

U.S. tariffs threaten South African citrus and agri exports

U.S. President Donald Trump's recent imposition of a 30% tariff on goods from South Africa has raised concerns across the country's agricultural sector. The new tariff regime, effective from 5 April, challenges the preferential trade terms South Africa previously enjoyed under the African Growth and Opportunity Act (AGOA), prompting fears that duty-free access to the U.S. market may be ending or severely restricted.

Agricultural industry stakeholders warn that the tariffs could undermine the competitiveness of South African exports, particularly citrus, wine, grapes, fruit juice, and nuts. Citrus exports are especially at risk, with the United States receiving about 9% of South Africa's total citrus exports.

Paul Hardman, Chief Operating Officer of the Citrus Growers' Association, noted that South African citrus supports U.S. supply during the American off-season, benefiting both U.S. growers and consumers. "Citrus, unlike factory-produced products, is a seasonal fruit. We sustain customers' interest when U.S. citrus is out of season, handing over buyers to local growers in places such as California, Arizona, and Texas," he explained. He added that new tariffs could lead to price increases for American consumers and potentially reduce demand for South African fruit.

Since 2017, citrus exports from South Africa to the U.S. have nearly doubled, indicating growing demand. However, industry leaders are now seeking clarity on how the new tariffs will apply. "We are in contact with our American counterparts to obtain as much clarification on the tariff announcement as possible," Hardman said.

Wandile Sihlobo, Chief Economist at Agbiz, echoed concerns about the uncertainty surrounding the implementation. He said that while the specific levies remain unclear, there are likely to be differences based on the type of product, with final determinations expected from the White House Council of Economic Advisers. He disputed U.S. claims that South Africa applies tariffs up to 60% on American imports, stating the average is around 7.4%.

Sihlobo warned that until detailed, product-specific tariffs are published, uncertainty will persist for exporters. He suggested that South Africa consider negotiating a Free Trade Agreement (FTA) with the U.S. once the situation stabilizes, pointing to

Kenya's ongoing FTA talks as a potential model.

South African agricultural exports represent about 4% of the country's total export value. The new tariff structure could further disadvantage South African producers against competitors from countries such as Chile, Australia, and Brazil, which currently face only a 10% tariff rate in the U.S. market.

As the sector assesses the implications of the tariffs, industry leaders stress the need for clear trade policy direction and long-term solutions to protect market access and export competitiveness.

Source: Farmer's Weekly (<https://www.farmersweekly.co.za/agri-news/south-africa/us-tariffs-a-major-challenge-for-south-african-agriculture/>)

Source: Business Day (<https://www.businesslive.co.za/bd/economy/2025-04-03-sa-citrus-exports-at-risk-of-being-squeezed-by-trumps-sweeping-tariffs/>)

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