

# China

# November 2024

## Executive Summary

This country fact sheet provides key trade- and investment-related statistics for China. Specifically, it shows China's trade and investment flows with both South Africa and the Western Cape, including an analysis of top markets and products. The report highlights the largest and fastest-growing products and their sub-sectors. It also looks at tourism trends between China and South Africa, and those relating to China and the Western Cape.

## Trade

In 2023, South Africa's exports to China were valued at ZAR225.74bn, which represented an increase of 21.23% y-o-y from the ZAR186.20bn recorded in 2022. In turn, the country's imports from China totalled ZAR404.49bn in 2023, amounting to an increase of 10.00% y-o-y from a cost of ZAR367.72bn incurred in 2022.

South Africa's dominant export category to China in 2023 was iron ores and concentrates. At a value of ZAR64.24bn, this was equivalent to 28.46% of the value of the country's total exports to China. The country's main import from China was telephone sets, costing ZAR36.90bn – equivalent to 9.12% of the cost of South Africa's total imports from China in 2023.

The Western Cape's export receipts from trade with China totalled ZAR16.10bn in 2023, equivalent to an increase of 55.87% y-o-y from the ZAR10.33bn earned in 2022. In turn, the value of the Western Cape's imports from China increased by 13.71% y-o-y to a cost of ZAR59.12bn in 2023, up from ZAR52.00bn in 2022.

The province's leading export products to China in 2023 were manganese ores and concentrates. At a value of ZAR4.12bn, this is equivalent to 25.59% of the value of the province's exports to China in 2023.

## Investments

Between 2014 and 2023, companies based in China invested in a total of 65 FDI projects in South Africa. These projects generated an estimated capex value of ZAR178.56bn, leading to the creation of approximately 14 249 jobs.

## Tourism

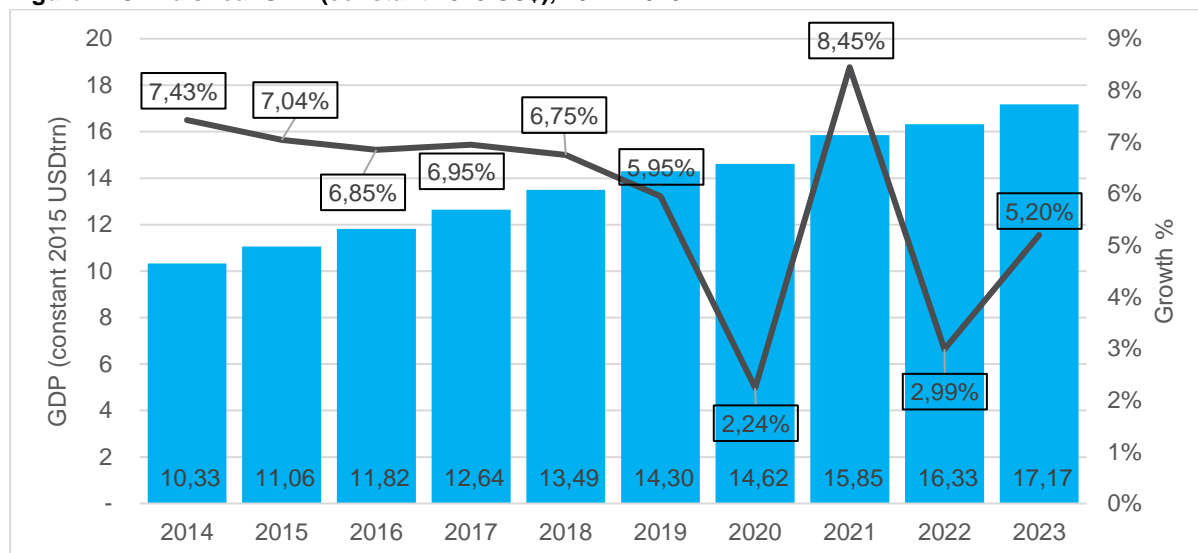
In 2023, the number of tourists from China including Hong Kong visiting South Africa reached 37 341, a 205.47% increase from the previous year. This also reflects a recovery rate of 39.99% compared to 2019 arrival numbers.

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# 1. Economic Overview

According to the World Bank, in 2023, China was the second-largest economy in the world in terms of its real gross domestic product (GDP). The country's real GDP in 2023 amounted to USD17.17 trillion, as shown in Figure 1, an increase of 5.20% y-o-y from USD16.33 trillion recorded in 2022. The Chinese economy achieved reasonable economic growth over the past five years, with a five-year annual average growth rate of 4.97% from 2019 to 2023.

