

NOTICE 1840 OF 2005**INTERNATIONAL TRADE ADMINISTRATION COMMISSION****GUIDELINES FOR APPLICATIONS FOR PERMITS IN TERMS OF REBATE ITEM 311.18/63.09/01.04 OF SCHEDULE 3 TO THE CUSTOMS AND EXCISE ACT.**

Interested parties are hereby notified that applications for permits for rebate of the full duty on worn clothing and other worn articles of textile material used for the manufacture of wiping rags and cleaning cloths submitted to the International Trade Administration Commission after 7 October 2005:

- (a) will be dealt with according to the guidelines described in this notice; and
- (b) must be in the format as set out in the application from this notice.

Please note that all applications submitted in terms of rebate item 311.18/63.09/01.04 to the International Trade Administration Commission after 1 November 2005 will be subject to the guidelines described in this notice.

GUIDELINES REGARDING 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 WIPING RAGS AND CLEANING CLOTHS

1. Applicants must register with **SARS** as users of rebate item 311.18/63.09/01.04 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, 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 of the attached application form (See Annexure A). 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 two weeks should be allowed for the processing of applications and the issue of permits.
6. Worn clothing and other worn articles of textile materials are subject to Import Control Regulations and Import Control permits will be issued in cases where rebate permits are issued.
7. 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 the International Trade Administration Commission (ITAC).
8. Each rebate permit defines the period during which the goods cleared with rebate of the duty should be used for the manufacture of wiping rags and cleaning cloths. The period will end twelve months after the period stated in the permit as the period during which the goods concerned can be cleared with rebate, or it will be a shorter period as requested by the applicant, or as decided upon by ITAC.
9. Rebate permits and import control permits issued will be subject to the following conditions:
 - 9.1 There shall be no movement from the premises, described in the application, as the premises where wiping rags and cleaning cloths are or will be manufactured, of any clothing or any other articles of textile material. Any clothing or any other articles of textile materials includes worn, used, and new clothing and articles of textile materials obtained from sources in South Africa or imported from any country.

9.2 The rebate store must be situated on the manufacturers registered factory premises. These premises should be physically separated from premises where any activity other than the manufacture of wiping rags and cleaning cloths is conducted. The premises should exclusively be used for the manufacture of wiping rags and cleaning cloths, the storage of clothing and other articles of textile material obtained for the purpose of the manufacturing of wiping rags cleaning cloths, the storage of wiping rags and cleaning cloths and the storage of the goods described in 9.6 and 9.7.

9.3 All manufacturers of wiping rags and cleaning cloths need to comply with the following rebate store requirements:

- Rebate stores must be substantially constructed and must offer the maximum security possible. If possible, the walls should be extended to the ceiling, and if this is possible, suitable steps must be taken to prevent access to the materials over the walls e.g. by securing the tops of the walls with razor wire mesh.
- The doors must be lockable and furthermore such must be suitably equipped with fastenings for Customs locks.
- The windows, if any, must have burglar bars fitted.
- Rebate stores may have more than one entry or exit point; however the store may be used as a thoroughfare.
- Rebate stores must be situated on the manufacturers' registered factory premises.
- In the case of yards, used for storage of rebate materials packed in drums or similar bulk packaging, the minimum height of the walls, or fence, or combination of walls and fence must be at least **2** meters.

- 9.4** The Director: Import and Export Control (Fax number (012) **394 4590** and Telephone no (012) **394 3590**), must be notified in writing by the permit holder of the date of the arrival of consignments of imported worn clothing and other imported worn articles of textile materials at its premises, at least two weeks before the date of arrival.

Such notification shall specify:

- The number of the relevant rebate permit
- The port of entry where the goods concerned will be cleared with rebate of the duty
- The mass and f.o.b. value of the consignment"

- 9.5** The Director: Import and Export Control should be notified 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 manufacturing wiping rags and cleaning cloths kept at the premises described in the rebate permit or permits issued to the permit holder. Any clothing or other articles of textile material includes worn, used and new clothing and other articles of textile material.

The notification should state:

- The planned date or dates of arrival at the premises of the goods concerned
- The mass and sales value of the goods concerned
- A description of the goods which indicates the type of clothing, type of article of textile material and whether the goods are new, used or worn.

- 9.6** Any clothing and other articles of textile material which enter the premises referred to under paragraph **9.1** but which are not suitable for the manufacture of wiping rags and cleaning cloths, should be cut up at the premises, within **4** weeks of being identified as not suitable for the manufacture of wiping rags or cleaning cloths.

- 9.7** Any product removed from clothing and other articles of textile material for the purpose of manufacturing wiping rags and cleaning cloths, such as zips, should be cut up within **4** weeks of being removed from the clothing or other articles of textile materials with the exception of buttons. Proper records should be kept with regards to the disposal of goods.
- 9.8** The cut up material referred to under paragraphs 9.6 and 9.7, can only be removed from the premises in terms of a written authorization issued by the Director: Import and Export Control which describes the nature and mass of the goods, the date or dates on which the goods can be removed from the premises and the destination of the goods.
- 9.9** Requests to obtain authorization referred to under paragraph 9.8 must be in writing and submitted to the Director: Import and Export Control at least four weeks before the date on which authorization is required. Should waste be removed more frequently, requests need to be submitted to the Director: Import and Export Control at least one week before the date on which authorization is required. These requests should describe the nature and mass of the goods, the planned date or dates of the removal of the goods from the premises and the designation of the goods.
- 9.10** Records, as required by SARS, must be kept in respect of worn clothing and other worn articles of textile materials cleared with rebate of the duty.
- 9.11** Records must be kept of any clothing and any other article of textile materials obtained by the permit holder in South Africa and which enters the premises described in the permit or permits issued to the permit holder. These records should contain the following:
- The name, postal address, e-mail address and telephone number of the firm or 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 which indicates 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

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

9.13 Records must be kept of the sales of wiping rags and cleaning cloths manufactured from worn clothing and other worn articles of textile materials obtained in terms of rebate permits. These records should include the date, mass (kg) and sales value of each sale and the name, addresses (postal and street) and telephone number of each customer.

