

COMPARATIVE MERCHANDISE TRADE STATISTICS¹
SOUTH AFRICA - EUROPEAN UNION, 2018

- According to DTI figures, the **EU remains South Africa's main trading partner** accounting for 26.4% of all trade in 2018, more concretely, the EU accounts for 24% of SA's exports and 29% of its imports.
- The EU is also the country's most stable post-apartheid partner with exports to the EU systematically above 19% of South Africa's total exports.
- SA exports have grown 5.3% in 2018 despite recessive economic environment while exports to the EU have grown at a faster pace, 12.5%. This shows that the recent SADC EU Economic Partnership Agreement, which entered into force in 2016 guarantees a strong reliable framework for doing business and engaging on issues of mutual concern.
- **The deficit in favour of the EU has also been shrinking** as South Africa has been developing its industrial base, now at R58bn down from R88bn in 2016. According to EUROSTAT figures, SA has a surplus with the EU of €162 million (aprox R2.6bn²). A significant part of the discrepancy in statistics has been attributed to a discrepancy in gold exports³.
- At a sectoral level, and according to EUROSTAT figures, SA has a surplus balance with the EU in agriculture of €1.5 billion, and of €867 million in the automotive sector.
- In the non-agricultural trade it is noteworthy that a significant part of **SA imports from the EU** are industrial inputs that feed to the local industry and thus create jobs. For example, according to EUROSTAT figures, machinery used for the industrial sector represents 4.2% of total imports from the EU and the chemical sector (used in various local industries like pharma and agricultural) represents 4%. Automotive components for the local industry account for another 8% of total imports from the EU.
- **SA exports to the EU** are also much more diversified than to other partners, with raw materials accounting for less than half of the total.
- According to EUROSTAT figures, the automotive sector alone accounts for 21.5% of SA's exports to the EU, followed by agriculture at 12.4% and machinery at 6%.
- In the agricultural sector, and according to DTI figures, 37% of SA's fruits and vegetables go to the EU, followed by 30% of its animal products exports and 20% of its prepared foodstuff including wines.

¹ Sources: EUROSTAT <https://ec.europa.eu/eurostat/web/international-trade-in-goods/data/database>; SARS (South Africa Revenue Service) https://tools.sars.gov.za/tradestatsportal/data_download.aspx; and DTI http://tradestats.thedti.gov.za/ReportFolders/reportFolders.aspx?sCS_referer=&sCS_ChosenLang=en <https://www.resbank.co.za/Lists/News%20and%20Publications/Attachments/9124/Current%20account%20releases%20-%20March%202019.pdf>

² Exchange rate 2018 used: ZAR16 to the €.

³ According to DTI figures, SA is not exporting gold (HS7108) to the EU, whilst according to the EUROSTAT exports of gold to the EU amount to €3.7billion (aprox R59bn).

Table 1. OVERVIEW OF SOUTH AFRICA'S TRADE WITH THE WORLD
(BILLION RAND, SARS)

	SA EXPORTS BN RAND			SA IMPORTS BN RAND			BALANCE 2018
	2017	2018	GROWTH 2018	2017	2018	GROWTH 2018	
WORLD	1,185	1,247	5.3%	1,107	1,236	11.6%	11
EU	262	295	12.5%	338	352	4.4%	-58
EU%	22.1%	23.6%		30.5%	28.5%		
<i>GERMANY</i>	<i>84</i>	<i>94</i>	<i>11.9%</i>	127	122	-4.4%	-28
<i>UK</i>	<i>46</i>	<i>64</i>	<i>38.1%</i>	33	44	30.9%	20
<i>NETHERLANDS</i>	<i>37</i>	<i>41</i>	<i>11.7%</i>	16	15	-7.3%	26
<i>BELGIUM</i>	<i>33</i>	<i>32</i>	<i>-1.9%</i>	12	14	17.8%	19
<i>SPAIN</i>	<i>17</i>	<i>18</i>	<i>9.1%</i>	21	18	-12.9%	0
<i>ITALY</i>	<i>14</i>	<i>12</i>	<i>-11.0%</i>	30	34	14.8%	-21
<i>FRANCE</i>	<i>10</i>	<i>10</i>	<i>-4.7%</i>	28	27	-2.1%	-17
AFRICA	311	331	6.3%	109	148	34.8%	183
Africa%	26.2%	26.5%		9.9%	11.9%		
CHINA	115	113	-2.1%	203	227	11.6%	-113
China %	9.7%	9.1%		18.3%	18.3%		
NAFTA	95	92	-2.9%	84	86	3.1%	6
NAFTA%	8.0%	7.4%		7.5%	7.0%		

