



TRADE & INDUSTRIAL POLICY STRATEGIES

Trade & Industrial Policy Strategies (TIPS) is a research organisation that facilitates policy development and dialogue across three focus areas: trade and industrial policy, inequality and economic inclusion, and sustainable growth

PROJECT LEAD

Nokwanda Maseko

CONTRIBUTORS

Kelello Mashiane

Kudzai Mataba

Rhulani Hobyani

Musa Mkhabela

Tshepo Semanya

EDITORIAL INPUTS

Saul Levin

info@tips.org.za

+27 12 433 9340

www.tips.org.za

**Import Tracker
Quarter 4 2019**

**Report prepared for
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Introduction

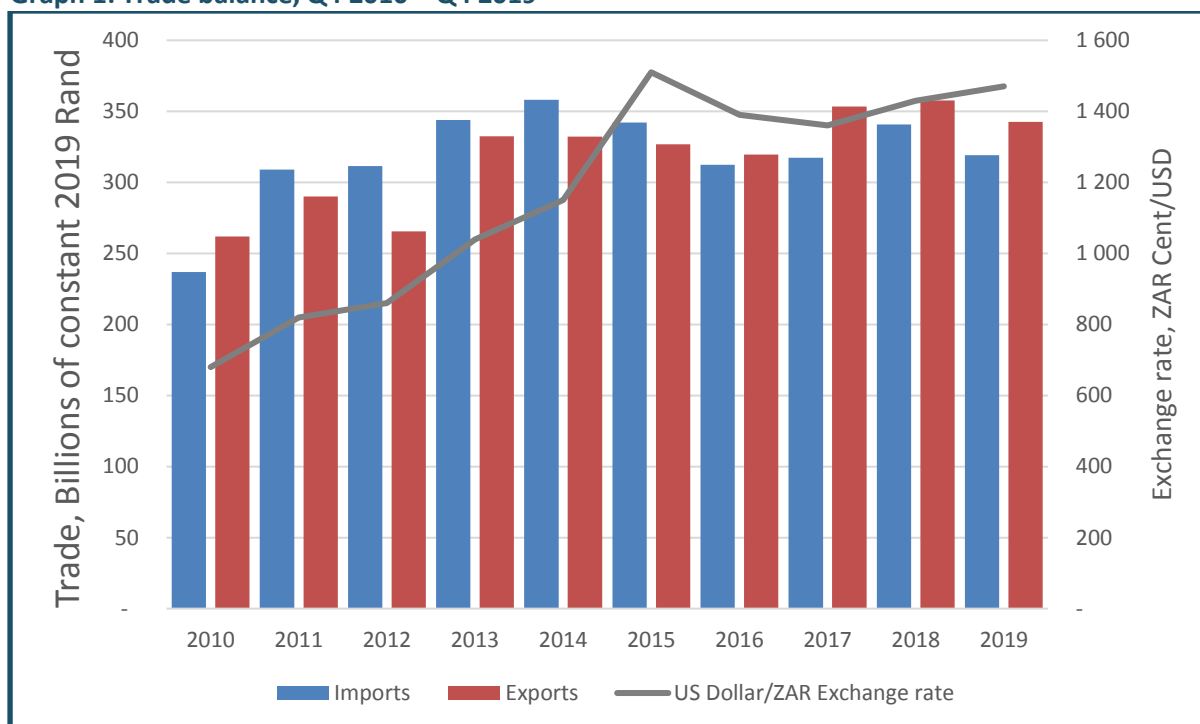
This fourth quarter report of the Import Tracker is in two sections. The first section focuses on import trends for the fourth quarter of 2019, similar to previous reports. The second section of the report provides a brief review of some of the major trends for 2019. The review focuses on the major imports in both Rand and quantity terms.

Section 1: Fourth quarter trade trends

Trade context

The trade balance grew for the third consecutive quarter, from R3 billion in the second quarter of 2019 to R23.2 billion in the third quarter of 2019, mainly the result of a significant decline in imports (see Graph 1). Both imports and exports show quarter-on-quarter and year-on-year declines. Year-on-year, imports declined by 6% (from R341 billion in the fourth quarter of 2018 to R319 billion in the fourth quarter of 2019), while exports declined by 4% (from R358 billion to R342 billion over the same period). Imports for the quarter are driven by crude oil (R40.3 billion), automotive components (R10.1 billion), and diesel (R9.3 billion). Exports, which amounted to R342 billion in the fourth quarter of 2019, were driven by exports of gold (R22.6 billion), bituminous coal (R17.9 billion), as well as agglomerated iron ores and concentrates (R13.8 billion).

Graph 1: Trade balance, Q4 2010 – Q4 2019



Source: Calculated from South African Reserve Bank (SARS) Trade Statistics and South African Reserve Bank (SARB).

Major imports

The top 100 imports by Rand value, which amount to R160.5 billion, are listed in Annexure 1. The list is dominated by commodities such as production metals, petroleum and other liquid fuels, aircraft and aircraft components, information and communications technology (ICT) equipment, automotive (including automotive components), food and beverage products, and medical equipment.

In addition, some items that were flagged in previous quarters continue to see high imports in Rand terms. These include wind-powered generating sets, which amounted to R1.1 billion; maize (excluding seed for sowing) which amounted to R0.44 billion; as well as machinery for making pulp of fibrous cellulosic material, which amounted to R0.37 billion. Other new items that have surged in Rand value include apple juice, which surged to R350.9 million from R235.5 million in the fourth quarter of 2018. The imports are driven by an increase in imports from China. This appears to be linked to lower apple production in South Africa since the drought (based on 2018 apple production data from the Abstract of Agricultural Statistics; 2019 data is not available yet). Imports of self-propelled front-end shovel loaders also surged, amounting to R402.5 million from R163.1 million in the fourth quarter of 2018. More than 80 000 units were imported, from 549 in the fourth quarter of 2018. The reason for the surge is unclear, but this might be a data error in reporting quantities from Finland, which are the cause of the surge. Based on the data, the unit price of each item declined from R297 009 to R5 007 between the fourth quarters of 2018 and 2019.

Import surges

Annexure 1 provides a list of the top 50 imports by quantity for the fourth quarter of 2019. This also shows which import trend is normal, which is a possible data error, and which needs further analysis.

Surprisingly, with the notable decline in total imports for the fourth quarter of 2019, 14 of the top 50 imports by quantity show a year-on-year decline in imports. These products cover various categories, including coal, automotive and components, food, medical equipment and ores (see Table 1).

Table 1: Decline in imports, Q4 2019

HS Code	Product Description	Real decline, Quantity	Unit	Percentage Decline
28182000	Aluminium oxide (excluding artificial corundum)	- 22 813 330	Kilograms	-6%
27011200	Bituminous coal	- 1 359 108	Kilograms	-0.4%
10063000	Semi-milled or wholly milled rice,	- 66 265 271	Kilograms	-18%
25030000	Sulphur of all kinds	- 120 785 486	Kilograms	-56.1%
28362000	Disodium carbonate	- 6 793 306	Kilograms	-7%
85235210	Cards incorporating one or more electronic integrated circuits "smart cards": Digital	- 1 227 034	Units	-1.8%
44079100	Oak sawn or chipped lengthwise	- 35 004 371	Cubic metres	-35%
98010030	Automotive components: For motor cars	-13 063 133	Kilograms	-20.0%
26011200	Agglomerated iron ores and concentrates (excluding roasted iron pyrites)	- 76 973 831	Kilograms	-60%
02071210	Frozen fowls: Mechanically deboned meat	- 315 313	Kilograms	-0.7%
98010040	Original equipment components: For goods vehicles	- 10 603 977	Kilograms	-21%
90183140	Syringes, with or without needles	- 6 958 063	Units	-14.8%
29173600	Terephthalic acid and its salts	- 18 594 658	Kilograms	-32%
27040000	Coke and semi-coke of coal	- 196 203 159	Kilograms	-84.9%

The next section provides explanations for the surges listed in Annexure 2.

Explanation of import surges

Finding 1: Ongoing monitoring of previously identified surges

Table 2 Table 2 shows one item that remains on the list of monitored items. Imports of this product have been high for a number of quarters. Monitoring of this product will continue. None of the other products on the list in the third quarter showed any considerable increases during the fourth quarter, hence only one item remains on the list.

Table 2: Ongoing monitoring of import surges from Q1 2018 – Q3 2019

HS Code	Product description	Status of surge	Explanations
10059090	Maize (excluding seed for sowing): Other	Ongoing	The growth is driven by imports from Argentina. This appears to be driven by decreased production of maize in South Africa in 2018.

