

Mr Ebrahim Patel, MP
Minister of Trade and Industry
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Dear Minister

MINUTE M05/2019: AMENDMENT OF THE TARIFF SUBHEADINGS APPLICABLE TO THE ANTI-DUMPING DUTIES ON WIRE ROPES AND CABLES OF A DIAMETER EXCEEDING 32 MM ORIGINATING IN OR IMPORTED FROM THE UNITED KINGDOM AND GERMANY AND ON STRANDED WIRE OF A DIAMETER EXCEEDING OR EQUAL TO 12.7MM ORIGINATING IN OR IMPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA (PRC)

Anti-dumping duties on wire ropes and cables of a diameter exceeding 32 mm originating in or imported from the United Kingdom and Germany and on stranded wire of a diameter exceeding or equal to 12.7mm originating in or imported from the People's Republic of China (PRC) were imposed on 28 August 2002. These duties were subsequently reviewed.

The current anti-dumping duties on wire ropes and cables of a diameter exceeding 32 mm originating in or imported from the United Kingdom and Germany and on stranded wire of a diameter exceeding or equal to 12.7mm originating in or imported from PRC are as follows:

Item	Tariff Heading / Subheading	Article Description	Imported From or Originating In	Rate of Anti-Dumping Duty	Date of Imposition
215.02	7312.10.20	Stranded wire, of iron or steel, not electrically insulated, of a diameter of 12,7 mm or more (excluding that of wire of stainless steel, that of wire plated, coated or clad with copper or tin and that identifiable as conveyor belt cord)	China	113.25%	08 August 2014
215.02	7312.10.25	Ropes and cables, of iron or steel, not electrically insulated, of a diameter exceeding 32 mm (excluding that of wire of stainless steel, that of wire plated, coated or clad with copper and that identifiable as conveyor belt cord), (excluding that imported from Bridon International Limited)	United Kingdom	76.17%	08 August 2014
215.02	7312.10.25	Ropes and cables, of iron or steel, not electrically insulated, of a diameter exceeding 32 mm (excluding that of wire of stainless steel, that of wire plated, coated or clad with copper and that identifiable as conveyor belt cord), (excluding that imported from Bridon International GmbH and Pflfer Drako)	Germany	93.00%	08 August 2014
215.02	7312.10.40	Ropes and cables, of iron or steel, not electrically insulated, of a diameter exceeding 32 mm (excluding that of wire of stainless steel, that of wire plated, coated or clad with copper and that identifiable as conveyor belt cord), (excluding that imported from Bridon International Limited)	United Kingdom	76.17%	08 August 2014
215.02	7312.10.40	Ropes and cables, of iron or steel, not electrically insulated, of a diameter exceeding 32 mm (excluding that of wire of stainless steel, that of wire plated, coated or clad with copper and that identifiable as conveyor belt cord), (excluding that imported from Bridon International GmbH and Pflfer Drako)	Germany	93.00%	08 August 2014
215.02	7312.10.90	Ropes and cables, of iron or steel, not electrically insulated, of a diameter exceeding 32 mm (excluding that of wire of stainless steel, that of wire plated, coated o clad with copper and that identifiable as conveyor belt cord), (excluding that imported from Bridon International Limited)	United Kingdom	76.17%	08 August 2014

215.02	7312.10.90	Ropes and cables, of iron or steel, not electrically insulated, of a diameter exceeding 32 mm (excluding that of wire of stainless steel, that of wire plated, coated or clad with copper and that identifiable as conveyor belt cord), (excluding that imported from Bridon International Limited GmbH and Pfeifer Drako)	Germany	93.00%	08 August 2014
Source:		<i>Schedule 2 to the Customs and Excise Act, 1964</i>			

On 22 July 2016, ITAC initiated a review of the ordinary customs duty on a number of downstream steel industry products. The review included stranded wire, ropes and cables classifiable under tariff subheadings 7312.10.20, 7312.10.25, 7312.10.40, 7312.10.90 and 7312.90.

Subsequent to the review, Scaw Metals submitted information to the Commission motivating for an increase in the rate of duty from 5% *ad valorem* to 15% *ad valorem*. ITAC's Report No. 571 sets out the reasons for this increase and recommends the creation of new 8 digit tariff subheadings.

On 12 March 2018, the Commission sought to clarify the Commission's recommendation by clearly indicating in Minute M02/2018, that the proposed duty increase will be limited only to products which are manufactured locally, by way of creating additional 8 digit tariff subheadings under tariff heading 73.12. On 15 June 2018, SARS implemented the Commission's recommendations by creating additional tariff subheadings and substituting some tariff subheadings. However, the corresponding tariff subheadings relating to the applicable anti-dumping duties in Schedule 2 of the Customs and Excise Act, were not amended by SARS.

