

NOTICE 1184 OF 2013**INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SA****GUIDELINES PERTAINING TO REBATE OF THE DUTY ON VARIOUS REBATE PROVISIONS IN TERMS OF SCHEDULE 3, 4 AND 5 TO THE CUSTOMS AND EXCISE ACT**

Interested parties are hereby notified that all applications submitted for permits in terms of the following rebate provisions will be dealt with according to the guidelines as described in this notice and must be submitted in the format as set out in the application forms where applicable.

For the convenience of all interested parties, the following guidelines in respect of all the rebate provisions subject to publication are attached to this notice as indicated in the Schedule hereunder:

The questionnaires and application forms related to these rebate provisions listed hereunder are obtainable from ITAC's website at www.itac.org.za and from ITAC, Block E: thedti Campus, 77 Meintjies Street Sunnyside, Pretoria.

Note: Permits in relation to rebate provisions subject to a permit condition should be applied for and received before the goods concerned are shipped.

Schedule of Rebate Provisions

DESCRIPTION OF REBATE PROVISION	ANNEXURE	PAGE OF NOTICE
Guidelines, Rules and conditions pertaining to rebate item 311.12/52.08/01.04	Annexure 1.1	Page 2
Guidelines, rules and conditions pertaining to rebate items 311.12/60.05/01.04 and 311.12/60.06/01.04	Annexure 1.2	Page 4
Guidelines for issuing a rebate permit to assemblers of Television sets under rebate item 316.17	Annexure 1.3	Page 7
Guidelines for issuing a rebate permit for the manufacture of set-top boxes under rebate item 316.17/00.00/03.00	Annexure 1.4	Page 9
Guidelines for issuing a rebate permit to assemblers of monitors not incorporating television reception apparatus under rebate item 316.23	Annexure 1.5	Page 10
Guidelines for applications for permits in terms of the provision under rebate item 311.18/63.09/01.04 for rebate of the duty on worn clothing and other worn articles of textile materials for the manufacture of rags and cleaning cloths.	Annexure 1.6	Page 13

Annexure 1.1

GUIDELINES, RULES AND CONDITIONS PERTAINING TO REBATE ITEM 311.12/52.08/01.04: COATED, LAMINATED, COVERED OR IMPREGNATED FABRICS

- 1 Applicants must register with South African Revenue Service (SARS) as users of rebate item 311.18/52.08/01.04 before applying for permits, and they must acquaint themselves with the requirements of SARS.
- 2 Applications for permits must be addressed to the International Trade Administration Commission (ITAC), Private Bag X 753, Pretoria or delivered by hand to the DTI Campus, (Block E), 77 Meintjies Street, Sunnyside, Pretoria, 0002.
- 3 Applications for permits must be submitted according to the requirements as outlined in the application form. If the space provided in the application form is insufficient, please use the format of the application form to submit the requested information.
- 4 If all the information requested in the application form is not submitted, the application will not be considered, and it will be returned to the applicant.
- 5 At least fourteen working (14) days should be allowed for the processing of applications and the issue of permits.
- 6 Each rebate permit issued defines the period during which the goods concerned can be cleared with rebate, and the period shall be for a calendar year starting from the date on which the permit was issued or a shorter period as requested by the applicant, or as decided upon by ITAC.

7. APPLICABLE CONDITIONS

- 7.1 There should be an intention by the applicant(s) to "coat, laminate, covered or impregnate" the fabrics to such an extent that there is a visible permanent change in the fabrics, and a change in tariff heading.
- 7.2. ITAC should physically inspect the equipment and manufacturing process prior to the issue of a rebate permit.
- 7.3. The imported material may not be sold on the domestic market nor within the Southern African Customs Union (SACU) without the visible permanent coating on the fabric.
- 7.4 Proof of the applicant's registration with South African Revenue Service (SARS) in terms of rebate item 311.12/52.08/01.04 must be submitted with the application.
- 7.5 Rebate permits may not be transferred in any manner by the holder thereof, to any other person, or be used to the benefit of any person, not named in the permits.