Finding 2: Plywood consisting solely of sheets of wood <= 6 mm thick

Plywood consisting solely of sheets of wood <= 6 mm thick, with both outer plies of coniferous wood (excluding of bamboo, sheets of compressed wood, cellular wood panels, inlaid wood and sheets identifiable as furniture components) (HS 44123900) is one of the oldest forms of engineered wood products. It is used in roof sheathing, wall siding, floor underlayment and structural diaphragms. It is also used in the manufacture of packaging materials, decorative panels and doors. Plywood is graded based the appearance and finish of its exposed face and back faces, with grading levels varying across countries.

The latest surge began in the third quarter of 2019, and was initially reported as a data error (see Import Tracker Q3 report for explanation). However, its recurrence suggests that it is not a data error. Plywood imports surged to more than 131 million cubic metres in the fourth quarter of 2019 (see Graph 2).

The surge appears to be the result of the ongoing legal dispute between the United States of America (US) and Brazil.¹ The US is traditionally the largest importer of Brazilian plywood. However, in September a group of US plywood manufacturers instituted legal proceedings against several US certification agencies for fraudulently and negligently certifying Brazilian plywood.² It is alleged that Brazilian manufactured plywood has been found to be defective due to widespread failure in quality control during testing and use. The lawsuit also alleges that Brazil has an unfair pricing advantage, which has caused many US producers to operate at a loss since September 2017. With Brazil losing market share in the US, it is likely they are exporting to South Africa to make up for the losses.

¹ US Plywood Producers Sue Claiming Brazil's Exports Flunk Industry Strength Standards. 6 September 2019. <https://www.law.com/dailybusinessreview/2019/09/06/us-plywood-producers-sue-claiming-brazils-exports-flunk-industry-strength-standards/>

² Trade Map. Brazil Tariff line 44123900 exports.

https://www.trademap.org/Country_SelCountry_MQ_TS.aspx?nvpm=1%7c076%7c%7c%7c441239%7c%7c%7c6%7c1%7c1%7c2%7c2%7c2%7c2%7c1 (accessed 26 February 2020)

Graph 2: Imports of plywood, Q4 2010 – Q4 2019



Source: Authors. Calculated from ITC Trade Map. Downloaded from <https://www.trademap.org> in February 2020. Note: Data for 2010, 2011, 2014, 2015, 2016 and 2018 is too low, hence it is not visible on the graph.

In addition, from the second quarter of 2018, Brazilian plywood manufacturers have also been under increasing pressure within the European market, which is traditionally another significant importer of this product. Russia, China, Belarus and Ukraine have jointly increased their market share in Europe, which has resulted in the decreasing of Brazilian imports.³ It is plausible that the weakening of the position of Brazilian plywood in Europe has also led to a trade diversion to the South African market.

Last, as part of the merger and restructuring of Mondi Plc and Mondi Ltd, one of the big importers of this product, the Competition Tribunal mandated in 2019 that the company invest R8 billion into its South African enterprise within the next five years.⁴ It is thus plausible that Mondi is absorbing a significant portion of the imports for its operations.

Finding 3: Disodium sulphate

According to the United States Geological Survey (USGS)⁵ disodium sulphate is a synonym for sodium sulfate. It is described as an inorganic chemical with several industrial uses including in soaps and detergents, pulp and paper, and textiles. The chemical is produced from naturally occurring sodium-sulfate-bearing salt water or crystalline evaporite (*individual minerals found in deposits of soluble salts that come from the evaporation of water deposits*).⁶ It can also be produced as a by-product from different chemical processes, such as ascorbic acid, battery acid recycling, among others.

Data on local production is not readily available, however, there are exports from South Africa. In the fourth quarter 2019 South Africa exported 66 548 kg valued at approximately R1.3 million compared

³ European Plywood Markets Facing Multiple Pressures. 2 September 2019.

https://www.fordaq.com/news/plywood_market_European_64669.html

⁴ Mondi Must Invest R8 billion in next 5 years. 15 July 2019. <https://www.iol.co.za/business-report/companies/mondi-must-invest-r8bn-in-next-5-years-29226736>

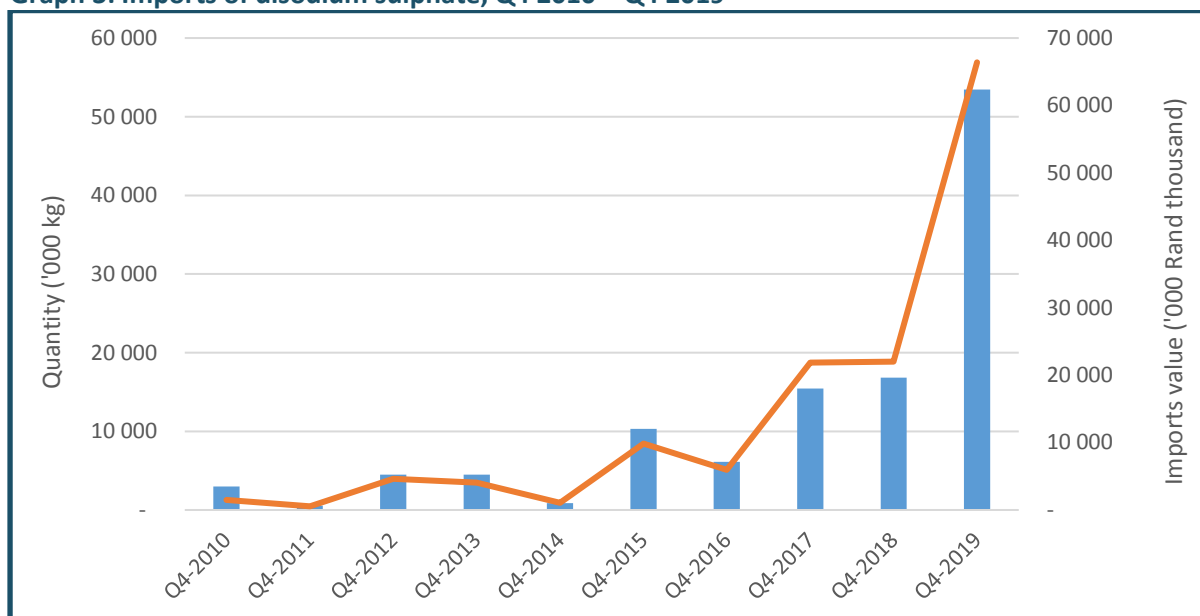
⁵ United States Geological Survey (USGS). = https://www.usgs.gov/centers/nmic/sodium-sulfate-statistics-and-information?qt-science_support_page_related_con=0#qt-science_support_page_related_con

⁶ Britannica <https://www.britannica.com/science/evaporite>

to R1.7 million for 359 403 kg in quarter four 2018. By country, exports mainly went to Zambia, Zimbabwe, the Democratic Republic of Congo and Botswana.

Imports of disodium sulphate rose to 53.5 million kg in the fourth quarter of 2019, from 16.8 million kg in the fourth quarter of 2018 (see Graph 3), driven by a surge from China and Spain. In the year to the fourth quarter of 2019 imports from China surged more than tenfold to 35.6 million kg, compared to imports from Spain, which grew by 50% to 17.2 million kg. The reason for the surge is unclear. The trend will be monitored in coming quarters.

Graph 3: Imports of disodium sulphate, Q4 2010 – Q4 2019



Source: Authors. Calculated from ITC Trade Map. Downloaded from <https://www.trademap.org> in February 2020.

