

## Agro-processing Annual Brief: Looking at 2021

Directorate: Agro-processing Support

### Highlights of 2021

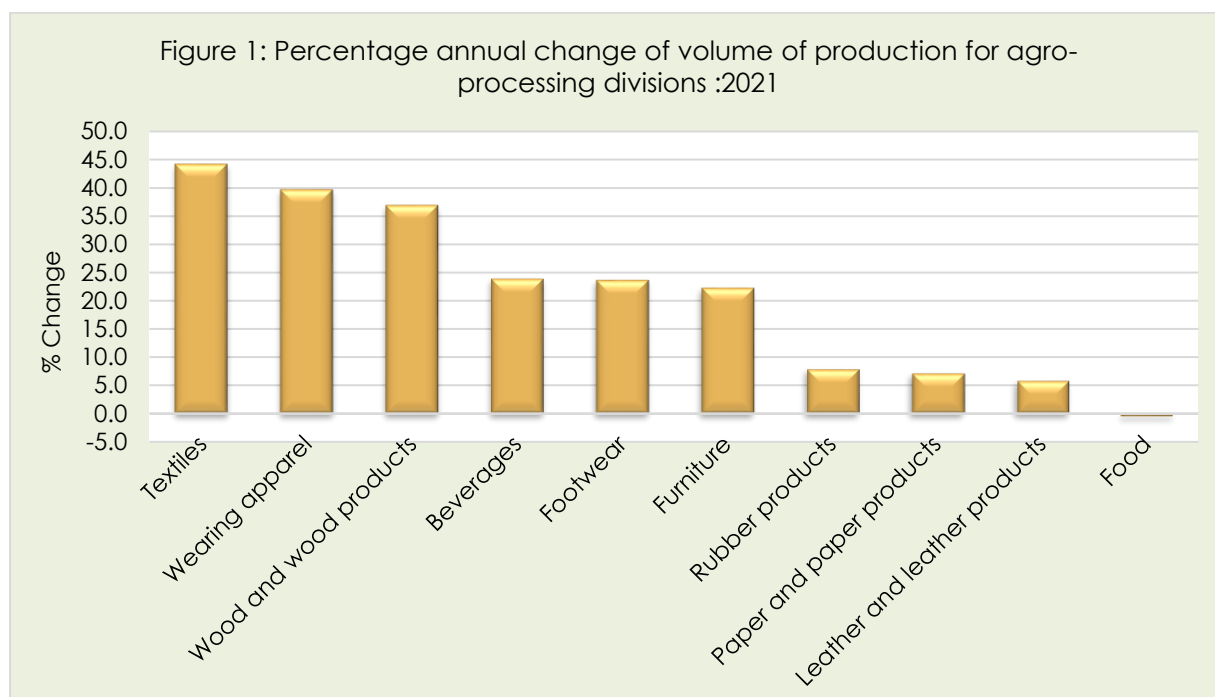
The seasonally adjusted volume of production for most of the agro-processing divisions rebounded in 2021. The divisions that rebounded were textiles, wearing apparel, wood and wood products, beverages, footwear, furniture, rubber, paper and paper products and leather and leather products, except for food which receded further by 0,4%.

In 2021, as a result of the growth in the seasonally adjusted volume of production, the annual agro-processing value of sales grew by 10,1% from a 4,8% growth in 2020. These divisions were: paper and paper products, footwear, wood and wood products, leather and leather products, wearing apparel and textiles. Furniture, rubber and beverages divisions rebounded. Food division moderated during the current period under review.

Trade deficit in the agro-processing sector rebounded by 1,1% in 2021 from a 23,0% contraction in 2020. The following divisions registered a positive trade balance: beverages, paper and paper products and footwear. On the other hand, the following divisions registered a negative trade balance: textiles, rubber products, food, tobacco, leather and leather products, furniture, wearing apparel and wood and wood products.

Employment in the agro-processing sector receded further by 0,9% in 2021 following a 4,3% contraction in 2020. This represents a about 3 793 jobs lost in 2021 as compared to 19 751 jobs lost in 2020. In 2021, employment in the agro-processing divisions were as follows: food product (216 848), furniture (25 014), wood and wood products (44 076), beverages and tobacco products (42 386), wearing apparel (33 853), paper and paper products (27 531), textiles (25 239), footwear (6 219), leather and leather products (4 716) and rubber products (11 401).

