

Florida (United States)

April 2022

1. Economic Overview



Florida State, nicknamed the Sunshine State, is in the southern eastern part of the United States. By area the state is 65,757 mi² (170,311 km²). Comprising a peninsula, Florida is bordered by Alabama and Georgia, with the Gulf of Mexico lying to the west and the Atlantic Ocean to the east¹.

Northern and southern Florida is often distinguished as separate regions. Northern Florida is generally a cooler, historically older, rural, and hilly area, oriented toward field agriculture and forestry. Southern Florida is a warmer, flat, urban area, the more recently settled region of the state, with an economy based on tourism, citrus fruits, vegetables, and livestock. The great majority of the population lives in urban areas, and only a tiny percentage lives on farms. The densest concentration is along the extensive Miami shores, which is highly concentrated with the Cuban population, that plays a major economic role in the Caribbean region. The capital city of the state is named Tallahassee and the Governor of the state is Mr Jan Jambon (N-VA). Not in its entirety, a high-level overview of economic information for Florida is provided below.

TABLE 1: ECONOMIC INFORMATION

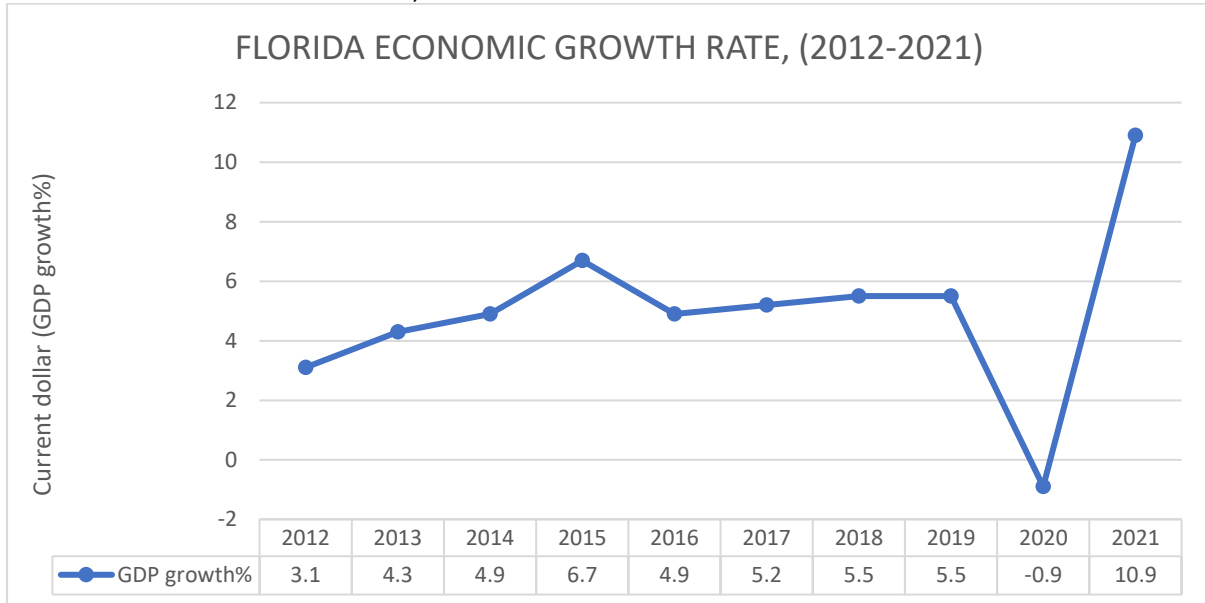
Capital	Tallahassee
Governor	Jan Jambon (N-VA)
Population (2021)	21,781,128 (2021)
GDP (current prices) (2021)	USD1,226,297.5m
GDP per capita, Purchasing Power Standard (PPS) (2021 est.)	USD50,891
Real GDP growth rate (2021 est.)	2.7%
Area	170,311 km ²
Exports (2021)	USD74.67bn
Imports (2021)	USD89,41bn
Inward FDI (2021)	1521 projects (USD47.26bn; 142,288jobs)

Sources: Britannica 2022, BEA 2022

Florida's economy grew in a range of 3.1% to 6.7% between 2012 and 2019, before plunging to -0.9% in 2020 as the COVID-19 crisis took hold. That said, a number of structural adjustments implemented by the state government, including amongst other factors the advent of three safe and effective vaccines which saw COVID-19 cases decline and jobs steadily return, saw the economy rebound to 10.9% in 2021, a significant recovery from the economic slump recorded in 2020.

