

South Africa's trade with Africa

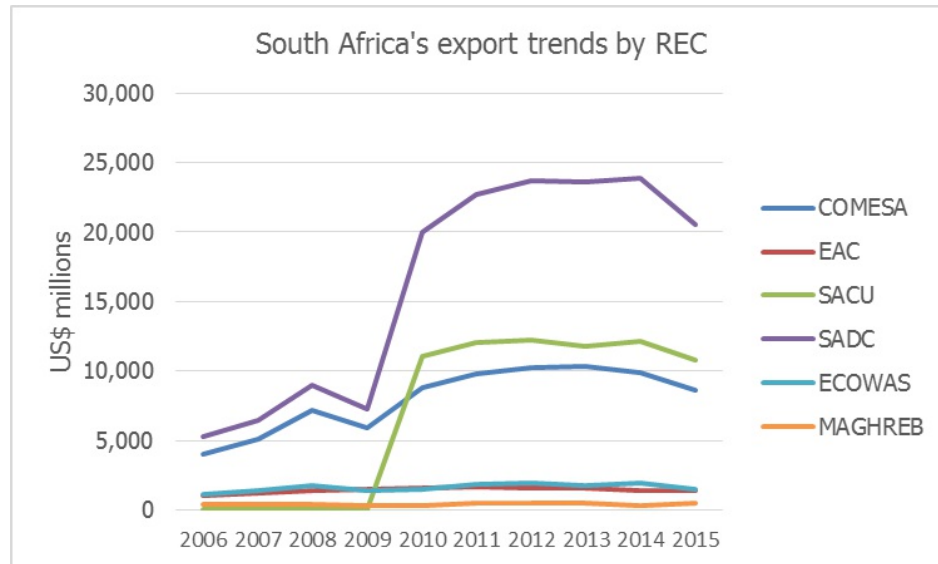
2016 Trade Update



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

Africa remains a key market for South Africa's exports and there is potential for export opportunities as African countries continue to integrate further

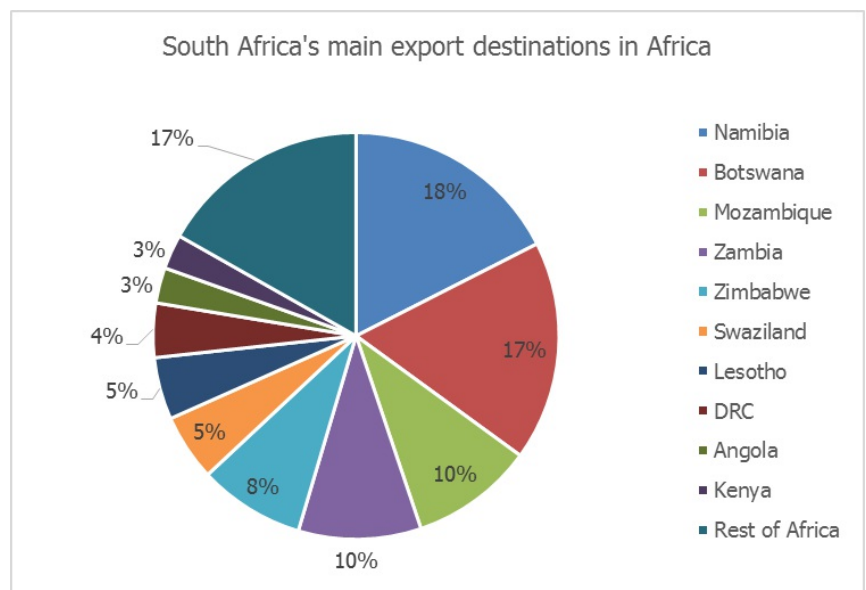


South Africa's exports markets are concentrated in Southern Africa, with SADC the main market accounting for 63% share in 2015

There is potential for South Africa to expand into Africa

Top 10 markets for South Africa's exports

A closer look reveals that SACU members who are also members of SADC account for 45% share. Beyond SADC only Kenya features in top 10 markets. These account for 83% of RSA total exports



The Big Picture

- Due to South Africa's economic dominance in SADC, we have witnessed an increase in exports since 2008, which have however, gradually slowed down from 2012 onwards; Exports to other RECs (excl COMESA) have remained constant;
- South Africa's exports are primarily value added manufactured products including, petroleum oil (not crude), trucks and motor vehicles, diamonds and electrical energy

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.

