

WESGRO

cape town & western cape
research



United Arab Emirates: Country Fact Sheet

July 2023

Cape Town and the Western Cape – A Leading Regional Economy

1) Economic Overview - United Arab Emirates

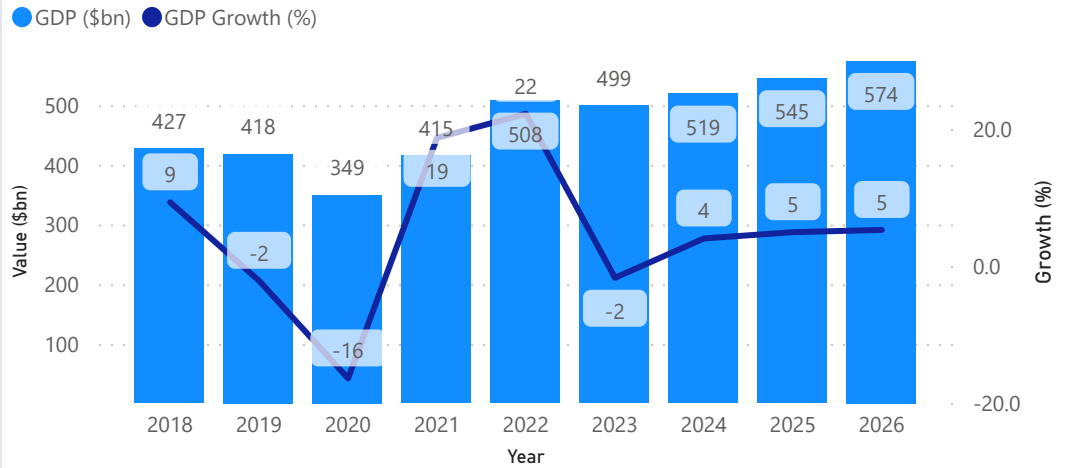
Hard-hit by the global Covid-19 pandemic, the United Arab Emirates' economy contracted by 16.39% in 2020, with the Emirates' gross domestic product (GDP) falling to US\$349.47bn from US\$417.99bn in 2019. The economy recovered by 18.76% y-o-y in 2021, buoyed by the financial intermediation and public administration sectors. The recovery continued into 2022, with the economy expanding by 22.29%, driven by an increase in oil production and an improvement in the non-oil sectors. Growth is forecast to slow however in 2023 based on the assumption that global economic growth will ease, and the cautious production schedule of the Organisation of the Petroleum Exporting Countries (OPEC).

Looking ahead, the United Arab Emirates' (UAE) economy is expected to recover to an estimated US\$573.96bn by 2026 underpinned by a rebound in construction and tourism.

The country's GDP per capita has fluctuated significantly in recent years, largely due to the impact of the Covid-19 pandemic. From a value of USD45,591.68 in 2018, GDP per capita declined by 3.53% to USD43,981.61 in 2019 and by a further 14.42% y-o-y to USD37,648.96 in 2020. GDP per capita has however risen significantly above pre-pandemic levels in recent years, with the highest value of USD51,305.69 reflected in 2022. Prospects are relatively positive, with GDP per capita forecast to grow at an average annual rate of 4.85% per annum over the period 2022–2026 to reach a value of USD54,397.58 by 2026.

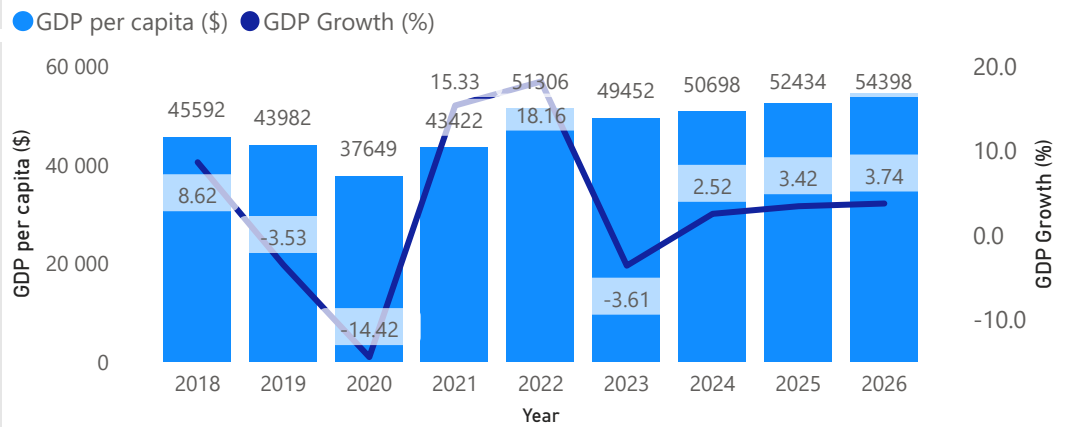
The UAE's economy is largely comprised of the services sector, which accounted for 51.63% of the country's gross value added (GVA) in 2022. Much of the future growth projected for the Emirates is anticipated to be driven by this sector. As demonstrated in Figure 3, the mining and quarrying sector accounted for 25.49% of GVA, and this was followed by the real estate sector which accounted for 13.30% of the country's GVA in 2022. The public administration sector contributed 12.58% to the economy's GVA. Importantly, the contribution of non-oil activities to the overall economy remains stable, with the significant growth recorded in these sectors often masked by the impact of high global oil prices. Looking ahead, the UAE's industrial sector is set to be a major contributor to the country's GVA, finding support from the Emirates industrial strategy known as Operation 300bn. The country's Tourism Strategy 2031, which aims to raise the tourism sector's contribution to the GDP by attracting 40 million hotel guests amongst other strategies will provide further support.

Figure 1: United Arab Emirates GDP, 2018–2026f



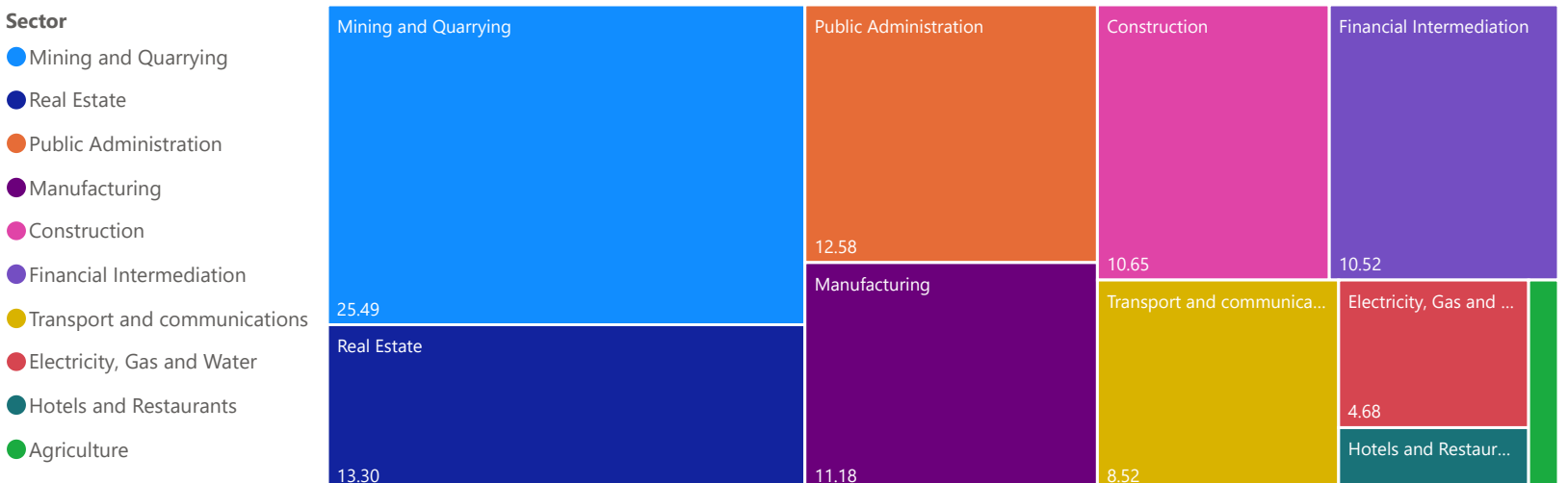
Source: International Monetary Fund, (IMF), 2023

Figure 2: United Arab Emirates GDP per capita, 2018–2026f



Source: International Monetary Fund (IMF), 2023

Figure 3: United Arab Emirates Sector Contribution to GVA (%), 2022



Cape Town and the Western Cape – Source: Euromonitor, 2023

2) Trade

2.1) The United Arab Emirates Global Merchandise Trade

The UAE is among the world's ten largest oil producers. The country recorded a consistent trade surplus in goods over the period 2018 to 2022. As shown alongside, the Emirate's export earnings declined by 18.75% y-o-y decline in 2022 to a value of ZAR5,098.48bn, down from ZAR6,274.89bn recorded in 2021. This was attributed to softer export earnings recorded across a number of export categories including petroleum oils (excl. crude), gold, petroleum gases, and telephone sets among others.

Similarly, imports declined by 20.61% y-o-y to an associated cost of ZAR4,071.83bn in 2022, down from ZAR5,129.14bn incurred in 2021, with notable declines recorded in gold and petroleum oils (excl. crude) imports, among other categories.

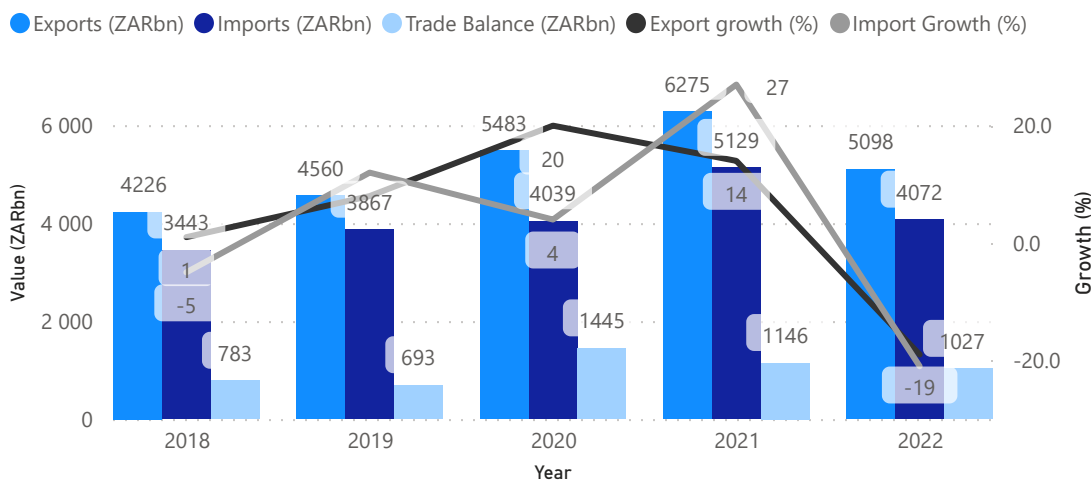
The country's largest export category in 2022 was crude petroleum oils, which at a value of ZAR2,201.03bn, accounted for 43.17% of total export earnings. Petroleum oils excluding crude were the second largest export category generating ZAR973.18bn, which was equivalent to 19.09% of total export earnings in 2022. This was followed by gold exports at a value of ZAR394.08bn, representing a share of 7.73% of export earnings.