¹ Britannica 2022

FIGURE 1: ECONOMIC GROWTH RATE, 2012- 2021

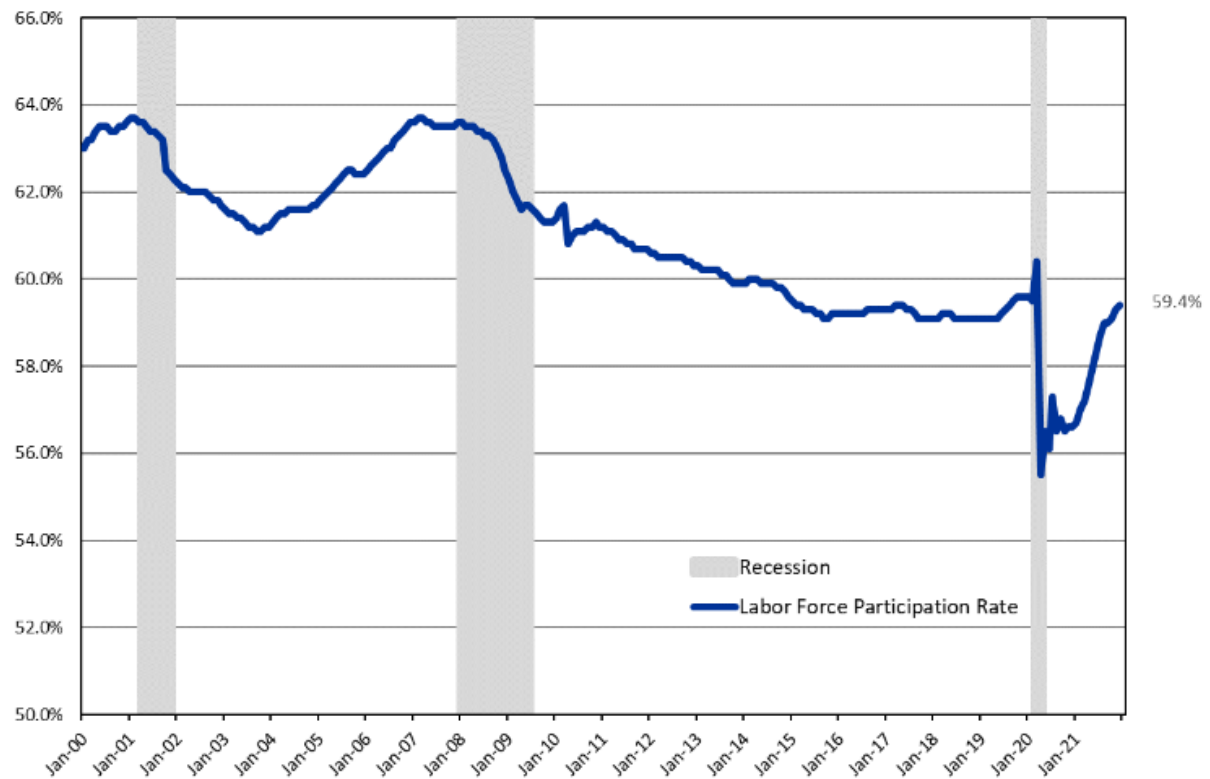


Source: Fred Economic Data, 2022

Florida's Labor force participation rate, 2000 - 2021

Pre the COVID-19 pandemic, Florida's labour participation rate fluctuated around 59.5%. Once the pandemic took hold however, Florida's participation rate fell, slowing to 55.5% in April 2020. Florida's participation rate has since rebounded, rising to 59.4% in December 2021.

