

NOTICE 345 OF 2014
ECONOMIC DEVELOPMENT DEPARTMENT

INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA

Draft amendment to the Export Control Guidelines on the Exportation of Ferrous and Non-Ferrous Waste and Scrap.

Interested parties are hereby invited to comment on the proposed amendments to the Policy Guidelines on the Exportation of Ferrous and Non-Ferrous Waste and Scrap.

The proposed amendments are as follows:

1. The volume of scrap metal to be exported and indicated in the application form must, at the time the application is submitted to ITAC, be located in a scrap yard owned and operated by the applicant.
2. Duly completed applications for export permits as provided for in the Policy Guidelines must be submitted to ITAC to enable ITAC to compile the provided information into a circular for circulation on Wednesdays. The circulars will be provided to the industry representative organisations referred to in the Policy Guidelines, which will forward the information to their respective members. Other industry representative organisations with a direct interest in the scrap metal exports may request ITAC to include them in the circulars. The circulars will also be placed on the ITAC website.
3. Applications referred to in 2 above that reach ITAC by 12h00 on a Tuesday will be included in the immediately following Wednesday circulation (provided that, Wednesday is not a public holiday). Applications received after the cut-off time will be held over until the next circulation date.
4. The price preference determined by ITAC for scrap metal is a carriage and insurance paid (CIP) price (as per the International Commercial Terms 2013) to the purchaser's place of business, but only where such scrap metal is located in the same province as the purchaser's place of business to which the scrap is to be delivered.
5. The purchaser must make payment in full within 7 working days after delivery of the scrap metal to the purchaser's place of business and all other terms of sale for scrap metal must be reasonable.
6. In determining whether the terms of sale are reasonable in terms of paragraph 5 above, ITAC will consider, amongst other factors, whether such terms are in line with the terms of sale for scrap metal that existed prior to the entry into force of the Price Preference System.

7. Where an agreement has been signed between a buyer and a seller, it should reflect the applicable circulation number and any other relevant information enabling ITAC to link the agreement to the originally circulated application.
8. ITAC will not issue an export permit where, prior to the expiry date of the circulation period, a member of the domestic consuming industry provided ITAC with the offer it made in writing (by e-mail, facsimile or letter using the contact details indicated in the export permit application) to purchase, in whole or in part, scrap metal listed in an application at a price at or above the price preference applicable to such scrap metal and in line with the terms referred to in paragraph 5 above.
9. If an applicant for an export permit provides incorrect information in an application, ITAC may reject the application. If an applicant provides incorrect information in two or more applications, ITAC may take any action available to it under the law. ITAC may also subject all future applications by such applicant to verification procedures.
10. Scrap metal listed in an application must be available for inspection by members of the domestic consuming industry or ITAC during the circulation period for such application. To allow for inspection, the scrap metal may not be placed in any container that would prevent the inspection of any portion of scrap metal. As an illustrative example, the storage of scrap metal in an ocean freight container would not be permissible during the circulation period because only the portion of the scrap at the very front of the container (i.e. near the door of the container through which the scrap has been loaded into the container) can be readily inspected.
11. The price preference discount calculated by ITAC is a discount on the export parity price of scrap metal taking the transport, shipping and other related costs to the international market into consideration as was the case prior to the introduction of the price preference system.

Enquiries

Mr D Mitchell
Tel: 012) 394 3663
Fax: 012) 394 4663
E-mail: dmitchell@itac.org.za

Ms D Mogale
Tel: 012) 394 3505
Fax: 012) 394 4505
E-mail: dmogale@itac.org.za

Mr E Roman
Tel: 012) 394 3612
Fax: 012) 394 4612
E-mail: eroman@itac.org.za

Ms E Graaff
Tel: 012) 394 1867
Fax: 012) 394 4867
E-mail: egraaff@itac.org.za

Publication period:

Comments must be submitted within a period of 3 weeks from the date of publication of this Notice to:

The International Trade Administration Commission of South Africa
Senior Manager: Import and Export Control
Private Bag X192
Pretoria
0001
Attention: Mr P Snyman