

# Western Cape Trade 2021



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# Foreword: Acting Chief Executive Officer, Wesgro

As an agency tasked with the promotion of international trade, tourism, and investment, we have seen first-hand the profound impact that pandemic-related measures globally have had on several sectors in our local economy. From stalled global supply chains, to softening global demand, to the drying-up of the global business and international leisure industry, multiple factors have had a very direct and costly impact on our economy. This has forced us to rethink entirely how we operate as an agency to achieve our mandates.

Yet despite the myriad of complexities and challenges faced, Wesgro has successfully adapted to this “new normal” over the past 15-months, with a number of units achieving resounding success in spite of challenges faced. Key to this has been the way the agency and the greater business community have transitioned by embracing the use of technology. This could not be truer than for the agency’s Export Promotion Unit, which is mandated to promote and facilitate exports of goods and services from companies in the Western Cape. The Unit also supports the expansion of Western Cape companies into the rest of Africa – also known as Outward Foreign Direct Investment (OFDI). During the 2020/21 financial year, the Unit facilitated 66 trade promotion business agreements, while seven OFDI projects were committed. These achievements are remarkable and are testament to the Unit’s seamless transition to a virtual trade mission platform. The Unit’s Export Advancement and Promotion (EAP) team had an equally busy year, with some 148 companies trained to be export ready – significantly higher than the target of 90 companies.

Wesgro is encouraged by ongoing developments on the African Continental Free Trade Agreement (AfCFTA) front – officially launched on 01 January 2021 – which, as the largest global free trade area by countries participating, has the potential to transform the continent’s economic prospects. Notwithstanding implementation challenges faced, the AfCFTA seeks to reduce all trade costs and enable Africa to integrate further into global supply chains. It will eliminate 90% of tariffs, focusing on focus on outstanding non-tariff barriers, and create a single market with free movement of goods and service. This provides major opportunities for Western Cape exporters, with the province already exporting more than ZAR39 billion worth of goods to the rest of Africa. We will look to leverage this new agreement as far as possible.

Another key market that we continue to monitor closely is that of post-Brexit Britain, and in particular the opportunities that this country holds for the Western Cape, as it forges new global trade relations and agreements at the dawn of its new trading era. A market which we remain less certain of is the United States as the end of the African Growth Opportunity Agreement (AGOA) draws near. AGOA is due to expire in 2025. While the US remains a key trading and investment partner and is an increasingly important tourist market for the province, the end of AGOA will likely herald new trading realities for South Africa – and all other AGOA-eligible African countries. We continue to monitor developments on this front closely.

Notwithstanding challenges faced world over by most airlines, the highly successful Cape Town Air Access project remains dedicated to its mandate of increasing direct flights to Cape Town. Testament to this is the number of new international flights set to commence later this year. This effort continues to boost cargo capacity out of Cape Town International Airport, with perishables making up almost 70% of air cargo exports. Cape Town is also seen as the leader in e-commerce on the African continent, and this market is set to grow even further during 2021 with digital technologies and online platforms boosting demand for parcel delivery services.

While mindful of the continuous change and uncertainties currently faced, I am confident that with the above-mentioned initiatives, Cape Town and the Western Cape will continue to grow its exports into Africa and the rest of the world, helping to grow the Cape economy and creating the jobs our province needs.



Yaw Peprah

Acting Chief Executive Officer



Western Cape exports showed its resilience during a challenging 2020, posting a 7.4% increase, totalling R136.8bn of goods exported.

Primary agriculture and agri-processed products dominated the province's exports, accounting for seven out of the top 10 exports as measured by value. Citrus surpassed petroleum oils (now ranked 4th) as the largest exported product from the Western Cape, with R18.8bn exported (+55.5%) in 2020. The increase in demand was supported by the immune boosting properties of citrus amid a global health scare. Wine ranks as the 2nd largest exported product (R9.6bn; +14.7%), followed by apples, pears, and quinces (R9.1bn; +30.8%).

Petroleum oils (R8.1bn; -55.3%) fell from being the top exported product from the Western Cape, to the 4th largest in 2020. This trend is not a surprise given the oil market collapse in 2020, driven by weak demand as a result of the coronavirus crisis, and an exhaustion of storage capacity in the US.

Europe (incl. UK) pipped Africa to the post as the largest export region from the Western Cape for the first time in six years, with R47.1bn (+28.9%) of goods exported to the region, compared to R39.3bn (-16.0%) exported to the rest of Africa. The decline in Africa trade is largely driven by the large fall in oil exports, however this is expected to re-balance in the next 12 months.

With exports forming an integral part in South Africa's 2021 economic recovery, the Western Cape is embarking on an export-led growth economy. Wesgro's export team will play a central role and will be expanding current activities and implementing new initiatives to help scale the support already provided to Western Cape exporters.

#### The core functions of Wesgro's Export Unit:

- Promote and facilitate the exports of goods and services from qualified companies in the Western Cape
- To facilitate and support operations and expansion of qualified Western Cape companies into the rest of Africa through Outward Foreign Direct Investment (OFDI)
- Increase the export capacity of companies in the Western Cape through export training facilitated through the Export Advancement Programme (EAP)

During the 2020/2021 financial year, the Export unit facilitated 66 business agreements with an estimated economic value of R4.7 billion and created 357 jobs. In terms of outward investment into the rest of Africa, the unit facilitated 7 business agreements with an estimated economic value of R727.8 million and created 345 jobs.

National and international restrictions on international travel and large gatherings halted in-market export promotion activities during 2020, and the expectation is these restrictions will remain in effect for at least the first half of 2021. Wesgro's export unit was quick to pivot into the virtual space, leveraging technology to provide innovative virtual and hybrid solutions to continue to support Western Cape business with export training, export promotion and outward foreign direct investment (OFDI) into the rest of Africa.

During the 2020-2021 fiscal year, Wesgro's export unit executed on 40 virtual missions, facilitating engagements via online platforms between Western Cape exporters and international importers. One of Wesgro's most successful virtual engagements in this regard was the Cape Agri Export Week on 31 March 2021. This online trade exhibition brought together 80 Western Cape exporters, 6 Export Councils and over 200 international buyers in the fresh produce, processed & fine foods, cosmetics & essential oils, and wine & spirits industries. The exhibition was able to facilitate close to 500 business-to-business (B2B) meetings between attendees and allowed exporters the opportunity to showcase their products and businesses on an international stage.

The Wesgro team also hosted or participated in 42 webinars and online workshops in the last 12 months, ensuring Western Cape Exporters are kept updated and informed on export opportunities and challenges, trade agreements and Covid-19 regulations.

Wesgro continues to hold its flagship training series, the Export Advancement Programme (EAP), via online platforms as opposed to the standard in-person classroom setting. The EAP is focused on providing in-depth knowledge to companies in the Western Cape looking to export their products abroad for the first time. The course is extremely comprehensive and includes everything from how to apply for an import/export permit to what shipping options to consider. This past fiscal year, Wesgro held seven EAP training courses, helping 148 Western Cape businesses to become export ready.

#### Priority Regions:

- Africa: Angola, Botswana, Namibia, Mozambique, Zambia, Nigeria, Senegal, Cameroon, Ghana, Ivory Coast, Kenya, Tanzania, Ethiopia, Mauritius, Uganda, Morocco, Egypt, Guinea
- Americas: USA, Canada, Brazil, Mexico
- Asia & Australasia: China, Hong Kong, India, Malaysia, Japan, Singapore, Australia
- Europe: United Kingdom, Germany, France, Russia, Poland, Netherlands, Spain, Italy
- Middle East: UAE, Saudi Arabia, Qatar, Kuwait, Bahrain

#### Priority Sectors:

- Agriculture, Agro-processing
- Manufacturing & Value-Added Products
- Green Industries
- Cosmetics, Natural Ingredients, Organic
- Services
- Clothing, Textiles, Leather, Footwear
- Boatbuilding and auxiliary services
- Health Tech & Medicinal Cannabis
- Aerospace & Defence

As we move forward in the 2021-2022 financial year, Wesgro's export unit is planning 47 export and OFDI missions and seven EAP training courses.

In order to scale the support already provided to Western Cape exporters, Wesgro's export unit will design and implement key new initiatives to further drive economic growth and job creation:

- Cape Trade Portal: An online platform housing a B2B Market place and export resource centre, allowing Western Cape exporters to connect with international markets 24/7.
- Virtual Export One-Stop-Shop: Collaborating with the Invest SA's One-stop-shop, the unit will establish a virtual Export One-Stop-Shop to provide Western Cape exporters with online access to national and provincial government departments to expedite the resolution of regulatory and certification issues.
- Air Cargo: Collaborating with Wesgro's Air Access team, Wesgro will complete and implement an Air Cargo Strategy, to help boost exports via air cargo through the new direct flights to/from Cape Town
- Western Cape 5-year Export Strategy: Wesgro and DEDAT will complete a Western Cape 5-year export strategy to provide a clear approach to increase export capacity and trade activity within the Western Cape.
- Services Exports: Dedicated focus and implementation strategy to unlock services exports for Western Cape



With a dedicated, committed, and experienced team, the Unit stands ready to assist Western Cape exporters and investors into the rest of Africa. We encourage Western Cape companies to reach out to us to take their business forward. Additional information and the latest Wesgro's mission list can be found on the agency website at [www.wesgro.co.za](http://www.wesgro.co.za).

Erica Joubert

Head: Export Promotion



Entering 2020, we were ready for Brexit to be one of the major events for the year.

How wrong we were.

That is not to say that it was not a major event. In fact, it is probably only now starting to dawn on many just how major it was. What we did not foresee, however, was that global trade would come to a near standstill as a result of something entirely different.

As we now emerge from the chaos that was, and still is, the Covid-19 pandemic, we find ourselves in a very different trade landscape.

1 January 2021 ushered in not only the post-Brexit global order, but also marked, in theory, the first day of trading under the African Continental Free Trade Area (AfCFTA).

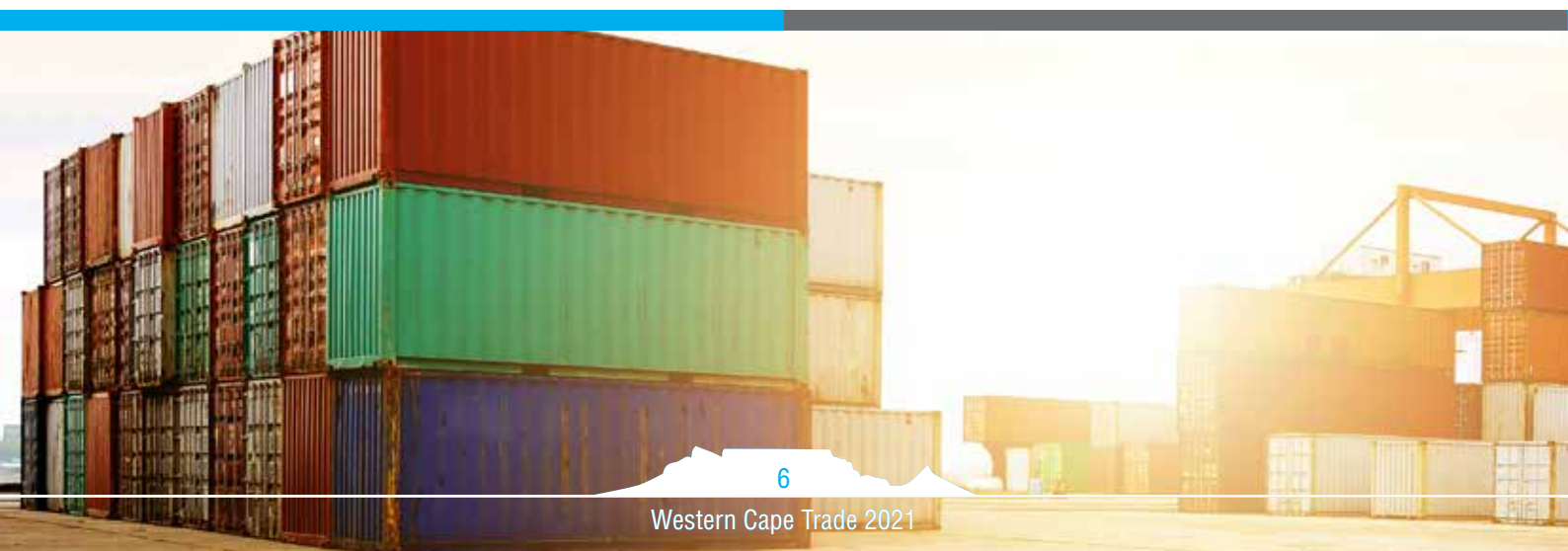
Early 2021 also brought into focus post-Trump US trade policy. While this brings a reprieve from the possibility of erratic trade wars, unfortunately it will not halt the march of time towards AGOA's looming expiration date in 2025.

Back to Brexit: the UK's exit from the European Union (EU) Common Market will have lasting repercussions. From a South Africa-UK point of view, however, we managed to weather the uncertainties thanks to a dedicated team of trade negotiators that got a new separate trade agreement with the UK across the line well in advance of the eventual deadline. On 1 January this year, we were therefore able to shift relatively easily from trading with the UK under the EU Economic Partnership Agreement (EPA) to trading under the UK EPA.

Having a dedicated agreement with the UK brings new opportunities, for example, additional market access and an export market that largely does not compete with Western Cape products.

That is however only the beginning of the story, not the end. One now needs to keep a close eye on British global trade aspirations and how this may impact upon the competitiveness of Western Cape goods and services in the UK market. Just in the first few months, we have already seen the UK being close to completing trade agreements with New Zealand and Australia, plus the UK's planned accession to the Trans-Pacific Partnership (CPTPP). Trade negotiations with the United States are also ongoing, though a deal is likely to be some years away.

Across the Atlantic, the expiration of AGOA in 2025 is a reason to start planning. AGOA is US legislation (the African Growth and Opportunity Act) that provides for duty free access to goods from qualifying African countries, including South Africa. South African and US businesses will need to start putting their heads together on a plan for US – SA (SACU) trade relations post-2025, whether that be the extension of AGOA or something different.



We will also need to see what a shift from “America First” to the Biden administration’s “worker-centred” trade policy means in practice, and how US – China trade relations impact on Africa.

Staying with Africa, we eagerly await completion and implementation of the AfCFTA. The AfCFTA aims to establish a free trade area spanning the 55 Member States of the African Union (AU). The AfCFTA includes undertakings by Member States to progressively eliminate tariffs and non-tariff barriers and to liberalise trade in services; cooperate on investment, intellectual property rights, competition policy, customs matters, and to establish a dispute settlement system.

Trading under Phase 1 of the AfCFTA was meant to commence on 1 January 2021. Unfortunately, the Covid-19 pandemic slowed negotiations and there are still a number of crucial annexes outstanding. It was agreed in December 2020 however to put in place interim measures to allow for trading to commence among those countries that are ready. Thus, in theory, some trading could already take place under the AfCFTA though at the time of writing this is not yet happening.

In the short term, the greatest impact for Western Cape exporters will be the opening of markets beyond the SADC. Under the AfCFTA we will for the first time see liberalisation between South Africa and markets in East, West, and North Africa. While this will bring exciting new opportunities, it will be of equal importance that adequate trade facilitation measures are implemented to increase efficiencies and reduce the costs of transport and logistics.

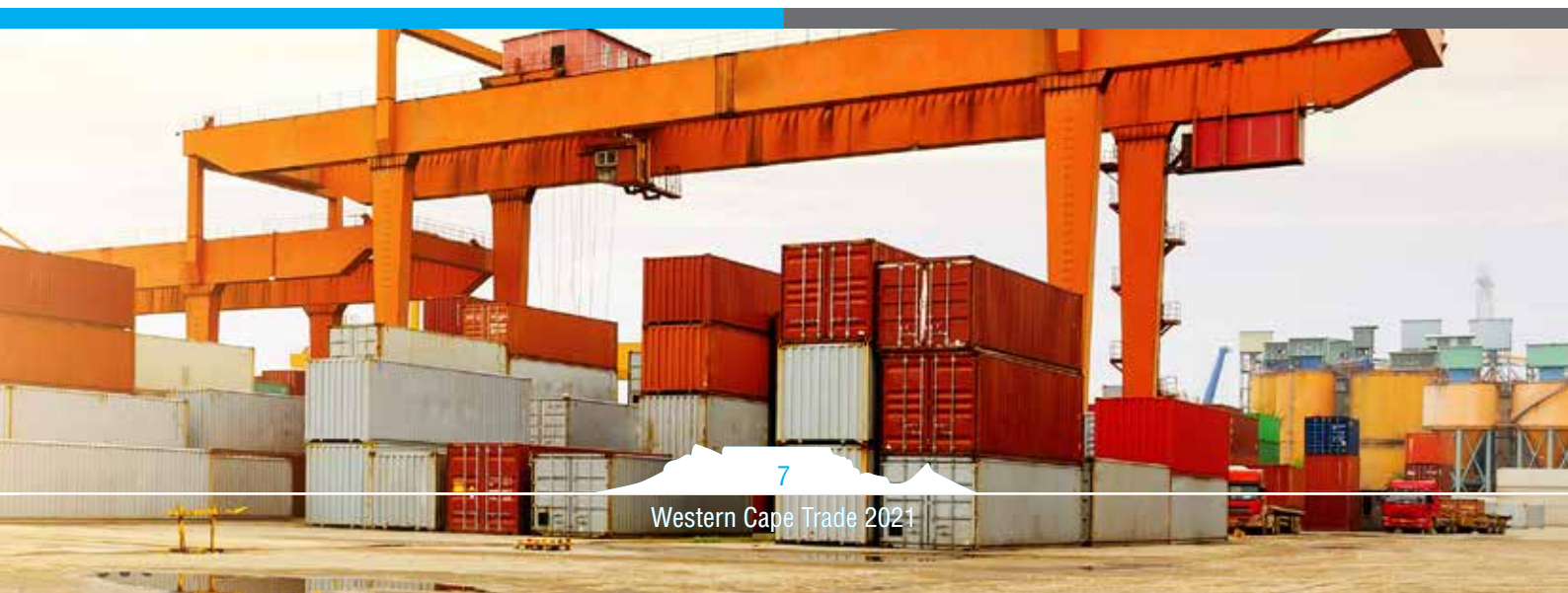
Another aspect of the AfCFTA that has significance is the liberalisation of services trade. This also falls under Phase 1 and will initially only include the five agreed priority sectors, i.e., business services, communications, financial services, transport, and tourism. This is of particular interest for services companies in the Western Cape looking to expand their market reach into the rest of Africa.

In conclusion, the next few years bring the promise of new markets on the African Continent, new opportunities in post-Brexit Britain, and looming uncertainties in the United States. Wesgro will be working around the clock to ensure that Western Cape exporters are able to make the most of opportunities that arise, whether in new markets, old markets, or emerging markets.