FIGURE 2: FLORIDA'S LABOR FORCE PARTICIPATION RATE, 2000 - 2021

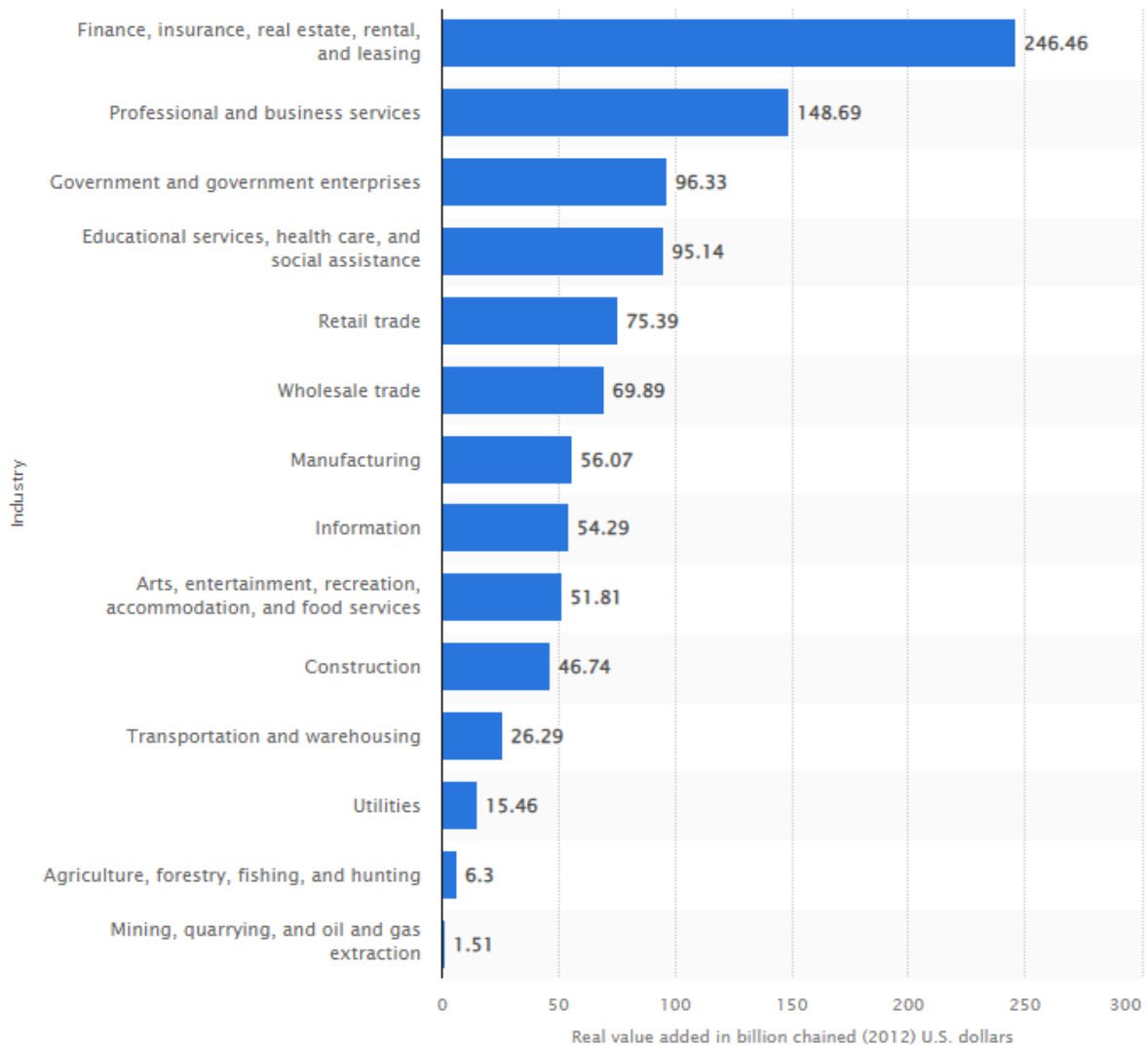


Source: U.S. Department of Labour, Bureau of Labor Statistics 2022

Real value added to the Gross Domestic Product (GDP) of Florida in 2021, by industry

The finance, insurance, real estate, rental, and leasing sector dominated Florida's output in 2021, adding USD246.46bn chained 2012 U.S. dollars of value to the state's gross domestic product (GDP) in the said year. This was followed by the professional and business services sector, which added USD148.69bn. The total value added to Florida's GDP by all industries was about USD 1.01 trillion in 2021².

FIGURE 3: REAL VALUE ADDED TO THE GROSS DOMESTIC PRODUCT (GDP) OF FLORIDA IN 2021, BY INDUSTRY



Source: Statista 2022

In terms of economic sectors, these are some of the most important industries in Florida:

Agriculture, forestry, and fishing

Florida produces approximately 75% of the nation's citrus fruits and is second only to California in vegetable production. Citrus fruits account for a significant portion of farm receipts, and Florida's grapefruit production is not only the highest in the country but also represents a large proportion of the world's total. Tomatoes are the leading vegetable crop. Sugarcane is the primary Florida field crop, and the state produces roughly half of the country's total produce of sugarcane.

Forestry activities are supported by about half of the state (mostly in the north), and livestock raising is practiced on the state's large grasslands (mostly in the central and southern areas). Commercial fishing has long been an important element of the

² Statista 2022

state's economy, although productivity started to decline in the 1990s. Aquaculture is also significant and includes the raising of aquatic plants and tropical fish for aquariums as well as various shellfish and finfish for human consumption. Cooperatives exist to help market fish and other aquatic products.

Services and taxation

Tourism is the largest income-producing activity in the state. In the early 20th century Florida attracted tourists mainly in the winter months, but since that time tourism has developed into a year-round business. Attractions include large theme parks, professional and collegiate sporting events, golf, hunting and fishing, and an abundance of parkland, including three national parks, two national seashores, a national preserve, as well as several national monuments and memorials and numerous state parks. Other major service activities in Florida include trade, finance, insurance, real estate, government, information technology, and transportation. Interestingly, Florida has no state income tax on individuals but does tax corporate income, which produces about 5 percent of the total tax revenue.

