

NOTICE 587 OF 2015**INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SA****GUIDELINES PERTAINING TO REBATE OF THE DUTY ON VARIOUS REBATE PROVISIONS IN TERMS OF 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 in this notice, 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 need to be obtained from the International Trade Administration Commission of South Africa (ITAC), Private Bag x 754, 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
Guidelines and conditions pertaining to rebate item 460.04/2009.80/01.06 for the importation of mango juice concentrate (2009.80.10)	Annexure 1.1
Guidelines, rules and conditions pertaining to rebate item 311.12/52.08/01.04 for rebate of the duty on woven fabrics of cotton, containing 85% or more by the mass of cotton of a mass not exceeding 200G/m ² for the manufacture of impregnated or coated textile fabrics	Annexure 1.2
Guidelines and conditions pertaining to rebate items 311.12/60.05/01.04 and 311.12/60.06/01.04 – Rebate of the duty on certain fabrics used in the manufacture of impregnated or coated textile fabrics.	Annexure 1.3
Guidelines regarding applications for permits under rebate item 311.18/63.09/01.04 for rebate of the duty on worn clothing and other worn articles of textile materials for the manufacture of wiping rags and cleaning cloths.	Annexure 1.4
Guidelines rules and conditions pertaining to rebate item 311.41- Yarns for the manufacture of Textiles and Textile Articles.	Annexure 1.5
Guidelines rules and conditions pertaining to rebate items 311.42/52.08/01.04; 311.42/52.09/01.04; 311.42/52.10/01.04; 311.42/54.07/01.04; 311.42/55.13/01.04; 311.42/55.14/01.04 311.42/5903.20/01.06 or 311.42/600.21/10.06 for rebate of the duty on fabrics used for the manufacture of household textiles	Annexure 1.6

Annexure 1.1**GUIDELINES AND CONDITIONS PERTAINING TO REBATE PROVISION
460.04/2009.80/01.06 FOR THE IMPORTATION OF MANGO JUICE
CONCENTRATE (2009.80.10)****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 rebate provision 460.04/2009.80/01.06 for the importation of mango juice concentrate (2009.80.10). The rebate provision read as follows: "Mango juice concentrate, with a Brix value exceeding 25, classifiable in tariff subheading 2009.80.10, at such times, and under such conditions as the International Trade Administration Commission of SA may allow by specific permit.

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 shall be to assist SACU mango juice processors when the SACU mango juice concentrate production cannot satisfy the quantities required by the downstream mango juice processors.

4. APPLICATION

- 4.1 Applicants must register with South African Revenue Service (SARS) as users of the rebate provision before applying for rebate permits, and they must acquaint themselves with the requirements of SARS.
- 4.2 Applications for rebate permits must be addressed to the Chief Commissioner, International Trade Administration Commission, Private Bag X 753, Pretoria or delivered by hand at the DTI Campus (Block E), 77 Meintjies Street, Sunnyside, Pretoria, 0002.
- 4.3 Applications for permits must be submitted according to the requirements laid down in 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.
- 4.4 If all the information requested in the application form is not submitted, the application is deficient and will not be considered, and it 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 The rebate permit will be valid for twelve months from date of issue, or a shorter period as decided upon by ITAC.
- 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 permits.

5. CONDITIONS

- 5.1 Only the SACU mango juice producers will qualify for a permit under this rebate provision.
- 5.2 Permits, in liaison with the National Agricultural Marketing Council and South African Subtropical Growers' Association will only be issued once local production of mango juice concentrate has been purchased.
- 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 mango juice concentrate producers as proof that the local producers cannot supply sufficient quantities of the product in question.
- 5.4 Any request for an amendment of a rebate permit must be forwarded to ITAC for consideration. Amendments will only be considered in the instance where there was an error by ITAC on permit;

Note: No amendments of the statistical unit (quantity or value), which was applied for, will be considered – a new application has to be submitted in such instances together with the original previous permit.

