# **NOTICE 387 OF 2013**

#### INTERNATIONAL TRADE ADMINISTRATION COMMISSION

# CUSTOMS TARIFF APPLICATION LIST 09/2013

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 this 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 applicants 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 <a href="http://www.itac.org.za/documents/R.397.pdf">http://www.itac.org.za/documents/R.397.pdf</a>.

These regulations require that if any information is considered to be confidential, then a <a href="mon-confidential version of the information must be submitted">non-confidential version of the information must be submitted</a>, 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. REDUCTION IN THE RATE OF CUSTOMS DUTY ON:

Self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, of plastics, whether or not in rolls, of polyethylene terephthalates, classifiable under tariff subheading 3919.90.03, from 10% ad valorem to free of duty.

# **APPLICANT:**

Llumar Films (Pty) Ltd P O Box 76576 WENDYWOOD 2148

Ref: 43/2012 Enquiries: Mr. Nkulana Phenya, Fax: (012) 394-4677 Email: <a href="mailto:nphenya@itac.org.za">nphenya@itac.org.za</a> or Ms Elizabeth Kekana, Fax: (012) 394 4668; Email: <a href="mailto:ekekana@itac.org.za">ekekana@itac.org.za</a>.

#### **REASON FOR THE APPLICATION:**

As a reason for the application, the applicant indicated that the product in question is not manufactured in the SACU.

# **PUBLICATION PERIOD:**

Representation should be submitted to the above address within **four (4) weeks** of the date of this notice.

# 2. CREATION OF A REBATE FACILITY:

- Other woven fabric containing 85 per cent or more by mass of polyester filaments, containing 85 per cent or more of non textured polyester filaments, classifiable under tariff subheading 5407.61, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit for the manufacture of backed suede 10 per cent cotton and 90 per cent polyester;
- Other textile fabrics impregnated, coated or covered or laminated with polyurethane, classifiable under tariff subheading 5903.20.90, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit for the manufacture of upholstered furniture classifiable under tariff heading 94.01; and
- Textile fabric otherwise impregnated, coated or covered, classifiable under tariff subheading 5907.00.90, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit for the manufacture of upholstered furniture classifiable under tariff heading 94.01.

**APPLICANT:** 

Bravo Group Manufacturing (Pty) Ltd P.O. Box 43563 Industria 2042

Ref: 37/2012 Enquiries Mr. M Skenjana, Tel: (012) 394 3675, Fax: (012) 394 4675 Email: mskenjana@itac.org.za

# REASONS FOR THE APPLICATION AS STATED BY THE APPLICANT:

- There are no local manufacturers of the products in question within the SACU region;
- The rebate will provide all lounge furniture manufacturers with an opportunity to reduce input material costs; and
- Providing competitive prices on household items via retailers to consumers thereby creating a level of job security.

Representation should be submitted to the above address within **four (4) weeks** of the date of this notice.

#### 3. CREATION OF A REBATE PROVISION:

"Palm oil, refined, bleached and deodorised but not fractioned, classifiable in tariff subheading 1511.90, for the manufacture of edible fats or oils, classifiable in tariff subheading 1517.90."

#### **APPLICANT:**

Sime Darby Hudson & Knight (Pty) Ltd P O Box 1053 511 Commissioner Street Boksburg 1460

**Enquiries:** ITAC Ref: 63/2012, Enquiries: Ms L Maliaga Tel: 012 394 3835 or Email: lmaliaga@itac.org.za

#### REASONS AS STATED BY THE APPLICANT:

(I) all palm oil is imported and is currently subject to 10% import duty. There is no local substitute product to protect as there are no alternatives to palm oil in SACU region.

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- (II) Sime Darby Hudson & Knight do not have a fractionation facility at their plant; as a Palm Olean.
- (III) Vegetable oil prices have been highly volatile, increasing by 150% over the last two years. With vegetable oils being the largest component of the formulation, in certain blends up to 70%, price increase have put severe pressure on the cost of manufacturing these products and ultimately to consumers.
- (IV) The high prices of vegetable oil have created a decline in usage of margarine, spreads and baking fats in the industry over 2010 and 2011. This has affected the sales of the product and volumes have declined steadily in a manner which will mean scaling down the operations and lead to unemployment.
- (V) These increases have also impacted consumers negatively as ever increasing prices have made the final selling product unaffordable. The rebate provision will allow Sime Darby Hudson and Knight and Unilever to invest in more training, upgrading facilities and much more employees and consumers and to reduce the price of the final products. Furthermore, the rebate provision will directly result in increase in sales ultimately creating additional shifts and increase in employment.
- (VI) The rebate of duty on Palm oil for the manufacture of edible fats, if approved, will result in lower input costs for food manufacturers. The benefit of these lower costs will be passed on to customers through the competitive action of all participants in the edible oil industry. This will increase the affordability of margarines, spreads and prepared foods using palm oil for all income groups, but particularly lower income groups where the negative impact of rapidly rising cooking oil prices has been significant in recent years.

#### **PUBLICATION PERIOD:**

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

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