**Figure 1: China's real GDP (constant 2015 US\$), 2014–2023**

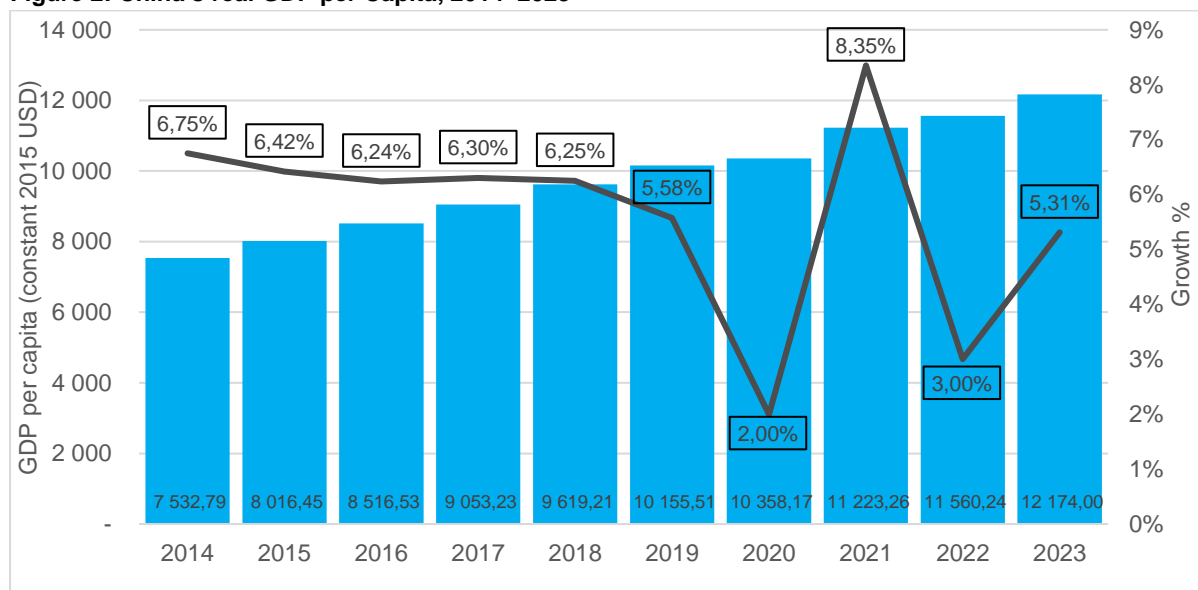


Source: World Bank (2024)

China's real GDP per capita grew steadily from USD7,532.79 in 2014 to USD12,174.00 in 2023. This is shown in Figure 2. While GDP per capita only increased slightly by 2.00% in 2020 as the impact of COVID-19 was increasingly felt by the Chinese economy, it increased by 8.35% in 2021. The rebound was underpinned by an economic expansion fuelled largely by increased consumer spending. GDP per capita increased to an all-time high of USD12,174.00 in 2023. The positive trajectory post-COVID-19 can be attributed to the country's ongoing efforts to maintain economic growth, attract investments, and implement structural reforms, all of which are indications of China's dedication to economic advancement and development over the years.

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**Figure 2: China's real GDP per Capita, 2014–2023**



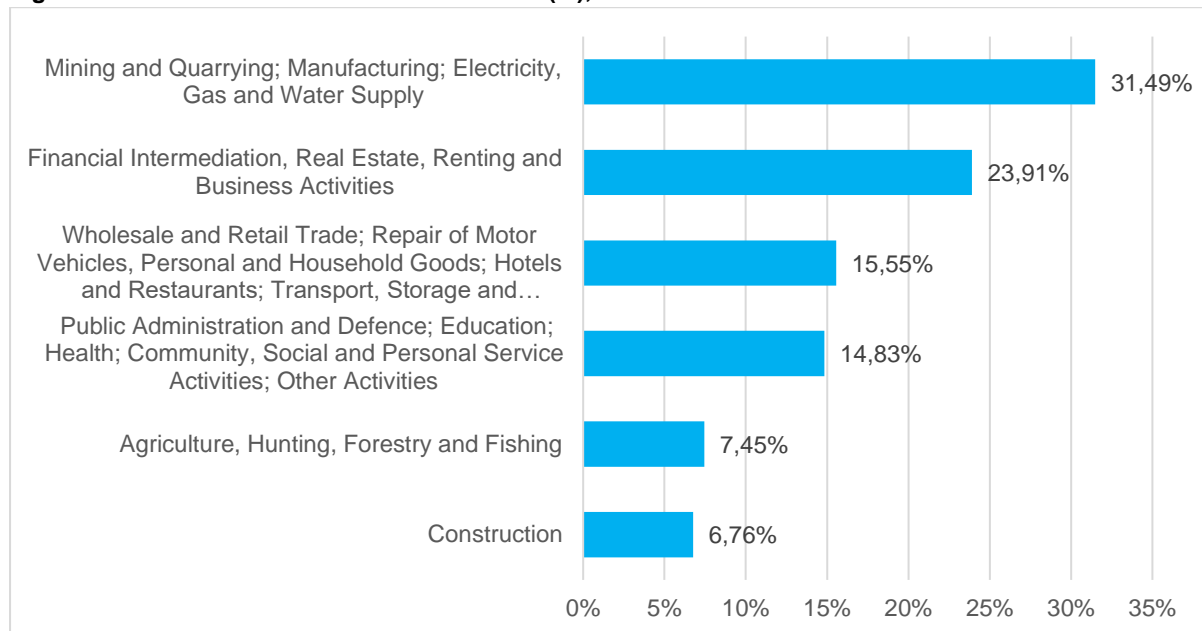
Source: World Bank (2024)

Figure 3 illustrates the sectoral contributions to China's gross value added (GVA) in 2023. The primary contributors to GVA were:

- Mining and quarrying; manufacturing; electricity, gas and water supply (with a share of 31.49%)
- Financial intermediation, real estate, renting, and business activities (with a share of 23.91%).

- Wholesale and retail trade; repair of motor vehicles, motorcycles, personal and household goods (with a share of 15.55%).
- Public Administration and Defence; Education; Health; Community, Social and Personal Service Activities; Other Activities (with a share of 9.28%).

**Figure 3: Sectoral contribution to China's GVA (%), 2023**



Source: Euromonitor (2024)