Karen Bosman

Strategic Research and Public Affairs Manager



# 1. Global Context

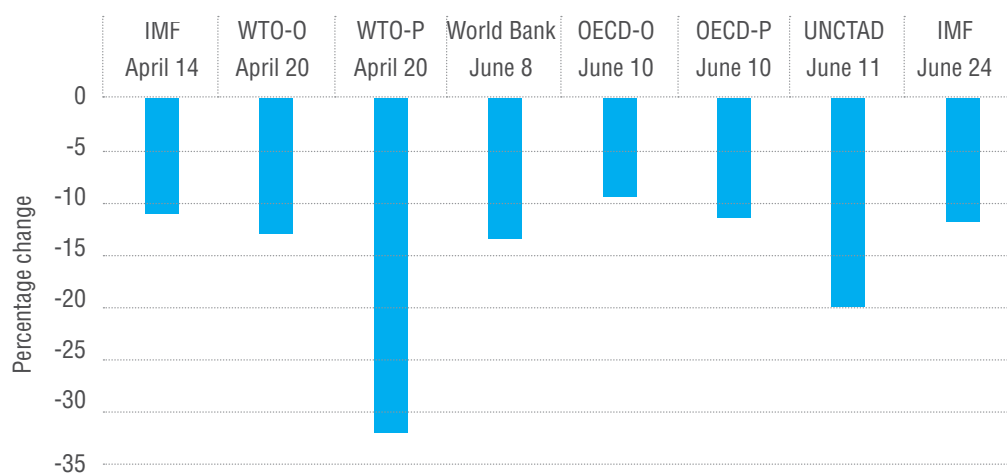
“Prospects for a quick recovery in world trade have improved as merchandise trade expanded more rapidly than expected in the second half of last year. According to a new estimate from the World Trade Organisation, the volume of world merchandise trade is expected to increase by 8.0% in 2021 after having fallen 5.3% in 2020, continuing its rebound from the pandemic-induced collapse that bottomed out in the second quarter of last year.”

Source: World Trade Organization news, 2021 press releases, 31 March 2021

## Global trade in goods and services plummets in 2020 with a strong short-term recovery in 2021

Not since the global financial crisis of 2008 has the world seen international trade volumes slow to levels seen in 2020. Initial projections from a number of multilateral organisations for the contraction of the annual volume for world trade in 2020 ranged from -10% to -32%, as indicated in the graph below.

Figure 1: Forecast for real world trade growth in 2020



Note: O = Optimistic scenario, P=Pessimistic Scenario

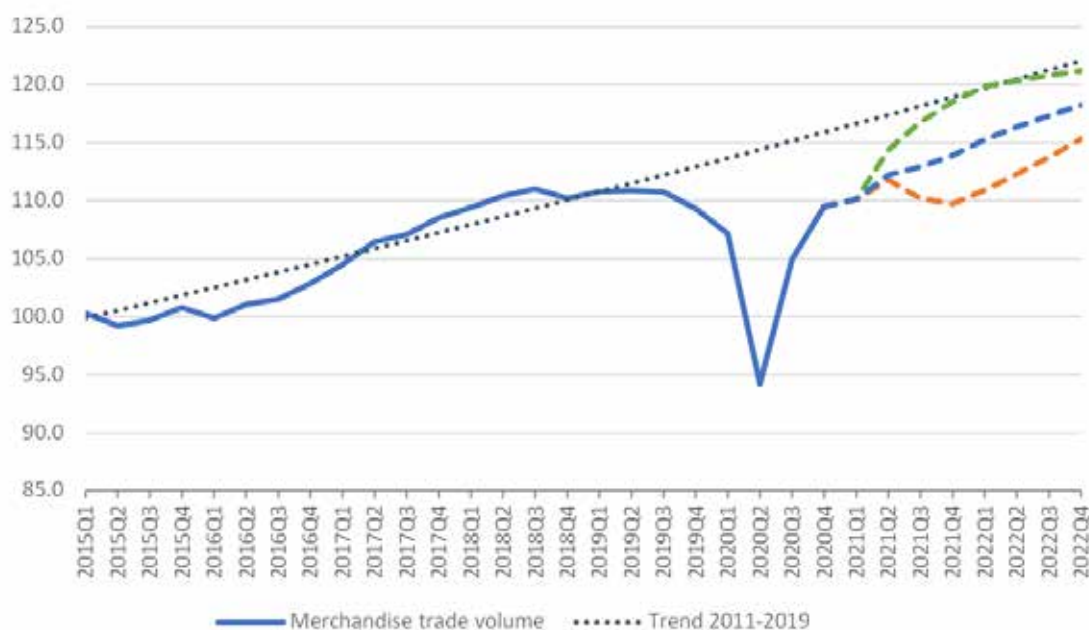
Source: Gerdien Meijerink, Bram Hendriks, Peter A.G. van Bergeijk. 02 October 2020. Covid-19 and world merchandise trade: Unexpected resilience. <https://voxeu.org/article/covid-19-and-world-merchandise-trade>

However, prospects for a quick recovery in world trade have improved as merchandise trade expanded more rapidly than expected in the second half of last year according to the World Trade Organization (WTO). According to a new estimate from the WTO, “the volume of world merchandise trade is expected to increase by 8.0% in 2021 after having fallen 5.3% in 2020, continuing its rebound from the pandemic-induced collapse that bottomed out in the second quarter of last year”. Moreover, trade growth in 2022 is expected to slow down to 4.0% as the impact of the pandemic still leaves trade lower than its pre-pandemic levels as indicated in the following graph:



## Chart 1: World merchandise trade volume, 2015Q1-2022Q4

Index, 2015=100



Sources: WTO and UNCTAD for trade volume data; WTO for forecasts.

Source: World Trade Organization. Press release 31 March 2021. World trade primed for strong but unequal recovery after Covid-19 pandemic shock. [https://www.wto.org/english/news\\_e/pres21\\_e/pr876\\_e.htm](https://www.wto.org/english/news_e/pres21_e/pr876_e.htm)

This relatively positive short-term outlook is not without its woes. The strong rebound in global trade is countered with regional disparities, persistently weak services trade, and delayed manufacturing of vaccines, all of which continue to pose the greatest risks to global trade and a rapid recovery. Chart 1 above shows two alternative scenarios. In the upside scenario, there is a rapid production and distribution of the vaccine, allowing the restriction measures to be disseminated earlier, which is expected to contribute to 2.5 percentage point increase in global trade growth. The downside scenario is that of a slow-down of the production of the vaccine causing new strains of the virus to emerge, which would result in a 2-percentage point reduction in global trade growth.

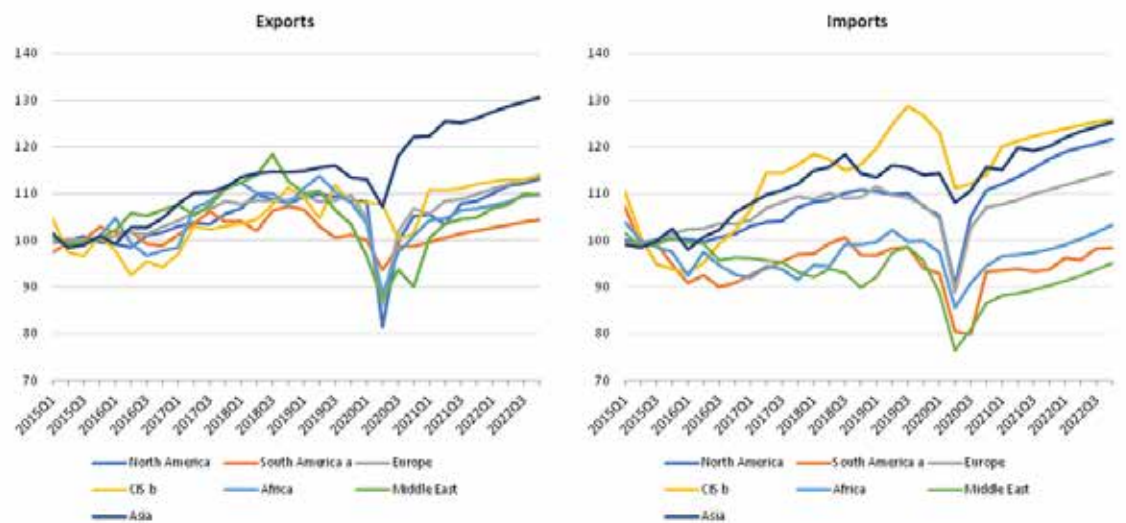
Furthermore, the WTO notes that the adverse effect of the pandemic on global merchandise trade varied from region to region across the globe in 2020, with the majority of regions reporting sizeable declines in both imports and exports. Further, it was noted that regions with massive natural resource composites experienced the greatest declines in imports, such as Africa (-8.8%), South America (-9.3%) and the Middle East (-11.3%).

Chart 2 below shows merchandise trade statistics on a quarterly basis from 2015 – 2020, as well as projections for 2021 and 2022. From the chart it is evident that in the second quarter of 2020, significant decreases in export volumes were experienced by North America and Europe, with export volumes falling by as much as 25.8% and 20.4%, respectively. However, by the fourth quarter of 2020, these regions had recovered relatively well, with export volumes down by only 3% and 2.4%, respectively. Further, with global oil demand on the decline, Middle East export volumes were also significantly lower in the second quarter of 2020. Asian exports were the least impacted by the pandemic, with exports down by 7.2% in the second quarter of 2020, recovering strongly by 7.7% by the fourth quarter of 2020 compared to the previous year.

Looking ahead, in the forecast period it is evident that Africa, South America and the Middle East will continue to experience dampened growth in imports, while from an export perspective, most regions will realise only modest improvements. With Asia continually supplying the world with consumer goods and medical supplies, it is expected that this region's exports will not be as severely impacted in the second half of 2021 and 2022 as the rest of them.

## Chart 2: Merchandise exports and imports by region, 2015Q1-2022Q4

Volume index. 2015=100



**a** Refers to South and Central America and the Caribbean.

**b** Refers to Commonwealth of Independent States, including certain associate and former member States.

Source: WTO and UNCTAD.

Source: World Trade Organization. Press release 31 March 2021. World trade primed for strong but unequal recovery after Covid-19 pandemic shock. [https://www.wto.org/english/news\\_e/pres21\\_e/pr876\\_e.htm](https://www.wto.org/english/news_e/pres21_e/pr876_e.htm)

To provide a better understanding of the current trends in merchandise and commercial services trade, chart 3 below shows daily international flights and port calls of container ships, as well as prices of copper futures through 1 March 2021.

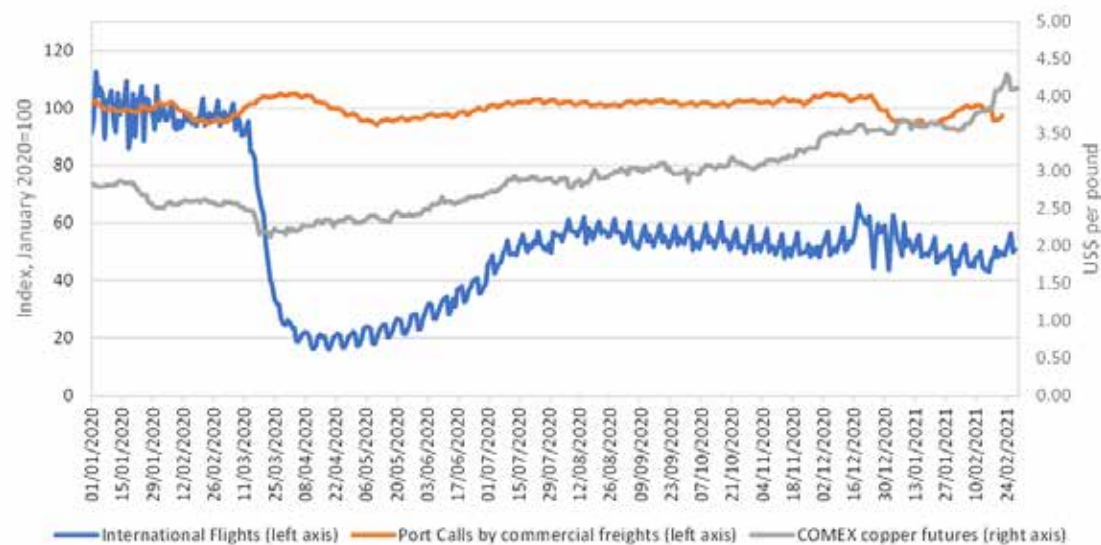
International flights are highly correlated to travel services, as well as the transport of traded goods. In the first quarter of 2020, global restrictions on international travel exacerbated the impact of the pandemic, with flights worldwide falling by 80% between early January and mid-April, led by a decline in international flights. This number improved as travel restrictions eased toward the end of 2020, but a resurgence of the virus resulted in a sharp decline in flights in early 2021. In contrast, seaborne transportation has been less severely impacted than international flights. Peak periods of infections were synonymous with dips in the number of port calls, such as that witnessed in February and April of 2020, as well as in January 2021.

Furthermore, a rise in copper futures contracts is synonymous with a recovery in economic activity as copper is widely used in the manufacturing of electronics. Copper future contracts declined in March 2020 as news of the pandemic expanded but picked up significantly throughout the pandemic, with a major jump toward the end of January and February of 2021 as investment in technology by both business and people have increased to allow a work from home situation.



**Chart 3: International commercial flights, port calls and copper futures, 1 January 2020 – 1 March 2021**

Indices, US\$ per pound



**Source:** International commercial flights - OpenSky Network; Port calls - Cerdeiro, Komaromi, Liu and Saeed (2020).

**Available at** UN Comtrade Monitor; COMEX copper futures - Chicago Mercantile Exchange (CME).

Source: World Trade Organization. Press release 31 March 2021. World trade primed for strong but unequal recovery after Covid-19 pandemic shock. [https://www.wto.org/english/news\\_e/pres21\\_e/pr876\\_e.htm](https://www.wto.org/english/news_e/pres21_e/pr876_e.htm)

Looking ahead, the International Monetary Fund (IMF), in its most recent flagship publication, the World Economic Outlook, dated April 2021, upwardly revised their predictions with a stronger recovery forecast for both 2021 and 2022 of 6% and 4.4% respectively, compared to previous estimates. Following on from this positive outlook, global trade is projected to increase by 8.4% in 2021, mainly due to the robust rebound in merchandise trade. Cross-border services trade (tourism and transportation) is however still expected to remain stagnant until the pandemic is entirely brought under control.

### Localisation, Africanisation and Globalisation

Notwithstanding the myriad challenges posed by COVID-19, and the fast and ever-changing nature of doing business the new pandemic shaped international arena, there are undoubtedly positive consequences for those who are able to adapt, innovate and take advantage of the new circumstances. Change has indeed brought opportunity. While international supply chain bottlenecks and import delays have undoubtedly strained traditional trade channels and relations, these in turn have presented opportunities for a number of local companies to supply local retailers who for example previously imported goods from China.

In a similar vein, COVID-19 has strengthened South Africa's footing as a springboard into Africa as global economies retract, with the continent presenting a plethora of opportunities as local companies seek to grow their global footprint beyond the traditionally lucrative and now-expensive US and European markets. Notwithstanding the complexities and intricacies often faced when doing business on the African continent, lucrative opportunities undoubtedly exist. Progress on the African Continental Free Trade Area (AfCFTA) front stands to provide further support and opportunities.

This is in addition to new opportunities presented for both South Africa and particularly the Western Cape in the new post-Brexit economy. Historically, the United Kingdom (UK) is the top source of foreign direct investment and tourism for the Western Cape, and second largest export market, second only to the Netherlands. Accordingly, the province's relationship with the UK is more important now than ever, as South Africa embarks upon its journey to economic recovery.



## 2. Western Cape Trade Trends

### Historic Economic Context

Unable to escape the plethora of direct - and associated pressures and restrictions - presented by the global Coronavirus pandemic, the Western Cape's economy contracted by an unprecedented 6.7% in 2020.<sup>1</sup> While unparalleled, as noted in the recently published Provincial Economic Review and Outlook (PERO) 2021, this was 0.3 percentage points less than the 7.0% contraction for South Africa.

Of the hardest hit was the province's well-developed tourism industry, which bore the wrath of global travel restrictions and flailing demand for associated services. That said, prospects continue to improve as both the national and provincial vaccination roll out programs gain momentum, with restrictions associated with travel to South Africa easing notably in recent weeks. On a more positive note, the local agricultural sector recorded strong growth in 2020, buoyed by a bumper crop following good rains in the preceding year. The significance of this being that the agriculture and agri-processing sector are some of the province's key exports.

Looking ahead – notwithstanding challenges and risks presented to both the national and provincial economies – the Western Cape's economy is forecast to recover to a projected 3.0% in 2021, and 4.1% in 2022, underpinned by an expected recovery in the finance, trade, and tourism sectors.<sup>2</sup>

### Western Cape Economic Outlook, 2021 – 2022



**Forecast  
average**

Description	2019	2020e	2021f	2022f	(2021 – 2022)
Agriculture, forestry and fishing	-10.0	15.0	2.3	4.3	3.3
Mining and quarrying	-1.6	-19.7	7.6	0.7	4.1
Manufacturing	-0.5	-10.6	2.5	7.0	4.7
Electricity, gas and water	-1.1	-7.2	-1.4	3.9	1.3
Construction	-3.4	-21.0	0.4	6.1	3.3
Wholesale and retail, catering and accommodation	0.4	-10.5	5.5	6.4	6.0
Transport, storage and communication	-0.4	-14.9	2.6	3.0	2.8
Finance, insurance, real estate and business services	2.3	-4.6	5.3	3.4	4.4
General government	1.8	0.8	-2.3	0.5	-0.9
Community, social and personal services	0.9	-2.6	0.0	2.5	1.3
Total GDP at market prices	0.3	-6.9	3.0	4.1	3.6

Note: e denotes estimates and f denotes forecast

Source: Quantec Research, 2021

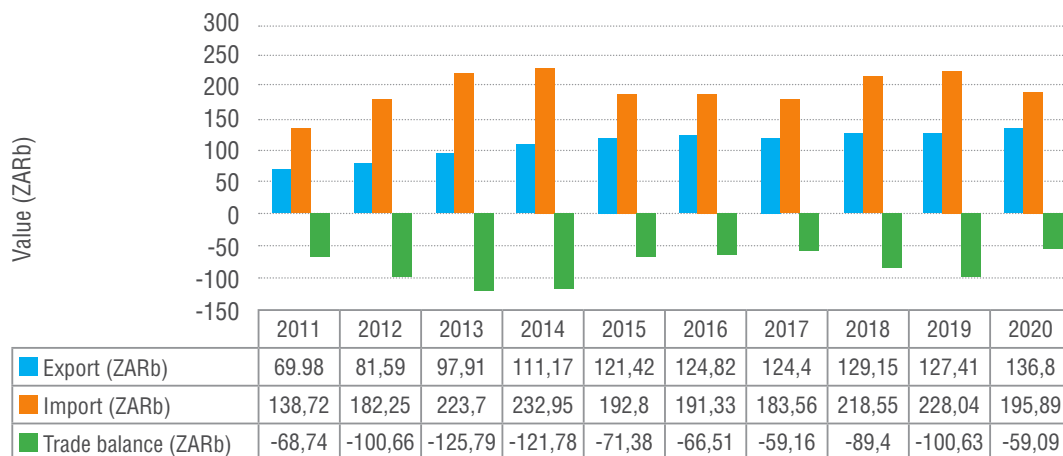
Source: Provincial Economic Review and Outlook 2021. Western Cape Government Provincial Treasury.