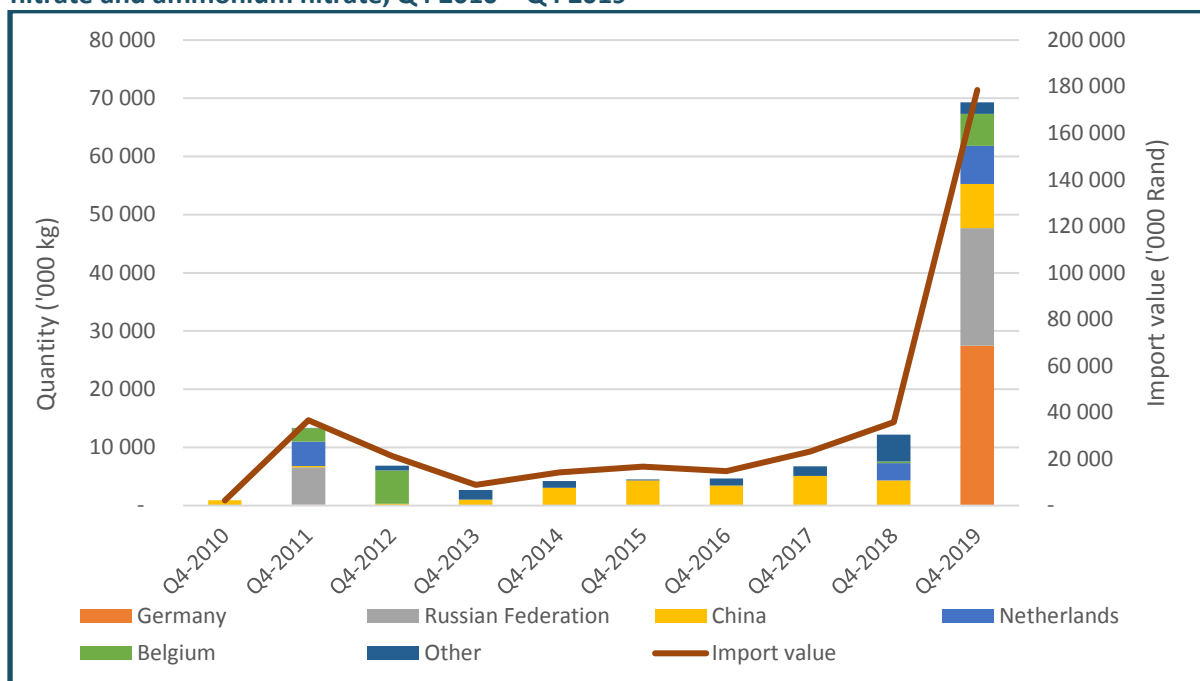
Finding 4: Double salts and mixtures of calcium nitrate and ammonium nitrate

Double salts and mixtures of calcium nitrate and ammonium nitrate (excluding those in pellet or similar forms, or in packages with a gross weight of ≤ 10 kg) (HS 31026000) are used as fertiliser (particularly ammonium nitrate) or as chemical inputs in the production of nitrogen fertiliser. Given its importance in plant growth, nitrogen fertiliser is viewed as *“especially appropriate for young plants”*.⁷ Although South Africa, through various companies, does produce fertiliser, the country is a net importer of fertiliser, with R2.9 billion worth of fertiliser imported in the fourth quarter of 2019, compared to R1.2 billion in exports. During the fourth quarter of 2019, 69.3 million kg of double salts and mixtures of calcium nitrate and ammonium nitrate were imported, compared to 22.5 million kg in exports.

The surge in imports during the fourth quarter of 2019 was driven by the re-entry of Germany into the local double salts and mixtures of calcium nitrate and ammonium nitrate market for the first time since the second quarter of 2017, along with a more than 84-fold increase in imports from Russia (see Graph 4). The unit prices for imports from both Germany and Russia are more or less in line with the unit prices from South Africa’s other major sources such as China and the Netherlands, suggesting that these are legitimate imports, and not market-seeking based on low prices.

⁷ <https://homeguides.sfgate.com/effects-nitrogen-fertilizer-45896.html>

Graph 4: Top five countries from which South Africa imported double salts and mixtures of calcium nitrate and ammonium nitrate, Q4 2010 – Q4 2019



Source: Authors. Calculated from ITC Trade Map. Downloaded from <https://www.trademap.org> in February 2020.

The reason for the surge is unclear. However, imports of double salts and mixtures of calcium nitrate and ammonium nitrate, which began to increase in the third quarter of 2019, coincided with the beginning of South Africa’s planting season for grains such as maize. Maize and sugarcane are the major consumers of fertilisers in South Africa. Nonetheless, the local fertiliser market is considered highly competitive and characterised by high farm debt burden, obsolete infrastructure and technology, and a highly concentrated fertiliser supply chain, leaving the local industry susceptible to high imports.⁸

Finding 5: Raw cane sugar, in solid form, not containing added flavouring or colouring matter

Raw cane sugar, in solid form, not containing added flavouring or colouring matter (HS 17011300) refers to sugar extracted from the sugarcane plant. During the fourth quarter of 2019 imports of raw cane sugar grew by 54%, from 51.8 million kg in the fourth quarter of 2018 to 79.7 million kg in the fourth quarter of 2019. Although this is not as high as the other reported products, the South African sugar industry has in the past few years expressed concern about the amount of imported sugar getting into the country. This upward trend is therefore worth analysis.

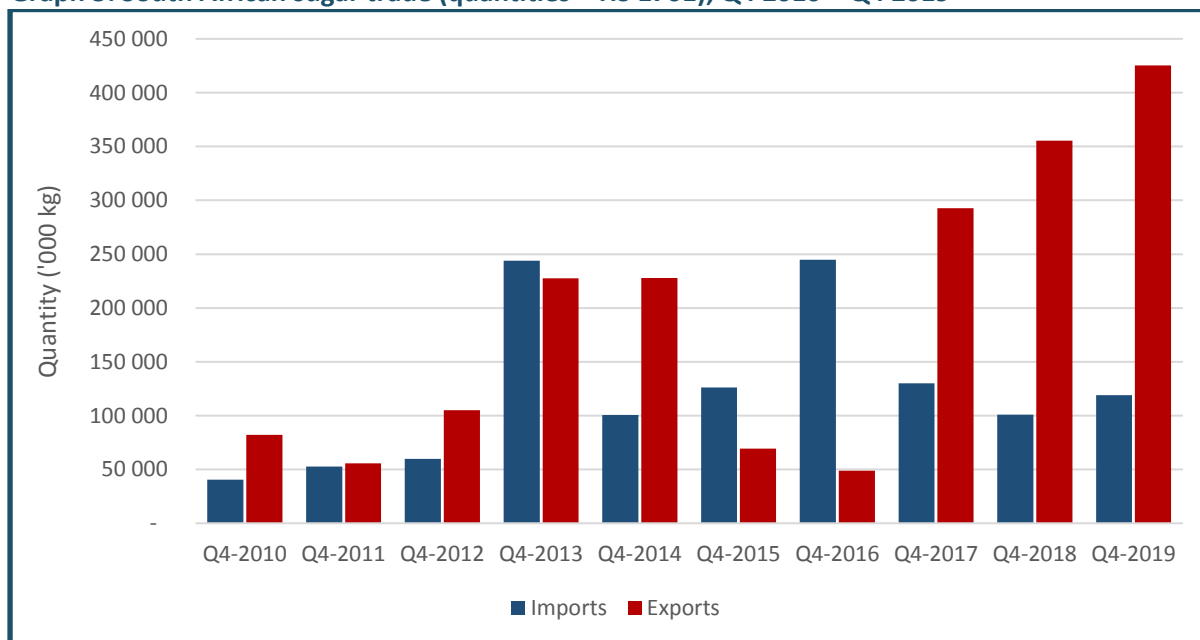
There are more than 20 000 registered sugar cane growers in South Africa producing, on average, about 19.9 million tonnes of cane per annum, in an area covering more than 370 000 hectares.⁹ The industry was not spared by the drought, which led to losses estimated at R1.7 billion in revenue for the 2015/16 season. In some areas, production was reported to have declined by as much as 53% due to the drought. Nevertheless, with the exception of the fourth quarter of 2013 (see Graph 5), since 2010 South Africa has been a net exporter of all sugar, whether beet or cane based. South Africa began

⁸ South African Fertilisers Market Analysis Report 2018, www.daff.gov.za.

⁹ Who Owns Whom, 2018. Manufacture of Sugar.

exporting sugar to Malaysia in the second quarter of 2018, with 44 million kg exported to that country during the quarter. By the fourth quarter of 2019, exports to Malaysia had grown to 297.1 million kg, which has driven the upward trend in sugar exports. Imports in 2013 were slightly higher than exports, with the same trend in 2015 and 2016, showing the impact of the drought. Since then exports of South African sugar have grown significantly faster than the imports.