With an average growth rate of 58,632.54% from 2018 to 2022, sulphur of all kinds was the fastest growing export category. This was followed by petroleum gas, and polymers of propylene, which grew by 234.58% and 37.01% respectively over the same period.

Saudi Arabia, India and Iraq were the UAE's top three export destination markets in 2021, collectively accounting for more than 15.24% of total exports as shown in Figure 6. Saudi Arabia was the country's largest export market in 2021, accounting for export goods to the value of ZAR392.06bn, equivalent to 6.25% of total global exports. India followed with exports to the value of ZAR353.93bn (5.64% of total exports), with Iraq in third position with export goods to the value of ZAR210.35bn (3.35%). Asia remains the country's top destination region with seven of the top ten export markets located on that continent.

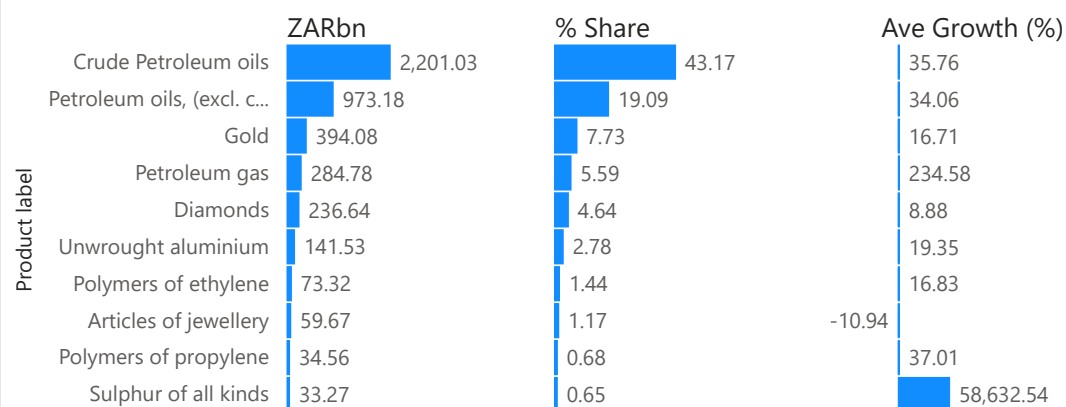
(Note: This data along with that presented in Figure 6 is based on 2021 figures due to the unavailability of updated figures for 2022 at the time of writing.)

Figure 4: United Arab Emirates Global Trade, 2018-2022



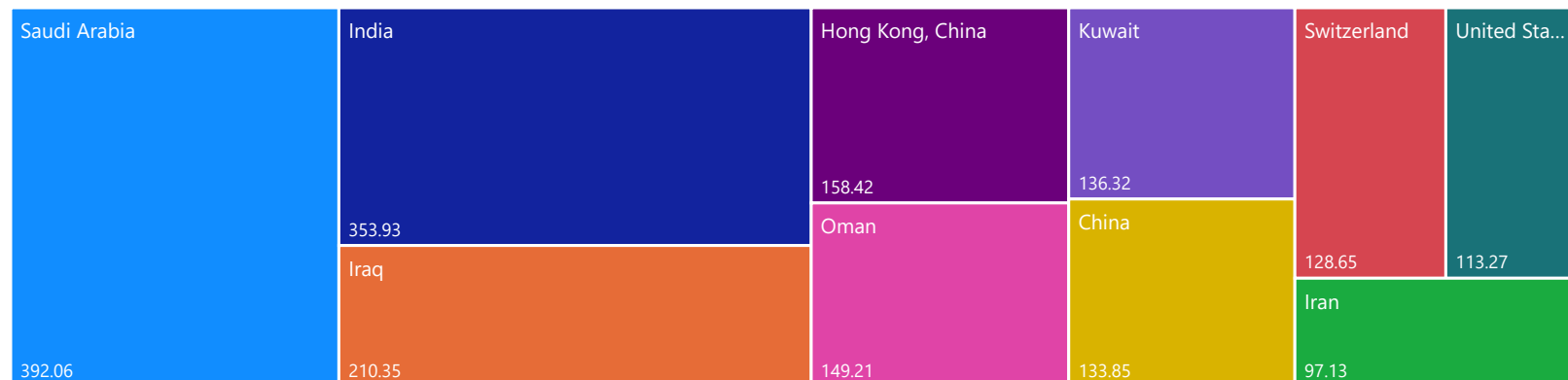
Source: Trademap, 2023

Figure 5: United Arab Emirates Top Export Products, 2022: (Average Growth: 2018-2022)



Source: Trademap, 2023

Figure 6: United Arab Emirates Top Export Markets (ZARbn), 2021

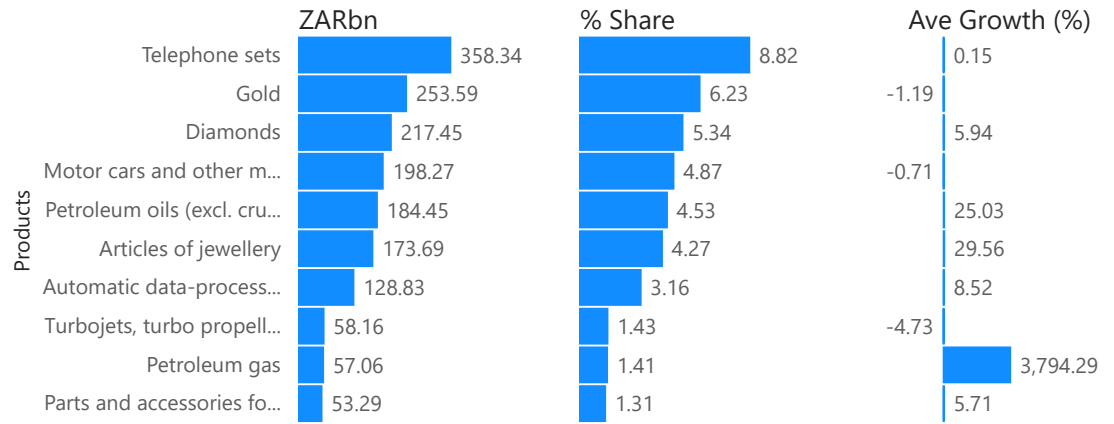


Source: Trade Map, 2023

Telephone sets were the Emirates' largest imports in 2022, which at a cost of ZAR358.34bn was equivalent to 8.82% of total import costs incurred in 2022. Gold placed second at cost of ZAR253.59bn (6.23%), followed by diamonds at ZAR217.45bn (5.34%).

Imported products that showed the highest growth rate over the five-year period 2018 to 2022 were the petroleum gas category with a five-year average growth rate of 3,794.29%. This was followed by articles of jewellery, and petroleum oils excluding crude at 29.56% and 25.03% respectively.

Figure 7: United Arab Emirates Top Import Products, 2022: (Average growth: 2018-2022)

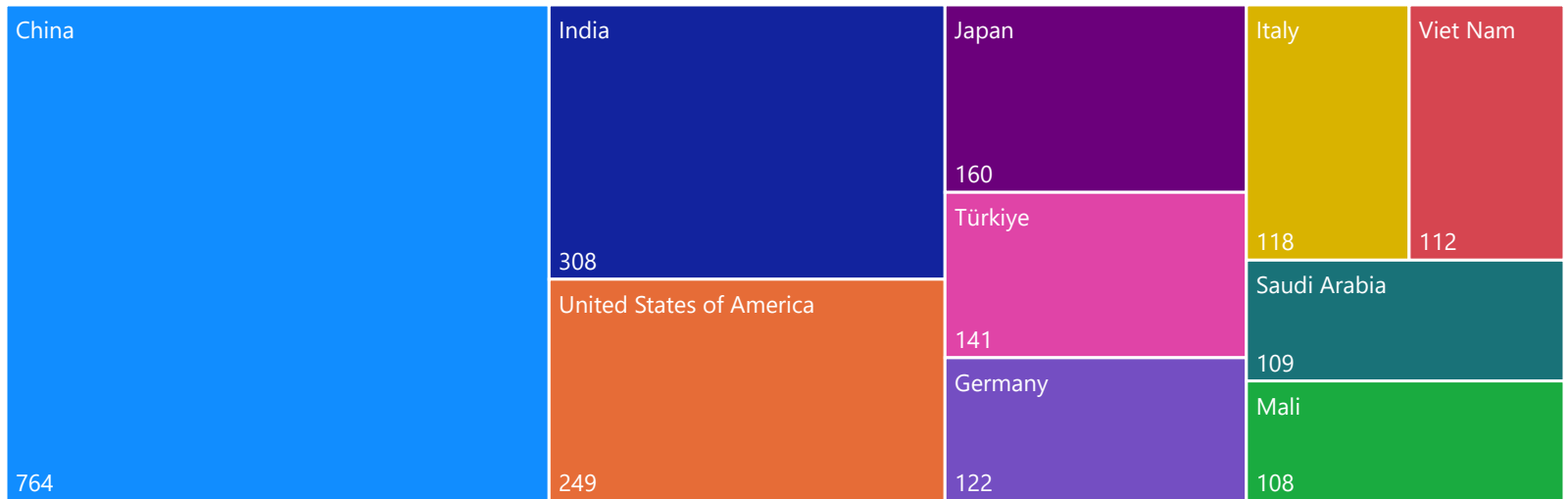


Source: Trademap, 2023

In 2021, China, India, and the United States were the UAE's primary import source markets, with these three countries collectively accounting for 25.77% of the country's imports in the said year. China held the position of the largest import partner, with the UAE importing goods to the value of ZAR764.45bn from this superpower, representing a share of 14.90% of global imports in 2022. India followed at a value of ZAR308.11bn (6.01%), with the United States in third position accounting for imports to the value of ZAR249.08bn (4.86%) in 2022. Most of the top ten import source markets for the UAE were in Asia, highlighting the region's significance as a primary source for imports. Mali was the only African country that featured in the top ten import source markets.

(Note: This data along with that presented in Figure 8 is based on 2021 figures due to the unavailability of updated figures for 2022 at the time of writing.)

