
GOVERNMENT NOTICE

DEPARTMENT OF TRADE AND INDUSTRY

No. R. 1056

20 October 2006

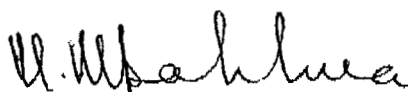
INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA

IMPORT RESTRICTIONS ON TEXTILES AND CLOTHING ORIGINATING FROM THE PEOPLE'S REPUBLIC OF CHINA

I, Mandisi Mphahla, in my capacity as Minister of Trade and Industry, acting under the powers vested in me by Section 6 of the International Trade Administration Act, 2002 (Act 71 of 2002) hereby prescribe that-

- (a) goods described in Schedule A originating from the People's Republic of China shall not be imported into the Republic of South Africa except by virtue of a Special Import Permit Certificate (SIPC) issued in terms of section 6 of the said International Trade Administration Act, 2002, and in which such goods are specifically described;
- (b) goods described in Schedule A shall not be shipped to the Republic of South Africa unless the importer is in possession of an appropriate valid SIPC issued in terms of section 6 of the said International Trade Administration Act, 2002, and in which such goods are specifically described;
- (c) only the goods of a class and kind specified in the SIPC may be imported;
- (d) the International Trade Administration Commission of South Africa will issue a single SIPC to an authorised party for the importation and clearance of goods described in Schedule B during the period covered by these regulations;
- (e) the quota per tariff heading indicated in the SIPC shall be valid for the importation and clearance of an amount of such quota for the calendar year specified in the SIPC, which specific allocation will be valid until 31 December of the year for which the quota was allocated;
- (f) goods referred to in Schedule A that arrive at ports of entry in the Republic of South Africa and for which the importer cannot produce a valid SIPC shall be deemed to have been imported in contravention of the International Trade Administration Act, 2002; and will be subject to detention and seizure by the South Africa Revenue Service;
- (g) notwithstanding the provisions of paragraph (a), (b), (c), (d), (e) and (f) above, no SIPC shall be necessary for the importation of goods referred to in Schedule A if –

- (i) the goods are **for personal use imported by a bona fide immigrant or temporary resident**;
- (ii) the **goods** are for personal **use** imported by a returning resident or national returning to South Africa after **having** been outside of South Africa for a period in **excess** of 6 months;
- (iii) **the** goods are for personal use imported by a non-resident, resident or national and the goods do not exceed 20kg or 20 units as the case **may be** and in accordance with the statistical unit relevant to *the* customs tariff number;
- (iii) the **goods** are imported in terms of **rebate** item 470.03 of Schedule 4 of the Customs and Excise Act, 1964, (Act 91 of 1964); or
- (iv) the **goods** are imported in **terms of** rebate items 406.02, 406.03, 406.05, **406.06**, 406.07, 480.00 and 490.00 of Schedule 4 of the **Customs and Excise Act, 1964** (Act 91 of 1964);
- (h) nothing in this notice shall absolve an importer from **the obligation** of also complying with the **provisions** of other **legislation** relating to the importation of the specified **goods** into South Africa, **originating** from the People's Republic of China;
- (i) the International Trade Administration Commission of South Africa and/or The Commissioner for the **SA** Revenue Service will not be held responsible for any losses incurred by any party as a result of **the** enforcement of **these regulations**; and
- (j) this notice and the regulations contained herein shall come into operation on 1 January 2007 and shall expire on 31 December 2008.



