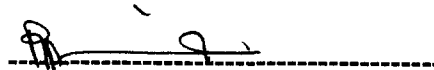


Report No. 115

Application for a reduction in the rate of duty on herbicides formulations containing alachlor as active ingredient

The International Trade Administration Commission herewith presents its **Report No.115: APPLICATION FOR A REDUCTION IN THE RATE OF DUTY ON HERBICIDES FORMULATIONS CONTAINING ALACHLOR AS ACTIVE INGREDIENT**



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CHIEF COMMISSIONER

PRETORIA

02 | 06 | 2005

REPUBLIC OF SOUTH AFRICA

**INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH
AFRICA**

REPORT NO. 115

**APPLICATION FOR A REDUCTION IN THE RATE OF DUTY HERBICIDES
FORMULATIONS CONTAINING ALACHLOR AS ACTIVE INGREDIENT**

Synopsis

Villa Crop Protection (Pty) Ltd (Villa Crop) applied for a reduction in the rate of duty on herbicides formulations containing alachlor as active ingredient classifiable under tariff subheading 3808.30.10 from 10 per cent to free of duty.

The herbicides formulation is manufactured from micro-encapsulation technology. This technology consists of emulsion of pesticides micro-droplets within a microscopic polymer shell. The application was published in the Government Gazette of 22 October 2004 for interested parties to comment.

Villa Crop is a distributor of herbicides formulations containing alachlor as active ingredient. These formulations are imported and sold in the SACU. As reason for the application, Villa Crop stated that herbicides formulations containing alachlor are not manufactured in the SACU, and it is unlikely that it would be manufactured as it requires technology that is currently not available.

The application was published in the Government Gazette on 22 October 2004 for interested parties to comment. A local manufacturer of herbicides formulations containing alachlor as active ingredient objected to the application for a reduction in the rate of duty on herbicides formulations containing alachlor as active ingredient on the basis that it is manufactured in the SACU.

The Commission acknowledged the different technologies used in the manufacture of herbicides formulations containing alachlor as active ingredient. The Commission

concluded that the application for a reduction of duty on herbicides formulations containing alachlor as active ingredient should be rejected as a similar product is manufactured in the SACU.

1. Introduction

1.1 The Commission considered an application for a reduction in the rate of duty on herbicides formulations containing alachlor as active ingredient classifiable under tariff subheading 3808.30.10 from 10 percent ad valorem to free of duty.

1.2 As a reason for the application, the applicant stated that herbicides formulations containing alachlor as active ingredient is not manufactured in the SACU.

1.3 The tariff structure for herbicides formulations containing alachlor is as follows:

Table 1: Tariff structure of herbicide formulations containing alachlor

Subheading	Description	Rate of Duty		
		General	EU	SADC
3808	Insecticides, Rodenticides, Fungicides, Herbicides, Anti-sprouting Products and Plant-growth Regulators, Disinfectants and Similar Products, put up in forms or Packings for Retail Sale or as Preparations or Articles (for Example, Sulphur-treated Bands, Wicks and Candles, and Fly-papers):			
3808.30	-Herbicides, anti-sprouting products and plants-growth			
3808.30.10	=With alachlor as active ingredient	10 %	free	free

1.4 Following the publication in the Government Gazette, one response was received from Volcano Agrosience. Volcano Agrosience objected to the

application for a reduction in the rate of duty on the basis that the product is manufactured in the SACU.

- 1.5 Volcano Agrosience (Pty) Ltd (Volcano) manufactures herbicides formulations containing alachlor as active ingredient. This formulation is referred to as emulsifiable concentrate or EC and contains 384g/litre of alachlor.

2. Recommendation

In view of the above, the Commission decided that the application for a reduction in the rate of duty on herbicides formulations containing alachlor as active ingredient, be rejected as a similar product is manufactured in the SACU, and the duty therefore serves as a protection and encouragement to the industry.

(40/2004]