

DEPARTMENT OF TRADE AND INDUSTRY
NOTICE 602 OF 2018
INTERNATIONAL TRADE ADMINISTRATION COMMISSION
CUSTOMS TARIFF APPLICATIONS
LIST 07/2018

The International Trade Administration Commission (herein after referred to as ITAC or the Commission) has received the following application concerning the Customs Tariff. Any objection to or comments on this representation 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 this application 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.

INCREASE IN THE RATE OF CUSTOMS DUTY ON:

“Combined refrigerator-freezers, fitted with separate external doors: Other,” classifiable under tariff subheading 8418.10 from 25% to 30% by way of creating an additional 8-digit tariff subheading as follows:

Tariff Heading	Tariff Subheading	Description	Statistical Unit	Rate of duty				
				General	EU	EFTA	SADC	MERCOSUR
84.18		Refrigerators, freezers and other refrigerating or freezing equipment, electric or other; heat pumps (excluding air conditioning machines of heading 84.15):						
	8418.10	Combined refrigerator-freezers, fitted with separate external doors						
	8418.10.05	With a total capacity not exceeding 400 litres	u	25%	Free	Free	Free	25%
	8418.10.90	Other	u	30%	Free	Free	Free	xx

APPLICANT:

Defy Appliances (Pty) Ltd
P.O Box 12004
Jacobs
4026

Enquiries: ITAC Ref: 04/2018 Enquiries: Mr. Pfarelo Phaswana / Mr. Njabulo Mahlalela, Tel: 012 394 3628/3684 or email pphaswana@itac.org.za/nmahlalela@itac.org.za.

REASONS FOR THE APPLICATION:

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

- The global steel crisis is severely impacting the entire SACU steel value chain. This is particularly true for the white goods industry in SACU, which is currently struggling to sustain jobs and investment;

- During November 2014, Defy re-launched its East London plant following an investment of approximately R120 million to manufacture side-by-side refrigerators;
- This investment was at the back of a growing consumer base in Africa fuelled by a growing middle class;
- The domestic white goods industry has been under pressure, as a result of increasing low priced imports and this has put the viability of the SACU industry at risk;
- The increase in customs duty will ensure job retention, additional market share locally, and enable competitiveness in the export markets; and
- The increase in tariff will also be instrumental in supporting the current and future plans for the introduction of additional product range by Defy.

PUBLICATION PERIOD:

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