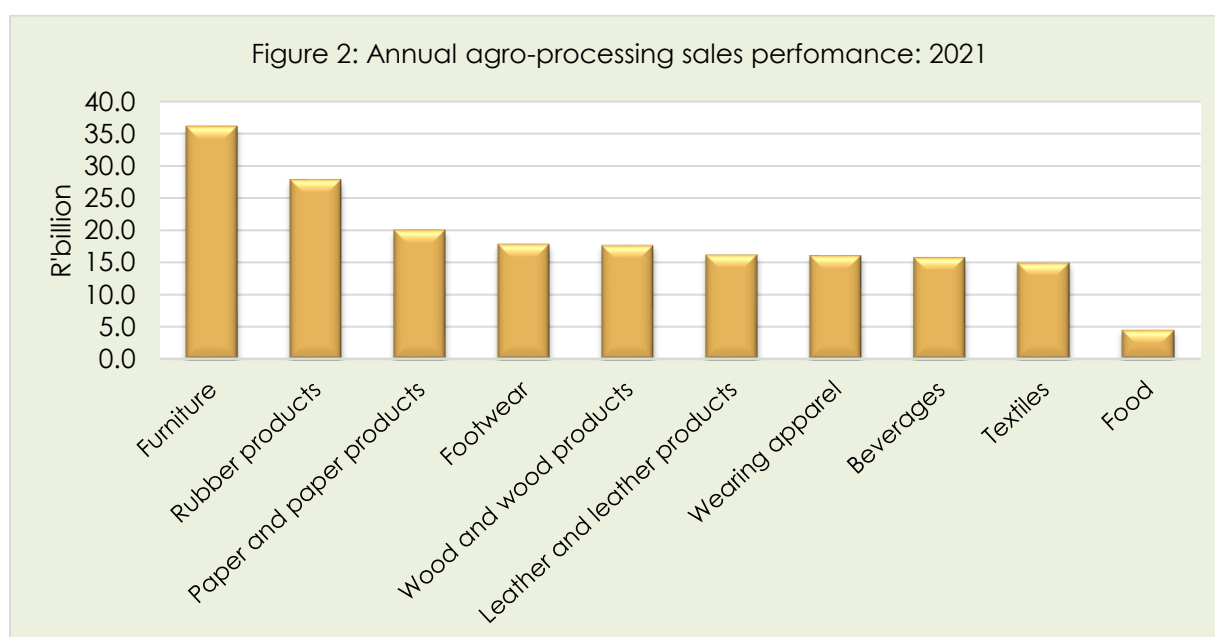
## 1. Volume of production



Source: Statistics SA, 2022

During 2021, the agro-processing seasonally adjusted volume of production rebounded by 22,4% from a 25,3% contraction in the previous year. The following divisions rebounded in growth: textiles (44,2%), wearing apparel (39,8%), wood and wood products (37,0%), beverages (24,0%), footwear (23,7%), furniture (22,4%), rubber (7,9%), paper and paper products (7,2%) and leather and leather products (5,9%), except for food products which receded further by 0,4% from a 0,9% contraction in the last year (see Figure 1).

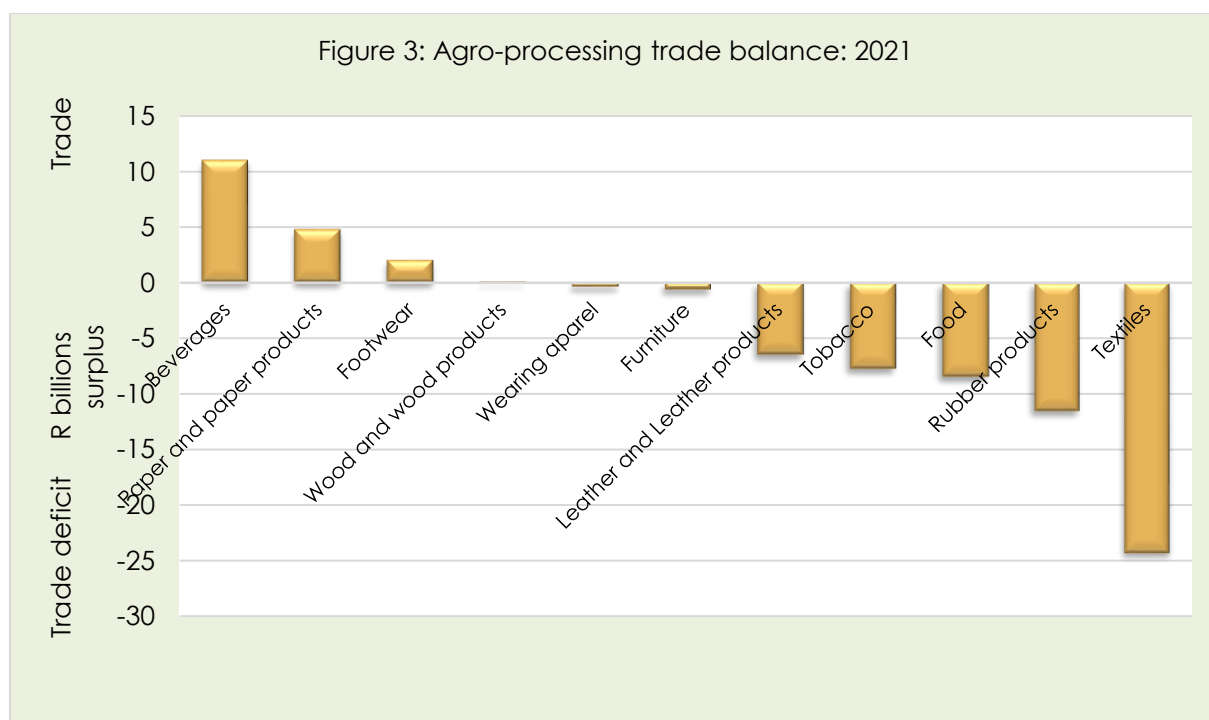
## 2. Sales



Source: Statistics SA, 2022

In 2021, the annual agro-processing value of sales grew by 10,1% from a 4,8% growth in 2020. Therefore, sales increased from R347 875,6 million in 2020 to about R383 117,4 million in 2021. Sales for most of the divisions in the agro-processing sector sales grew during the period. These divisions were: paper and paper products (20,0%), footwear (17,8%), wood and wood products (17,6%), leather and leather products (16,2%), wearing apparel (16,1%) and textiles (14,9%). Furniture, rubber and beverages divisions rebounded by 36,1%, 27,8% and 15,8%, respectively. Food division moderated by 4,5% during the current period under review (see Figure 2).