## 2. Trade

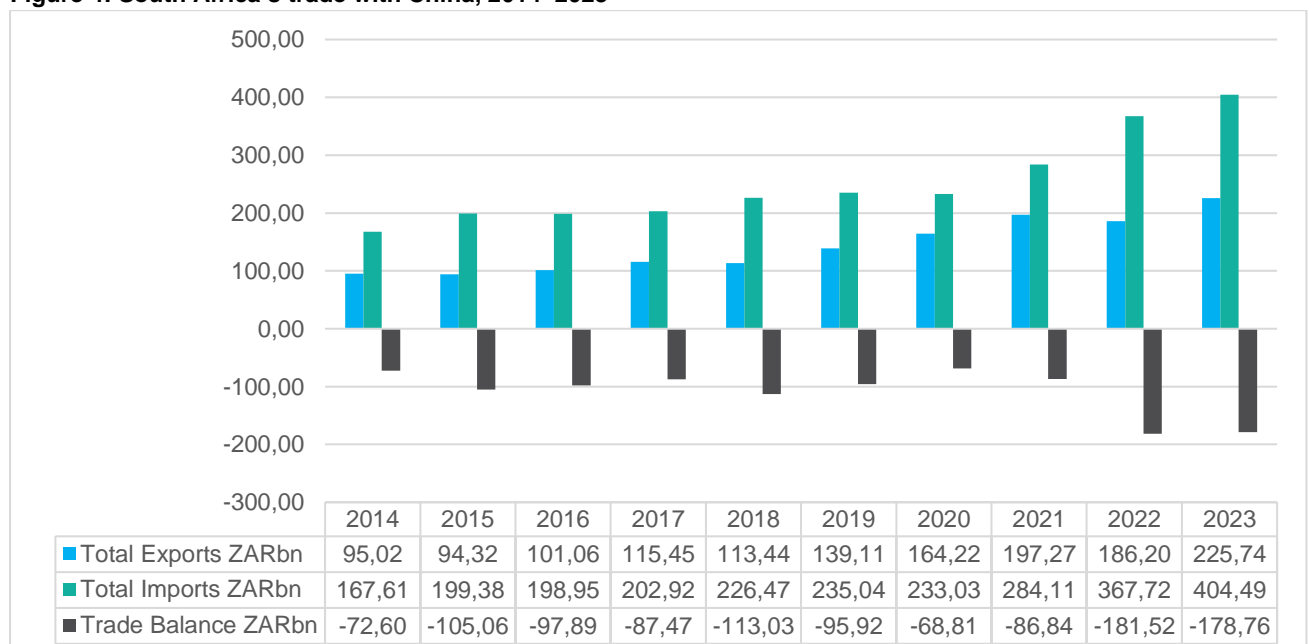
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### 2.1 South Africa's Trade with China

In 2023, China was South Africa's largest destination market for exports. During this period, South Africa's associated export earnings from trade with China were valued at ZAR225.74bn, an increase of 21.23% compared to the previous year.

In turn, the value of South Africa's imports from China increased by 10.00% y-o-y from ZAR367.72bn in 2022 to ZAR404.49bn in 2023. South Africa's trade balance with China remained firmly in a deficit throughout the period under review.

**Figure 4: South Africa's trade with China, 2014–2023**



Source: Quantec (2024)

Regarding export markets, China was the leading destination market for South Africa's exports which, at a value of ZAR225.74bn, accounted for 11.10% of the nation's total global exports. The country's exports to China recorded a 5-year annual average growth rate of 15.28% from 2019 to 2023. This can be seen in Table 1. Exports to the United States, South Africa's second-largest export market, were valued at ZAR154.82bn in 2023, while Germany was in third place, having received goods to the value of ZAR134.09bn from South Africa. The fastest-growing markets among South Africa's top 10 export markets over the five years leading up to and including 2023 were Mozambique (with an average growth rate of 23.40%), Japan (18.18%), and Belgium (16.86%).

On the import front, China was also the leading source market for goods imported by South Africa, with imports from this country costing ZAR404.49bn in 2023. Germany ranked second with total imports valued at ZAR158.43bn. India was in third place, with imports reaching a total value of ZAR138.49bn that year. The fastest-growing markets among the top 10 markets for imports to South Africa over the five years leading up to and including 2023 were the United Arab Emirates (with a growth rate of 44.16%), Oman (38.38%), and India (24.59%).

**Table 1: South Africa's top 10 export and import markets, 2023**

TOP 10 COUNTRIES FOR SA EXPORTS, 2023				TOP 10 COUNTRIES FOR SA IMPORTS, 2023			
RANK	COUNTRY	VALUE 2023 (ZARbn)	% AVE GROWTH, 2019-2023	RANK	COUNTRY	VALUE 2023 (ZARbn)	% AVE GROWTH, 2019-2023
1	China	225.74	15.28%	1	China	404.49	12.86%
2	United States	154.82	16.35%	2	Germany	158.43	6.42%
3	Germany	134.09	8.98%	3	India	138.49	24.59%
4	Mozambique	114.54	23.40%	4	United States	137.97	14.61%
5	Japan	105.73	18.18%	5	United Arab Emirates	73.76	44.16%
6	United Kingdom	99.32	13.42%	6	Thailand	64.46	11.85%
7	India	89.12	11.07%	7	Saudi Arabia	58.06	-1.15%
8	Netherlands	77.99	16.41%	8	Japan	49.95	7.11%
9	Botswana	76.71	7.79%	9	Oman	46.53	38.38%
10	Belgium	68.21	16.86%		Italy	44.50	6.58%
<b>Total exports</b>		<b>2,033.82</b>	<b>10.70%</b>	<b>Total imports</b>		<b>1,943.42</b>	<b>10.56%</b>

Source: Quantec (2024)

Iron ores were South Africa's largest export product to China in 2023, as shown in Table 2. At a value of ZAR64.24bn, this accounted for a 28.46% of South Africa's total export earnings with China in 2023. The second largest export product was chromium ores at a value of ZAR34.65bn, while exports of ferro-alloys placed third, at a value of ZAR29.87bn. The fastest-growing export product was zinc ores, with a five-year average growth rate of 126.87% between 2019 and 2023. Exports of other nuts followed with a five-year average growth rate of 48.41%. Next was refined copper with an average growth rate of 38.65%.

South Africa's top imported product from China in 2023 was telephone sets valued at ZAR36.90bn. This was followed by imports of electric accumulators which cost ZAR33.03bn, while in third place was the import of automatic data processing machines, costing ZAR21.55bn.