<sup>1</sup> Provincial Economic Review and Outlook 2021. Western Cape Government Provincial Treasury. Accessed 05 October 2021. <https://www.westerncape.gov.za/provincial-treasury/files/atoms/files/2021%20PERO.pdf>

<sup>2</sup> Provincial Economic Review and Outlook 2021. Western Cape Government Provincial Treasury.

Turning to trade flows, despite challenges posed by uncertain global economic conditions – think rising trade tensions between the US and China; a slowing Chinese economy; uncertainties posed by a post-Brexit world and the fluidity of global markets in response to COVID-19-related uncertainties – bilateral trade flows remained relatively strong in 2020. The province's exports totaled **ZAR136.80bn** in 2020, modestly higher than the **ZAR127.41bn** earned in 2019. Imports in turn continued on a downward trend, declining to an accumulated cost of **ZAR195.89bn** in 2020, from **ZAR228.04bn** incurred in 2019. The region's trade balance remained firmly in deficit as a result, albeit narrowing to a shortfall of **ZAR59.09bn** in 2020, from **ZAR100.63bn** recorded in 2019.

### Western Cape Trade with Globe, 2011 – 2020



Source: Quantec. 2021

### A Brief Overview of the Harmonized Commodity Description and Coding Systems (HS)

The Harmonized System is an international nomenclature for the classification of products. It allows participating countries to classify traded goods on a common basis for customs purposes. At the international level, the Harmonized System (HS) for classifying goods is a six-digit code system.

The HS comprises approximately 5,300 article/product descriptions that appear as headings and subheadings, arranged in 99 chapters, grouped in 21 sections.

The six digits can be broken down into three parts. The first two digits (HS-2) identify the chapter the goods are classified in, e.g. 09 = Coffee, Tea, Maté and Spices. The next two digits (HS-4) identify groupings within that chapter, e.g. 09.02 = Tea, whether or not flavoured. The next two digits (HS-6) are even more specific, e.g. 09.02.10 Green tea (not fermented)...

Up to the HS-6 digit level, all countries classify products in the same way (a few exceptions exist where some countries apply old versions of the HS).

Information on Harmonized Commodity Description and Coding Systems (HS) can be found at the World Customs Organization website at: [http://www.wcoomd.org/home\\_wco\\_topics\\_hsoverviewboxes.htm](http://www.wcoomd.org/home_wco_topics_hsoverviewboxes.htm)

You can download HS codes and descriptions (and other classifications such as SITC and BEC) from UN Comtrade Commodity Classifications.

By entering key words or HS code, you can search list of products and commodities with their 6 digit, 4 digit, or 2 digit - HS codes at the online database below:

<http://www.foreign-trade.com/reference/hscodet.htm>

Source: United Nations International Trade Statistics Knowledgebase

<https://unstats.un.org/unsd/tradekb/Knowledgebase/50018/Harmonized-Commodity-Description-and-Coding-Systems-HS>

In line with historical trends, oranges (HS080510) dominated the province's export earnings in 2020. At a value of **ZAR8.62bn**, this product line accounted for 6.30% of total export earnings accrued in the said year. Following oranges, light oils and preparations were the second largest export from the province, with a value of **ZAR7.75bn** exported in 2020. An oil refinery in Cape Town and the country's only gas to liquid (GTL) refinery in Mossel Bay are the main facilities in the well-established oil and gas industry of the Western Cape. These support the province's relatively high share of exports of mineral fuels and mineral oils in the export basket. Indeed, Cape Town is home to [Astron Energy's](#) 100,000 barrel per day (b/d) refinery.<sup>3</sup> Fresh produce and agri-processing exports followed a close third and fourth, with fresh grapes (HS080610) exports earning **ZAR7.35bn** (equivalent to 5.4% of total exports) in 2020, followed by wine of fresh grapes in containers less than 2 litres (HS220421) at a value of ZAR6.63bn (4.8%).

In parallel, petroleum-related products dominate the province's import basket too, with crude oil (**ZAR36.52bn**) and light oil and preparations (**ZAR33.42bn**) accounting for a collective 35.70% of total import costs incurred in 2020.

In a bid to give a more balanced view of the province's primary/traditional exports and import products, the following graph excludes petroleum-related exports and imports from the province's trade flows. One of the most notable differences is the (new) differential between imports and exports, and by inference, the impact on the province's trade balance. As indicated above, when excluding petroleum activities (both in export and import flows), the trade balance is no longer in deficit throughout the period analysed, but oscillates from a surplus to a shortfall a number of times throughout the period. This is a key indication of the dominance of petroleum products in the province's trade basket both on the export and import front.

In nominal terms, imports associated with petroleum oils and oils obtained from bituminous minerals, crude (HS270900), and light oils and preparations (HS271012) totalled **ZAR36.52bn** and **ZAR33.42bn** respectively in 2020. This was equivalent to 18.64% and 17.06% respectively of the province's total imports, or a collective 35.07% of total import costs incurred in 2020. The difference was less notable on the export front as light oils and preparations (HS271012) accounted for a more marginal **ZAR7.75bn** (equivalent to 5.7% of total exports) in 2020.

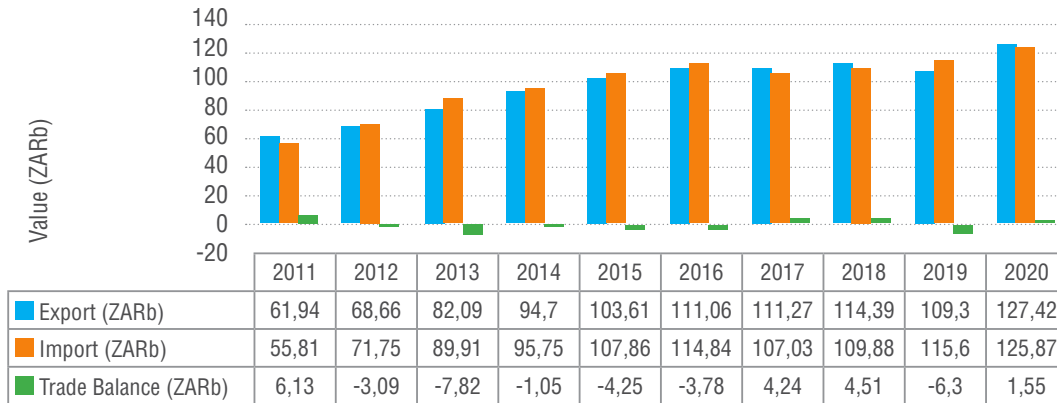


<sup>3</sup> Astron Energy was formed in 2018 following primary shareholder Glencore PLC's purchase of Chevron Corp.'s majority ownership in former Milnerton refinery operator Chevron South Africa (Pty.) Ltd. as well as 100% ownership interest in Chevron Botswana (Pty.) Ltd. from Off the Shelf Investments Fifty Six (RF) (Pty.) Ltd.



All told, when excluding petroleum activities, the value of the province's total exports eased to **ZAR127.42bn** (from **ZAR136.80bn** when including petroleum related exports), while imports eased to a cost of **ZAR125.87bn** (from **ZAR195.89bn** when including petroleum related imports) in 2020. The net effect being a notable shift in the overall trade balance, from a deficit of **ZAR59.09bn** in 2019 (including petroleum products), to a surplus of **ZAR1.55bn** when petroleum activities were excluded.

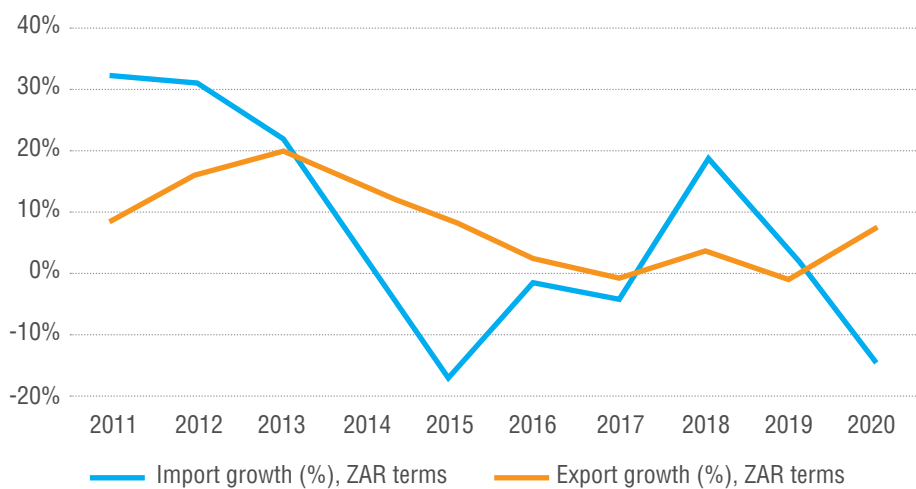
### Western Cape Trade with Globe Excluding Oil, 2011 – 2020



Source: Quantec. 2021

The following graph reflects the growth in annual trade for the Western Cape for the period 2011 – 2020. The province's annual export growth averaged 8.05% for the period 2011 – 2020. Import growth (on an annual basis) in turn averaged 7.83% for the said period.

### Western Cape Global Trade Growth, (%), 2011 – 2020



Source: Quantec. 2021

Given the prominence of petroleum related products in the trade basket, global oil price developments have both a direct and indirect impact on trade flows – both in terms of export earnings and import costs incurred. This was very apparent in 2014 through 2015, with the province recording a 17.24% decline in import costs in 2015, and a lower rate of growth in export earnings. A likely contributing factor being the sharp drop off in global oil prices over this period as indicated in the following graph, which reflects Brent Crude Oil Prices (Europe) over the period 2010 through 13 October 2020.



Source: Macrotrends. 2020. <https://www.macrotrends.net/2480/brent-crude-oil-prices-10-year-daily-chart>

Conversely, the recovery in oil prices seen in 2016 through mid-2018 is likely to have boosted associated import costs, thereby accounting for the upward trend in import cost growth to some degree. Another contributing factor is likely to have been exchange rate developments; the weakening of the rand in 2016 in particular, which would have rendered imports that much more expensive. Again, however, the corollary of this is that the opposite of this would have been true in 2017 and 2018, with both year's seeing an appreciation of the rand against the US dollar and most other major currencies.

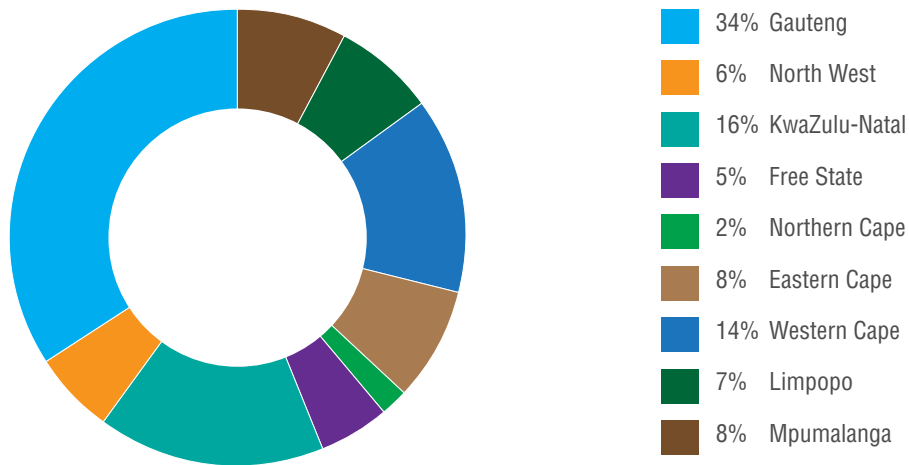
Annual Exchange Rates			
Year	USD-ZAR	EUR-ZAR	GBP-ZAR
2010	7.3324	9.724	11.3295
2011	7.2702	10.107	11.6424
2012	8.2206	10.5655	13.0311
2013	9.6588	12.8391	15.1286
2014	10.8605	14.4262	17.892
2015	12.7721	14.1721	19.5283
2016	14.7129	16.2907	20.0027
2017	13.3209	15.0501	17.1656
2018	13.2471	15.616	17.6476
2019	14.4566	16.1855	18.4504
2020	16.4651	18.7827	21.1038

Source: Reuters

### 3. Provincial and District Trade Flows

As South Africa's largest regional economy, Gauteng is the leading province in terms of trade flows.

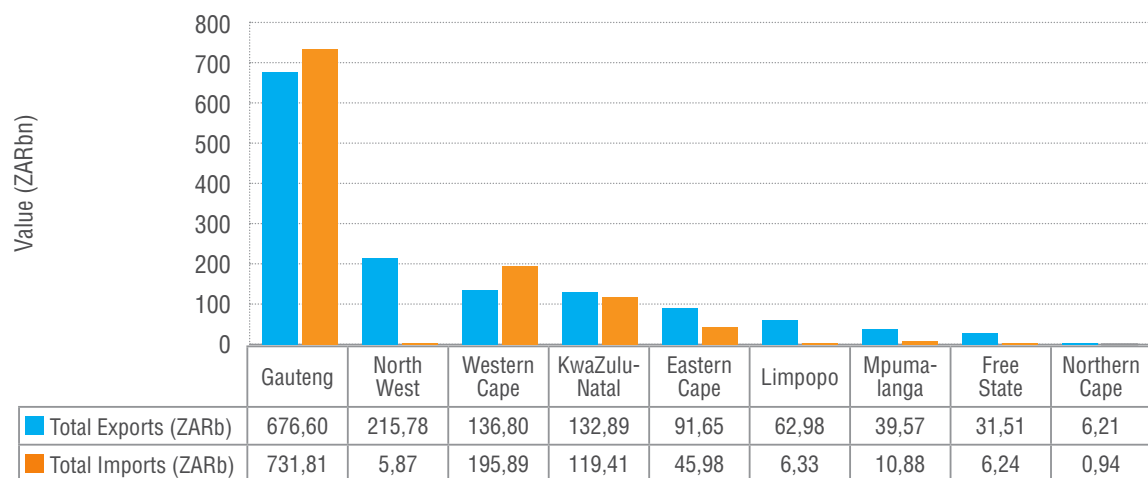
Provincial Contribution (%) to National GVA\*, 2019



Source: Quantec, 2021

Total bilateral trade for the largest provincial economy amounted to a significant **ZAR1.408trn** in 2020, with Gauteng both the largest exporter and importer amongst all provinces. The Western Cape followed in second place, with total trade flows amounting to **ZAR332.69bn**.

Provincial Trade, South Africa, 2020



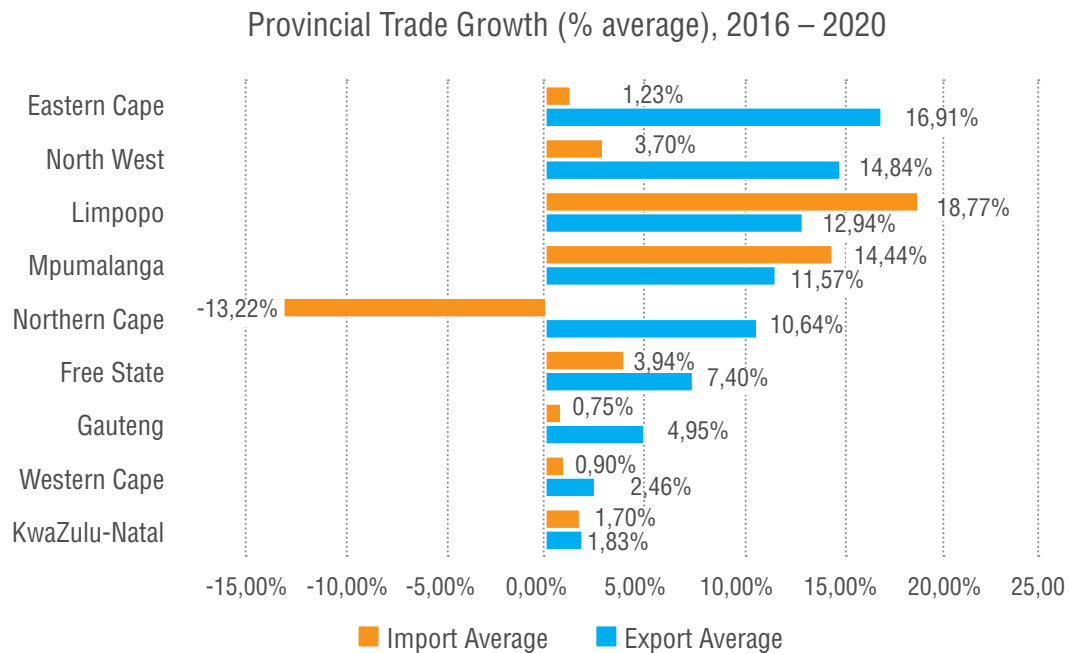
Source: Quantec. 2021



The provinces in South Africa have varying trade account balances, with some provinces being net importers whilst others are net exporters. Net exporters in 2020 included North West (ZAR209.91bn), Limpopo (ZAR56.65bn), Eastern Cape (ZAR45.67bn), Mpumalanga (ZAR28.69bn), Free State (ZAR25.27bn), the Kwa-Zulu Natal (ZAR13.48bn), and the Northern Cape (ZAR5.27bn). Net importers in 2020 included Gauteng (ZAR55.51bn), and the Western Cape (ZAR59.09bn).

In terms of average annual trade growth, the following graph shows that the Eastern Cape was the leading province in terms of export growth over the period 2016 – 2020, increasing by an annual average growth rate of 16.91%. This was mainly due to high growth in the exports of the fishing industry – which had a growth rate of 13644% in 2017. North West followed closely at 14.84%. The Western Cape recorded an annual average export growth rate of 2.46% over the said period.

From an import perspective, Limpopo dominated, recording an annual average growth of 18.77% over the period 2016 – 2020. Mpumalanga followed closely at 14.44%, with the Free State in third position at 3.94%.



Source: Quantec, 2021

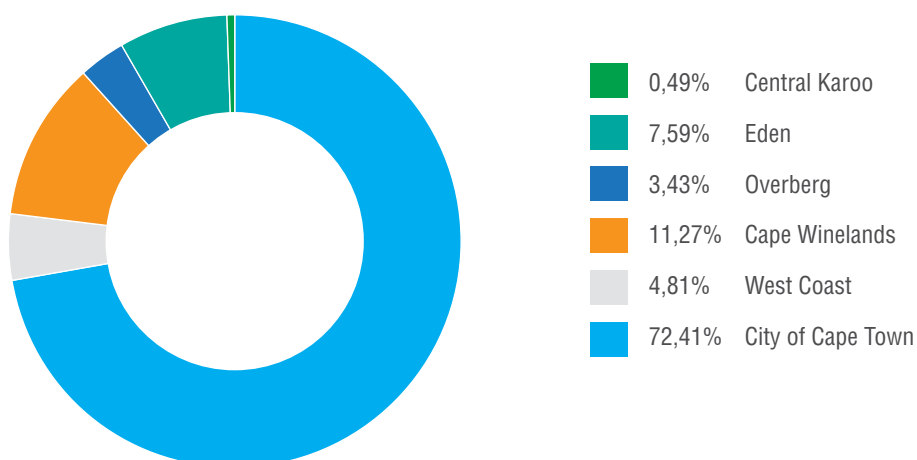
## 4. Western Cape Trade Flows by District

The greater Western Cape provincial economy is comprised of and home to the Cape Metro – often referred to as the City of Cape Town – and five Districts Municipalities. These five Districts are the Cape Winelands, Central Karoo, Garden Route<sup>4</sup>, Overberg and West Coast. Together with the Cape Metro, these collectively represent and account for the Western Cape's provincial economy.



From an economic contribution perspective, the City of Cape Town dominates, contributing 72.41% (**R288.7 billion**) to the GDPR of the Western Cape in 2019 as measured by GVA in R millions constant 2010 prices. The second largest economy in the Western Cape was that of the Cape Winelands region (**R44.93bn**, equivalent to 11.27%), followed by the Garden Route (Eden) District Municipality region (**R30.26bn** and 7.59%). The Overberg District Municipality was the fifth largest economy in the Western Province in 2019, accounting for an estimated 3.43% of the province's economic output.

District Contribution to Provincial GDPR, 2019 (%)

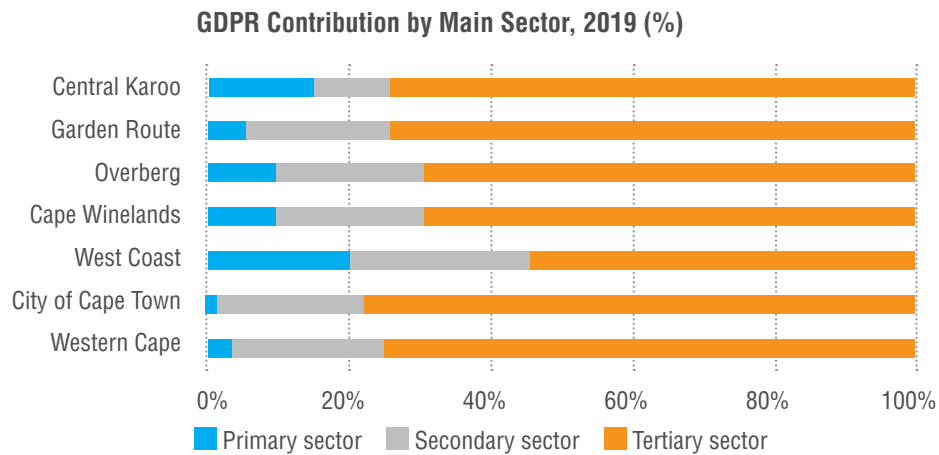


GVA at basic prices; R millions constant 2010 prices

Source: Quantec, 2020.

<sup>4</sup> The name of Eden District Municipality was changed to Garden Route District Municipality in the Western Cape Provincial Gazette dated 24 August 2018.

As evident in the chart below, the Western Cape economy is dominated by tertiary sector activities (75.47% of GDP in 2019), due largely to the influence of the Cape Metro area.



Source: Quantec, 2020.

From a sectoral contribution perspective, the table below affirms the tertiary sector's dominance in the province, providing further insight into the various sub-sectors contributions. It also reaffirms the notable differences in the various district municipalities economic sectors' contributions, and the roles various sectors play.

Sectoral GDP Contribution per District, 2019 (%)							
	Western Cape	City of Cape Town	West Coast	Cape Winelands	Overberg	Eden	Central Karoo
<b>Primary sector</b>	<b>3.91%</b>	<b>1.51%</b>	<b>20.24%</b>	<b>8.92%</b>	<b>9.86%</b>	<b>5.62%</b>	<b>15.39%</b>
Agriculture, forestry and fishing	3.67%	1.30%	19.25%	8.74%	9.77%	5.31%	15.34%
Mining and quarrying	0.24%	0.21%	0.99%	0.17%	0.09%	0.31%	0.05%
<b>Secondary sector</b>	<b>20.62%</b>	<b>20.32%</b>	<b>25.30%</b>	<b>21.14%</b>	<b>20.66%</b>	<b>20.36%</b>	<b>10.79%</b>
Manufacturing	14.78%	14.68%	20.20%	14.60%	13.63%	13.90%	2.70%
Electricity, gas and water	1.77%	1.84%	1.26%	1.48%	1.59%	1.88%	3.84%
Construction	4.07%	3.81%	3.84%	5.05%	5.45%	4.58%	4.25%
<b>Tertiary sector</b>	<b>75.47%</b>	<b>78.17%</b>	<b>54.46%</b>	<b>69.94%</b>	<b>69.48%</b>	<b>74.02%</b>	<b>73.82%</b>
Wholesale and retail trade, catering and accommodation	15.95%	15.52%	15.42%	17.77%	18.45%	16.66%	14.47%
Transport, storage and communication	10.30%	10.79%	7.05%	8.90%	10.12%	9.62%	13.62%



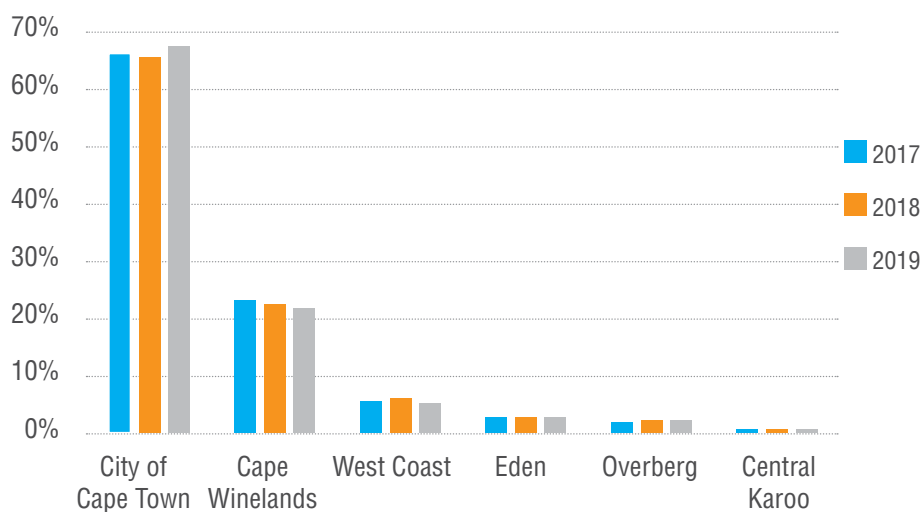
Sectoral GDP Contribution per District, 2019 (%)							
	Western Cape	City of Cape Town	West Coast	Cape Winelands	Overberg	Eden	Central Karoo
Industry							
Finance, insurance, real estate and business services	31.60%	34.00%	15.21%	25.75%	25.56%	31.62%	14.17%
General government	10.80%	11.21%	10.18%	9.69%	8.39%	9.31%	21.35%
Community, social and personal services	6.82%	6.64%	6.60%	7.82%	6.96%	6.81%	10.20%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

NOTE: R million constant 2010 prices

Source: Quantec, 2020.

From a trade perspective, the City of Cape Town dominates in terms of trade flows amongst the region's municipalities. To contextualise this, the City of Cape Town exported **ZAR87.359bn** worth of goods in 2019, equivalent to 67.88% of the province's total exports in 2019. The Cape Winelands followed in second position, with export earnings totalling **ZAR28.316bn**, equivalent to 22% of the province's total export earnings, while the West Coast placed third at **ZAR6.399bn** (4.97%) in the said year.

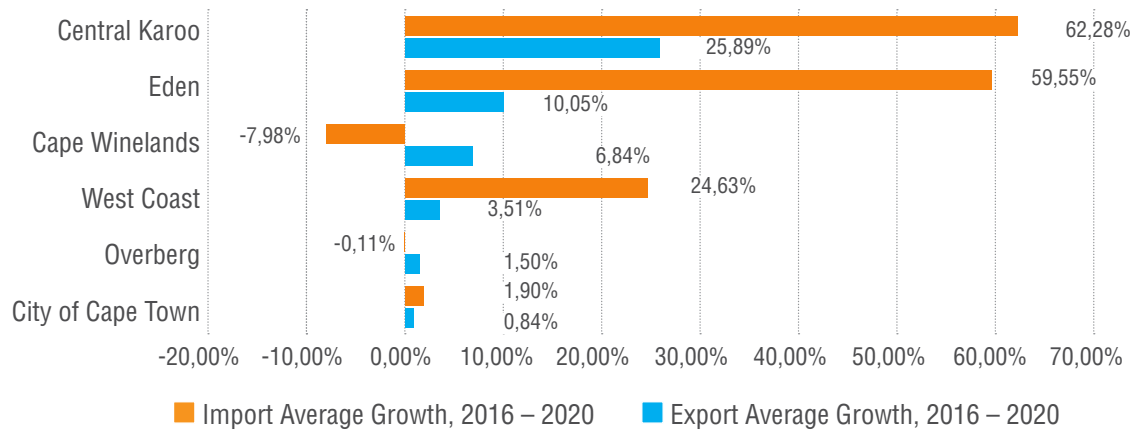
Districts Contribution (%) to Provincial Exports, 2016 – 2019



Source: Quantec, 2021

The following graph illustrates the Western Cape's average annual trade growth trend for the various districts of the province over the period 2016 – 2020. From the graph, it is evident that the Central Karoo is the leading district in terms of export growth, with an average annual growth of 25.89% over the period 2016 to 2020. While impressive, the rider here is that this is off a very low base, with nominal exports averaging a mere **ZAR69.92m** throughout the said period, compared to the City of Cape Town's **ZAR84.74bn** average.

Western Cape Average Trade Growth (%) by District, 2016 – 2020



Source: Quantec, 2021

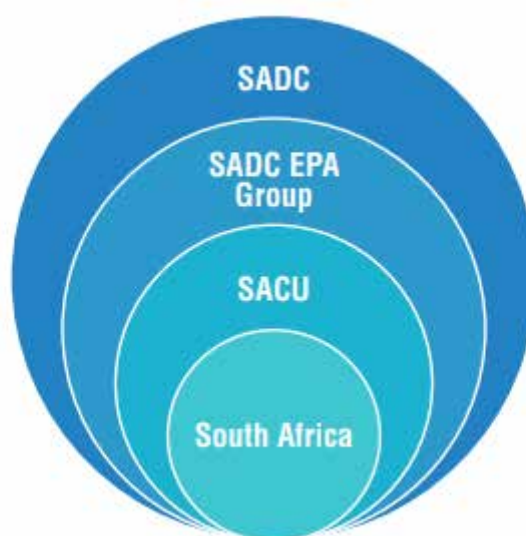


## 5. Western Cape Source and Destination Markets

The Western Cape benefits from the preferential trade agreements and arrangements between South Africa and its major trading partners. The region thus has advantageous access to world markets through preferential trade agreements between South Africa and other major markets such as Europe and the United Kingdom, and a preferential trade arrangement with the United States (AGOA). South Africa is also a member of the Southern Africa Development Community (SADC) and the Southern African Customs Union (SACU) among other agreements. South Africa is seen to be a geographic gateway to the rest of the African market and the Western Cape is strategically positioned for African market access.

In 2016, an Economic Partnership Agreement (EPA) was concluded between a group of countries in the SADC and the European Union replacing the Trade Development and Cooperation Agreement (TDCA). The EPA has a strong focus on regional integration and fostering regional value chains in the SADC EPA group of countries. While the SADC-EU EPA is a reciprocal trade agreement, meaning both the EU and the SADC EPA group offer preferential market access to each other; the EU provides greater preferential and duty-free access, while the SADC EPA group are allowed to maintain protection of sensitive sectors.

The SADC EPA group of countries does not consist of the entire SADC bloc, but rather members of the Southern African Customs Union (SACU) plus Mozambique, with an option for Angola to join in the future.



Source: Wesgro & TRALAC. July 2018. Southern African Development Community European Union Economic Partnership Agreement. <https://www.tralac.org/documents/events/info/2046-eu-sadc-epa-booklet-tralac-wesgro-july-2018/file.html>

Specifically, the SADC – EU EPA is a comprehensive economic partnership agreement between the EU and South Africa, Botswana, Lesotho, Namibia, Eswatini, and Mozambique.





Source Wesgro & TRALAC. July 2018. Southern African Development Community European Union Economic Partnership Agreement. <https://www.tralac.org/documents/events/info/2046-eu-sadc-epa-booklet-tralac-wesgro-july-2018/file.html>

Geographical Indicator Status (GIs) has also been recognised for South African GIs, with Rooibos, Karoo Lamb and Honeybush currently recognised and with scope for additional GIs to be added to this list.

Recently, the terms of the EU EPA have been replicated under a new and separate EPA with the United Kingdom, which entered into force on 1 January 2021. This has allowed for the continuation of preferential trade between South Africa and the United Kingdom after Brexit.

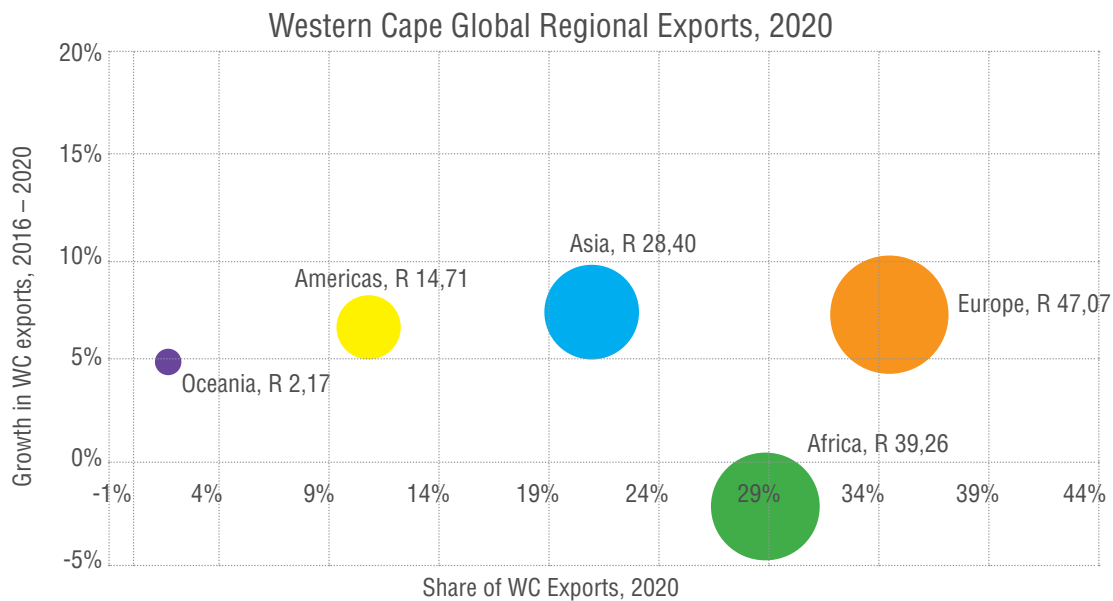
South Africa, along with the majority of countries in sub-Saharan Africa, are able to export more than 6000 types of products to the United States without paying U.S. import tariffs. This is thanks to a preferential trade dispensation offered by the United States under the African Growth and Opportunity Act (AGOA) and the US Generalized System of Preferences (GSP).

First instituted in 1976, the GSP programme is designed to promote economic growth in developing countries by providing preferential duty-free treatment for over 3500 types of products from designated beneficiary countries around the world. In Africa, those countries that qualify for GSP are also eligible for additional preferences under AGOA.

GSP and AGOA combined allow duty-free, quota-free access to the US market for approximately 6500 tariff lines, or variations of products, from qualifying countries. This increases the competitiveness of these goods in the US market, supporting development of exports from Africa to the U.S. and providing an incentive for U.S. businesses to source products from Africa.

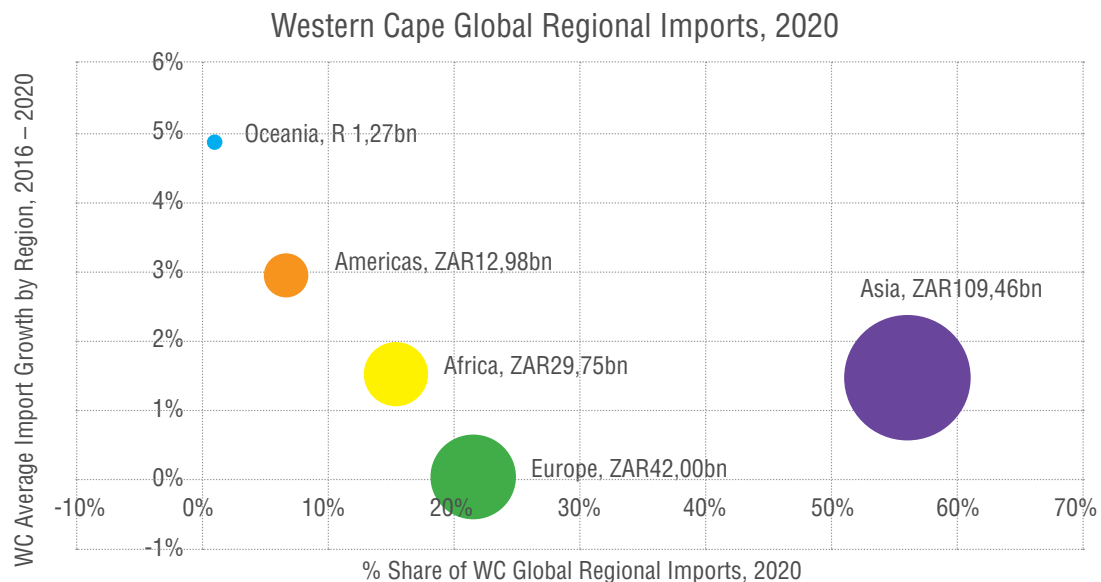
AGOA was introduced in 2000 and was initially set to run for a period of 8 years but has been extended and amended a number of times. It is set to expire in 2025.

From a regional trading perspective, Europe (including UK) overtook Africa as the lead export destination for the province's exports, with local exports to the (European) continent worth an estimated **ZAR47.07bn** in 2020. This was equivalent to 34.41% of the province's total exports in 2020. Africa placed second at a value of **ZAR39.26bn** (28.70% of total exports), with Asia in third position at a value of **ZAR22.48bn** (20.76%). Of interest is the fact that Asia was the province's fastest growing export region over the period 2016 – 2020, as depicted by the grey bubble.



Source: Quantec, 2021

Turning to key import markets, as evident in the following graph, Asia was the largest source market for the province's imports in 2020. At an estimated cost of **ZAR109.46bn**, this was equivalent to 55.88% of the province's total import costs incurred in 2020. Europe placed second at a cost of **ZAR42bn** (21.44% of total import costs), with Africa in third place at **ZAR29.75bn** (15.19%). Interestingly, Oceania was the fastest growing import source region for the province over the said period, as depicted by the blue bubble.



Source: Quantec, 2021

Turning to the province's top export destinations and import source markets by country, the 20 top export destination markets for the Western Cape in 2020 are shown in the table below.

The top three export destinations for the Western Cape in 2020 were Netherlands (**ZAR12.45bn**), the United Kingdom (**ZAR12.32bn**) and the US (**ZAR10.86bn**), accounting for a combined 26.04% of total exports. The fastest growing export market – within the Top 20 export destinations grouping – over the period 2016 – 2020 was India at an average growth rate of 130.23%, followed by United Arab Nations at 85.66%, Zimbabwe (70.91%) and Russia (59.70%). The proviso here again is that the higher growth rates may well be off lower nominal export bases, as is the case with India.

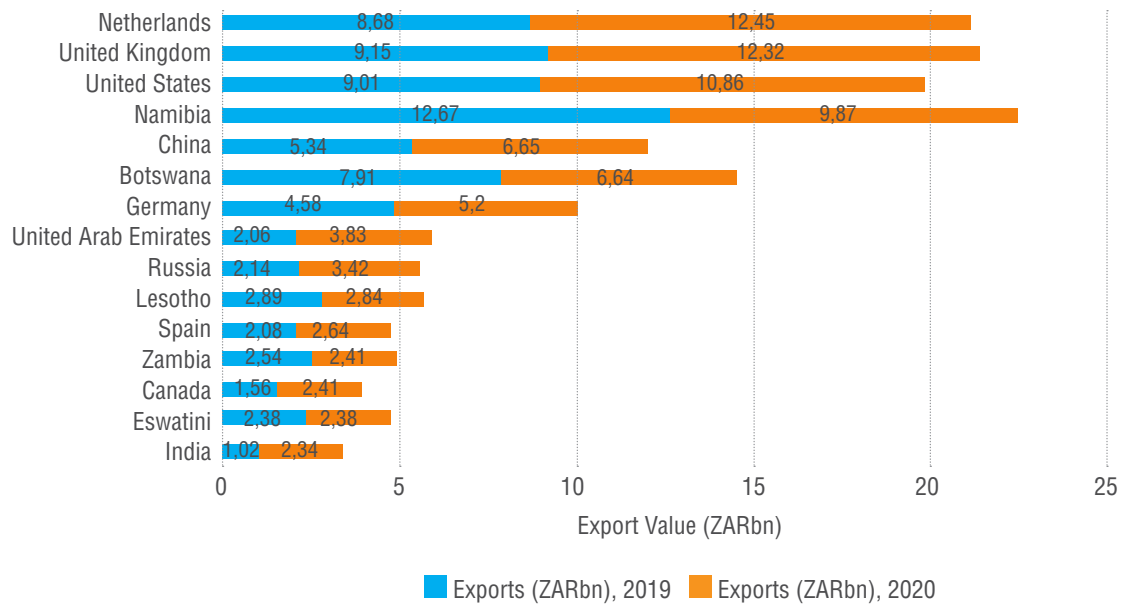
Top 20 Export Markets, Western Cape, 2020					
Rank	Country	Value (ZARbn), 2020	% ave growth, 2016 – 2020	Growth (%), 2019 – 2020	% Share, 2020
1	Netherlands	12.45	12.22%	43.39%	9.10%
2	United Kingdom	12.32	7.30%	34.65%	9.00%
3	United States	10.86	10.32%	20.51%	7.94%
4	Namibia	9.87	-3.90%	-22.12%	7.21%
5	China	6.65	20.05%	24.51%	4.86%
6	Botswana	6.64	-0.20%	-16.06%	4.86%
7	Germany	5.20	1.00%	7.29%	3.80%
8	United Arab Emirates	3.83	13.68%	85.66%	2.80%
9	Russia	3.42	14.70%	59.70%	2.50%
10	Lesotho	2.84	4.78%	-1.82%	2.07%
11	Spain	2.64	18.76%	26.63%	1.93%
12	Canada	2.41	11.25%	54.11%	1.76%
13	Zambia	2.40	-1.69%	-5.80%	1.75%
14	Eswatini	2.38	2.14%	-0.06%	1.74%
15	India	2.34	28.15%	130.23%	1.71%
16	Zimbabwe	2.29	10.38%	70.91%	1.68%
17	Italy	2.24	7.53%	21.03%	1.64%
18	Mozambique	2.17	2.53%	-5.24%	1.58%
19	Hong Kong	2.10	0.99%	2.45%	1.54%
20	Australia	1.82	9.43%	30.30%	1.33%
Total Exports, WC		136.80	2.46%	7.36%	100.00%

Source: Quantec, 2021



The figure below gives a graphic representation of the Western Cape's top 15 export markets (as measured by export value in Rand terms) for 2019 export values compared to those earned in 2020.

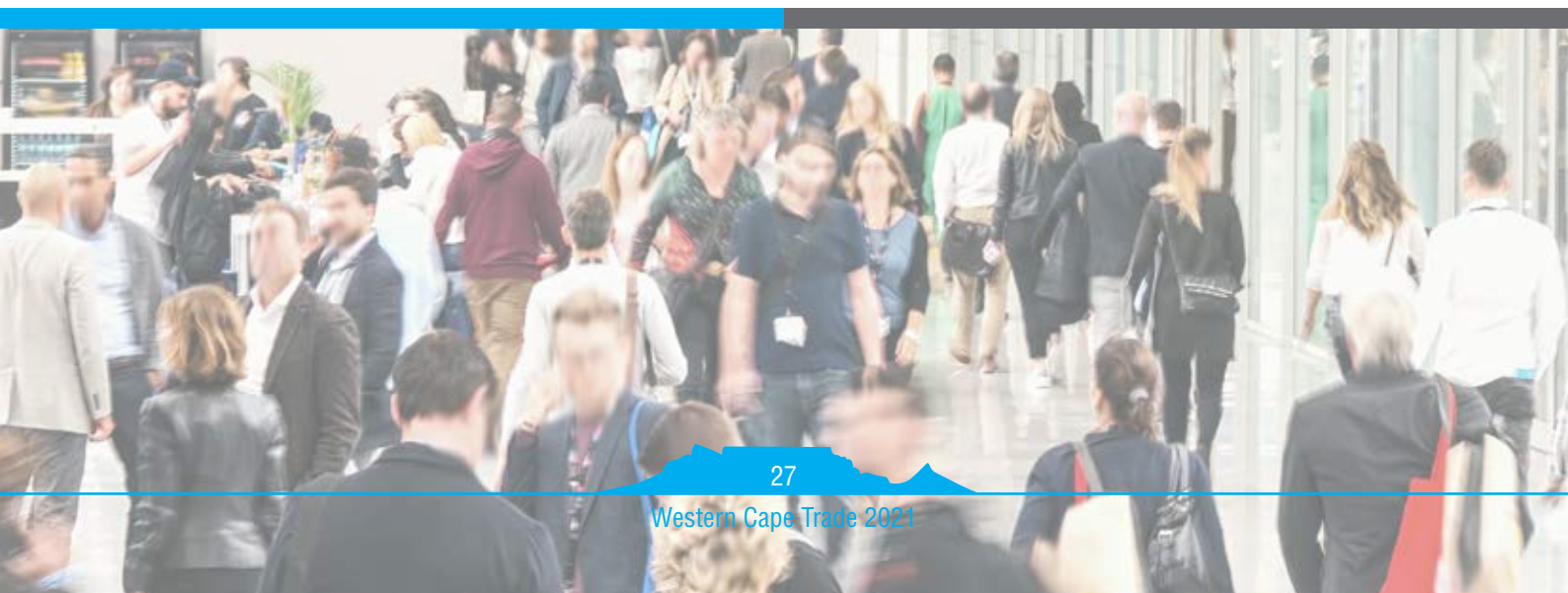
Top 15 Export Destination, 2019 vs 2020, ZARbn



Source: Quantec, 2021

The top five export products (HS6 level) and respective export value to each of the top five export markets in 2020 are tabled below:

Top Five Export Products To Top Five Export Markets, WC, 2020		
Rank	Netherlands	Value (ZARm), 2020
1	Citrus fruit, fresh or dried	3728.56
2	Grapes, fresh or dried	3124.71
3	Other fruit, fresh including various types of berries, persimmons, and kiwifruit	950.51
4	Wine of fresh grapes	881.71
5	Apples, pears and quinces, fresh	805.45
Rank	United Kingdom	Value (ZARm), 2020
1	Wine of fresh grapes	2012.34
2	Grapes, fresh or dried	1966.18
3	Citrus fruit, fresh or dried	1901.54
4	Apples, pears and quinces, fresh	1355.49
5	Other fruit, fresh including various types of berries, persimmons, and kiwifruit.	983.18





Top Five Export Products To Top Five Export Markets, WC, 2020		
Rank	United States	Value (ZARm), 2020
1	Articles of jewellery and parts thereof, of precious metal or of metal clad with precious metal	1636.14
2	Citrus fruit, fresh or dried	1451.41
3	Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated	1049.94
4	Wine of fresh grapes	653.56
5	Parts suitable for use solely or principally with engines	652.71
Rank	Namibia	Value (ZARm), 2020
1	Petroleum oils and oils obtained from bituminous minerals, other than crude	991.66
2	Wine of fresh grapes	490.06
3	Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes	392.47
4	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80 % vol.; spirits, liqueurs and other spirituous beverages	189.01
5	Articles for the conveyance or packing of goods, of plastics; stoppers, lids, caps and other closures, of plastics	177.87
Rank	China	Value (ZARm), 2020
1	Manganese ores and concentrates, including ferruginous manganese ores and concentrates with a manganese content of 20% or more	1215.56
2	Citrus fruit, fresh or dried	1100.64
3	Refined copper and copper alloys, unwrought	599.68
4	Chromium ores and concentrates	559.82
5	Flours, meals and pellets, of meat or meat offal, of fish or of crustaceans, molluscs or other aquatic invertebrates, unfit for human consumption; greaves	551.02

Source: Quantec, 2021



Turning to imports, the 20 top import source markets for the Western Cape in 2020 are shown in the table below. The top source market for the province's imports in 2020 was China, which at an associated cost of **ZAR46.48bn** was equivalent to 23.73% of the province's total imports. Nigeria placed second at a cost of **ZAR18.54bn** (9.47%), followed by Saudi Arabia at a cost of **ZAR13.80bn** (7.04%). Collectively these three countries accounted for 40.24% of the province's total imports in 2020. The fastest growing import source market – within the Top 20 import sources – over the period 2016 – 2020 was Oman at an average growth rate of 115.78%, followed by United Arab Emirates at 37.16%, Nigeria (33.32%) and Spain (24.78%). The proviso here again is that the higher growth rates may well be off lower nominal import bases, as is the case with Oman.

Top 20 Import Markets, Western Cape, 2020					
Rank	Country	Value (ZARbn), 2020	% ave growth, 2016 – 2020	Growth (%), 2019 – 2020	% Share, 2020
1	China	46.48	10.06%	53.59%	23.73%
2	Nigeria	18.54	33.32%	-35.18%	9.47%
3	Saudi Arabia	13.80	4.78%	-43.57%	7.04%
4	United Arab Emirates	11.57	37.16%	-46.00%	5.90%
5	India	9.85	-6.95%	0.04%	5.03%
6	Oman	7.25	115.78%	-13.65%	3.70%
7	United States	6.44	1.16%	-15.53%	3.29%
8	Spain	6.40	24.78%	33.88%	3.27%
9	Germany	5.99	-2.82%	-9.34%	3.06%
10	Italy	5.16	0.96%	-15.59%	2.63%
11	United Kingdom	3.94	-12.43%	-22.95%	2.01%
12	Netherlands	3.58	0.66%	-19.96%	1.83%
13	Thailand	3.50	6.36%	-24.50%	1.79%
14	Brazil	3.06	6.62%	41.17%	1.56%
15	Malaysia	2.85	11.51%	-5.45%	1.46%
16	Belgium	2.82	8.42%	61.91%	1.44%
17	Singapore	2.79	3.06%	42.08%	1.43%
18	France	2.55	-0.84%	-7.56%	1.30%
19	Eswatini	2.35	5.16%	-5.44%	1.20%
20	Namibia	1.81	-5.76%	-46.85%	0.92%
<b>Total Imports, WC</b>		<b>195.89</b>	<b>0.90%</b>	<b>-14.10%</b>	<b>100.00%</b>

Source: Quantec, 2021

Countries represented on both the top 20 import sources and export destinations for the Western Cape in 2020 include Netherlands, the United Kingdom, the United States, Namibia, China, Germany, United Arab Emirates, Spain, Eswatini and Italy as highlighted in the table below:

Top 20 Export Markets, Western Cape, 2020				Top 20 Import Markets, Western Cape, 2020		
Rank	Country	Value (ZARbn), 2020	% Share, 2020	Rank	Country	Value (ZARbn), 2020
1	Netherlands	12.45	9.10%	1	China	46.48
2	United Kingdom	12.32	9.00%	2	Nigeria	18.54
3	United States	10.86	7.94%	3	Saudi Arabia	13.80
4	Namibia	9.87	7.21%	4	United Arab Emirates	11.57
5	China	6.65	4.86%	5	India	9.85
6	Botswana	6.64	4.86%	6	Oman	7.25
7	Germany	5.20	3.80%	7	United States	6.44
8	United Arab Emirates	3.83	2.80%	8	Spain	6.40
9	Russia	3.42	2.50%	9	Germany	5.99
10	Lesotho	2.84	2.07%	10	Italy	5.16
11	Spain	2.64	1.93%	11	United Kingdom	3.94
12	Canada	2.41	1.76%	12	Netherlands	3.58
13	Zambia	2.40	1.75%	13	Thailand	3.50
14	Eswatini	2.38	1.74%	14	Brazil	3.06
15	India	2.34	1.71%	15	Malaysia	2.85
16	Zimbabwe	2.29	1.68%	16	Belgium	2.82
17	Italy	2.24	1.64%	17	Singapore	2.79
18	Mozambique	2.17	1.58%	18	France	2.55
19	Hong Kong	2.10	1.54%	19	Eswatini	2.35
20	Australia	1.82	1.33%	20	Namibia	1.81
Total Exports, WC		136.80	100.00%	Total Imports, WC		195.89

Source: Quantec, 2021



The top five import products (HS6 level) and respective import value from each of the top five import source markets in 2020 are tabled below. A notable observation is that with the exception of China, petroleum oils and related products dominate imports from the remaining four source markets noted below:

Top Five Import Products From Top Five Import Source Markets, WC, 2020		
Rank	China	Value (ZARm), 2020
1	Other made up articles, including dress patterns including dress patterns, floorcloths, dishcloths, dusters and similar cleaning cloths, life jackets and life belts.	1314.26
2	Electric instantaneous or storage water heaters and immersion heaters; electric space heating apparatus and soil heating apparatus; electro-thermic hair-dressing apparatus (for example, hair dryers, hair curlers, curling tong heaters) and hand dryers;	1294.01
3	Other footwear with outer soles and uppers of rubber or plastics	1288.86
4	Parts of radio and broadcasting apparatus: Aerials and Aerial reflectors	1264.63
5	Telephone sets, including telephones for cellular networks or for other wireless networks; other apparatus for the transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network	1262.08
Rank	Nigeria	Value (ZARm), 2020
1	Petroleum oils and oils obtained from bituminous minerals, crude	18515.00
2	Ginger, saffron, turmeric (curcuma), thyme, bay leaves, curry and other spices	13.83
3	Niobium, tantalum, vanadium or zirconium ores and concentrates	7.36
4	Oil-cake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of vegetable fats or oils	0.99
5	Other vegetables such as Globe artichokes, asparagus, celery, truffles, spinach, fresh or chilled	0.77
Rank	Saudi Arabia	Value (ZARm), 2020
1	Petroleum oils and oils obtained from bituminous minerals, crude	10729.10
2	Petroleum oils and oils obtained from bituminous minerals, other than crude	2419.46
3	Mixed alkylbenzenes and mixed alkylnaphthalenes	312.90
4	Polymers of propylene or of other olefins, in primary forms	123.58
5	Cruise ships, excursion boats, ferry-boats, cargo ships, barges and similar vessels for the transport of persons or goods	47.10
Rank	United Arab Emirates	Value (ZARm), 2020
1	Petroleum oils and oils obtained from bituminous minerals, other than crude	7819.49
2	Petroleum oils and oils obtained from bituminous minerals, crude	3391.96
3	Carboys, bottles, flasks, jars, pots, phials, ampoules and other containers, of glass, of a kind used for the conveyance or packing of goods; preserving jars of glass; stoppers, lids and other closures, of glass	36.71
4	Sulphur of all kinds, other than sublimed sulphur, precipitated sulphur, and colloidal sulphur	31.33
5	Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products	28.62
Rank	India	Value (ZARm), 2020
1	Petroleum oils and oils obtained from bituminous minerals, other than crude	5047.55
2	Medicaments	1104.23
3	Electric generating sets and rotary converters	661.50
4	Rice	349.97
5	Crustaceans	124.50

Source: Quantec, 2021



## 6. Western Cape Traded Products

When looking at exports from a broad product/chapter grouping perspective (HS2), the edible fruit and nuts category dominated the province's export earnings in 2020, at a value of **ZAR41.75bn**, equivalent to 30.52% of the province's total exports. Beverages, spirits and vinegar placed second at an aggregated value of **ZAR11.77bn** (8.61% of exports), while mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes placed third at a value of **ZAR10.85bn** (7.93%).

