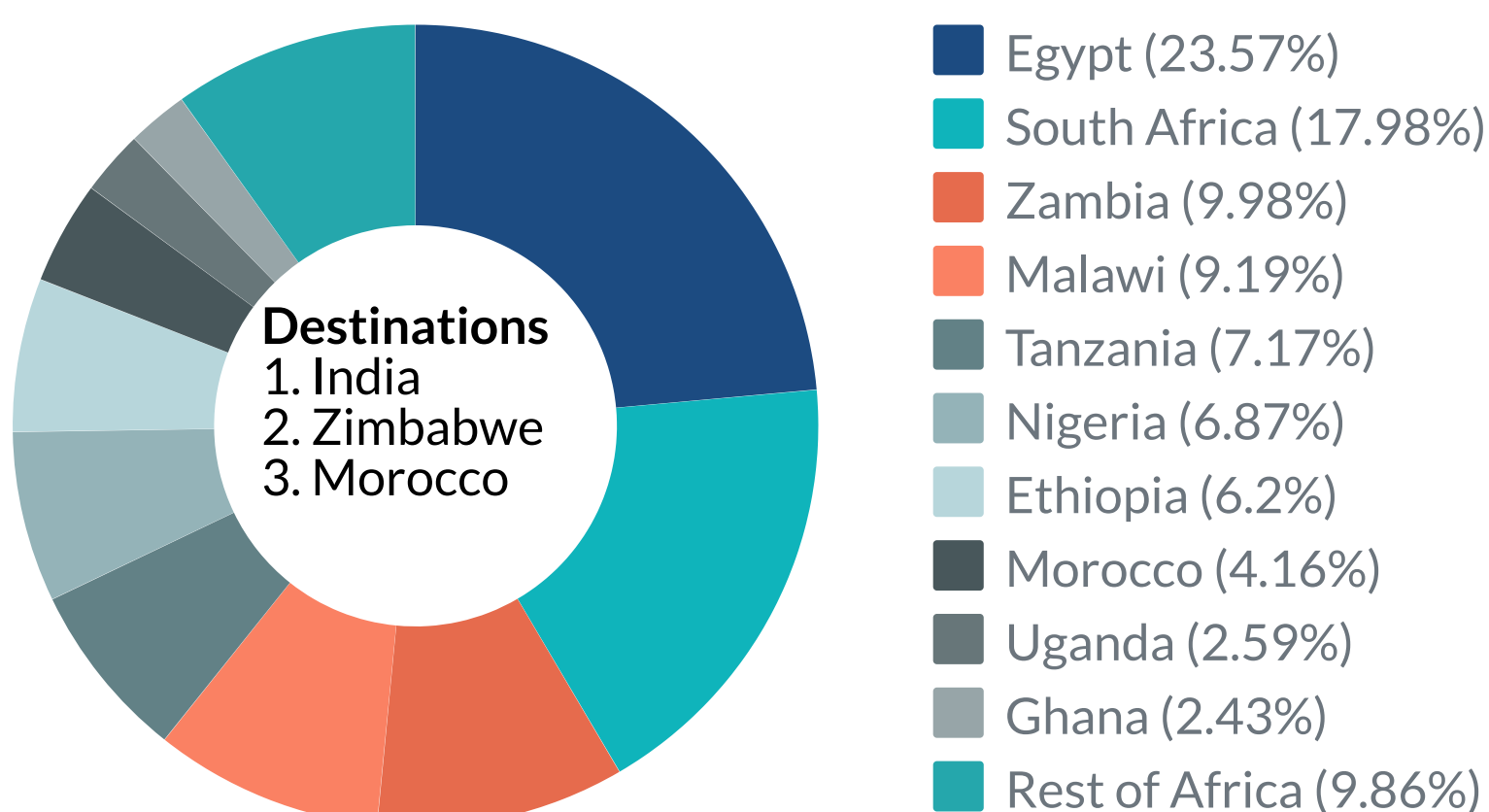


Africa's global soya imports

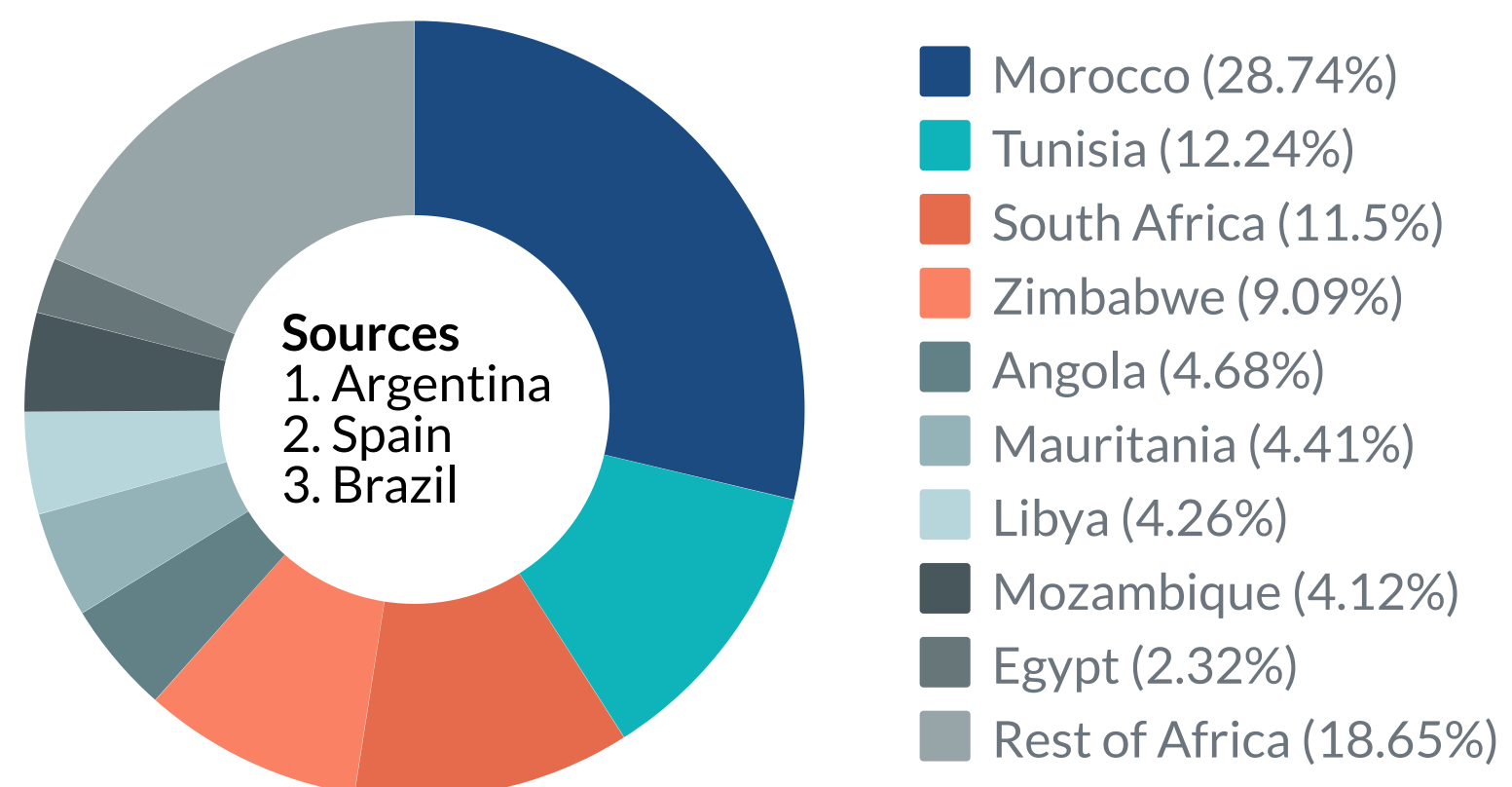


Africa's Global Top Exporters & Importers of Soya (2021)

Africa's Top Soya exporters



Africa's Top Soya importers



Soya intra-Africa trade

2017 - 2021

A REGIONAL VALUE CHAIN ANALYSIS

Total intra-Africa Soya Trade

US\$719 mn

64% of total Africa Soya exports

Soya beans intra-Africa trade

US\$71 mn

(10% of intra-Africa)

Soya oil intra-Africa trade

US\$452 mn

(63% of intra-Africa)

