

DEPARTMENT OF TRADE AND INDUSTRY
NOTICE 178 OF 2019

INTERNATIONAL TRADE ADMINISTRATION COMMISSION
CUSTOMS TARIFF APPLICATIONS
LIST 02/2019

The International Trade Administration Commission (herein after referred to as ITAC or the Commission) has received the following applications concerning the Customs Tariff. Any objection to or comments on these representations should be submitted to the Chief Commissioner, ITAC, Private Bag X753, Pretoria, 0001. Attention is drawn to the fact that the rate of duty mentioned in these applications is that requested by the applicant and that the Commission may, depending on its findings, recommend a lower or higher rate of duty.

CONFIDENTIAL INFORMATION

The submission of confidential information to the Commission in connection with customs tariff applications is governed by section 3 of the Tariff Investigations Regulations, which regulations can be found on ITAC's website at <http://www.itac.org.za/documents/R.397.pdf>.

These regulations require that if any information is considered to be confidential, then a non-confidential version of the information must be submitted, simultaneously with the confidential version. In submitting a non-confidential version the regulations are strictly applicable and require parties to indicate:

- Each instance where confidential information has been omitted and the reasons for confidentiality;*
- A summary of the confidential information which permits other interested parties a reasonable understanding of the substance of the confidential information; and*
- In exceptional cases, where information is not susceptible to summary, reasons must be submitted to this effect.*

This rule applies to all parties and to all correspondence with and submissions to the Commission, which unless clearly indicated to be confidential, will be made available to other interested parties.

The Commission will disregard any information indicated to be confidential that is not accompanied by a proper non-confidential summary or the aforementioned reasons.

If a party considers that any document of another party, on which that party is submitting representations, does not comply with the above rules and that such deficiency affects that party's ability to make meaningful representations, the details of the deficiency and the reasons why that party's rights are so affected must be submitted to the commission in writing forthwith (and at the latest 14 days prior to the date on which that party's submission is due).

Failure to do so timeously will seriously hamper the proper administration of the investigation, and such party will not be able to subsequently claim an inability to make meaningful representations on the basis of the failure of such other party to meet the requirements.

1. INCREASE IN THE GENERAL RATE OF CUSTOMS DUTY ON:

“Certain aluminum plates, sheets, strips and foil products classifiable under tariff heading 76.06 and 76.07, from free of duty to WTO bound rate of 15% ad valorem”

APPLICANT:

Hulamin Operations (Pty) Ltd
P. O. Box 74
Pietermaritzburg
3201

REASONS FOR THE APPLICATION:

The applicant submitted, *inter alia*, the following reasons for the application:

- Import volumes of aluminium sheet, plate and foil products into the local SACU market have increased over the past few years and have resulted in a decline in Hulamin’s domestic market share;
- The loss in market share has resulted in a negative impact on production, ability to fully utilise recent investment in strategic assets and negative financial impact on Hulamin;
- The most significant decline in sales took place in the can stock market. As a result, Hulamin is buying reduced volumes of used beverage cans in South Africa, negatively impacting on the livelihoods of over 3,000 scrap collectors; and
- Without intervention through tariff protection, the resultant loss in local market share and declining profits will require an evaluation of the business model and market offering, which may result in the impairment or downsizing of certain key machine centres of the operation. These will have negative socio-economic effects on the Pietermaritzburg region because of lower output/production.

PUBLICATION PERIOD:

Representation should be made within **four (4)** weeks of the date of this notice.

Enquiries: ITAC Ref: 16/2018, Mr. Tshepiso Sejamoholo and Ms. Diphetogo Rathete, Tel: 012 394 1605/43683 or alternatively e-mail tsejamoholo@itac.org.za/drathete@itac.org.za.

2. INCREASE IN THE GENERAL RATE OF CUSTOMS DUTY ON:

“Crystalline silicon photovoltaic modules or panels classifiable under tariff subheading 8541.40.10, by way of creating an 8-digit tariff subheading, from free of duty to 10% ad valorem.”

APPLICANT:

Amisec (Pty) Ltd trading as ARTsolar
Unit 11,
124 Escom Road,
New Germany,
Pinetown
3610

REASONS FOR THE APPLICATION:

- Currently no protection exists for photovoltaic module manufacturers in the SACU;
- To retain the remaining local production capacity and jobs to enable the local industry to significantly grow as there are a number of foreign companies looking at investing in PV plants abroad since China’s PV industry has exceed demand in Q1 2016;
- A number of photovoltaic module/panel manufacturers had ceased their production operations in the SACU region due to high competition from low-priced imports; and
- Unlike USA and Europe, South Africa does not have anti-dumping duties to help protect local manufacturers.

PUBLICATION PERIOD:

Written representations must be submitted within **four (4) weeks** of the date of this notice.

Enquiries: ITAC Ref: 09/2017, Enquires: Ms Diphetogo Rathete and Ms

Pateka Busika, Tel: 012 394 3683/3595 and/or alternatively e- mail: drathete@itac.org.za/
sika@itac.org.za.

3. INCREASE IN THE GENERAL RATE OF CUSTOMS DUTY ON:

‘Fully automatic top loader washing machines, each of a dry linen capacity not exceeding 10kg, classifiable under tariff subheading 8450.11, from free of duty to 30% ad valorem’

APPLICANT:

Defy Appliances (Pty) Ltd
P O Box 12004
JACOBS
4026

REASONS FOR THE APPLICATION:

- Defy intends to start manufacturing fully-automatic top loader washing machines and the new production lines will be fully operational in 2019;
- There is currently no customs duty applicable to fully automatic top loader washing machines that are imported. As such, Defy will not have protection once the manufacturing commences;
- The white goods industry in South Africa has been facing challenges at an operational level. These challenges include amongst others; high cost of raw material (steel), rising low-priced imports, energy and labour costs. Therefore there is a need to protect and maintain the investment and job creation; and
- The 30% tariff increase requested will serve as an incentive for other companies to invest in the manufacturing of fully-automatic washing machines in the SACU region. This would be to the benefit of the domestic industry.

PUBLICATION PERIOD:

Written representations must be made within **four (4) weeks** of the date of this notice.

Enquiries: ITAC Ref: 13/2018, Ms. Diphetogo Rathete and Mr. Pfarelo Phaswana, Tel: 012 394 3683/3628 or alternatively e-mail drathete@itac.org.za/pphaswana@itac.org.za.