- 5.5 Should any party displace a permit, the applicant should submit an affidavit on a company letterhead endorsed by a Commissioner of Oath, stating that the application was lost. ITAC will issue a new permit. Should the lost permit be found the applicant should return such a permit to ITAC.
- 5.6 Non-compliance to the conditions of permits:

If there is reasonable suspicion that any condition of this permit has not been complied with, the consignment in terms of which the rebate permit was issued may be seized by ITAC. If it is established that there was non-compliance, appropriate steps will be taken. These steps will be taken in terms of the International Trade Administration Act and can include criminal charges, withdrawal of the permit or permits concerned and/or the rejection of future applications for permits.

Annexure 1.2**GUIDELINES, RULES AND CONDITIONS PERTAINING TO REBATE ITEM 311.12/52.08/01.04 FOR REBATE OF THE DUTY ON WOVEN FABRICS OF COTTON, CONTAINING 85% OR MORE BY MASS OF COTTON OF A MASS NOT EXCEEDING 200G/M² FOR THE MANUFACTURE OF IMPREGNATED OR COATED TEXTILE FABRIC**

1. Applicants must register with South African Revenue Service (SARS) as users of rebate item 311.18/52.08/01.04 before applying for permits, and they must acquaint themselves with the requirements of SARS.
2. Applications for permits must be addressed to the International Trade Administration Commission (ITAC), Private Bag X 753, Pretoria or delivered by hand at the DTI Campus, (Block E), 77 Meintjies Street, Sunnyside, Pretoria, 0002.
3. Applications for permits must be submitted according to the requirements laid down in 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.
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.
6. Each rebate permit issued defines the period during which the goods concerned can be cleared with rebate, 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, or as decided upon by ITAC.
7. Rebate permits issued will be subject to the following conditions:
 - a. There should be an intention by the applicant(s) to “coat, laminate, covered or impregnate” the fabrics to such an extent that there is a visible permanent change in the fabrics, and a change in tariff heading.
 - b. ITAC should physically inspect the equipment and manufacturing process prior to the issue of a rebate permit.
 - c. The imported material may not be sold on the domestic market nor within the Southern African Customs Union (SACU) without the visible permanent coating on the fabric.
 - d. Proof of the applicant’s registration with South African Revenue Service (SARS) in terms of rebate item 311.12/52.08/01.04 must be submitted with the application.

8. 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 on the permits.
9. If there is reasonable suspicion that any condition of this permit has not been complied with, the consignment in terms of which the rebate permit was issued may be seized by ITAC. If it is established that there was non-compliance, appropriate steps will be taken. These steps will be taken in terms of the International Trade Administration Act and can 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 REBATE ITEMS 311.12/60.05/01.04 and 311.12/60.06/01.04 FOR REBATE OF DUTY ON CERTAIN FABRICS USED FOR THE MANUFACTURE OF IMPREGNATED OR COATED TEXTILE FABRICS**

1. Applicants must register with South African Revenue Service (SARS) as users of rebate items 311.12/60.05/01.04 and 311.12/60.06/01.04 before applying for permits, and they must acquaint themselves with the requirements of SARS.
2. Applications for permits must be addressed to the International Trade Administration Commission (ITAC), Private Bag X 753, Pretoria or delivered by hand at the DTI Campus, (Block E), 77 Meintjies Street, Sunnyside, Pretoria, 0002.
3. 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.
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.
6. Each rebate permit issued defines the period during which the goods concerned can be cleared under the rebate, 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, or as decided upon by ITAC.
7. Rebate permits issued will be subject to the following conditions:
 - 7.1 There should be an intention by the applicant(s) to “manufacture end products as described in the rebate provision” to such an extent that there is a visible and characteristic permanent change in the fabrics, and a change in tariff heading;
 - 7.2 ITAC, if deemed necessary, should physically inspect the equipment and manufacturing process prior to the issue of a rebate permit;
 - 7.3 The applicant must comply with labour laws and agreements gazetted by the Minister of Labour;
 - 7.4 The applicant must submit a Tax Clearance Certificate;
 - 7.5 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 will submit to ITAC a quarterly report on its job creation performance;

