

## DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

## NOTICE 2641 OF 2024

## INTERNATIONAL TRADE ADMINISTRATION COMMISSION

CUSTOMS TARIFF APPLICATIONSLIST 04/2024

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 comment 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. APPLICATION FOR THE CREATION OF A TEMPORARY REBATE PROVISION OF THE FULL CUSTOMS DUTY FOR THE IMPORTATION OF:**

*“Tubes, pipes and hollow profiles, other, welded, of circular cross-section, of stainless steel, classifiable in tariff subheading 7306.40, for the hygienic and liquid food industry, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market”.*

## **APPLICANT:**

Guth South Africa (Pty) Ltd (“Guth”)  
P.O. Box 58070  
Newville  
2092

**Enquires: ITAC Reference: 03/2024,** Ms. N Sikhakhana and Ms. Ndivhudzannyi Mokou, Tel: 012 394 1838/3627 or email [nsikhakhana@itac.org.za](mailto:nsikhakhana@itac.org.za)/[nramphabana@itac.org.za](mailto:nramphabana@itac.org.za).

## **THE APPLICANT STATED THE FOLLOWING, AMONGST OTHERS, AS REASONS FOR THE APPLICATION:**

- Guth SA is currently competing in the Southern African Customs Union (“SACU”) market with lower priced imported end products;
- The rebate creation will assist Guth SA to import input materials free of duty, which would be essential in the manufacturing process of the final products;
- Although stainless steel tubing is manufactured in the SACU market, they are not manufactured as per the required specifications for the hygienic and liquid food industries; and
- The customs duty charged during importation of the subject product have an unnecessary cost raising effect to the end users of the subject products.

## **PUBLICATION PERIOD:**

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

## 2. APPLICATION FOR THE INCREASE IN THE GENERAL RATE OF CUSTOMS DUTY ON:

*“Complete Single-Axis Tracker from free of duty to WTO bound rate of 10% ad valorem classifiable under tariff subheading 8479.89 by way of creating an additional 8-digit tariff code”.*

### APPLICANT:

**Lumax Energy (Pty) Ltd**

Unit 1, 270 Roan Cres

Corporate Park North

Midrand

1685

**Enquiries: ITAC Ref: 04/2024**, Ms. Diphetogo Rathete and Ms. Nonqubeko Sikhakhana. Tel: 012 394 3683/3835 or [drathete@itac.org.za](mailto:drathete@itac.org.za) / [nsikhakhana@itac.org.za](mailto:nsikhakhana@itac.org.za).

### REASONS FOR THE APPLICATION:

- Considering South Africa’s energy crisis, there has been a significant increase in popularity of renewable energy, especially solar energy. Despite the existence of excess capacity to manufacture the subject products locally, imports currently dominate the domestic market;
- Local manufacturing of Single-Axis Trackers reduces dependency on imported technologies and components. By establishing domestic manufacturing facilities, South Africa can promote the growth of its industrial sector, fostering innovation and enhancing technological capabilities;
- Manufacturing Single-Axis Trackers require a complex supply chain, including sourcing raw materials, components, and parts. By investing in local suppliers and encouraging localised supply chains, South Africa can develop a robust industrial ecosystem, supporting the growth of various allied industries;
- While the SAT currently attracts zero customs duty, most of the components/parts used in the manufacture of the subject product attract maximum tariffs, such as Steel, Fasteners, Polymer bearings, and Damper;
- If the customs duty on the complete trackers were to be increased to the WTO-bound rate of 10%, this would not only improve the domestic industry’s price-competitive position in the face of lower-priced competition from abroad, but it would ensure that current employment levels in the industry are retained and to facilitate new investment in plant and equipment; and

- The manufacturing of the subject products aligns with the South African Renewable Energy Masterplan by driving industrialization through job creation, local manufacturing, supply chain development, technology transfer, exports, R&D, local content requirements, and skills development.

**PUBLICATION PERIOD:**

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