

**GUIDELINES, RULES AND CONDITIONS PERTAINING TO PERMITS ISSUED UNDER REBATE ITEMS 460.15/72.08/01.04, 460.15/72.09/01.04, 460.15/72.10/01.04, 460.15/72.11/01.04, 460.15/72.12/01.04, 460.15/7225.1/01.05, 460.15/7225.99/04.06 AND 460.15/7226.9/01.05 FOR THE IMPORTATION OF PRIMARY FLAT STEEL PRODUCTS**

## **1. PURPOSE**

1.1 This document serves to provide reference and procedural guidelines applicable to applications for permits in terms of rebate provisions **460.15/72.08/01.04, 460.15/72.09/01.04, 460.15/72.10/01.04, 460.15/72.11/01.04, 460.15/72.12/01.04, 460.15/7225.1/01.05, 460.15/7225.99/04.06** and **460.15/7226.9/01.05**. This document, therefore, addresses the guidelines, rules and conditions applicable to the aforementioned rebate items and the permit application process to be followed by applicants.

1.2 Applications for permits in terms of the aforementioned rebate provisions will be considered by ITAC only when the flat steel product in question is not manufactured domestically or there are shortages or supply challenges that materially affect the normal commercial supply of the product to downstream (manufacturing sector) users. ITAC will evaluate permits applications on a case-by-case basis in line with this basic prerequisite.

## **2. REBATE PROVISION**

2.1 Rebate items **460.15/72.08/01.04, 460.15/72.09/01.04, 460.15/72.10/01.04, 460.15/72.11/01.04, 460.15/72.12/01.04, 460.15/7225.1/01.05, 460.15/7225.99/04.06** and **460.15/7226.9/01.05** of Schedule No. 4, Part 2, to the Customs and Excise Act No. 91 of 1964 (Customs and Excise Act) makes provision for a rebate of the full duty on:

*Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, hot-rolled, not clad, plated or coated, classifiable in tariff heading 72.08, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market and that the flat-rolled products are not specifically covered by another rebate provision in Schedule No. 4 for the same industry and purpose;*

*Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, cold-rolled (cold-reduced), not clad, plated or coated, classifiable in tariff heading 72.09, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market and that the flat-rolled products are not specifically covered by another rebate provision in Schedule No. 4 for the same industry and purpose;*

*Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated, classifiable in tariff headings 72.10, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market and that the products are not available in the SACU market and also that the flat-rolled products are not specifically covered by another rebate provision in Schedule No. 4 for the same industry and purpose;*

*Flat-rolled products of iron or non-alloy steel, of a width of less than 600 mm, not clad, plated or coated, classifiable in tariff headings 72.11, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market and that the flat-rolled products are not specifically covered by another rebate provision in Schedule No. 4 for the same industry and purpose;*

*Flat-rolled products of iron or non-alloy steel, of a width of less than 600 mm, clad, plated or coated, classifiable in tariff headings 72.12, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market and that the flat-rolled products are not*

*specifically covered by another rebate provision in Schedule No. 4 for the same industry and purpose;*

*Flat-rolled products of other alloy steel, of a width of 600 mm or more, of silicon-electrical steel classifiable in tariff heading 7225.1, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market and that the flat-rolled products are not specifically covered by another rebate provision in Schedule No. 4 for the same industry and purpose;*

*Other flat-rolled products of other alloy steel, of a width of 600 mm or more, other, classifiable in tariff heading 7225.99, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market and that the flat-rolled products are not specifically covered by another rebate provision in Schedule No. 4 for the same industry and purpose; and*

*Other flat-rolled products of other alloy steel, of a width of less than 600 mm, classifiable in tariff heading 7226.9, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market and that the flat-rolled products are not specifically covered by another rebate provision in Schedule No. 4 for the same industry and purpose.*

### **3. APPLICATION PROCEDURE**

- 3.1 Applicants must acquaint themselves with the provisions of the Customs and Excise Act, No. 91 of 1964, the International Trade Administration Act, No. 71 of 2002 (ITA Act), and other legislation relating to the importation of goods into the Republic of South Africa.
- 3.2 The applicant shall provide the International Trade Administration Commission of South Africa (ITAC) with the required information as per the relevant application form (**Annexure A**). Should the space provided in the application form not be sufficient, applicants should use the format of the application form as a guide of the format in which the required information should be submitted.

- 3.3 These guidelines must be read and understood before completing the application form. Completed original applications for permits may be forwarded to:

The Senior Manager: Tariff Investigations II  
International Trade Administration Commission of South Africa  
Private Bag X 753  
Pretoria  
0001

Or hand delivered to:

Block E, 1<sup>st</sup> Floor  
DTI Campus  
77 Meintjies Street  
Sunnyside  
Pretoria  
0002

- 3.4 Should an application be found to be deficient, it will not be processed further and the applicant will be informed accordingly. An application will be regarded as deficient if any one of the following is found:

- I. The application is not submitted in the correct format;
- II. The application does not comply with the guidelines, rules and conditions as set out in this document;
- III. The requested information is not submitted; or
- IV. The application contains conflicting information or incorrect information.