- 7.6 The applicant(s) need to consult with the local manufacturers of knitted fabrics to confirm if they are able to supply a reasonable quality and quantity of fabrics as required;
- 7.7 The applicant can request the manufacturer to respond within 14 days of their request. Should the local manufacturers of fabrics provided for under these rebate items 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 needs to be submitted with the application form;
- 7.8 If the manufacturer unreasonably refuses to 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 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
- 7.9 Should, after receipt of the manufacturers response, or in the absence of such response, information be available that reflects that the manufacturer is reasonably unable to supply the quality and quantity of fabrics required, ITAC will be able to issue a permit without, or despite, the required letter of confirmation by the manufacturer.
8. 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 on the permits.
9. If there is reasonable suspicion that any condition of this permit has not been complied with, the consignment in terms of which the rebate permit was issued may be seized by ITAC. If it is established that there was non-compliance, appropriate steps will be taken. These steps will be taken in terms of the International Trade Administration Act and can include criminal charges, withdrawal of the permit or permits concerned and/or the rejection of future applications for permits.

ANNEXURE 1.4**GUIDELINES REGARDING APPLICATIONS FOR PERMITS IN TERMS UNDER REBATE ITEM 311.18/6309/01.04 FOR REBATE OF THE DUTY ON WORN CLOTHING AND OTHER WORN ARTICLES OF TEXTILE MATERIALS FOR THE MANUFACTURE OF WIPING RAGS AND CLEANING CLOTHS.****1. APPLICATION**

- 1.1 Applicants must register with South African Revenue Service (SARS) as users of rebate item 311.18/63.09/01.04 before applying for rebate permits.
- 1.2 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 at the DTI Campus (Block E), 77 Meintjies Street, Sunnyside, Pretoria, 0002.
- 1.3 Applications for permits must be submitted according to the requirements laid down in the attached application form. If the space provided in the application form is insufficient, please use the format of the application form to submit additional pages with the requested information.
- 1.4 If all the information requested in the application form is not submitted, the application is deficient and will not be considered, and it will be returned to the applicant.
- 1.5 At least fourteen (14) working days must be allowed for the processing of rebate permit applications and the issuing of the rebate permit.
- 1.6 Worn clothing and other worn articles of textile materials are subject to Import Control conditions and an import permit will only be issued in instances where a rebate permit has already been obtained.
- 1.7 Each rebate permit defines the period during which the goods cleared must be used for the manufacture of wiping rags and cleaning cloths. The rebate permit will be valid for twelve months from date of issue, or a shorter period as decided upon by ITAC.
- 1.8 Rebate and Import Control 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.

2. APPLICATIONS SUBMITTED IN TERMS OF THE REBATE PROVISION WILL BE SUBJECT TO THE FOLLOWING REQUIREMENTS:

- 2.1 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, UIF registration as well as proof of salaries being paid;

- 2.2 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 its job creation performance;
- 2.3 The applicant must submit a Tax Clearance Certificate and VAT Certificate;
- 2.4 The new importer's business premises will be visited by inspectors of the Inspectorate: Import and Export Control prior to the consideration of the application;
- 2.5 New importer's business must provide municipal proof of registered address as listed in the business CIPC documents.
- 2.6 New importers must provide proof that the entity is a holder of a South African bank account, with Bank statements for a period as determined by ITAC (or Forex Account in cases where an importer holds a foreign account);
- 2.7 New importers must provide proof of country of import and proof that they have secured supply from abroad; and
- 2.8 Where an entity is owned or partly owned by a person or persons who are non-citizens or non-residents of RSA, or these persons own any shareholding in such entity, applications should be accompanied by certified copies of the following documentation:
 - ☐ South African Identity issued document and passport; or
 - ☐ Any other information as ITAC may require.

3. CONDITIONS OF PERMITS

- 3.1 Rebate permits and import control permits issued will be subject to the following conditions:

3.1.1 Production capacity

Rebate permit allocations will be based on the actual capacity of the applicant. The capacity will be calculated on actual production, employment and sales figures. These figures may be verified should it be required.