**Table 2: Top 10 South Africa's traded products with China, 2023**

SOUTH AFRICA'S EXPORTS TO CHINA, 2023				SOUTH AFRICA'S IMPORTS FROM CHINA, 2023			
RANK	PRODUCT	VALUE (ZARbn), 2023	AVE GROWTH %, 2019-2023	RANK	PRODUCT	VALUE (ZARbn), 2023	AVE GROWTH %, 2019-2023
1	Iron ores	64.24	17.08%	1	Telephone sets	36.90	4.68%
2	Chromium ores	34.65	26.04%	2	Electric accumulators	33.03	102.67%
3	Ferro-alloys	29.87	25.41%	3	Automatic data processing machines	21.55	8.82%

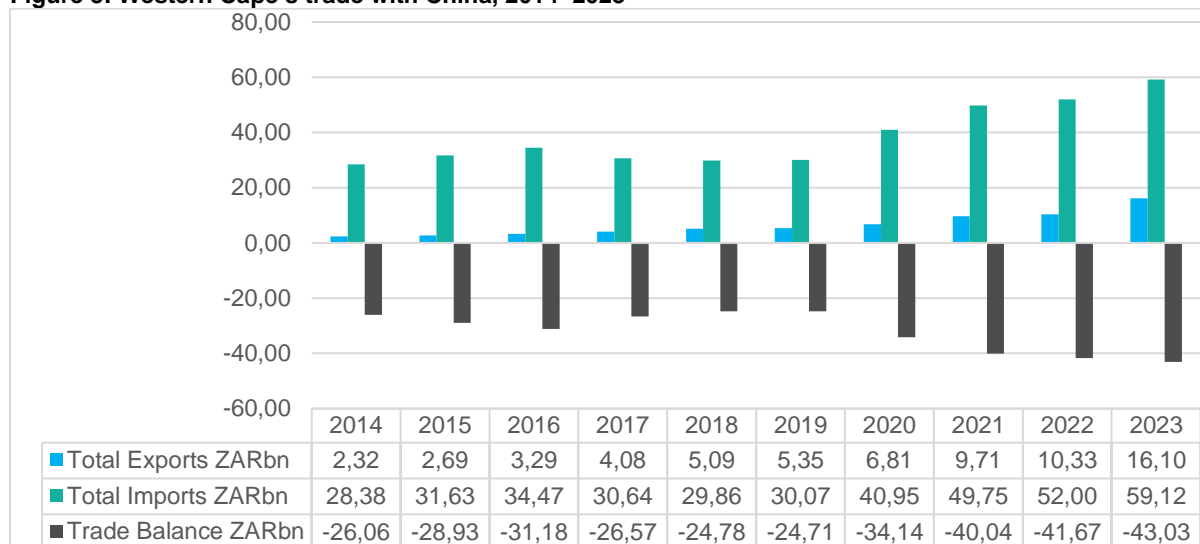
SOUTH AFRICA'S EXPORTS TO CHINA, 2023				SOUTH AFRICA'S IMPORTS FROM CHINA, 2023			
RANK	PRODUCT	VALUE (ZARbn), 2023	AVE GROWTH %, 2019-2023	RANK	PRODUCT	VALUE (ZARbn), 2023	AVE GROWTH %, 2019-2023
4	Manganese ores	29.02	2.06%	4	Diodes& transistors	16.83	75.73%
5	Refined copper	7.64	38.65%	5	Electrical transformers	16.25	53.93%
6	Unrefined copper	6.67	28.81%	6	Original equipment components	7.70	15.19%
7	Niobium and concentrates	5.94	23.64%	7	Motor cars	7.06	59.80%
8	Zinc ores	5.57	126.87%	8	Self-propelled bulldozers	6.64	29.00%
9	Chemical wood pulp	5.53	31.25%	9	Electric generating sets	6.42	176.42%
10	Other nuts	4.66	48.41%	10	Parts and accessories of the motor vehicles	5.71	15.12%
<b>Total exports</b>		<b>225.74</b>	<b>15.29%</b>	<b>Total imports</b>		<b>404.49</b>	<b>12.86%</b>

Source: Quantec (2024)

## 2.2 Western Cape's Trade with China

The Western Cape has been a net importer of goods from China over the last decade, with a negative trade balance ranging from ZAR26.06bn in 2014 to ZAR43.03bn in 2023. In turn, the Western Cape exported goods to the value of ZAR16.10bn to China in 2023, 55.87% y-o-y higher than the ZAR10.33bn exported in 2022. In turn, import costs increased to ZAR59.12bn in 2023, up from a cost of ZAR52.00bn incurred in 2022. These figures are shown in Figure 5.

**Figure 5: Western Cape's trade with China, 2014–2023**



Source: Quantec (2024)

Looking at export markets, the Netherlands was the leading destination market for the Western Cape's exports in 2023, valued at ZAR16.52bn, as shown in Table 3. China, South Africa's largest export market, placed second: the province's exports to this country were valued at ZAR16.10bn in 2023. The United States was in third place, having received goods to the value of ZAR15.79bn from the Western Cape. The fastest-growing markets among the top 10 markets for the province's top 10 export markets over the five years leading up to and including 2023 were Mauritius (with an average growth rate of 55.57%), China (27.46%), and Mozambique (24.31%).

On the import front, mirroring the national economy, China was the leading source market for goods imported by the province, with imports from this country costing ZAR59.12bn in 2023. The United Arab Emirates ranked second with total imports valued at ZAR31.70bn. India was in third place, with imports having reached a total value of ZAR23.00bn in 2023. The fastest-growing markets among the top 10 markets for imports to the Western Cape over the five years leading up to and including 2023 were Bahrain (with a growth rate of 108.02%), Nigeria (88.92%), and United Arab Emirates (56.95%).