On 8 June 2018, a notice was published in the *Government Gazette* indicating that the following anti-dumping duties were imposed during 2014 and would therefore expire during 2019 if a review is not initiated:

Product	Countries	Rate of anti-dumping duties	Date of Imposition of the duty	Date of expiry of the duty
Wire ropes	China, Germany, and the United Kingdom	76.17% - 113.25%	08/08/14	07/08/19

Whilst completing the questionnaire for the upcoming sunset review, the Applicant realized that the tariff subheadings applicable to the existing anti-dumping duties were not amended to reflect the tariff position in Schedule 1 of the Customs and Excise Act. The result of this is (a) that the anti-dumping duties are not collected correctly and (b) the import statistics that must be used by the Applicant, are on different tariff subheadings than those to which the anti-dumping duties currently apply. Scaw requested ITAC to approach SARS to amend the tariff subheadings to which the existing anti-dumping duties apply, to ensure that they apply to the correct tariff subheadings.

SARS indicated that it is of the view that the following amendments needs to be considered taking the existing anti-dumping descriptions into account-

- (a) The following subheadings and amended descriptions should be inserted under the anti-dumping Schedule

7312.10.17	Stranded wire, of iron or steel, not electrically insulated, of a diameter of 12,7 mm or more (excluding that of wire of stainless steel , that of wire plated, coated or clad with copper and that identifiable as conveyor belt cord)
7312.10.24	Ropes and cables, of iron or steel, not electrically insulated, not plated, coated or clad, of a diameter exceeding 32 mm (excluding that of wire of stainless steel and that identifiable as conveyor belt cord), (excluding that imported from Bridon International Limited)
7312.10.24	Ropes and cables, of iron or steel, not electrically insulated, not plated, coated or clad, of a diameter exceeding 32 mm (excluding that of wire of stainless steel and that identifiable as conveyor belt cord), (excluding that imported from Bridon International Limited GmbH and Pfeifer Drako)
7312.10.30	Ropes and cables, of iron or steel, not electrically insulated, plated, coated or clad with zinc, of a diameter exceeding 32 mm (excluding that of wire of stainless steel and that identifiable as conveyor belt cord), (excluding that imported from Bridon International Limited)
7312.10.30	Ropes and cables, of iron or steel, not electrically insulated, plated, coated or clad with zinc, of a diameter exceeding 32 mm (excluding that of wire of stainless steel and that identifiable as

	conveyor belt cord), (excluding that imported from Bridon International GmbH and Pfeifer Drako).
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- (b) The current tariff items 215.02/7312.10.20/01.08, 215.02/7312.10.25/03.08, 215.02/7312.10.25/04.08, 215.02/7312.10.40/03.08 and 215.02/7312.10.40/04.08 should be deleted from Schedule No. 2 Part 1.
- (c) There are no changes with tariff items 215.02/7312.10.90/03.08 and 215.02/7312.10.90/04.08 so these to remain as are.

Scaw Metals is in agreement with the above mentioned proposed changes.

The Commission therefore decided to recommend that the tariff subheadings applicable to the anti-dumping duties on wire ropes and cables of a diameter exceeding 32 mm originating in or imported from the United Kingdom and Germany and on stranded wire of a diameter exceeding or equal to 12.7 mm originating in or imported from the PRC be amended to the following:

- (a) The following subheadings and amended descriptions should be inserted under the anti-dumping Schedule –

7312.10.17	Stranded wire, of iron or steel, not electrically insulated, of a diameter of 12,7 mm or more (excluding that of wire of stainless steel , that of wire plated, coated or clad with copper and that identifiable as conveyor belt cord)
7312.10.24	Ropes and cables, of iron or steel, not electrically insulated, not plated, coated or clad, of a diameter exceeding 32 mm (excluding that of wire of stainless steel and that identifiable as conveyor belt cord), (excluding that imported from Bridon International Limited)
7312.10.24	Ropes and cables, of iron or steel, not electrically insulated, not plated, coated or clad, of a diameter exceeding 32 mm (excluding that of wire of stainless steel and that identifiable as conveyor belt cord), (excluding that imported from Bridon International Limited GmbH and Pfeifer Drako)
7312.10.30	Ropes and cables, of iron or steel, not electrically insulated, plated, coated or clad with zinc, of a diameter exceeding 32 mm

	(excluding that of wire of stainless steel and that identifiable as conveyor belt cord), (excluding that imported from Bridon International Limited)
7312.10.30	Ropes and cables, of iron or steel, not electrically insulated, plated, coated or clad with zinc, of a diameter exceeding 32 mm (excluding that of wire of stainless steel and that identifiable as conveyor belt cord), (excluding that imported from Bridon International GmbH and Pfeifer Drako).

- (b) The current tariff items 215.02/7312.10.20/01.08, 215.02/7312.10.25/03.08, 215.02/7312.10.25/04.08, 215.02/7312.10.40/03.08 and 215.02/7312.10.40/04.08 should be deleted from Schedule No. 2 Part 1.
- (c) There are no changes with tariff items 215.02/7312.10.90/03.08 and 215.02/7312.10.90/04.08 so these to remain as are.



Meluleki Nziemande
Chief Commisloner

Date: 24/06/2019