ITAC

International Trade Administration Commission of South Africa

ANNUAL REPORT 2024/25

enabling FAIR TRADE

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PART A

GENERAL INFORMATION

PUBLIC ENTITY'S GENERAL INFORMATION

Country of incorporation and domicile:

Republic of South Africa

Legal form of entity:

PFMA - Schedule 3A Public Entity

Nature of business and principal activities:

The aim of ITAC, as mandated by the International Trade Administration Act, 2002 (the ITA Act), is to foster economic growth and development in order to raise incomes and promote investment and employment in South Africa and within the Common Customs Area by establishing an efficient and effective system for the administration of international trade subject to the ITA Act and the Southern African Customs Union (SACU) Agreement, 2002.*

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Building E
77 Meintjies street
Sunnyside
Pretoria
0002

Postal address:

Private Bag
X753
Sunnyside
Pretoria
0002

Website:

www.itac.org.za

Bankers:

Standard Bank

Auditors:

Rakoma and Associates Incorporated

*Common Customs Area means the combined areas of the Member States of SACU (see section 1(2) of the ITA Act).

LIST OF ABBREVIATIONS

COMMISSION	ITAC or the body comprising the Commissioners of ITAC, acting together
DTI	Department of Trade and Industry
DTIC	Department of Trade, Industry and Competition (merger between the DTI and EDD)
DPSA	Department of Public Service and Administration
EDD	Economic Development Department
EPA	Economic Partnership Agreement between SACU countries and Mozambique on the one hand, and the European Union and its member states on the other
EU	European Union
EXCO	Executive Committee of ITAC
GRAP	Generally Recognised Accounting Practice
IDC	Industrial Development Corporation of South Africa
ITA Act	International Trade Administration Act, 71 of 2002
ITAC	International Trade Administration Commission of South Africa
MANCO	Management Committee of ITAC
PFMA	Public Finance Management Act, 1 of 1999
PPS	Price Preference System designed to improve the availability of good quality scrap metal to local consumers
SACU	Southern African Customs Union, which consists of South Africa, Botswana, Eswatini, Lesotho and Namibia
SACU AGREEMENT	The SACU Agreement, 2002
SEFA	Small Enterprise Finance Agency
USA	United States of America
WTO	World Trade Organisation

FOREWORD BY THE MINISTER OF TRADE, INDUSTRY AND COMPETITION

Minister of Trade, Industry and Competition
PARKS TAU, MP

This year's Annual Report reflects ITAC's continuing role as a vital institution in advancing South Africa's trade and industrial policy objectives. In a year shaped by volatile global markets, shifting supply chains and new opportunities on the African continent, ITAC has again demonstrated resilience and agility in the administration of its trade instruments, contributing directly to the broader goals of protecting local industries, supporting industrialisation, and promoting inclusive economic growth.

The international trade landscape has remained volatile, with geopolitical tensions, climate-related disruptions, and uneven recovery in global demand shaping the flow of goods and services. Against this backdrop, ITAC has worked hard to ensure that South Africa's trade measures are deployed strategically to protect domestic industries, promote competitiveness, and safeguard jobs.

One of ITAC's most important contributions during the year has been in the area of trade remedies. Investigations into dumping and unfair trade practices have provided essential relief to local industries, particularly in the steel, glass and agro-processing industries. By ensuring fair competition, ITAC has helped sustain production capacity and retain employment in sectors under pressure from global oversupply and unfairly priced imports.

Equally noteworthy has been ITAC's continued role in supporting government's industrial development agenda through carefully designed tariff support and rebate mechanisms. The administration of tariff instruments has encouraged investment in domestic manufacturing and downstream industries. ITAC's investigations targeted diverse sectors of the economy, including companies manufacturing lead-acid batteries, articulated dump trucks and steel products, such as steel and iron bars.

ITAC has also deepened its role in supporting the Department of Trade, Industry and Competition's Masterplans. These sector-specific frameworks are central to South Africa's re-industrialisation strategy. In 2024/2025, ITAC's work and technical advice helped align trade policy tools with the objectives of the Retail-Clothing, Textile, Footwear and Leather Masterplan and the South African Automotive Masterplan, amongst others. This alignment has ensured that tariff measures not only protect industry but also encourage investment and skills upgrading.

ITAC's work during the year has also been mindful of the trade opportunities arising from the African Continental Free Trade Area (AfCFTA). In particular, ITAC has ensured that its investigations also support industries in positioning themselves to take advantage of the expanded market access that AfCFTA offers.

Looking forward, ITAC will remain central to South Africa's trade strategy. Global trade continues to evolve, driven by technology, climate transitions and the restructuring of supply chains. ITAC's mandate – to administer trade instruments with fairness, transparency, and effectiveness – positions it as a key partner in building a resilient and competitive South African economy.

