

26 July 2017

During 2016, South Africa (SA) exported some US\$6.8 billion (about 9.2% of our total exports) to the People's Republic of China (China). This is about 25% more than SA exported to the USA in the same year.

Over the past decade, SA has signed many trade treaties with China, and in 2015 alone some 23 trade treaties were concluded, to a value of US\$16.5 billion. During May 2017, 7.8% of SA's exports for that month were to China, and 18.7% of SA's imports came from China.

Over 140 medium and large Chinese companies operate in SA, creating many jobs for SA citizens.

The current regulatory uncertainty and the stand-off between the Minerals Minister and the Chamber of Mines, representing the overwhelming majority of the mining industry, create the breeding ground for established mining companies to exit an environment that continues to become main-stream investor unfriendly.

As we see it, Chinese companies will continue to invest in SA, particularly when regulatory uncertainty in the mining and commodities industries present opportunities for those with a higher risk appetite, seeking to invest in a commodity down-cycle.

At Hogan Lovells (South Africa), we have a Mandarin speaking Asia-Africa Practice Group that is uniquely placed to advise Chinese companies seeking to enter the highly-regulated mining and minerals industry.

Contacts



Wessel
Badenhorst

Partner

> [Read the full article online](#)