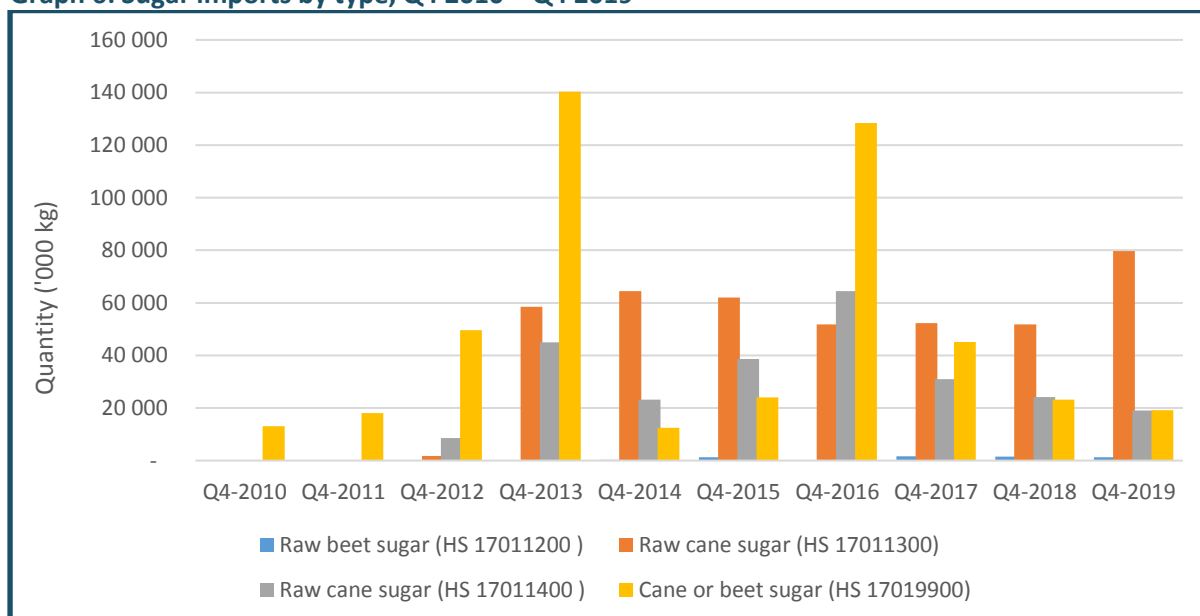
Graph 5: South African sugar trade (quantities – HS 1701), Q4 2010 – Q4 2019



Source: Authors. Calculated from ITC Trade Map. Downloaded from <https://www.trademap.org> in March 2020.

Generally, sugar imports are dominated by imports of raw cane sugar, which can be in excess of 100 million kg (HS 171011300 and HS 171011400), but can exceed 150 million kg every other quarter; compared to beet sugar imports (HS 171011200), which often amount to no more than two million kg, but can go up to almost six million kg once every few quarters.

Graph 6: Sugar imports by type, Q4 2010 – Q4 2019



Source: Authors. Calculated from ITC Trade Map. Downloaded from <https://www.trademap.org> in March 2020.

Eswatini dominates all sugar imports into South Africa, in some cases accounting for 99% of sugar imports. As a member of the Southern African Customs Union (SACU), Eswatini enjoys duty free entry into South Africa.¹⁰ Generally, imports from Eswatini tend to fluctuate. The surge occurred in November, when monthly imports rose from 26.4 million kg in the previous month to 32.4 million kg. In December imports declined to 20.5 million, a level not seen since October 2018 when 19 million kg was imported.

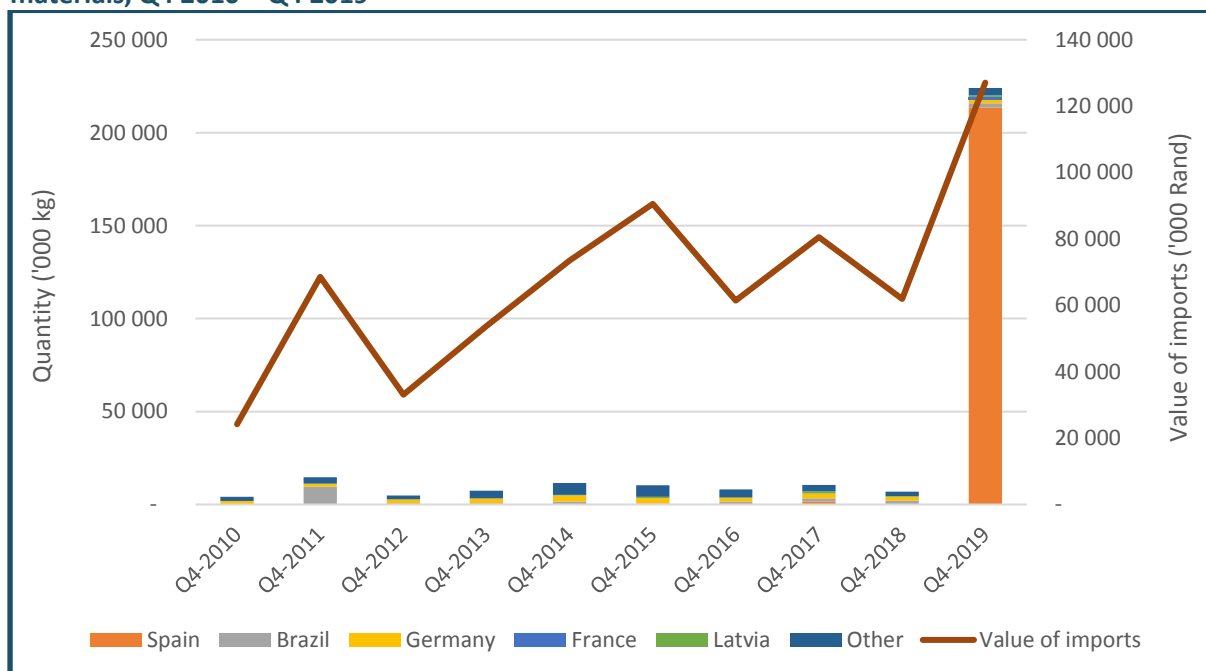
Finding 6: Fibreboard of wood or other ligneous materials

Fibreboard (HS 44119200) is a type of engineered wood product made out of wood fibres. It is an intermediate product, an output of a pulp mill used as input for a paper mill. Fibreboard, is commonly used in the construction, packaging and automotive industries. In the automotive industry it is used to create free-form shapes such as dashboards, rear parcel shelves, and inner door shells.

South Africa reportedly imported 224 million kg of fibreboard in the fourth quarter of 2019, with 213.5 million kg coming from Spain. South Africa is traditionally the top export destination for Spanish fibreboard¹¹ (see

Graph 7). However, a year-on-year growth of 213 million kg is unprecedented. South African data obtained from the South African Revenue Service (SARS) reflects imports amounting to 213 million kg from Spain, while Spanish data provided by Trade Map reports exports amounting to 6.1 million kg to South Africa. In addition, total Spanish exports to the world amounted to 16.6 million kg, significantly lower than the 213 million kg reported by SARS. Both year-on-year and quarter-on-quarter, the figures reported by Spain and South Africa show an increase in South African imports, but not to the magnitude reflected in South African data. There is thus an error in the data, likely on the South African side.

Graph 7: Top five countries from which South Africa imported fibreboard of wood or other ligneous materials, Q4 2010 – Q4 2019



¹⁰ United States Department of Agriculture foreign agricultural service, 2019. Sugar annual report.

¹¹ Trade Map Spanish exports of tariff line 44119200.

https://www.trademap.org/Country_SelCountry_MQ_TS.aspx?nvpm=1%7c724%7c%7c%7c441192%7c%7c%7c6%7c1%7c1%7c2%7c2%7c2%7c2%7c1

Source: Authors. Calculated from ITC Trade Map. Downloaded from <https://www.trademap.org> in March 2020.

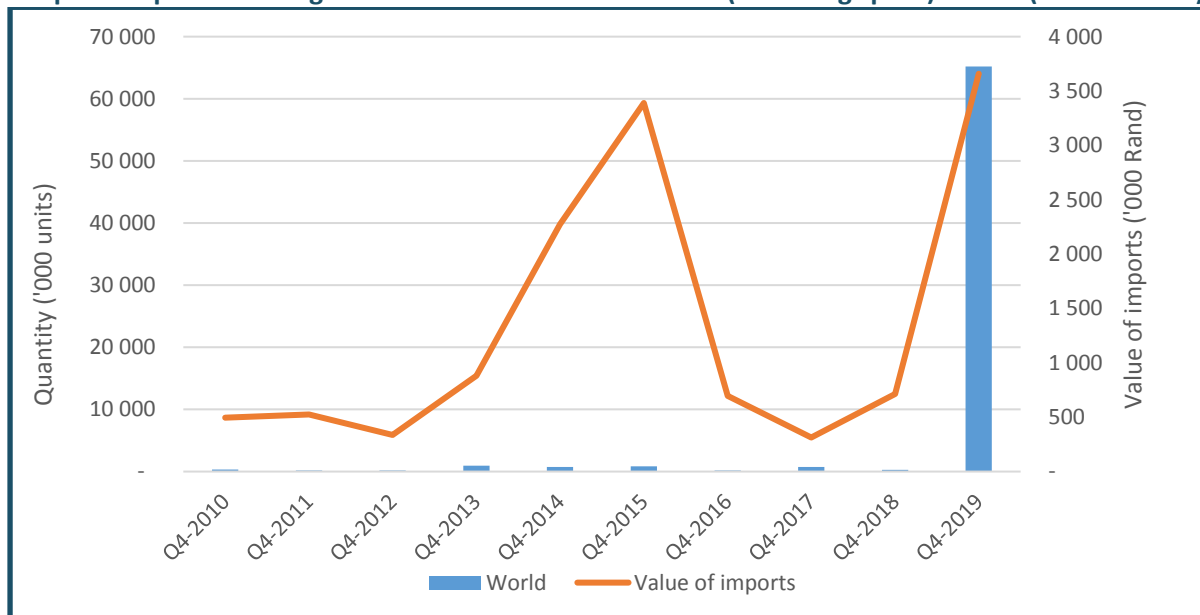
Nevertheless, the increase in South African imports of fibreboard coincided with the restructuring of the Mondi Group, which is a significant importer of the product, and the Competition Tribunal mandate that the company to invest R8 billion into its South African enterprise over the next five years. The increase in fibreboard, like the increase in plywood imports, could therefore likely be because of the company’s expansion in production capacity.

