



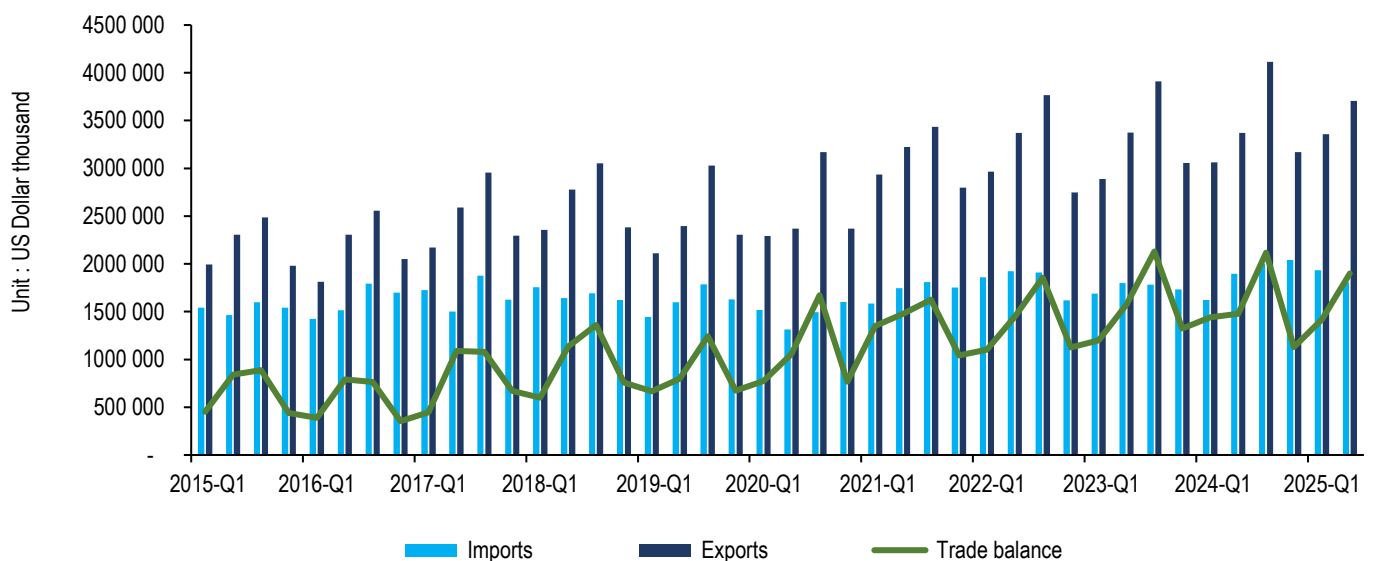
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South Africa's agricultural exports remained robust in Q2, 2025

- In a year where trade continues to dominate headlines after the U.S. started imposing higher tariffs against its trading partners, we take a look at South Africa's recent agricultural exports data to gauge the early impact of the changing trade environment. Encouragingly, the start of the year has remained positive for the sector. After solid export activity in the first quarter of the year, South Africa's agricultural exports totalled US\$3.71 billion in Q2, up 10% from the same period a year ago, according to data from Trade Map. This is again a function of both higher volumes of various product exports and better commodity prices.
- The products that dominated the exports list in the second quarter of the year were mainly citrus, apples and pears, maize, wine, nuts, fruit juices, dates, pineapples, avocados, grapes, and wool, amongst other products. While there remains a need for further improvement in the efficiency of the ports, there has been a material improvement compared to recent years. Agricultural export activity in the second quarter experienced less friction than in the recent past.

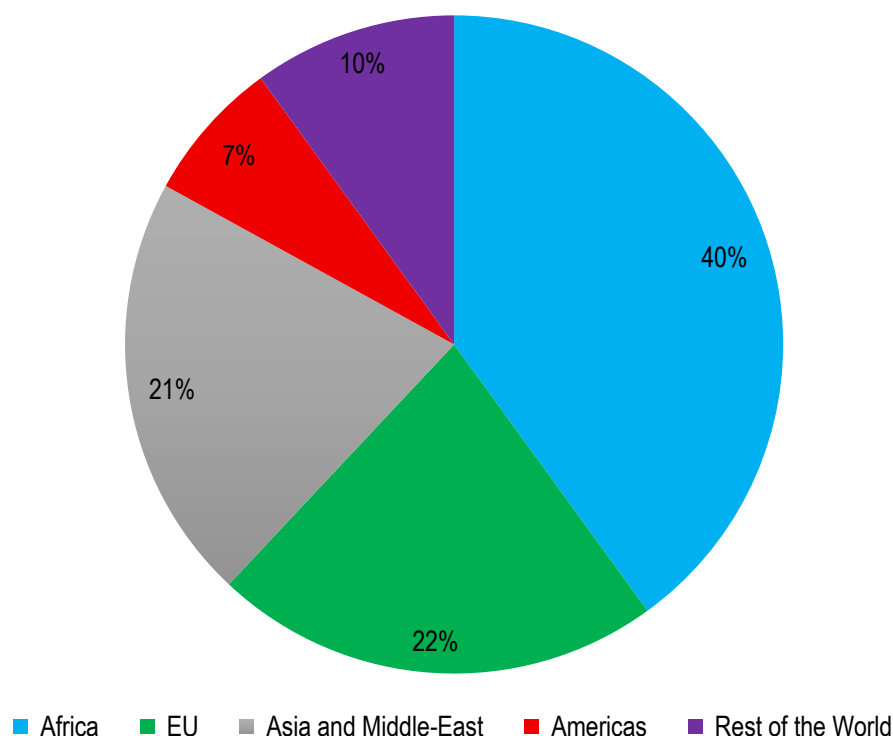
Exhibit I: South Africa's quarterly agricultural trade