Mandisizwe M. P. Mphahlela
Minister of Trade and Industry

SCHEDULE A

<u>Description of goods</u>	<u>Tariff heading</u>
Woven fabrics of cotton, containing 85 percent or more by mass of cotton, of a mass not exceeding 200 g/m ² .	52.08
Woven fabrics of cotton, containing 85 percent or more by mass of cotton, of a mass exceeding 200 g/m ² .	52.09
Woven fabrics of cotton, containing less than 85 percent of cotton, mixed mainly or solely with man-made fibres, of a mass not exceeding 200 g/m ² .	52.10
Woven fabrics of synthetic staple fibres, containing less than 85 per cent by mass of such fibres, mixed mainly or solely with cotton, of a mass exceeding 170g/m ² .	55.14
Wrap knit fabrics (including those made on galloon knitting machines) (excluding those of headings 60.01 to 60.04).	60.05
Knitted or crocheted fabrics.	60.06
Men's or boys' trousers, bib and brace overalls, breeches and shorts:	
- of wool or fine animal hair	6103.4
- of cotton	
- of synthetic fibres	
- of other textile materials	
Women's and girls' skirts and divided skirts:	
- of wool or fine animal hair	6104.5
- of cotton	
- of synthetic fibres	
- of other textile materials	
Women's and girls' trousers, bib and brace overalls, breeches and shorts:	

- of wool or fine animal hair	6104.6
- of cotton	
- of man made fibres	
- of other textile materials	
Men's or boys' shirts, knitted or crocheted	61.05
Women's or girls' blouses, shirts and shirts-blouses, knitted or crocheted	61.06
Men's or boys' underpants, and briefs knitted or crocheted:	
- of cotton	6107.1
- of man-made fibres	
- of other textile materials	
Women's or girls' panties and briefs knitted or crocheted	
- of cotton	6108.2
- of man made fibres	
- of other textile materials	
Babies' garments and clothing accessories, knitted or crocheted	
- of wool or fine animal hair	61.11
- of cotton	
- of synthetic fibres	
- of other textile materials	
Women's and girls' overcoats, raincoats, car-coats, capes, cloaks and similar articles:	
- of wool or fine animal hair	6202.1
- of cotton	
- of man made fibres	
- of other textile articles	
Men's and boys' overcoats, car-coats, capes, cloaks and similar articles: Other:-	
- of wool or fine animal hair	6201.9
- of cotton	
- of man- made fibres	
- of other textile materials	
Women's and girls' overcoats, raincoats car- coats, capes, cloaks and similar articles: Other:-	
- of wool or fine animal hair	6202.9

- of cotton	
- of man-made fibres	
- of other textile materials	
Men's or boys' suits, (excluding swimwear)	
- of wool or fine animal hair	6203.1
- of synthetic fibres	
- of other textile materials	
Men's or boys' jackets and blazers:	
- of wool or fine animal hair	6203.3
- of cotton	
- of synthetic fibres	
- of other textile materials	
Men's and boys' trousers, bib and brace overalls, breeches and shorts:	
- of wool or fine animal hair	6203.4
- of cotton	
- of synthetic fibres	
- of other textile materials	
Women's and girls' jackets and blazers:	
- of wool or fine animal hair	6204.3
- of cotton	
- of synthetic fibres	
- of other textile materials	
Women's and girls' dresses:	
- of wool or fine animal hair	6204.4
- of cotton	
- of synthetic fibres	
- of article fibres	
Women's and girls' skirts and divided skirts:	
- of wool or fine animal hair	6204.5
- of cotton	
- of synthetic fibres	
- of other textile materials	
Women's and girls' trousers, bib and brace overalls, breeches and shorts:	
- of wool or fine animal hair	6204.6
- of cotton	
- of synthetic fibres	
- of other textile materials	

Men's and boys' shirts	62.05
Women's or girls' blouses, shirts and shirt-blouses	62.06
Tracksuits, ski suits and swimwear; other garments	6211.3(90)
Tracksuits, ski suits and swimwear; other garments, women's or girls'	6211.4(90)
Brassieres	6212.1
Curtains (including drapes) and interior blinds; curtain or bed valances	63.03

SCHEDULE B

GUIDELINES FOR IMPORT CONTROL ON CLOTHING AND TEXTILES
ORIGINATING FROM THE PEOPLE'S REPUBLIC OF CHINA.