Source: Data available on SARS website https://tools.sars.gov.za/tradestatsportal/data_download.aspx; DTI, December 2018 Trade Data Ranking; downloaded 1 March 2019
SA Source used in order to be able to compare with other trade partners

Table 2 BILATERAL TRADE SA - EU
(SITC, MILLION EUROS, EUROSTAT)

MILLION €	SA EXPORTS TO THE EU			SA IMPORTS FROM THE EU			BALANCE
	2018	Growth (vs 2017)	%TOTAL EU EXPORTS TO SA	2018	Growth (vs 2017)	%TOTAL SA IMPORTS FROM THE EU	
0 - FOOD AND LIVE ANIMALS	2,545	8.3%	10.6%	1,037	-6.7%	4.3%	1,508
1 - BEVERAGES AND TOBACCO	435	6.6%	1.8%	373	11.4%	1.5%	63
2 - CRUDE MATERIALS, INEDIBLE, EXCEPT FUELS	2,359	19.3%	9.8%	181	7.7%	0.7%	2,178
3 - MINERAL FUELS, LUBRICANTS AND RELATED MATERIALS	426	-35.6%	1.8%	982	10.4%	4.1%	- 556
4 - ANIMAL AND VEGETABLE OILS, FATS AND WAXES	22	17.5%	0.1%	176	-8.9%	0.7%	- 154
5 - CHEMICALS AND RELATED PRODUCTS, N.E.S.	956	28.4%	4.0%	4,163	3.7%	17.2%	- 3,207
6 - MANUFACTURED GOODS CLASSIFIED CHIEFLY BY MATERIAL	5,406	8.0%	22.5%	2,731	1.3%	11.3%	2,675
7 - MACHINERY AND TRANSPORT EQUIPMENT	6,601	17.4%	27.5%	11,883	-4.5%	49.1%	- 5,282
8 - MISCELLANEOUS MANUFACTURED ARTICLES	279	7.9%	1.2%	2,168	1.9%	9.0%	- 1,889
9 - COMMODITIES AND TRANSACTIONS NOT CLASSIFIED ELSEWHERE IN THE SITC	4,625	-13.7%	19.2%	258	25.5%	1.1%	4,367
TOTAL	24,029	5.8%		24,190	-1.1%		-162

Source: EUROSTAT, <https://ec.europa.eu/eurostat/web/euro-indicators/international-trade>

Table 3.1 SA-EU BILATERAL TRADE IN AGRICULTURAL PRODUCTS
(SITC, MILLION EUROS, EUROSTAT)

MILLION €	SA EXPORTS TO THE EU			SA IMPORTS FROM THE EU			BALANCE
	2018	% vs 2017	%TOTAL EU EXPORTS	2018	%vs2017	%TOTAL EU IMPORTS	
00 - LIVE ANIMALS	1	111.5%	0.0%	13.0	5.8%	0.1%	- 12
01 - MEAT AND MEAT PREPARATIONS	4	-77.3%	0.0%	152.0	-5.6%	0.6%	- 148
02 - DAIRY PRODUCTS AND BIRDS' EGGS	0	-91.4%	0.0%	93.0	-22.0%	0.4%	- 93
03 - FISH, CRUSTACEANS, MOLLUSCS AND AQUATIC INVERTEBRATES, AND PREPARATIONS	301	20.7%	1.3%	8.0	39.7%	0.0%	293
04 - CEREALS AND CEREAL PREPARATIONS	49	550.2%	0.2%	229.0	-13.4%	0.9%	- 180
05 - VEGETABLES AND FRUIT	2008	5.6%	8.4%	118.0	7.0%	0.5%	1,890
06 - SUGARS, SUGAR PREPARATIONS AND HONEY	50	-12.0%	0.2%	36.0	36.2%	0.1%	14
07 - COFFEE, TEA, COCOA, SPICES,	60	11.1%	0.2%	156.0	-60.0%	0.6%	- 96
08 - FEEDING STUFF FOR ANIMALS	22	47.2%	0.1%	89.0	-28.6%	0.4%	- 67
09 - MISCELLANEOUS EDIBLE PRODUCTS AND PREPARATIONS	15	12.9%	0.1%	143.0	9.0%	0.6%	- 128
11 - BEVERAGES	431	6.1%	1.8%	361.0	12.5%	1.5%	70
12 - TOBACCO AND TOBACCO MANUFACTURES	4	114.6%	0.0%	11.0	-15.7%	0.0%	- 7
TOTAL AGRI (HS01-24)	2,945	8.3%	12.3%	1,409	2.6%	5.8%	1,536

Source: EUROSTAT, <https://ec.europa.eu/eurostat/web/euro-indicators/international-trade>

Table 3.2 SA-EU BILATERAL TRADE IN SELECTED AGRICULTURAL PRODUCTS
(HS, BILLION RAND, SARS)

SELECTED AGRICULTURAL COMMODITIES	SA EXPORTS TO THE EU 2018 BN RAND		
	EXPORTS TO EU	TOTAL EXPORTS OF PRODUCT	% of SA TOTAL FOR PRODUCT
Vegetable products (HS06-14)	24.8	67.7	36.6%
Fruits (HS08)	22.1	48.7	45.3%
<i>Citrus (HS0805)</i>	7.9	20.3	38.8%
<i>Grapes (HS0806)</i>	6.1	9.1	67.4%
<i>Apples (HS0808)</i>	2.5	7.7	32.8%
Prepared foodstuff (HS16-24)	10.6	53.2	19.9%
<i>Wines and Spirits (HS22)</i>	6.4	18.7	34.2%
<i>Sugar (HS17)</i>	0.8	6.4	12.2%
<i>Prep. vegetables and fruits (HS20)</i>	2.4	8.9	27.3%

Source: DTI, downloaded 1 March 2019, Data available on SARS website

https://tools.sars.gov.za/tradestatsportal/data_download.aspx

SA Source used in order to be able to calculate % of EU trade for each product

Table 4. BILATERAL TRADE IN THE AUTOMOTIVE SECTOR
(SITC, MILLION EUROS, EUROSTAT)

MILLION €	SA EXPORTS TO THE EU			SA IMPORTS FROM THE EU			BALANCE
	2018	% vs 2017	%TOTAL EU EXPORTS	2018	%vs2017	%TOTAL EU IMPORTS	
781 - MOTOR VEHICLES PRINCIPALLY DESIGNED FOR THE TRANSPORT OF PERSONS	4,085	26.1%	17.0%	1,579	-10.0%	6.5%	2,505
782 - MOTOR VEHICLES FOR THE TRANSPORT OF GOODS	858	19.5%	3.6%	264	2.3%	1.1%	595
783 - ROAD MOTOR VEHICLES, N.E.S.(1988-2500)	0	-78.5%	0.0%	407	28.4%	1.7%	- 407
784 - PARTS AND ACCESSORIES OF THE MOTOR VEHICLES	204	12.2%	0.8%	1,967	-0.9%	8.1%	- 1,763
785 - MOTOR CYCLES	3	-15.3%	0.0%	39	-33.8%	0.2%	- 37
786 - TRAILERS AND SEMI-TRAILERS; OTHER VEHICLES,	13	0.2%	0.1%	38	5.1%	0.2%	- 26
78 - TOTAL ROAD VEHICLES (INCLUDING PARTS)	5,162	24.3%	21.5%	4,295	-2.6%	17.8%	867

Source: EUROSTAT, <https://ec.europa.eu/eurostat/web/euro-indicators/international-trade>