
GENERAL NOTICES ALGEMENE KENNISGEWINGS

NOTICE 1516 OF 2006 INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA

CUSTOMS AND EXCISE TARIFF APPLICATIONS

LIST 15/2006

The International Trade Administration Commission of **South Africa** (ITAC) has received the following applications concerning the Customs and Excise Tariff. **Any** objection to or comment on this representation should be submitted to the Chief Commissioner, ITAC, Private **Bag** X753, Pretoria, 0001, within six weeks of the date of this notice. Attention is drawn to the fact that the rate of duty mentioned in the 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

*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 Commission, 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 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:

Spark plugs with a thread diameter of 18mm or more combined with a thread reach of 19mm or more, classifiable in tariff subheading 8511.10.90 from 7,5% to free of duty

**Applicant:
Agaricus Trading cc
P O Box 115
Linkfield
3652**

**[File No: (50/2006) Mr. D.L. Smith, Tel. No: (012) 394 3684, Fax no:
(012) 394 0516]**

The following is an extract from the applicant's application:

"There are no SACU manufacturers of spark plugs used in spark ignition reciprocating gas engines normally used for generating electricity"

2. **Rebate**

Of the customs duty:

"Soya oilcake, classifiable in tariff heading 23.04, derived from the extraction of soya bean oil."

Applicant:

International Trade Administration Commission
Private Bag X753

PRETORIA

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[Mr. A Zietsman Tel:(012) 3943673, Fax: (012) 3944673,
E-mail: azietsman@itac.org.za]

3. **REBATE**

Of the full duty less 0.091/li on:

Fully refined preparations (commonly known as reformat) produced by a catalytic reforming process, classifiable in tariff subheading 2710.11.90, for the manufacture of petrol of subheading 2710.11.02"

Applicant:

South African Petroleum Industry Association
P O Box 7082

ROGGEBAAI

8012

[23/2006 Mr. A Zietsman Tel:(012) 3943673, Fax: (012) 3944673,
E-mail: azietsman@itac.org.za]

The following is an extract from the applicant's letter stating the reason for the application: "... need to comply with Department of Minerals and Energy's requirement that from January 2006 lead additives no longer be used in manufacturing petrol".

4. CORRECTION NOTICE

REDUCTION:

in the rate of duty on:

This Notice replaces ~~the~~ application by Number One Enterprises as published under Notice No 1425 of 2006, in Government Gazette, dated 06 October 2006.

“Babies booties from 30 % or 500c/2u to free, classifiable in tariff subheading 6405.20.90 by the creation of an additional 8-digit subheading in 6405.20 for babies booties and the insertion of an Additional Note to Chapters 65 defining the scope as follows: For the purposes of subheading 6405.20.19 the expression babies booties applies only to booties with uppers and soles of woven textile material, with the outer soles affixed to the uppers by sewing, having a length not exceeding 100 mm and a sole thickness not exceeding 2 mm”

The applicant:

**NUMBER ONE ENTERPRISES
3 CARRIAGE CLOSE
CROWN EXT 7
2092**

[File No: (2512006) Mr. Zuko Ntsangani, Tel: (012) 394 3662, fax no: (012) 394 4662, E-mail: zntsangani@itac.org.za]

As reason for the application the applicant stated that:

- Woven babies/infants booties are not manufactured in the SACU region and the duty is not protecting any industry.
- The duty is higher than the FOB value of these booties.

5. CUSTOMS TARIFF AMENDMENT APPLICATION FORM

The International Trade Administration Commission of South Africa (ITAC) hereby notifies interested parties that applications for customs tariff amendments, with effect from the date of this notice, must be in the format as set out in the application form in this notice.

CUSTOMS TARIFF AMENDMENT APPLICATION FORM

Please indicate the option that you are applying for by ticking the relevant block below:

- Reduction of customs duty
- Increase in the customs duty
- Creation of a rebate facility

N E N I 200

Please address all correspondence to the Chief Commissioner, International Trade Administration Commission, and forward **your** application choosing one of the following options:

Postal address:

Private Bag X753, Pretoria, 0001

Physical address:

DTI Campus (Uzaji building, first floor reception), 77 Meintjies Street, Sunnyside, Pretoria.

