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Steenhuisen to shed light on Trump tariff negotiations

18 Jul 2025 - By Eugene Goddard



Minister of Agriculture John Steenhuisen was recognised for his diplomatic agency during South Africa's trade delegation visit to the US. Source: BBC

To say that trade between South Africa and the United States is a little topsy-turvy would be an understatement, same as it would be an overstatement to say that government is keeping industry abreast of "Trump tariffs".

With less than two weeks to go before the August 1 deadline, by which time a 30% increase in American duties on certain South African goods could come into effect, exporters are feeling very uncertain, to say the least.

To make matters worse, US President Donald Trump could well proceed with a "punishment tariff" for countries belonging to the Brics+ bloc, which could see an additional 10% tariff levied on top.

The worst-case scenario is a 40% increase in costs, which most export stakeholders say will sound a death knell for the profitability of South African goods sent to the US, which until recently had received duty-free access.

The potential impact of such trade deterioration has been well reported, especially from a primary commodities point of view, such as automotive units, related parts and agricultural exports, mainly citrus.

Smaller export volumes too, such as ostrich leather shipments, feather dusters and pet treats, said Dr Francois de Wet of Cape Karoo International in Oudsthoorn, could become unprofitable if the Government of National Unity (GNU) failed to pacify the Trump Administration.

The potential for that to happen, for any placatory easing of proposed tariffs on South African goods, is on a very tenuous footing.

This is especially the case after it emerged last weekend that Trump has refused to grant South Africa's special envoy to the US, Mcebisi Jonas, a diplomatic visa by rejecting his credentials.

This is after the GNU paid a successful, if somewhat controversial, visit to Trump in the Oval Office.

Since then, there was also a US-Africa trade summit held in Luanda at the end of June, where trade rapprochement talks were supposedly very amicable.

And yet the GNU is thin on detail about what's happening at the moment, while South African suppliers to the US are facing serious uncertainty.

So what's really happening at the moment in the GNU's negotiations with its US counterparts?

Come and find out this coming Tuesday at Cape Town International Convention Centre (CTICC) when Agriculture Minister John Steenhuisen will address the Exporters Western Cape (EWC).

The DA's principal member in the coalition government formed part of May's Washington delegation, and many opinion formers were of the view that he injected a modicum of diplomacy when things got a little heated because of Trump's belligerence.

The EWC's event on 22 July starts at 5:30pm, and Steenhuisen is expected to address the CTICC gathering at the Roof Terrace Venue at 6pm sharp.

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