Soya meal intra-Africa trade

US\$24 mn

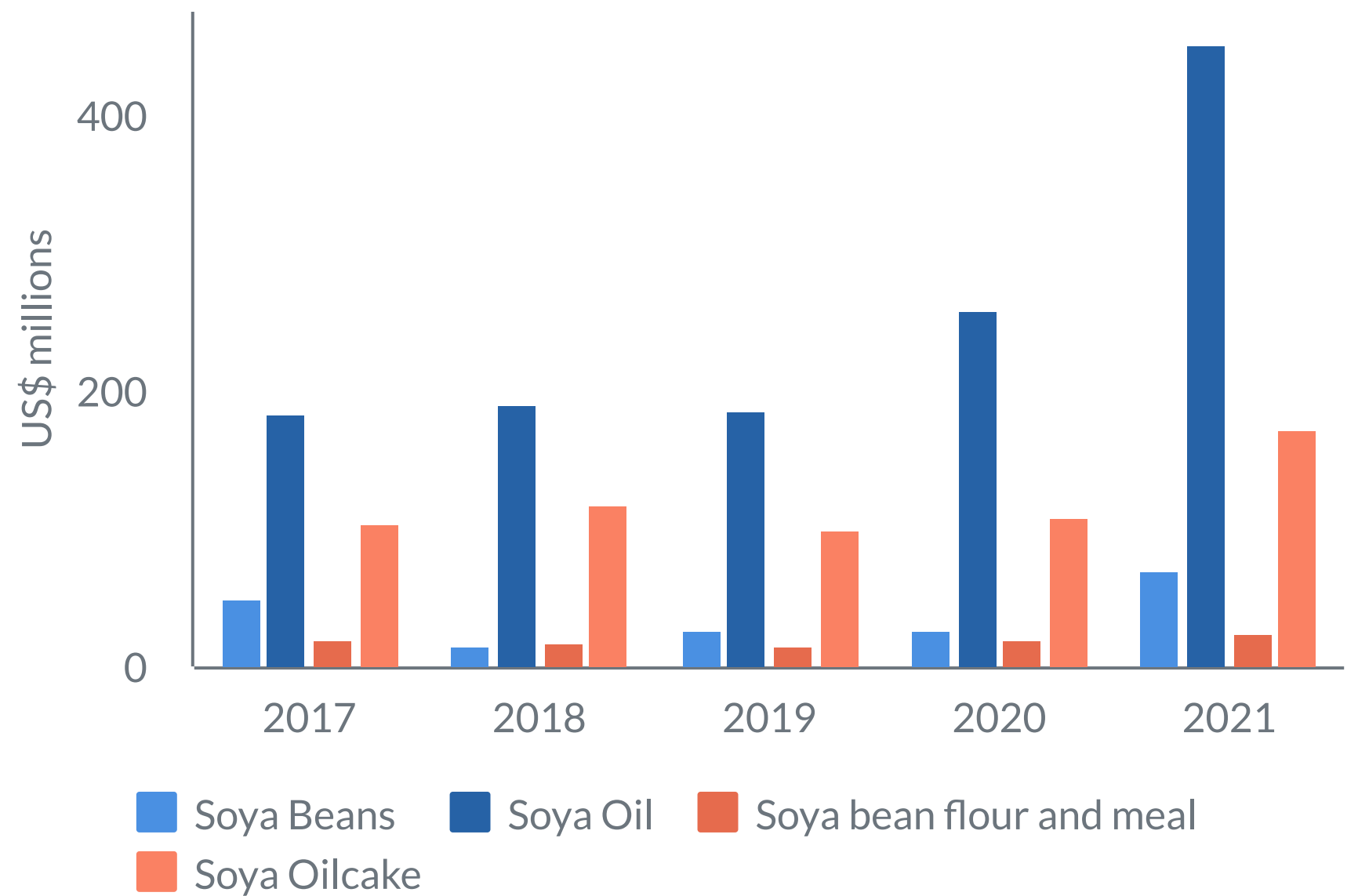
(3% of intra-Africa)

