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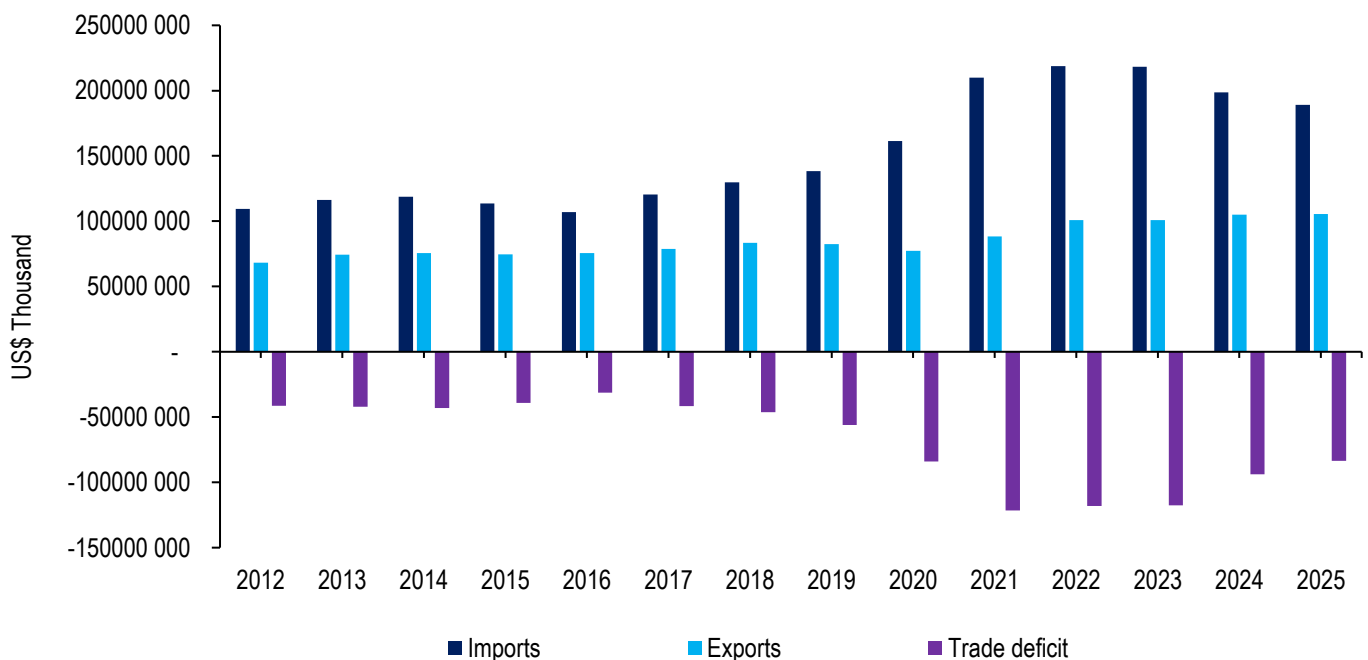
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China presents a growth opportunity for South Africa's agricultural exports

- The major development in South Africa's agriculture this past weekend was on trade. The China-Africa Framework Agreement on Economic Partnership for Shared Prosperity (CAEPA) came into effect on 1 May 2026. China established the CAEPA as a framework to promote the common development of China and Africa, through boosting trade and investment.
- The CAEPA opened a two-year window for zero tariffs on agricultural products from South African suppliers to China, with quotas in some, mainly grains. For the majority of the agricultural products that South Africa typically exports to the world market and seeks to advance, such as various fruits, nuts, raisins, wine, and meats, the Chinese market is now available tariff-free for the next two years, before the advancement of the current trade arrangement, subject to meeting the prescribed Rules of Origin, including product-specific requirements, and on submitting a valid Certificate of Origin for customs clearance in China. This is a positive development for the South African agricultural sector, as it helps efforts to diversify exports. The South African agricultural sector is export-oriented, and deepening access at tariff-free rates in key markets such as China also supports agriculture's long-term growth agenda, which hinges not only on expanding domestic production but also on broadening exports.
- China is the second-largest agricultural importer in the world after the U.S., with average annual imports of US\$206 billion over the past five years (2021-2025). China's leading agricultural suppliers over this period include the U.S., Australia, Vietnam, Thailand, Indonesia, New Zealand, Argentina, Chile, Russia, and Canada, amongst others. The top imported products include soybeans, beef, berries, peaches and plums, vegetable oils, milk, poultry, pork, mutton, wool, wine, and spirits, among others. South Africa produces some of these products in surplus and exports them to a range of countries worldwide.
- The Chinese market, because of its global significance, has long been on the radar of South African agricultural exporters. However, the competitiveness of South African products has been hampered by tariffs. For example, South African wine producers faced tariffs of 14% to 20% when exporting to China, and macadamia nuts faced around 12% tariffs. Most of the South African agricultural competitors listed above in the Chinese market accessed it at zero tariffs, as some have trade agreements with China.
- South Africa accounted for a mere 0.4% share of China's agricultural imports, averaging about US\$206 billion over the past five years. With CAEPA coming into effect, South African exporters will now be on equal footing with the exporters listed above. The key determinant of success, amongst other things, will now mainly be product quality and cultivating relationships with businesses or importers in China.

- This market opening builds on South Africa's successful agricultural export journey, with exports in 2025 reaching a record US\$15.1 billion, up 10% from 2024. These exports were diverse across Africa, Europe, the UK, the U.S., the Middle East, and Asia.
- Importantly, in the current environment of heightened geoeconomic tensions, South Africa's export-oriented agricultural sector must maintain its existing export markets and expand into new ones such as China through CAEPA. 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 key BRICS countries, including India, Saudi Arabia, and Egypt.
- Moreover, as the export promotion continues, the focus for both policymakers and agribusinesses and organized agriculture should be on improving logistical efficiency. This entails investments in port and rail infrastructure, as well as improving roads in farming towns.

Exhibit I: China's agricultural trade



Source: Trade Map and Agbiz Research