Last, as Graph 7 shows, the growth in import quantities was accompanied by growth in the value of imports, with the value of imports from Spain growing by more than 8 000%. The reason for the discrepancy in the import quantities reported by SARS and Spain cannot, however, be explained at present, and therefore this item will be monitored in the coming quarters.

Finding 7: Manganese dioxide cells and batteries (HS 85061090 and HS 85061010)

Manganese dioxide cells and batteries (HS 85061010) are single-use non-rechargeable batteries. From the literature, these are actually lithium ion manganese oxide batteries and cells that use manganese dioxide as the cathode material. Given the stated height of 7mm or less, this is most likely the kind of cells and batteries used in household and personal devices such as digital cameras, torchlights and toys. Imports of this item surged to 65.21 million units in the fourth quarter of 2019 (see Graph 8), driven by a surge from China in December 2019, which exported 64.8 million units during that month. Total quarterly imports of the product have never reached two million units, suggesting a possible data error. While there is an increase in the value of all manganese dioxide cells and batteries imports for the fourth quarter, the unit price for the December imports amounts to R0.02, significantly lower than the R13.91 average unit price of the balance of imports from China.

Graph 8: Imports of manganese dioxide cells and batteries (excluding spent): Other (HS 85061010)

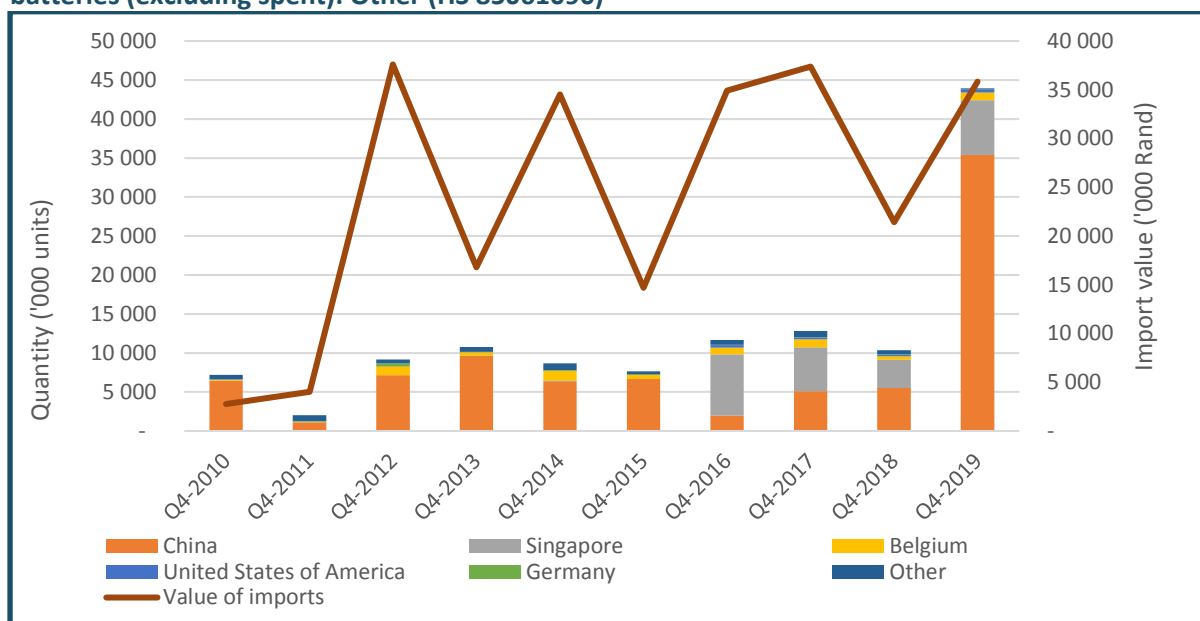


Source: Authors. Calculated from ITC Trade Map. Downloaded from <https://www.trademap.org> in March 2020.
 Note: data for 2011, 2010 and 2016 is too low, hence it is not visible on the graph.

The view that this might be a data error is enforced by other factors. First, the one listed importer of this product reported that it had not significantly increased imports during the first quarter. Second, imports of manganese dioxide cells and batteries (HS 85061090) also surged during the fourth quarter of 2019 (see Graph 9). The surge was driven by an exponential growth in imports from China, which

amounted to 35.4 million units, from 5.5 million units in the fourth quarter of 2018. Unlike with HS 85061010, the growth in imports of HS 85061090 was not accompanied by a corresponding increase in the value of the Chinese imports, but rather shows a decline. The trend for both items will be monitored to ascertain if these are data errors or legitimate imports.

Graph 9: Top five countries from which South Africa imported manganese dioxide cells and batteries (excluding spent): Other (HS 85061090)



Source: Authors. Calculated from ITC Trade Map. Downloaded from <https://www.trademap.org> in March 2020.

Finding 8: Refractory bricks block tiles and similar refractory ceramic constructional goods

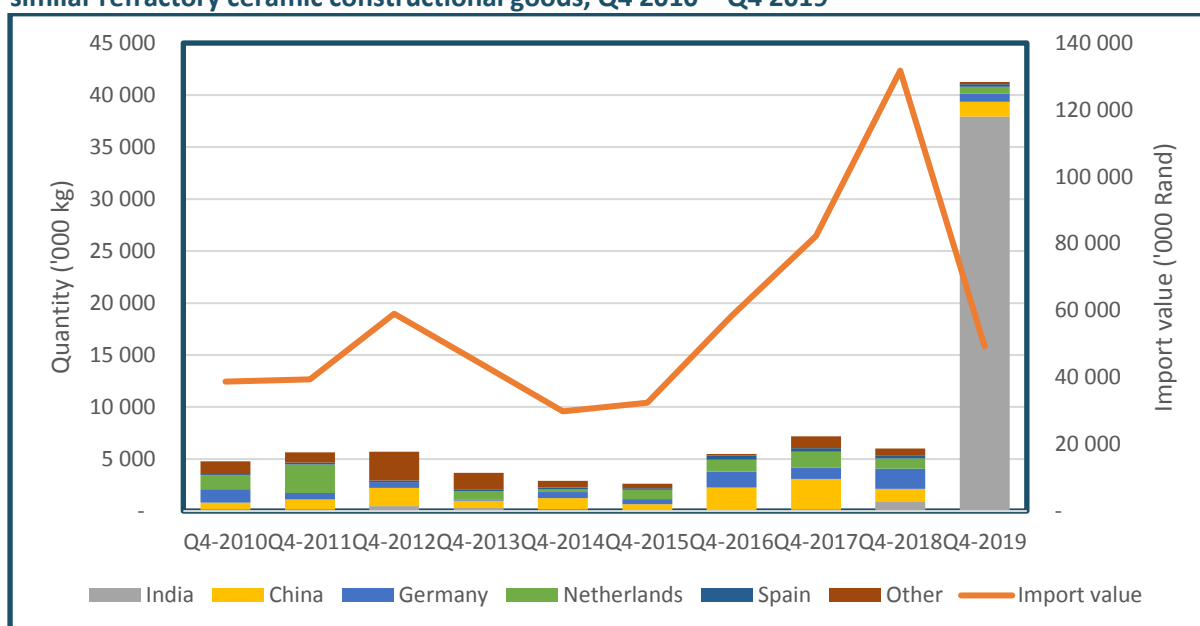
Refractory bricks, blocks, tiles and similar refractory ceramic constructional goods (HS 69022000) are made to withstand high temperatures as they are used as lining for furnaces, fireboxes and fireplaces.¹² This group of products is the 1 613th most traded product, with the top exporters being China, Germany, India and Italy.¹³ The extent of local production is not clear, but exports amounted to 57 528 kg in the fourth quarter of 2019, or R1.5 million.