8. NON-COMPLIANCE TO THE CONDITIONS:

If there is a reason to believe that any condition of a permit issued in terms of this rebate provision is not complied with, the consignment in terms of which the rebate was used can be seized by ITAC. Where non-compliance is established, appropriate steps will be taken in terms of the International Trade Administration Act and the Customs and Excise Act and these can include, criminal charges, withdrawal of the permit or permits concerned and/or the rejection of future applications for permits.

Annexure 1.2

GUIDELINES, RULES AND CONDITIONS PERTAINING TO REBATE ITEMS 311.12/60.05/01.04 AND 311.12/60.06/01.04: COATED, LAMINATED, COVERED OR IMPREGNATED FABRICS

1. Applications for permits must be addressed to the International Trade Administration Commission (ITAC), Private Bag X 753, Pretoria or delivered by hand to the DTI Campus, (Block E), 77 Meintjies Street, Sunnyside, Pretoria.
2. Applications for permits must be submitted according to the requirements as outlined in the application form. If the space provided in the application form is insufficient, please use the format of the application form to submit the requested information.
3. If all the information requested in the application form is not submitted, the application will not be considered, and it will be returned to the applicant.
4. At least fourteen working (14) days should be allowed for the processing of applications and the issue of permits.
5. Each rebate permit issued defines the period during which the goods concerned can be cleared under the rebate, and the period shall be for a calendar year starting from the date on which the permit was issued or a shorter period as requested by the applicant, or as decided upon by ITAC.
6. **APPLICABLE CONDITIONS**
 - 6.1 There should be an intention by the applicant(s) to "manufacture end products as described in the rebate provision" to such an extent that there is a visible

and characteristic permanent change in the fabrics, and a change in tariff heading;

- 6.2 ITAC, if deemed necessary, should physically inspect the equipment and manufacturing process prior to the issue of a rebate permit;
- 6.3 The applicant must comply with labour laws and agreements gazetted by the Minister of Labour;
- 6.4 The applicant must submit a Tax Clearance Certificate;
- 6.5 The applicant must provide in each permit application the number of jobs it expects to create annually as a result of the rebate. The applicant will submit to ITAC a quarterly report on its job creation performance;
- 6.6 The applicant(s) need to consult with the local manufacturers of knitted fabrics to confirm if they are able to supply a reasonable quality and quantity of fabrics as required;
- 6.7 The applicant can request the manufacturer to respond within 14 days of their request. Should the local manufacturers of fabrics provided for under these rebate items not be able to supply the quantity requested, the applicant(s) need to obtain a confirmation letter from the manufacturer stating that they are not able to supply. The original letter needs to be submitted with the application form;
- 6.8 If the manufacturer unreasonably refuses to provide such a confirmation letter, ITAC will write a letter to the manufacturer informing them of the application and requesting them to confirm their production and production capacity. The manufacturer will then be allowed 7 days to respond to this letter. Should the manufacturer respond within the 7 day period, the information provided will be taken into account during the decision making process; and
- 6.9 Should, after receipt of the manufacturers response, or in the absence of such response, information be available that reflects that the manufacturer is reasonably unable to supply the quality and quantity of fabrics required, ITAC

will be able to issue a permit without, or despite, the required letter of confirmation by the manufacturer.

- 6.10. Rebate permits may not be transferred in any manner by the holder thereof, to any other person not named in the permits. Inputs imported in terms of this rebate may not be sold on.

7. ON-COMPLIANCE TO THE CONDITIONS

If it is suspected that any condition of this permit is not complied with, the consignment in terms of which the rebate permit was used can be seized by ITAC. Where non-compliance is established, appropriate steps will be taken in terms of the International Trade Administration Act and the Customs and Excise Act, and these can include, criminal charges, withdrawal of the permit or permits concerned and/or the rejection of future applications for permits.

