

Big win for SA's rooibos tea market

The Department of Trade, Industry, and Competition announced on Tuesday, 9 January 2024, that the Chinese government has decided to slash tariffs on rooibos tea to 6%, down from its previous range of between 15% and 30%.



Source: <https://www.facebook.com/rooiboscouncil>

This decision has been welcomed by the South African government and the South African Rooibos Council (SARC).

In August last year, South Africa's Minister of Trade, Industry and Competition, Ebrahim Patel raised the tariff duties on rooibos tea with his counterpart, the Chinese Minister of Commerce, Wang Wentao, during the 8th meeting of the China-South Africa Joint Economic and Trade Commission. He requested that China considers a request to reclassify rooibos tea and to reduce the duties.

Rooibos tea is a uniquely South African herbal tea that comes from the fermented leaves of the *Aspalathus linearis* shrub, a plant native to the country. According to the South African Rooibos Council, approximately 20,000 tons of rooibos (which is enough for around 6 million cups of tea) is produced in the country every year as a result of the work of a sector that employs more than 5,000 people.

In 2023, China was the 7th largest recipient market for South African rooibos tea out of 45 importers – with 2024's tariff relief expected to greatly boost trade.

Says Patel, "This decision will enable more South African rooibos tea to be available to Chinese tea drinkers, creating more jobs in South Africa. Rooibos exporters can now ramp up their exports of tea to China."

Marthane Swart of the SARC said that "the drop in tariffs for rooibos in the Chinese market is the result of a long process implemented by the SA Rooibos Council and well supported by the Department of Trade, Industry and Competition, the Department of Agriculture, Land Reform and Rural Development and the SA Revenue Service."

For more, visit: <https://www.bizcommunity.com>