3.1.2 Movement of clothing and other textile material

There shall be no movement of any clothing or articles of textile materials from the premises, described in the application as the place where the manufacture of wiping rags and cleaning cloths will take place. Any clothing or articles of textile materials include worn, used, and new clothing and articles of textile materials obtained from sources in South Africa or imported from any country.

3.1.3 Goods suitable for the manufacture of wiping rags and cleaning cloths

Only worn clothing and other worn articles of textile material with cotton containing 35% or more by mass of cotton fibers are regarded as suitable for the manufacture of wiping rags and cleaning cloths.

Articles of worn clothing therefore allowed to be imported are vesting, T-shirts, sweat-shirts, polo shirts, men's cotton shirts, lounge shirts, men's cotton pants, track suit tops and pants, sweat tops, ladies cotton blouses, shirts, dresses and skirts, pajama tops and pants, nightdresses, flannel shirts and skirts, corduroy shirts and pants and men's and ladies' denim pants and skirts.

The imported worn clothing and other worn articles of textile material must show signs of appreciable wear.

Articles such as brassieres, girdles, corsets, braces, suspenders, garters, worn jackets, coats, blazers, jerseys, pullovers, cardigans, overcoats, car-coats, raincoats, anoraks, ski-jackets, duffle coats, mantels, parkas, swimwear, socks and similar clothing articles are not suitable for the manufacture of wiping rags and cleaning cloths and are not allowed to be imported. Other worn articles of textile material allowed to be imported are towels, bed sheets, bed covers and pillow casings of cotton.

3.1.4 Location and requirements of rebate store

The rebate store must be situated on the manufacturer's registered factory premises. These premises must be physically separated from premises where any activity other than the manufacture of wiping rags and cleaning cloths is taking place. The premises must exclusively be used for the manufacture of wiping rags and cleaning cloths and the storage of clothing and other articles of textile material obtained for the purpose of the manufacture of wiping rags and cleaning cloths.

All manufacturers under this rebate item must comply with the following rebate store requirements:

- ☐ Rebate stores must be of substantial construction and must offer the maximum security possible. The walls must be extended to the ceiling, and suitable steps must be taken to prevent access to the materials over the walls.
- ☐ The doors must be lockable and suitably equipped with fastenings for Customs locks.
- ☐ The windows, if any, must be fitted with bars.
- ☐ Rebate store must have one entry point.

3.1.5 Notification requirement

The Inspectorate of the Directorate: Import and Export Control [Fax number (012) 394 4606 and Telephone no (012) 394 3606], must be notified in writing by the permit holder at least 10 working days in advance of the date of the arrival of consignments of imported worn clothing and other imported worn articles of textile materials at its premises.

The notification must state:

- ☐ Anticipated date or dates of arrival of the goods concerned at the premises.
- ☐ The mass in kg and invoice value in Rand of the goods concerned
- ☐ A description of the goods reflecting the type of clothing, type of article of textile material and whether the goods are new, used or worn.

Manager: Inspectorate of the Directorate: Import and Export Control must be informed in writing by the permit holder of the details of any clothing and any article of textile material obtained in South Africa for the purpose of the manufacture of wiping rags and cleaning cloths that are kept on the premises and which are described in the rebate permit or permits issued to the importer. Any clothing or other articles of textile material includes worn, used and new clothing and other articles of textile material.

3.1.6 Documentation Requirement

The following documents must be available on the day of physical inspection:

- ☐ SARS release notification;
- ☐ Copy of the import permit notification;
- ☐ Copy of the rebate permit;
- ☐ Copy of the Bill of Entry;
- ☐ Copy of invoice as provided by the supplier; and
- ☐ Copy of Bill of Lading.

A rebate register, as required by SARS, must be kept in respect of worn clothing and other worn articles of textile materials cleared under rebate of the duty.

Records must be kept of any clothing and any other articles of textile materials obtained by the permit holder in South Africa and that enter the premises described in the permit or permits issued to the permit holder.