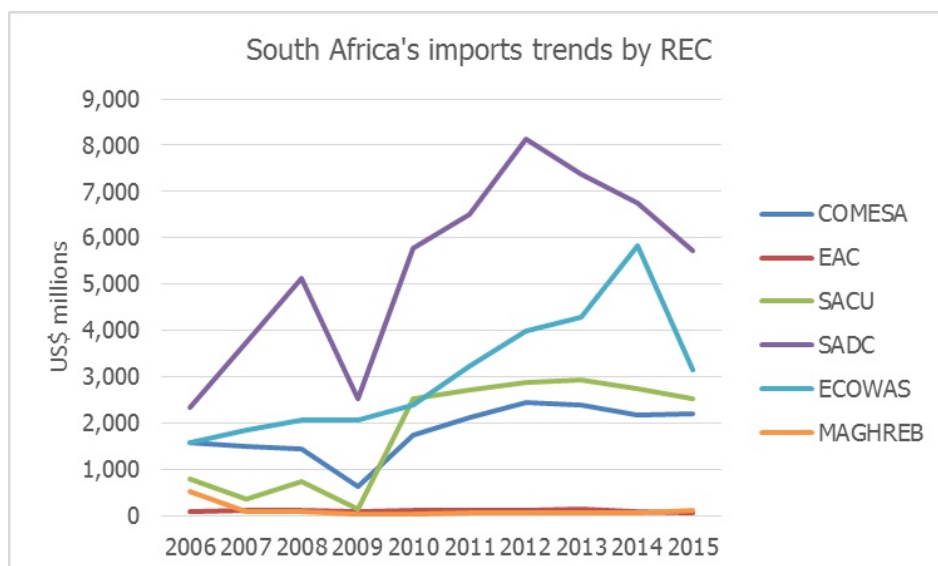
SADC consists of 15 member states, namely Angola, Botswana, Democratic Republic of Congo (DRC), Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, United Republic of Tanzania, Zambia and Zimbabwe.

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.

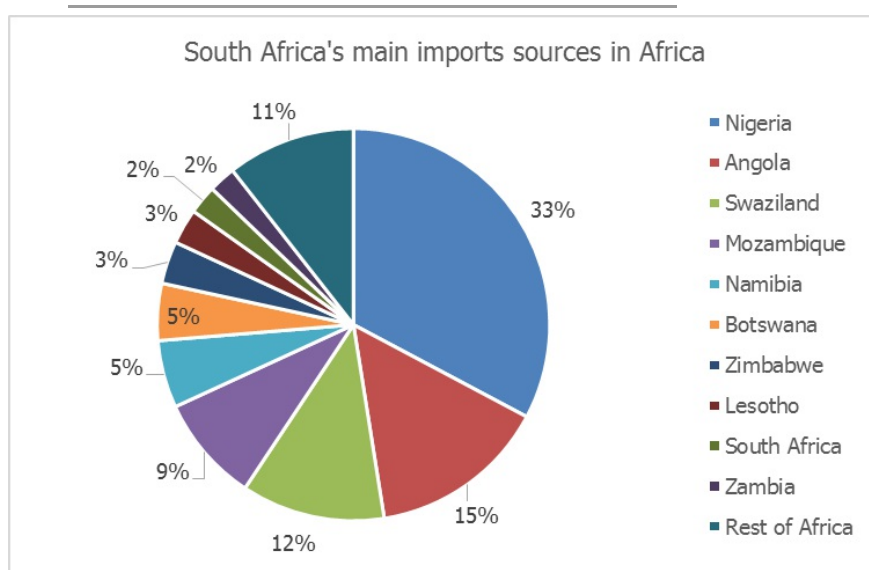


In general imports from Africa have been on the increase; and SADC, remains the main partner; However, the ECOWAS region is also an important



South Africa is an important market for SADC exports

Top 10 import sources for South Africa



While SADC (SACU) countries dominate trade, Nigeria is the largest import source, mainly attributed by South Africa's need for oil. Angola also another oil supplier comes

The Big Picture - imports

- Between 2014 and 2015, South Africa imports from Africa fell by more 30% from US\$13.3 billion to US\$9.2 billion. This was mainly due to fall global oil prices, which constitutes 50% of South African imports from Africa.
- The imports of crude oils fell from US\$8.2 billion to US\$4.5 billion in 2015;
- On the whole imports from SADC have been on the increase since the launch of the SADC FTA, while imports from the other RECs with exception of ECOWAS have remained relatively constant;

African countries in 2015 launched negotiations towards the establishment of a continental free trade Area by 2017.

The United Nations Economic Commission for Africa (UNECA) calculates that the CFTA could increase intra-African trade by as much as \$35 billion per year. Imports from outside of the continent would decrease by \$10 billion per year, and agricultural and industrial exports would increase by \$4 billion and \$21 billion respectively. For South Africa, this is an opportunity to consolidate its economic position in Africa and expand further into the markets of the EAC; MAGHREB; ECOWAS among others.

