

DEPARTMENT OF TRADE AND INDUSTRY
NOTICE 859 OF 2015

INTERNATIONAL TRADE ADMINISTRATION COMMISSION
CUSTOMS TARIFF APPLICATIONS

LIST 08/2015

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 applicants 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 <http://www.itac.org.za/documents/R.397.pdf>.

These regulations require that if any information is considered to be confidential, then a non-confidential version of the information must be submitted, simultaneously with the confidential version. In submitting a non-confidential version the 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. CREATION OF REBATE PROVISION ON:

“Other plates, sheets, film, foil and strip of poly (methyl methacrylate), non-cellular and not reinforced, laminated supported or similar combined with other materials, classifiable in tariff subheading 3920.51 for the manufacture of acrylic sanitary ware, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit.

APPLICANT:

Libra Bathroom (Pty) Ltd
P. O. Box 49
MEYERTON
1960

Enquiries: ITAC Ref: 07/2015, Enquiries: Ms. N. Ramphabana, Tel: 012 394 3627 or Email: nramphabana@itac.org.za

REASONS AS STATED BY THE APPLICANT:

- There are no local manufacturers of the subject product, since the manufacturer Perspex SA (Pty) Ltd ceased production in 2012. Libra Bathrooms has made annual losses for the past years.
- Huge investment and jobs are at risk if Libra Bathrooms cannot become profitable.
- The 10% *ad valorem* import duty on the main raw material makes it very difficult to compete with low priced imports from the Eastern countries which are also gaining substantial market share on an annual basis.
- The amendment of the duty structure will bring the total cost to the company down since Perspex is a major input in the manufacturing of acrylic sanitary ware.

PUBLICATION PERIOD:

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

2. INCREASE IN THE RATE OF DUTY ON:

Polyurethane prepolymers, classifiable under tariff subheading 3909.50, from free of duty to 10% *ad valorem*, by way of creating an additional 8-digit tariff subheading under tariff heading 39.09, which reads as follows: “Polyurethane prepolymers with an NCO percentage of less than 20 per cent”.

APPLICANT:

National Urethane Industries (Pty) Ltd
18 Skietlood Street
Isando Ext 3
KEMPTON PARK
1601

Enquiries: ITAC Ref: 02/2015, Enquiries: Ms. M Masithela and Mr. O Madito Tel: (012) 394 3682/3692
or Email: mmasithela@itac.org.za/ omadito@itac.org.za

REASONS AS STATED BY THE APPLICANT:

- (a) Importers are importing fully manufactured prepolymers into South Africa and selling these products in the SADC region at price levels that causes material injury to the local SACU prepolymers manufacturers.
- (b) Certain foreign companies are receiving subsidies from their governments in one way or the other, which is difficult to prove. These foreign companies supply SACU based companies or SACU subsidiaries with foreign government subsidised prepolymers. These products are sold to the local market without changing the prepolymers properties resulting in unfair price advantage and limited job opportunities by local prepolymers manufacturers.
- (c) The supply of local prepolymers by SACU manufacturers can possibly decrease due to the unprofitability of manufacturing the subject products locally, which can result in more products being imported. This will raise the possibility of a negative effect on the SACU economy and possible job losses.
- (d) The loss in sales as a result of imports means, unless protected, National Urethane Industries (Pty) Ltd will have to consider the retrenchment of workers in order to continue business in the factory situated in South Africa.

PUBLICATION PERIOD:

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

LIST 07/2015 WAS PUBLISHED UNDER NOTICE 792 OF 31 JULY 2015.