These records must contain the following:

- ☐ The name, postal address, e-mail address and telephone number of the firm or copy of I. D. Document and other contact details of the person from whom the clothing or other articles of textile material was purchased.
- ☐ The date of the purchase.
- ☐ The mass (kg) and sales value (R) of the clothing or other articles of textile material.
- ☐ A description of the clothing and other articles of textile materials purchased, indicating the type of clothing, type of other articles of textile material and whether the goods are new, used or worn.
- ☐ The date on which the clothing and the other articles of textile materials entered the premises.

Records must be kept of imported worn clothing and other worn articles of textile material for the manufacture of wiping rags and cleaning cloths for at least five years. These records must provide a clear documentation trail from the point of order to the actual import action of the goods.

Invoices reflecting the sale of wiping rags and cleaning cloths manufactured from worn clothing and other worn articles of textile materials obtained in terms of rebate permits must be kept for at least five years. These records must

include the date, mass (kg) and sales value (R) of each sale and the name, addresses (postal and street) and telephone number of each purchaser.

Invoices reflecting the sale of wiping rags and cleaning cloths manufactured from clothing and other articles of textile materials obtained in South Africa must be kept for at least five years. These records must include the date, mass (kg) and sales value (R) of each sale and the name, address (postal and street) and telephone number of each purchaser.

3.1.7 Requirements in respect of goods not suitable for the manufacture of wiping rags and cleaning cloths.

Any clothing and other articles of textile material that enter the premises for the manufacture of wiping rags and cleaning cloths that are not suitable for the manufacture of wiping rags and cleaning cloths must be cut up at the premises within 10 working days of being identified as not suitable for the manufacture of wiping rags and cleaning cloths.

Any product not suitable for the manufacture of wiping rags and cleaning cloths, such as zippers, that are removed from the consignment must be destroyed within 10 working days of being removed from the clothing or other articles of textile materials, with the exception of buttons. Buttons removed from clothing or other articles of textile material must be disposed of within 10 working days after removal. Proper records must be kept for 5 years with regards to the disposal of such goods.

The unsuitable material can only be removed from the premises in terms of a written authorization issued by the Manager: Inspectorate of the Directorate Import and Export Control in which authorization the nature and mass of the goods, the date or dates on which the goods will be removed from the premises and the destination of the goods are fully described.

Requests to obtain the above authorization must be in writing and submitted to the Manager: Inspectorate of the Directorate Import and Export Control at least 15 working days before the date on which authorization is required. Should waste need to be removed more frequently, requests must be submitted to the Manager: Inspectorate of the Directorate Import and Export Control at least five working days before the date on which authorization is required. Requests must fully describe the nature and mass of the goods, the planned date or dates of the removal of the goods from the premises and the destination of the goods.

3.1.8 Inspections by the Inspectorate: Import and Export Control of the International Trade Administration Commission.

Investigators from the Inspectorate of the Directorate Import and Export Control of the International Trade Administration Commission will visit permit holders and the premises of permit holders to inspect and to investigate any matter or record related to the importation and the manufacture of wiping rags and cleaning cloths. This includes the inspection of the goods cleared in terms of

permits, any other goods that enter the premises and any wiping rags, cleaning cloths and waste that leave or came from the premises.

4. NON-COMPLIANCE TO THE CONDITIONS OF PERMITS

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

Annexure 1.5**GUIDELINES, RULES AND CONDITIONS PERTAINING TO REBATE ITEM 311.41
– YARNS FOR THE MANUFACTURE OF TEXTILES & TEXTILE ARTICLES**

1. Applicants must register with South African Revenue Service (SARS) as users of rebate item 311.41 before applying for rebate permits.
2. Applications for permits must be addressed to the International Trade Administration Commission (ITAC), Private Bag X 753, Pretoria or delivered by hand at the DTI Campus, (Block E), 77 Meintjies Street, Sunnyside, Pretoria, 0002.
3. 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.
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.
6. Each rebate permit issued defines the period during which the goods concerned can be cleared under the rebate, 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, or as decided upon by ITAC.
7. Rebate permits issued will be subject to the following conditions:
 - 7.1 There should be an intention by the applicant(s) to “manufacture end products as described in the rebate provision” to such an extent that there is a visible permanent change in the yarns, and a change in tariff heading;
 - 7.2 The applicant must comply with labour laws and agreements gazetted by the Minister of Labour;
 - 7.3 The applicant must submit a Tax Clearance Certificate;
 - 7.4 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 a quarterly report on its job creation performance;
 - 7.5 The applicant(s) need to consult with the local manufacturers of textiles and textile articles to confirm if they are able to supply a reasonable quality and quantity of fabrics as required;

