

South Africa's agricultural exports rise 5% in 2024, driven by citrus despite sector challenges

South Africa's agriculture sector experienced a year of mixed fortunes, with variations in success depending on the subsector or crop. Grains, oilseeds, and livestock, particularly cattle, faced challenges due to drought and diseases, impacting harvests and health in regions such as the Eastern Cape and KwaZulu-Natal. Conversely, the horticultural subsector saw better outcomes, buoyed by decent fruit harvests.

Trade data for the third quarter highlighted a recovery in the sector's export performance, with agricultural exports reaching \$4.12bn, marking a 5% increase year on year. The cumulative export value for the first three quarters of 2024 rose by 4% from the previous year to \$10.55bn, driven by an increase in the volume of exports and a surge in prices for some products. Despite concerns over logistics efficiency, collaboration between Transnet, private entities, and logistical organizations has been crucial in maintaining product flow.

The leading export products included citrus, nuts, maize, apples and pears, wine, fruit juices, sugar, dates, figs, avocados, mangos, berries, and grapes. Africa remained the primary destination for South African agricultural exports, accounting for 39% of the total value, with maize, maize meal, wheat, and sugar leading the exports. Asia and the Middle East followed, making up 25% of exports, with the EU as the third-largest market, receiving 20% of exports. The Americas and the rest of the world, including the UK, also played significant roles in South Africa's agricultural trade landscape.

On the import front, South Africa saw a 12% year-on-year increase to \$1.99bn in agricultural imports, with the first three quarters of the year witnessing a 6% rise to \$5.52bn. The country relies on imports for products like wheat, palm oil, rice, and poultry due to climatic and production challenges. Despite this, South Africa recorded a trade surplus of \$2.12bn in the third quarter, with a year-to-date cumulative surplus up 3% at \$5.03bn.

Policy considerations for supporting the sector's growth include improving logistics efficiency, retaining and expanding export markets, and lowering import tariffs and phytosanitary barriers. The focus remains on both maintaining relationships with existing markets and exploring new ones in the BRICS countries and beyond.

Source: Business Day (<https://www.businesslive.co.za/bd/opinion/2024-12-12-wandile-sihlobo-keep-the-agricultural-exports-flowing/>)

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