Annexure 1.3**GUIDELINES FOR ISSUING A REBATE PERMIT TO ASSEMBLERS OF TELEVISION SETS UNDER REBATE ITEM 316.17.**

A rebate permit will only be considered if all of the following information has been submitted and verified by ITAC upon inspection at the premises.

- (a) Amount of capital invested in the operation;
- (b) Employment figures;
- (c) A full list of the equipment contained in the installation;
- (d) The assembly lines and the amount of staff per line;
- (e) A breakdown of the assembly instruction guide to determine how many stages are needed for the assembly of flat panel televisions;
- (f) The cost of flat panel television sets through the submission of commercial invoices accompanied by cost and price structures;
- (g) All Television sets made in South Africa must have a letter of authority (LOA) from the SABS; and
- (h) Submission of the completed attached production stages questionnaire.

STAGES OF PRODUCTION FOR SKD AND CKD
(These stages are only a guide)

SKD / CKD Permit Criteria

SKD CRITERIA	#	Item	Compliance YES/NO
	To meet the SKD permit criteria, the following production facilities (1 - 27) must be present and operational in the SKD factory		
	THE FOLLOWING PRODUCTION FACILITIES MUST BE PRESENT:		
	1	High voltage test	
	2	Final Testing of all functions	
	3	Final testing of all signal interfaces	
	4	White balance alignment facility	
	5	Soak testing (Burn in) facility	
	6	Switch-on test position	
	7	Main assembly stages	
	8	Sub-assembly stages	
	9	Programming equipment for a minimum of HDCP license	

	10	Fault finder(s), suitably qualified and trained with minimum of oscilloscope and signal sources)	
		THE FOLLOWING TEST EQUIPMENT MUST BE PRESENT:	
	11	Professional High voltage testing equipment (to IEC 60065)	
	12	Facility for soaking LCD television set	
	13	Signal sources as listed below:	
	14	HF analogue signals	
	15	Composite video baseband signals	
	16	S-Video signals	
	17	Audio signals (baseband)	
	18	Component video signals (YPbPr)	
	19	VGA signals with appropriate resolutions for products under test	
	20	HDMI signals with 720 and 1080 line resolutions	
	21	HDMI Signals that are HDCP protected	
	22	Multi-Choice HD decoder signal	
	23	Blue ray source	
	24	HF Signal strength meters	
	25	Oscilloscopes	
		THE FOLLOWING PRODUCTION SUPPORT FACILITIES MUST BE AVAILABLE:	
	26	Quality assurance facility and person/personnel	
	27	Technical support technician	
CKD CRITERIA	<p>To meet the CKD permit criteria, the manufacturing firm must demonstrate that it can assemble a significant number of electrical components onto blank PCB's. Therefore, in addition to the above, it is required that the following production facilities (28 - 38) must be operational and locally available to the CKD factory.</p>		
		THE FOLLOWING EQUIPMENT MUST BE AVAILABLE:	
	28	Solder paste screening machine	
	29	SMD placement equipment	
	30	SMD reflow oven	
	31	Hand and/or automatic insertion facilities	
	32	Wave soldering machine	
	33	Facilities for inspection and touch-up of soldered PCB's	
	34	Equipment for programming assembled PCB's	
	35	Equipment for testing and aligning assembled PCB's	
	36	Unpack quality assurance on sampling basis	
		THE FOLLOWING SUPPORT FACILITIES MUST BE AVAILABLE:	
	37	Technical support engineer	
	38	Facility or system, either internal or external, to ensure basic electrical measuring equipment is correctly calibrated)	
		Signal levels	
		Multi-meters	
		Oscilloscopes	

Annexure 1.4**GUIDELINES FOR ISSUING A REBATE PERMIT FOR THE MANUFACTURE OF SET-TOP BOXES UNDER REBATE ITEM 316.17/00.00/03.00**

Applications for a rebate permit will only be considered if all of the following information has been submitted and verified by ITAC upon inspection at the premises of the applicant:

- (a) Amount of capital invested in the operation;
- (b) Employment figures;
- (c) A full list of the equipment contained in the premises;
- (d) The assembly lines and the amount of staff per line;
- (e) A breakdown of the assembly instruction guide to determine how many stages are needed for the assembly of set top boxes;
- (f) All set top boxes made in South Africa must have a letter of authority (LOA) from the SABS; and
- (g) Submission of the completed attached production stages questionnaire.
- (h) If all the information requested in the application form is not submitted, the application will be deemed deficient and will not be considered, and will be returned to the applicant.
- (i) Original permits will be forwarded to the applicant and SARS will be issued with a notification letter. The rebate permit will be valid for twelve (12) months from date of issue. In addition, the rebate permit may not be transferred in any manner by the permit holder to any other person or party, or be used to benefit any person or party not named in the permit.
- (j) Amendments to the rebate permit will only be done on a permit if the description and tariff heading are incorrectly captured. Amendments in respect of free on board (FOB) values and quantities will require a new application.
- (k) The importer of the products shall be held liable for any discrepancies resulting from imported goods being sold in the domestic market or used for any other purpose other than that specified in the permit. The importer will also be held responsible for any other incorrect information supplied, for whatever reason, which resulted in the issue of the rebate permit. SARS duties and penalties may be invoked if the goods imported in terms of the rebate permit are used for any other purpose than that described in the rebate provision and in the permit.

Annexure 1.5

GUIDELINES FOR ISSUING A REBATE PERMIT TO ASSEMBLERS OF MONITORS NOT INCORPORATING TELEVISION RECEPTION APPARATUS UNDER REBATE ITEM 316.23.

A rebate permit will only be considered if all of the following information has been submitted and verified by ITAC upon inspection at the premises:

- (a) Amount of capital invested in the operation;
- (b) Employment figures;
- (c) A full list of equipment contained in the installation;
- (d) The assembly line and the amount of staff per line;
- (e) A breakdown of the assembly instruction guide to determine how many stages are needed for the assembly of monitors not incorporating television reception apparatus;
- (f) The cost of monitor not incorporating television reception apparatus through the submission of commercial invoices accompanied by cost and price structure;
- (h) All computer monitors not incorporating television reception apparatus made in South Africa must have a letter of authority from SABS; and
- (i) Submission of the completed attached production stages questionnaire.

STAGES OF PRODUCTION FOR SKD AND CKD

(These stages are only a guide)

SKD / CKD Permit Criteria

	#	ITEM	COMPLIANCE
			YES/NO
SKD CRITERIA		To meet the SKD permit criteria, the following production facilities (1 - 27) must be present and operational in the SKD factory	
		THE FOLLOWING PRODUCTION FACILITIES MUST BE PRESENT:	
	1	High voltage test	
	2	Final Testing of all functions	
	3	Final testing of all signal interfaces	
	4	White balance alignment facility	
	5	Soak testing (Burn in) facility	
	6	Switch-on test position	
	7	Main assembly stages	
	8	Sub-assembly stages	
	9	Programming equipment for a minimum of HDCP license	
	10	Fault finder(s), suitably qualified and trained with minimum of oscilloscope and signal sources)	
		THE FOLLOWING TEST EQUIPMENT MUST BE PRESENT:	
	11	Professional High voltage testing equipment (to IEC 60065)	
	12	Facility for soaking LCD television set	
	13	Signal sources as listed below:	
	14	HF analogue signals	
	15	Composite video baseband signals	
	16	S-Video signals	
	17	Audio signals (baseband)	
	18	Component video signals (YPbPr)	
	19	VGA signals with appropriate resolutions for products under test	
	20	HDMI signals with 720 and 1080 line resolutions	
	21	HDMI Signals that are HDCP protected	
	22	Multi-Choice HD decoder signal	
	23	Blue ray source	
	24	HF Signal strength meters	
	25	Oscilloscopes	
		THE FOLLOWING PRODUCTION SUPPORT FACILITIES MUST BE AVAILABLE:	
	26	Quality assurance facility and person/personnel	
	27	Technical support technician	