- 7.6 The applicant can request the manufacturer to respond within 14 days of their request. Should the local manufacturers of textiles and textile articles 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 needs to be submitted with the application form;
- 7.7 If the manufacturer unreasonably refuses to 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 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
- 7.8 Should, after receipt of the manufacturers response, or in the absence of such response, information be available that reflects that the manufacturer is reasonably unable to supply the quality and quantity of fabrics required, ITAC will be able to issue a permit without, or despite, the required letter of confirmation by the manufacturer.
8. 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;
9. If there is reasonable suspicion that any condition of this permit has not been complied with, the consignment in terms of which the rebate permit was issued may be seized by ITAC. If it is established that there was non-compliance, appropriate steps will be taken. These steps will be taken in terms of the International Trade Administration Act and can 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 REBATE ITEMS**

311.42/5208/01.04; 311.42/52.09/01.04; 311.42/52.10/01.04; 311.42/54.07/01.04; 311.42/55.13/01.04; 311.42/55.14/01.04; 311.42/5903.20/01.06 or 311.42/6001.21/01.06 for rebate of duty on fabrics used for the manufacture of household textiles

1. Applicants must register with the South African Revenue Service (SARS) as users of rebate items 311.42/5208/01.04; 311.42/52.09/01.04; 311.42/52.10/01.04; 311.42/54.07/01.04; 311.42/55.13/01.04; 311.42/55.14/01.04; 311.42/5903.20/01.06 or 311.42/6001.21/01.06 for rebate of duty on fabrics used for the manufacture of household textiles and they must acquaint themselves with the requirements of SARS.
2. Applications for permits must be addressed to the International Trade Administration Commission (ITAC), Private Bag X 753, Pretoria or delivered by hand at the DTI Campus, (Block E), 77 Meintjies Street, Sunnyside, Pretoria, 0002.
3. Applications for permits must be submitted according to the requirements laid down in 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.
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(s) 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, if deemed necessary, will physically inspect the equipment and manufacturing process prior to the issue of a rebate permit, and at least 70 per cent of manufacturing should be done by the applicant itself and therefore should 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 its 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 (Conversion ratio from fabric to end product is approximately 1 employee: 6 000kg per annum). The applicant will submit to ITAC a quarterly report on its job creation performance;
- 8.7 The applicant(s) must consult with the local manufacturers of home textile fabrics to confirm if they are able to supply a reasonable quality and quantity of fabrics as required;
- 8.8 The applicant can request the manufacturer to respond within 14 days of their request. Should the local manufacturers of home textile fabrics not be able to supply the quantity requested, the applicant(s) must 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;
- 8.9 If the manufacturer unreasonably refuses to 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 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 response, information be available that reflects that the manufacturer is reasonably unable to supply the quality and quantity of fabrics required, ITAC will be able to issue a permit without, or despite, the required letter of confirmation by the manufacturer.

9. 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 on 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) VAT certificate and Tax Clearance Certificate;
 - c) Certificate of Compliance obtainable from the Bargaining Council;
 - d) Job profile of the CMT;
 - 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 of all compliance issues as indicated in paragraph 8, as non-compliance will result in appropriate steps being taken.
12. If there is reasonable suspicion that any condition of this permit has not been complied with, the consignment in terms of which the rebate permit was issued may be seized by ITAC. If it is established that there was non-compliance, appropriate steps will be taken. These steps will be taken in terms of the International Trade Administration Act and can include criminal charges, withdrawal of the permit or permits concerned and/or the rejection of future applications for permits.