Soya oilcake intra-Africa trade

US\$172 mn

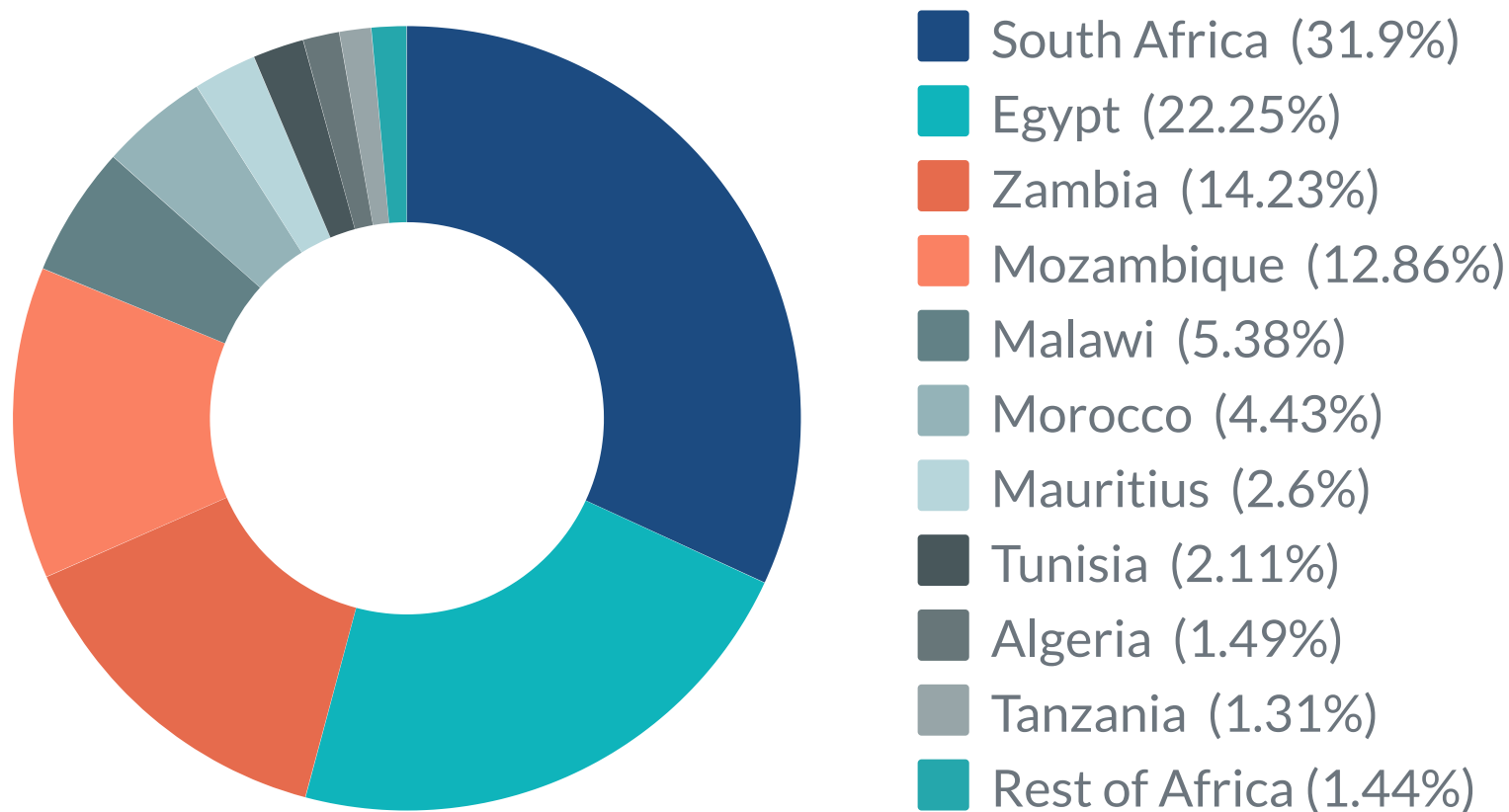
(24% of intra-Africa)

Soya intra-Africa trade (2017 - 2021)