NOTES:

- i) It is **imperative** to study the contents of the document titled "TARIFF INVESTIGATIONS REGULATIONS" (April 2006), which can be found on ITAC's website (www.itac.org.za), before completing this application form.
- ii) Applicants should feel free to submit any information or comment considered to be relevant to the application, not called for specifically in the questionnaire. The application should include a duly signed affidavit averring to the accuracy of the information being provided and be accompanied by a cover letter signed by the CEO of the applying company authorising the submission of the application.
- iii) It is advisable that the Office of the Commissioner for the South African Revenue Service (SARS) be consulted in connection with the tariff classification and description of the product concerned. (This applies to questions 10 and 11 of the questionnaire). Should an additional 8-digit tariff subheading or the creation of a rebate facility be required, it is also necessary to obtain the relevant description of such a provision from SARS before the application can be submitted.
- iv) If amendment of the custom duties on more than one product is required, information should be furnished separately throughout the questionnaire for each product.
- v) The statistical information may be given for either calendar years or financial years, but the basis selected should be stated.

CONFIDENTIAL INFORMATION

Please note that in terms of Section 33 of the International Trade Administration Act, 71 of 2002, and Section 3 of the Tariff Investigations Regulations, if any information is considered to be confidential then a non-confidential version of the information must be submitted, simultaneously with the confidential version. It is imperative to consult the Tariff Investigations Regulations in this regard for the detailed requirements on confidentiality, which apply to all parties and to all correspondence with and submissions to the Commission. Based on these regulations parties must indicate:

- Where confidential information has been omitted and the reasons for the confidentiality of the information omitted: and
- A summary of the confidential information which permits a reasonable understanding of the substance of the confidential information; or
- In cases where information is not susceptible to summary, reasons must be submitted to this effect.

All correspondence with and submissions to the Commission unless clearly indicated to be confidential will be made available to other interested parties. (Confidential information should be clearly marked by writing "CONFIDENTIAL" on the cover page of the document and every page that contains confidential information.

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 confidentiality requirements.

VERIFICATION

Please note that in terms of section 8 of the Tariff Investigations Regulations, the Commission retains the right to verify the accuracy of the information supplied to it by any party by conducting verifications.

INFORMATION REQUIRED IN SUPPORT OF AN APPLICATION FOR AN AMENDMENT OF THE CUSTOMS DUTY OR THE CREATION OF A REBATE FACILITY

A) APPLICANT INFORMATION

1. State the full name of the applicant

2. State the postal and physical address
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3. Web address if available

4. Company registration no

5. Contact details of the applicant/ representative

Contact person..... Tel. no.....
Cell no.....
Fax no..... Email Address..

6. Location of the factory(ies) and warehouse(s)
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7. State the nature of the business conducted by the applicant
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8. Is the applicant receiving any financial, capital or other form of support from any Government Department or Government Institution in the Southern African Customs Union (SACU)? If so please provide the details about the type, duration and the extent of the already acquired support. Please provide supporting documentation.
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B) PRODUCT DESCRIPTION AND TARIFF CLASSIFICATION

9. Furnish a description, acceptable for customs tariff provision purposes, of the product in respect of which amendment of the duty is required.

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10. Provide in the first table below the existing tariff subheading under which the product is classifiable and the current rate of customs duty applicable and in the second table provide the level of duty applied for in this application.

Table 1: Current tariff Dosition

Tariff heading	Tariff subheading	Description	Statistical unit	Rate of duty		
				General	EU	SADC
(4 digit)		(Tariff description) heading				
	(6 digit)	(Tariff subheading description)				

Table 2: Reouested tariff position

Tariff heading	Tariff subheading	Description	Statistical unit	Rate of duty		
				General	EU	SADC
(4 digit)		(Tariff description) heading				
	(6 digit)	(Tariff subheading description)				

11. If the application is for the creation of a new rebate facility please provide the description of the rebate provision sought, as supplied by SARS.

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C) REASONS FOR THE APPLICATION

14. Give a brief statement of the reason(s) for the **application**. Please note that the particulars given will **form** the basis of the **application** and that it is possible **that** they will be made available to interested parties in **the SACU (Botswana, Lesotho, Namibia, South Africa and Swaziland)**, as well as organised commerce and industry.

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15. Furnish details, **supported** by letters or otherwise, of the efforts made to obtain the product or a substitute **from** SACU **sources** of manufacture **and** the result of **such efforts**.

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D) INDUSTRY ⁴ E

16. Furnish the names and addresses of other **SACU** manufacturers, processors, distributors or importers of the product or suitable substitutes, for which the customs intervention is sought.

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17. Furnish (in the table below) information for the previous 3 years, the current year and estimated figures for the ensuing year of the size of the **SACU** market in terms of quantity and sales value per annum for the product or substitute products competing for the same market share as the product that is the subject of this application, and the annual rate of increase in the **SACU** market.

If the applicant is also a manufacturer of the product that is the subject of this application, please provide in the last 2 columns your company's share of total SACU sales in terms of (1) volume and (2) value, expressed as a percentage.

Year	Total quantity of SACU sales (Kg/li/Units)	Total value of SACU Sales (R)	Annual rate of increase in terms of (1) quantity and (2) value	Percentage share of applicant's sales to total SACU sales in terms of volume	Percentage share of applicant's sales to total SACU sales in terms of value
Previous Year 200			/		
Previous Year 200			/		
Previous Year 200			/		
Current Year 200			/		
Ensuing Year 200_ (Estimate)			/		

18. Give the details and if possible the websites of (1) the known SACU industry representative organisations and the manufacturers, processors, distributors or importers of the product in question (or substitutes) in the SACU affiliated with the organisations, and (2) all other producers constituting the SACU industry concerned.

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19. Give a brief background description of the industry manufacturing the product in question, making reference to the following:

a) International market

b) SACU market.....
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c) SADC market.....
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20. Describe or provide a diagram of the position of the product, which is the subject of this application, in the value chain (i.e. raw material, intermediate product or end product) and state whether the end user is specific to a particular industry (i.e. Construction industry, Motor industry, Textile industry or Chemical industry etc.) and provide contact details of the upstream or downstream industry companies.

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E) PROCESSES, INVESTMENT AND EMPLOYMENT
DETAILS OF THE APPLICANT

Processes and investment information.

21. Describe your process of manufacture, processing, packing and distribution, its advantages or disadvantages compared with those of other SACU or foreign manufacturers, packers or distributors, and the methods you use to keep abreast of modern techniques.

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22. Please provide the average age of machinery used by the company and also compare these figures with the international norm.

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23. If there are current or any future intentions to further invest in the manufacturing of the product concerned in the SACU, please furnish / attach supporting documentation and comparative international norms.

E.g. Research & Development (R&D), Equipment and Buildings

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24. If there are any current or future plans for the expansion of manufacturing of your end product beyond your present capacity. Please furnish details.

E.g. Is this due to an increase in (domestic or international) demand?

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25. To what extent does the availability of inputs limit the growth of your company, and what steps are necessary to increase the availability of inputs.

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26. Employment

What are the total number of employees: _____

Please provide in the table below employment data graded by rank, race and gender. (Please note that the numbers in the table below should add up to the total number of the company's employees above).

RANK	RACE				GENDER		
	African	Coloured	Indian	White	Female	Male	Total
1. Executive Management							
2. Middle Management							
3. Administrative staff							
4. Marketing and Sales							
5. Factory Workers							
<u>Skilled</u>							
<u>Semi skilled</u>							
<u>Unskilled</u>							
6. Other							
Total							

27. Total number of employees directly involved in the manufacturing or processing of the product that is the subject of this application.

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28. Is there any intention by the company to engage in future (or has the company in the past engaged) in any form of skills and development programmes to empower the staff members?

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F) STATISTICAL INFORMATION PERTAINING TO THE COST OF PRODUCTION AND SALES

Cost and price build-up

29. If the product that is the subject of the investigation is imported and supplied in the SACU as a complete consumer article or capital equipment, without any value addition by your company, furnish the following details of the present ~~cost~~ and price structure of the product:

	R per (Kg/li/Units)
Cost of the product being the subject of the application:	
F.O.B. value
Freight, insurance, landing charges
Customs duty
Other (specify)
In-store costs:	
'Selling and administration costs
Profit
SELLING PRICE (total of all above amounts)

30. If the product is further processed by your firm or being used in the processing of another product, furnish the following details of the present cost and price structure:

	R per (Kg/li/units)
Cost of the product being the subject of the investigation:	
F.O.B. value
Freight, insurance, landing charges
Customs duty
Other (specify)
Cost of other raw materials and components:	
Imported
Other
Direct labour
Indirect labour
Repair and maintenance

¹ Please give a break down of the selling and administration cost

Rates and insurance
R & D
Plant depreciation
Interest paid
Other production costs

Total production cost
'Selling and administration costs
Profit
EX FACTORY SELLING PRICE (Total of all above amounts)

Cost implications of the customs duty

31. Give an assessment (consumer benefit or downstream benefit to a specific industry) of how your cost and price structure would be affected should the application succeed. To what extent will your firm's selling price for the product be influenced should the application for amendment in the duty be successful?

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32. State the quantity, free on board value and landed cost (excluding customs duty) of the product that is the subject of this investigation, that was imported by your firm during the previous years, and the estimated values for the current and the ensuing year (separately) in the format below.

	200_	200_	200_	200_ (Current year)	200_ (Estimate)
Quantity imported (Kg/li/Units)					
Free on board value (R)					
Landed cost excl duty (R)					
Customs duties (R)					

² Please give a break down of the selling and administration cost

33. Furnish in the table below the total import statistics of the product that is the subject of this application (into SACU) and the applicant's share of imports.

	Import volume (Kg/li/Units)	Import value (R)	Percentage share of applicant's volume to total volume imported	Percentage share of applicant's import value to total import value
Previous Year 200_				
Previous Year 200_				
Previous Year 200_				
Current Year 200_				
Ensuing Year 200_ (Estimates)				

Sales and size of market

	200_	200-	200-	Current year 200	Ensuing year 200_ (Estimate)
Sales Quantity (Kg/L/Units)					
Sales Value (R)					

Production capacity

35. State your normal production capacity (per annum) for the product concerned, in terms of both quantity and ex-factory sales value.

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36. State the number of hours per week on which the above production capacity is based, indicating the number of shifts this implies.

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37. State whether the production capacity indicated in point 35 above, can be increased without additions to machinery, equipment and buildings (e.g. by working more shifts), and, if so, to what extent.

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38. State the actual production figures of the product for the previous 3 years, the current year and estimated figures for the ensuing year, both in quantity and ex-factory sales value.

	200-	200-	Previous year 200	Current year 200-	Ensuing year 200_(Estimate)
Production Quantity (Kg/li/Units)					
Sales Value (R)					

39. State the actual production as a percentage of production capacity during the last year and for the last quarter.

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Supporting documentation

40. Submit copies of the firm's audited financial statements, management accounts and a business plan.
41. If relevant, furnish recent prices of imported substitute products of comparable types/grades/qualities indicating =

Country of Origin	Recent price of imported product	Normal domestic ex-factory selling price	Free on board prices	Landed cost at south African port including insurance, freight and other costs (but excluding duties)
1.				
2.				
3.				

G) AFFIDAVIT

44. Submit the following declaration by the **Chief Executive Officer** of the company concerned:

I,.....(Full name)
with identity number,..... in my capacity as
..... of.....
hereby declare that the information furnished in this application is to the best of my knowledge true and correct.

NAME: DESIGNATION:

SIGNATURE: DATE:

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

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

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COMMISSIONER OF OATHS

GLOSSARY

- APPLICANT** The party submitting an application as provided for purposes of initiating an investigation.
- COMMISSION** The International Trade Administration Commission of South Africa established in terms of section 7 of the International Trade Administration Act, 2002 (Act No. 71 of 2002).
- CUSTOMS DUTY** Ordinary customs duties as contained in Part 1 of Schedule No. 1 of the Customs and Excise Act, 1964 (Act. No. **91** of **1964**).
- INTERESTED-PARTIES** Parties that have a direct interest in an investigation and may include the applicant, producers in SACU, exporters, importers, or trade or business associations whose members are SACU producers, exporters or importers.

This does not preclude the Commission from accepting other parties as interested parties at the behest of the Commission.

SACU

Southern Africa Customs Union, established by Article 3 of the SACU Agreement and consisting of Botswana, Lesotho, Namibia, Swaziland and South Africa

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