CKD CRITERIA		To meet the CKD permit criteria, the manufacturing firm must demonstrate that it can assemble a significant number of electrical components onto blank PCB's. Therefore, in addition to the above, it is required that the following production facilities (28 - 38) must be operational and locally available to the CKD factory.	
		THE FOLLOWING EQUIPMENT MUST BE AVAILABLE:	
	28	Solder paste screening machine	
	29	SMD placement equipment	
	30	SMD reflow oven	
	31	Hand and/or automatic insertion facilities	
	32	Wave soldering machine	
	33	Facilities for inspection and touch-up of soldered PCB's	
	34	Equipment for programming assembled PCB's	
	35	Equipment for testing and aligning assembled PCB's	
	36	Unpack quality assurance on sampling basis	
		THE FOLLOWING SUPPORT FACILITIES MUST BE AVAILABLE:	
	37	Technical support engineer	
	38	Facility or system, either internal or external, to ensure basic electrical measuring equipment is correctly calibrated)	
		Signal levels	
		Multi-meters	
		Oscilloscopes	

Annexure 1.6

GUIDELINES REGARDING APPLICATIONS FOR PERMITS IN TERMS UNDER REBATE ITEM 311.18/6309/01.04 FOR REBATE OF THE DUTY ON WORN CLOTHING AND OTHER WORN ARTICLES OF TEXTILE MATERIALS FOR THE MANUFACTURE OF RAGS AND CLEANING CLOTHS.

1. APPLICATION

- 1.1 Applicants must register with South African Revenue Services (SARS) as users of rebate item 311.18/63.09/01.04 before applying for rebate permits.
- 1.2 Applications for rebate permits must be addressed to the International Trade Administration Commission of South Africa, Private Bag X 753, Pretoria or delivered by hand to the DTI Campus (Block E), 77 Meintjies Street, Sunnyside, Pretoria, 0002.
- 1.3 Applications for permits must be submitted according to the requirements reflected in the attached application form. If the space provided in the application form is insufficient, please use the format of the application form to submit additional pages with the requested information.
- 1.4 If all the information requested in the application form is not submitted, the application is deficient and will not be considered, and it will be returned to the applicant.
- 1.5 At least fourteen (14) working days must be allowed for the processing of rebate permit applications and the issuing of the rebate permit.
- 1.6 Worn clothing and other worn articles of textile materials are subject to Import Control conditions and an import permit will only be issued in instances where a rebate permit has already been obtained.

1.7 Each rebate permit defines the period during which the goods cleared must be used for the manufacture of wiping rags and cleaning cloths. The rebate permit will valid for twelve months from date of issue, or a shorter period as decided upon by ITAC.

1.8 Rebate and Import Control permits may not be transferred in any manner by the holder thereof to any other person, or be used to the benefit of any person not named in the permits.

2. APPLICATIONS SUBMITTED IN TERMS OF THE REBATE PROVISION WILL BE SUBJECT TO THE FOLLOWING REQUIREMENTS:

2.1 The applicant must comply with labour laws, regulations and agreements gazetted by the Minister of Labour and Bargaining Council. Proof must be provided by submitting certified copies of Bargaining Council compliance, UIF registration as well as proof of salaries being paid;

2.2 The applicant must provide, in each permit application, the number of jobs it expects to create annually as a result of the rebate. The applicant must submit to ITAC an annual report on its job creation performance;

2.3 The applicant must submit a Tax Clearance Certificate and VAT Certificate;

2.4 New importer's business premises will be visited by inspectors of the Inspectorate: Import and Export Control prior to the consideration of the application;

2.5 New importer's business must provide municipal proof of registered address as listed in the business CIPC documents.

2.6 New importers must provide proof that the entity is a holder of a South African bank account, with Bank statements for a period as determined by ITAC (or Forex Account in cases where an importer holds a foreign account);

2.7 New importers must provide proof of country of import and proof that they have secured supply from abroad; and

2.8 Where an entity is owned or partly owned by a person or persons who are non-citizens or non-residents of RSA, or these persons own any shareholding in such entity, applications should be accompanied by certified copies of the following documentation:

- South African Identity issued document and passport; or
- Any other information as ITAC may require.