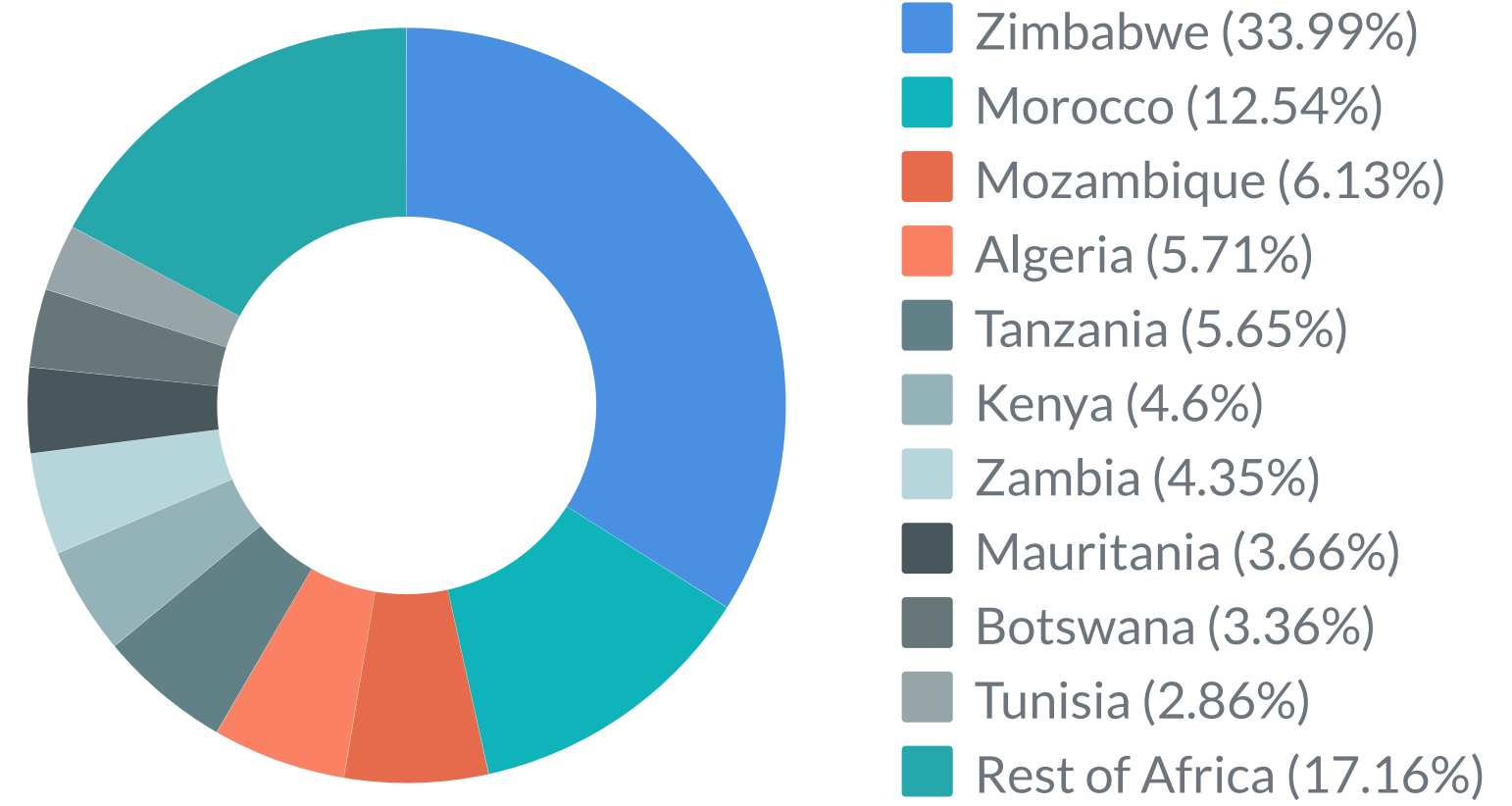


Soya Intra- Africa Top Exporters & Importers (2021)

Soya intra-Africa Top exporters (2021)



Soya intra-Africa Top importers (2021)



SOYA MARKET ACCESS ISSUES

In summary, tariffs are relatively low at the MFN rate given Africa's reliance on imports.

Soya Beans

- Soya bean seed for sowing attracts some of the lowest tariffs in Africa averaging 6.5% ad valorem equivalent (AVE)
- AMU has the lowest MFN applied tariffs of 2.5% (AVE), with most RECs applying an MFN tariff 10% (AVE)
- Given that soya beans are an input to other soya products its unsurprising to have low tariffs in this category

Soya Flour/ Meal

- Soya flour/ meal is the least traded at the continental level accounting for just 3% of soya intra-Africa trade
- Tariffs applied are also low and average 10% (AVE) across the different RECs
- ECCAS applies the lowest tariffs of 6.67% (AVE), while SADC applies a tariff of 14.58% (AVE) in this category