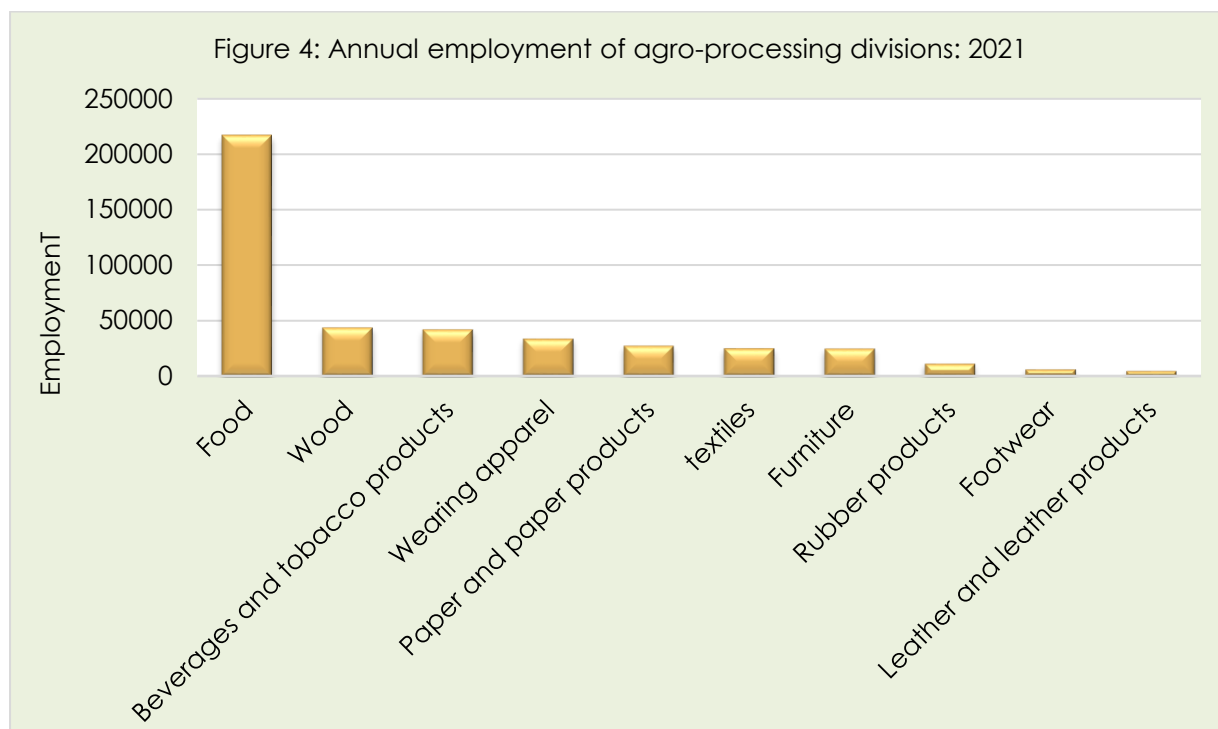
### 3. Trade



Source: Trade Map, 2022

The agro-processing sector trade deficit rebounded by 1,1% in 2021 from a 23,0% contraction in 2020. This translates to a trade deficit widening from R41 419,8 million in 2020 to R41 884,14 million in 2021. The following divisions registered a positive trade balance during the period: beverages (R11,1 billion), paper and paper products (R4,5 billion) and footwear (R8,8 billion). However, the following divisions registered a negative trade balance: textiles (R24,2 billion), rubber products (R11,5 billion), food (R8,5 billion), tobacco (R7,5 billion), leather and leather products (R6,5 billion), furniture (0,6 billion), wearing apparel (R0,4 billion) and wood and wood products (R0,07 billion) (see Figure 3).

#### 4. Employment



Source: Statistics SA 2022

Figure 4 above shows employment in the agro-processing divisions in 2021. Employment in the agro-processing sector receded further by 0,9% following a 4,3% contraction recorded in 2020. This represents a further decline of about 3 793 jobs in 2021 as compared to 19 751 jobs lost in 2020. In 2021, employment in the agro-processing divisions were as follows: food product (216 848), furniture (25 014), wood and wood products (44 076), beverages and tobacco products (42 386), wearing apparel (33 853), paper and paper products (27 531), textiles (25 239), footwear (6 219), leather and leather products (4 716) and rubber products (11 401).

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