Imports for the fourth quarter of 2019 surged to 41.2 million kg, driven by a surge in imports from India amounting to 37.9 million kg (see Graph 10). The reason for the surge is unclear. Based on further analysis, this does not appear to be a reclassification or misclassification of the data from different HS codes. Data for India for the fourth quarter of 2019 is not available for comparison. However, one notable change is that in the second quarter of 2019, the last quarter for which there is available data for India, a change in the unit of measurement was used for this product, from tons to kilograms (albeit only on Trade Map). The result is that, for the second quarter of 2019, there is a discrepancy in the quantities reported by SARS, compared to quantities reported for India by Trade Map. Additional comparisons cannot be made as data for India does not go beyond the second quarter of 2019. The trend will be monitored in the coming quarters.

¹² <https://mmpgroup.co.in/refractory-bricks-tiles-blocks/>

¹³ <https://oec.world/en/profile/hs07/690220/>

Graph 10: Top five countries from which South Africa imported refractory bricks block tiles and similar refractory ceramic constructional goods, Q4 2010 – Q4 2019



Source: Authors. Calculated from ITC Trade Map. Downloaded from <https://www.trademap.org> in February 2020.

Finding 9: Data errors and other issues

Table 3 provides a list of possible data errors for the fourth quarter of 2019.

Table 3: Data errors and other issues

HS Code	Product Description	Description of error
84212900	Machinery and apparatus for filtering or purifying liquids	Error in reporting quantity from Japan for December. The data shows a more than 954 million units increase in quantities imported from Japan, while the value of the imports declined compared to the fourth quarter of 2018. Based on the data, the unit price for Japan for this product would be R0,004.
71051000	Dust and powder of diamonds, including synthetic diamonds	Error in reporting quantity from Ireland for October. Imports show a 951% year-on-year quantity increase, while the value of the imports over the same period declined by 61%. Data for Ireland was not available for comparison.
84831000	Transmission shafts, including cam shafts and crank shafts, and cranks	Error in reporting quantity from Germany for October. As with the two other errors, the surge in quantity coincides with a decline in the value of the imports. In this case, while there is an almost 100 000% increase in the quantity from Germany, there is a 10% decline in the value of the imports, resulting in a unit price decline from R320 in the fourth quarter of 2018 to R0.30 in the fourth quarter of 2019.

Section 2: review of import surges for 2019

A review of changes in imports year-on-year shows that crude oil, automotive components for motor cars and diesel were consistently the top import commodities by Rand value for 2019. The list was dominated by similar categories throughout the year, including but not limited to petroleum and other liquid fuels, ICT equipment, automotive (including automotive components), medical equipment, aircraft and aircraft components, as well as production metals, and food and beverage products.

In addition, maize, a staple food in South Africa, and for which there is local production, saw surges in quantity and price throughout 2019. This is a result of the drought that began in 2015. Due to the drought, local production of maize has been limited, with both hectares planted and total yield remaining low even after the recovery. Unlike with maize, items such as wind-powered generating sets, fuel elements, and machinery for making pulp of fibrous cellulosic material repeatedly appeared in the top 100 imports by Rand value list, but did not show surges in quantity. These items appear to be linked to specific and once-off projects. For instance, the increase in imports of wind-powered generating power sets amounted to R4.5 billion in 2019, up from R947 million in 2018. Imports of this product appear to be driven by the ongoing construction of three wind farms: the Nxuba wind farm and the Oyster Bay wind farm in the Eastern Cape and the Garob wind farm in the Northern Cape. Imports of machinery for making pulp of fibrous cellulosic material amounted to R1.4 billion in 2019, up from R5.9 million in 2018.

Last, were notable increases in imports of ICT equipment. The rise in imports of portable computers stood out within this category. Portable computers are used across a wide range of industries. While the reasons for the surge are not immediately clear, notable developments in the industry might be contributing factors. These developments include Amazons Africa expansion, which, following the establishment of new offices in Cape Town, is preparing to launch a special Amazon Web Services (AWS) Africa region based in Cape Town. Other notable projects include the Nihilent Use Experience Lab, as well as the R10 million Cisco Edge Incubation Hub and the Tigers South Africa e-commerce centre. The Nihilent Lab uses technology to compile consumer data to identify cognitive and emotional triggers in assessing consumer experience. Government is also a procurer of portable computers and several tenders were fulfilled in 2019 in relation to these products.

Imports of several other products surged during 2019. These include maize, which, besides showing a significant increase in Rand value of imports, also saw quantity surges. Other products include wine, hydrocarbons in gaseous state, non-agglomerated iron ore and concentrates, as well as smart cards. Argentina and Spain were the main sources of imported wine. The surge appeared to have been driven by low local production as a result of the drought. The cause of the surge in imports of hydrocarbons has never been clear, but in the fourth quarter of 2019, quantities declined. The surge in imports of non-agglomerated iron ores and concentrates was driven by imports from Australia and Chile, which took advantage of Vale's misfortune in Brazil, which had to briefly close operations as a result of a dam collapse. At the same time, iron ore production declined in South Africa. As iron ore prices rose during Vale's closure, Chile increased its exports, at a relatively low price. Imports normalised in the fourth quarter of 2019, returning to the usual quantity of below one million kg.

Table 4 shows the status of surges analysed between the first and third quarters of 2019. Most of the items show declining quantities as at the fourth quarter of 2019, while others are levelling out at new higher quantities, including malt beer and smart cards, while maize shows consistently high imports. The table includes two items that began surging in 2018, portland cement and cement clinkers. Given the entry of a new cement and concrete plant into the local market, the trend for these two items will be monitored.

Table 4: Status of surge for previously analysed items, Q1 2019 – Q3 2019 (with two items from 2018)

HS Code	Product Description	Quarter analysed	Status of surge	Quantity at first analysis	Quantity as at Q4 2019	Unit
10059090	Maize (excl. seed for sowing): Other	Q1	Ongoing	88 656 598	182 989 518	Kilograms
23063000	Oilcake and other solid residues from the extraction of sunflower seeds	Q1	Returned to normal	47 492 980	7 294 220	Kilograms
90181100	Electro-cardiographs	Q1	Returned to normal	19 165 404	4 116 334	Units
85235290	Cards incorporating one or more electronic integrated circuits "smart cards": Other	Q1	Levelling	19 309 210	18 867 770	Units
26011100	Non-agglomerated iron ores and concentrates (excl. roasted iron pyrites)	Q1	Returned to normal	10 576 212	199 420	Kilograms
72083700	Flat-rolled products of iron or non-alloy steel, of a width of >= 600 mm	Q1	Fluctuating	10 773 084	6 723 206	Kilograms
22030005	Beer made from malt: Traditional African beer	Q1	Levelling	4 851 262	7 737 568	Litres
72083800	Flat-rolled products of iron or non-alloy steel, of a width of >= 600 m	Q1	Fluctuating	5 751 420	1 598 510	Litres
26190000	Slag and other waste from the manufacture of iron or steel (excl. granulated slag)	Q2	Declining	33 294 793	2 375 852	Kilograms
37013090	Photographic plates and film	Q2	Declining	17 459 713	645 272	Square metres
27112990	Hydrocarbons in gaseous state, n.e.s. (excl. natural gas): Other	Q2	Fluctuating	16 336 899	28 842 851	Kilograms
21069090	Food preparations, n.e.s. : Other	Q2	Declining	17 598 337	5 832 730	Kilograms
85068090	Primary cells and primary batteries, electric: Other	Q2	Declining	22 340 454	12 882 488	Units
74081100	Wire of refined copper, with a maximum cross-sectional dimension of > 6 mm	Q2	Declining	16 612 936	15 721 636	Kilograms
90318000	Instruments, appliances and machines for measuring or checking	Q2	Declining	11 352 574	1 391 568	Units
28047000	Phosphorus	Q3	Returned to normal	58 099 246	446 402	Kilograms
85044000	Static converters	Q3	Returned to normal	28 340 866	6 607 187	Units

HS Code	Product Description	Quarter analysed	Status of surge	Quantity at first analysis	Quantity as at Q4 2019	Unit
64061015	Uppers and parts thereof: Protective metal toe caps	Q3	Returned to normal	19 121 602	113 224	Kilograms
39072090	Polyethers, in primary forms: Other	Q3	Returned to normal	26 925 874	10 585 155	Kilograms
96039090	Brooms and brushes, n.e.s. : Other	Q3	Returned to normal	22 764 487	6 173 681	Units
70051090	Float glass and surface ground or polished glass (excl. wired glass): Other	Q3	Declining	17 375 096	3 451 205	Square metres
72083700	Flat-rolled products of iron or non-alloy steel, of a width of >= 600 mm	Q3	Declining	10 180 414	6 723 206	Kilograms
82122000	Safety razor blades of base metal, incl. razor blade blanks in strips	Q3	Ongoing	7 067 552	8 082 483	Units
25232900	Portland cement	Q1 (2018)	Ongoing	187 691 290	295 985 980	Kilograms
25231000	Cement clinkers	Q3 (2018)	Fluctuating	51 607 995	51 585 423	Kilograms