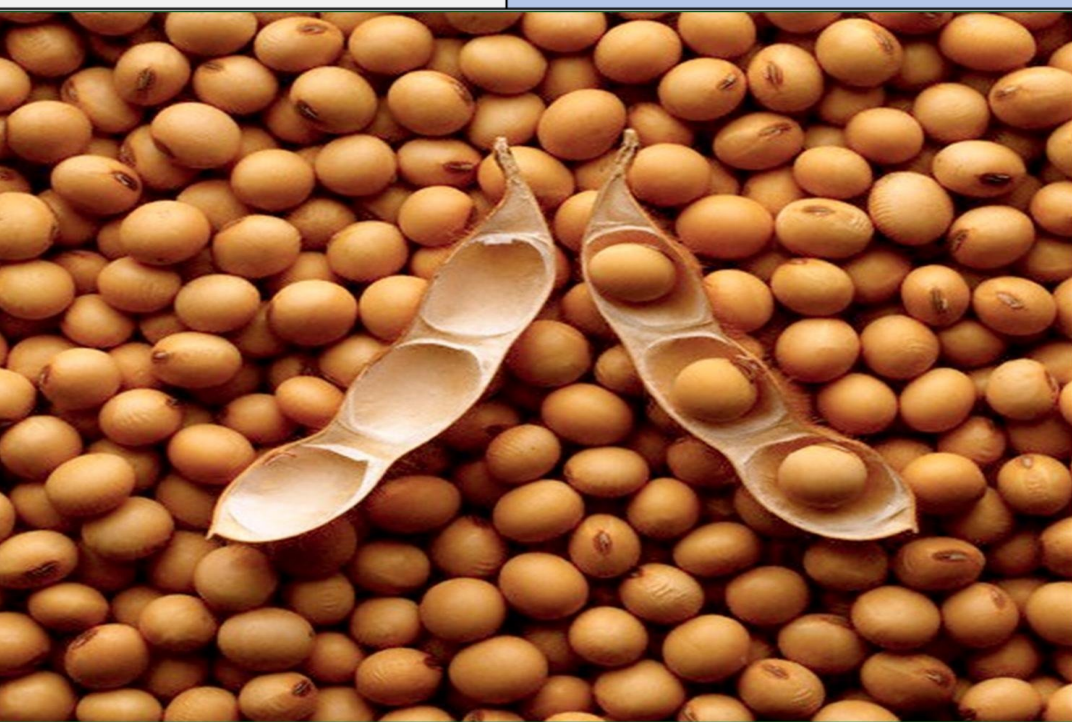
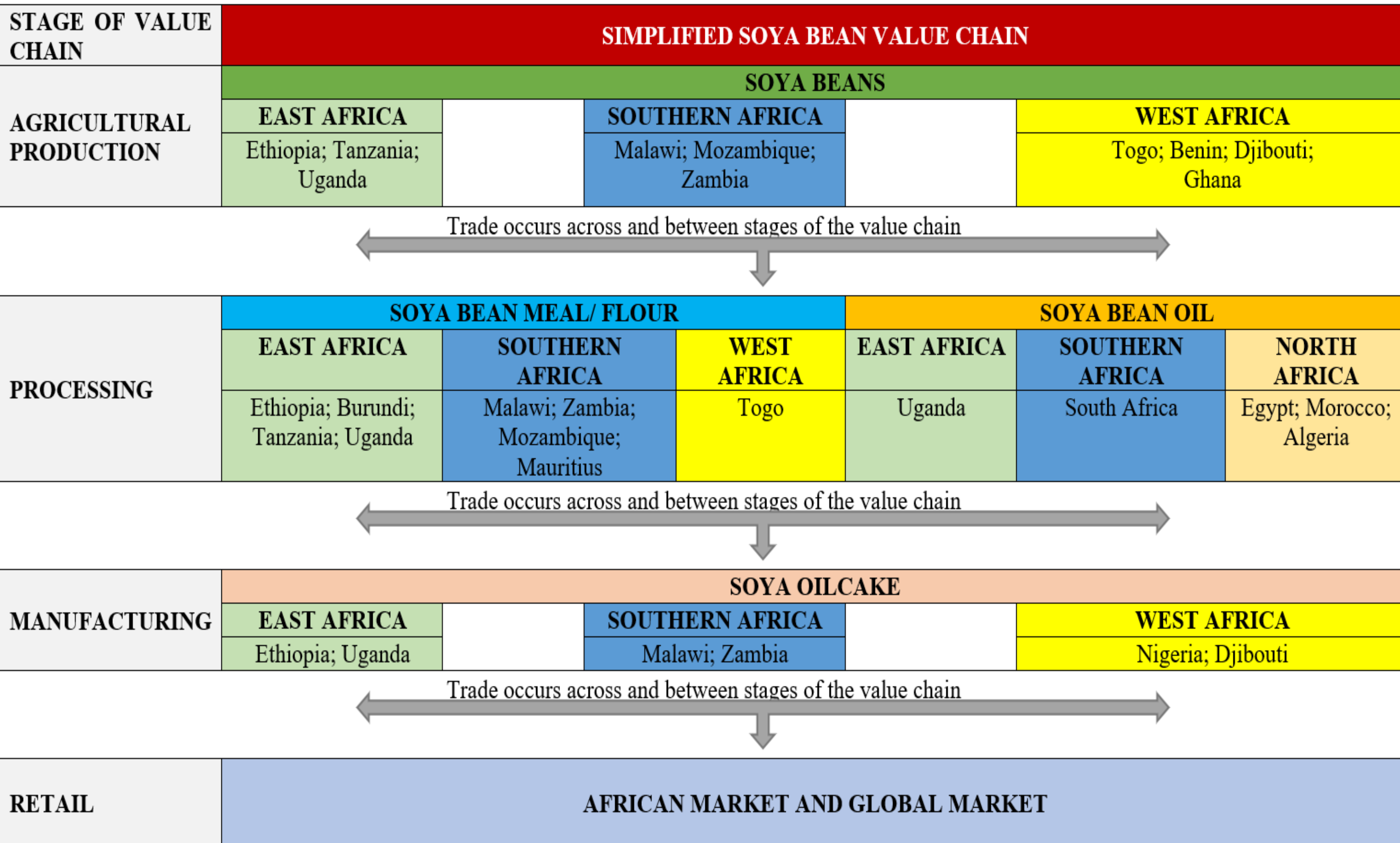
Soya Oil

