NOTICE 945 OF 2013

INTERNATIONAL TRADE ADMINISTRATION COMMISSION <u>CUSTOMS TARIFF APPLICATION</u> <u>LIST 15/2013</u>

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 these 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 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 <u>http://www.itac.org.za/documents/R.397.pdf</u>. These regulations require that if any information is considered to be confidential, then a <u>nonconfidential version of the information must be submitted</u>, 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. Increase in the domestic Dollar-based reference price (DBRP) for sugar classifiable under tariff heading 17.01 from US\$358/ton to US\$764/ton through an adjustment of the calculation of the DBRP for sugar by basing it on the domestic cost of production.

Using the requested reference price of US\$764/ton, the variable tariff formula for sugar will trigge an increase if the London No. 5 sugar settlement price falls by US\$20/ton below the base price, which is the 3-week moving average price for the London No. 5 sugar settlement price. Conversely, a reduction in the duty will be triggered if the London No. 5 sugar settlement price increases by US\$20/ton above the base price.

APPLICANT: South African Sugar Association P. O Box 700 Mount Edgecombe 4300

REFERENCE: [08/2013] Ms. Lebogang Loate, Email <u>lloate@itac.org.za</u>, Fax (012) 394 4629; or Ms. Khor Mzinjana at E-mail: <u>kmzinjana@itac.org.za</u>; Fax: (012) 394 4664, Ms. Manini Masithela, E-mail: <u>mmasithela@itac.org.za</u>; Fax: 012 394 4682.

AS REASONS FOR THE APPLICATION THE APPLICANT STATED THAT:

The main motivation for an adjustment in the SACU tariff on imported sugar is to have a fair level of protection which can be justified on the following basis:

- (i) The South African Sugar Industry and Sustainable Socio-Economic Development;
- (ii) Government Policy Coherence;
- (iii) Imports and the Financial Sustainability of the Industry; and
- (iv) The Distorted World Market and Competitiveness

The applicant submitted that the industry is a key component of South African agriculture and national socio-economic development. However, for the Industry to continue in its present form and contribution to government's development objectives, it requires economic stability and sustainability. It was further submitted that the SACU tariff for sugar plays a crucial role in this regard as the industry cannot maintain its contribution to national development in the absence of a effective tariff, given the nature of the distorted global sugar sector.

PUBLICATION PERIOD:

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

2. REQUEST TO RECEIVE COMMENTS ON THE INCREASE IN THE ALLOCATION OF QUOTA FOR THE IMPORTATION OF USED OVERCOATS UNDER REBATE ITEM 460.11/00.00/01.00 FOR 2014.

Interested parties are hereby invited to comment on the request by the Association of Importers of Worn Overcoats for a 30% increase in the level of the quota for 2014 regarding applications in terms of the provision under rebate item 460.11/00.000/01.00 of Schedule 4 to the Customs and Excise Act for permits for partial rebate of the full duty less 30% <u>ad valorem</u> on used overcoats.

Furthermore interested parties need to comment on the following conditions being added to the guidelines rules and conditions pertaining to permits issued under rebate item 460.11/00.00/01.00 for used overcoats, car-coats, raincoats, anoraks, ski-jackets, duffle coats, mantles, three-quarter coats, greatcoats, hooded caps, trench coats, gabardines, padded waistcoats and parkas (but no clothing articles) classifiable under tariff headings 61.01, 61.02, 62.01, 62.02 and 6309.00.13 in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit. :

- 1. Containers must arrive for inspection only during Monday to Friday. No arrivals may occur during Saturday, Sunday or public holidays.
- 2. Importers need to provide the International Trade Administration Commission with proof of salaries being paid to temporary workers.
- 3. The date for issuing permits be changed from February to an earlier period.

APPLICANT:

The International Trade Administration Commission of South Africa Private Bag x 753 Pretoria 0001

ENQUIRIES: Barbara Moeng Tel No (012) 394 Fax no: (012) 394, E mail: <u>bmoeng@itac.org.za</u>; Coert Grobbelaar Tel No (012) 394 3672 Fax no: (012) 394 4672 E Mail: <u>cgrobbelaar@itac.org.za</u>; Kokami Getrude Legodi Tel No (012) 394 3812, Fax: (012) <u>394 4812 E Mail: klegodi@itac.org.za</u>

REASONS FOR INCREASE OF QUOTA LEVELS:

The Association provided the Commission with, inter alia, the following reasons for their request:

- a) This increase will make up for the permit loss of 2013 and help importers back into the position where they would have been if the normal 10% increase per year be allowed for 2013 and 2014;
- b) The additional 8% will cater for the present harsh economic situation every importer is presently experiencing such as increase in salaries and other overheads; and

- c) The increase will also help in sustaining the present work force and prevent job losses.
- d) An earlier date will assist the importers to plan in time for the winter season.

REASONS FOR AMMENDING THE GUIDELINES:

The guidelines are amended to further improve the administration of the rebate provision.

PUBLICATION PERIOD:

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

3. REBATE OF THE FULL CUSTOMS DUTY ON:

"Other pile fabrics, knitted or crocheted, of man-made fibres, classifiable in tariff subheading 6001.92, for the manufacture of footwear with uppers of textile materials classifiable in Chapter 64."

APPLICANT: FAST FOX FOOTWEAR t/a THE LITTLE SLIPPERY CO. P.O. Box 21230 Port Elizabeth 6000

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 product in question within the SACU region; and
- The company is under threat from imported slippers.

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

4. WITHDRAWAL OF THE APPLICATION FOR AN INCREASE IN THE RATE OF DUTY ON:

Biaxially oriented polypropylene classifiable under tariff subheadings 3920.20.25 and 3920.20.30 respectively from 10% <u>ad valorem</u> to 20% <u>ad valorem</u> duty.

APPLICANT: Fima Films (Pty) Ltd P O BOX 71 Krugersdorp 1739

Ref: 06/2013 Enquiries: Mr Nkulana Phenya, at Fax (012) 394 4677, email: <u>Nphenya@itac.org.za</u> or Ms Ayanda Ndou, at Fax: (012) 394-4724 Email: <u>endou@itac.org.za</u>.

REASONS FOR THE WITHDRAWAL:

Fima Films indicated that as a result of the change in the management structure, a new strategy which differs from that of the previous management was developed. The new management has considered the application for increase in the rate of duty and decided that it would not be beneficial for the company owing to the negative response received from the downstream industry opposing the application.

LIST 14/2013 WAS PUBLISHED UNDER NOTICE 860 OF 23 AUGUST 2013