Transportation

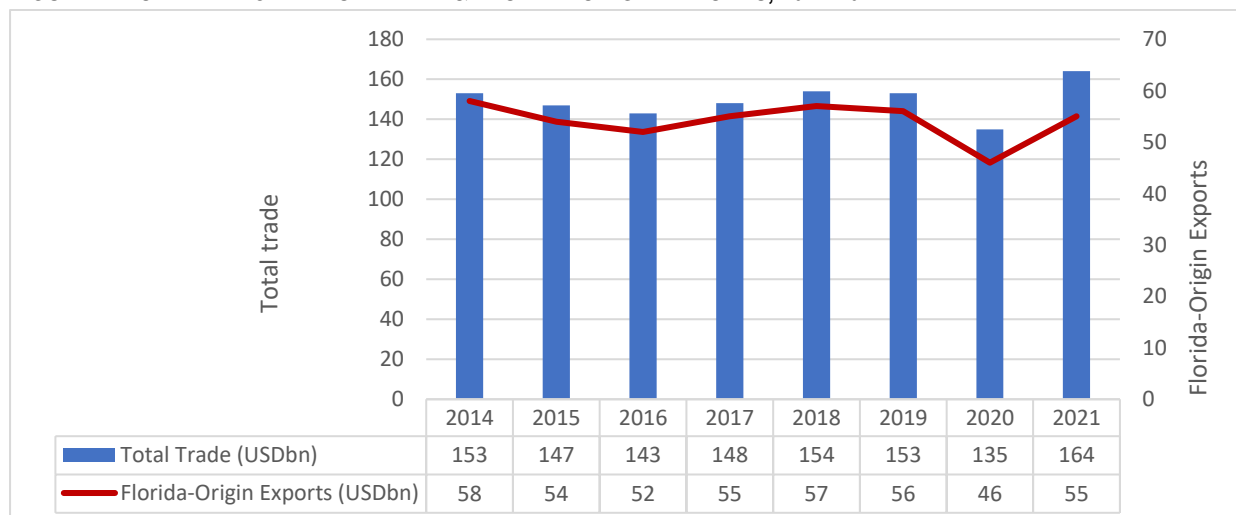
Florida's transportation system is comprehensive, covering the entire state except for certain isolated areas in the Everglades. The primary throughways are the interstate and state turnpike systems that connect all major cities. There are several airports with regularly scheduled flights and numerous private airfields. The international terminals at Tampa, Orlando, and Miami are among the busiest in the country. Florida is home to the country's major spaceport, the John F. Kennedy Space Centre at Cape Canaveral, which occupies some 220 mi² (570 km²). This spaceport is not only a major Florida industry but has also become a prime tourist attraction.

2. Trade

2.1 Florida's Global Trade

Florida's total merchandise trade gained back 21.5% in 2021, fully recovering from the 2020 losses brought on by the global pandemic. Adding back USD29bn, the State ended the year with USD164bn in two-way trade, the highest-level ever. Merchandise exports grew 25.7% y-o-y, making up for the 17.6% fall in exports seen in 2020, while merchandise imports gained 18.2% y-o-y. Interestingly, Florida-origin exports regained 21.3% y-o-y, recouping nearly USD10bn in losses and ending the year as the 7th largest export state in the United States. The table below highlights Florida's international trade summary.

FIGURE 4: TOTAL MERCHANDISE TRADE & FLORIDA-ORIGIN EXPORTS, 2014-2021



Source: U.S. Census Bureau Foreign, Trade Division 2022

Civilian aircraft and engine parts (USD127.65bn) was Florida's largest export in 2021, growing by 15.1% y-o-y from 2020's value. Electric apparatus for line telephones and human blood, animal blood, antisera vaccines followed with each earning USD3.90bn and USD3.72bn respectively. On the import side, motor cars & vehicles for transporting persons were the top source products valued at USD9.69bn followed by the import of articles exported and returned at USD4.14bn. Although the

state manufactures motor vehicles and its part for exports, it also imports a substantial amount of the same products. This is demonstrated by cars (USD9.69bn) being the largest import in 2021, imports of this product also increased by 0.3% from the previous year.

