

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 Cyril Ramaphosa

Head of Govt.: President Cyril Ramaphosa

Currency: Rand (ZAR)

Major Languages: <p>IsiZulu (official) 22.7%, IsiXhosa (official) 16%, Afrikaans (official) 13.5%, English (official) 9.6%, Sepedi (official) 9.1%, Setswana (official) 8%, Sesotho (official) 7.6%, Xitsonga (official) 4.5%, siSwati (official) 2.5%, Tshivenda (official) 2.4%, isiNdebele (official) 2.1%, sign language 0.5%, other 1.6%</p>

Primary Religions: <p>Protestant 36.6% (Zionist Christian 11.1%, Pentecostal/Charismatic 8.2%, Methodist 6.8%, Dutch Reformed 6.7%, Anglican 3.8%), Catholic 7.1%, Muslim 1.5%, other Christian 36%, other 2.3%, unspecified 1.4%, none 15.1%</p>

Calling Code: 27

Voltage: 220/230

Key Websites

Main Government Page: gov.za

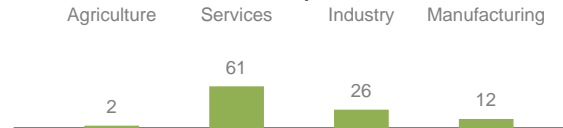
Export Promotion Agency: thedti.gov.za

Investment Promotion Agency: thedti.gov.za

Key Economic Facts

Income Level (by per capita GNI):	Upper Middle Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$767.17 billion (2017)
GDP growth (annual %):	1.32% (2017)
GDP per capita, PPP (current international \$):	\$13,526.19 (2017)
External debt stocks, total (DOD, current US\$):	\$176,334,699,116.80 (2017)
Manufacturing, value added (% of GDP):	11.86% (2017)
Current account balance (BoP, current US\$):	-\$8.91 billion (2017)
Inflation, consumer prices (annual %):	5.18% (2017)
Labor force, total:	22,702,855 (2018)
Unemployment, total (% of total labor force) (modeled ILO estimate):	26.96% (2018)
Imports of goods and services (current US\$):	\$99.10 billion (2017)
Exports of goods and services (current US\$):	\$103.87 billion (2017)

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	71 / 178
EY Globalization Index	51 / 60
Global Competitiveness Index	67 / 139
Global Enabling Trade Index	55 / 136
Global Manufacturing Competitiveness Index (GMCI)	27 / 40
Global Services Location Index	45 / 55
Index of Economic Freedom	102 / 179
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	1 / 115

Risk Assessment (Provided by Coface)

Country rating: B - Political and economic uncertainties and an occasionally difficult business environment can affect corporate payment behavior. Corporate default probability is appreciable.

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/continental economic and political power
- Rich in natural resources (gold, platinum, carbon, chromium...)
- Advanced services sector (especially financial)
- Legislative environment provides protection for investors

Weaknesses

- Poverty and inequality are sources of social risk (crime, strikes, and demonstrations)
- High unemployment (27.7%, 54.3% for those aged 15-24) and shortage of skilled labor
- Infrastructure shortcomings (transport, energy)
- Dependent on volatile flows of foreign capital

U.S. Embassy

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