The contribution share of the top 15 Western Cape exports at HS2 level to South Africa's total exports of that respective product in 2020 are tabled in the fifth column below.

Top 15 Export Products (HS2) From The Western Cape, 2020				
Rank	Product (HS2)	Value (ZARbn), 2020	% Share WC Export, 2020	WC % Share of SA Export of Product, 2020
1	Edible fruit and nuts; peel of citrus fruit or melons	41.75	30.52%	68.40%
2	Beverages, spirits and vinegar	11.77	8.61%	65.01%
3	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	10.85	7.93%	9.86%
4	Fish and crustaceans, molluscs and other aquatic invertebrates	6.22	4.55%	87.02%
5	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	6.06	4.43%	7.67%
6	Preparations of vegetables, fruit, nuts or other parts of plants	3.96	2.89%	44.48%
7	Ores, slag and ash	2.81	2.06%	1.34%
8	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	2.71	1.98%	11.34%
9	Essential oils and resinoids; perfumery, cosmetic or toilet preparations	2.71	1.98%	29.14%
10	Works of art, collectors' pieces and antiques	2.68	1.96%	48.75%
11	Miscellaneous chemical products	2.56	1.87%	10.45%
12	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin	2.39	1.74%	0.74%
13	Tobacco and manufactured tobacco substitutes	2.36	1.73%	70.38%
14	Ships, boats and floating structures	2.35	1.72%	82.07%
15	Iron and steel	2.31	1.69%	3.58%
<b>TOTAL WC EXPORTS, 2020</b>		<b>136.80</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Quantec, 2021



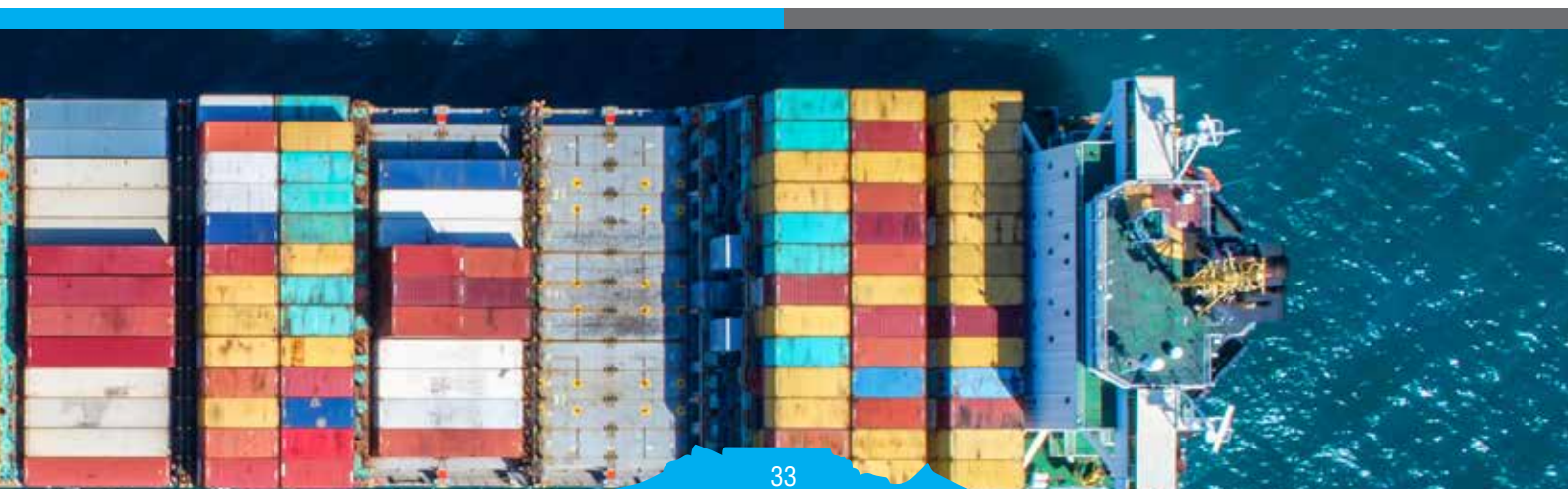


Of interest is the dominance of the Western Cape's contribution share to South Africa's total export earnings for various of the top fifteen Western Cape exports in 2020. These included the fish, crustaceans and mollusks category at 87.02%, the ships, boats and floating structures category (82.07%), the tobacco and manufactured tobacco substitutes category at 70.38%, and the Edible fruit and nuts; peel of citrus fruit or melons category at 68.40%.

The outcome is notably different when looking at a more granular level. The province's top five export products at an HS6 level in 2020 were oranges; light oils and preparations; fresh grapes; wine in containers holding 2 litres or less; and apples. Antiques of an age exceeding 100 years was the fastest growing export category (within the top 20 export category grouping) over the period 2016 – 2020, with an average annual growth rate of 124.98%. Cranberries and bilberries (and other fruit of the genus *Vaccinium* including blueberries) exports followed at a growth rate of 50.49% over the said period.

Top 15 Export Products (HS6), WC, 2020				
Rank	Product (HS6)	Value (ZARbn), 2020	% AVE Growth, 2016 – 2020	% Share, 2020
1	Oranges	8.62	13.02%	6.30%
2	Light oils and preparations	7.75	-9.70%	5.66%
3	Fresh Grapes	7.35	7.04%	5.37%
4	Wine of fresh grapes in containers holding 2 litres or less	6.63	3.26%	4.85%
5	Apples	6.15	9.11%	4.49%
6	Mandarins (including tangerines and satsumas)	5.37	-	3.93%
7	Lemons and limes	3.37	14.73%	2.47%
8	Pears	3.00	10.96%	2.19%
9	Antiques of an age exceeding 100 years	2.35	124.98%	1.72%
10	Other beauty and make up preparations	2.02	10.10%	1.48%
11	Cranberries, bilberries and other fruit of the genus <i>Vaccinium</i>	2.01	50.49%	1.47%
12	Other wine of fresh grapes	1.95	-2.94%	1.43%
13	Other precious metal, whether or not plated or clad with precious metal	1.74	16.05%	1.27%
14	Hake	1.73	10.13%	1.26%
15	Flours, meals and pellets, of fish or of crustaceans, molluscs or other aquatic invertebrates	1.68	23.16%	1.23%
<b>TOTAL EXPORTS, WC, 2020</b>		<b>136.80</b>	<b>2.46%</b>	<b>100.00%</b>

Source: Quantec, 2021



The top five markets for the Western Cape's top five exported products (HS6) in 2020 are listed below. Oranges were mainly demanded by the Netherlands (**ZAR1.63bn**), United States (**ZAR744m**), Russia (**ZAR646.68m**), Bangladesh (**ZAR639.70m**) and China (**ZAR596.46**).

Top Five Export Markets For Top Five Export Products (Hs6), WC, 2020		
Rank	Oranges	Value (ZARm), 2020
1	Netherlands	1639.71
2	United States	744.51
3	Russia	646.68
4	Bangladesh	639.70
5	China	596.46
Rank	Light oils and preparations	Value (ZARm), 2020
1	Botswana	2506.89
2	Namibia	968.23
3	Lesotho	754.62
4	Eswatini	370.54
5	Senegal	117.81
Rank	Fresh grapes	Value (ZARm), 2020
1	Netherlands	3036.54
2	United Kingdom	1885.45
3	Canada	345.19
4	Hong Kong	191.64
5	Russia	182.87
Rank	Wine of fresh grapes in containers holding 2 litres or less	Value (ZARm), 2020
1	United Kingdom	1361.96
2	Netherlands	777.15
3	Germany	669.50
4	United States	541.51
5	Canada	427.05
Rank	Apples	Value (ZARm), 2020
1	United Kingdom	1218.55
2	Russian Federation	527.99
3	Malaysia	466.13
4	Nigeria	457.68
5	Bangladesh	401.03

Source: Quantec, 2021



Similarly, when looking at imports from a broad product/chapter grouping perspective (HS2), the mineral fuel products; bituminous substances; mineral waxes category dominated the province's import costs in 2020, at a value of **ZAR71.27bn**, equivalent to 36.38% of the province's total imports in the said year. Electrical machinery and equipment placed second at an aggregated value of **ZAR15.21bn** (8.00% of imports), while accessories Nuclear reactors, boilers, machinery and mechanical appliances placed second at an aggregated value of such articles placed third at a value of **ZAR11.62bn** (9%).

The contribution share of the top 15 Western Cape imports at HS2 level to South Africa's total imports of that respective product in 2019 are also tabled in the fifth column below.

Top 15 Import Products (HS2) by the Western Cape, 2020				
Rank	Product (HS2)	Value 2019 (ZAR bn)	% Share of WC M, 2020	WC % Share of SA Total M of Product, 2019
1	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	71.27	36%	45%
2	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	15.21	8%	15%
3	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	11.62	6%	9%
4	Articles of apparel and clothing accessories, knitted or crocheted	6.49	3%	57%
5	Articles of apparel and clothing accessories, not knitted or crocheted	5.66	3%	45%
6	Plastics and articles thereof	4.80	2%	15%
7	Cereals	3.96	2%	22%
8	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof	3.56	2%	11%
9	Footwear, gaiters and the like; parts of such articles	3.32	2%	45%
10	Fish and crustaceans, molluscs and other aquatic invertebrates	2.97	2%	84%
11	Miscellaneous chemical products	2.73	1%	10%
12	Paper and paperboard; articles of paper pulp, of paper or of paperboard	2.60	1%	19%
13	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, not elsewhere specified or included; illuminated signs, illuminated nameplates and the like; prefabricated buildings	2.54	1%	30%
14	Preparations of vegetables, fruit, nuts or other parts of plants	2.29	1%	67%
15	Pharmaceutical products	2.29	1%	6%
<b>TOTAL WC IMPORTS, 2020</b>		<b>195.89</b>	<b>100%</b>	<b>17%</b>

Source: Quantec, 2021

Of interest is the dominance of the Western Cape's contribution share to South Africa's total import costs for respective products for a number of the top fifteen Western Cape imports in 2020. These included the fish and crustaceans, molluscs and other aquatic invertebrates' category (84.48%). In a distant second, the preparations of vegetables, fruit, nuts or other parts of plants contributed 67.23%, while articles of apparel and clothing accessories, knitted or crocheted contributed 56.90%. Mineral fuels, mineral oils and products of their distillation (45.45%) and footwear, gaiters and the like; parts of such articles (45.24%) were the fourth and fifth most dominated contribution category.

Again, the outcome is notably different when looking at a more granular level. The province's top five import products at an HS6 level in 2020 were petroleum oils and oils obtained from bituminous minerals, crude; light oils and preparations; semi-milled or wholly milled rice, whether or not polished or glazed; beer made from malt; and electric generating sets and rotary converters, wind powered. Wind powered electric generating sets was the fastest growing import product (within the top 20 import category grouping) over the period 2016 – 2020, with an average annual growth rate of 77,620%. Parts suitable for use solely or principally with the apparatus of electrical machinery and equipment: Other imports followed in a very distance second position with a growth rate of 651.20% over the said period.

Top 14 Import Products (HS6) by the Western Cape, 2020				
Rank	Product (HS6)	Value 2020 (Zarbn)	% Ave Growth, 2016- 2020	% Share 2020
1	Petroleum oils and oils obtained from bituminous minerals, crude	36.52	1.71%	18.64%
2	Light oils and preparations	33.42	1.49%	17.06%
3	Electric generating sets and rotary converters: Wind-powered	4.06	77620.42%	2.07%
4	Semi-milled or wholly milled rice, whether or not polished or glazed	1.96	32.95%	1.00%
5	Medicaments: Other	1.89	7.28%	0.96%
6	Wheat and Meslin: Other	1.73	8.56%	0.88%
7	Men's or boys' suits, ensembles, jackets, blazers, trousers, bib and brace overalls, breeches and shorts: of cotton	1.67	10.00%	0.85%
8	Other made up articles, including dress patterns: Other	1.36	277.16%	0.69%
9	Telephones for cellular networks or for other wireless networks	1.32	506.40%	0.68%
10	Parts suitable for use solely or principally with the apparatus of electrical machinery and equipment: Other	1.29	651.20%	0.66%
11	T-shirts, singlets and other vests, knitted or crocheted: Of cotton	1.17	6.50%	0.60%
12	Photosensitive semiconductor devices, including photovoltaic cells whether or not assembled in modules or made up into panels; light-emitting diodes (LED)	1.15	66.98%	0.59%
13	Other footwear with outer soles and uppers of rubber or plastics: Other	1.08	-4.63%	0.55%
14	Sardines, sardinella and brisling or sprats	0.95	4.17%	0.48%
<b>TOTAL IMPORTS WC, 2020</b>		<b>195.89</b>	<b>0.90%</b>	<b>100.00%</b>

Source: Quantec, 2021

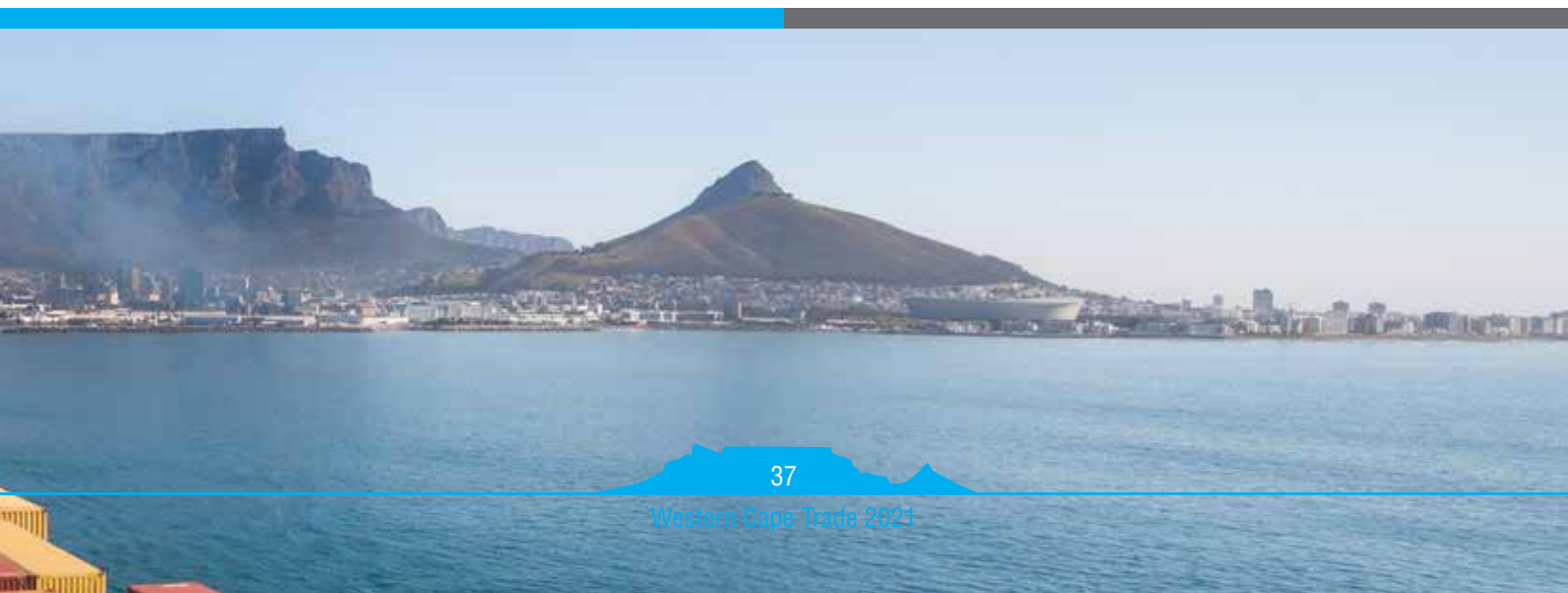




The top five markets for the Western Cape's top five imported products (HS6) in 2020 are listed below. Crude oil were mainly sourced from Nigeria (**ZAR18.51bn**), Saudi Arabia (**ZAR10.72bn**), United Arab Emirates (**ZAR3.39bn**), Brazil (**ZAR1.31bn**) and Russia (**ZAR735.97m**).

