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Evaluating South Africa's utilisation of sustained export potential in Sub-Saharan Africa

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TRADE
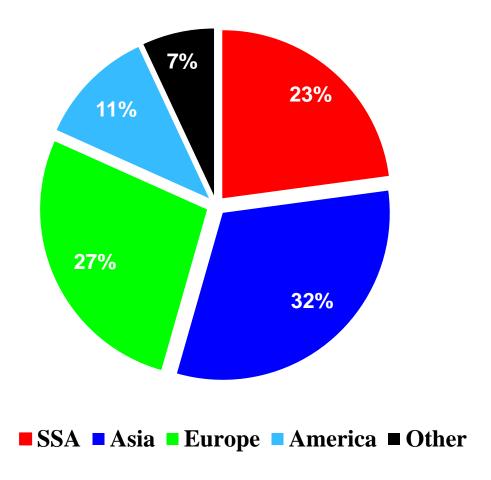Research focus area

PRESENTATION OUTLINE

1.1   Background and motivation

1.2   Research questions and aims

1.3   Research method

1.4   Results

1.5   Conclusion and recommendations

1.6   Questions and contributions

1.1 BACKGROUND AND MOTIVATION

South Africa's total exports (%) from 2005 - 2014

■ SSA ■ Asia ■ Europe ■ America ■ Other

1.2 RESEARCH QUESTIONS AND AIMS

❖ Overall aim

   ➢ Evaluate South Africa's utilisation of sustained export potential in SSA

❖ Secondary aims

   ➢ Determine which markets offer consistently large and/or growing import demand in SSA over a five-year period from 2010 to 2014

   ➢ Determine which products South Africa consistently export competitively over a five-year period from 2010 to 2014

   ➢ Identify sustained export opportunities that exists for SA in SSA

   ➢ Providing practical insights that will inform future policymaking and planning

1.3 RESEARCH METHOD

Step 1.1 — Identifying consistently large and/or growing import demand in SSA for all products (HS6) over a five-year period from 2010 to 2014

Step 1.2 — Identifying products which South Africa consistently export competitively (sustainable exports) over a five-year period from 2010 to 2014

Step 2 — Matching SSA markets (product-country combinations) with consistently large and/or growing import demand to SA's consistently competitive export supply products

Step 3 — Evaluating SA's utilisation of sustained export potential in SSA

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1.4 RESULTS

SSA countries excluding South Africa		Total
Step 1.1	Products imported by SSA countries (excluding South Africa)	5 222
	Product-country combinations in all SSA countries (excluding South Africa)	163 452
	Product-country combinations selected in step 1.1 (with consistently large and/or growing import demand from 2010 to 2014)	223
	Product-country combinations eliminated in this step	163 229

1.4 RESULTS

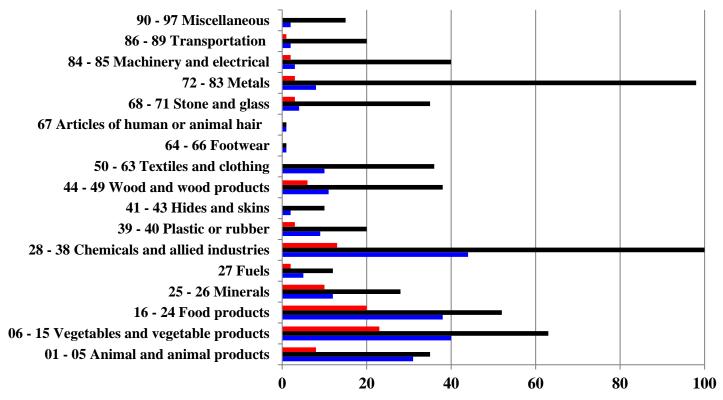| SSA countries excluding South Africa		Total
Step 1.2	Products exported by South Africa	5,224
	Products consistently competitively exported by South Africa (i.e. sustainable exports) selected in step 1.2 (with RCA > 0.7 and RTA > 0) in 2010 to 2014	604
	Products exported by South Africa eliminated in step 1.2 (with RCA < 0.7 and RTA < 0)	4,620

