



## Why export to South Africa?

### 1. English language

English is its language of business, politics, advertising and media.

It is the 4th most widely spoken language in South Africa.

90% of the black middle class regards themselves as *fluent* in English.

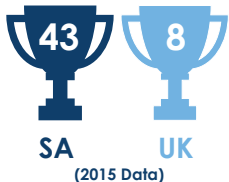
### 2. Hybrid Common Law system



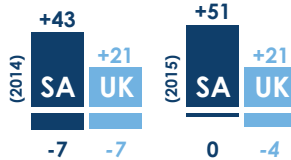
"The similarities in the practice of the rule of law make the South African legal system familiar territory for anyone seeking to conduct business there." Steven Phillips QC MP

### 3. Ease of doing business

World Bank Ease of Doing Business ranking



Business Confidence Index



Consumer Confidence Index



Import barriers falling



### 4. Simpler logistics



**Time Zone**

South Africa time is on GMT +2, allowing UK firms to conduct business easily within normal working hours.



**Phone calls**

Dialling code +27. Average UK call to South Africa costs: \* 14.76p call set up fee. 2.8p/min landline. 31.8p/min mobile.



**Visa**

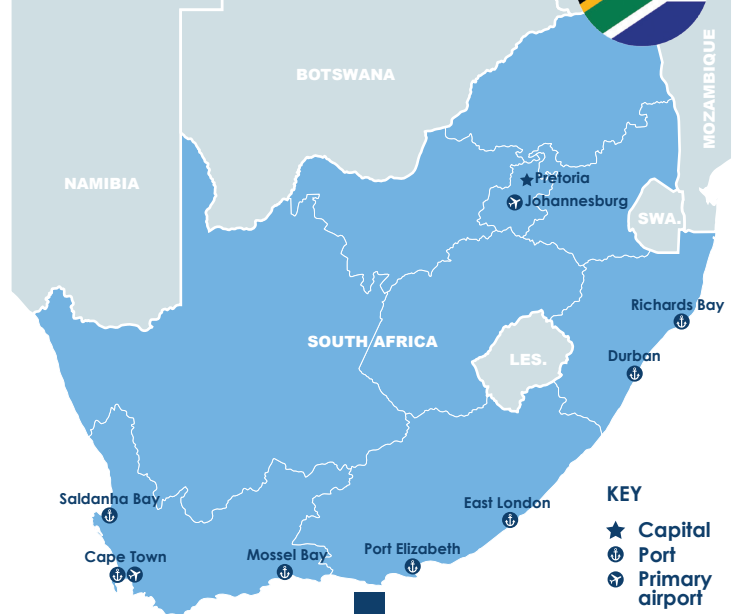
UK citizens have 90 day visa-free access for business or tourist purposes.



**UK Air Passenger Duty**

April 2014: £85 economy - £170 premium  
April 2015: £71 economy - £142 premium

\*BT International Freedom Deal



Total UK exports to South Africa  
2011 £5.77bn 2012 £5.37bn 2013 £4.46bn

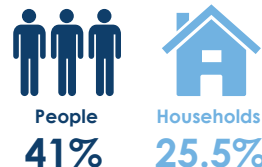


**90%**

of South Africa's economically active population is found in Johannesburg, Cape Town, Durban, Pretoria and Port Elizabeth.

### 5. Strong internet infrastructure

Internet Access 2014

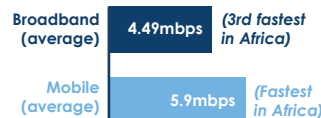


Internet Shopping

e-Commerce in South Africa grew to

**\$326m**  
in 2012

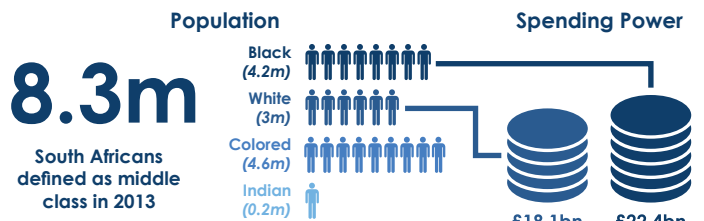
Internet Speeds 2014



**62%**

of mobile owners use their device to purchase goods in 2012

### 6. Growing middle class customers



## Success stories from a British business currently exporting to South Africa

**Sable Group has been active in the South African market for 19 years with turnover at £8m and growing steadily.**

South Africans currently make up over 65% of our Group turnover. Within four years Sable set up a Cape Town office in 1999. It now employs around 95 staff there.