Top Five Import Markets for the Top Five Import Products (HS6), WC, 2020		
Rank	Petroleum oils and oils obtained from bituminous minerals, crude	Value (ZARm), 2020
1	Nigeria	18515.00
2	Saudi Arabia	10729.10
3	United Arab Emirates	3391.96
4	Brazil	1317.36
5	Russia	735.97
Rank	Light oils and preparations	Value (ZARm), 2020
1	United Arab Emirates	7817.30
2	Oman	7249.65
3	India	5046.71
4	Saudi Arabia	2419.46
5	Singapore	2081.12
Rank	Electric generating sets and rotary converters: Wind-powered	Value (ZARm), 2020
1	Spain	2842.96
2	India	661.50
3	China	539.62
4	Germany	11.11
5	Denmark	4.04
Rank	Semi-milled or wholly milled rice, whether or not polished or glazed	Value (ZARm), 2020
1	Thailand	1511.52
2	India	349.34
3	Vietnam	31.01
4	Brazil	27.64
5	Pakistan	10.29
Rank	Medicaments: Other, consisting of mixed or unmixed products, for therapeutic or prophylactic uses, packaged for retail sale	Value (ZARm), 2020
1	India	1023.90
2	Uganda	184.96
3	Slovenia	177.79
4	Italy	100.11
5	Spain	82.42

Source: Quantec, 2021



## 6.1 The Western Cape's Contribution to South African Exports

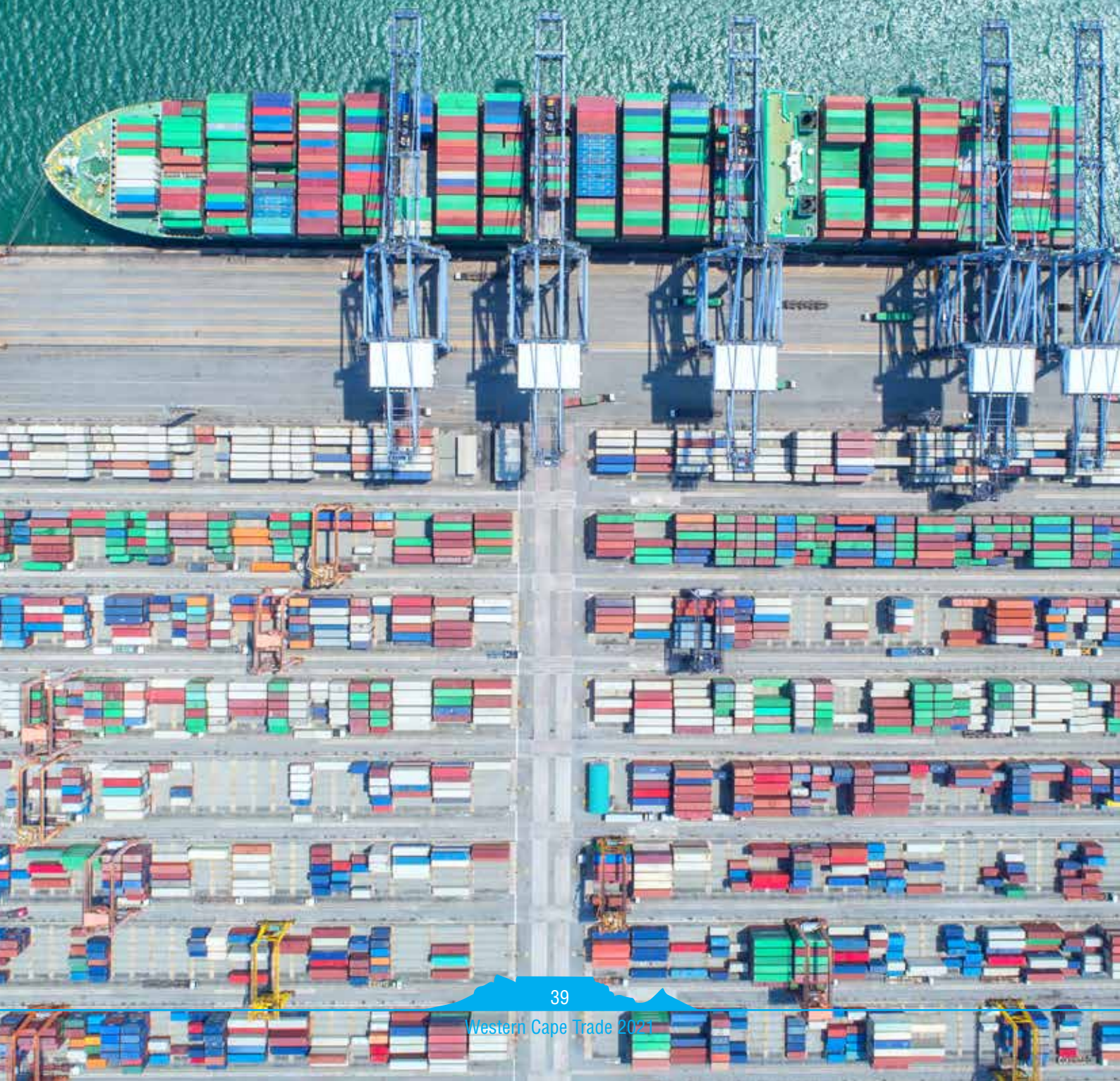
Staying with the Western Cape's contribution to South African exports, the table below highlights key sectors and products for which the Western Cape is the leading exporter as measured in terms of percentage of total exports in South Africa for products at HS4 level exceeding an export value of **ZAR50m**.

Western Cape Share of South African Exports >Zar50m (HS4), 2020				
Rank	Product (HS4)	WC Export Value 2020 (ZARm)	SA Export Value 2020 (ZARm)	% Share WC/SA 2020
1	Petroleum oils and oils obtained from bituminous minerals, crude	1296.41	1300.22	99.71%
2	Fats and oils and their fractions, of fish or marine mammals, whether or not refined, but not chemically modified	227.84	229.37	99.33%
3	Leather further prepared after tanning or crusting, including parchment-dressed leather, of other animals, without wool or hair on, whether or not split, other than leather of heading 41.14	415.14	422.06	98.36%
4	Pumice stone; emery; natural corundum, natural garnet and other natural abrasives, whether or not heat-treated	223.27	227.33	98.21%
5	Crustaceans, molluscs and other aquatic invertebrates, prepared or preserved	274.93	280.18	98.13%
6	Light-vessels, fire-floats, dredgers, floating cranes and other vessels the navigability of which is subsidiary to their main function; floating docks; floating or submersible drilling or production platforms	81.67	83.70	97.58%
7	Fish fillets and other fish meat (whether or not minced), fresh, chilled or frozen	1949.55	2007.83	97.10%
8	Fish, dried, salted or in brine; smoked fish, whether or not cooked before or during the smoking process; flours, meals and pellets of fish, fit for human consumption	105.33	108.57	97.01%
9	Flours, meals and pellets, of meat or meat offal, of fish or of crustaceans, molluscs or other aquatic invertebrates, unfit for human consumption; greaves	1723.92	1799.86	95.78%
10	Skins and other parts of birds with their feathers or down, feathers, parts of feathers, down and articles thereof (other than goods of heading 05.05 and worked quills and scapes)	200.67	209.58	95.74%
11	Wine of fresh grapes	9635.07	10075.95	95.62%
12	Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances	58.76	61.50	95.55%
13	Transfers (decalcomanias)	57.86	60.73	95.29%
14	Apricots, cherries, peaches (including nectarines), plums and sloes, fresh	1572.60	1654.01	95.08%
15	Other vessels, including warships and lifeboats other than rowing boats	316.68	338.10	93.66%
16	Foliage, branches and other parts of plants, without flowers or flower buds, and grasses, mosses and lichens, being goods of a kind suitable for bouquets or for ornamental purposes, fresh, dried, dyed, bleached, impregnated or otherwise prepared	151.35	162.32	93.24%
17	Apples, pears and quinces, fresh	9143.71	9810.64	93.20%
18	Crustaceans, whether in shell or not, live, fresh, chilled, frozen, dried, salted or in brine; smoked crustaceans, whether in shell or not, whether or not cooked before or during the smoking process; crustaceans, in shell, cooked by steaming or by boiling	745.97	812.67	91.79%
19	Babies' garments and clothing accessories, knitted or crocheted	156.96	171.53	91.51%
20	Fish, frozen, excluding fish fillets and other fish meat of heading 03.04	2118.87	2321.18	91.28%

Source: Quantec, 2021



# Appendix 1 – 6





## Appendix 1 – Western Cape Exports by Region, 2020

Western Cape Exports, Classified by Region, 2020								
Rank	Region	Export Value 2016 (ZARbn)	Export Value 2017 (ZARbn)	Export Value 2018 (ZARbn)	Export Value 2019 (ZARbn)	Export Value 2020 (ZARbn)	Average Growth 2016 – 2020	% Share of WC Exports, 2020
1	R45: European Union	33.98	33.00	34.51	32.96	42.55	7.12%	31.11%
2	R17: SACU (Excluding RSA)	23.88	23.32	24.15	25.85	21.72	-1.38%	15.88%
3	R25: NAFTA	11.01	10.23	10.98	10.82	13.46	9.82%	9.84%
4	R31: Eastern Asia	8.57	9.84	10.25	9.97	11.60	8.37%	8.48%
5	R16: SADC (excluding SACU)	14.27	12.91	14.00	12.40	11.20	-1.20%	8.19%
6	R34: Western Asia	6.15	6.42	6.60	5.45	8.45	10.39%	6.18%
7	R71: Not allocated	4.52	6.50	6.86	7.04	5.18	-5.79%	3.78%
8	R32: South-central Asia	2.31	2.81	2.33	2.53	4.45	21.52%	3.25%
9	R33: South-eastern Asia	4.47	4.08	3.55	4.52	3.90	-3.23%	2.85%
10	R41: Eastern Europe	1.87	2.26	2.43	2.22	3.56	14.16%	2.60%
11	R15: Western Africa	4.24	3.70	3.88	3.04	3.50	-2.72%	2.56%
12	R51: Australia and New Zealand	1.73	1.67	1.68	1.63	2.07	7.63%	1.52%
13	R11: Eastern Africa Rest	3.45	3.74	4.37	4.73	2.06	-1.91%	1.51%
14	R24: South America	0.81	0.71	0.69	0.82	0.72	-7.29%	0.52%
15	R21: Caribbean	0.86	0.73	0.71	0.82	0.50	-7.71%	0.37%
16	R44: Western Europe Rest	0.44	0.43	0.38	0.58	0.48	5.21%	0.35%
17	R42: Northern Europe	0.29	0.32	0.43	0.47	0.44	6.64%	0.32%
18	R12: Middle Africa Rest	0.81	0.39	0.42	0.44	0.43	-1.22%	0.31%
19	R13: Northern Africa	0.56	0.56	0.27	0.30	0.35	-7.18%	0.26%
20	R52: Melanesia	0.11	0.09	0.05	0.01	0.07	81.40%	0.05%
21	R43: Southern Europe	0.16	0.18	0.22	0.27	0.03	-5.99%	0.02%
22	R22: Central America	0.14	0.24	0.21	0.21	0.03	-5.56%	0.02%
23	R54: Polynesia	0.01	0.03	0.03	0.02	0.02	18.74%	0.02%
24	R61: Antarctica	0.03	0.04	0.02	0.01	0.01	13.80%	0.01%
25	R53: Micronesia	0.12	0.19	0.14	0.30	0.00	9.76%	0.00%
26	R23: Northern America	0.02	0.02	0.01	0.02	0.00	107.07%	0.00%
	<b>C0: World</b>	<b>124.82</b>	<b>124.40</b>	<b>129.15</b>	<b>127.41</b>	<b>136.80</b>	<b>2.46%</b>	<b>100.00%</b>

Source: Quantec, 2021

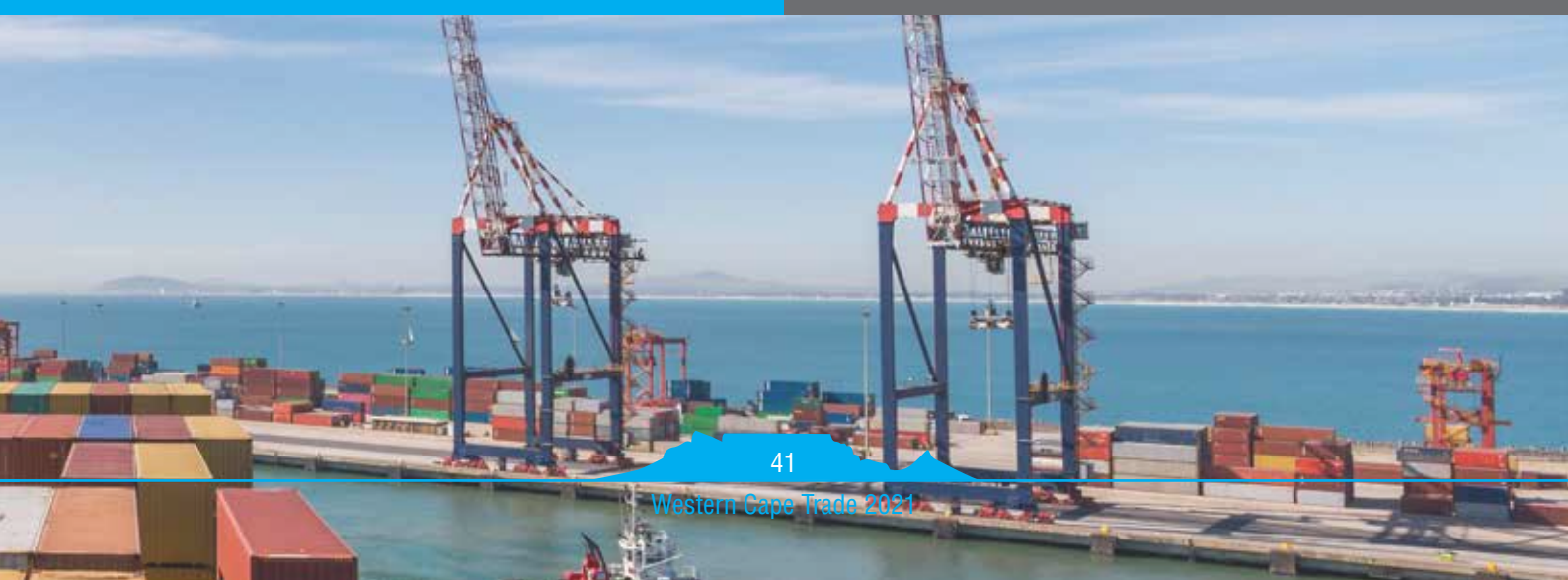




## Appendix 2 – Western Cape Imports by Region, 2020

Western Cape Imports, Classified by region, 2020								
Rank	Region	Import Value 2016 (ZARbn)	Import Value 2017 (ZARbn)	Import Value 2018 (ZARbn)	Import Value 2019 (ZARbn)	Import Value 2020 (ZARbn)	Average Growth 2016 – 2020	% Share of WC Imports, 2020
1	R31: Eastern Asia	38.26	34.40	32.81	33.58	50.09	8.54%	25.57%
2	R45: European Union	38.45	35.79	38.26	40.03	38.32	-0.34%	19.56%
3	R34: Western Asia	37.13	34.21	58.70	58.78	35.64	7.87%	18.19%
4	R15: Western Africa	13.21	10.90	27.55	34.41	19.77	36.16%	10.09%
5	R33: South-eastern Asia	8.80	10.50	11.47	12.72	12.37	-1.22%	6.31%
6	R32: South-central Asia	12.15	15.00	9.59	11.23	11.36	-6.77%	5.80%
7	R25: NAFTA	8.11	7.47	7.18	9.03	7.50	1.84%	3.83%
8	R24: South America	5.24	4.62	4.66	3.76	5.40	8.45%	2.75%
9	R17: SACU (Excluding RSA)	5.67	6.04	6.48	6.67	4.79	-2.00%	2.45%
10	R16: SADC (excluding SACU)	15.31	16.56	14.31	9.47	2.75	-24.20%	1.40%
11	R41: Eastern Europe	0.89	0.66	0.69	0.64	1.83	25.40%	0.93%
12	R11: Eastern Africa Rest	1.25	0.94	1.08	1.16	1.40	9.47%	0.71%
13	R44: Western Europe Rest	1.63	1.42	1.62	1.59	1.19	0.67%	0.61%
14	R51: Australia and New Zealand	1.12	1.27	1.25	0.97	1.13	2.18%	0.57%
15	R13: Northern Africa	0.60	1.15	0.82	1.03	1.00	27.91%	0.51%
16	R42: Northern Europe	1.87	0.37	1.13	1.58	0.64	65.82%	0.33%
17	R71: Not allocated	0.60	0.46	0.45	0.89	0.43	13.27%	0.22%
18	R53: Micronesia	0.00	0.00	0.00	0.00	0.13	8439.47%	0.06%
19	R22: Central America	0.08	0.11	0.08	0.06	0.05	-4.36%	0.03%
20	R12: Middle Africa Rest	0.81	1.57	0.34	0.34	0.04	-22.26%	0.02%
21	R43: Southern Europe	0.02	0.02	0.02	0.02	0.03	39.20%	0.02%
22	R21: Caribbean	0.13	0.07	0.04	0.07	0.03	-3.65%	0.01%
23	R54: Polynesia	0.01	0.00	0.00	0.02	0.01	140.01%	0.01%
24	R52: Melanesia	0.00	0.00	0.00	0.00	0.00	61.40%	0.00%
25	R23: Northern America	0.00	0.00	0.00	0.00	0.00	8027.88%	0.00%
26	R61: Antarctica	0.00	0.00	0.00	0.00	0.00	1045.80%	0.00%
	<b>C0: World</b>	<b>191.33</b>	<b>183.56</b>	<b>218.55</b>	<b>228.04</b>	<b>195.89</b>	<b>0.90%</b>	<b>100.00%</b>

Source: Quantec, 2021

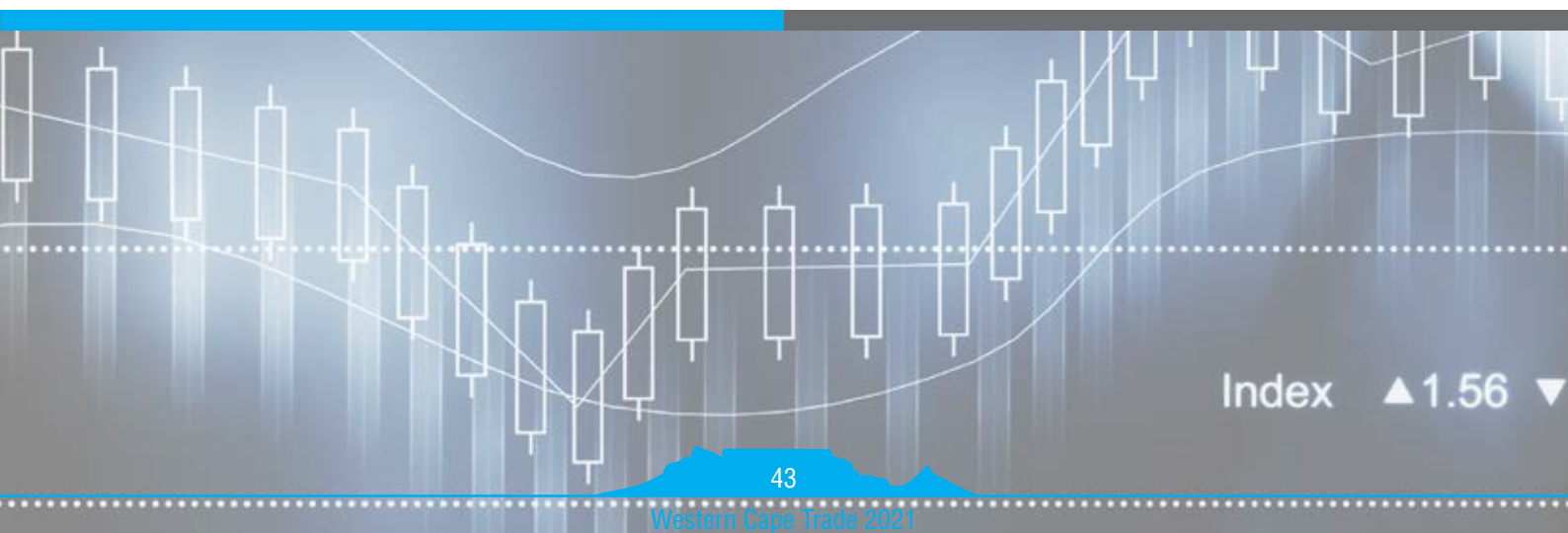


## Appendix 3 – Top 20 Western Cape Exports, 2020 (HS2)

Top 20 Western Cape Export Products, 2020: HS2								
Rank	Product (HS2)	Export Value 2016 (ZARbn)	Export Value 2017 (ZARbn)	Export Value 2018 (ZARbn)	Export Value 2019 (ZARbn)	Export Value 2020 (ZARbn)	Average Growth 2016 – 2020	% Share of WC Exports, 2020
1	HST08: Edible fruit and nuts; peel of citrus fruit or melons	27.36	28.82	30.37	30.36	41.75	0.89%	8.65%
2	HST22: Beverages, spirits and vinegar	11.65	11.12	11.66	11.02	11.77	-8.00%	14.94%
3	HST27: Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	15.01	15.18	16.26	19.04	10.85	7.28%	4.65%
4	HST03: Fish and crustaceans, molluscs and other aquatic invertebrates	5.52	5.09	5.84	5.93	6.22	-2.73%	5.16%
5	HST84: Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	5.99	5.69	6.05	6.57	6.06	-3.03%	3.35%
6	HST20: Preparations of vegetables, fruit, nuts or other parts of plants	5.17	4.71	4.38	4.27	3.96	161.62%	1.84%
7	HST26: Ores, slag and ash	0.23	0.81	1.03	2.34	2.81	-5.35%	1.66%
8	HST85: Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	3.76	3.02	2.14	2.12	2.71	9.32%	1.61%
9	HST33: Essential oils and resinoids; perfumery, cosmetic or toilet preparations	2.05	2.14	2.18	2.06	2.71	79.41%	1.53%
10	HST97: Works of art, collectors' pieces and antiques	0.51	0.58	2.90	1.95	2.68	37.56%	0.63%