3. CONDITIONS OF PERMITS

3.1 Rebate permits and import control permits issued will be subject to the following conditions:

3.1.1 Production capacity

Rebate permit allocations will be based on the actual capacity of the applicant. The capacity will be calculated on actual production, employment and sales figures. These figures may be verified should it be required.

3.1.2 Movement of clothing and other textile material

There shall be no movement of any clothing or articles of textile materials from the premises, described in the application as the place where the manufacture of wiping rags and cleaning cloths will take place. Any clothing or articles of textile materials include worn, used, and new clothing and articles of textile materials obtained from sources in South Africa or imported from any country.

3.1.3 Goods suitable for the manufacture of wiping rags and cleaning cloths

Only worn clothing and other worn articles of textile material with cotton containing 35% or more by mass of cotton fibers are regarded as suitable for the manufacture of wiping rags and cleaning cloths.

Articles of worn clothing therefore allowed to be imported are vesting, T-shirts, sweat-shirts, polo shirts, men's cotton shirts, lounge shirts, men's cotton pants, track suit tops and pants, sweat tops, ladies cotton blouses, shirts, dresses and skirts, pajama tops and pants, nightdresses, flannel shirts and skirts, corduroy shirts and pants and men's and ladies' denim pants and skirts.

The imported worn clothing and other worn articles of textile material must show signs of appreciable wear.

Articles such as brassieres, girdles, corsets, braces, suspenders, garters, worn jackets, coats, blazers, jerseys, pullovers, cardigans, overcoats, car-coats, raincoats, anoraks, ski-jackets, duffle coats, mantels, parkas, swimwear, socks and similar clothing articles are not suitable for the manufacture of wiping rags and cleaning cloths and are not allowed to be imported. Other worn articles of textile material allowed to be imported are towels, bed sheets, bed covers and pillow casings of cotton.

3.1.4 Location and requirements of rebate store

The rebate store must be situated on the manufacturer's registered factory premises. These premises must be physically separated from premises where any activity other than the manufacture of wiping rags and cleaning cloths is taking place. The premises must exclusively be used for the manufacture of wiping rags and cleaning cloths and the storage of clothing and other articles of textile material obtained for the purpose of the manufacture of wiping rags and cleaning cloths.

All manufacturers under this rebate item must comply with the following rebate store requirements:

- Rebate stores must be of substantial construction and must offer the maximum security possible. The walls must be extended to the ceiling, and suitable steps must be taken to prevent access to the materials over the walls.
- The doors must be lockable and suitably equipped with fastenings for Customs locks.
- The windows, if any, must be fitted with bars.
- Rebate store must have one entry point.

3.1.5 Notification requirement

The Inspectorate of the Directorate: Import and Export Control [Fax number (012) 394 4606 and Telephone no (012) 394 3606], e-mail ddaniel@itac.org.za must be notified in writing by the permit holder at least ten (10) working days in advance of the date of the arrival of consignments of imported worn clothing and other imported worn articles of textile materials at its premises.

The notification must state:

- Anticipated date or dates of arrival of the goods concerned at the premises.
- The mass in kg and invoice value in Rand of the goods concerned
- A description of the goods reflecting the type of clothing, type of article of textile material and whether the goods are new, used or worn.

Desmond Daniel, Manager: Inspectorate of the Directorate: Import and Export Control must be informed in writing by the permit holder of the details of any clothing and any article of textile material obtained in South Africa for the purpose of the manufacture of wiping rags and cleaning cloths that are kept on the premises and which are described in the rebate

permit or permits issued to the importer. Any clothing or other articles of textile material includes worn, used and new clothing and other articles of textile material.

3.1.6 Documentation Requirement

The following documents must be available on the day of physical inspection:

- SARS release notification;
- Copy of the import permit notification;
- Copy of the rebate permit;
- Copy of the Bill of Entry;
- Copy of invoice as provided by the supplier; and
- Copy of Bill of Lading.