Source: Trade Map and Agbiz Research

- From a regional perspective, the African continent maintained the lion's share of South Africa's agricultural exports in the second quarter of 2025, accounting for 40% of the total value. The products leading the exports list in the African continent were maize, maize meal, apples and pears, sugar, fruit juices, wheat, wine, soybean oil, and sunflower oil, amongst other products.
- The EU was South Africa's second-largest agricultural market, accounting for a 22% share. Citrus, apple and pears, dates, pineapples, avocados, guavas, mangos, wine, grapes, and nuts were amongst the primary agricultural products South Africa exported to the EU in the second quarter of 2025.
- As a collective, Asia and the Middle East were the third-largest agricultural markets, accounting for 21% of the total agricultural exports in the second quarter of 2025. The exports to this region primarily included citrus, apples and pears, nuts, wool, maize, beef, mutton, wine, berries, and fruit juices, among other products.
- The Americas region accounted for 7% of South Africa's agricultural exports in the second quarter of the year. The main exported products include citrus, fruit juices, wine, nuts, apricots, apples, pears, and grapes. Given ongoing concerns about the higher tariffs South Africa faces in the U.S., it is worth highlighting that some exporters may have taken advantage of the 90-day pause of the higher tariffs and exported more volume than usual during that period.
- Notably, South Africa's agricultural exports to the U.S. surprisingly increased by 26% in the second quarter of 2025, from the same period a year ago, at US\$161 million. The composition of the products hasn't changed; it is mainly citrus wine, fruit juices, and nuts, amongst other typical agricultural exports to the U.S. The fact that South Africa generally has a large fruit harvest also contributed to this huge increase, which far surpassed the average typical quarterly growth in exports to the U.S., which is about 9%.
- Also worth highlighting is that the rise underscores in a way the importance of the U.S. market for some producers, while it remains somewhat smaller from a national perspective. South Africa's agricultural exports to the U.S. were still 4% in the second quarter of 2025 (which is part of the 7% exports to the Americas region we mentioned above).
- Again, the 4% share of the U.S. in the overall South African agricultural exports is not a small value, as few specific industries are primarily involved in these agricultural exports. These are mainly citrus, grapes, wine, and fruit juices. Since the start of AGOA, the percentage share of South Africa's agricultural exports to the U.S. has remained at these levels. From now on, a great deal hinges on whether South Africa succeeds in securing favourable trade terms with the U.S.
- The rest of the world, including the United Kingdom, accounted for 10% of South African agricultural exports in the second quarter of 2025.

Exhibit 2: South Africa's agricultural exports by region in Q2, 2025



Source: Trade Map and Agbiz Research

- The country also imports various agricultural products. In the second quarter of 2025, South Africa's agricultural imports totalled US\$1.81 billion, a 5% decline year-over-year, according to data from Trade Map. The result is from slightly lower value and volume of major products South Africa imports, such as wheat, palm oil, poultry, and whiskies.
- As we have highlighted before, South Africa lacks favourable climatic conditions for growing rice and palm oil and thus relies on imports of these products. Regarding wheat, South Africa imports nearly half of the annual consumption. In the Free State province, which was once one of the country's major wheat-growing regions, production has declined notably over time due to unfavourable weather conditions and profitability challenges of wheat compared to other crops. Meanwhile, imports account for around 20% of the annual domestic poultry consumption.
- Subsequently, when we account for the exports and imports, South Africa's agriculture sector recorded a trade surplus of US\$1.90 billion in the second quarter of 2025, up 29% from the previous year. The higher exports and the decline in imports are the major boost to this better trade surplus.

Policy considerations

- In the current environment of heightened geoeconomic tensions, South Africa's export-oriented agricultural sector must work to maintain its current export markets and expand into new ones. The

focus for both policymakers and agribusinesses and organized agriculture should be on the following aspects:

- First, South Africa should maintain its focus on improving logistical efficiency. This entails investments in port and rail infrastructure, as well as improving roads in farming towns.
- Second, South Africa must work diligently to maintain its existing markets in the EU, Africa, Asia, the Middle East, and the Americas.
- Lastly, the South African Department of Trade, Industry and Competition, the Department of International Relations and Cooperation, and the Department of Agriculture should lead the way in expanding exports to current markets and exploring new ones. South Africa should expand market access to some key BRICS countries, such as China, India, Saudi Arabia, and Egypt. The emphasis on the BRICS grouping should be on the need to lower import tariffs and address artificial phytosanitary barriers that hinder deeper trade within this grouping. The discussion in BRICS should move beyond the general rhetoric of intentions to meaningful trade arrangements.