Figure 8: United Arab Emirates Top Import Markets (ZARbn), 2021



Source: Trade Map, 2023

2.2) Trade Agreements

The relationship between South Africa and the UAE has a strong economic focus and the UAE has become an important partner for South Africa within the Gulf Cooperation Council (GCC). The UAE remains a strategic trading hub for South African agricultural and agro-processing products (excluding alcohol). Trade between South Africa and the UAE takes place under the framework of general international trade rules and regulations governed by the World Trade Organisation (WTO). The WTO provides a set of guidelines and principles that member countries, including South Africa and the UAE, follow to facilitate international trade. In addition, the UAE is party to several multilateral and bilateral trade agreements, including those with partner countries in the Greater Arab Free Trade Area Agreement (GAFTA), which allow for the UAE to have a free trade access to Saudi Arabia, Kuwait, Bahrain, Qatar, Oman, Jordan, Egypt, Iraq, Lebanon, Morocco, Tunisia, Palestine, Syria, Libya, and Yemen.

Source: The Observatory of Economic Complexity, 2023

2.3) Bilateral Trade: South Africa and the United Arab Emirates

Bilateral trade between South Africa and the UAE is strong and has increased in recent years, aided in part by the establishment of the South African Business Council (SABCO) Dubai UAE, a key objective of which is to promote and foster business interests and trade between the two countries.

South Africa's exports to the UAE fluctuated between ZAR24.73bn in 2018 and ZAR40.55bn in 2022, with a notable 20.99% y-o-y increase in South African exports to the Emirates recorded in 2022. Specifically, South Africa's exports to the UAE rose from a value of ZAR33.51bn in 2021 to ZAR40.55bn in 2022, underpinned in large by a significant increase in diamond exports to the Emirates. In turn, South Africa's imports from the country increased by 141.58% y-o-y in 2022, surging to a cost of ZAR67.21bn, up from ZAR27.82bn incurred in 2021.

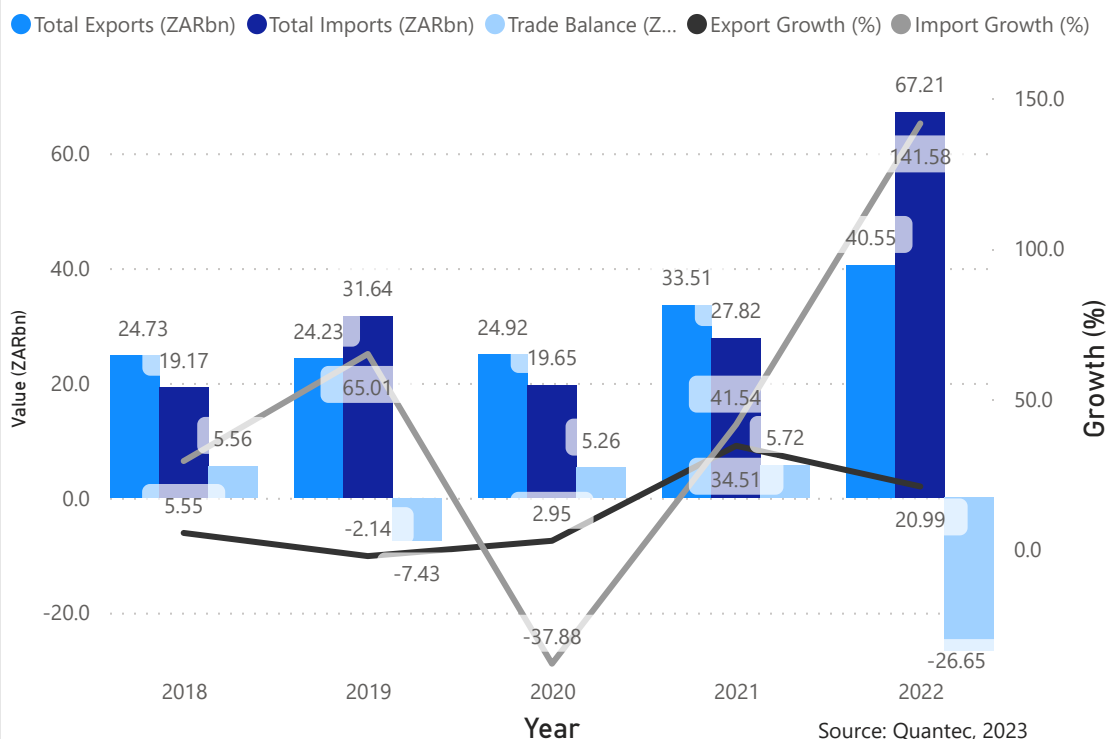
Based on data presented in Figure 10, diamonds, valued at ZAR20,201.79m emerged as the primary export from South Africa to the UAE in 2022, accounting for close-on 50% of export earnings with the Emirate in 2022. Ferro-alloys followed at a value of ZAR2,732.84m, with citrus fruit exports in third position at a value of ZAR2,221.12m.

Of particular interest is the growth in the export of coins, which exhibited an impressive five-year average annual growth rate of 118,565.89% between 2018 and 2022. The probable reason for this is that South Africa is the source of the only exporting mint company on the African continent. The country is also the origin of brands like the world-famous Krugerrand.

Petroleum oils, other than crude was South Africa's top import category from the UAE in 2022, which at a cost of ZAR58,250.77m accounted for close on 87% of all import costs incurred with the country in the said year. This was followed by copper wire, and copper waste valued at ZAR3,809.67m and ZAR729,04m respectively.

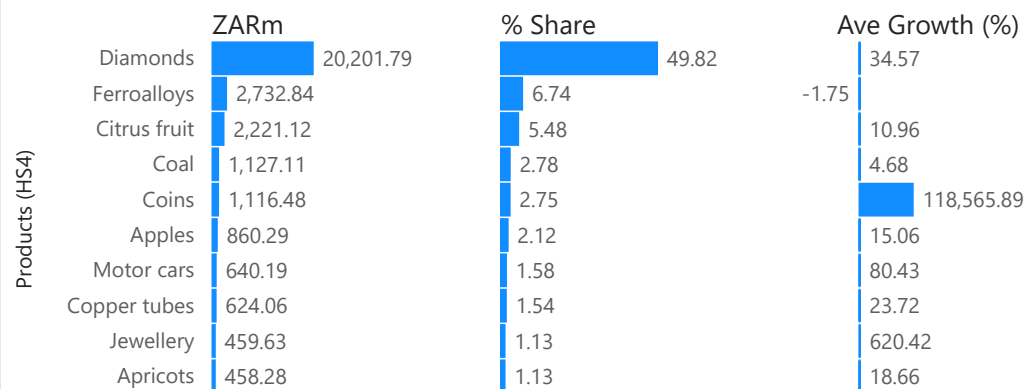
Of interest was the notable increase in petroleum oils imports other than crude from the UAE in 2022, which increased by a significant 216% y-o-y in 2022 to a cost of ZAR58,250.77m, up from ZAR18,460.41m incurred in 2021. This import category grew by an annual average growth rate of 63.24% over the five year period.

Figure 9: South Africa's Trade with the United Arab Emirates, 2018-2022



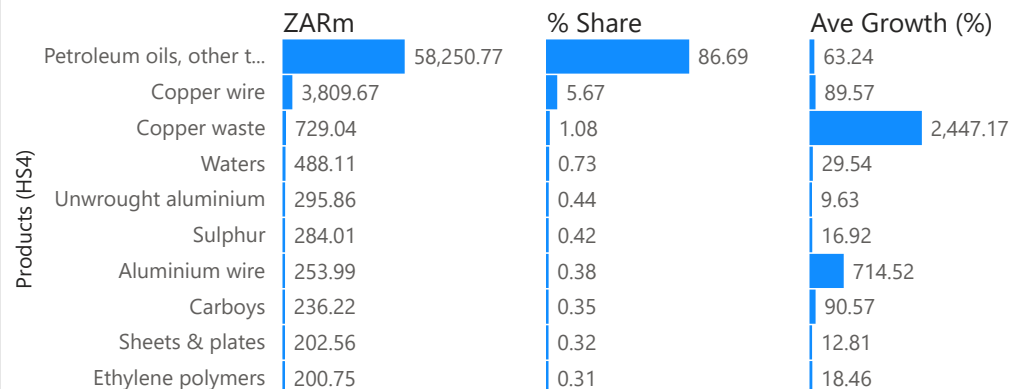
Source: Quantec, 2023

Figure 10: South Africa's Top Exports to the United Arab Emirates, 2022: (Average Growth: 2018-2022)



Source: Quantec, 2023

Figure 11: South Africa's Top Imports from the United Arab Emirates, 2022: (Average Growth: 2018-2022)



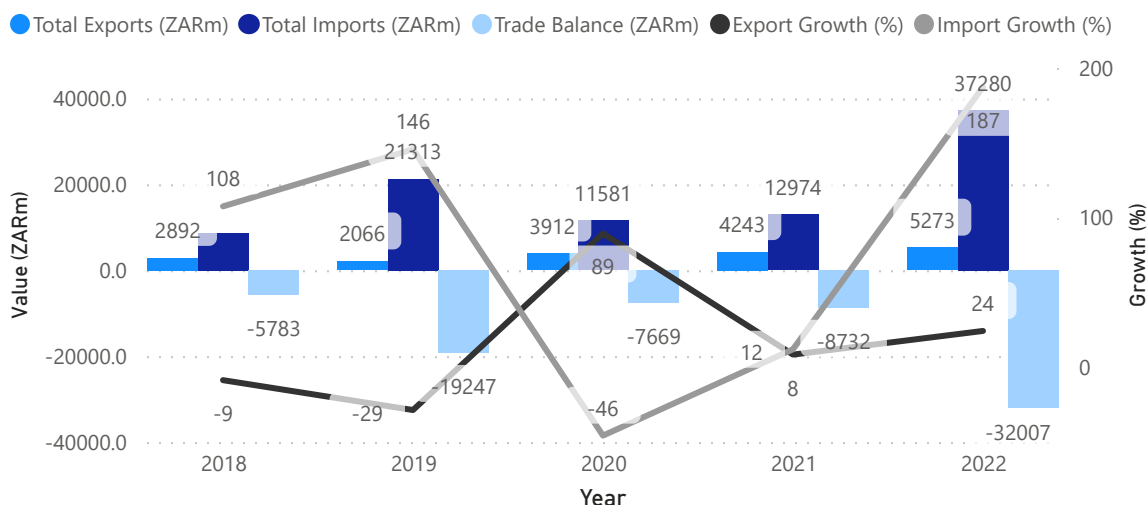
Source: Quantec, 2023

2.4) Bilateral Trade: Western Cape and the United Arab Emirates

The UAE was the Western Cape's eighth largest export partner in 2022. Local export receipts from trade with the UAE totaled ZAR5,272.95m in 2022, an increase of 24.28% y-o-y from a value of ZAR4,242.79m recorded in 2021. This can be observed in Figure 12.