- Crude soya oil is the most intra-Africa imported soya product and also attracts the lowest average tariffs in across the VC stages in Africa
- Tariffs range from duty free in EAC and ECCAS to 10% (AVE) in CEN-SAD and ECOWAS.
- The average tariff across RECs is 5.5% (AVE)
- Refined oil, attracts the highest MFN tariff in the soya value chain with EAC at 30% (AVE) and AMU levying 25% (AVE)

Soya Oilcake

- Oilcake mostly used in animal feed is a by product of soya oil
- SADC and ECCA levy the lowest MFN tariff in this category at about 5%(AVE)
- Average MFN tariff applied across RECs is about 8% (AVE)
- CEN-SAD; ECOWAS and IGAD apply the highest MFN tariff of 10% (AVE) in this category

Potential regional value chains and associated regions for development



KEY FACTORS AFFECTING AFFECTING AFRICAN SOYA VALUE CHAIN GENDER DIMENSION

Supply capacity & certainty of markets

- As the processing sector grows, it will create value addition and markets, but it will need and seek more raw material supply — something the right policy and regulatory framework can help with

- The AfCFTA can create more certainty in such environments as it will act as an overarching framework that seeks to regularize and open markets.

Empowering smallholder farmers

- As smallholder farmers are integral to the production of soya beans in some of the African countries such as Malawi, there is need to ensure that SMMEs, women and youth-led (WYE) agro-enterprises are empowered to participate in the soya RVCs under the AfCFTA.

Soya Value Chain linked to the Livestock Value Chain

- As source of animal protein soya beans are usually the main source of raw materials for animal feed, which accounts for between 50 – 70% of livestock production costs in closed feed systems
- SVC key to reversing the growing animal protein import trend due to the expanding livestock sector and securing food availability, job creation and agro industrialization within Africa

Women and Youth-led businesses

- Women and Youth-led agro-enterprises (which may also be operating as family businesses) in agricultural VCs have been identified as catalysts for rural transformation given their potential for creating employment and stimulating value addition both on and off-farm.
- inclusive growth and sustainable development are critical motivations for attracting intra-African investment and access to finance.

Access to Finance

- Access to finance for women farmers is a major constraint that is complex and layered with an interplay of factors made up of social, cultural, and traditional elements.

Developing a soya RVCs under the AfCFTA will be beneficial to some countries especially in East and Southern Africa, with the trade in services playing a critical role in attracting FDI and improving the productivity of agriculture and gains from agricultural trade.

Public investment in infrastructure and policies and regulations aiming to reduce transaction costs and increase capacity to manage supply chain risks become crucial.



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