A Rebate register, as required by SARS, must be kept in respect of worn clothing and other worn articles of textile materials cleared under rebate of the duty.

Records must be kept of any clothing and any other articles of textile materials obtained by the permit holder in South Africa and that enter the premises described in the permit or permits issued to the permit holder.

These records must contain the following:

- The name, postal address, e-mail address and telephone number of the firm or copy of I. D. Document and other contact details of the person from whom the clothing or other articles of textile material was purchased.
- The date of the purchase.
- The mass (kg) and sales value (R) of the clothing or other articles of textile material.

- A description of the clothing and other articles of textile materials purchased, indicating the type of clothing, type of other articles of textile material and whether the goods are new, used or worn.
- The date on which the clothing and the other articles of textile materials entered the premises.

Records must be kept of imported worn clothing and other worn articles of textile material for the manufacture of wiping rags and cleaning cloths for at least five years. These records must provide a clear documentation trail from the point of order to the actual import action of the goods.

Invoices reflecting the sale of wiping rags and cleaning cloths manufactured from worn clothing and other worn articles of textile materials obtained in terms of rebate permits must be kept for at least five years. These records must include the date, mass (kg) and sales value (R) of each sale and the name, addresses (postal and street) and telephone number of each purchaser.

Invoices reflecting the sale of wiping rags and cleaning cloths manufactured from clothing and other articles of textile materials obtained in South Africa must be kept for at least five years. These records must include the date, mass (kg) and sales value (R) of each sale and the name, address (postal and street) and telephone number of each purchaser.

3.1.7 Requirements in respect of goods not suitable for the manufacture of wiping rags and cleaning cloths.

Any clothing and other articles of textile material that enter the premises for the manufacture of wiping rags and cleaning cloths that are not suitable for the manufacture of wiping rags and cleaning cloths must be cut up at the premises within 10 working days of being identified as not suitable for the manufacture of wiping rags and cleaning cloths.

Any product not suitable for the manufacture of wiping rags and cleaning cloths, such as zippers, that are removed from the consignment must be

destroyed within 10 working days of being removed from the clothing or other articles of textile materials, with the exception of buttons. Buttons removed from clothing or other articles of textile material must be disposed off within 10 working days after removal. Proper records must be kept for 5 years with regards to the disposal of such goods.

The not suitable material can only be removed from the premises in terms of a written authorization issued by the Manager: Inspectorate of the Directorate Import and Export Control in which authorization the nature and mass of the goods, the date or dates on which the goods will be removed from the premises and the destination of the goods are fully described.

Requests to obtain the above authorization must be in writing and submitted to the Manager: Inspectorate of the Directorate Import and Export Control at least 15 working days before the date on which authorization is required. Should waste need to be removed more frequently, requests must be submitted to the Manager: Inspectorate of the Directorate Import and Export Control at least five working days before the date on which authorization is required. Requests must fully describe the nature and mass of the goods, the planned date or dates of the removal of the goods from the premises and the destination of the goods.

3.1.8 Inspections by the Inspectorate: Import and Export Control of the International Trade Administration Commission.

Investigators from the Inspectorate of the Directorate Import and Export Control of the International Trade Administration Commission will visit permit holders and the premises of permit holders to inspect and to investigate any matter or record related to the importation and the manufacture of wiping rags and cleaning cloths. This includes the inspection of the goods cleared in terms of permits, any other goods that enter the premises and any wiping rags, cleaning cloths and waste that leave or came from the premises.

4. NON-COMPLIANCE TO THE CONDITIONS OF PERMITS

If there is a reason to believe that any condition of a permit issued in terms of this rebate provision or related import permit is not being complied with, the consignment in terms of which the rebate and import permit was used can be seized by ITAC. Where non-compliance is established, appropriate steps will be taken in terms of the International Trade Administration Act and the Customs and Excise Act and these can include, criminal charges, withdrawal of the permit or permits concerned and/or the rejection of future applications for permits.