1. Emanating from the Memorandum of Understanding signed between the Government of the Republic of South Africa and the Government of the People's Republic of China (PRC), the importation of the textiles and clothing originating from the PRC listed hereunder will be restricted by mass or unit in accordance with the tables and for the calendar years (2007 and 2008) reflected in the tables below:

5208	Woven fabrics of cotton, containing 85 percent or more by mass of cotton, of a mass not exceeding 200 g/m ² .		kg
	2007	2008	
Quota	3,004,879	3,425,562	

Item	Description		Unit
5209	Woven fabrics of cotton, containing 85 percent or more by mass of cotton, of a mass exceeding 200 g/m ² .		kg
	2007	2008	
Quota	5,280,445	6,336,535	

5210	Woven fabrics of cotton, containing less than 85 percent of cotton, mixed mainly or solely with man-made fibres, of a mass not exceeding 200 g/m ² .		kg
	2007	2008	
Quota	539.438	636.537	

Item	Description		Unit
5514	Woven fabrics of synthetic staple fibres, containing less than 85 per cent by mass of such fibres, mixed mainly or solely with cotton, of a mass exceeding 170g/m ² .		kg
	2007	2008	
Quota	1,764,939	2,082,628	

Item	Description		Unit
6005	Wrap knit fabrics (including those made on galloon knitting machines) (excluding those of headings 60.01 to 60.04).		kg
	2007	2008	
Quota	635,137	736,759	

Item	Description	Unit
6006	Knitted or crocheted fabrics	kg
Quota	2,704,978	3,083,675

Item	Description	Unit
6103.4	Men's or boys' trousers, bib and brace overalls, breeches and shorts: - of wool or fine animal hair - of cotton - of synthetic fibres - of other textile materials	Units
Quota	2007 4,666,751	2008 5,086,759

6104.3	Women's or girl's jackets and blazers: - of wool or fine animal hair - of cotton - of synthetic fibres - of other textile materials	Units
Quota	2007	2008

item	Description	Unit
6104.5	Women's and girls' skirts and divided skirts: - of wool or fine animal hair - of cotton - of synthetic fibres - of other textile materials	Units
Quota	2007 3,430,268	2008 3,738,992

Item	Description	Unit
6104.6	Women's and girls' trousers, bib and brace overalls, breeches and shorts: - of wool or fine animal hair - of cotton - of man made fibres - of other textile materials	Units
Quota	2007 5,955,657	2008 6,491,666

6105	Men's or boys' shirts, knitted or crocheted	Units
	2007	2008
Quota	5,385,587	5,870,290

Item	Description	Unit
6106	Women's or girls' blouses, shirts and shirts-blouses, knitted or crocheted	Units
	2007	2008

6107.1	Men's or boys' underpants, and briefs knitted or crocheted: - of cotton - of man-made fibres - of other textile materials	Units
	2007	2008
Quota	9,932,175	10,826,071

Item	Description	Unit
6108.2	Women's or girls' panties and briefs knitted or crocheted - of cotton - of man made fibres of other textile materials	Units
	2007	2008
Quota	33,118,836	36,099,532

Item	Description	Unit
6111	Babies garments and clothing accessories, knitted or crocheted - of wool or fine animal hair - of cotton - of synthetic fibres of other textile materials	kg
	2007	2008
Quota	1,713,493	1,884,842

Item	Description	Unit
6201.9	Men's and boys' overcoats, car- coats, capes, cloaks and similar articles: Other:- - of wool or fine animal hair - of cotton - of man- made fibres - of other textile materials	Units
	2007	2008
Quota	2,070,371	2,231.860

item	Description		Unit
6202.I	Women's and girls' overcoats, raincoats, car-coats, capes, cloaks and similar articles: -of wool or fine animal hair		Units
	2007	2008	
Quota	1,594,660	1,754,126	

item	Description		Unit
6202.9	Women's and girls' overcoats, car-coats, capes, cloaks and similar articles: Other:- - of wool or fine animal hair - of cotton - of man-made fibres - of other textile materials		Units
	2007	2008	
Quota	874,608	979,561	

item	Description		Unit
6203.1	Men's or boys' suits' (excluding swimwear) - of wool or fine animal hair - of synthetic fibres - of other textile materials		Units
	2007	2008	
Quota			

