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**MEDIA STATEMENT - IMMEDIATE RELEASE**

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**'NEW SA-UK TRADE DEAL INJECTS MORE CERTAINTY AND PREDICTABILITY INTO FUTURE SA-UK TRADING RELATIONS IN AFTERMATH OF THE PLANNED BREXIT ON OCTOBER 31', SAYS NWU BUSINESS SCHOOL ECONOMIST PROF RAYMOND PARSONS.**

'It is welcome news that the Southern African Customs Union, including SA, on the one hand, and the UK on the other, have in principle now concluded a new trade deal to cater for the aftermath of Brexit on October 31. The widespread economic uncertainty which eventually developed around the Brexit process inevitably has had tariff implications for many third countries, including SA. Sectors in SA such as vehicles, clothing and agriculture were likely to be adversely affected by Brexit and would be particularly vulnerable in the absence of a new trade deal.

Further details remain to be interrogated and finalized. But given the important stake which both countries have in each other's economies, the emergence of a new SA-UK trade deal injects more certainty and predictability into their future mutual trading relations, whatever happens on October 31. The deal therefore helps to ensure that business between the UK and SA can continue as normal and as far as possible be 'business as usual' after Brexit.

However, the wider implications of a possible 'hard Brexit' go beyond tariffs at this stage and must continue to be monitored. And SA business with interests in both the UK and EU would still be well-advised to liaise with their counterparts there regarding contingency plans to minimize supply chain disruption on October 31, should the UK 'crash out' of the EU without a deal. In that event, the Governments of both the UK and EU members expect inevitable economic dislocation after that date and are taking all possible steps to reduce collateral damage to supply chains.'

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