9.14 Records should be kept of sales of wiping rags and cleaning cloths manufactured from clothing and other articles of textile materials obtained in South Africa. The records should include the date, mass (kg) and sales value of each sale and the name, address (postal and street) and telephone number of each customer.

9.15 Investigators from International Trade Administration Commission may visit permit holders and the premises of permit holders to inspect and to investigate any matter or record related to the manufacture of wiping rags and cleaning cloths; and related to rebate and import control permits issued to the applicant. This includes the inspection of the goods cleared in terms of permits, any other goods that enter the premises, and any goods that leave or came from the premises. Records must be kept for at least five years and be made available for inspection and investigation purposes.

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

ANNEXURE A

INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA

**APPLICATION FOR A PERMIT IN TERMS OF ITEM
31 ~~L18/63.09/01.04~~ FOR REBATE OF THE DUTY
ON WORN CLOTHING AND OTHER WORN
ARTICLES OF TEXTILE MATERIALS FOR
THE MANUFACTURE OF WIPING RAGS
AND CLEANING CLOTHS**

CONFIDENTIAL INFORMATION

Please note 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 following rules are strictly applicable and parties must indicate:

- ❑ Where confidential information has been omitted and the nature of such information;
- ❑ A summary of the confidential information which permits 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 Board, which unless indicated to be confidential and filed together with a non-confidential version, will be made available to other interested parties.

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 Board 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.

INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA

INFORMATION REQUIRED IN SUPPORT OF AN APPLICATION FOR A PERMIT
IN TERMS OF 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 WIPING RAGS AND CLEANING CLOTHS

1. Details of applicant:

- 1.1 Name:
- 1.2 Postal address:
.....
.....
- 1.3 Telephone no.:
- 1.4 E-mail address:
- 1.5 Name of contact person:
- 1.6 Physical address:
.....
- 1.7 Physical address of premises where the manufacture of
wiping rags and cleaning cloths will take place.
.....
.....

2. Details of product in respect of which a rebate permit is required:

- 2.1 Quantity in kg:
- 2.2 F.o.b. Value in R:
- 2.3 Country of origin:
- 2.4 Planned date of import or period during *which* it is planned
to import:
- 2.5 Port of entry:

3. Details of wiping rags and cleaning cloths to be manufactured from the products described under 2:

- | | |
|----|--|
| 26 | Estimated quantity in kg: |
| 27 | Estimated sales value in R: |
| 28 | Period during which it is planned to manufacture the products concerned: |
| 29 | Period during which it is planned to sell the products concerned.
..... |

4. Details of actual imports in terms of the previous permit:

- | | |
|------|--|
| 2.10 | Permit No. |
| 2.11 | Quantity in Kg: |
| 2.12 | Value in R: |
| 2.13 | Date of import or dates of import of different consignments
..... |

5. Details of sales of wiping rags and cleaning cloths during the year preceding the year that the permit is applied for:

- | | |
|----|--|
| 51 | Quantity in kg manufactured from imported worn clothing and imported worn articles of textile materials: |
| 52 | Quantity in kg manufactured from clothing and articles of textile materials obtained in South Africa: |

6. Submit written proof that the applicant is registered with SARS as a user of the rebate provision concerned.

7. Complete the following declaration:

DECLARATION IN RESPECT OF AN APPLICATION FOR A PERMIT IN TERMS OF REBATE PROVISION 31 ■ 18/63.09/01.04 OF SCHEDULE 3 TO THE CUSTOMS AND EXCISE ACT, 1964

NB: The obligation to complete and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the claimant

I, (full names) with
identity number, in my capacity as – managing
director/chief executive (in respect of a company) or senior member/ person with
management responsibility (close corporation, partnership or individual)
(Delete whichever is not applicable)

of

(hereinafter referred to as the applicant) hereby declare that –

- a) the applicant complies with prescribed requirements in order to qualify
for rebate in terms of the above-mentioned rebate provision;
- b) I have satisfied myself that the preparation of the application has been
done in conformity with the guidelines and requirements in respect of
the above-mentioned rebate provision, with which I have fully
acquainted myself and to which I unconditionally agree to;
- c) I accept that the decision by the Chief Commissioner: International
Trade Administration will be final and conclusive and that the said
Chief Commissioner may at any time conduct or order that an
investigation to verify information furnished in the application form, be
conducted;
- d) The information furnished in this application is true and correct;
- e) The applicant, or any one of its associates, or related party is not
subject of an investigation by either the South African Police, the
Office for Serious Economic Offences, International Trade
Administration, or the Commissioner for Customs and Excise into
previous claims or other related matters.

NAME: DESIGNATION:

SIGNATURE: DATE AND YEAR:

I CERTIFY THAT THE DEPONENT HAS ACKNOWLEDGED THAT HE KNOWS
AND UNDERSTANDS THE CONTENTS OF THIS AFFIDAVIT, AND THAT HE HAS
NO OBJECTION TO TAKING THE PRESCRIBED OATH, AND THAT HE
CONSIDERS THIS OATH TO BE BINDING ON HIS CONSCIENCE.

SIGNED and SWORN to **before** me at on this
..... Day of Year.

.....
COMMISSIONER OF OATHS

FULL NAMES:

CAPACITY:

BUSINESS ADDRESS:

.....

AREA: