

NOTICE 838 OF 2014**INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SA****GUIDELINES PERTAINING TO REBATE OF THE DUTY ON VARIOUS REBATE PROVISIONS IN TERMS OF
SCHEDULE 3, 4 AND 5 TO THE CUSTOMS AND EXCISE ACT**

Interested parties are hereby notified that all applications submitted for permits in terms of the following rebate provisions will be dealt with according to the guidelines as described in this notice and must be submitted in the format as set out in the application forms where applicable.

For the convenience of all interested parties, the following guidelines in respect of all the rebate provisions subject to publication are attached to this notice as indicated in the Schedule hereunder:

The questionnaires and application forms related to these rebate provisions listed hereunder are obtainable from ITAC's website at www.itac.org.za and from ITAC, Block E: **thedti** Campus, 77 Meintjies Street, Sunnyside, Pretoria.

Note: Permits in relation to rebate provisions subject to a permit condition should be applied for and received before the goods concerned are shipped.

Schedule of Rebate Provisions

DESCRIPTION OF REBATE PROVISION	ANNEXURE	PAGE OF NOTICE
Guidelines and conditions pertaining to permits issued under rebate item 460.02/0904.2/01.05 for the importation of dried or crushed or ground fruits of the genus capsicum (0904.2) for the extraction of paprika oleoresin (3309.90.80)	Annexure 1.1	2
Guidelines and conditions pertaining to permits issued under rebate item 460.04/2008.20/01.06 for the importation of canned pineapples	Annexure 1.2	4
Guidelines, rules and conditions pertaining to permits issued under rebate item 460.05/2713.20/01.06 for Petroleum Bitumen	Annexure 1.3	6
Guidelines rules and conditions pertaining to permits issued under rebate item 460.11/52.01/01.04 for cotton, not carded or combed	Annexure 1.4	8
Guidelines, rules and conditions pertaining to permits issued under rebate item 312.01/6001.92/01.06 for other pile fabrics, knitted or crocheted, of man-made fibers used for the manufacture of footwear with uppers of textile materials	Annexure 1.5	10
Guidelines, rules and conditions pertaining to textile fabric imported in terms rebate items 320.01/5407.61/01.06, 320.01/5903.20.90/01.08 and 320.01/5907.00.90/01.08 for the manufacture of upholstered furniture	Annexure 1.6	12
Guidelines, rules and conditions pertaining to rebate item 312.01/6001.92/01.06; for other pile fabrics, knitted or crocheted, of man-made fibers, for use in the manufacture of footwear with uppers of textile materials classifiable in Chapter 64	Annexure 1.7	15

Annexure 1.1**GUIDELINES AND CONDITIONS PERTAINING TO REBATE ITEM 460.02/0904.2/01.05 FOR THE IMPORTATION OF DRIED OR CRUSHED OR GROUND FRUITS OF THE GENUS CAPSICUM (0904.2) FOR THE EXTRACTION OF PAPRIKA OLEORESIN (3309.90.80)****1. PURPOSE**

- 1.1 The purpose of this document is to provide a reference and procedural guide for the application for a permit in terms of the rebate provision **460.02/0904.2/01.05** for the importation of dried, crushed or ground fruits of the genus *Capsicum* (0904.2) for the extraction of paprika oleoresin (3309.90.80).

2. SCOPE

- 2.1 The scope of this document covers the application process by applicants for a permit in terms of the above mentioned rebate provision.

3. THE PURPOSE OF THE REBATE

- 3.1 The purpose of the rebate item is to assist SACU oleoresin extractors when the SACU paprika production cannot satisfy the quantities required by the downstream paprika oleoresin extractors.

4. APPLICATION

- 4.1 Applicants must register with South African Revenue Service (SARS) as users of the rebate provision, and they must acquaint themselves with the requirements of SARS.
- 4.2 Applications for rebate permits must be addressed to the International Trade Administration Commission of South Africa, Private Bag X 753, Pretoria or delivered by hand to the DTI Campus (Block E), 77 Meintjies Street, Sunnyside, Pretoria.
- 4.3 Applications for permits must be submitted according to the requirements as outlined in the application form. If the space provided in the application form is insufficient, the format of the application form to submit the requested information must be used.
- 4.4 If all the information requested in the application form is not submitted, the application will not be considered, and will be returned to the applicant.
- 4.5 At least fourteen (14) working days must be allowed for the processing of rebate permit applications and the issuing of the rebate permit.
- 4.6 Each rebate permit issued in terms of these Guidelines will define the period during which the products concerned can be cleared with rebate of duty, 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 and granted by ITAC, or shorter period as decided upon by ITAC. ITAC shall bear sole discretion in this regard.
- 4.7 Rebate 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 permit.

