

DEPARTMENT OF TRADE AND INDUSTRY
NOTICE 489 OF 2017
INTERNATIONAL TRADE ADMINISTRATION COMMISSION
CUSTOMS TARIFF APPLICATIONS
LIST 06/2017

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 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 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. REDUCTION IN THE RATE OF DUTY ON:

“ Digital Smart cards classifiable under tariff subheading 8523.52.10, from 5% *ad valorem* to free of duty, by way of creating a separate 8-digit tariff subheading as follows:

Tariff heading	Tariff subheading	Description	Unit of measurement	Rate of duty				
				General	EU	EFTA	SADC	MERCOSUR
8523		Discs, tapes, solid-state non-volatile storage devices, "smart cards" and other media for the recording of sound or of other phenomena, whether or not recorded, including matrices and masters for the production of discs (excluding products of Chapter 37)						
	8523.5	- Semiconductor media						
	8523.52	-- "Smart cards":						
	8523.52.1	--- Digital						
	8523.52.X X	---- Proximity cards and tags	U	5%	Free	Free	Free	5%
	8523.52.Y Y	---- -Other	U	Free	Free	Free	Free	Free

APPLICANT:

Gemalto Southern Africa (Pty) Limited

13 Friesland Drive
Longmeadow Business Estate
Modderfontein
1609

Enquiries: Reference No.ITAC: **01/2017**, Enquires: Pfarelo Phaswana/ Mukeliwe Manyoni, Tel: 01 2 394 3628/3676 or email: pphaswana@itac.org.za/mmmanyoni@itac.org.za.

REASONS FOR THE APPLICATION:

As a reason for the application, the applicant indicated, among others, the following:

- There are no local manufacturers of the subject products in the SACU region; and
- The current customs duty rate of 5% has an unnecessary cost raising effect on the net ex-factory selling price of the product.

PUBLICATION PERIOD:

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

2. AMENDMENT OF REBATE ITEM 405.04/01.00 AND 405.04/02.00

- By the deletion of “physical or mental defects” and the insertion of “disabilities”;
- By the deletion of “handicapped” and the insertion of “with disabilities”; and
- By the insertion of “or a certificate from a registered medical practitioner”.

APPLICANT:**Retina South Africa**

335 Jan van Riebeeck St.

Pretoria North

0182

Enquiries: Reference no. ITAC: 05/2017, contact: Mr Njabulo Mahlalela and/or Ms Lufuno Maliaga, Tel: 012 394 3684/3835 or email: nmahlalela@itac.org.za /or lmaliaga@itac.org.za

REASONS FOR THE APPLICATION:

As a reason for the application, the applicant indicated, among others, the following:

- To update the terminology when referring to persons with disabilities;
- To be more inclusive of all forms of disability; and
- To make the use of the rebate item more accessible and user-friendly.

PUBLICATION PERIOD:

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

3. AMENDMENTS TO REBATE ITEM 460.17/87.00/04.02, 460.17/87.03/02.04, 630.20 AND 630.22 OF THE CUSTOMS AND EXCISE ACT TO REDUCE THE PERIOD WITHIN WHICH A VEHICLE MAY NOT BE OFFERED, ADVERTISED, LENT, HIRED, LEASED, PLEDGED, GIVEN AWAY, EXCHANGED, SOLD OR OTHERWISE DISPOSED OF

The proposed amendments to the text of the following rebate provisions are indicated in bold.

Rebate item 460.17/87.00/04.02 (b):

“Motor vehicles principally designed for the transport of physically disabled persons, including station wagons (excluding racing cars), adapted or to be adapted to be used for the transport of physically disabled persons at such times and under such conditions as the International Trade

Administration Commission after consultation with the National Council for Persons with Physical Disabilities in South Africa, may allow by specific permit.”

Provided that:

(b) if such a motor vehicle is offered, advertised, lent, hired, leased, pledged, given away, exchanged, sold or otherwise disposed of within a period of **3 years** from the date of entry under this rebate item, such foregoing acts shall render such vehicle liable to the payment of duty on a PRO RATA basis”.

Schedule 4: Rebate item 460.17/87.03/02.04 (b) and (d)

Motor cars and other motor vehicles, principally designed for the transport of persons, including station wagons (excluding racing cars), adapted or to be adapted to be driven solely by a physically disabled person at such times and under such conditions as the International Trade Administration Commission after consultation with the National Council for Persons with Physical Disabilities in South Africa, may allow by specific permit.

(b) “Such permit may not be issued within a period of **3 years** of the issue of the previous permit to such disabled person”;

(d) if such vehicle is offered, advertised, lent, hired, leased, pledged, given away, exchanged, sold or otherwise disposed of within a period of **3 years** from the date of entry in terms of this item, such foregoing acts shall render such vehicle liable to the payment of duty on a PRO RATA basis.”

Schedule 6; Rebate item 630.20 (b)

“Motor vehicles principally designed for the transport of physically disabled persons, including station wagons (excluding racing cars), adapted or to be adapted to be used for the transport of physically disabled persons at such times and under such conditions as the Commissioner, after consultation with the National Council for Persons with Physical Disabilities in South Africa, may allow by specific permit:

Provided that –

(b) if such motor vehicle is offered, advertised, lent, hired, leased, pledged, given away, exchanged, sold or otherwise disposed of within a period of **3 years** from the date of entry under this rebate item, such foregoing acts shall render such vehicle liable to the payment of duty on a pro rata basis”.

Schedule 6; Rebate item 630.22 (b) and (d)

Motor cars and other motor vehicles, principally designed for the transport of persons, including station wagons (excluding racing cars), adapted or to be adapted to be driven solely by a physically disabled person at such times and under such conditions as the Commissioner, after consultation with the National Council for Persons with Physical Disabilities in South Africa, may allow by specific permit:

Provided that:

(b) such permit may not be issued within a period of **3 years** of the issue of a previous permit to such disabled person;

(d) if such vehicle is offered, advertised, lent, hired, leased, pledged, given away, exchanged, sold or otherwise disposed of within a period of **3 years** from the date of entry under this rebate item, such foregoing acts shall render such vehicle liable to the payment of duty on a pro rata basis

APPLICANT:

National Council for Persons with Physical Disabilities in South Africa
Private Bag x 10041
Edenvale
1610

ENQUIRIES:

ITAC Ref: 20/2016, Enquires: Mr Mashudu Lukhwareni/ Mr Daniel Thwala, Tel: 012 394 3661/5162 or emails: mlukhwareni@itac.org.za/dthwala@itac.org.za.

REASONS FOR THE APPLICATION:

As a reason for the application, the applicant indicated, among others, the following:

- There are limitations to the governing legislation as persons with physical disabilities are required to keep the vehicles for the period of five years prior to buying a new vehicle. This is not aligned to the maximum **three year** warranty period, service plan and maintenance plan which most dealers offer on new vehicles.
- It becomes very expensive to maintain motor vehicles outside the maintenance plan, service plan and warranty due to increasing cost of maintenance.

PUBLICATION PERIOD:

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