In turn, the UAE was the Western Cape's second largest source market for imports in 2022. Import costs totaled ZAR37,279.71m in 2022, an increase of 187.33% y-o-y on the 2021 cost of ZAR12,974.48m. The Western Cape recorded a trade deficit with the UAE throughout this period.

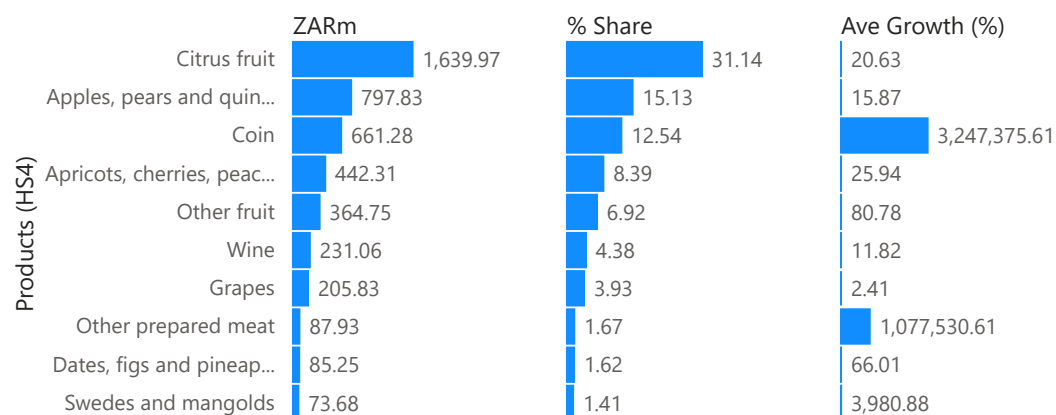
Figure 12: Western Cape's Trade with the United Arab Emirates, 2018-2022



Source: Quantec, 2023

Figure 13 indicates that citrus fruit; apples, pears and quinces and coin were the top three exports from the Western Cape to the UAE from 2018-2022. These products accounted for 58.81% of the total export basket to the Arab country. Exports of coin attained the highest average growth rate of 3,247,375.61% over the five-year period. The five-year growth rate of coin was followed by the exports of other prepared meat with a five-year average growth rate of (1,077,530.61%).

Figure 13: Western Cape's Top Exports to the United Arab Emirates, 2022: (Average Growth : 2018-2022)

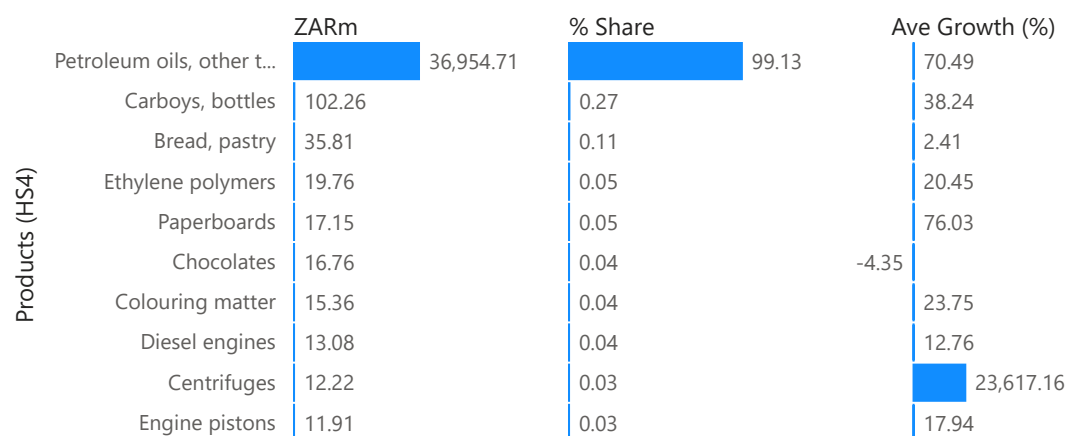


Source: Quantec, 2023

Mirroring the national economy, petroleum oils, other than crude was the Western Cape's largest import category from the UAE in 2022. At a cost of ZAR36,954.71m, this import accounted for 99.13% of the total share of the province's imports from the Emirate in 2022. This import category also recorded a significant increase in 2022, rising by 193% y-o-y from the ZAR12,595.18m cost incurred in 2021. This increase can potentially be ascribed in part to the closure of South Africa's oil refinery, Natref, which together with the global energy crisis accelerated the demand for refined petroleum oils in the province.

Imports of centrifuges from the UAE grew at an five-year annual average rate of 23,617.16%.

Figure 14: Western Cape's Top Imports from the United Arab Emirates, 2022: (Average Growth: 2018-2022)



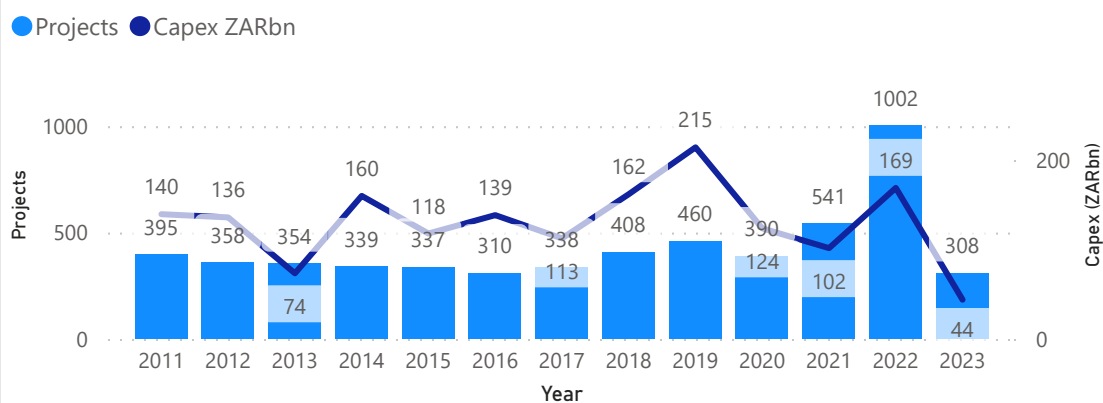
Source: Quantec, 2023

3) Foreign Direct Investment (FDI)

3.1) Global FDI in the United Arab Emirates

Figure 15 shows that the UAE benefited from a total of 5,540 foreign direct investment (FDI) projects from January 2011 to March 2023. These projects represented a total capital investment (capex) value of ZAR1,694.62bn, which equated to an average investment of ZAR305.27m per project. From 2011 to March 2023 a total of 286,080 jobs were created. In that period, the number of FDI projects varied from 395 in January 2011 to an estimated 308 in the first three months of 2023. Likewise, the value (capex) of these projects fluctuated between ZAR139,695.20m in 2011 and an estimated ZAR43,972.11m in March 2023.

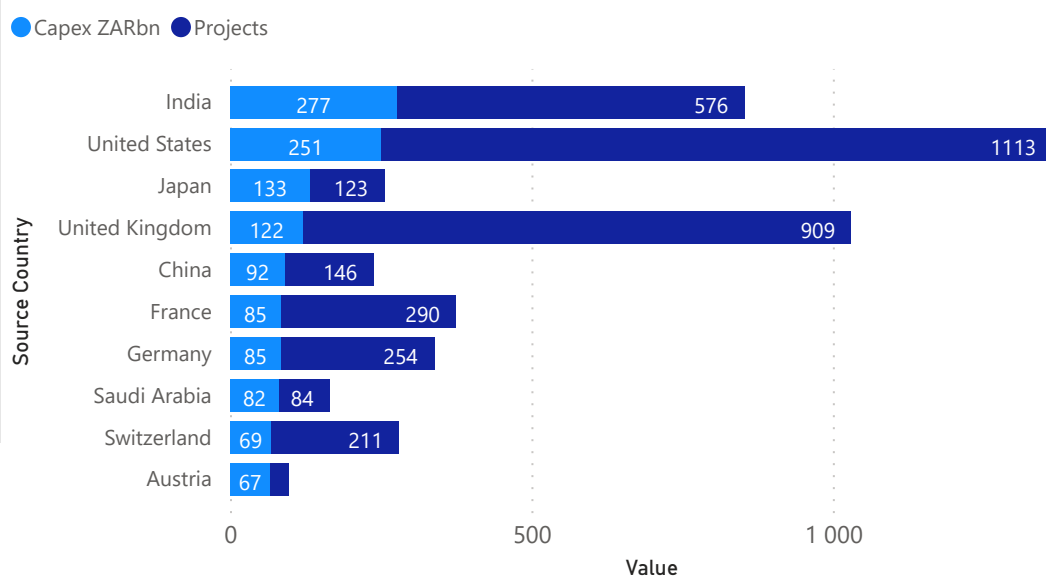
Figure 15: FDI in the United Arab Emirates, 2011 - 2023



Source: FDI Markets, 2023

India was the main source of FDI into the UAE when measured by capex over the period 2011 to March 2023. As is evident in figure 16, India's inward FDI into the UAE over this period totaled ZAR277.44bn represented in 576 projects. The United States ranked second with a total capex of ZAR251.22bn and 1,113 projects, while Japan was third, with a capex of ZAR133.10bn from 123 projects. Five of the top ten investing countries in the Middle Eastern country are from Europe.

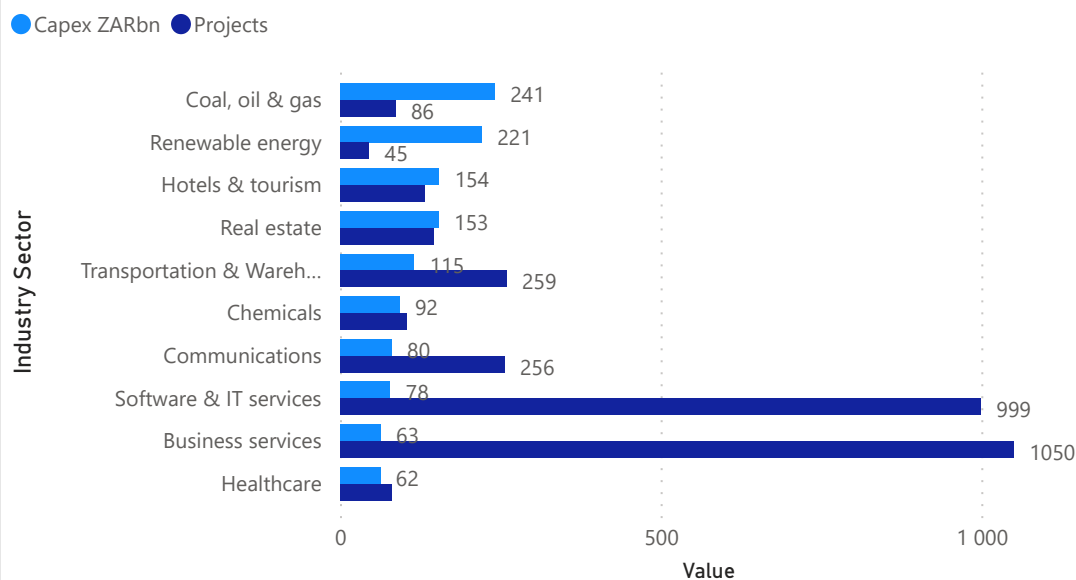
Figure 16: FDI in the United Arab Emirates by Source Markets, 2011 - 2023



Source: FDI Markets, 2023

From January 2011 to March 2023, the UAE's coal, oil and gas sector was the largest recipient of FDI (in terms of capex) from around the world. As is evident in Figure 17, this amounted to 86 projects worth ZAR240.91bn. The renewable energy sector was the second largest recipient of FDI, with 45 projects worth ZAR220.54bn in capex. The hotels and tourism sector followed, with 132 projects worth ZAR154.01bn in capex.