5. Applications submitted in terms of this rebate provision will be subject to the following requirements:
 - 5.1 only the SACU paprika oleoresin extractors will qualify for a permit under this rebate provision;
 - 5.2 permits, in consultation with the National Agricultural Marketing Council, will only be issued once local production of dried or crushed fruits of the genus *Capsicum* (paprika) has been depleted;
 - 5.3 where possible, the application form must be accompanied by a letter with a date, not older than 30 days from the date of application, from the local producers as proof that the local producer(s) cannot supply sufficient quantities of the product in question;
 - 5.4 the applicant must comply with labour laws, regulations and agreements gazetted by the Minister of Labour and Bargaining Council. Proof must be provided by submitting certified copies of Bargaining Council compliance, where applicable, UIF registration as well as proof of salaries being paid;
 - 5.5 the applicant must provide, in each permit application, the number of jobs it expects to create annually as a result of the rebate. The applicant must submit to ITAC an annual report on the number of jobs it created; and
 - 5.6 the applicant must submit a Tax Clearance Certificate and VAT Certificate.
6. Any request for an amendment to a rebate permit must be forwarded to ITAC for consideration. Amendments will only be considered in the following instances:
 - a) error by ITAC on permit;
 - b) error by applicant regarding the product description or tariff subheading. This will only be processed if the request is accompanied by a confirmation from SARS.
7. Should any party misplace a permit, the applicant should submit an affidavit on a company letterhead endorsed by a Commissioner of Oath, stating that the permit was lost and the circumstances surrounding the loss of such permit. ITAC may, on the facts furnished, exercise its discretion to issue a new permit. Should the lost permit be found the applicant must return such permit to ITAC.
8. Extension of the one-year period from which the permit is valid may be granted. Extensions will only be granted where the relevant permit has not expired, and in the view of ITAC, good cause warrants extension of such permit. Such discretion shall lie solely with ITAC. Extensions will only be permitted for a period up to 3 months and the party applying for the extension must submit a letter and supporting documents to ITAC, furnishing reasons and good cause for the extension.
9. The rebate permit will be valid for twelve months from date of issue, or a shorter period as decided upon by ITAC.
10. Rebate 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.
11. Non-compliance to the conditions of permits:

Where there is reason to believe that any condition of a permit issued, in terms of this rebate provision is not complied with, the consignment in terms of which the rebate was used can be seized by ITAC. If non-compliance is established, appropriate steps in terms of the International Trade Administration Act and the Customs and Excise Act will be taken and that may include, criminal charges, withdrawal of the permit or permits concerned and/or the rejection of future applications for permits.

Annexure 1.2

GUIDELINES AND CONDITIONS PERTAINING TO THE REBATE PROVISION UNDER REBATE ITEM 460.04/2008.20/01.06 FOR THE IMPORTATION OF CANNED PINEAPPLES

1. PURPOSE

- 1.1 The purpose of this document is to provide a reference and procedural guide for the application for a permit in terms of rebate provision 460.04/2008.20/01.06 for the importation of canned pineapples (in containers holding 3 kg or more) for further processing.

2. SCOPE

- 2.1 The scope of this document covers the application process by applicants for a permit in terms of the above mentioned rebate provisions.

3. THE PURPOSE OF THE REBATE

- 3.1 The purpose of the rebate item is to assist SACU downstream processors of products containing pineapples, when the SACU pineapple producing industry cannot supply the quantities required.

4. APPLICATION

- 4.1 Applicants must register with South African Revenue Service (SARS) as users of the rebate provision, and they must acquaint themselves with the requirements of SARS.
- 4.2 Applications for rebate permits must be addressed to the International Trade Administration Commission of South Africa, Private Bag X 753, Pretoria or delivered by hand to the DTI Campus (Block E), 77 Meintjies Street, Sunnyside, Pretoria.
- 4.3 Applications for permits must be submitted according to the requirements reflected in the application form concerned. If the space provided in the application form is insufficient, the format of the application form to submit the requested information must be used.
- 4.4 If all the information requested in the application form is not submitted, the application will not be considered, and will be returned to the applicant.
- 4.5 At least fourteen (14) working days must be allowed for the processing of rebate permit applications and the issuing of the rebate permit.
- 4.6 Each rebate permit issued in terms of these Guidelines will define the period during which the products concerned can be cleared with rebate of duty, 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 and granted by ITAC, or shorter period as decided upon by ITAC. ITAC shall bear sole discretion in this regard.