TABLE 2: FLORIDA GOODS EXPORTS, 2021

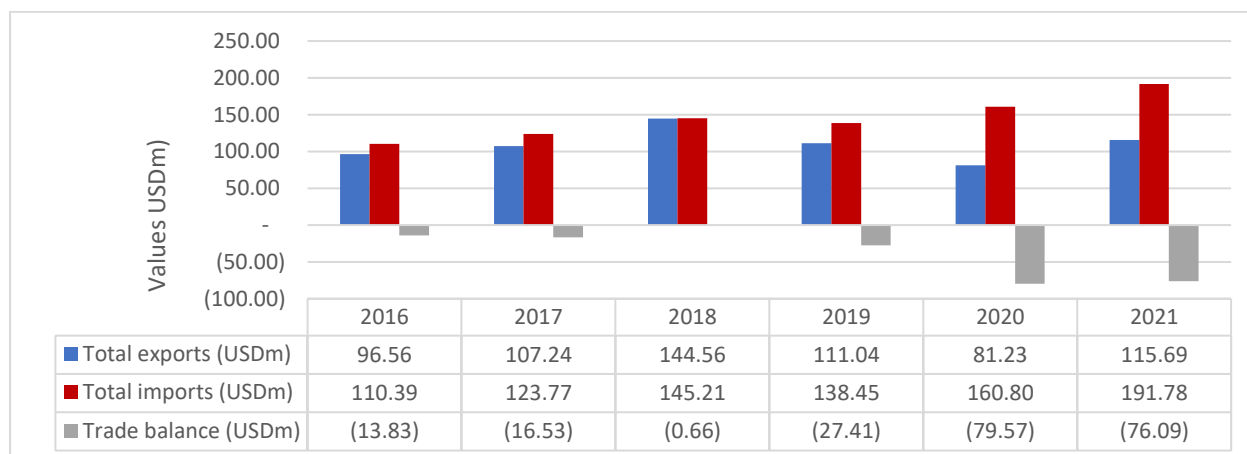
TOP 10 EXPORTS FROM FLORIDA, 2021				TOP 10 IMPORTS INTO FLORIDA, 2021			
RANK	PRODUCT	VALUE 2021 (USDbn)	% GROWTH 2020-2021	RANK	PRODUCT	VALUE 2021 (USDbn)	% GROWTH 2020-2021
1	Civilian Aircraft, Engines, And Part	127,65	15.1%	1	Motor Cars & Vehicles for Transporting Person	9,69	0.3%
2	Electric Apparatus for Line Telephony	3.90	25.6%	2	Imports Of Articles Exported and Returned	4,14	1.2%
3	Human Blood; Animal Blood; Antisera, Vaccines	3.72	197.8%	3	Refined Copper & Alloys (No Mast Alloy), Unwrought	3,43	133.8%
4	Automatic Data Process Machines; Magnetic Readers	3.34	35.5%	4	Gold (Incl Plat Plated), Unwrought, Semi manufacture	3,29	7.1%
5	Motor Cars & Vehicles for Transporting Persons	2.73	52.3%	5	Electric Apparatus for Line Telephony Etc, Parts	2,98	20.1%
6	Electronic Integrated Circuits & Micro assembly parts,	2.40	26.9%	6	Nucleic Acids & Salts, Heterocyclic Comp Nesoi	2,79	22.8%
7	Medical, Surgical, Dental or Veterinary Instruments	2.32	18.3%	7	Oil (Not Crude) From Petrol & Bitum Mineral Etc	2,53	94.7%
8	Medicaments Nesoi, Mixed or Not, In Dosage	1.51	52.3%	8	Fish Fillets & Other Fish Meat, Fresh, Chill or Frozen	2,30	25.8%
9	Parts & Access for Motor Vehicles (Head 8701-8705)	1.22	28.8%	9	T-Shirts, Singlets, Tank Tops Etc, Knit or Crochet	2,10	46.9%
10	Mineral Or Chemical Fertilizers	1.24	5.5%	10	Sweaters, Pullovers, Vests Etc, Knit or Crocheted	2,05	54.4%
TOTAL EXPORTS		74,67	25.7%	TOTAL IMPORTS		89,41	18.2%

Source: Statista, 2022

2.2 Florida Trade with South Africa

Trade between the State of Florida and South Africa has been skewed towards the Sunshine State with South Africa recording consistent trade deficits with Florida over the period 2016 - 2021. In 2018, South Africa improved its trade deficit by increasing exports by 34,80% y-o-y to reach USD144.56m from the previous USD107.24 earned in 2017.

FIGURE 5: FLORIDA TRADE WITH SOUTH AFRICA



Source; State Bureau of Economic analysis 2022

Civilian aircraft, engines, and parts (USD921.04m) was Florida's largest export to South Africa and constituted 18.19% of all its exports to South Africa in 2021. This was followed by chemical wood pulp and special purpose motor vehicles to the value of USD19.20m and USD5.01m respectively.

On the import front, Florida's top source product from South Africa was yachts & other vessels valued at USD58.75m, accounting for 30.63% of all imports from South Africa in 2021. This was followed by iron & steel valued at USD23,66m and platinum, unwrought, semi forms valued at USD14.21m.

6

TABLE 3: FLORIDA MERCHANDISE TRADE WITH SOUTH AFRICA

FLORIDA TOP 10 EXPORTS TO SOUTH AFRICA, 2021				FLORIDA TOP 10 IMPORTS FROM SOUTH AFRICA, 2021			
RA NK	PRODUCT	VALUE 2021 (USDm)	SHAR E% 2021	RA NK	PRODUCT	VALUE 2021 (USDm)	SHAR E% 2021
1	Civilian Aircraft, Engines, And Parts	21,04	18,19%	1	Yachts & Other Vessels for Pleas Etc; Rowboat Etc	58,75	30,63%
2	Chemical Wood pulp, Soda Or Sulphate, Not Dissoly Gr	19,20	16,60%	2	Fl-rl Iron & Na Steel Nun600mm Wd, Clad Etc	23,66	12,34%
3	Special Purpose Motor Vehicles Nesoi	5,01	4,33%	3	Platinum, Unwrought, Semimfr Forms or In Powder Fm	14,21	7,41%
4	Polyamides In Primary Forms	4,10	3,54%	4	Expts Of Repaired Impts; Impts of Returned Expts	10,71	5,59%
5	Inst Etc For Physical Etc Anal Etc; Microtome; Pts	3,47	3,00%	5	Machines, Nesoi in Chapter 90; Profile Project, Pt	9,91	5,17%
6	Electric Generating Sets and Rotary Converters	3,33	2,88%	6	Articles Of Jewellery & Pts, Of Prec Metal or Clad	7,69	4,01%
7	Orthopaedic Appl; Artif Body Pts; Hear Aid; Pts Etc	3,24	2,80%	7	Motor Cars & Vehicles for Transporting Persons	4,67	2,44%
8	Parts & Access for Motor Vehicles (head 8701-8705)	3,20	2,76%	8	Diamonds, Worked or Not, Not Mounted or Set	3,73	1,94%