Figure 17: FDI in the United Arab Emirates by Sectors, 2011 - 2023



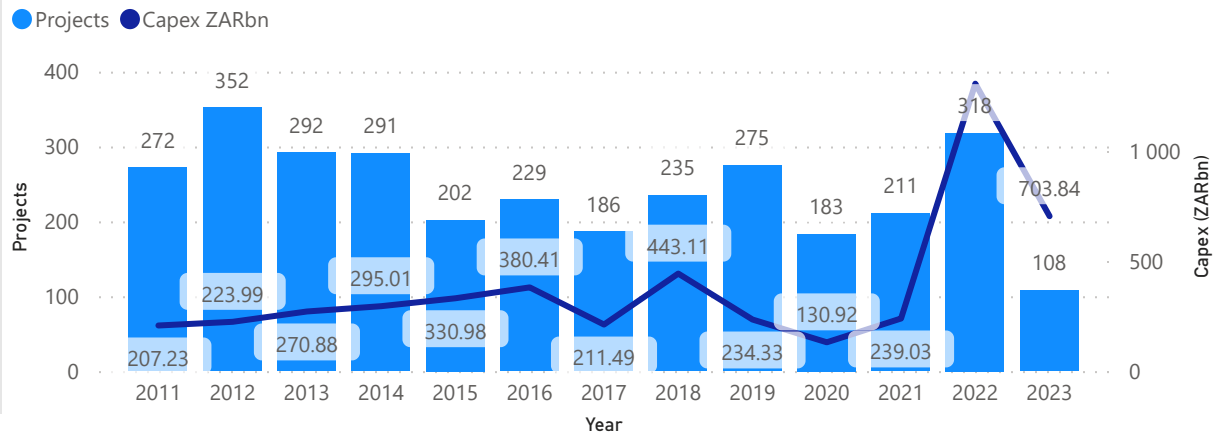
Source: FDI Markets, 2023

3.2) Global OFDI From the United Arab Emirates

UAE-based companies invested in 3,153 FDI projects in the global economy between January 2011 and March 2023. These projects amounted to a total capex value of ZAR4,977.10bn, equating to an average investment of ZAR1,578.50m per project.

During the period, 487,568 jobs were created as a result. A breakdown of these figures can be observed in Figure 18.

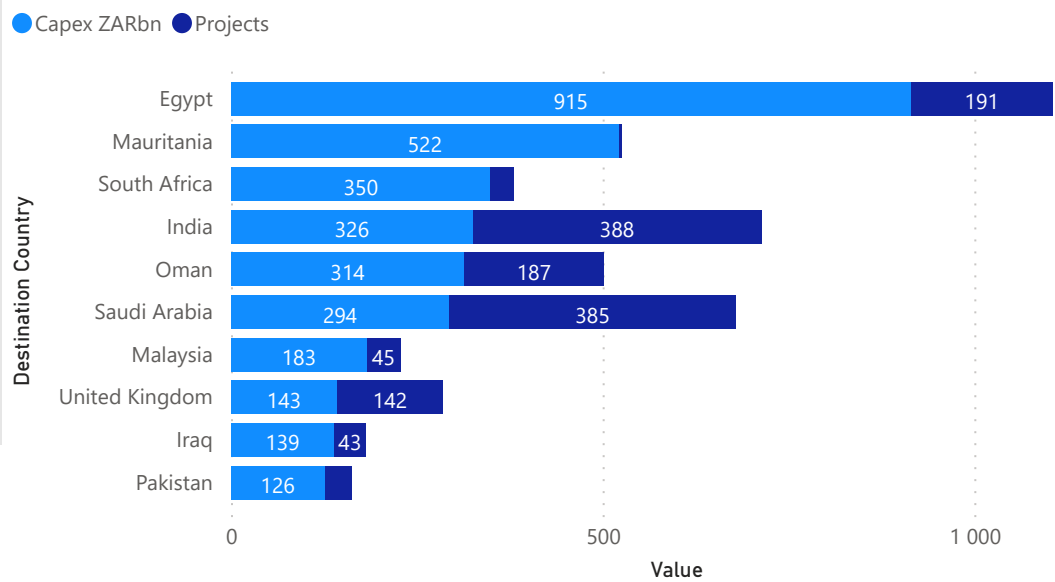
Figure 18: Trends in OFDI from the United Arab Emirates, 2011-2023



Source: FDI Markets, 2023

The top three recipients of outward FDI from the UAE over this period were African countries. Egypt was the main recipient of FDI from the UAE over this period, with ZAR914.61bn worth of capex invested in 191 projects. This was followed by Mauritania, which benefited from investments with a capex value of ZAR521.87bn (and three projects). South Africa was third, having received ZAR349.68bn worth of capex and benefiting from 31 projects over the said period.

Figure 19: Destination Markets for OFDI from the United Arab Emirates, 2011-2023

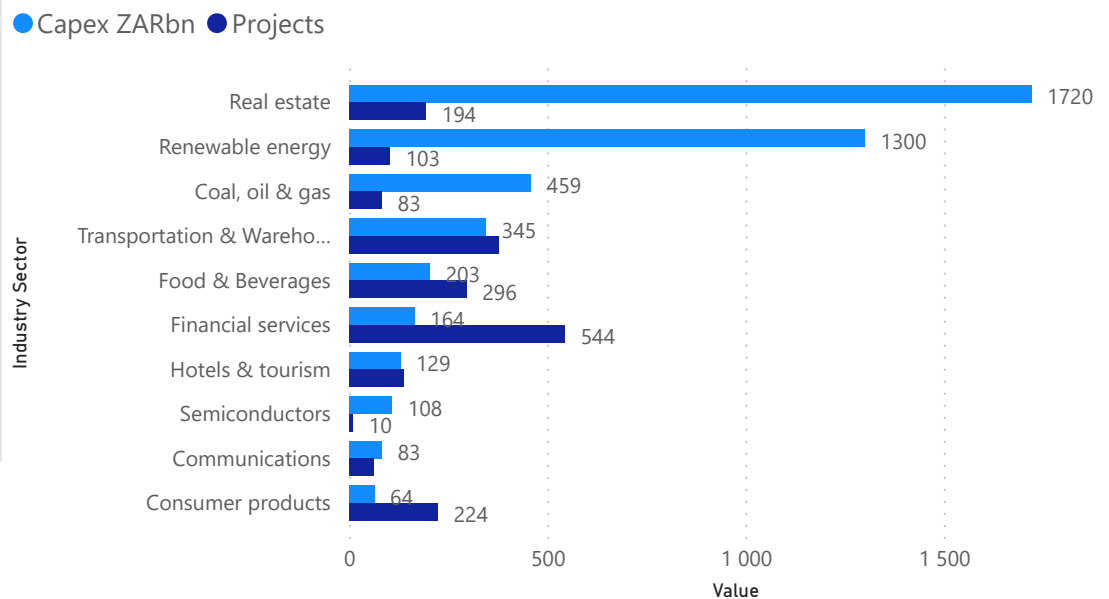


Source: FDI Markets, 2023

Outward FDI from the UAE was predominantly focused on the real estate sector, with the Emirate having invested a cumulative ZAR1,720.22bn worth of capex spread across 194 projects over the period 2011 - March 2023.

The renewable energy sector placed second at a cumulative capex value of ZAR1,300.16bn over 103 projects, while the coal, oil and gas sector placed third at ZAR458.70bn across 83 projects.

Figure 20: Top Sectors for OFDI from the United Arab Emirates, 2011-2023

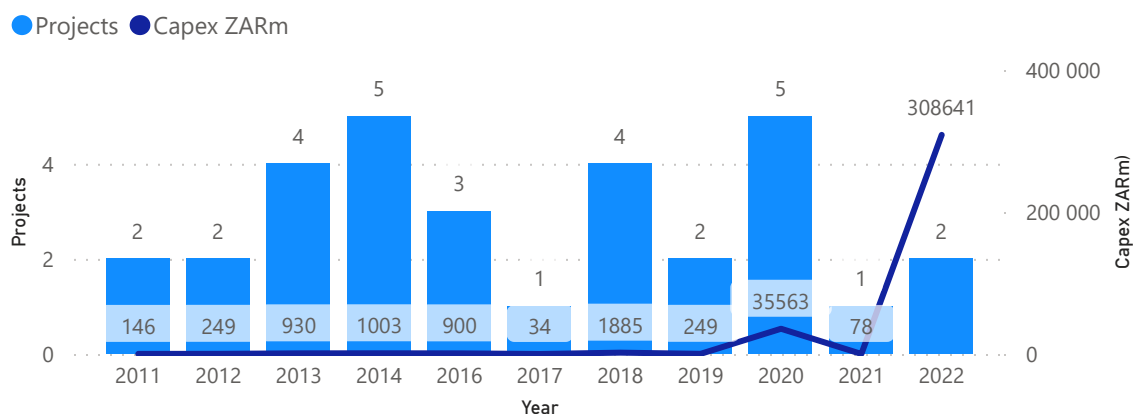


Source: FDI Markets, 2023

3.3) Bilateral FDI: United Arab Emirates FDI in South Africa

Figure 21 shows FDI into South Africa from the UAE for the period January 2011 to March 2023. South Africa benefited from 31 FDI projects with a cumulative capex value of ZAR349.68bn with these investments resulting in the creation of 5,494 jobs. Inward FDI from the UAE into South Africa fluctuated between ZAR145.71m in 2011 and ZAR308,640.81m in 2022, with the inward FDI recorded in 2022 alone accounting for close on 88% of cumulative FDI from the UAE recorded since 2011. This was accounted for by two investments in 2022: one in real estate and one in renewable energy.