- 4.7 Rebate 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 permit.
5. Applications submitted in terms of this rebate provision will be subject to the following requirements:
 - 5.1 permits, in consultation with Summerpride Foods Limited, Swazican (the SACU producers of canned pineapples) and The Pineapple Growers Association, will only be issued once local production of canned pineapples has been depleted;
 - 5.2 the application form must be accompanied by a letter with a date, not older than 30 days from the date of application, from the local manufacturer(s) as proof that the local manufacturer(s) cannot supply sufficient quantities of the product in question;
 - 5.3 only processors/manufacturers of products containing pineapples will qualify for a permit under this rebate provision;
 - 5.4 the applicant must comply with labour laws, regulations and agreements gazetted by the Minister of Labour and Bargaining Council. Proof must be provided by submitting certified copies of Bargaining Council compliance, where applicable, UIF registration as well as proof of salaries being paid;
 - 5.5 the applicant must provide, in each permit application, the number of jobs it expects to create annually as a result of the rebate. The applicant must submit to ITAC an annual report on its job creation performance; and
 - 5.6 the applicant must submit a Tax Clearance Certificate and VAT Certificate.
6. Any request for an amendment to a rebate permit must be forwarded to ITAC for consideration. Amendments will only be considered in the following instances:
 - a) error by ITAC on permit;
 - b) error by applicant regarding the product description or tariff subheading. This will only be processed if the request is accompanied by a confirmation from SARS in this regard.
7. Should any party misplace a permit, the applicant should submit an affidavit on a company letterhead endorsed by a Commissioner of Oaths, stating that the permit was lost and the circumstances surrounding the loss of such permit. ITAC may, on the facts furnished, exercise its discretion to issue a new permit. Should the lost permit be found, the applicant must return such permit to ITAC.
8. An extension of the one year period from the date which the permit is valid may be granted. Extensions will only be granted where the relevant permit has not expired, and in the view of ITAC, good cause warrants extension of such permit. Such discretion shall lie solely with ITAC. Extensions will only be permitted for a period up to 3 months and the party applying for the extension must submit a letter and supporting documents to ITAC, furnishing reasons and good cause for the extension.

9. The rebate permit will be valid for twelve months from date of issue, or a shorter period as decided upon by ITAC.
10. Rebate 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.
11. Non-compliance to the conditions of permits:

Where there is reason to believe that any condition of a permit issued, in terms of this rebate provision is not complied with, the consignment in terms of which the rebate was used can be seized by ITAC. If non-compliance is established, appropriate steps in terms of the International Trade Administration Act and the Customs and Excise Act will be taken and that may include, criminal charges, withdrawal of the permit or permits concerned and/or the rejection of future applications for permits.

Annexure 1.3

GUIDELINES, RULES AND CONDITIONS PERTAINING TO PERMITS ISSUED UNDER REBATE ITEM 460.05/2713.20/01.06 FOR PERTROLEUM BITUMEN

1. Applicants must register with South African Revenue Service (SARS) as users of rebate provision 460.05/2713.20/01.06, and they must acquaint themselves with the requirements of SARS.
2. Applications for rebate permits must be addressed to the International Trade Administration Commission of South Africa (ITAC), Private Bag X 753, Pretoria or delivered by hand to the DTI Campus, (Block E), 77 Meintjies Street, Sunnyside, Pretoria.
3. Applications for permits must be submitted in terms of the requirements of the application form concerned. If the space provided in the application form is insufficient, the format of the application form to submit additional pages with the requested information must be used.
4. If all the information requested in the application form is not submitted, the application will be deemed as deficient and the application will not be considered, and will be returned to the applicant.
5. A period of at least fourteen (14) working days, from the day of submission of a duly completed application to ITAC, should be allowed for the processing of applications and the issue of permits.
6. Each rebate permit issued in terms of these Guidelines will define the period during which the product concerned can be cleared with rebate of duty, 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 and granted by ITAC, or shorter period as decided upon by ITAC. ITAC shall bear sole discretion in this regard.
7. Rebate 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 permit.
8. Applications submitted in terms of this rebate provision will be subject to the following requirements:

- 8.1 the applicant must comply with labour laws, regulations and agreements gazetted by the Minister of Labour and Bargaining Council. Proof must be provided by submitting certified copies of Bargaining Council compliance, where applicable, UIF registration as well as proof of salaries being paid;
 - 8.2 the applicant must provide, in each permit application, the number of jobs it expects to create annually as a result of the rebate. The applicant must submit to ITAC an annual report on the number of jobs it has created; and
 - 8.3 the applicant must submit a Tax Clearance Certificate and VAT Certificate;
9. Any request for an amendment to a rebate permit must be forwarded to ITAC for consideration. Amendments will only be considered in the following instances:
- a) error by ITAC on permit;
 - b) error by applicant regarding the product description or tariff subheading. This will only be processed if the request is accompanied by a confirmation from SARS.
10. Should any party misplace a permit, the applicant should submit an affidavit on a company letterhead endorsed by a Commissioner of Oaths, stating that the permit was lost and the circumstances surrounding loss of such permit. ITAC may, on the facts furnished exercise its discretion to issue a new permit. Should the lost permit be found the applicant must return such permit to ITAC.
11. Extension of the one-year period from which the permit is valid may be granted. Extensions will only be granted where the relevant permit has not expired, and in the view of ITAC, good cause warrants extension of such permit. Such discretion shall lie solely with ITAC. Extensions will only be permitted for a period up to 3 months and the party applying for the extension must submit a letter and supporting documents to ITAC, furnishing reasons and good cause for the extension.
12. Non-compliance to the conditions of permits:

Where there is reason to believe that any condition of a permit issued in terms of this rebate provision is not complied with, the consignment in terms of which the rebate was used can be seized by ITAC. If such non-compliance is established, appropriate steps in terms of the International Trade Administration Act and the Customs and Excise Act will be taken and that can include, criminal charges, withdrawal of the permit or permits concerned and/or the rejection of future applications for permits.

Annexure 1.4**GUIDELINES RULES AND CONDITIONS PERTAINING TO PERMITS ISSUED UNDER
REBATE ITEM 460.11/52.01/01.04 FOR COTTON, NOT CARDED OR COMBED**

1. Applicants must register with South African Revenue Service (SARS) as users of rebate provision 460.11/52.01/01.04, and they must acquaint themselves with the requirements of SARS.
2. Applications for permits must be addressed to the International Trade Administration Commission of South Africa (ITAC), Private Bag X 753, Pretoria or delivered by hand to the DTI Campus, (Block E), 77 Meintjies Street, Sunnyside, Pretoria.
3. Applications for permits must be submitted according to the requirements of the application form concerned. 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 fourteen working (14) days should be allowed for the processing of applications and the issue of permits.
6. Each rebate permit issued in terms of these Guidelines will define the period during which the product concerned can be cleared with rebate of duty, 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 and granted by ITAC, or shorter period as decided upon by ITAC. ITAC shall bear sole discretion in this regard.
7. Rebate 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 permit.
8. Applications submitted in terms of this rebate provision will be subject to the following requirements:
 - 8.1 permits are issued to spinners equal to 15% of each spinner's annual cotton consumption during the past marketing year which runs from April of one year to March of the next year;
 - 8.2 there is no commitment on cotton spinners to take up the South African crop;
 - 8.3 spinners will pay Cotton SA the levy applicable to locally produced cotton. (20 cents/kg cotton lint excluding VAT) on all cotton lint imports from outside SADC which is imported under rebate of the duty;
 - 8.4 a copy of the clearance documents must be submitted to Cotton SA together with the levy payable, within 20 days after the clearance of the cotton lint imported;
 - 8.5 arrangements will be valid for one marketing year after which it will be annually reviewed by all parties for possible continuation;

- 8.6 arrangements will be subject to approval by the authorities and will be monitored by Cotton SA and the South African Cotton Textile Manufacturers Association (SACTMA);
- 8.7 applications must be supported by letters by SACTMA as well as Cotton SA; and
- 8.8 provision will be made for new entrants based on 15% of their estimated consumption for year one.
9. The applicant must comply with labour laws, regulations and agreements gazetted by the Minister of Labour and Bargaining Council. Proof must be provided by submitting certified copies of Bargaining Council compliance, where applicable, UIF registration as well as proof of salaries being paid.
10. The applicant must provide, in each permit application, the number of jobs it expects to create annually as a result of the rebate. The applicant must submit to ITAC an annual report on the number of jobs it has created.
11. The applicant must submit a Tax Clearance Certificate and VAT Certificate.
12. Any request for an amendment to a rebate permit must be forwarded to ITAC for consideration. Amendments will only be considered in the following instances:
- a) error by ITAC on permit;
 - b) error by applicant regarding the product description or tariff subheading. This will only be processed if the request is accompanied by a confirmation from SARS in this regard.
13. Should any party misplace a permit, the applicant should submit an affidavit on a company letterhead, endorsed by a Commissioner of Oaths, stating that the permit is lost and the circumstances surrounding loss of such permit. ITAC may, on the facts furnished, exercise its discretion to issue a new permit. Should the lost permit be found the applicant must return such permit to ITAC.
14. Extension of the one year period from which the permit is valid may be granted. Extensions will only be granted where the relevant permit has not expired, and in the view of ITAC, good cause warrants extension of such permit. Such discretion shall lie solely with ITAC. Extensions will only be permitted for a period up to 3 months and the party applying for the extension must submit a letter and supporting documents to ITAC, furnishing reasons and good cause for the extension.
15. Non-compliance to the conditions of permits:

Where there is reason to believe that any condition of a permit issued, in terms of this rebate provision is not complied with, the consignment in terms of which the rebate was used can be seized by ITAC. If such non-compliance is established, appropriate steps in terms of the International Trade Administration Act and the Customs and Excise Act will be taken and that may include, criminal charges, withdrawal of the permit or permits concerned and/or the rejection of future applications for permits.

Annexure 1.5**GUIDELINES FOR ISSUING A REBATE PERMIT UNDER REBATE ITEM 312.01/6001.92/01.06 FOR OTHER PILE FABRICS, KNITTED OR CROCHETED, OF MAN-MADE FIBERS USED FOR THE MANUFACTURE OF FOOTWEAR WITH UPPERS OF TEXTILE MATERIALS**

1. Applicants must register with South African Revenue Service (SARS) as users of rebate provision 312.01/6001.92/01.06, and they must acquaint themselves with the requirements of SARS.
2. Applications for permits must be addressed to the International Trade Administration Commission of South Africa (ITAC), Private Bag X 753, Pretoria or delivered by hand to the DTI Campus, (Block E), 77 Meintjies Street, Sunnyside, Pretoria.
3. Applications for permits must be submitted according to the requirements of the application form concerned. 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 fourteen (14) working days should be allowed for the processing of applications and the issuing of permits, provided that all necessary information has been submitted to ITAC.
6. Each rebate permit issued defines the period during which the goods concerned can be cleared under the rebate. The period shall be no longer than one calendar year, and commences on the date on which the permit is issued. The permit may be issued for a specific, shorter period as requested by the applicant or as decided upon by ITAC.
7. If an applicant intends to apply for a subsequent permit for which the period of validity should commence on the day after the expiry date of the permit issued in terms of paragraph 6, this must be clearly indicated in a new application. The application must be submitted to ITAC at least one month prior to the expiry date of the previous permit as permits cannot be issued with retrospective effect.
8. Rebate permits issued will be subject to the following conditions:
 - 8.1 the applicant must "manufacture end products as described in the rebate provision" to such an extent that there is a visible permanent change in the fabrics, and a change in tariff heading;
 - 8.2 ITAC will, if it deems it necessary, physically inspect the equipment and manufacturing process prior to the issue of a rebate permit, and at least 70 per cent of manufacturing must be done by the applicant and therefore may not be outsourced;
 - 8.3 The applicant must comply with labour laws and agreements gazetted by the Minister of Labour;

- 8.4 an applicant must, together with his application submit a Certificate of Compliance obtainable from the relevant Bargaining Council;
 - 8.5 the applicant must submit a Tax Clearance Certificate and VAT certificate;
 - 8.6 the applicant must provide in each permit application the number of jobs it expects to create annually as a result of the rebate. The applicant must submit to ITAC an annual report on the number of jobs it has created;
 - 8.7 the applicant must consult with local manufacturers of textile fabrics and/or the industry association to confirm if they are able to supply a reasonable quantity of fabrics as required;
 - 8.8 the applicant can request the manufacturer to respond within fourteen (14) days of their receipt of the request. Should the local manufacturers of textile fabrics not be able to supply the quantity requested, the applicant need to obtain a confirmation letter from the manufacturer stating that they are not able to supply. The letter in its original form must be submitted with the application form;
 - 8.9 if the manufacturer does not provide such a confirmation letter, ITAC will write a letter to the manufacturer informing them of the application and requesting them to confirm their production and production capacity. The manufacturer will then be afforded seven (7) working days to respond to this letter. Should the manufacturer respond within the afforded period, the information provided will be taken into account during the decision making process;
 - 8.10 should, after receipt of the manufacturer's response, or in the absence of such, information be available that reflects that the manufacturer is unable to supply the quantity of fabrics required, ITAC will issue a permit; and
 - 8.11 based on the information available to it, regarding whether or not a local manufacturer can supply the quantity of fabrics required, ITAC will decide whether to issue a permit.
9. Rebate permits may not be transferred in any manner by the holder thereof, to any other person, or be used for the benefit of any person, not named in the permits.
 10. Applicants making use of Cut, Make and Trim (CMT), should attach to the application the following information:
 - a) name of the CMT;
 - b) Tax Clearance Certificate & VAT certificate;
 - c) Certificate of Compliance obtainable from the Bargaining Council;
 - d) job profile of the CMT; and
 - e) provide ITAC with production volumes to be carried out by the CMT (The applicant should note that manufacturing by the CMT should not exceed 30 per cent of its own manufacturing volume as indicated in a permit issued by ITAC.
 11. The applicant should take responsibility for all compliance issues, as non-compliance will result in the appropriate steps being taken.
 12. Any request for an amendment to a rebate permit must be forwarded to ITAC for consideration. Amendments will only be considered in the following instances:

- a) error by ITAC on permit;
 - b) error by applicant regarding the product description or tariff subheading. This will only be processed if the request is accompanied by a confirmation from SARS.
- 13 Should any party misplace a permit, the applicant should submit an affidavit on a company letterhead, endorsed by a Commissioner of Oaths, stating that the permit was lost and the circumstances surrounding loss of such permit. ITAC may, on the facts furnished, exercise its discretion to issue a new permit. Should the lost permit be found, the applicant must return such permit to ITAC.
- 14 Extension of the one year period from which the permit is valid may be granted. Extensions will only be granted where the relevant permit has not expired, and in the view of ITAC, good cause warrants extension of such permit. Such discretion shall lie solely with ITAC. Extensions will only be permitted for a period up to 3 months and the party applying for the extension must submit a letter and supporting documents to ITAC, furnishing reasons and good cause for the extension.
- 15 Non-compliance to the conditions of permits:
- Where there is a reason to believe that any condition of a permit issued, in terms of this rebate provision is not complied with, the consignment in terms of which the rebate was used can be seized by ITAC. If non-compliance is established, appropriate steps in terms of the International Trade Administration Act and the Customs and Excise Act will be taken and that may include, criminal charges, withdrawal of the permit or permits concerned and/or the rejection of future applications for permits.

Annexure 1.6

GUIDELINES, RULES AND CONDITIONS PERTAINING TO TEXTILE FABRIC IMPORTED IN TERMS REBATE ITEMS 320.01/5407.61/01.06, 320.01/5903.20.90/01.08 AND 320.01/5907.00.90/01.08 FOR THE MANUFACTURE OF UPHOLSTERED FURNITURE

1. Applicants must register with South African Revenue Service (SARS) as users of rebate provisions 320.01/5407.61/01.06, 320.01/5903.20.90/01.08 and 320.01/5907.00.90/01.08, and they must acquaint themselves with the requirements of SARS.
2. Applications for permits must be addressed to the International Trade Administration Commission of South Africa (ITAC), Private Bag X 753, Pretoria or delivered by hand to the DTI Campus, (Block E), 77 Meintjies Street, Sunnyside, Pretoria.
3. Applications for permits must be submitted according to the requirements as set out in the application form. 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 fourteen (14) working days should be allowed for the processing of applications and the issue of permits, provided that all necessary information has been submitted to ITAC.
6. Each rebate permit issued defines the period during which the goods concerned can be cleared under the rebate. The period shall be for a calendar year, and commences on the date on which the permit was issued. The permit may be issued for a shorter period as requested by the applicant, or as decided upon by ITAC.
7. If an applicant intends to apply for a subsequent permit for which the period of validity should commence on the day after the expiry date of the permit issued in terms of paragraph 6, this must be clearly indicated in a new application. The application must be submitted to ITAC at least one month prior to the expiry date of the previous permit as permits cannot be issued with retrospective effect.
8. Rebate permits issued will be subject to the following conditions:
 - 8.1 there should be an intention by the applicant to “manufacture end products as described in the rebate provision” to such an extent that there is a visible permanent change in the fabrics, and a change in tariff heading;
 - 8.2 ITAC will, if it deems this necessary, physically inspect the equipment and manufacturing process prior to the issue of a rebate permit, and at least 70 per cent of manufacturing must be done by the applicant and may not be outsourced;
 - 8.3 the applicant must comply with labour laws and agreements gazetted by the Minister of Labour;
 - 8.4 an applicant must, together with his application submit proof of registration and a Certificate of Compliance obtainable from the relevant Bargaining Council;
 - 8.5 the applicant must submit a Tax Clearance Certificate and VAT Certificate;
 - 8.6 the applicant must provide in each permit application the number of jobs it expects to create annually as a result of the rebate. The applicant will submit to ITAC an annual report on its job creation performance;
 - 8.7 the applicant(s) need to consult with the local manufacturers of upholstery furniture fabric and industry associations to confirm if the domestic industry is able to supply a reasonable quantity of fabrics as required;
 - 8.8 the applicant can request the local manufacturer and/or the industry association to respond within 14 days of their request. Should the local manufacturers of upholstered furniture fabrics not be able to supply the quantity requested, the applicant(s) need to obtain a confirmation letter stating that the domestic industry is not able to supply. The original letter needs to be submitted with the application form;
 - 8.9 If the local manufacturer refuses to provide such a confirmation letter, ITAC will write a letter to it informing it of the application and requesting it to confirm the domestic industry’s production and production capacity. The manufacturer will then be allowed 7 days to respond to this letter. Should the manufacturer respond within the 7 day period, the information provided will be taken into account during the decision making process; and

