



# agriculture, land reform & rural development

Department:  
Agriculture, Land Reform and Rural Development  
REPUBLIC OF SOUTH AFRICA



## Agricultural Trade and Investment Opportunities:

A PERSPECTIVE OF SOUTH AFRICA AND UNITED ARAB EMIRATES

Presenter: Ndiadivha Tempia (PhD) | Date: 03 November 2021



# PRESENTATION OUTLINE



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Overview of South African Agricultural  
Sector

01

Department of Agriculture Land Reform and Rural  
Development DALRRD/ National Agricultural  
Marketing Council (NAMC)

02

03

South Africa and United Arab Emirates Bilateral Trade  
in Agriculture

Potential Trade Opportunities between United Arab  
Emirates & South Africa

04

05

Concluding Remarks



DALRRD/  
NAMC



# National Agricultural Marketing Council

*Promoting Market Access for South African Agriculture*

- NAMC is statutory advisory body to the Minister of Agriculture Land Reform and Rural Development & Directly Affected Groups
- NAMC established in terms of MAP Act of 1996 and executes its mandate in line with the four (4) objectives of the MAP Act



**Vision :** Strategic positioning of agriculture in a dynamic global market.



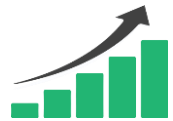
**Mission:** To provide agricultural marketing advisory services to key stakeholders in support of a vibrant agricultural marketing system in South Africa.

# MAP ACT Objectives



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Increasing of market  
access for all market  
participants



Promotion of the efficiency of  
the marketing of agricultural  
products



Optimization of export  
earnings from agricultural  
products



Enhancement of the  
viability of the  
agricultural sector

## NAMC DIVISIONS

Agribusiness Development (AD)			Agricultural Trusts
Markets and Economic Research Centre (MERC)			Statutory Measures (SM)



## OVERVIEW OF SA AGRICULTURAL SECTOR

# OVERVIEW OF SA AGRICULTURAL SECTOR



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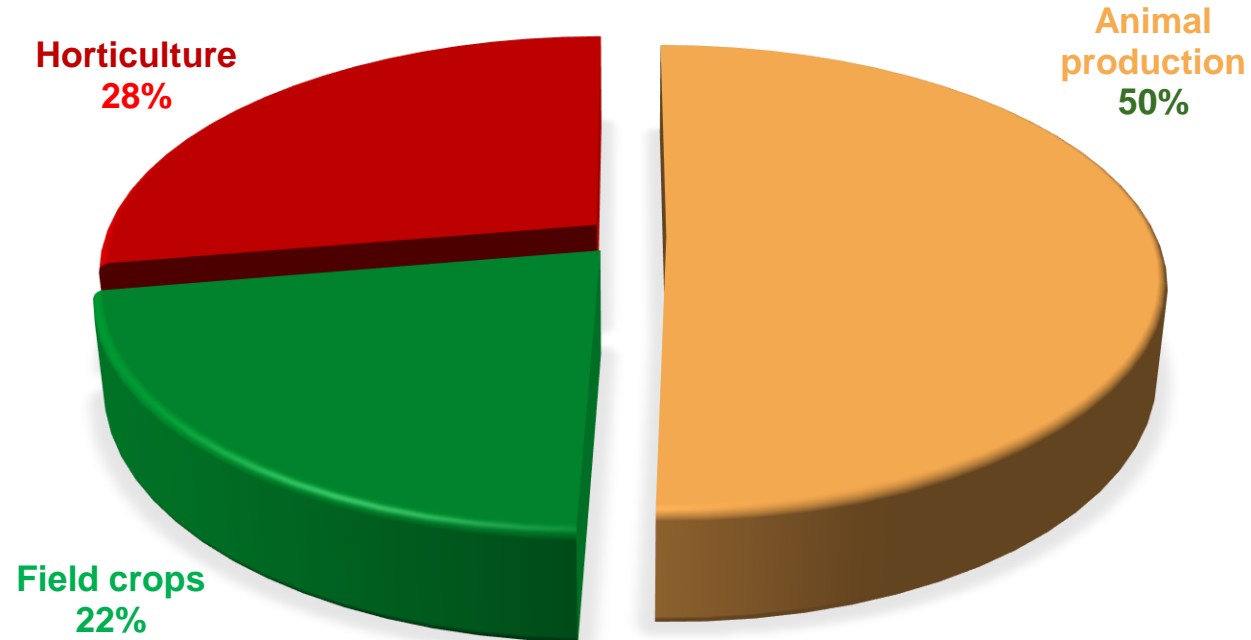
- South African agricultural sector is dualistic in nature made-up of commercial and smallholder farmers
- Employment creation amidst high unemployment rates in the country (34,4%)
- Agricultural sector employed 63 000 more employees on a year-on-year basis and 69 000 more employees on a quarter-to-quarter basis constituting a 7.8% change year-on-year and an 8.7% quarter-to-quarter change in Q2 2021
- The number of men and women actively involved in agriculture was 610 000 and 252 000, respectively. The number of men increased by 45 000 (8.1%), while women involved within the sector increased by 24 000 (10.5%) in the second quarter, when compared to the previous quarter
- Production remains at primary level of the value chain instead of value addition more especially for smallholder farmers