Item	Description		Unit
6203.3	Men's or boys' jackets and blazers: - of wool or fine animal hair - of cotton - of synthetic fibres - of other textile materials		Units
	2007	2008	
Quota	3,205,000	3,493,450	

Item	Description		Unit
6203.4	Men's and boys' trousers, bib and brace overalls, breeches and shorts: - of wool or fine animal hair - of cotton - of synthetic fibres of other textile materials		Units
	2007	2008	
Quota	26,690,354	28,772,201	

6204.3	Women's and girls' jackets and blazers: - of wool or fine animal hair - of cotton - of synthetic fibres of other textile materials	Units
	2007	2008

Item	Description	Unit
6204.4	Women's and girls' dresses: - of wool or fine animal hair - of cotton - of synthetic fibres - of article fibres	Units
	2007	2008
Quota	1,165,259	1,281,785

Item	Description	Unit
6204.5	Women's and girls' skirts and divided skirts: - of wool or fine animal hair - of cotton - of synthetic fibres of other textile materials	Units
	2007	2008
Quota	8,951,820	9,650,062

Item	Description	Unit
6204.6	Women's and girls' trousers, bib and brace overalls, breeches and shorts: - of wool or fine animal hair - of cotton - of synthetic fibres - of other textile materials	Units
	2007	2008
Quota	24,284,217	26,178,386

Item	Description	Unit
6205	Men's and boys' shirts	Units
	2007	2008
Quota	14,950,981	16,296,570

Item	Description	Unit
6206	Women's or girls' blouse, shirts and shirt-blouses	Units
	2007	2008
Quota	11,411,968	12,781,404

6211.3(90)	Tracksuits, ski suits and swimwear; other garments		kg
	2007	2008	
Quota	1,057,541	1,163,295	

item	Description		Unit
6211.4(90)	Tracksuits, ski suits and swimwear; other garments, women's or girls		kg
	2007	2008	
Quota	259,949	291,143	

Item	Description		Unit
6212.1	Brassieres		kg
	2007	2008	
Quota	747,246	836,916	

Item	Description		Unit
6303	Curtains (including drapes) and interior blinds; curtain or bed valances		Units
	2007	2008	
Quota	4,778,018	5,150,703	

2. Definitions

2.1 Past Performer

A Past Performer for the purpose of these regulations is a party that imported clothing and textiles under any of the 31 tariff headings above originating from the PRC for commercial purposes during the period 1 January 2005 to 30 June 2006.

2.2 New Entrants

A New Entrant is a party who did not import clothing and textiles from the PRC for commercial purposes during the period 1 January 2005 to 30 June 2006. *Please note that if you have imported under e.g. 6303 but not under 6212.1, you qualify as a new entrant under 6212.1.*

2.3 Special circumstances means-

- = any person who or entity which is the sole importer of foreign branded products as defined, in terms of an international license agreement, where such products are only manufactured in China; or
- products that are intended to be used for special purposes and that cannot be manufactured locally, such as, but not limited to, fireman's gear; clothing with fire protective characteristics; specialised sporting gear.

2.4 Branded goods mean-

- (a) goods featuring, bearing, embodying or incorporating the subject-matter of an intellectual property right with the authority of the owner of that intellectual property right, or goods to which that subject-matter has been applied by that owner or with his or her authority;
- (b) any particular class or kind of goods which, in law, may feature, bear, embody or incorporate the subject-matter of an intellectual property right only with the authority of the owner of that intellectual property right, or to which that subject-matter may in law be applied, only by that owner or with his or her authority, but which has not yet been manufactured, produced or made, or to which that subject matter has not yet been applied, with the authority of or by that owner (whichever is applicable).

2.5 International license agreement means-

an agreement between a local person or entity and the international license holder of the branded good.