Top 20 Western Cape Export Products, 2020: HS2								
Rank	Product (HS2)	Export Value 2016 (ZARbn)	Export Value 2017 (ZARbn)	Export Value 2018 (ZARbn)	Export Value 2019 (ZARbn)	Export Value 2020 (ZARbn)	Average Growth 2016 – 2020	% Share of WC Exports, 2020
11	HST38: Miscellaneous chemical products	0.90	1.14	0.88	0.80	2.56	1.30%	1.67%
12	HST71: Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin	2.66	2.34	2.31	2.12	2.39	-3.44%	1.76%
13	HST24: Tobacco and manufactured tobacco substitutes	2.65	2.64	2.32	2.24	2.36	2.49%	2.13%
14	HST89: Ships, boats and floating structures	2.11	2.32	2.20	2.71	2.35	-6.89%	4.13%
15	HST72: Iron and steel	5.41	6.01	7.00	5.26	2.31	17.34%	0.90%
16	HST23: Residues and waste from the food industries; prepared animal fodder	1.84	1.25	1.50	1.15	2.13	4.01%	1.51%
17	HST39: Plastics and articles thereof	2.11	2.22	2.02	1.93	2.11	10.05%	1.12%
18	HST12: Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder	1.31	1.46	1.57	1.42	1.36	0.07%	1.10%
19	HST87: Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	1.61	1.22	1.38	1.40	1.35	9.98%	0.56%
20	HST61: Articles of apparel and clothing accessories, knitted or crocheted	1.30	1.36	1.11	0.71	1.33	2.46%	0.97%
	<b>Total Exports</b>	<b>124.82</b>	<b>124.40</b>	<b>129.15</b>	<b>127.41</b>	<b>136.80</b>	<b>12.12%</b>	<b>100%</b>

Source: Quantec, 2021



## Appendix 4 – Top 20 Western Cape Import Products, 2020 (HS2)

Top 20 Western Cape Import Products, 2020: HS2								
Rank	Product (HS2)	Import Value 2016 (ZARbn)	Import Value 2017 (ZARbn)	Import Value 2018 (ZARbn)	Import Value 2019 (ZARbn)	Import Value 2020 (ZARbn)	Average Growth 2016 – 2020	% Share of WC Imports, 2020
1	HST27: Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	77.20	77.61	110.37	113.70	71.27	-37.32%	36.38%
2	HST85: Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	11.93	7.83	7.17	10.09	15.21	50.80%	7.76%
3	HST84: Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	11.86	10.79	11.44	12.31	11.62	-5.66%	5.93%
4	HST61: Articles of apparel and clothing accessories, knitted or crocheted	5.59	5.11	4.34	4.19	6.49	54.76%	3.31%
5	HST62: Articles of apparel and clothing accessories, not knitted or crocheted	5.14	4.89	4.77	4.55	5.66	24.58%	2.89%
6	HST39: Plastics and articles thereof	5.21	4.86	5.28	5.02	4.80	-4.28%	2.45%
7	HST10: Cereals	3.30	2.40	2.33	3.64	3.96	8.87%	2.02%
8	HST90: Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof	3.43	3.36	3.49	3.54	3.56	0.58%	1.82%
9	HST64: Footwear, gaiters and the like; parts of such articles	3.81	3.57	3.23	3.23	3.32	2.76%	1.69%
10	HST03: Fish and crustaceans, molluscs and other aquatic invertebrates	3.08	3.23	3.49	3.59	2.97	-17.38%	1.51%



Top 20 Western Cape Import Products, 2020: HS2								
Rank	Product (HS2)	Import Value 2016 (ZARbn)	Import Value 2017 (ZARbn)	Import Value 2018 (ZARbn)	Import Value 2019 (ZARbn)	Import Value 2020 (ZARbn)	Average Growth 2016 – 2020	% Share of WC Imports, 2020
11	HST38: Miscellaneous chemical products	1.86	1.97	2.31	2.45	2.73	11.43%	1.39%
12	HST48: Paper and paperboard; articles of paper pulp, of paper or of paperboard	2.48	2.26	2.59	2.69	2.60	-3.47%	1.33%
13	HST94: Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, not elsewhere specified or included; illuminated signs, illuminated nameplates and the like; prefabricated buildings	2.36	2.03	2.37	2.42	2.54	4.75%	1.29%
14	HST20: Preparations of vegetables, fruit, nuts or other parts of plants	2.02	2.08	2.22	2.59	2.29	-11.54%	1.17%
15	HST30: Pharmaceutical products	1.64	2.05	2.38	1.86	2.29	22.83%	1.17%
16	HST63: Other made-up textile articles; sets; worn clothing and worn textile articles; rags	1.05	0.94	0.86	0.85	2.18	155.92%	1.11%
17	HST33: Essential oils and resinoids; perfumery, cosmetic or toilet preparations	1.34	1.48	1.81	1.84	1.97	7.10%	1.01%
18	HST22: Beverages, spirits and vinegar	3.88	4.21	4.83	5.95	1.83	-69.20%	0.94%
19	HST29: Organic chemicals	1.49	1.45	1.56	1.60	1.69	5.93%	0.86%
20	HST02: Meat and edible meat offal	2.13	2.47	2.59	2.40	1.66	-31.02%	0.85%
	<b>Total Imports</b>	<b>191.33</b>	<b>183.56</b>	<b>218.55</b>	<b>228.04</b>	<b>195.89</b>	<b>-14.10%</b>	<b>100.00%</b>

Source: Quantec, 2021

## Appendix 5 – Top 20 Western Cape Export Products, 2020 (HS4)

Top 20 Western Cape Export Products, 2020: HS4								
Rank	Product (HS24)	Export Value 2016 (ZARbn)	Export Value 2017 (ZARbn)	Export Value 2018 (ZARbn)	Export Value 2019 (ZARbn)	Export Value 2020 (ZARbn)	Average Growth 2016 – 2020	% Share of WC Exports, 2020
1	HST0805: Citrus fruit, fresh or dried	10.48	11.52	12.79	12.10	18.81	16.48%	13.75%
2	HST2204: Wine of fresh grapes, including fortified wines; grape must other than that of heading 20.09	9.30	8.66	9.24	8.40	9.64	2.77%	7.04%
3	HST0808: Apples, pears and quinces, fresh	6.97	6.63	6.63	6.99	9.14	9.53%	6.68%
4	HST2710: Petroleum oils and oils obtained from bituminous minerals, other than crude; preparations not elsewhere specified or included, containing by weight 70 % or more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic con	13.76	13.13	14.76	18.10	8.09	-9.52%	5.91%
5	HST0806: Grapes, fresh or dried	6.15	6.67	6.76	6.86	8.00	6.37%	5.85%
6	HST0810: Other fruit, fresh	1.09	1.36	1.50	2.06	2.71	29.05%	1.98%
7	HST9706: Antiques of an age exceeding one hundred years	0.33	0.37	2.71	1.38	2.35	124.98%	1.72%
8	HST2009: Fruit juices (including grape must) and vegetable juices, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter	2.28	2.06	1.97	1.75	2.29	2.33%	1.67%
9	HST0303: Fish, frozen, excluding fish fillets and other fish meat of heading 03.04	1.53	1.42	1.48	1.76	2.12	11.40%	1.55%
10	HST3304: Beauty or make-up preparations and preparations for the care of the skin (other than medicaments), including sunscreen or sun tan preparations; manicure or pedicure preparations	1.56	1.55	1.71	1.59	2.07	9.67%	1.51%
11	HST0304: Fish fillets and other fish meat (whether or not minced), fresh, chilled or frozen	1.65	1.45	1.80	1.92	1.95	10.19%	1.43%

Top 20 Western Cape Export Products, 2020: HS4								
Rank	Product (HS24)	Export Value 2016 (ZARbn)	Export Value 2017 (ZARbn)	Export Value 2018 (ZARbn)	Export Value 2019 (ZARbn)	Export Value 2020 (ZARbn)	Average Growth 2016 – 2020	% Share of WC Exports, 2020
12	HST8903: Yachts and other vessels for pleasure or sports; rowing boats and canoes	1.58	1.41	1.77	1.79	1.93	8.38%	1.41%
13	HST7113: Articles of jewellery and parts thereof, of precious metal or of metal clad with precious metal	1.27	1.24	1.26	1.37	1.75	15.69%	1.28%
14	HST2301: Flours, meals and pellets, of meat or meat offal, of fish or of crustaceans, molluscs or other aquatic invertebrates, unfit for human consumption; greaves	1.50	0.98	1.23	0.82	1.72	23.50%	1.26%
15	HST2402: Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes	1.82	1.77	1.51	1.65	1.59	-2.57%	1.16%
16	HST0809: Apricots, cherries, peaches (including nectarines), plums and sloes, fresh	1.60	1.44	1.42	1.27	1.57	2.81%	1.15%
17	HST3822: Diagnostic or laboratory reagents on a backing, prepared diagnostic or laboratory reagents whether or not on a backing, other than those of heading 30.02 or 30.06; certified reference materials	0.06	0.17	0.06	0.12	1.38	265.79%	1.01%
18	HST2602: Manganese ores and concentrates, including ferruginous manganese ores and concentrates with a manganese content of 20 % or more, calculated on the dry weight	0.09	0.12	0.39	0.99	1.31	551.04%	0.96%
19	HST2709: Petroleum oils and oils obtained from bituminous minerals, crude	0.00	0.00	0.00	0.01	1.30	4289.63%	0.95%
20	HST8409: Parts suitable for use solely or principally with the engines of heading 84.07 or 84.08	1.42	1.46	1.95	2.17	1.25	-2.37%	0.91%
	<b>Total Exports</b>	<b>124.82</b>	<b>124.40</b>	<b>129.15</b>	<b>127.41</b>	<b>136.80</b>	<b>12.12%</b>	<b>100%</b>

Source: Quantec, 2021

## Appendix 6 – Top 20 Western Cape Import Products, 2020 (HS4)

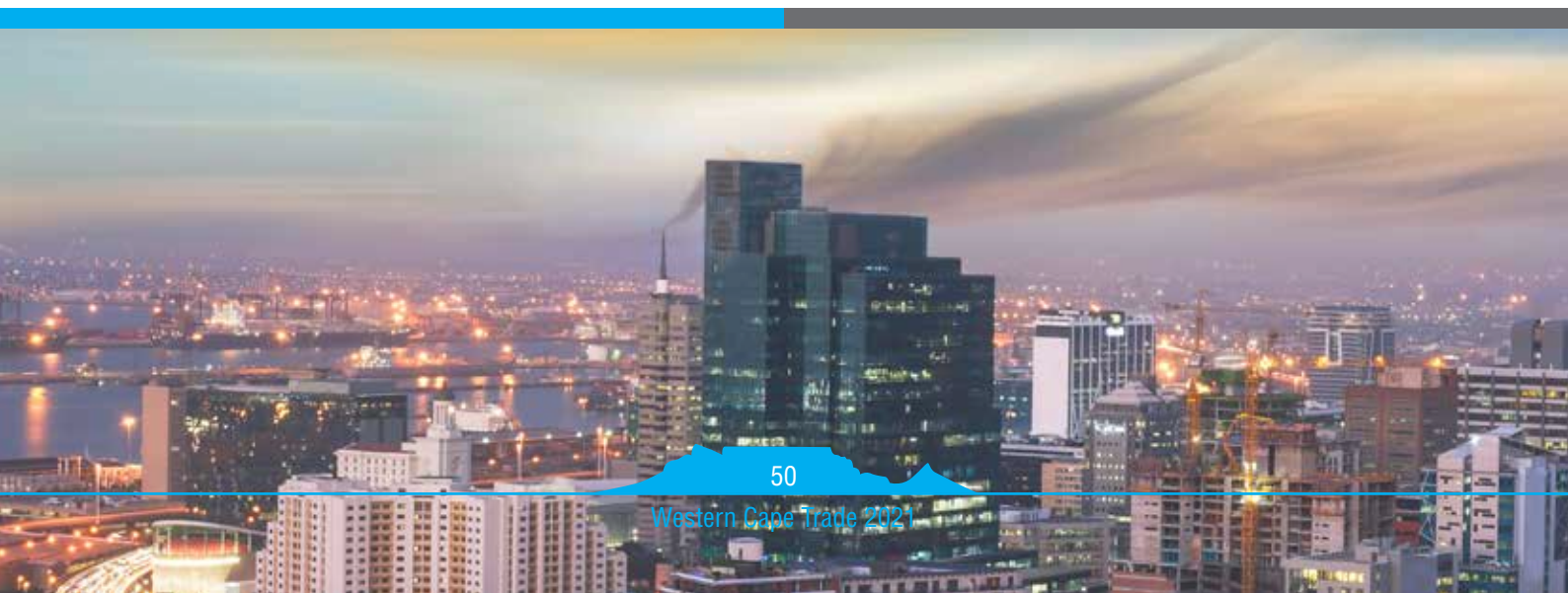
Top 20 Western Cape Import Products, 2020: HS4								
Rank	Product (HS4)	Import Value 2016 (ZARbn)	Import Value 2017 (ZARbn)	Import Value 2018 (ZARbn)	Import Value 2019 (ZARbn)	Import Value 2020 (ZARbn)	Average Growth 2016 – 2020	% Share of WC Imports, 2020
1	HST2709: Petroleum oils and oils obtained from bituminous minerals, crude	55.14	51.79	81.17	79.71	36.52	1.71%	18.64%
2	HST2710: Petroleum oils and oils obtained from bituminous minerals, other than crude; preparations not elsewhere specified or included, containing by weight 70 % or more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic con	21.35	24.74	27.49	32.74	33.50	1.37%	17.10%
3	HST8502: Electric generating sets and rotary converters	3.58	0.59	0.08	1.94	4.21	494.84%	2.15%
4	HST8517: Telephone sets, including telephones for cellular networks or for other wireless networks; other apparatus for the transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network (such as a lo	0.70	1.21	1.07	0.90	2.13	47.18%	1.09%
5	HST3004: Medicaments (excluding goods of heading 30.02, 30.05 or 30.06) consisting of mixed or unmixed products for therapeutic or prophylactic uses, put up in measured doses (including those in the form of transdermal administration systems) or in forms or pack	1.35	1.74	2.13	1.65	2.06	6.46%	1.05%
6	HST6203: Men's or boys' suits, ensembles, jackets, blazers, trousers, bib and brace overalls, breeches and shorts (other than swimwear)	1.59	1.54	1.49	1.50	1.99	6.08%	1.01%



Top 20 Western Cape Import Products, 2020: HS4								
Rank	Product (HS4)	Import Value 2016 (ZARbn)	Import Value 2017 (ZARbn)	Import Value 2018 (ZARbn)	Import Value 2019 (ZARbn)	Import Value 2020 (ZARbn)	Average Growth 2016 – 2020	% Share of WC Imports, 2020
7	HST1006: Rice	1.03	1.13	1.31	2.47	1.97	17.86%	1.01%
8	HST6402: Other footwear with outer soles and uppers of rubber or plastics	1.85	1.68	1.31	1.31	1.73	0.56%	0.89%
9	HST1001: Wheat and meslin	1.07	0.63	0.91	1.08	1.73	8.56%	0.88%
10	HST0303: Fish, frozen, excluding fish fillets and other fish meat of heading 03.04	1.56	1.67	1.90	2.04	1.66	6.60%	0.85%
11	HST6204: Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, bib and brace overalls, breeches and shorts (other than swimwear)	1.42	1.43	1.48	1.46	1.65	7.28%	0.84%
12	HST6109: T-shirts, singlets and other vests, knitted or crocheted	1.59	1.41	1.09	1.22	1.56	3.19%	0.80%
13	HST6307: Other made up articles, including dress patterns	0.16	0.16	0.14	0.18	1.44	147.08%	0.73%
14	HST8529: Parts suitable for use solely or principally with the apparatus of headings 85.25 to 85.28	0.22	0.13	0.11	0.12	1.41	203.51%	0.72%
15	HST8516: Electric instantaneous or storage water heaters and immersion heaters; electric space heating apparatus and soil heating apparatus; electro-thermic hair-dressing apparatus (for example, hair dryers, hair curlers, curling tong heaters) and hand dryers;	1.18	1.03	1.03	1.25	1.39	12.67%	0.71%
16	HST1604: Prepared or preserved fish; caviar and caviar substitutes prepared from fish eggs	0.97	1.22	1.56	1.74	1.38	1.54%	0.71%

Top 20 Western Cape Import Products, 2020: HS4								
Rank	Product (HS4)	Import Value 2016 (ZARbn)	Import Value 2017 (ZARbn)	Import Value 2018 (ZARbn)	Import Value 2019 (ZARbn)	Import Value 2020 (ZARbn)	Average Growth 2016 – 2020	% Share of WC Imports, 2020
17	HST8541: Diodes, transistors and similar semiconductor devices; photosensitive semiconductor devices, including photovoltaic cells whether or not assembled in modules or made up into panels; light emitting diodes; mounted piezo-electric crystals	1.99	0.89	0.30	1.28	1.20	34.76%	0.61%
18	HST2711: Petroleum gases and other gaseous hydrocarbons	0.43	0.62	1.10	0.77	1.18	127.19%	0.60%
19	HST0207: Meat and edible offal, of the poultry of heading 01.05, fresh, chilled or frozen	1.22	1.47	1.59	1.43	1.14	1.67%	0.58%
20	HST8418: Refrigerators, freezers and other refrigerating or freezing equipment, electric or other; heat pumps other than air conditioning machines of heading 84.15	0.61	0.63	0.66	0.71	1.13	15.37%	0.58%
	<b>Total Imports</b>	<b>191.33</b>	<b>183.56</b>	<b>218.55</b>	<b>228.04</b>	<b>195.89</b>	<b>0.90%</b>	<b>100.00%</b>

Source: Quantec, 2021





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