Data annexures

Annexure 1: Top 100 import products by Rand value, Q4 2019

Rank	HS Code	Product Description	Import value, Rand billion	Change in rank, Q4 2018-Q4 2019	Designation status
1	27090000	Crude oil	40.27	No change	Not designated
2	98010030	Automotive components: For motor cars	10.09	No change	Not designated
3	27101230	Diesel	9.31	No change	Not designated
4	49070010	Postage stamps, revenue stamps and banknotes	6.48	2	Not designated
5	98010040	Original equipment components: For goods vehicles	5.83	-1	Not designated
6	85171210	Cellphones	4.76	-1	Not designated
7	87032290	Cars and related vehicles: Cylinder capacity 1 000 cm3 to 1 500 cm3	4.34	No change	Not designated
8	87032390	Cars and related vehicles: Cylinder capacity 1 500 cm3 to 3 000 cm3	3.37	No change	Not designated
9	85176290	Routers and set-top boxes: Other	2.78	No change	Not designated
10	87032190	Cars and related vehicles: Cylinder capacity not exceeding 1 000 cm3	2.49	10	Not designated
11	98010045	Original equipment components: For goods vehicles	2.38	4	Not designated
12	27101202	Light oils and preparations: Petrol	2.37	4	Not designated
13	88024000	Aeroplanes and other powered aircraft: Weight > 15.000 kg	2.27	8	Not designated
14	84715000	Processing units for automatic data-processing machines	2.22	5	Not designated
15	10063000	Semi-milled or wholly milled rice, whether or not polished or glazed	2.02	-1	Not designated
16	33021000	Alcoholic and other solutions used in the food and drink industries	1.92	-3	Not designated
17	71023100	Non-industrial diamonds unworked or simply sawn, cleaved or bruted	1.84	No change	Not designated
18	28182000	Aluminium oxide	1.63	-7	Not designated
19	87033290	Cars and related vehicles: Cylinder capacity 1 000 cm3 to 2 500 cm3	1.47	-7	Not designated
20	71081300	Gold, in semi-manufactured forms, for non-monetary purposes	1.44	13	Not designated
21	90189000	Cars and related vehicles: cylinder capacity exceeding 2 500 cm3	1.43	6	Not designated
22	84314990	Parts of machinery of heading 8426, 8429 and 8430, n.e.s: Other	1.42	No change	Not designated
23	84439900	Parts and accessories of printers, copying machines and facsimile machines, n.e.s.	1.36	No change	Not designated

Rank	HS Code	Product Description	Import value, Rand billion	Change in rank, Q4 2018-Q4 2019	Designation status
24	85177090	Parts for telephones, routers and other telecoms devices	1.31	No change	Not designated
25	27111100	Natural gas, liquefied	1.18	3	Not designated
26	88033000	Parts of aeroplanes or helicopters, n.e.s. (excluding those for gliders)	1.13	11	Not designated
27	27160000	Electrical energy	1.11	17	Not designated
28	85023100	Generating sets, wind-powered	1.11	4583	Not designated
29	22030090	Beer made from malt: Other	1.06	23	Not designated
30	85044000	Static converters	1.03	9	Not designated
31	87032490	Cars and related vehicles: Cylinder capacity exceeding 3 000 cm ³	1.03	No change	Not designated
32	38220000	Diagnostic or laboratory reagents (pharmaceutical chemicals)	1.02	9	Not designated
33	87082900	Parts and accessories of bodies for tractors and buses	1.02	-3	Not designated
34	98010015	Automotive components: For tractors and buses	1.01	No change	Not designated
35	74081100	Wire of refined copper, maximum cross-sectional dimension of > 6 mm	1.01	1	Not designated
36	31021000	Urea, whether or not in aqueous solution	0.99	-4	Not designated
37	64029900	Footwear with outer soles and uppers of rubber or plastics	0.93	1	100% Designated
38	87041090	Dumpers for off-highway use : Other	0.91	-12	Not designated
39	87089990	Parts and accessories for tractors and buses	0.89	7	Not designated
40	87033390	Cars and related vehicles: cylinder capacity exceeding 2 500 cm ³	0.87	-15	Not designated
41	69091900	Ceramic wares for chemical or other technical uses	0.78	8	Not designated
42	98010025	Original equipment components: For buses and taxis	0.78	1	Not designated
43	17011300	Raw cane sugar	0.76	26	Not designated
44	84433100	Printers and fax machines	0.75	4	Not designated
45	64041990	Footwear with outer soles of rubber or plastics and uppers of textile materials	0.73	-5	100% Designated
46	27011900	Coal (excl. anthracite and bituminous coal)	0.70	-4	Not designated
47	31042000	Potassium chloride for use as fertiliser	0.69	44	Not designated
48	84295200	Self-propelled bulldozers, etc.: With 360 degree revolving superstructure	0.65	-13	Not designated
49	61091000	T-shirts, singlets and other vests of cotton, knitted or crocheted	0.63	10	100% Designated

Rank	HS Code	Product Description	Import value, Rand billion	Change in rank, Q4 2018-Q4 2019	Designation status
50	22083010	Whiskies: In containers holding 2li or less	0.62	4	Not designated
51	39269090	Articles of plastics and articles of other materials of heading 3901 to 3914, n.e.s: Other	0.59	9	Not designated
52	84733000	Parts and accessories of automatic data-processing machines	0.59	-1	Not designated
53	33049990	Beauty or make-up preparations and preparations for the care of the skin: Other	0.58	8	Not designated
54	30022000	Vaccines for human medicine	0.58	26	Not designated
55	84717000	Storage units for automatic data-processing machines	0.57	-2	Not designated
56	95030090	Tricycles, scooters, pedal cars and similar wheeled toys: Other	0.56	2	Not designated
57	94019090	Parts of seats, n.e.s: Other	0.54	7	85% - 100% designated
58	27011200	Bituminous coal, whether or not pulverised, non-agglomerated	0.54	-11	Not designated
59	87042181	Cars and related vehicles: Double-cab trucks	0.53	-9	Not designated
60	21069090	Food preparations, n.e.s: Other	0.53	12	Not designated
61	84798990	Machines and mechanical appliances, n.e.s: Other	0.51	-5	Not designated
62	23040000	Oilcake and other solid residues from the extraction of soya-bean oil	0.51	12	Not designated
63	31054000	Ammonium dihydrogenorthophosphate	0.51	No change	Not designated
64	74031100	Refined copper	0.50	105	Not designated
65	84291100	Self-propelled bulldozers and angle dozers	0.49	69	Not designated
66	38112100	Additives for oil lubricants containing petroleum oil or bituminous mineral oil	0.48	2	Not designated
67	27101290	Light oils and preparations (excluding containing biodiesel): Other	0.48	104	Not designated
68	27101207	Light oils and preparations: Other	0.46	10	Not designated
69	48115990	Paper and paperboard (excluding bleached and weighing > 150 g/m ² , and adhesives): Other	0.45	15	Not designated
70	84749000	Parts of machinery for working mineral substances of heading 8474,	0.45	12	Not designated
71	10059090	Maize (excluding seed for sowing): Other	0.45	4444	Not designated
72	84834000	Gears and gearing for machinery	0.44	15	Not designated

Rank	HS Code	Product Description	Import value, Rand billion	Change in rank, Q4 2018-Q4 2019	Designation status
73	85258090	Television cameras, digital cameras and video camera recorders: Other	0.44	23	Not designated
74	85437000	Electrical machines and apparatus, having individual functions	0.44	2	Not designated
75	49019900	Printed books, brochures and similar printed matter	0.44	8	Not designated
76	62034210	Trousers, bib and brace overalls, breeches and shorts, of cotton: Other	0.43	-10	100% designated
77	64039990	Footwear with outer soles: Other	0.43	20	100% designated
78	84271000	Self-propelled trucks fitted with lifting or handling equipment, powered by an electric motor	0.43	-8	Not designated
79	84099990	Parts suitable for use solely or principally with diesel or semi-diesel engine, n.e.s: Other	0.42	6	Not designated
80	85299075	Parts for use with transmission and reception apparatus for radio or television, television cameras	0.42	9	30% - 60%, 20% - 100% designated for components
81	85443000	Ignition wiring sets and other wiring sets for vehicles, aircraft or ships	0.41	-14	90% designated
82	84224000	Packing or wrapping machinery, including heat-shrink wrapping machinery	0.41	93	Not designated
83	84295190	Self-propelled front-end shovel loaders: Other	0.40	179	Not designated
84	85371090	Boards, cabinets and similar apparatus for electric control for a voltage <= 1.000 V: Other	0.40	20	Not designated
85	29173600	Terephthalic acid and its salts	0.40	-40	Not designated
86	73269090	Articles of iron or steel, n.e.s: Other	0.40	-5	100% designated
87	84089090	Compression-ignition internal combustion piston engine "diesel or semi-diesel engine": Other	0.40	12	Not designated
88	90318000	Instruments, appliances and machines for measuring or checking (excluding optical)	0.40	40	Not designated
89	87042183	Motor vehicles for the transport of goods	0.37	-27	Not designated
90	87083090	Brakes and servo-brakes and their parts: Other	0.37	10	Not designated
91	33029090	Mixtures of odoriferous substances and mixtures, incl. alcoholic solutions: Other	0.37	28	Not designated