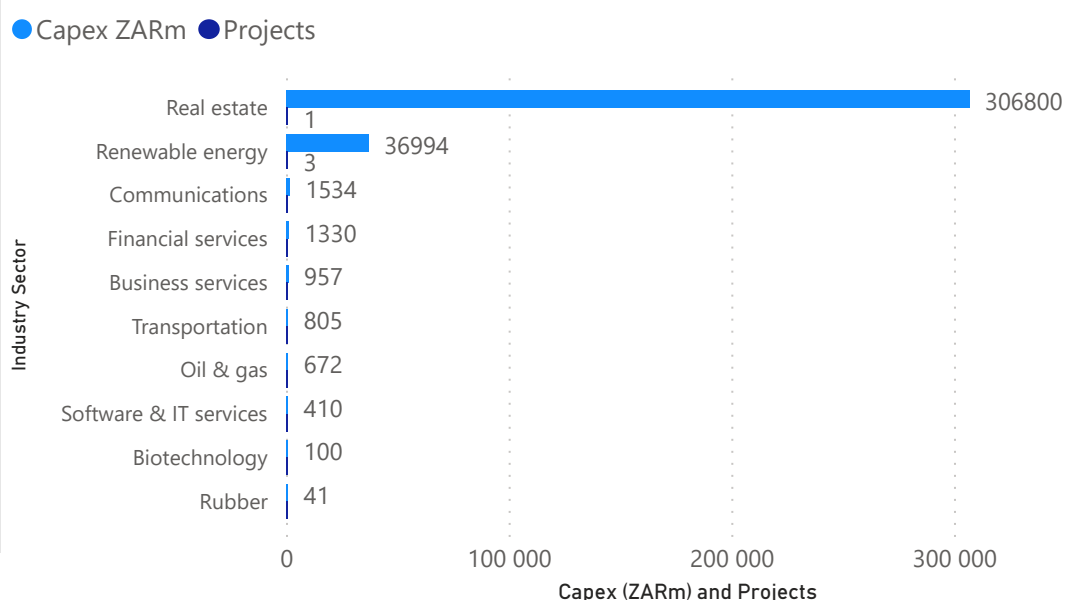
Figure 21: FDI from the United Arab Emirates in South Africa, 2011-2023



Source: FDI Markets, 2023

The South African industry in which the UAE invested the most during the period under review was the real estate sector which received ZAR306,800.02m in capex in one project in 2022 alone. This was followed by the renewable energy sector which benefited from ZAR36,993.92m in capex spread across three projects as shown in Figure 22.

Figure 22: FDI from the United Arab Emirates in South Africa by Sectors, 2011-2023



Source: FDI Markets, 2023

Figure 23 lists the top 10 UAE-based companies that invested in South Africa from January 2011 to March 2023.

Figure 23: United Arab Emirates Companies Investing in South Africa, 2011-2023

URB was the top investor with an amount of ZAR306,800m invested in one project in October 2022, and which resulted in the creation of an estimated 3000 jobs. This was followed by Neutral Fuels who invested in a single project worth ZAR35,102.52m in April 2022, and which generated 110 jobs.

Company name	#Projects	Capex ZARm	Total jobs	Primary sector
URB	1	306 800.01	3000	Real estate
Neutral Fuels	1	35 102.52	110	Renewable energy
AMEA Power	1	1 840.82	24	Renewable energy
Mara Phones	1	1 534.03	1500	Communications
Fund Advisers	1	578.32	133	Financial services
Holborn Assets	3	460.24	65	Financial services
Future Tech Media	1	426.45	14	Business services
LightBlue	1	426.45	14	Business services
Chemie Tech DMCC	1	423.38	51	Oil & gas
United Aviation Services	1	292.99	101	Transportation

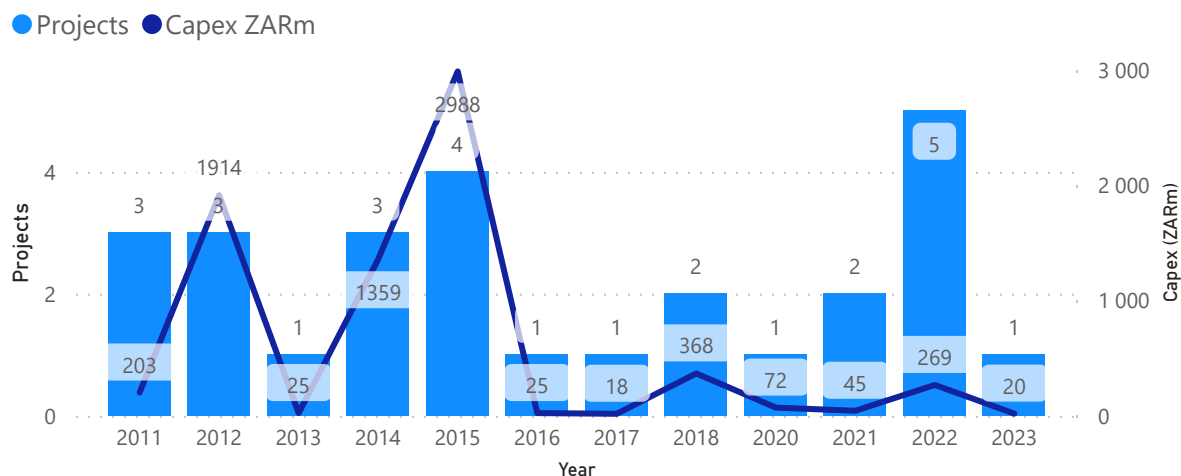
When measured by the number of projects invested, Holborn Assets in the financial services sector invested in the most: three projects worth ZAR460.24m.

Source: FDI Markets, 2023

3.4) Bilateral FDI: South Africa's FDI in the United Arab Emirates

Investments made by South African companies into the UAE between January 2011 and March 2023 are shown in Figure 24. The UAE benefited from 27 South African projects, with a cumulative capex value of ZAR7,304.19m and equated to an average investment of ZAR270.00m per project. An estimated 2,317 jobs were created as a result. South African investment (measured by capex) into the Emirate peaked in 2015 at a capex value of ZAR2,988.23m invested across 4 projects.

Figure 24: FDI from South Africa in the United Arab Emirates, 2011-2023

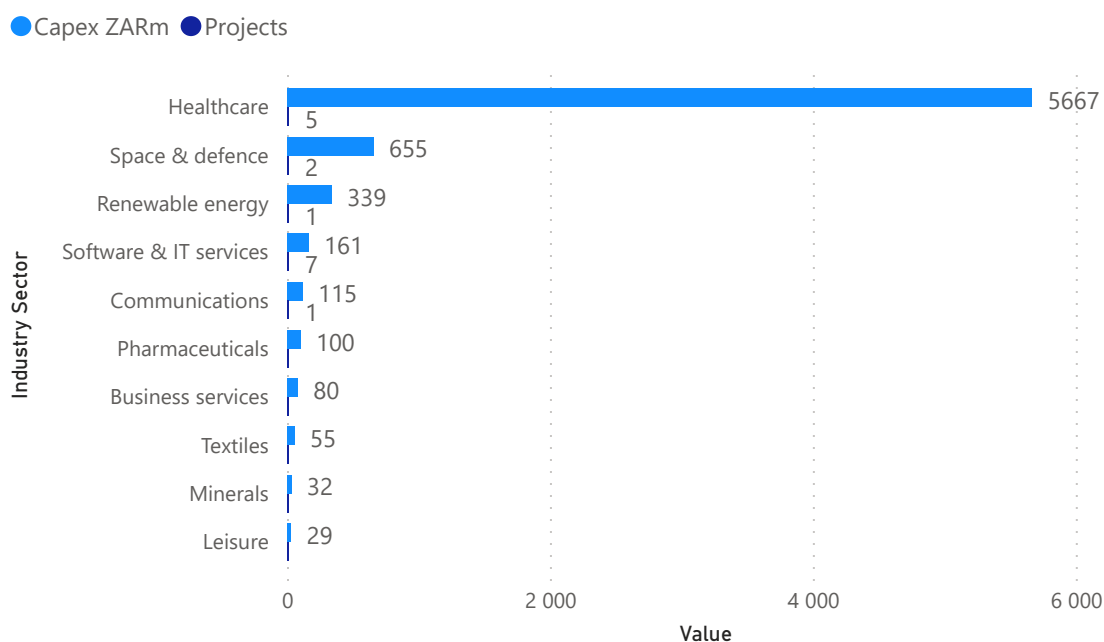


Source: FDI Markets, 2023

Investment into the healthcare sector dominated South African investments into the Emirates over the period under review, with this sector the recipient of ZAR5,667.62m worth of capex invested in five projects. Investments in the space and defence sector followed with two projects worth ZAR655.02m, with one investment worth ZAR339.03m invested in the renewable energy sector.

When measured in terms of the number of projects invested, the UAE's software and IT services sector was the recipient of the most projects from South Africa. South Africa invested in seven projects in this sector valued at ZAR161.11m over the period analysed.

Figure 25: FDI from South Africa in the United Arab Emirates by Sectors, 2011-2023



Source: FDI Markets, 2023

The top 10 South African companies that invested in the UAE (as measured by capex) from January 2011 to March 2023 are tabled in Figure 26.

Mediclinic Middle East invested in the greatest number of projects (five) in the UAE at a capex value of ZAR5,666.62m. Mediclinic acquired the Arabic AL Noor Hospital Group in 2016 and became the largest private health care company in the UAE. Denel South Africa was the second largest investor, having invested in one project with an accumulative value of ZAR582.91m. The Sun Exchange, the third largest investor, also invested in one project with an accumulated capex value of ZAR339.02m.

Figure 26: South Africa Companies Investing in the United Arab Emirates, 2011-2023

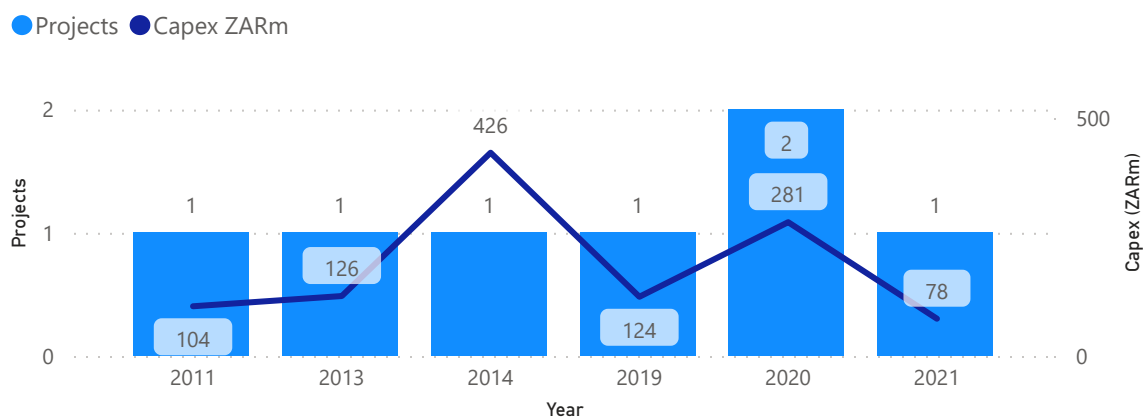
Company name	#Projects	Capex ZARm	Total jobs	Primary sector
Mediclinic	5	5 666.62	1643	Healthcare
Denel	1	582.91	139	Space & defence
The Sun Exchange	1	339.02	29	Renewable energy
Westcon Group	1	115.13	10	Communications
Wuhan General	1	99.70	52	Pharmaceuticals
Milkor	1	72.14	81	Space & defence
Kingsley Heath	1	55.24	86	Textiles
Diamdel	1	32.23	12	Minerals
African Medallion	1	29.12	8	Metals
Bravado Gaming	1	29.11	25	Leisure

Source: FDI Markets, 2023

3.5) Bilateral FDI: United Arab Emirates FDI in the Western Cape (WC)

Figure 27 shows that from 2011 to March 2023, the UAE invested in seven projects in the Western Cape at a value of ZAR1,139.76m, with these investments generating 344 jobs. FDI from the UAE reached a peak in June 2014 when ZAR426.45m was invested in one project in the business services sector.