**Table 3: Top 10 markets for Western Cape exports and imports, 2023**

TOP 10 COUNTRIES FOR WC EXPORTS, 2023				TOP 10 COUNTRIES FOR WC IMPORTS, 2023			
RANK	COUNTRY	VALUE 2023 (ZARbn)	% GROWTH, 2019-2023	RANK	COUNTRY	VALUE 2023 (ZARbn)	% GROWTH, 2019-2023
1	Netherlands	16.52	15.19%	1	China	59.12	15.32%
2	China	16.10	27.46%	2	United Arab Emirates	31.70	56.95%
3	United States	15.79	13.91%	3	India	23.00	34.64%
4	Botswana	13.31	13.42%	4	Oman	22.51	34.11%
5	United Kingdom	13.26	7.51%	5	Nigeria	18.32	88.92%
6	Namibia	12.73	2.48%	6	Saudi Arabia	15.98	-9.56%
7	United Arab Emirates	6.54	23.51%	7	United States	13.24	19.21%
8	Mozambique	5.98	24.30%	8	Bahrain	11.97	108.02%
9	Mauritius	5.41	55.53%	9	Germany	7.86	3.59%
10	Germany	5.32	1.42%	10	Thailand	7.49	18.48%

TOP 10 COUNTRIES FOR WC EXPORTS, 2023				TOP 10 COUNTRIES FOR WC IMPORTS, 2023			
RANK	COUNTRY	VALUE 2023 (ZARbn)	% GROWTH, 2019-2023	RANK	COUNTRY	VALUE 2023 (ZARbn)	% GROWTH, 2019-2023
<b>Total exports</b>		<b>202.58</b>	<b>9.50%</b>	<b>Total imports</b>		<b>329.20</b>	<b>10.14%</b>

Source: Quantec (2024)

Manganese ores (ZAR4.12bn), niobium and concentrates (ZAR1.95bn), and mineral substances (ZAR1.70bn) were the Western Cape's top three export products to China in 2023, collectively accounting for 48.25% of total exports to China in the said year. Exports of citrus fruits attained the highest 5-year annual average growth rate of 19,971.21%. This was followed by the exports of niobium and concentrates which had a five-year average growth rate of 597.05%. Interestingly the Western Cape's top 10 export basket to China includes agriculture and agri-commodity-related products, in contrast to national exports which are largely skewed towards commodity-related export products.

Electric accumulators were the Western Cape's largest imported product from China in 2023. At a cost of ZAR8.63bn, this import category accounted for 14.60% of the province's total imports from China in 2023. This was followed by the import of other footwear, at a cost of ZAR2.41bn, and non-crude petroleum oils worth ZAR2.38bn. Imports of electric accumulators from China grew at a five-year annual average rate of 201.37%. This was followed by the imports of non-crude petroleum oils, which showed a five-year average growth rate of 61.57%.

**Table 4: Top 10 Western Cape traded products with China, 2023**

WESTERN CAPE EXPORTS TO CHINA, 2023				WESTERN CAPE IMPORTS FROM CHINA, 2023			
RANK	PRODUCT	VALUE (ZARbn), 2023	AVE GROWTH %, 2019-2023	RANK	PRODUCT	VALUE (ZARbn), 2023	AVE GROWTH %, 2019-2023
1	Manganese ores	4.12	72.07%	1	Electric accumulators	8.63	201.37%
2	Niobium and concentrates	1.95	597.05%	2	Other footwear	2.41	20.84%
3	Mineral substances	1.70	33.33%	3	Petroleum oils, other than crude	2.38	61.57%
4	Citrus fruit	1.40	19971.21%	4	Electric instantaneous	1.59	10.65%
5	Chromium ores and concentrates	1.07	152.60%	5	Trunks, suitcases	1.20	14.94%
6	Refined copper and copper alloys	1.06	85.47%	6	Footwear with outer soles of rubber	1.17	18.02%
7	Maize (corn)	0.86	0.00%	7	Electrical transformers	1.17	58.55%
8	Flours, meals, and pellets	0.72	90.19%	8	Fruit juices	1.05	18.84%
9	Apples, pears, and quinces	0.36	86.32%	9	Women's or girls' suits	0.96	16.74%
10	Wine	0.30	-1.91%	10	Refrigerators, freezers	0.96	50.92%
<b>Total exports</b>		<b>16.10</b>	<b>27.46%</b>	<b>Total imports</b>		<b>59.12</b>	<b>15.32%</b>

Source: Quantec (2024)



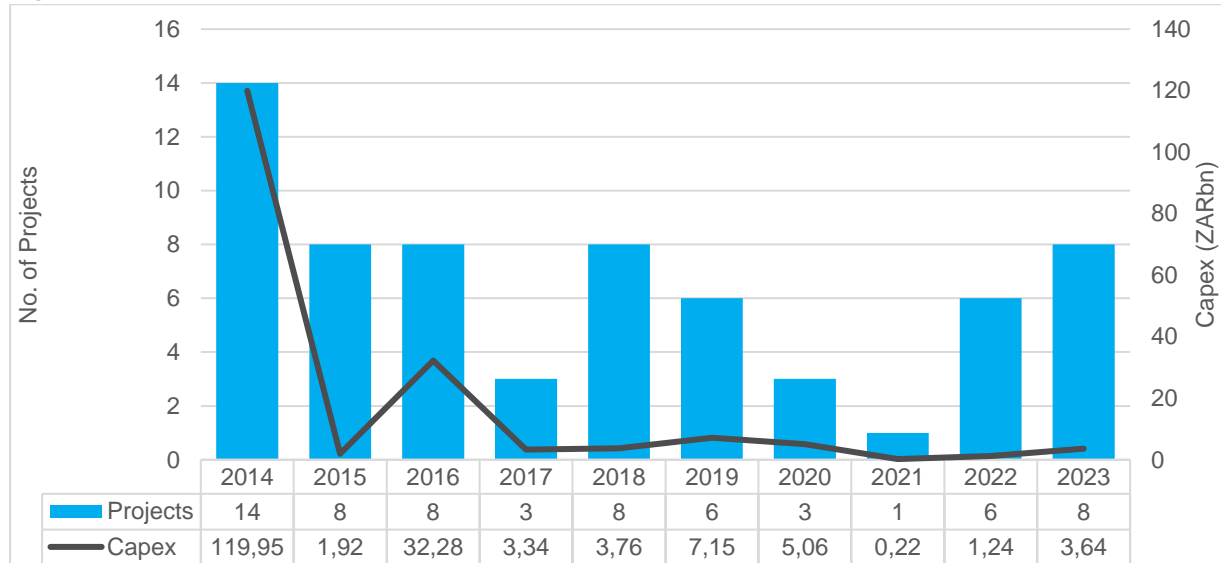
### 3. Foreign Direct Investment

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

#### 3.1 FDI from China in South Africa

Between 2014 and 2023, companies based in China invested in a total of 65 FDI projects in South Africa. These projects generated an estimated capex value of ZAR178.56bn, leading to the creation of approximately 14 249 jobs.

**Figure 6: Inward FDI from China in South Africa, 2014–2023**

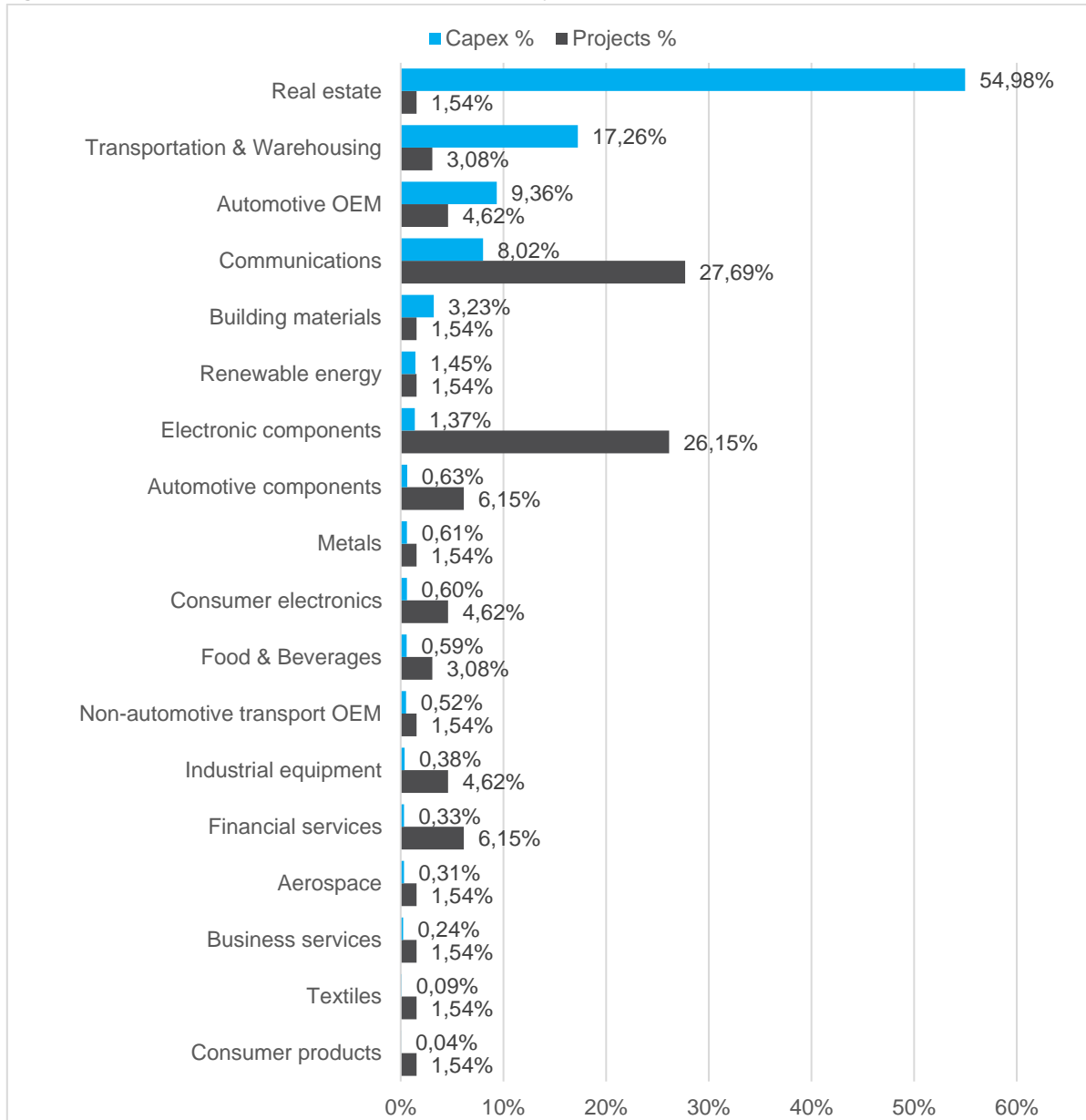


Source: fDi Markets, a service from The Financial Times 2024. All Rights Reserved.

Regarding the sectors in South Africa that benefited from FDI from China, as measured primarily by capex (with the number of projects as the secondary value), these sectors were the key recipients of FDI from China between 2014 and 2023:

- Real estate: ZAR98.18bn in capex was invested in this sector, which accounted for 54.98% of total capex. The relative share of projects stood at 1.54% (or one project).
- Transportation and warehousing: ZAR30.81bn in capex (17.26%) from two projects (3.08%).
- Automotive OEM: ZAR16.72bn in capex (9.36%) from three projects (4.62%).

**Figure 7: FDI from China in South African sectors (by capex), 2014–2023**



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Table 5 shows the top 10 Chinese companies that invested in South Africa between 2014 and 2023 (ranked according to the amount of capex from highest to lowest):

**Table 5: Top 10 companies (by capex), China's FDI in South Africa, 2014–2023**

RANK	COMPANY	SECTORS	PROJECTS	CAPEX (ZARbn)	JOBS
1	Shanghai Zendai Property	Real estate	1	98.18	3 000
2	China Petroleum Pipeline Bureau (CPP)	Transportation & Warehousing	1	30.68	3 000
3	BAIC International	Automotive OEM	1	12.87	120
4	Huawei Technologies	Communications	10	8.46	671
5	Royal Porcelain Roof and Floor Tile Manufacturing	Building materials	1	5.77	900
6	Longyuan SA	Renewable energy	1	2.58	21
7	China Mobile International (CMI)	Communications	2	2.50	108
8	China Telecom	Communications	1	2.43	72
9	BYD	Automotive OEM	1	1.92	630
10	China FAW Group (First Automotive Works)	Automotive OEM	1	1.92	630
<b>Total</b>			<b>65</b>	<b>178.56</b>	<b>14 249</b>

Source: fDi Markets, a service from The Financial Times 2024. All Rights Reserved.

### 3.2 FDI from South Africa in China

Investments made by South African companies in China between 2014 and 2023 are shown in Table 6 below. A total of eight FDI projects, with a total capital investment of ZAR5.50bn were made from South Africa in China. During the period, a total of 817 jobs were created.

**Table 6: South African companies with investments in China, 2014 - 2023**

DATE	COMPANY	DESTINATION CITY	INDUSTRY SECTOR	BUSINESS ACTIVITY	CAPEX (ZARm)	JOBS
Nov-21	Onafriq (MFS Africa)	Not Specified	Software & IT services	Sales, Marketing & Support	52.16	28
May-20	Multotec Screening Systems (Tianjin)	Tianjin	Industrial equipment	Manufacturing	391.17	186
Oct-19	ABSA	Beijing	Financial services	Business Services	153.40	8
Aug-19	BioRugged	Shenzhen	Business machines & equipment	Sales, Marketing & Support	53.69	10
Apr-19	Imperial Logistics International	Shanghai	Transportation & Warehousing	Sales, Marketing & Support	49.09	7
Jun-17	SASOL	Nanjing	Chemicals	Manufacturing	1 820.86	101
Mar-17	Imperial Logistics International	Shanghai	Transportation & Warehousing	Logistics, Distribution & Transportation	2 324.01	127
Jul-16	Aspen Pharmacare Holdings	Not Specified	Pharmaceuticals	Sales, Marketing & Support	656.55	350
<b>Total</b>					<b>5 500.92</b>	<b>817</b>

Source: fDi Markets, a service from The Financial Times 2024. All Rights Reserved.

### 3.3 FDI from China in the Western Cape

Investments made by Chinese companies in the Western Cape during the period January 2003 to September 2024 are listed in Table 7. The companies invested in a total of 10 FDI projects, with a total capital investment of ZAR4.55bn during this period, resulting in the creation of 1 091 jobs.

**Table 7: Companies from China investing in the Western Cape, 2014–2024**

DATE	INVESTING COMPANY	DESTINATION CITY	INDUSTRY SECTOR	BUSINESS ACTIVITY	CAPEX (ZARm)	JOBS
Apr-22	Vivo Electronics	Cape Town	Communications	Retail	96.64	32
Sep-20	Hisense	Cape Town	Consumer electronics	Manufacturing	197.89	200
Feb-19	Huawei Technologies	Cape Town	Communications	ICT & Internet Infrastructure	2 431.39	72
Nov-17	Hisense	Cape Town	Consumer electronics	Manufacturing	659.62	526
Sep-15	China Construction Bank	Cape Town	Financial services	Business Services	145.73	27
Sep-15	China Classification Society (CCS)	Cape Town	Business services	Business Services	426.45	13
Jun-15	Hisense	Cape Town	Consumer electronics	Headquarters	222.43	81
Mar-15	Suntech Power Holdings	Cape Town	Electronic components	Logistics, Distribution & Transportation	222.43	39
Aug-14	Jinko Solar	Cape Town	Electronic components	Manufacturing	115.40	89
Jan-14	ReneSola	Cape Town	Electronic components	Sales, Marketing & Support	27.61	12
<b>Total</b>					<b>4 545.59</b>	<b>1 091</b>

Source: fDi Markets, a service from The Financial Times 2024. All Rights Reserved.

### 3.4 FDI from Western Cape to China

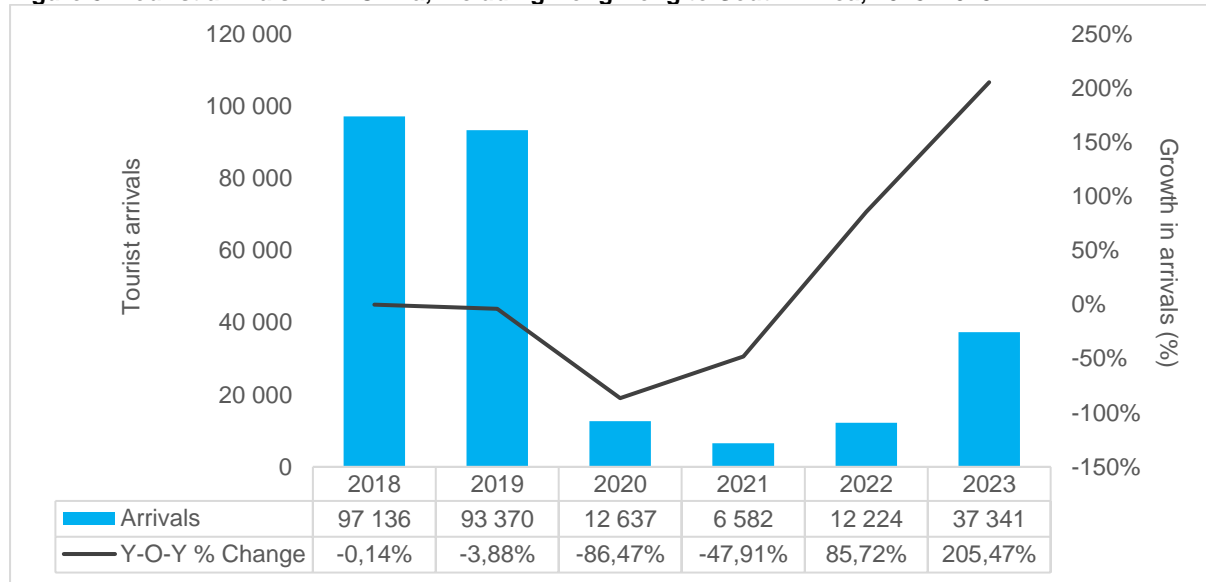
According to The Financial Times's FDI Markets, there was no recorded greenfield investment from the Western Cape to China between 2014 and 2023.