FLORIDA TOP 10 EXPORTS TO SOUTH AFRICA, 2021				FLORIDA TOP 10 IMPORTS FROM SOUTH AFRICA, 2021			
RANK	PRODUCT	VALUE 2021 (USDm)	SHARE% 2021	RANK	PRODUCT	VALUE 2021 (USDm)	SHARE% 2021
9	Collect, Arch, Ethno, Hist, Zoo log, Etc Interest	2,69	2,33%	9	Essent Oils Resinoid; Ext Oleo Terpen By-prods Etc	3,35	1,75%
10	Essent Oils Resinoid; Ext Oleo Terpen By-prods Etc	2,43	2,10%	10	Parts Of Balloons Etc, Aircraft, Spacecraft Etc	2,53	1,32%
TOTAL EXPORTS		115,69	100,00 %	TOTAL IMPORTS		191,78	100,00 %

Source: State Bureau of economic analysis 2022

3. Investment

This section analyses Foreign Direct Investment (FDI) flows between Florida and South Africa as well as the Western Cape.

3.1 FDI from Florida into South Africa

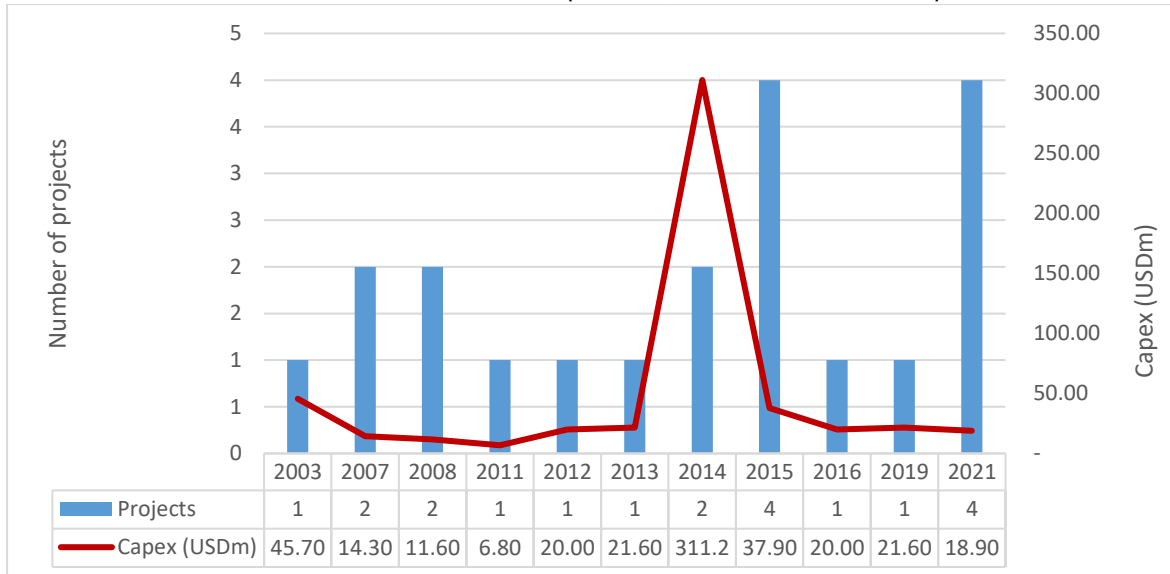
Between January 2003 and February 2022, Florida undertook a total of 20 FDI projects into South Africa. These projects generated an estimated capex of USD529.60m, leading to the creation of about 750 jobs.