# OVERVIEW OF SA AGRICULTURAL SECTOR

## CONT'D

Gross Value of South African Agricultural Production (R281 Billion)



### Animal production

- Poultry
- Cattle
- Sheep and Pig

### Horticulture

- Citrus
- Deciduous fruits
- Vegetables
- Viticulture and Nuts

### Field crops

- Maize
- Sugar
- Soya beans
- Wheat and Hay

# OVERVIEW OF SA AGRICULTURAL SECTOR

## CONT'D



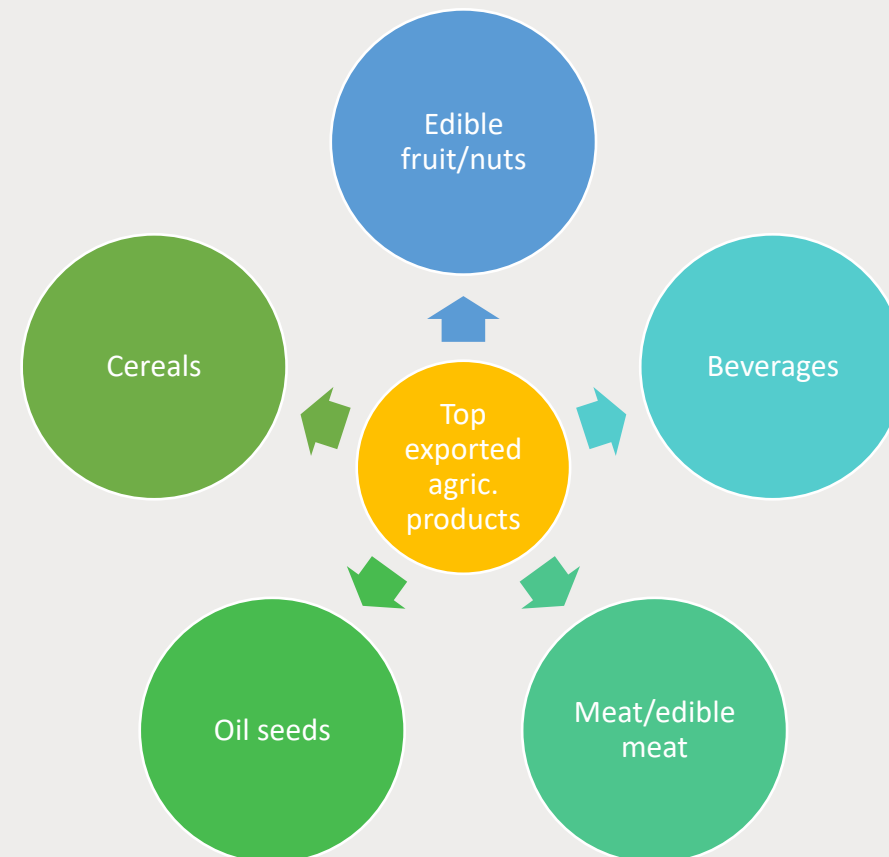
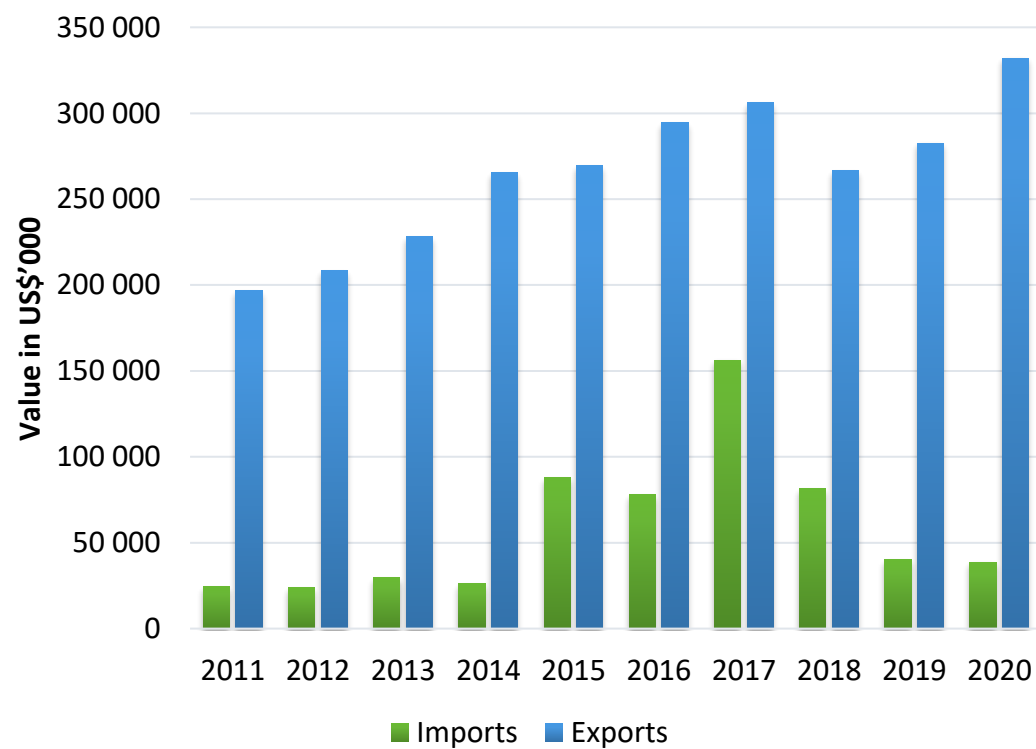
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# GLOBAL AGRICULTURAL TRADE : SA

