
GENERAL NOTICES • ALGEMENE KENNISGEWINGS

TRADE, INDUSTRY AND COMPETITION, DEPARTMENT OF

NO. 358

14 June 2021

INTERNATIONAL TRADE ADMINISTRATION COMMISSION**CUSTOMS TARIFF APPLICATIONS****LIST 08/2021**

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 comment 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 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.

INVESTIGATE AND EVALUATE THE CREATION OF TWO TEMPORARY REBATE PROVISIONS IN CONJUNCTION WITH THE MINISTERIAL DIRECTIVE REGARDING THE REVIEW OF THE TARIFF STRUCTURE FOR POULTRY (GOVERNMENT GAZETTE NOTICE 44277, DATED 16 MARCH 2021), FOR REBATE OF THE FULL DUTY ON:

- a) Boneless leg quarters, frozen, offal of the species *Gallus domesticus*, classifiable in tariff subheading 0207.14.15, at such times, in such quantities and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the product is not available in the SACU market; and
- b) Wings, frozen of the species *Gallus domesticus* classifiable in tariff subheading 0207.14.95 for further processing by means of cooking, seasoning and marinating in a sauce, at such times, in such quantities and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the product is not available in the SACU market.

APPLICANTS:

- a) XA International Trade Advisors, on behalf of Werner Van Eeden Slagtery CC T/A Matador Slagtery
PO Box 68642
Highveld Park
0169
- b) XA International Trade Advisors, on behalf of Barbecue Rib Manufacturers (Pty) Ltd
PO Box 68642
Highveld Park
0169

The Minister directed ITAC to review the entire tariff structure for poultry (fowls of the species *Gallus Domesticus*) taking into consideration, *inter alia*, the following aspects:

- a) “considering the introduction of specific rather than *ad valorem* customs duties;
- b) considering simplifying the tariff structure by reducing the number of tariff lines for poultry in Schedule 1 to the Customs and Excise Act, Act 91 of 1964, by operating at a 6-digit, 7-digit or 8-digit level;
- c) considering specific anti-dumping measures where appropriate and consider how these impact on the level of the *ad valorem* tariffs;
- d) considering the introduction of an appropriate system of rebates whereby tariff levels on certain imports can be reduced where parties are achieving exports; and
- e) considering the possibility of other measures, such as an entry price system”

Ref: 21/2020 **Enquiries:** Ms Manini Masithela, Email: mmasithela@itac.org.za, Tel: 012 394 3682; Mr Oatthotse Madito, Email: omadito@itac.org.za, Tel 012 394 3692; and Mrs. Amina Varachia, Email: avarachia@itac.org.za, Tel: 012 394 3732.

AS REASONS FOR THE APPLICATIONS, AMONGST OTHERS, THE FOLLOWING WAS STATED:

XA International Trade Advisors on behalf of Werner Van Eeden Slagtery cc T/A Matador Slagtery:

“Due to a South African market demand for chicken kebabs, Matador Slagtery established a facility aimed primarily at the production of this product (in 2009). The frozen, boneless leg quarters were found to be the ideal base product (raw material) to be used in the manufacture of chicken kebabs due to the moisture of the flesh and the high yield/low loss incurred during the production process (typically <3.5%). As per client request, the raw material cannot be injected with brine or tumbled. The duty currently serves no protection purpose as there is no local industry producing this particular product to protect. The current duty of 4

2% contributes to increasing the cost of importing the raw material and consequently, to the cost and prices of producing the final product namely ‘Chicken Kebabs’”

XA International Trade Advisors on behalf of Barbecue Rib Manufacturers (Pty) Ltd T/A BRM Brands:

“Wings and drumettes (subject product) are a vital raw material in the manufacture of cooked and marinated wings. BRM processes the wings into ready to eat cooked and marinated wings. The largest cost component of the final cooked product is the subject matter (raw material wing and drumette), accounting for about 51% (including duty) of the total cost to produce, whereas the rest of the cost incurred relates to local value-added processes. The motivation for this application is the shortage of wings in the SACU area. This shortage dates back to 2016. The shortage of wings and drumettes not only persists but has in fact worsened, while the local demand for bone in cut chicken has increased...”

PUBLICATION PERIOD:

Representation should be submitted to the above ITAC officials within **two (2) weeks** of the date of this notice.