Figure 27: FDI from the United Arab Emirates in the Western Cape, 2011-2023

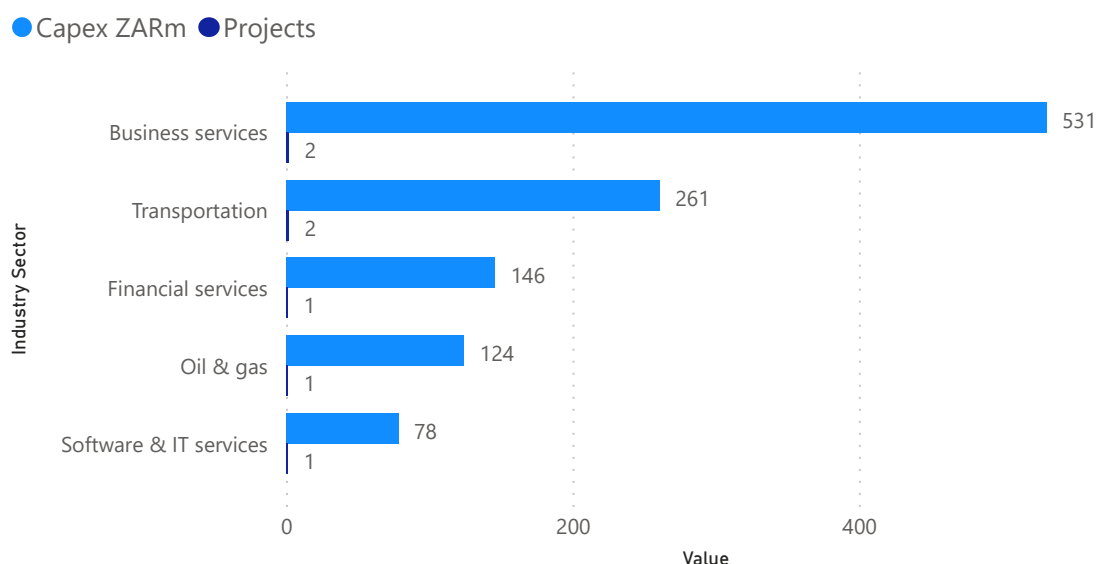


Source: FDI Markets, 2023

The Western Cape's business services sector was the largest recipient of FDI from the UAE in terms of both the number of projects, and capex. Figure 28 shows that a total of two projects, valued at ZAR530.76m, benefited from investments in this sector.

The transportation sector followed, having attracted two FDI projects worth ZAR260.78m. The financial services sector followed with FDI from the Emirates totaling ZAR145.73m which was invested in a single project.

Figure 28: FDI from the United Arab Emirates in the Western Cape according to Sectors, 2011-2023



Source: FDI Markets, 2023

Figure 29 lists the UAE companies that invested in the Western Cape from January 2011 to March 2023 (measured by capex). The UAE based company LightBlue was the top investor, having invested in one project in the business services sector, at a value of ZAR426.45m. This was followed by Holborn Assets which invested in one project worth ZAR145.73m and Aramex South Africa, which invested in one project worth ZAR134.99m.

Figure 29: United Arab Emirates Companies Investing in the Western Cape, 2011-2023

Company name	#Projects	Capex ZARm	Total jobs	Primary sector
LightBlue	1	426.45	14	Business services
Holborn Assets	1	145.73	22	Financial services
Aramex South Africa	1	134.99	20	Transportation
GAC Group	1	125.79	9	Transportation
Ennero	1	124.25	33	Oil & gas
Tonic International	1	104.31	15	Business services
InCube	1	78.23	231	Software & IT services

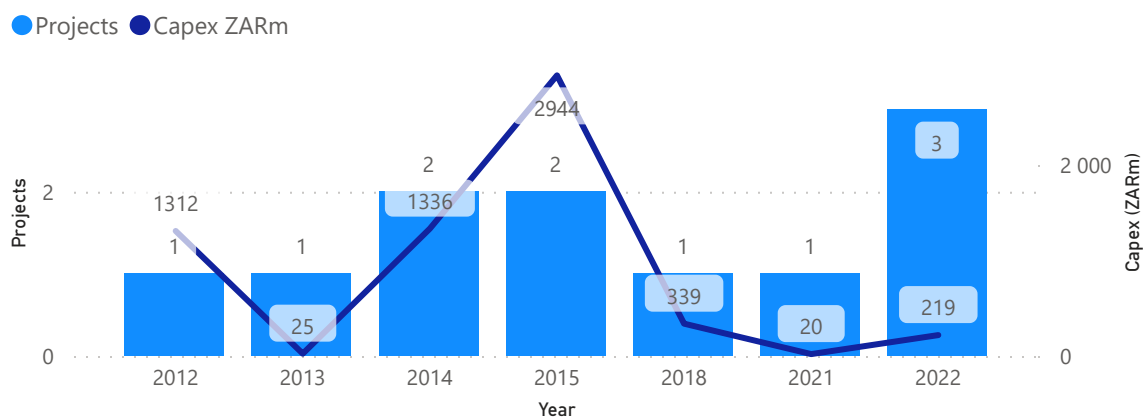
Source: FDI Markets, 2023

3.6) Bilateral FDI: Western Cape's FDI in the United Arab Emirates

Western Cape based companies invested in 11 projects in the UAE at a cumulative capex value of ZAR6,194.29m between 2011 and March 2023. These investments were made by seven Western Cape companies and generated 1,790 jobs.

Investment by Western Cape companies into the Emirate (measured by capex) peaked at ZAR2,924.23m in 2015, and was accounted for by one investment in April 2015.

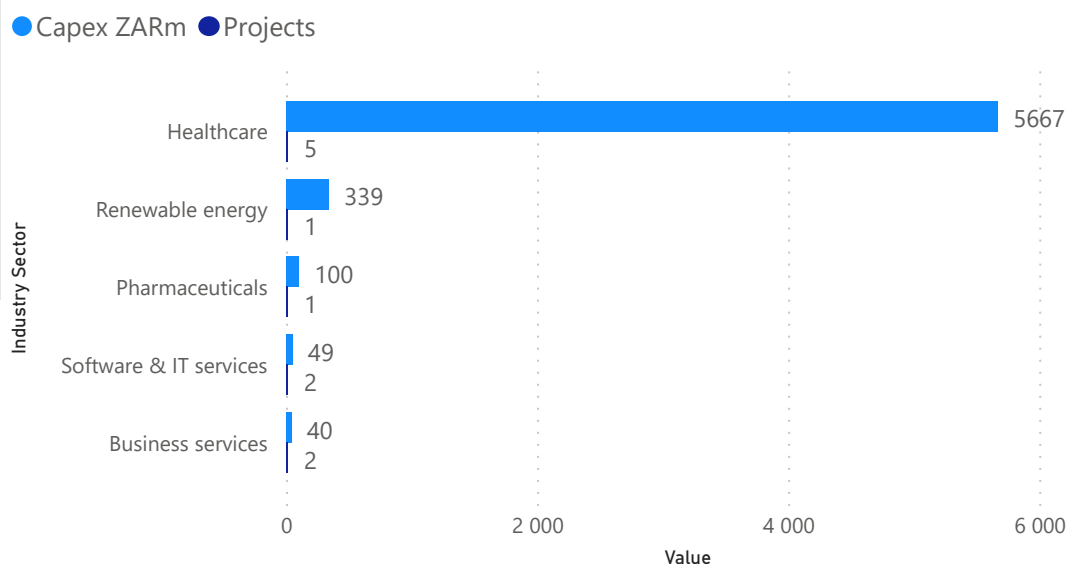
Figure 30: FDI from the Western Cape in the United Arab Emirates, 2011-2023



Source: FDI Markets, 2023

Most of the capex from the Western Cape (ZAR5,666.61m) was invested in five projects in the healthcare sector in the UAE, as shown in Figure 31. The renewable energy sector attracted one project worth ZAR339.01m in FDI from the Western Cape, and the pharmaceuticals sector benefited from one project worth ZAR99.75m in FDI.

Figure 31: FDI from the Western Cape in the United Arab Emirates by Sectors, 2011-2023



Source: FDI Markets, 2023

Mediclinic Middle East was the top Western Cape investor (when measured in terms of capex) in the UAE from January 2011 to March 2023. The company invested in five projects in the healthcare sector, at an associated value of ZAR5,666.61m. The Sun Exchange and Wuhan General Group (M2Bio Sciences) followed with each investing in one project worth ZAR339.02m and ZAR99.73m respectively.