SA Global Agricultural Trade ( 2011-2020)





**SOUTH AFRICA  
AND UAE BILATERAL TRADE**

# SOUTH AFRICA AND UAE BILATERAL TRADE



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- The South African government is committed to strengthen bilateral economic relations with the United Arab Emirates (UAE)
- Informal bilateral relations between South Africa and the UAE were initiated in 1992 through organized exhibition of SA products
- Promotion of South African value-added goods in the sector where higher export earnings can be realised
- Development of export markets for locally manufactured products and services as well as recruit new foreign direct investment into South Africa.
- Agriculture is central to fostering economic growth, reducing poverty, and improving food security in South Africa
- The UAE remains a strategic trading hub for South African agricultural products as well as agro-processing

# SOUTH AFRICA AND UAE BILATERAL TRADE IN AGRICULTURE - 2020



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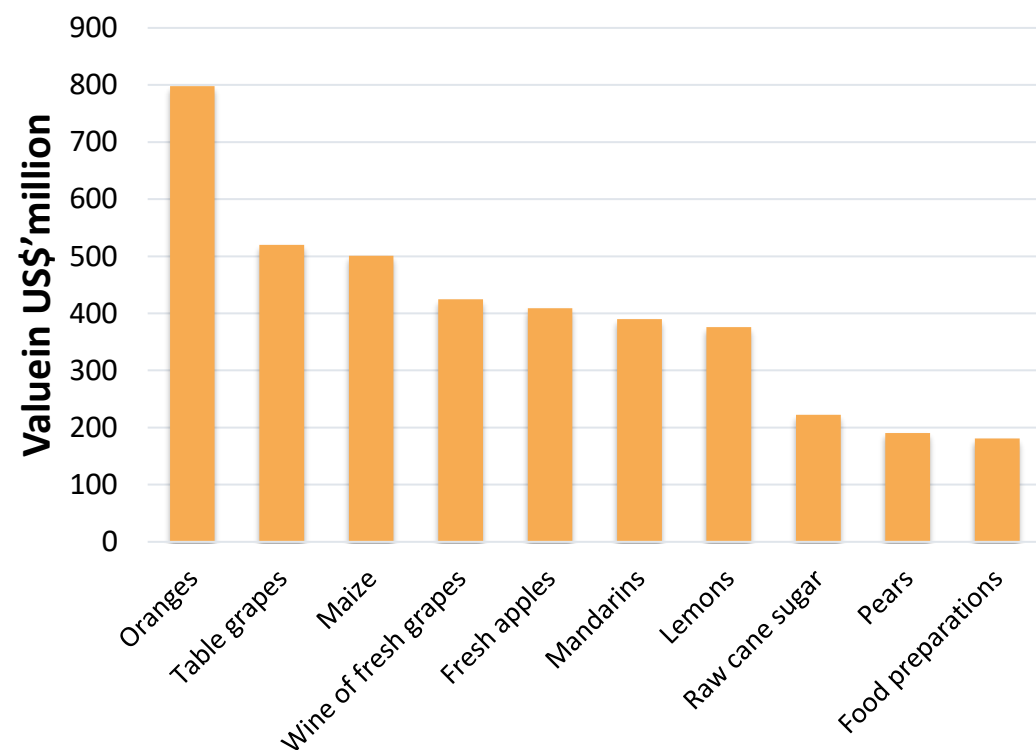
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- In 2020, South Africa exported about US\$11 243 million of agricultural products to the global markets **(Exports to the UAE constituted 3%)**
- SA imported a total value of US\$6 973 million from the world **(Imports from UAE constituted about 0.6% share)**
- UAE exported about US\$14 336 million of agricultural products to the world **(South African constituted about 0.3% of UAE agric. exports )**
- UAE imported total value of US\$20 700 million from the world **(South Africa constituted about 1.6% share of UAE agric imports)**

