

South Africa urged to shift agri exports toward Africa and Asia

The Africa Agri Tech conference, held in Pretoria from 18 to 20 March, featured a panel discussion on South Africa's export strategy. Panelists included political analyst Dr. Mpumelelo Mkhabela, Agbiz chief economist Wandile Sihlobo, political analyst Crystal Orderson, and political and economic analyst JP Landman. The discussion emphasized a shift in focus from the US to Africa and Asia.

JP Landman noted that South Africa's potential exemption from the African Growth and Opportunity Act is not "the end of the world." He stated, "Most of our exports today go to Africa and Asia. The power has shifted from the West to the East, so we should shift our focus to the East and forget about [US President Donald] Trump."

Wandile Sihlobo highlighted that South African exports reached approximately US\$ 13.1 billion last year, with nearly half directed to Africa. "Our exports to the Middle East and Asia are growing. The entire Americas makes up 6% of our exports, with the US receiving 4%," he said. He noted the importance of the US market for products like citrus and nuts.

Crystal Orderson pointed out Africa's food import expenditure of roughly US\$ 94.7 billion, suggesting opportunities for South African farmers. "South Africa needs to be more confident in expanding into Africa," she stated, referencing the African Continental Free Trade Agreement.

Sihlobo remarked on the nature of trade with Africa, primarily in carbohydrates rather than high-value products. He expressed caution, stating, "African economies need to grow substantially before they can afford these products."

Discussion also touched on trade with India, a member of BRICS+, where high import tariffs are a barrier. Landman suggested government focus on reducing these tariffs, stating, "We could be exporting a lot more to India if these tariffs were not in place."

Source: Farmer's Weekly (<https://www.farmersweekly.co.za/agri-news/south-africa/look-east-and-forget-about-trump/>)

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