## 4. Tourism

### 4.1 Tourist Arrivals from China Including Hong Kong to South Africa

In 2023, the number of tourists from China including Hong Kong visiting South Africa totalled 37 341, a 205.47% increase from the previous year. This reflects a recovery rate of 39.99% compared to 2019 arrival numbers.

**Figure 8: Tourist arrivals from China, including Hong Kong to South Africa, 2018–2023**



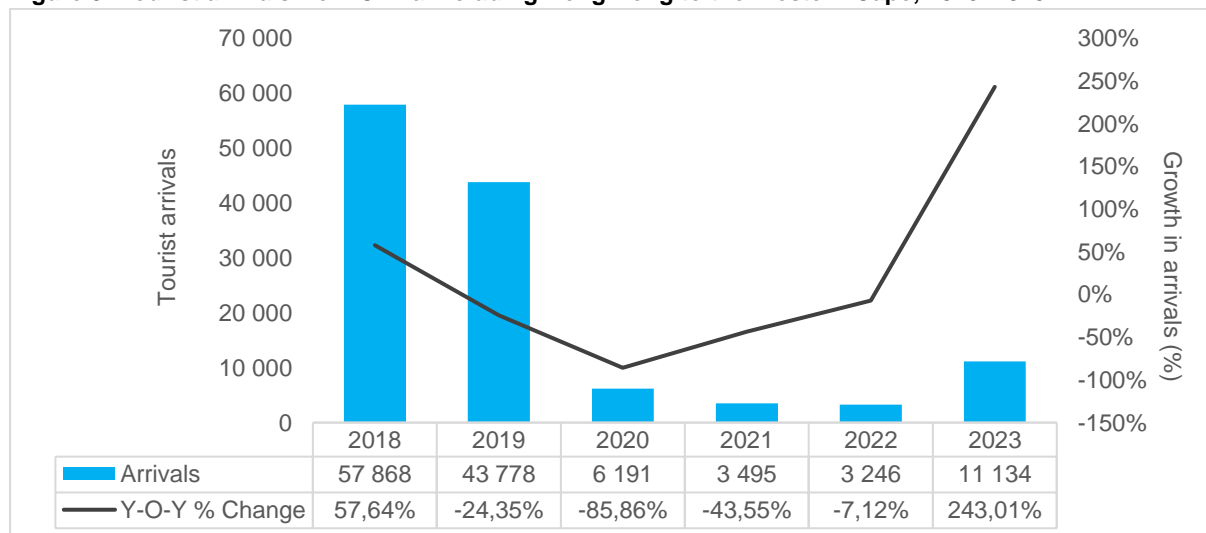
Source: South African Tourism (2024)

Note: The data available from South African Tourism (SAT) represents China including Hong Kong.

### 4.2 Tourist Arrivals from China Including Hong Kong to the Western Cape Province

In 2023, the Western Cape saw an increase in tourists from China including Hong Kong, with 11 134 tourists visiting the province. This marked a recovery of 25.43% compared to the same period in 2019, and a year-on-year (y-o-y) growth of 243.01% compared to 2022.

**Figure 9: Tourist arrivals from China including Hong Kong to the Western Cape, 2018–2023**



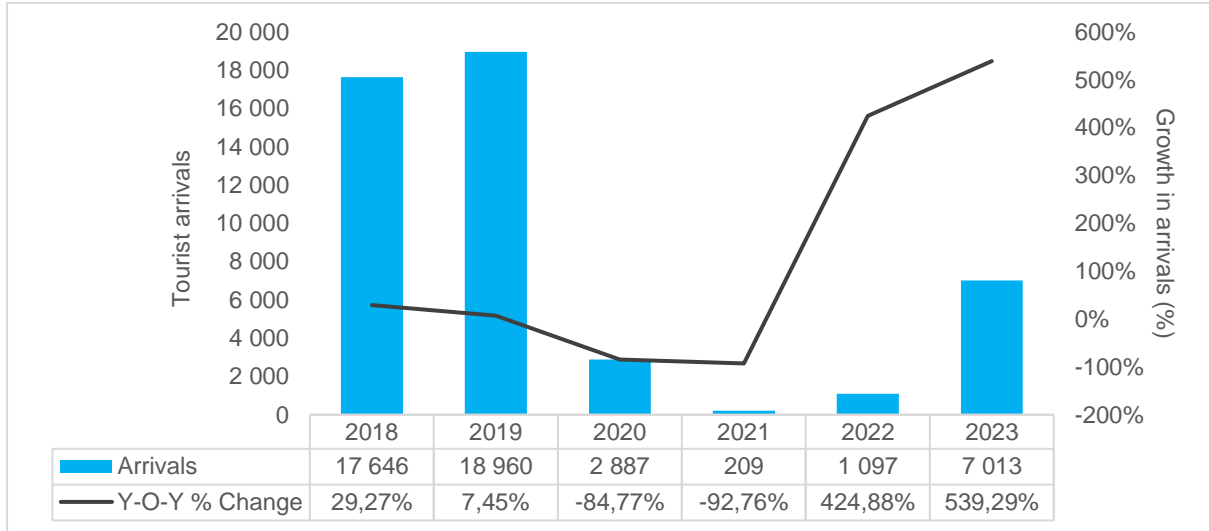
Source: South African Tourism (2024)

Note: The data available from South African Tourism (SAT) represents China including Hong Kong.

### 4.3 Chinese tourist arrivals into Cape Town (via air)

In 2023, the number of Chinese tourists arriving in Cape Town via air reached 7,013. This represents a year-on-year (y-o-y) growth of 539.29% compared to 2022 and a recovery of 36.99% compared to 2019.

**Figure 10: China tourist arrivals into Cape Town (via air), 2018–2023**



Source: Stats SA (2024)

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