FIGURE 6: FDI FROM FLORIDA INTO SOUTH AFRICA (BY YEAR, PROJECTS AND CAPEX), 2003 – 2022



Source: FDI Markets, 2022

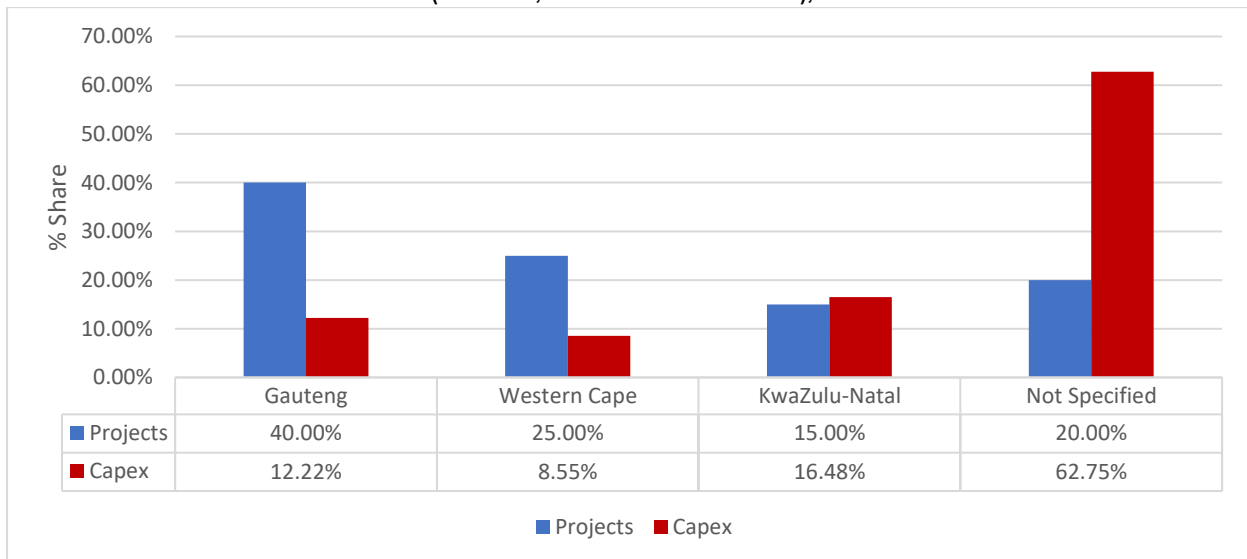
FIGURE 7: FDI FROM FLORIDA INTO SOUTH AFRICA (BY YEAR, PROJECTS AND CAPEX), 2003 – 2022



Source: FDI Markets 2022

From a **provincial perspective**, Gauteng was the largest recipient of Florida FDI into South Africa over the review period, as measured by the number of projects (40.00%). This was followed by the Western Cape and KwaZulu Natal which accounted for 25.00% and 15.00% of all projects respectively.

FIGURE 8: FDI FROM FLORIDA INTO SA (BY YEAR, PROJECTS AND CAPEX), 2003 - 2022



Source: FDI Markets, 2022

The following investments were made by Florida companies into South Africa between January 2003 and February 2022:

TABLE 4: FDI MADE BY FLORIDA COMPANIES INTO SOUTH AFRICA, 2003 – FEB 2022

DATE	INVESTING COMPANY	DESTINATION CITY	INDUSTRY SECTOR	BUSINESS ACTIVITY	CAPEX (ZARm)	JOB S
01-Aug	Gelber's Way (Tour Club International)	Not Specified	Hotels & tourism	Sales, Marketing & Support	1,10	17
01-Jun	Ruvos	Gauteng	Software & IT services	Business Services	7,90	231
01-May	Symphonic Distribution	Not Specified	Communications	Sales, Marketing & Support	4,70	37
01-May	Thomalex	Gauteng	Software & IT services	Sales, Marketing & Support	5,20	8
01-Nov	Diaz Reus & Targ	Gauteng	Business services	Business Services	21,60	15
01-Feb	ArKay Beverages (ArKayDistributing)	Not Specified	Food & Beverages	Manufacturing	20,00	50
01-Nov	Anviz Global	Gauteng	Communications	Sales, Marketing & Support	4,70	37
01-Nov	Anviz Global	Western Cape	Communications	Sales, Marketing & Support	4,70	37
01-Oct	Nutritional Products International	Western Cape	Business services	Business Services	21,60	15
01-Apr	Legacy Education Alliance	Gauteng	Business services	Education & Training	6,90	43
04-Nov	Candico	Johannesburg	Food & Beverages	Manufacturing	76.7	33
TOTAL					529,60	20

Source: FDI Markets, 2022

3.2 FDI from South Africa into Florida

Investments made by South African companies into Florida between January 2003 and February 2022 are shown in Figure 8 below. A total of 6 FDI projects were recorded from South Africa into Florida over the review period. These projects represented a total capital investment of ZAR42.00m. During the period 176 jobs were created.

