

MEDIA RELEASE	PSA calls for urgent intervention by President Ramaphosa on United States tariff increase
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EMBARGO	None
ENQUIRIES	communication@psa.co.za

The Public Servants Association (PSA) is displeased and concerned about the United States' (US) unilateral decision to impose a 30% tariff on South African exports, effective from 5 April 2025.

This abrupt and unexpected move poses a significant threat to South Africa's economy, key industries, and the livelihoods of thousands of workers. Historically, South Africa and the US engaged in trade under the *African Growth and Opportunity Act*, which provides eligible Sub-Saharan African countries, including South Africa, with duty-free access to the US market for approximately 7 000 product tariff lines. However, this latest decision by the US undermines that partnership. The US alleges that South Africa imposed a 60% tariff on American goods, however, the Minister of Trade, Industry and Competition has disproved this claim, stating that South Africa's actual tariff rate is 7.6%.

The PSA is extremely concerned about the devastating impact this tariff hike will have on South Africa's already fragile economy. Key industries such as manufacturing and agriculture, which rely heavily on exports to the US, will suffer enormous losses. This will likely lead to factory closures, job losses, and reduced economic growth, further aggravating South Africa's unemployment crisis.

Adding to these challenges, South Africans are struggling under increased electricity costs and a recent VAT hike, which have put further strain on household incomes. The additional burden of these tariffs will worsen the cost of living and deepen economic hardships for the general public, particularly low-income earners.

The PSA welcomes South Africa's planned visit to the US for trade discussions and urges President Cyril Ramaphosa to prioritise these negotiations. It is imperative that South Africa takes swift diplomatic action to secure an amicable solution that protects jobs, stabilises the economy, and ensures fair trade relations.

The PSA is committed to advocating for policies that protect workers and promote economic stability. The Presidency must act decisively to prevent further harm to South African industries and ensure that workers and businesses are protected from the negative consequences of these unfair trade policies.

END