Figure 32: Western Cape Companies Investing in the United Arab Emirates, 2011-2023

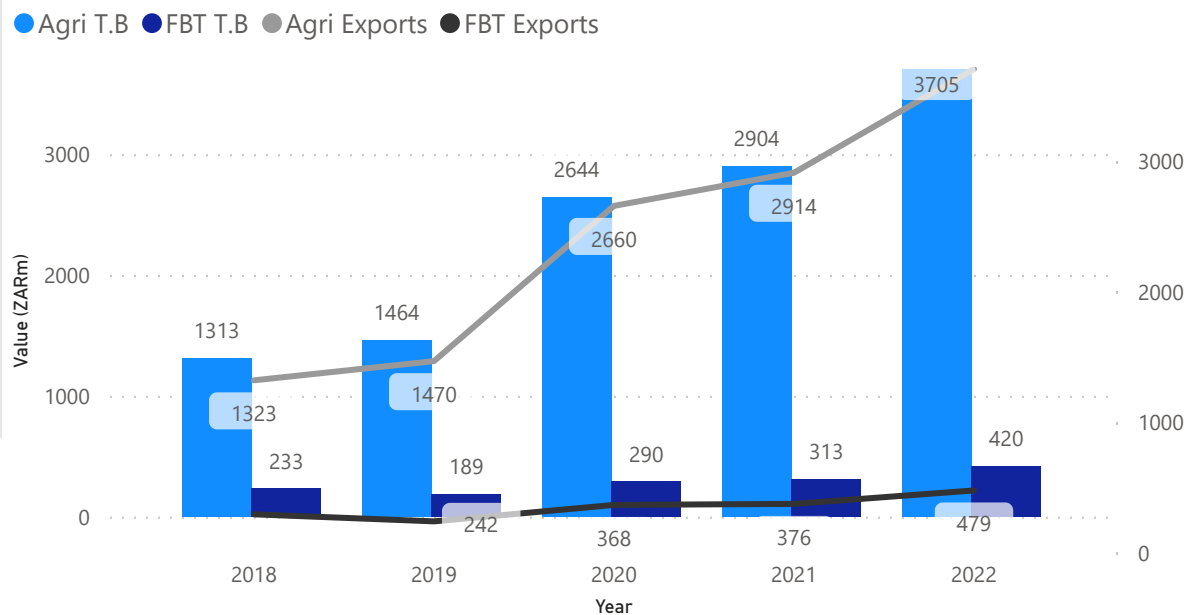
Company name	#Projects	Capex ZARm	Total jobs	Primary sector
Mediclinic Middle East	5	5 666.61	1643	Healthcare
The Sun Exchange	1	339.02	29	Renewable energy
Wuhan General Group (M2Bio Sciences)	1	99.73	52	Pharmaceuticals
Stanchion Payment Solutions	1	24.54	18	Software & IT services
Emerging Markets Payments (EMP)	1	24.53	18	Software & IT services
The Valuator Group	1	19.92	15	Business services
incuBeta	1	19.91	15	Business services

Source: FDI Markets, 2023

4) Western Cape Agribusiness Trade with the United Arab Emirates

As the agricultural hub of South Africa, the Western Cape exported more agricultural products as opposed to the food, beverages and tobacco products to the UAE. The agriculture exports to the UAE fluctuated from ZAR1,322.98m in 2018 to ZAR3,709.34m in 2022. This resulted in higher trade balances being realized from ZAR1,313.45m in 2018 to ZAR3,704.64m in 2022. Likewise, trade balance from the export of the export of food, beverages and tobacco from the Western Cape fluctuated from ZAR233.45m in 2018 to ZAR419.58m in 2022.

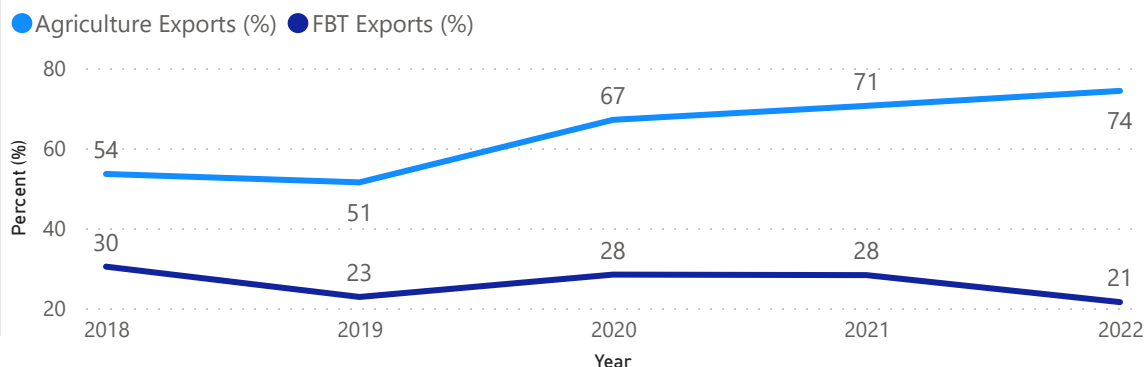
Figure 33: Western Cape's Agriculture and FBT Trade with the United Arab Emirates, 2018-2022



Source: Quantec, 2023

The Western Cape was responsible for most of South Africa's agribusiness exports to the UAE and is considered the agri-hub of the country. In 2022, the province accounted for an average national share of 74.28% of primary agricultural exports and 21.47% of food, beverages and tobacco (FBT) to the UAE, as shown in Figure 34.

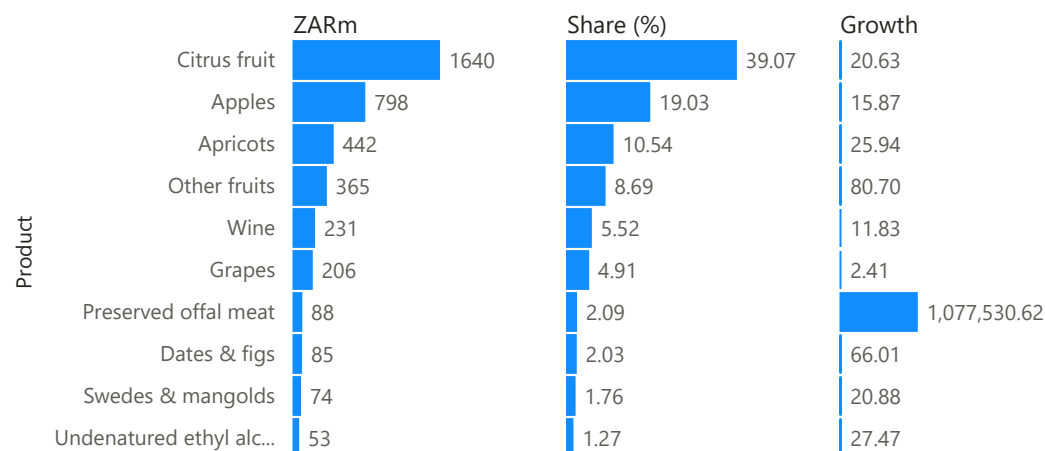
Figure 34: Western Cape's Share of National Agri and FBT exports to the United Arab Emirates, 2018-2022



Source: Quantec, 2023

Citrus fruit valued at (ZAR1,639.97m), apples (ZAR797.83m), and apricots (ZAR442.32m) were the top three agricultural exports from the Western Cape to the UAE, as shown in Figure 35. These products accounted for 68.61% of the province's agricultural exports to the United Arab Emirates in 2022, with citrus fruit alone contributing 39.07%. Exports in preserved offal meat grew by a phenomenal five-year average annual growth rate of 1,077,530.62% from 2018 to 2022.

Figure 35: Top Agri Exports from the Western Cape to the United Arab Emirates, 2022: (Average Growth: 2018-2022)

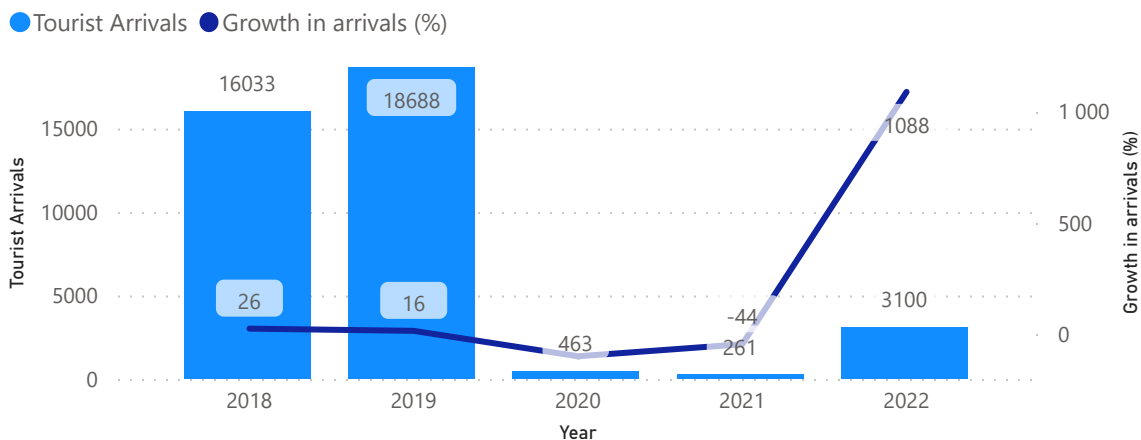


Source: Quantec, 2023

5) Tourism from the United Arab Emirates to South Africa and the Western Cape

South Africa welcomed 3,100 tourists from the UAE in 2022, reflecting a 1,088% y-o-y growth when compared to 2021, and a recovery of 17% over 2019. This is evident in Figure 36.

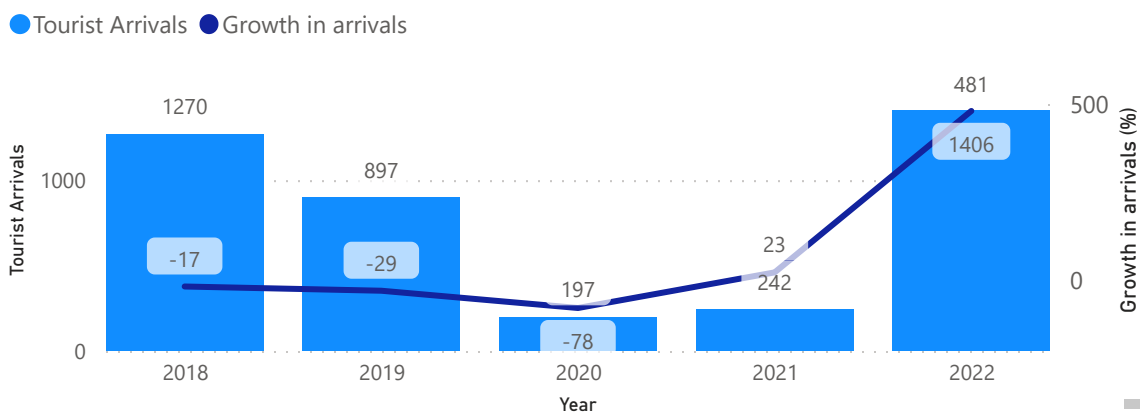
Figure 36: United Arab Emirates Tourist Arrivals in South Africa, 2018-2022



Source: South African Tourism, 2023

In 2022, over 1,406 tourists from the UAE visited the Western Cape, as seen in Figure 37. This reflects a recovery of 157% when compared to 2019 and a y-o-y growth of 481% in relation to 2021.

Figure 37: United Arab Emirates Tourist Arrivals in the Western Cape, 2018-2022



Source: South African Tourism, 2023

DISCLAIMER:

Wesgro has taken every effort to ensure that the information in this publication is accurate. We provide said information without representation or warranty whatsoever, whether expressed or implied. It is the responsibility of users of this publication to satisfy themselves of the accuracy of information contained herein. Wesgro cannot be held responsible for the contents of the publication in any way.

© Wesgro, 2023