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**MEDIA RELEASE**

**SOUTH AFRICAN ROOIBOS TEA BREAK-THROUGH IN CHINESE MARKET – CHINA REDUCES DUTIES ON ROOIBOS WITH NEW TARIFF CLASSIFICATION AND CUSTOMS DUTY FROM 1 JANUARY 2024**

The South African Government today welcomed the decision by the People’s Republic of China to substantially reduce tariff rates on imports of South African Rooibos tea.

Rooibos tea is a unique South African tea that has gained a strong foothold in global markets with hundreds of millions of rands of annual exports in 2022. South Africa led efforts at the World Customs Organization (WCO) for a specific tariff code applicable only for rooibos tea.

China, the world’s largest tea-market, previously had tariffs ranging from 15% to 30% on rooibos tea. This has now been reduced to 6%.

In August last year, South Africa’s Minister of Trade, Industry and Competition Ebrahim Patel raised the tariff duties on rooibos tea with his counterpart, the Chinese Minister of Commerce, Wang Wentao, during the 8th meeting of the China-South Africa Joint Economic and Trade Commission. He requested that China considers a request to reclassify rooibos tea and to reduce the duties. Following further consideration from the Chinese side, the Customs Tariff Commission of the State Council of China advised it will be adopting the new tariff code of the WCO to categorize Rooibos tea under tariff code HS 1211.90.39 with an import tariff rate of 6%.

According to the Rooibos Council of South Africa, approximately 20 000 tons of Rooibos is produced in South Africa every year generating employment for more than 5 000 people. China featured as the 7 largest recipient market in 2023 for South African Rooibos out of a total of 45 countries currently importing Rooibos tea.

Minister Patel welcomed the decision by the Customs Tariff Commission of the State Council of China.

Commenting on the decision, he said: “Our rooibos tea is refreshing, delicious and healthy. This decision will enable more South African rooibos tea to be available to Chinese tea-drinkers, creating more jobs in South Africa. Rooibos exporters can now ramp up their exports of tea to China!”.

“China is currently South Africa’s largest global trading partner, with Chinese customs reporting two-way trade of more than R900 billion. We look forward to continuing our engagements with our Chinese counterparts as we seek to shift our exports from mainly minerals to a greater basket of value-added agricultural and industrial products. I wish to commend Minister Thoko Didiza and her team for the close collaboration and hard work to get this decision finalised,” Minister Patel said.

**Enquiries:**

Bongani Lukhele – Director: Media Relations

Tel: (012) 394 1643

Mobile: 079 5083 457

WhatsApp: 074 2998 512

E-mail: [BLukhele@thedtic.gov.za](mailto:BLukhele@thedtic.gov.za)

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