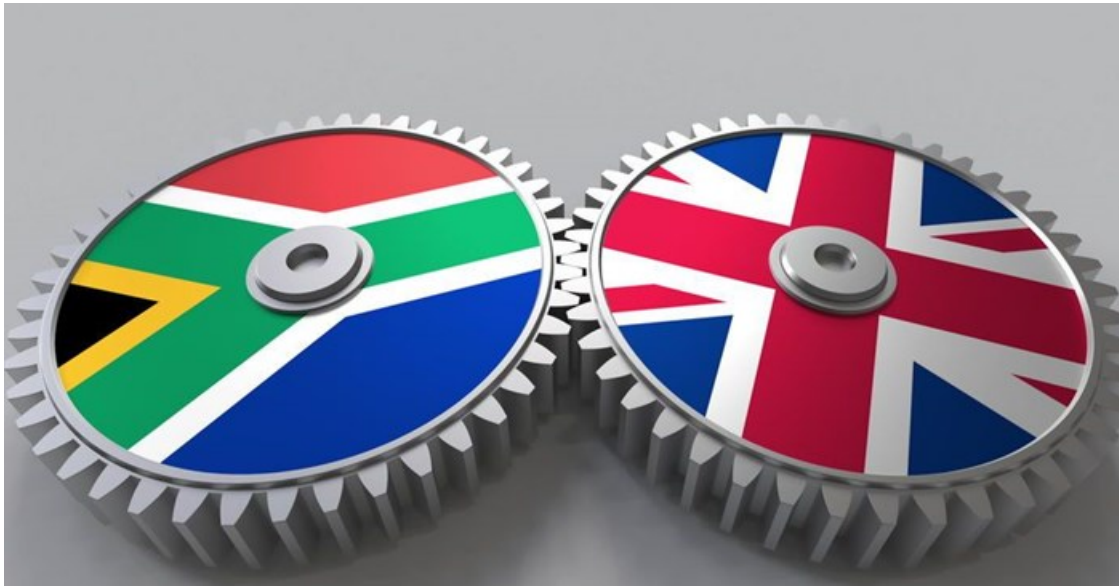


# SA expected to reach roll-over agreement with the UK

The Department of Trade and Industry (dti) is expected to reach a roll-over agreement with the United Kingdom post Brexit.



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The department briefed Parliament's Portfolio Committee on Trade and Industry on developments made by its negotiating team regarding preferential trade arrangements after the British exit (Brexit) from the European Union (EU).

Brexit is expected to occur on 29 March, while the negotiating team expects to reach the agreement by 21 February.

Committee Chairperson, Joan Fubbs, commended the department and other government departments for the work they are doing in ensuring a "form of continuity in arrangements after Brexit".

The Chief Director for Trade Negotiation, International Trade and Economic Development Division at the dti, Niki Kruger, explained the intricacies of the agreement. "It is only once the UK leaves the EU without an agreement that the UK can draw up its own agreements with other countries. The impact of them not reaching an agreement with the EU before Brexit is difficult to quantify now," said Kruger.

Fubbs said all should be done to ensure more positive agreements for South Africa and all African countries in the future.

## Final agreement

The committee heard that a final agreement will be signed by the end of the first week of March.

In addition, the committee heard that no agreement has been reached between the UK and the EU about the UK's continued use of existing EU trade agreements.

The UK is currently South Africa's second biggest trading partner in the EU, despite South Africa having a negative trade balance with the EU.

South Africa has a positive trade balance with the UK and this has increased significantly over the last few years.

The South African and UK trade balance is currently at about \$1.5bn in South Africa's favour. The UK currently receives about 40% of all fresh food products or agricultural products exported from South Africa to the EU.

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