South Africa and the UK are very culturally compatible in terms of business. They're both English speaking, and that is the greatest advantage.

The small time zone difference of two hours between the UK and South Africa makes it easy to do business. We have also ensured that the cultural fit is as close as possible, as we strive for close co-operation between the two offices. Although the challenge is the tyranny of distance and not having regular face-to-face time with key colleagues.

I would recommend strongly any UK businesses thinking of exporting goods or services to look to South Africa as a growing and leading market in the Commonwealth.

**Reg Bamford, CEO**

[www.sable-group.com](http://www.sable-group.com)

### In the market

|                       |   |
|-----------------------|---|
| Growth .....          | 2% GDP  |
| Exchange Rate .....   | £1 to 17.62 ZAR (January 2015)                |
| Big Mac Index.....    | £1.37 (Raw index: undervalued by 51.2%)       |
| Household Income..... | £5,781 (average, Apr 2014)                    |
| Business Hours.....   | M-F: 8.00-17.00. Sat: 8.30-13.00. Sun: Closed |
| Sales Tax.....        | 14%   |
| Population .....      | 52.9 million                                  |
| Unemployment .....    | 25.4% (third quarter of 2014)                 |
| Inflation.....        | 5.8%  |

### Next Steps: Organisations to Contact

#### British Chamber of Commerce – UK contact

Bradley Rowley  
e: [bradley@suffolkchamber.co.uk](mailto:bradley@suffolkchamber.co.uk)  
t: 01473 694 839

#### UK Trade & Investment, South Africa

e: [SATrade@mobile.ukti.gov.uk](mailto:SATrade@mobile.ukti.gov.uk) (checked daily)  
t: +27 (0) 11 537 7000

#### UK Trade & Investment, sector specific

Infrastructure – [jonathan.gilliam@fco.gov.uk](mailto:jonathan.gilliam@fco.gov.uk)  
ICT – [jaymi.wooldridge@fco.gov.uk](mailto:jaymi.wooldridge@fco.gov.uk)  
Healthcare & Creative Industries –  
[tshago.montaung@fco.gov.uk](mailto:tshago.montaung@fco.gov.uk)  
Education – [melissa.else@fco.gov.uk](mailto:melissa.else@fco.gov.uk)

#### British Chamber of Business in Southern Africa

**Cape Town Office**  
e: [eimear.costigan@britcham.co.za](mailto:eimear.costigan@britcham.co.za)  
t: +27 72 438 5771

#### South African Chamber of Commerce – UK contact

e: [admin@southafricanchamber.co.uk](mailto:admin@southafricanchamber.co.uk) (checked daily)  
t: 0207 193 7259

## 10 tips for entering the South African market

1. It is critical to visit South Africa to see how people buy and sell goods.
2. Know the difference between agents and distributors in South Africa.
3. South Africans prefer to do business with people they've met face-to-face.
4. A business suit with neck-tie remains important, but this is being relaxed in sectors like media.
5. Breakfast meetings are valuable in South Africa for introductions.
6. Personal relations are key. Therefore, visit potential agents, distributors, market researchers, and advertising specialists etc.
7. South Africans would prefer that you had a local partner.
8. There is a more relaxed view of time keeping than the UK although one should remain punctual and be prepared to wait.
9. The overall pace of business is slower than UK – again be patient. A deadline is often viewed as fluid, not set in stone.
10. South Africans favour consensus and mutually beneficial deals – unlike the UK it is not always about driving a hard bargain.

## South Africa - Gateway to Africa

### Southern African Customs Union (SACU)

SACU means there are no customs charges between Botswana, Lesotho, Namibia, South Africa and Swaziland.

### EU-SACU trade agreement

90% of the bilateral trade in goods (although not services) is tariff-free between the EU and SACU.

## Broad-Based Black Economic Empowerment (B-BBEE) legislation

Do note that B-BBEE legislation does not apply to those who are just exporting goods and services to South Africa.

## Initial documents required for exporting to South Africa

SA uses a Single Administrative Document (SAD 500) for imports entering Customs. It can be found on the SARS website. You will also require the following:

1. Bill of Lading
2. Commercial invoice stating the price charged to the importer
3. Insurance documents
4. Packing list
5. A declaration of Origin Form DA59 is needed if rate of duty lower than the standard rate.

[www.Commonwealth-Exchange.org](http://www.Commonwealth-Exchange.org)

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