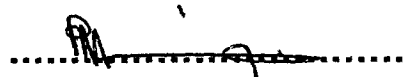


## **Report No. 104**

# **Rebate of the duty on ter- and copolymers of propylene for the manufacture plates, sheets, film, foil and strip of biaxially oriented polypropylene**

**The International Trade Administration Commission of South Africa herewith presents Report No. 104: REBATE OF THE DUTY ON TER- AND COPOLYMERS OF PROPYLENE FOR THE MANUFACTURE OF PLATES, SHEETS, FILM, FOIL AND STRIP OF BIAXIALLY ORIENTED POLYPROPYLENE**



**Ms NOMONDE MAIMELA  
CHIEF COMMISSIONER**

**PRETORIA**

**23.03/2005**

**REPUBLIC OF SOUTH AFRICA**  
**INTERNATIONAL TRADE ADMINISTRATION COMMISSION**  
**REPORT NO. 104**

**REBATE OF THE DUTY ON TER- AND COPOLYMERS OF  
PROPYLENE**

**Synopsis**

The Commission considered an application for a rebate of duty on ter- and copolymers of propylene, classifiable under tariff subheading 3902.30, for the manufacture of plates, sheets, film, foil and strip of biaxially oriented polypropylene (BOPP) of subheading 3920.20.

As reason for the application, the applicant stated that the duty is unnecessary because none of the two local manufacturers of random copolymers, that is, Dow Plastics and Sasol, are able to manufacture the random copolymer for the BOPP co-extrusion process.

The application was published in the Government Gazette for public comment, and no objections were received.

The Commission approved the rebate of duty on ter- and copolymers of propylene, based on the following:

- The only two manufacturers of polymers, namely, Sasol and Dow Plastics, cannot manufacture ter- and copolymers of propylene.
- The product is not manufactured in the SACU, therefore no justification exists for the current rate of duty.
- As a result of the abovementioned circumstances the current rate of duty does not serve the intended purpose.

## The Application and Tariff Position

1. The Commission considered an application for a rebate of duty on ter- and copolymers of propylene, classifiable under tariff subheading 3902.30. The application was submitted by Treofan (PTY) LTD.
2. As reason for the application, the applicant stated that the duty is unnecessary because none of the two local manufacturers of random copolymers, that is, Dow Plastics and Sasol, are able to manufacture the random copolymer for the BOPP co-extrusion process.
3. A notice of the investigation was published in the Government Gazette for public comment, and no objections were received.
4. The existing classification for ter- and copolymers of propylene is as follows:

**Table 1: Raw Material**

PRODUCT	TARIFF HEADING	TARIFF SUBHEADING	RATES OF DUTY		
			Gen	EU	SADC
Polymers of propylene or other Olefins, in Primary Forms	39.02				
Propylene copolymers		3902.30	10%	10%	Free

**Table 2: End Product**

PRODUCT	TARIFF HEADING	TARIFF SUBHEADING	RATES OF DUTY		
			Gen	EU	SADC
Other Plates, Sheets, Film, Foil and Strip, of Plastics, Non-Cellular and Not Reinforced, Laminated, Supported or Similarly Combined With Other Materials	39.20				
Other		3920.90	15%	15%	Free

### **Consideration**

5. The only two manufacturers of polymers, namely, Sasol and Dow Plastics Southern Africa did not respond to the publication, following admission during the preliminary investigation that they cannot manufacture ter- and copolymers of propylene.
6. The Commission found that the product in question is not manufactured in the SACU, therefore no justification exists for the current rate of duty.
7. As a result of the abovementioned circumstances the current rate of duty does not serve the intended purpose.

### **Recommendation**

8. The Commission recommends that a rebate provision for ter- and copolymers of propylene classifiable under tariff subheading 3902.30, for the manufacture of plates, sheets, film, foil and strip of biaxially oriented propylene of subheading 3920.20, be created.