

DEPARTMENT OF TRADE AND INDUSTRY
NOTICE 181 OF 2020
INTERNATIONAL TRADE ADMINISTRATION COMMISSION
CUSTOMS TARIFF APPLICATIONS
LIST 04/2020

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. INCREASE IN THE RATE OF CUSTOMS DUTY ON:

“Stainless steel flat products, classifiable under tariff subheadings 7219.11.90, 7219.12.90, 7219.13.90, 7219.14.90, 7220.12.90, 7219.21.90, 7219.22.90, 7219.23.90, 7219.24.90, 7219.31.90, 7219.32.90, 7219.33.90, 7219.34.90, 7219.35.90, 7220.20.90 and 7220.90.90, from 5% to 10%.

APPLICANT:

Columbus Stainless Steel (Pty) Ltd
Hendrina Road
Middelburg
MPUMALANGA
1050

Enquiries: ITAC ref: 24/2019. Enquiries: Mr Pfarelo Phaswana/Njabulo Mahlalela, Tel: 012 394 3628/3684 or email pphaswana@itac.org.za/nmahlalela@itac.org.za.

REASONS FOR THE APPLICATION:

The applicant submitted, *inter alia*, the following reasons for the application:

- Columbus is the only producer of stainless steel flat products in the SACU region and a key supporter of the government’s local beneficiation drive;
- The company is a significant employer in the Mpumalanga area and indirectly supports employment in both the upstream and downstream stainless steel industries;
- In recent years, various key international markets have imposed several restrictive trade measures on imports of stainless steel flat products. This, combined with the significant global overcapacity for stainless steel flat products, will result in significant volumes of low-priced stainless steel flat products imported into SACU; and
- As a result, Columbus’ continued operations is faced with significant risk that would lead to reduced production volumes and job losses.

PUBLICATION PERIOD:

Representations should be submitted to the above address within **four (4) weeks** of the date of this Notice

2. CREATION OF REBATE FACILITIES ON:

| Rebate Item | Tariff sub heading | Description | Extent of Rebate |
|--------------------|---------------------------|---|-------------------------|
| | 5513.11 | Woven fabrics of polyester fibres, containing 80 per cent by mass of such fibres, mixed mainly or solely with cotton, of a mass of 90 g/m ² or more but not exceeding 110 g/m ² , plain weave, classifiable in tariff subheading 5513.11, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, for use in the manufacture of men's or boys' and women's or girls' trousers, classifiable in tariff heading 6203.4 and 6204.6, respectively. | Full duty |
| | 5210.31 (a) | Woven fabrics of cotton, containing 65 per cent by mass of cotton, mixed mainly or solely with polyester, of a mass of 105 g/m ² or more but not exceeding 125g/m ² , dyed, plain weave, classifiable in tariff subheading 5210.31, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, for use in the manufacture of men's or boys' and women's or girls' trousers, classifiable in tariff subheading 6203.42.10 and 6204.62.10, respectively. | Full duty |
| | 5210.31 (b) | Woven fabrics of cotton, containing 65 per cent by mass of cotton, mixed mainly or solely with polyester, of a mass of 105 g/m ² or more but not exceeding 125g/m ² , dyed, plain weave, classifiable in tariff subheading 5210.31, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, for use in the manufacture of men's or boys' and women's or girls' shirts, classifiable in tariff subheading 6205.20 and 6206.30, respectively. | Full duty |
| | 5407.82 | Other woven fabrics , containing 65 per cent of polyester by mass, mixed mainly or solely with 35 per cent of cotton by mass, dyed, of a mass of 230 g/m ² or more but not exceeding 285 g/m ² , classifiable in tariff subheading 5407.82, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, for the manufacture of men's or boy's and women's or girls' trousers and shirts, classifiable in tariff subheadings 6203.49.10, 6204.69.10, 6205.90 and 6206.90, respectively | Full duty |
| | 5209.32 | Woven fabrics of cotton, containing 97 per cent of cotton, of a mass of 235 g/m ² or more but not exceeding 255 g/m ² , dyed, with a 3-thread twill, classifiable in tariff 5209.32, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, , for the use in the manufacture of men's or boys' and women's or girls' trousers and shirts, classifiable in 6203.42.10, 6204.62.10, 6205.20 and 6206.30, respectively. | Full duty |

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|--|---------|---|--|
| | 5208.33 | Woven fabric of 100% cotton, of a mass of 100 g/m ² or more but not exceeding 120 g/m ² , dyed, with 3-thread or 4-thread twill, including cross twill, classifiable in tariff subheading 5208.33, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, for the use in the manufacture of men's or boys' and women's or girls' shirts, classifiable in 6205.20 and 6206.30, respectively | |
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APPLICANT:**Luomo Atlantis Manufacturing (Pty) Ltd**

6 Gerwyn Owen Street

Atlantis Industrial

WESTERN CAPE

7349

Ref: 07/2019 **Enquiries:** Mr Chris Sako, at Tel: (012) 394-3669, Email: csako@itac.org.za or Mrs Ayanda Gandi, at Tel: (012) 394-3672, Email: endou@itac.org.za.

THE REASONS FOR THE APPLICATION:

- a) The fabrics used for the manufacture of the subject trousers and shirts are not available locally and the 22% *ad valorem* customs duty renders the end-products uncompetitive.
- b) In order for the company to be price competitive and secure orders in the domestic market, it requires a duty waiver on the imported subject fabrics.
- c) Despite the significant investment in lean production techniques and the fabric price, very weak exchange rates are going to result in losses on these end-products, and poses a risk of this production line.
- d) The applicant indicated that this duty waiver would further assist it to maintain 57 employees and further create 50 jobs in order to meet the consumer demand.

PUBLICATION PERIOD:

Representation should be submitted to the above address within **seven (7) working days** of the date of this notice.