- 8.10 Should, after receipt of the manufacturers response, or in the absence of such, information be available that reflects that the manufacturer is reasonably unable to supply the quantity of fabrics required, ITAC will issue a permit.
9. Applicants making use of Cut Make and Trim (CMT) should attach the following information:
- a) name of the CMT;
 - b) Tax Clearance Certificate and VAT certificate;
 - c) Certificate of Compliance obtainable for the Bargaining Council;
 - d) job profile of the CMT; and
 - e) provide ITAC with production volumes to be carried out by the CMT (The applicant should note that manufacturing by the CMT should not exceed 30 per cent of its own manufacturing volume as indicated in a permit issued by ITAC.
10. The applicant should take responsibility of all compliance issues, as non-compliance will result in appropriate steps being taken.
11. Rebate 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.
12. Any request for an amendment to a rebate permit must be forwarded to ITAC for consideration. Amendments will only be considered in the following instances:
- a) Error by ITAC on permit;
 - b) Error by applicant regarding the product description or tariff subheading. This will only be processed if the request is accompanied by a confirmation from SARS in this regard.
13. Should any party misplace a permit, the applicant should submit an affidavit on a company letterhead endorsed by a Commissioner of Oaths, stating that the permit was lost and the circumstances surrounding loss of such permit. ITAC may, on the facts furnished exercise its discretion to issue a new permit. Should the lost permit be found the applicant must return such permit to ITAC.
14. Extension of the one year period from which the permit is valid may be granted. Extensions will only be granted where the relevant permit has not expired, and in the view of ITAC, good cause warrants extension of such permit. Such discretion shall lie solely with ITAC. Extensions will only be permitted for a period up to 3 months and the party applying for the extension must submit a letter and supporting documents to ITAC, furnishing reasons and good cause for the extension.
15. Non-compliance to the conditions of permits:
- Where there is a reason to believe that any condition of a permit issued, in terms of this rebate provision is not complied with, the consignment in terms of which the rebate was used can be seized by ITAC. If non-compliance is established, appropriate steps in terms of the International Trade Administration Act and the Customs and Excise Act will be taken and that can include, criminal charges, withdrawal of the permit or permits concerned and/or the rejection of future applications for permits.

ANNEXURE 1.7**GUIDELINES, RULES AND CONDITIONS PERTAINING TO REBATE ITEM 312.01/6001.92/01.06; FOR OTHER PILE FABRICS, KNITTED OR CROCHETED, OF MAN-MADE FIBRES, IN SUCH QUANTITIES, AT SUCH TIMES AND SUBJECT TO SUCH CONDITIONS AS THE INTERNATIONAL TRADE ADMINISTRATION COMMISSION MAY ALLOW BY SPECIFIC PERMIT, FOR USE IN THE MANUFACTURE OF FOOTWEAR WITH UPPERS OF TEXTILE MATERIALS CLASSIFIABLE IN CHAPTER 64**