1.4 RESULTS

SSA countries excluding South Africa		Total
Step 2	Product-country combinations with consistently large and/or growing import demand in SSA (selected in step 1.1)	223
	Products exported by South Africa consistently competitively (i.e. sustainable exports) selected in step 1.2 (with RCA > 0.7 and RTA > 0)	604
	Matched product-country combinations	94
	Product-country combinations eliminated in step 2	129
	Products exported by South Africa consistently competitively (i.e. sustainable exports) eliminated in this step	510

1.4 RESULTS

Comparison of results obtained in step 1.1, step 1.2 and step 2 at HS2-digit level
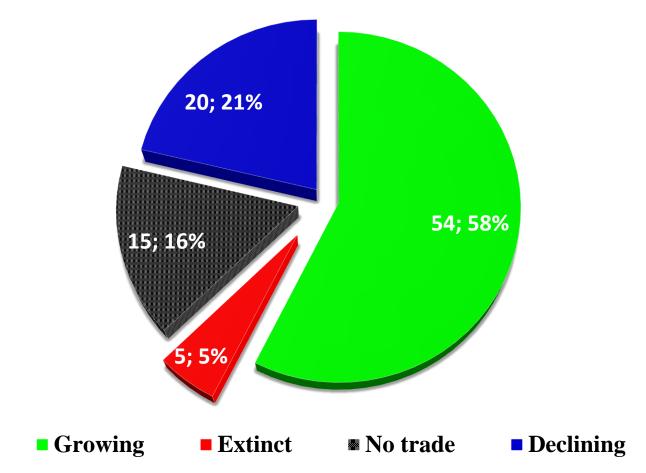

- **Matched product-country combinations**
- **ZAF's Sustainable exports**
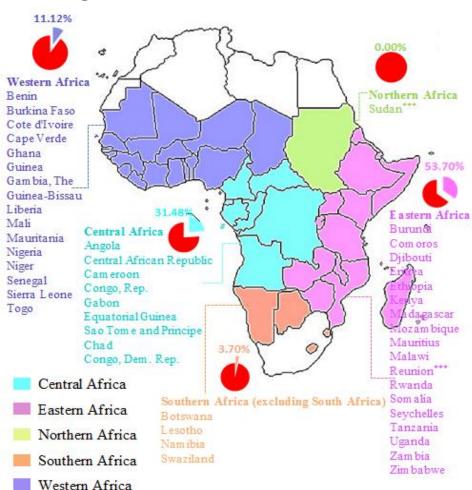- **Consistently large and or growing import demand in SSA**

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1.4 RESULTS

South Africa's utilisation of sustained export potential in SSA (Step 3)

Pie chart:
- Growing: 54; 58%
- Declining: 20; 21%
- No trade: 15; 16%
- Extinct: 5; 5%

Legend: ■ Growing ■ Extinct ■ No trade ■ Declining

1.4 RESULTS

Growing
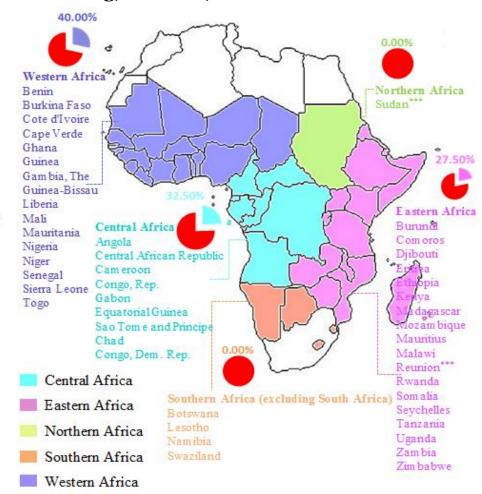

Declining, No trade, and Extinct

1.5 CONCLUSIONS AND RECOMMENDATIONS

❖ **Conclusions**

- ➢ SA is utilising 58% of its sustained export potential in SSA

  - ✓ Mostly in Eastern Africa

- ➢ SA is underutilising 21% of its sustained export potential in SSA

- ➢ SA is not utilising at all 21% of its sustained export potential in SSA

  - ✓ Mostly in Central and Western Africa

❖ **Recommendations**

- ➢ Investigating the reasons behind SA's under and non-utilisation of sustained export potential in SSA.

  - ✓ Future firm level research can be undertaken to broaden the understanding of the results obtained in this study.

1.6 QUESTIONS AND CONTRIBUTION

THANK YOU