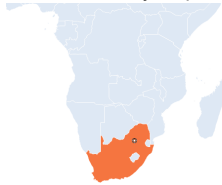


## Introduction

South Africa is a country located at the southern tip of the African continent. It also includes a small, sub-Atlantic archipelago of the Prince Edward Islands. Neighboring countries include Botswana, Lesotho, Mozambique, Namibia, Swaziland, and Zimbabwe. The geography of South Africa is vast scrubland in the interior, the Namib Desert in the northwest, and tropics in the southeast. The government system is a republic; the chief of state and head of government is the president. South Africa has a mixed economy in which there is a variety of private freedom, combined with centralized economic planning and government regulation. South Africa is a member of the Southern African Development Community (SADC).



**Location:** Southern Africa

**Capital City:** Pretoria (+2 GMT)

**Chief of State:** President Matamela Cyril Ramaphosa

**Head of Govt.:** President Matamela Cyril Ramaphosa

**Currency:** Rand (ZAR)

**Major Languages:** <p>isiZulu (official) 25.3%, isiXhosa (official) 14.8%, Afrikaans (official) 12.2%, Sepedi (official) 10.1%, Setswana (official) 9.1%, English (official) 8.1%, Sesotho (official) 7.9%, Xitsonga (official) 3.6%, siSwati (official) 2.8%, Tshivenda (official) 2.5%, isiNdebele (official) 1.6%, other (includes Khoi, Nama, and San languages) 2%; note - data represent language spoken most often at home (2018 est.)</p>

**Primary Religions:** <p>Christian 86%, ancestral, tribal, animist, or other traditional African religions 5.4%, Muslim 1.9%, other 1.5%, nothing in particular 5.2% (2015 est.)</p>

**Calling Code:** 27

**Voltage:** 220/230

## Key Websites

Main Government Page: [gov.za](http://gov.za)

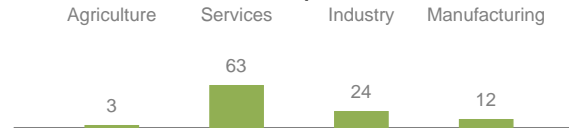
Export Promotion Agency: [thedtic.gov.za](http://thedtic.gov.za)

Investment Promotion Agency: [thedtic.gov.za](http://thedtic.gov.za)

## Key Economic Facts

Income Level (by per capita GNI):	Upper Middle Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$952.60 billion (2022)
GDP growth (annual %):	2.04% (2022)
GDP per capita, PPP (current international \$):	\$15,904.85 (2022)
External debt stocks, total (DOD, current US\$):	\$170,015,396,603.30 (2021)
Manufacturing, value added (% of GDP):	12.04% (2022)
Current account balance (BoP, current US\$):	-\$1.79 billion (2022)
Inflation, consumer prices (annual %):	7.04% (2022)
Labor force, total:	24,308,964 (2022)
Unemployment, total (% of total labor force) (modeled ILO estimate):	29.81% (2022)
Imports of goods and services (current US\$):	\$127.71 billion (2022)
Exports of goods and services (current US\$):	\$135.74 billion (2022)

## GDP Composition %



*\*Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

## Rankings

Index	Rank
Corruption Perceptions Index	69 / 178
EY Globalization Index	51 / 60
Global Competitiveness Index	60 / 141
Global Enabling Trade Index	55 / 136
Global Manufacturing Competitiveness Index (GMCI)	27 / 40
Global Services Location Index	57 / 60
Index of Economic Freedom	116 / 176
International Logistics Performance Index (LPI)	33 / 160
Inward FDI Potential Index	74 / 139
KOF Index of Globalization	54 / 185
Networked Readiness Index (NRI)	65 / 139
Open Budget Index	2 / 114

## Risk Assessment (Provided by Coface)

**Country rating: C** - A very uncertain political and economic outlook and a business environment with many troublesome weaknesses can have a significant impact on corporate payment behavior. Corporate default probability is high.

**Business Climate rating: A4** - The business environment is acceptable. Corporate financial information is sometimes neither readily available nor sufficiently reliable. Debt collection is not always efficient and the institutional framework has shortcomings. Intercompany transactions may thus run into appreciable difficulties in the acceptable but occasionally unstable environments rated A4.

### Strengths

- Regional power with a large, youthful population
- Rich in natural resources (gold, platinum, coal, chromium, rare metals etc.)
- Developed financial market
- Floating exchange rate regime, central bank independence
- Healthy banking system
- Public debt mostly in rand and long maturity (12 years on average)
- Solid institutions and independent judiciary

### Weaknesses

- Weak growth in the last ten years
- Poverty (22% of the 2020 population), growing inequalities, high unemployment (especially among young people), sources of social risk (crime, strikes)
- Skill shortages, labor market rigidity
- Inefficient public spending, corruption
- Lack of foreign direct investment, hindering the development of the extractive sector
- Weak public accounts and state-owned companies (notably Eskom, a power utility, whose guaranteed debt equals 8% of GDP)
- Dependence on volatile foreign capital
- Dependence on minerals (57% of export)
- Ageing and inadequate infrastructure (transport, energy) with frequent power cuts
- Deindustrialization (manufacturing = 12% of GDP)

## U.S. Embassy

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<https://za.usembassy.gov>