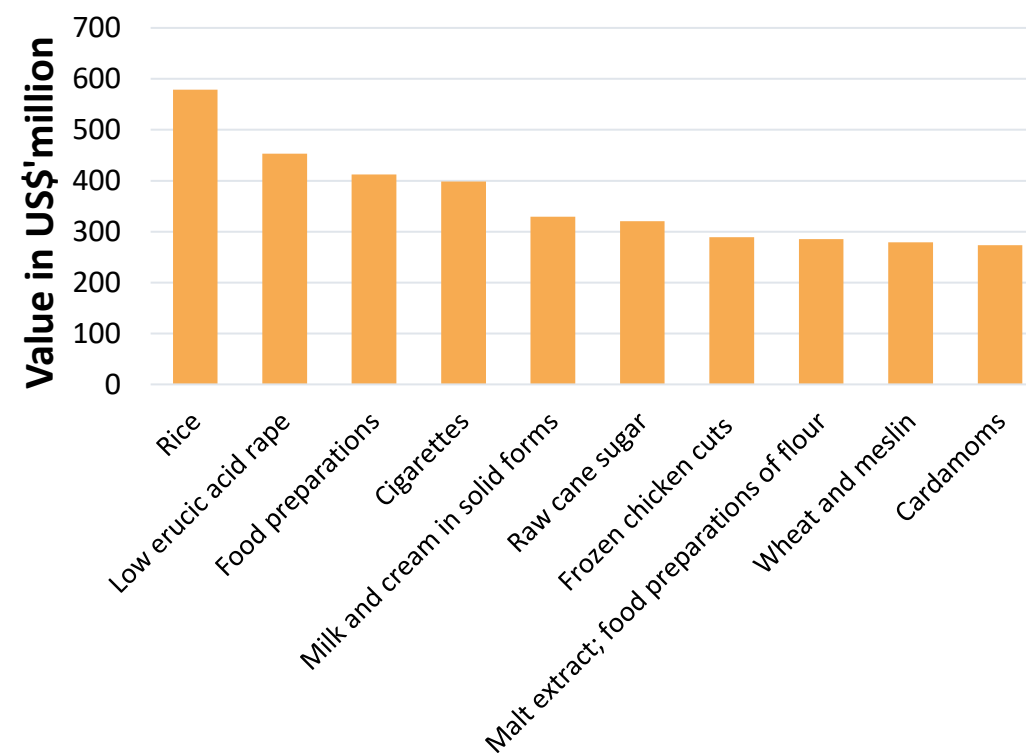


# GLOBAL AGRICULTURAL TRADE : SA AND UAE

## South Africa's Total Agric. Exports (2020)



## UAE's Total Agric. Imports (2020)



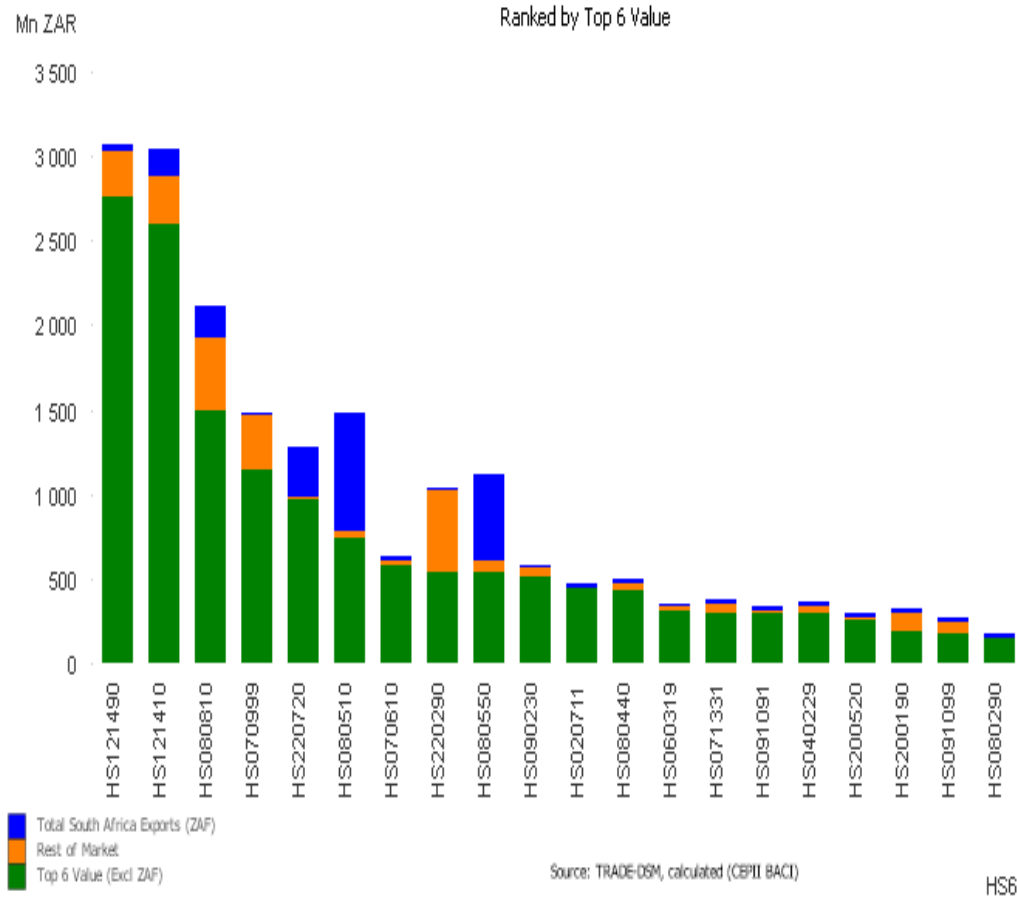


**Potential Trade  
Opportunities between  
United Arab Emirates &  
South Africa**

# Potential Trade Opportunities between United Arab Emirates & South Africa



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Code	Description
HS121490	Forage products, incl. swedes, mangolds, fodder roots, hay, ...
HS121410	Lucerne (alfalfa) meal and pellets
HS080810	Fruit, edible: apples, fresh
HS070999	Vegetables: edible, n.e.c. in chapter 07, fresh or chilled
HS220720	Ethyl alcohol and other spirits: denatured, of any strength
HS080510	Fruit, edible: oranges, fresh or dried
HS070610	Vegetables, root: carrots and turnips, fresh or chilled
HS220290	Non-alcoholic beverages, Excl. fruit/vegetable juices under hs2009
HS080550	Citrus fruits: lemons & limes, fresh or dried
HS090230	Tea, black: (fermented) & partly fermented tea, in packings of a content not exceeding 3kg
HS020711	Meat and edible offal: of fowls of the species Gallus domesticus, not cut in pieces, fresh or chilled



**CONCLUDING  
REMARKS**

# CONCLUDING REMARKS

- Based on the above analysis, realistic potential investment opportunities exists between SA and UAE in the following prioritized industries:
  - ✓ Animal feed formulations and lucerne, valued at about R893 million in the UAE market;
  - ✓ Fruit and nuts (fresh) presents future realistic potential for SA is over R500 million by value;
  - ✓ Vegetable industry, is strategic due to SA's proximity in terms of logistics & keeping the cold chain estimated trade potential by value is about R300 million;
  - ✓ Teas & herbs exhibit a potential export value of about R85 million;
  - ✓ Poultry meat, with an estimated export potential valued at R75 million. It is much larger if Saudi Arabia is considered;

# CONCLUDING REMARKS

- ✓ **Processed fruits & vegetables (canned & frozen), with export potential valued at R52 million;**
- ✓ **Dried legumes with export potential of about R52 million. Beans is a popular food ingredient in the Middle East & Asia;**
- ✓ **Cut flowers – export potential to UAE is about R51 million;**
- ✓ **Diary products, with potential exports valued at R50 million**
- ✓ **Agriculture and Agro-processing Master Plan offers an opportunity for sectoral players to form meaningful private-public partnerships, with clear commitments and targets to grow the sector on inclusive basis.**

# THANK YOU



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