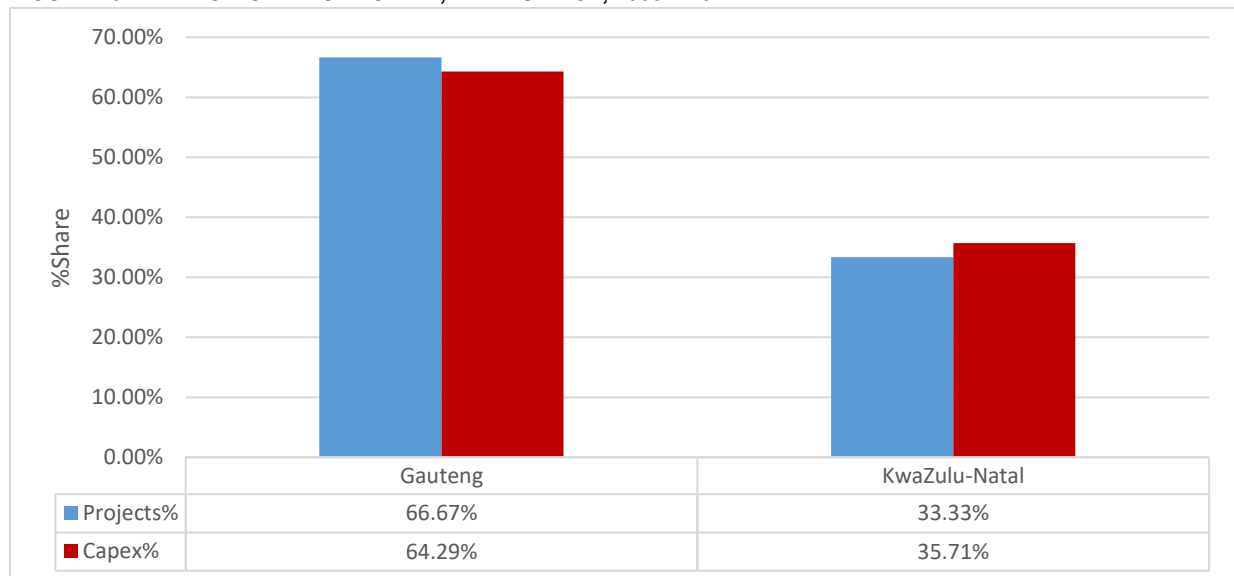
FIGURE 9: FDI FROM SA INTO FLORIDA (BY YEAR, PROJECTS AND CAPEX), 2003 - 2022



Source: FDI Markets, 2022

From a **provincial perspective**, as represented below, Gauteng was the largest source market of South African FDI into Florida both in terms capex and projects represented by 64.29% and 66.67% respectively. While Kwazulu-Natal followed with 35.71% of the capex from the country and 33.33% projects.

FIGURE 10: FDI FROM SA INTO FLORIDA, BY PROVINCE, 2003 – 2022



Source: FDI Markets, 2022

The following investments were made by South African companies into Florida between January 2003 and February 2022:

TABLE 5: FDI MADE BY SOUTH AFRICAN COMPANIES INTO FLORIDA, 2003 – FEB 2022

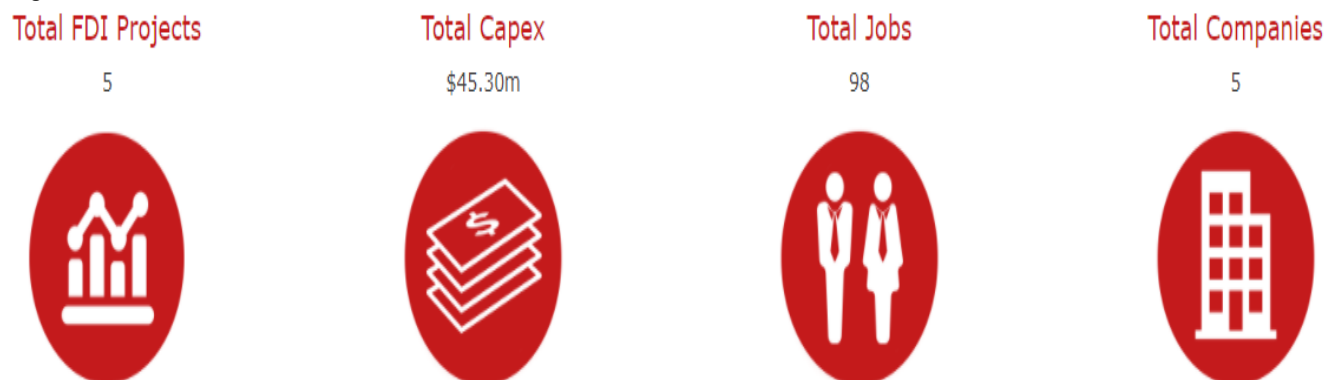
DATE	INVESTING COMPANY	DESTINATION	INDUSTRY SECTOR	BUSINESS ACTIVITY	CAPEX (ZARm)	JOB S
2016 Nov	Sally Williams Fine Foods	Florida	Food & Beverages	Headquarters	0,60	3
2015 Oct	Cartrack	Florida	Software & IT services	Sales, Marketing & Support	10,30	59
2012 Dec	Cockett Marine Oil	Florida	Coal, oil & gas	Sales, Marketing & Support	10,00	46
2011 Apr	Macsteel Service Centers USA	Florida	Metals	Logistics, Distribution & Transportation	0,90	3
2011 Feb	Westcon Group	Florida	Communications	Sales, Marketing & Support	15,20	50
2008 May	Big Lift Trucks	Florida	Transportation & Warehousing	Logistics, Distribution & Transportation	5,00	15
TOTAL					42,00	176

Source: FDI Markets, 2022

3.3 FDI from Florida into Western Cape

Over the period, January 2003 to February 2022, Florida companies invested in 5 FDI projects into the Western Cape. These projects represented a total capex of USD45.30m and 98 jobs were created.

Figure 11: FDI MADE BY FLORIDA INTO THE WESTERN CAPE, 2003 – FEB 2022



Source: FDI Markets, 2022

3.4 FDI from Western Cape into Florida

Over the period under review. There were no FDI recorded from the Western Cape into Florida.

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