9. Applicants must register with the South African Revenue Service (SARS) as users of the rebate provision, and they must acquaint themselves with the requirements of SARS.
10. Applications for permits must be addressed to the International Trade Administration Commission of South Africa (ITAC), Private Bag X 753, Pretoria or delivered by hand to the DTI Campus, (Block E), 77 Meintjies Street, Sunnyside, Pretoria.
11. Applications for permits must be submitted according to the requirements of the attached application form. If the space provided in the application form is insufficient, please use the format of the application form to submit the requested information.
12. 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.
13. At least (14) working days should be allowed for the processing of applications and the issuing of permits, provided that all necessary information has been submitted to ITAC.
6. The rebate permit will be valid for twelve months from the date of issue, or a shorter period as decided upon by ITAC.
7. If an applicant intends to apply for a subsequent permit for which the period of validity should commence on the day after the expiry date of the permit issued in terms of paragraph 6, this must be clearly indicated in a new application. The application must be submitted to ITAC at least one month prior to the expiry date of the previous permit as permits cannot be issued with retrospective effect.
8. Any request for an amendment to a rebate permit must be forwarded to ITAC for consideration. Amendments will only be considered in the following instances:
 - a) Error by ITAC on permit;
 - b) Error by the applicant regarding the product description or tariff subheading. This will only be processed if the request is accompanied by a confirmation from SARS in this regard.
9. Should any party misplace a permit, the applicant should submit an affidavit on a company letterhead endorsed by a Commissioner of Oath, stating that the permit was lost and the circumstances surrounding the loss of such permit. ITAC may, on the facts furnished, exercise its discretion to issue a new permit. Should the lost permit be found the applicant must return such permit to ITAC.
10. Extensions will only be granted where the relevant permit has not expired, and in the view of ITAC, good cause warrants extension of such permit. Such discretion shall

lie solely with ITAC. Extensions will only be permitted for a period up to 3 months and the party applying for the extension must submit a letter and supporting documents to ITAC, furnishing reasons and good cause for the extension.

11. Rebate permits issued will be subject to the following conditions:
 - 11.1 ITAC will, if it deems this necessary, physically inspect the equipment and manufacturing process prior to the issue of a rebate permit, and at least 70 per cent of manufacturing must be done by the applicant and therefore may not be outsourced;
 - 11.2 the applicant must comply with labour laws, regulations and agreements gazetted by the Minister of Labour and Bargaining Council. Proof must be provided by submitting copies of Bargaining Council compliance, where applicable, UIF registration as well as proof of salaries being paid;
 - 11.3 the applicant must submit a Tax Clearance Certificate and VAT Certificate;
 - 11.4 the applicant must provide in each permit application the number of jobs it expects to create annually as a result of the rebate. The applicant will submit to ITAC an annual report on its job creation performance;
 - 11.5 the applicant must consult with local manufacturers of textile fabrics and Texfed to confirm if they are able to supply a reasonable quantity of fabrics as required;
 - 11.6 the applicant can request the manufacturer to respond within fourteen (14) days of their receipt of the request. Should the local manufacturers of textile fabrics not be able to supply the quantity requested, the applicant(s) need to obtain a confirmation letter from the manufacturer stating that they are not able to supply. The original letter must be submitted with the application form;
 - 11.7 if the manufacturer does not provide such a confirmation letter, ITAC will send a letter to the manufacturer informing them of the application and requesting them to confirm the domestic industry's production and production capacity. The manufacturer will then be allowed seven (7) working days to respond to this letter. Should the manufacturer respond within the afforded period, the information provided will be taken into account during the decision making process;
 - 11.8 should, after receipt of the manufacturers response, or in the absence of such response, information be available that reflects that the manufacturer is unable to supply the quantity of fabrics required, ITAC, will issue a permit;
 - 11.9 based on the information available to it regarding whether or not a local manufacturer can supply the quantity of fabrics required, ITAC will decide whether to issue a permit;
 - 11.10 rebate 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; and
 - 11.11 applicants making use of Cut Make and Trim (CMT) should attach the following information:
 - a) name of the CMT;
 - b) Tax Clearance Certificate and VAT certificate;
 - c) Certificate of Compliance obtainable for the Bargaining Council;

- d) job profile of the CMT; and
- e) provide ITAC with production volumes to be carried out by the CMT (The applicant should note that manufacturing by the CMT should not exceed 30 per cent of its own manufacturing volume as indicated in a permit issued by ITAC).

12. Non-compliance to the conditions of permits:

Where there is reason to believe that any condition of a permit issued in terms of this rebate provision is not complied with, the consignment in terms of which rebate was used can be seized by ITAC. If non-compliance is established, appropriate steps in terms of the International Trade Administration Act and the Customs and Excise Act will be taken and that can include, criminal charges, withdrawal of the permit or permits concerned and/or the rejections of future applications for permits