Rank	HS Code	Product Description	Import value, Rand billion	Change in rank, Q4 2018-Q4 2019	Designation status
92	84391000	Machinery for making pulp of fibrous cellulosic material	0.37	3349	Not designated
93	84304100	Self-propelled boring or sinking machinery for boring earth or extracting minerals or ores	0.37	70	Not designated
94	90183900	Needles, catheters, cannulae and the like, used in medical, surgical, dental or veterinary sciences	0.36	8	Not designated
95	84314300	Parts for boring or sinking machinery	0.36	-22	Not designated
96	84139100	Parts of pumps for liquids, n.e.s.	0.36	15	Not designated
97	20097900	Apple juice	0.35	67	Not designated
98	85235210	Cards incorporating one or more electronic integrated circuits "smart cards" : Digital	0.35	-5	Not designated
99	64041190	Sports footwear: Other	0.35	77	100% designated
100	84148000	Air pumps, air or other gas compressors and ventilating or recycling hoods incorporating a fan, whether or not fitted with filters, having a maximum horizontal side > 120 cm	0.34	15	Not designated

Annexure 2: Surges in import products, by quantity, Q4 2019

HS Code	Product Description	Explanation	Real Growth, Quantity	Unit	Percent Growth	Designation Status
01069000	Live animals	Not significant – surge within usual variance	5 980 850 683	Units	24 514%	Not designated
27090000	Crude oil	Not significant – import commodity	807 020 586	Kilograms	16%	Not designated
27101230	Diesel	Not significant – import commodity	1 440 634	Litres	0%	Not designated
84212900	Machinery and apparatus for filtering or purifying liquids	Data error – error in reporting quantity from Japan	954 321 717	Units	119 312%	Not designated
27111100	Natural gas, liquefied	Not significant – import commodity	756 822 126	Kilograms	97 807%	Not designated
28182000	Aluminium oxide (excluding artificial corundum)	Decline in imports	- 22 813 330	Kilograms	-6%	Not designated
27011200	Bituminous coal, whether or not pulverised, non-agglomerated	Decline in imports	- 1 359 108	Kilograms	0%	Not designated
27011900	Coal	Not significant – import commodity	23 202 458	Kilograms	8%	Not designated
27101202	Light oils and preparations: Petrol	Not significant – import commodity	27 698 398	Litres	10%	Not designated
10063000	Semi-milled or wholly milled rice, whether or not polished or glazed	Decline in imports	- 66 265 271	Kilograms	-18%	Not designated
25232900	Portland cement	Not significant – surge within usual variance	102 806 755	Kilograms	53%	Not designated
31021000	Urea, whether or not in aqueous solution	Not significant – surge within usual variance	35 857 148	Kilograms	16%	Not designated
44119200	Fibreboard of wood or other ligneous materials	Selected for analysis	217 179 248	Kilograms	3177%	Not designated
10059090	Maize (excluding seed for sowing): Other	Ongoing monitoring	182 851 647	Kilograms	132 625%	Not designated
31042000	Potassium chloride for use as fertiliser	Not significant	88 470 982	Kilograms	98%	Not designated
44123900	Plywood of sheets of wood <= 6 mm thick, with both outer plies of coniferous wood	Selected for analysis	131 116 635	Cubic metres	133 378%	Not designated
28151200	Sodium hydroxide in aqueous solution	Not significant	21 943 241	Kilograms	22%	Not designated

HS Code	Product Description	Explanation	Real Growth, Quantity	Unit	Percent Growth	Designation Status
23040000	Oilcake and other solid residues from the extraction of soya-bean oil	Not significant – surge within usual variance	12 126 740	Kilograms	12%	Not designated
31054000	Ammonium dihydrogenorthophosphate	Not significant	18 902 188	Kilograms	22%	Not designated
71051000	Dust and powder of diamonds, including synthetic diamonds	Data error – error in reporting quantity from Ireland	85 590 792	Carats	501%	Not designated
25030000	Sulphur of all kinds (excluding sublimed sulphur, precipitated sulphur and colloidal sulphur)	Decline in imports	-120 785 486	Kilograms	-56%	Not designated
28362000	Disodium carbonate	Decline in imports	- 6 793 306	Kilograms	-7%	Not designated
84831000	Transmission shafts, including cam shafts and crank shafts, and cranks	Data error – error in reporting quantity from Germany	82 181 323	Units	15310%	Not designated
17011300	Raw cane sugar	Selected for analysis	27 881 044	Kilograms	54%	Not designated
22030090	Beer made from malt: Other	Not significant	24 443 180	Litres	49%	Not designated
27131200	Petroleum coke, calcined	Not significant	14 407 587	Kilograms	24%	Not designated
31026000	Double salts and mixtures of calcium nitrate and ammonium nitrate	Selected for analysis	57 094 461	Kilograms	468%	Not designated
25201000	Gypsum; anhydrite	Not significant – surge within usual variance	24 688 877	Kilograms	56%	Not designated
85235210	Cards incorporating one or more electronic integrated circuits “smart cards”: Digital	Decline in imports	- 1 227 034	Units	-2%	Not designated
85061010	Manganese dioxide cells and batteries (excluding spent): Other	Selected for analysis	64 927 327	Units	22588%	Not designated
44079100	Oak “Quercus spp.”, sawn or chipped lengthwise	Decline in imports	- 35 004 371	Cubic metres	-35%	Not designated
27101207	Light oils and preparations: Other	Not significant	6 255 722	Litres	11%	Not designated
28365000	Calcium carbonate	Not significant	2 700 590	Kilograms	5%	Not designated
27101290	Light oils and preparations (excluding containing biodiesel): Other	Not significant – surge within usual variance	29 695 926	Litres	123%	Not designated

HS Code	Product Description	Explanation	Real Growth, Quantity	Unit	Percent Growth	Designation Status
28331100	Disodium sulphate	Selected for analysis	36 650 137	Kilograms	218%	Not designated
31022100	Ammonium sulphate	Not significant	7 592 579	Kilograms	17%	Not designated
98010030	Automotive components: For motor cars	Decline in imports	- 13 063 133	Kilograms	-20%	Not designated
25231000	Cement clinkers	Not significant	16 221 881	Kilograms	46%	Not designated
26011200	Agglomerated iron ores and concentrates (excl. roasted iron pyrites)	Decline in imports	- 76 973 831	Kilograms	-60%	Not designated
85061090	Manganese dioxide cells and batteries (excluding spent): Other	Selected for analysis	33 568 609	Units	324%	Not designated
08039010	Fresh or dried bananas (excluding plantains): Fresh	Not significant	3 398 681	Kilograms	9%	Not designated
02071210	Frozen fowls: Mechanically deboned meat	Decline in imports	- 315 313	Kilograms	-1%	Not designated
69022000	Refractory bricks, blocks, tiles and similar refractory ceramic constructional goods	Selected for analysis	35 232 466	Kilograms	586%	Not designated
98010040	Original equipment components: For goods vehicles	Decline in imports	- 10 603 977	Kilograms	-21%	Not designated
90183140	Syringes, with or without needles: Disposable hypodermic syringes of plastics	Decline in imports	- 6 958 063	Units	-15%	Not designated
29173600	Terephthalic acid and its salts	Decline in imports	- 18 594 658	Kilograms	-32%	Not designated
85423900	Electronic integrated circuits (excl. such as processors, controllers, memories and amplifiers)	Not significant	12 574 298	Units	50%	Not designated
90189000	Medical instruments and appliances, n.e.s.	Not significant	7 010 073	Units	23%	Not designated
17031000	Cane molasses resulting from the extraction or refining of sugar	Not significant – within usual variance	1 377 461	Kilograms	4%	Not designated
27040000	Coke and semi-coke of coal	Decline in imports	- 196 203 159	Kilograms	-85%	Not designated