


**REPORT NO. 358**

**REDUCTION IN THE RATES OF DUTY  
ON RUBBERISED TEXTILE FABRICS,  
TYRE CORD FABRICS AND  
POLYMERISED 1, 2 DIHYDRO-2, 2, 4-  
TRIMETHYL-QUINOLINE**

The International Trade Administration Commission (ITAC) of South Africa herewith presents Report No.358: **Reduction in the rates of duty on rubberised textile fabrics, tyre cord fabrics, and polymerised 1, 2 dihydro-2, 2, 4-trimethyl-quinoline**



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**Siyabulela Tsengiwe**  
**CHIEF COMMISSIONER**

**PRETORIA**

.....07.1.02.1 2011

# REPUBLIC OF SOUTH AFRICA

## INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA

### REPORT NO. 358

#### APPLICATION FOR A REDUCTION IN THE RATES OF DUTY ON RUBBERISED TEXTILE FABRICS, TYRE CORD FABRICS, AND POLYMERISED 1, 2 DIHYDRO-2, 2, 4-TRIMETHYL- QUINOLINE

##### Synopsis

Bridgestone South Africa (Pty) Ltd, a manufacturer of pneumatic automotive tyres, applied for a reduction in the rate of duty on:

- Certain rubberised textile fabrics classifiable under tariff subheading 5906.10.90 from 22% ad valorem to free of duty;
- tyre cord fabric of high tenacity yarn of nylon or other polyamides, polyester or viscose rayon classifiable under tariff heading 59.02 from 15% ad valorem to free of duty; and
- polymerised 1, 2 dihydro-2, 2, 4-Trimethyl-Quinoline classifiable under tariff subheading 2933.49.10 from 22% ad valorem to free of duty.

As reasons for the application, the applicant stated that the products in question, which are used for the manufacture of automotive tyres, are not manufactured in the SACU and that the current rates of duty have a cost-raising impact on the SACU tyre manufacturers.

The Commission found that the products in question are not manufactured in the SACU and that the current rate of duty is an undue burden on the domestic industry manufacturing tyres in the face of stiff foreign competition.

The Commission therefore recommended that the duties be reduced on:

- Certain rubberised textile fabrics classifiable under tariff subheading 5906.10, from 22% **ad valorem** to free of duty through the creation of an 8-digit tariff subheading, as follows:  
*“Woven fabric of polyvinyl alcohol of a width of 30 mm or more but not exceeding 60 mm, weighing 60 grams per metre square or more but not exceeding 130 grams per meter square”.*
- Tyre cord fabric of high tenacity yarn of nylon or other polyamides, polyester or viscose rayon classifiable under tariff subheadings 5902.10, 5902.20 and 5902.90 from 15% **ad valorem** to free of duty.
- Polymerised 1, 2 dihydro-2, 2, 4-trimethyl-quinoline classifiable under tariff subheading 2933.49.10 from 10% **ad valorem** to free of duty.

## THE APPLICATION AND TARIFF POSITION

Bridgestone South Africa (Pty) Ltd, a manufacturer of pneumatic automotive tyres, applied for a reduction in the rate of duty on:

- Certain rubberised textile fabrics classifiable under tariff subheading 5906.10.90 from 22% ad valorem to free of duty;
- tyre cord fabric of high tenacity yarn of nylon or other polyamides, polyester or viscose rayon classifiable under tariff heading 59.02 from 15% ad valorem to free of duty; and
- polymerised 1, 2 dihydro-2, 2, 4-Trimethyl-Quinoline classifiable under tariff subheading 2933.49.10 from 10% ad valorem to free of duty.

As reasons for the application, the applicant stated that the products in question, which are used for the manufacture of automotive tyres, are not manufactured in the SACU and that the current rates of duty have a cost-raising impact on the SACU tyre manufacturers.

The application was published in the Government Gazette on 23 September 2010 for interested parties to comment.

The existing tariff structure for rubberised textile fabrics is as indicated in Table 1 below:

**Table 1: Tariff position for rubberised textile fabrics**

Tariff heading	Tariff subheading	Description	Statistical Unit	Rate of duty			
				General	EU	EFTA	SADC
5906		Rubberised textile fabrics (Excluding those of heading 59.02)					
	5906.10	Adhesive tape of width not exceeding 20 cm:					
	.10	Electrical insulating tape	kg	free	free	free	free
	.20	Other fabrics combined with cellular rubber	kg	20%	10%	10%	Free
	.90	Other	kg	22%	10%	10%	Free

Source: SARS

The existing tariff structure for tyre cord fabrics is as indicated in Table 2 below:

Table 2: Tariff position for tyre cord fabric

Tariff Heading	Tariff Sub-heading	Description	Statistical Unit	Rate of Duty			
				General	EU	EFTA	SADC
59.02		Tyre cord fabric of high tenacity yarn of nylon or other polyamides, polyester or viscose rayon					
	5902.10	Of nylon or other polyamides	kg	15%	free	9%	free
	5902.20	Of polyesters	kg	15%	9%	9%	free
	5902.90	Other	kg	15%	9%	9%	free

Source: SARS

The existing tariff structure for polymerised 1, 2 dihydro-2, 2, 4-trimethyl-quinoline is as indicated in Table 3 below:

Table 3: tariff position for polymerised 1,2 dihydro-2, 2,4-trimethyl-quinoline

Tariff Heading	Tariff Sub-heading	Description	Statistical Unit	Rate of Duty			
				General	EU	EFTA	SADC
29.33		Heterocyclic compounds with nitrogen hetero-atom(s) only:					
	2933.49.10	Polymerised 1,2-dihydro -2,2,4-trimethyl quinoline	kg	10%	1,3%	5%	free

Source: SARS

## COMMENTS ON THE APPLICATION

The Commission received no comments or objections to the application.

## FINDINGS

The Commission found that the products in question are not manufactured in the SACU and that the current rate of duty is an undue burden on the domestic industry manufacturing tyres in the face of stiff foreign competition.

## RECOMMENDATION

The Commission therefore recommends that the duties be reduced on:

- Certain rubberised textile fabrics classifiable under tariff subheading 5906.10, from 22% **ad valorem** to free of duty through the creation of an 8-digit tariff subheading, as follows:  
*“Woven fabric of polyvinyl alcohol of a width of 30 mm or more but not exceeding 60 mm, weighing 60 grams per metre square or more but not exceeding 130 grams per meter square”.*
- Tyre cord fabric of high tenacity yarn of nylon or other polyamides, polyester or viscose rayon classifiable under tariff subheadings 5902.10, 5902.20 and 5902.90 from 15% **ad valorem** to free of duty.
- Polymerised 1, 2 dihydro-2, 2, 4-trimethyl-quinoline classifiable under tariff subheading 2933.49.10 from 10% **ad valorem** to free of duty.