BIZCOMMUNITY

SA urged to rethink EU agri-food export strategy amid trade slowdow

South Africa may need a new strategy to boost agri-food exports to the European Union (EU), as existing trade agreements are no longer sufficient to support long-term competitiveness. This is according to a recent study by researchers at Stellenbosch University and Mendel University in Brno, Czech Republic.

Source: Kelly via [Pexels]

Despite strong trade ties and being the EU's largest trading partner in Africa, South Africa's agri-fo trade with the EU is under pressure. The study, published in the journal Agrekon, attributes this to growing trade barriers, including non-tariff measures (NTMs), and changing demand across differ regions of the EU.

Growth slowing despite steady export volumes

Using trade data from 1999 to 2019 and the Constant Market Share (CMS) model, the researchers examined how EU import practices may be affecting the competitiveness of South Africa's agricult exports. While agri-food exports have grown over the past two decades — with citrus, grapes, wir apples and pears, and avocados making up the top five products — the pace has slowed significa since the 2008 global financial crisis.

"Although exports increased between 1999 and 2019, growth slowed noticeably after the global financial crisis, a trend linked to the lingering effects of the recession and the rise of non-tariff barı the researchers noted.

They observed that different regions within the EU have shown varying levels of demand recovery. Eastern Europe, agri-food imports initially grew after EU accession and trade liberalisation, but the annual growth rate declined from 6.5% to 3.5% post-recession. Southern Europe saw an even sha drop — from 6.3% to 2.6% — while growth in Central and Northern Europe has largely plateaued.

Current trade deals 'no longer sufficient'

The findings suggest that South Africa's current trade arrangements with the EU are becoming les effective in supporting its agri-food sector's development. The study warns that local producers aı increasingly competing in markets that are either saturated or growing more slowly.

"The substantial trade surplus and foreign direct investment generated through EU trade highlight broader development benefits of strong agri-food exports. These include job creation, the adoptic green and digital technologies, and improved market access — all central to current trade and development debates," the authors said.

Strategic focus on infrastructure, policy, and new markets

The researchers recommend that South Africa:

• Prioritise agri-food products with strong global demand, particularly horticultural goods.
• Target fast-growing EU markets, including emerging Eastern European countries.
• Invest in domestic infrastructure — such as ports and electricity supply — to reduce transaction costs and increase competitiveness against subsidised EU producers.
• Revisit trade barriers and resolve regulatory disputes through diplomatic engagement with EU partners.

"Policymakers should engage in dialogue with EU counterparts to revisit NTMs, resolve disputes t limit market access, and explore ways to help local exporters adapt to stringent regulatory requirements."

They also advocate for diversifying beyond the EU by exploring new trade opportunities in BRICS nations, Japan, South Korea, Vietnam, and other high-growth regions.

The study, titled [Trade or trap? The impact of EU trade policies on South Africa's agri-food exports], authored by Melissa van der Merwe, Ivo Zdráhal, and Francois Lategan, and published in Agrekon 22 April 2025.