Applicants who submit deficient applications must re-submit duly completed application forms to replace the deficient application forms, should they wish to proceed.

- 3.5 Applications must be made well in advance of the shipment of the goods, as rebate permits will not be issued retrospectively. Applicants should allow an issuance period of fourteen (14) days from the date ITAC receives a properly documented and duly completed application.

3.6 Permits for the rebate items **460.15/72.08/01.04**, **460.15/72.09/01.04**, **460.15/72.10/01.04**, **460.15/72.11/01.04**, **460.15/72.12/01.04**, **460.15/7225.1/01.05**, **460.15/7225.99/04.06** AND **460.15/7226.9/01.05** are valid for the period stipulated on the permit and no extensions will be granted.

3.7 The permits are issued at the discretion of the ITAC. Should the application be rejected, the applicant will be informed in writing of the decision and the reasons thereof to enable them to seek appropriate recourse.

#### **4. APPLICABLE CONDITIONS**

4.1 In addition to a completed application and the documents and information contained in the Checklist, applicants must submit written confirmation from **Southern Africa Coil Coaters Association (SACCA)** that the primary flat steel product or products to be imported (“the subject product”) is or are not available in the Southern African Customs Union (SACU) market. Non-availability refers to the subject product not being manufactured in the SACU market or, where the subject product is manufactured in the SACU market and/or not deliverable within a commercially reasonable period of time.

4.2 Once a written request for confirmation of the availability of a subject product is received by **SACCA**, a written response must be provided within 14 days.

4.3 Notwithstanding paragraph 4.1, in the event that written confirmation by SACCA is not provided within the stipulated time, ITAC may, at its discretion, issue the permit/s being applied, provided that all other conditions stipulated herein have been fulfilled by the applicant.

4.4 Where SACCA confirms that the subject product is available in the requested quantities, the timeframe for the delivery of the subject product must also be provided in the written confirmation as communicated to the applicant.

4.5 ITAC will determine if the delivery period specified in the written confirmation is commercially reasonable. Where ITAC deems the delivery period to be unreasonably long based on, amongst others, previous delivery times to the applicant for the same or similar subject product, notwithstanding paragraph 4.1,

ITAC may, at its discretion, issue the permit/s being applied for, provided that all other conditions stipulated herein have been fulfilled by the applicant.

- 4.6 Where the availability of the subject product has been confirmed, but the subject product was not, or will not be, delivered within the timeframe indicated in the written confirmation provided for in paragraph 4.2, ITAC may, at its discretion, issue a permit for the subject product in the same quantities, provided that all other conditions stipulated herein have been fulfilled by the applicant.
- 4.7 In determining whether to exercise its discretion under paragraph 4.6, ITAC will consider, amongst others, the extent of and the reasons for the delay in the delivery of the subject product and whether the applicant was kept abreast of factors affecting the delivery schedule of the subject product.
- 4.8 Where SACCA confirms that the subject product is available but not in the requested quantities, ITAC may at its discretion, issue a permit for the quantity of the subject product that cannot be delivered within a commercially reasonable period of time.
- 4.9 In determining whether to exercise its discretion under paragraph 4.8, ITAC will consider, amongst others, the quantities of primary flat steel products previously applied for by the applicant, the applicant's order book for the product to be made from the primary flat steel products being applied for, as well as the delivery schedule for the quantities of primary flat steel products that would be subject to a second delivery.
- 4.10 Applicants must comply with the provisions of the Customs and Excise Act, the ITA Act and all other South African legislation relating to the importation of goods into the Republic of South Africa, relevant to the transaction.
- 4.11 Any request for an amendment of the rebate permit will only be considered when an error was made by ITAC upon the issuance of a permit.

**Note: No amendments will be effected in instances where the applicant was responsible for submitting the incorrect information. In such instances, a new application will be required.**

- 4.12 Should the permit holder misplace a rebate permit, the permit holder will be required to submit an application in the form of an affidavit for a re-issue of the rebate permit. This must clearly set out the circumstances giving rise to the loss of the original permit and show good cause or reasons why a substitute permit must be issued. ITAC may consider issuing a replacement of the lost original permit provided the above is duly submitted.
- 4.13 ITAC may satisfy itself as to the accuracy of the information supplied to it by the applicant by conducting verifications at such time and place as it deems necessary, including verification visit(s) at the premises of the applicant that provided the information.
- 4.14 ITAC may inform the applicant concerned of the dates of the intended visit, and where such information is provided, the verification will be conducted on those dates.
- 4.15 Following a verification visit, ITAC shall compile a verification report indicating what information was verified and may make the same available to the applicant.

## **5. NON-COMPLIANCE**

- 5.1 Where non-compliance is detected, appropriate action will be taken against the relevant party or parties in terms of the ITA Act and/ or the Customs and Excise Act. This action may include (but is not limited to) criminal charges; withdrawal of the permit/s concerned and it may affect future applications for permits.
- 5.2 Should it be found that the goods imported in terms of the rebate permit are used for a purpose other than that described in the rebate provision and in the permit, the applicable customs duty and penalties will be imposed by SARS.