3. There will not be inter-changeability of quota allocations between clothing and textiles or between the various clothing and textile tariff headings/sub-headings.
4. Allocated quotas are not transferable.
5. A Past Performer will be issued with a SIPC, reflecting the quantities (mass or units) per tariff line as indicated in Schedule B that the Past Performer is allowed to import during a specific calendar year.
6. The maximum quota that may be imported per tariff line by a Past Performer will be provided to the SARS to be captured on the SARS electronic database in accordance with the importer's name and importer's code number. Quantities imported by individual importers will be debited from the importer's allocated quota until depleted.

7. Goods described in Schedule A that have arrived for clearance at a port of entry in the Republic of South Africa on or after the date on which the regulations on the importation of the textiles and clothing originating from the PRC have come into effect shall be deemed to have been imported in contravention of the International Trade Administration Act, 2002 and will be subject to detention and seizure by SARS unless-

7.1 such goods are covered by a SIPC; or

7.2 the importer provides written documentation demonstrating to the satisfaction of SARS that such goods were shipped on boards prior to the date of publication of the regulations in the Government Gazette.

Therefore:-

- Goods shipped before the date of publication of these regulations, are not subject to the quota restriction in terms of the MoU with China.
 - Goods shipped after publication and cleared before 1 January 2007 are not subject to the quota restriction in terms of the MoU with China.
 - Goods shipped after publication and cleared on or after 1 January 2007 will be subject to the quota restriction in terms of the MoU with China.
8. Contraventions of the provisions of the International Trade Administration Act (71 of 2002) and/or the Customs and Excise Act will result in the withdrawal or cancellation of the SIPC and/or may result in criminal prosecution in terms of the International Trade Administration Act and/or the Customs and Excise Act.
9. Quotas will not be re- instated. Example: where goods were intended for home consumption and cleared as such and the available quota was written off but later changed to an export transaction for example, warehoused for export, duty paid ex warehouse, etc such written off quota will not be re-instated.
10. Calculation of quotas to Past Performers:
- For the purpose of allocating quotas for the 2007 and 2008 calendar years under each 4/5/8-digit tariff line to a particular Past Performer, the average imports made by the Past Performer under these tariff lines during the period 1 January 2005 to 30 June 2006 will be used as the basis.

-
- A percentage of the average of what was imported by the Past Performer during the period 1 January 2005 to 30 June 2006 per 4/5/8-digit tariff line, will be allocated to each Past Performer as a quota.
11. SIPC's will be issued automatically to Past Performers and no application is therefore necessary.
 12. SIPC's must be collected from the office of ITAC, situated at Block E (Uuzaji), The DTI Campus, 77 Meintjies Street Sunnyside, Pretoria.
 13. SIPC's must be collected by importers or their authorised representatives who must complete or submit a completed declaration reflecting the name and physical address of the holder of the quota.
 14. SIPC's will be available for collection from 9:00 on Wednesday 1 November 2006. SIPC's not collected by Past Performers by 17 November 2006, will be forfeited and re-allocated to new entrants.
 15. Calculation of quotas to New Entrants:
 - A percentage of volume imported per tariff line over the period 1 January 2005 to 30 June 2006 will be set aside as a quota to be allocated to New Entrants for the 2007 and 2008 calendar years.
 - New Entrants are hereby invited to apply before 17 November 2006 to be allocated a portion of the quota per tariff line.
 - Application forms (IE230 and IE461) are available at www.itac.org.za or from the address referred to hereunder.
 - All New Entrants are required to register as an importer with SARS and no quota allocation will be made to unregistered importers.
 - The available quota for New Entrants per tariff line will be divided equally between all New Entrants who applied within the specified time limit.
 16. Special circumstances considerations:

An importer of products referred to in 2.3 above may apply to the Commission in writing, in such form as the Commission may require, for an increase in the limitation on his/her imports imposed by these regulations. The Commission may only grant such an application in special circumstances as defined in 2.3 above.
 17. The regulations restricting the importation of clothing and textiles originating from the PRC will be available at www.itac.org.za or from the office of ITAC.