

**DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION
NOTICE 663 OF 2020**

International Trade Administration Commission of South Africa

The Minister issued a directive in Government Gazette No. 43501 on 3 July 2020, instructing the International Trade Administration Commission of South Africa (ITAC) to investigate whether the Price Preference System (PPS) on the exportation of scrap metal is achieving the objectives of the Policy. ITAC conducted an investigation, requested public comments and implemented initial amendments to the PPS Guidelines in Notice 532 of 2020, published in Government Gazette No. 43765 on 2 October 2020. Information received during the above-mentioned investigation and information provided in the public comments indicated that further amendments are required to ensure that the PPS is strengthened. Public comments are herewith invited on the further proposed amendments to the PPS.

Proposed amendments to the PPS Policy Guidelines published in Government Gazette No. 43765, Notice 532 of 2020 on 2 October 2020 on the exportation of ferrous and non-ferrous waste and scrap metal.

Amended Export Control Guidelines on the Exportation of Ferrous and Non-Ferrous Waste and Scrap

The above-mentioned guidelines are herewith amended as follows:

1. By the insertion of the following paragraph as a new paragraph after paragraph 4.2, following the words "...domestic consuming industry."

Scrap metal ISRI grades that are non-specific as to scrap metal content specification and where it is recommended in the ISRI Specifications, for example, that scrap metal be sold by analysis, sample, recovery basis or the like, and where a particular reference to minimum percentage content (for example copper scrap ISRI: Druid: Insulated Copper Wire Scrap) is also not specified in the ISRI Specifications, a valid offer can be made at a minimum of 3% of the content of the metal in question (i.e. 3% copper content in the above-mentioned example). Should the content of the metal in question of a specific ISRI grade be more than 3%, a valid offer can be made on an analysis, sample or recovery basis.

2. By the amendment of the percentage of copper LME full price of the copper ISRI grade Druid in the Red metal Table contained in paragraph 4.3 from "33.0" to "3.0 or analysis, sample or recovery basis".

3. By the substitution of paragraph 4.4 with the following paragraph:

4.4 When a valid offer is submitted in terms of the PPS and the scrap metal as reflected in the application is purchased in terms of the PPS by a local consumer, it must be transported and delivered to the consumer's scrap metal processing premises by the seller, for the seller's account.

4. By the substitution of paragraph 4.5 with the following paragraph and table:

4.5. Notwithstanding the above, the price preference price for all ISRI grades of aluminium waste and scrap as listed here-under, will be calculated by using the London Metal Exchange index price (LME full price) as an international benchmark average price. From the average price achieved and based on the average exchange rate during the previous day, week, two weeks, month or quarter, where applicable, for the different types and grades of aluminium waste and scrap, an amount of 25% will be deducted to reflect the price at which the different grades of aluminium waste and scrap must be offered for sale to the domestic consuming industry.

| Aluminium ISRI Grades | Percentage of Aluminium LME full price |
|-------------------------------|---|
| Taint Tabor | 73.50% |
| Toto / Tutu / Tata / Tread | 93.50% |
| Telic / Teens | 63.50% |
| Taboo / Tough / Tooth | 75.50% |
| Tabloid / Tablet | 95.50% |
| Tense / Trump / Twist | 75.50% |
| Tale | 49.50% |
| Tally | 59.50% |
| Tall | 95.50% |
| Talc | 43.50% |
| Talcred | 58.50% |
| Taldon | 63.50% |
| Taldork / Taldack | 63.50% |
| Take | 73.50% |
| Tarry A | 74.50% |
| Tarry B | 73.50% |
| Tarry C | 65.00% |
| Tepid | Analysis/Sample/Recovery Basis |
| Tooth | 80.00% |
| Twitch | 74.00% |
| Tweak / Twire | Analysis/Sample/Recovery Basis |
| Troma | 85.50% |
| Talon / Taste / Tann / Tassel | 87.50% |

| | |
|-----------------------|---------------------------------------|
| Twang | Analysis/Sample/Recovery basis |
| Trill | Analysis/Sample/Recovery Basis |
| Thigh | Analysis/Sample/Recovery Basis |
| Thirl | Analysis/Sample/Recovery Basis |
| Thorn | Analysis/Sample/Recovery Basis |
| Twirl | Analysis/Sample/Recovery Basis |
| Terse / Tetra / Tesla | 54.50% |
| Zorba | 53.50% |
| Throb | 60.50% |

Aluminium Scrap Metal Table

5. By the deletion of paragraph 4.10 and amending the number of paragraph “4.11” to “4.10”.

6. By the insertion of the following paragraphs after paragraph 8.19:

8.20. Scrap metal export permit applications that are submitted to ITAC and circulated may not be withdrawn by the applicant unless the scrap metal applied for in the application is sold by the applicant to a local consumer for local consumption. If after the requisite circulation period, no offer to purchase is made, ITAC will process the application as per its normal administrative practice.

8.21 Scrap metal, which is authorised by ITAC for exportation by virtue of an export permit, must be exported as breakbulk cargo and not as containerised cargo.

7. These amendments to the PPS Guidelines will come into effect on the date of publication thereof in the Government Gazette.

Interested parties are hereby invited to comment on the proposed amendments to the Price Preference System (PPS) Policy Guidelines published in Government Gazette No. 43765, Notice 532 of 2020 on 2 October 2020 on the exportation of ferrous and non-ferrous waste and scrap metal.

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Publication period

Comments must be submitted within a period of 2 weeks from the publication of this notice to any of the above-mentioned e-mail addresses.