Annexure A

**APPLICATION FORM FOR REBATE ITEM 460.15/72.08/01.04, 460.15/72.09/01.04, 460.15/72.10/01.04, 460.15/72.11/01.04, 460.15/72.12/01.04, 460.15/7225.1/01.05, 460.15/7225.99/04.06 AND 460.15/7226.9/01.05 FOR THE IMPORTATION OF PRIMARY FLAT STEEL PRODUCTS**

**PLEASE NOTE:**

It is imperative to understand the content of the document titled “GUIDELINES, RULES AND CONDITIONS PERTAINING TO PERMITS ISSUED UNDER REBATE ITEMS 460.15/72.08/01.04, 460.15/72.09/01.04, 460.15/72.10/01.04, 460.15/72.11/01.04, 460.15/72.12/01.04, 460.15/7225.1/01.05, 460.15/7225.99/04.06 AND 460.15/7226.9/01.05 FOR THE IMPORTATION OF PRIMARY FLAT STEEL PRODUCTS”, before completing this application form.

If the space provided for on the application form is insufficient, please use the lay-out of this application form as a guideline of the form in which the requested information should be submitted.

**1. Details of Applicant:**

1.1 Name of Applicant:

.....

1.2 VAT Registration No.:

.....

1.3 Importer's code:

.....

1.4 Physical Address:

.....

.....

.....



1.5 Contact Details:

1.5.1 Contact Person:

.....

1.5.2 Contact Number:

.....

1.5.3 Email Address:

.....

1.5.4 Facsimile Number:

.....

**2. Details of Manufacturer (if different from paragraph 1):**

2.1 Company name:

.....

2.2 VAT Registration No.:

2.3 Importer's code:

.....

2.4 Physical Address:

.....

.....

**3. Furnish the following information in respect of each of the primary flat steel products to be imported.**

<b>Product Description</b>	
<b>Tariff Subheading</b>	
<b>Customs Value (FOB) in Rands</b>	
<b>Quantity (i.e. kg/units)</b>	
<b>Country Importing from</b>	

4. Please provide details of the nature of the business of the applicant taking into consideration the imported goods to which the rebate provision or permit relates :

.....  
.....  
.....

5. Kindly indicate the employment figures in relation to the end product to be manufactured (if applicable):

<b>Applicant's Total Employment</b>	
Female	
Youth (18- 35 years)	
<b>Total Direct Factory Workers</b>	
Female	
Youth (18- 35 years)	

# AFFIDAVIT

Submit the following declaration by the CEO or duly authorized representative of the company:

I, \_\_\_\_\_ (full names) with Identity Number

\_\_\_\_\_, in my capacity as \_\_\_\_\_

of \_\_\_\_\_ (hereinafter referred to as the applicant)

hereby declare under oath that I am duly authorised to depose hereto, and that the information furnished in this permit application for rebate items **460.15/72.08/01.04, 460.15/72.09/01.04, 460.15/72.10/01.04, 460.15/72.11/01.04, 460.15/72.12/01.04, 460.15/7225.1/01.05, 460.15/7225.99/04.06 AND 460.15/7226.9/01.05** for the importation of primary flat steel products, is to the best of my knowledge true and correct.

**NAME:** \_\_\_\_\_ **DESIGNATION:** \_\_\_\_\_

**SIGNATURE:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

I CERTIFY THAT THE DEPONENT HAS ACKNOWLEDGED THAT HE/SHE KNOWS AND UNDERSTANDS THE CONTENTS OF THIS STATEMENT, AND THAT HE/SHE HAS NO OBJECTION TO TAKING THE PRESCRIBED OATH, AND THAT HE/SHE CONSIDERS THIS OATH TO BE BINDING ON HIS/HER CONSCIENCE. THE STATEMENT WAS SWORN TO/ AFFIRMED BEFORE ME AND THAT THE DEPONENT'S SIGNATURE WAS PLACED THEREON BEFORE ME.

SIGNED and SWORN to before me at \_\_\_\_\_ this \_\_\_\_ Day of \_\_\_\_\_ Year \_\_\_\_\_.

\_\_\_\_\_  
**COMMISSIONER OF OATH**

**FULL NAMES:** \_\_\_\_\_

**DESIGNATION:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

## Check List

Please note: In addition to the application form for a permit in terms of rebate item **460.15/72.08/01.04, 460.15/72.09/01.04, 460.15/72.10/01.04, 460.15/72.11/01.04, 460.15/72.12/01.04, 460.15/7225.1/01.05, 460.15/7225.99/04.06 AND 460.15/7226.9/01.05** submitted to ITAC, the applicant is required to complete the check list which is shown in table 1 below and submit the check list together with the application form:

Table 1: Check List

<b>Documents and information to be submitted</b>	<b>Mark with an X</b>
Importer's Code	
VAT registration no.	
Copy of previous permit (if applicable)	
Signed affidavit	