DEPARTMENT OF TRADE AND INDUSTRY NOTICE 909 OF 2015

INTERNATIONAL TRADE ADMINISTRATION COMMISSION <u>CUSTOMS TARIFF APPLICATIONS</u> LIST 09/2015

The International Trade Administration Commission (herein after referred to as ITAC or the Commission) has received the following application concerning the Customs Tariff. Any objection to or comments on this representation 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 this application is that requested by the applicant and that the Commission may, depending on its findings, recommend a lower or higher rate of duty.

CONFIDENTIAL INFORMATION

The submission of confidential information to the Commission in connection with customs tariff applications is governed by section 3 of the Tariff Investigations Regulations, which regulations can be found on ITAC's website at http://www.itac.org.za/documents/R.397.pdf.

These regulations require that if any information is considered to be confidential, then a <u>non-confidential version of the information must be submitted</u>, simultaneously with the confidential version. In submitting a non-confidential version the regulations are strictly applicable and require parties to indicate:

- □ Each instance where confidential information has been omitted and the reasons for confidentiality;
- □ A summary of the confidential information which permits other interested parties a reasonable understanding of the substance of the confidential information; and
- □ In exceptional cases, where information is not susceptible to summary, reasons must be submitted to this effect.

This rule applies to all parties and to all correspondence with and submissions to the Commission, which unless clearly indicated to be confidential, will be made available to other interested parties.

The Commission will disregard any information indicated to be confidential that is not accompanied by a proper non-confidential summary or the aforementioned reasons.

If a party considers that any document of another party, on which that party is submitting representations, does not comply with the above rules and that such deficiency affects that party's ability to make meaningful representations, the details of the deficiency and the reasons why that party's rights are so affected must be submitted to the commission in writing forthwith (and at the latest 14 days prior to the date on which that party's submission is due).

Failure to do so timeously will seriously hamper the proper administration of the investigation, and such party will not be able to subsequently claim an inability to make meaningful representations on the basis of the failure of such other party to meet the requirements.

INCREASE IN THE RATE OF CUSTOMS DUTY ON:

Certain aluminium plates, sheets, strips and foil products classifiable under tariff heading 7606 and 7607 from free of duty to a WTO bound rate of 15%.

APPLICANT

Hulamin Operations (PTY) LTD P. O. Box 74 PIETERMARITZBURG 3201

Enquiries: ITAC Ref: 05/2015, Enquiries: Mr. S Tshabalala, Mr. D Mbambo and Ms. N. Ramphabana,Tel: 012 3943739/3627 or Emails: stshabalala@itac.org.za; nramphabana@itac.org.za; dmbambo@itac.org.za

REASONS AS STATED BY THE APPLICANT:

- Imported sheet, plate and foil products into the local SACU market have been increasing in volumes over the past few years and the result is that Hulamin's share of the market is declining.
- Hulamin's domestic sales are being progressively displaced by lower priced imports of high volume products. Hulamin has resorted to manufacturing a wide range of low volume products which negatively affects any potential to leverage economies of scale.
- In 2013, the company was forced to restructure its operations and the restructuring resulted in a reduction of 211 employees which represents a 10% reduction in of its workforce.
- Hulamin's international competitors in countries such as Brazil, China, India and Russia enjoy duty protection in their domestic markets.
- Hulamin's over reliance on export sales result in lower profit margins because of escalating outbound logistic costs.

PUBLICATION PERIOD:

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

LIST 08/2015 WAS PUBLISHED UNDER NOTICE 859 OF 21 AUGUST 2015.