I wish to express my sincere appreciation to the Chief Commissioner, the part-time Commissioners, and the ITAC team for their dedication and professionalism. Their work ensures that South Africa's trade policy instruments are administered with integrity and impact. I also extend my thanks to our stakeholders and other partners, whose collaboration strengthens our collective ability to promote industrialisation and inclusive growth.

Mr Parks Tau, MP
Minister of Trade, Industry & Competition

STATEMENT BY THE DEPUTY MINISTER OF TRADE, INDUSTRY AND COMPETITION

Deputy Minister of Trade, Industry and Competition
ZUKO GODLIMPI

It is my honour to add my statement to the Commission's Annual Report alongside the observations of the Minister and the Chief Commissioner and Chairperson of the Commission. The Report reflects not only the outcomes of ITAC's work, but also the integrity and competence with which the Commission carries out its responsibilities.

With an understandable focus on results, how an administrative body carries out its work is, at times, overlooked. However, the credibility of the Commission rests not only on the quality of its investigations, but also on the integrity and competence with which it discharges its mandate. The Commission's observance of the principles of administrative justice, its stakeholder consultations and evidence-based decision-making, cannot but reinforce confidence in South Africa's trade administration system.

ITAC also discharges its responsibilities with a strong commitment to fairness and impartiality. Each investigation is guided by transparent procedures that allow affected stakeholders to be heard, ensuring that decisions are not only lawful but also perceived to be legitimate. In this way, ITAC promotes confidence among both industry participants and the public that trade measures are applied consistently, predictably and without favour.

Equally important is the Commission's emphasis on building institutional competence. Through extensive research, technical expertise, and continuous skills development, ITAC seeks to ensure that its recommendations are based on sound evidence and international best practice. This commitment to professional excellence has enhanced the credibility of the institution and ensured that South Africa's trade administration system remains robust in the face of evolving domestic and global challenges.

I wish to commend the Chief Commissioner, the part-time Commissioners, management and staff of the Commission for their dedication and professionalism in carrying out their responsibilities during the year. Their efforts have contributed not only to protecting South African industries from unfair or injurious competition, but also to laying the foundation for a more dynamic and competitive economy.

As we look ahead, the Department of Trade, Industry and Competition will continue to work closely with the Commission to ensure that our trade instruments are deployed strategically in support of industrialisation, job creation and economic growth. Together, we will strengthen South Africa's position in the global economy, while safeguarding the developmental interests of our people.

Mr Zuko Godlimpi
Deputy Minister of Trade,
Industry & Competition

REPORT BY THE CHIEF COMMISSIONER

Chief Commissioner
AYABONGA CAWE

It is my privilege to present this report for the 2024/25 financial year. I do so in a period marked by persistent global uncertainty in trade and supply chains along with ongoing structural challenges within particular product markets across the economy of the Southern African Customs Union (SACU). For the last century at least, the International Trade Administration Commission (and its predecessor institutions) has navigated, with tools such as amendments to the tariff schedule and the use of trade remedies (anti-dumping, anti-subsidy and so on) and the licensing of trade, to manage the 'vagaries' arising from participation of South African consumers and producers in world markets. And their impact on a small, 'relatively' open, market economy and its firms in key product markets.

The current moment, characterized by widespread trade protectionism and unilateralism, resource nationalism (apparent in the inter-nation rivalry to secure the supply of critical minerals, chronic over-capacity in key product markets and the risk of 'hot conflicts' around key 'choke-points' of global supply chains (in Ukraine, the Red Sea and the Sahel) are all 'ominous' signs of the 'turbulence' confronting the global economy. All developments, with a 'direct' influence on the work of the Commission. Against this backdrop, the Commission remains focused on its core mandate in a rapidly evolving conjuncture. This work, being the effective administration of trade instruments and the provision of technical advice to the Department of Trade, Industry and Competition (the dtic). Throughout the year, the Commission has worked to ensure that these functions were performed in a manner that is efficient, transparent and aligned with South Africa's broader developmental priorities.

As a public institution, ITAC is deeply committed to good governance and sound financial management. In 2024/25, ITAC once again received an unqualified audit opinion with no findings, an achievement that reflects the sustained improvement of our internal control environment and a continued emphasis on accountability and institutional integrity.

At the heart of ITAC's effectiveness is its people. The year under review saw continued efforts to address long-standing human resource constraints. Key interventions included the filling of critical vacancies, realignment of staff to address workload imbalances and further investment in employee development, wellness, and performance management. While staffing pressures remain, these actions are helping to build a more capable and resilient organisation.

The Commission also focused on strengthening alignment between its day-to-day operations and national development goals — particularly industrialisation, employment creation, improvement in the quality of fixed investment and increased competitiveness. The administration of its trade instruments was informed by a balanced and evidence-based approach, with careful consideration of broader economic impact of the Commission's decision. This has involved greater consideration of the 'distributional' consequence of the determinations made by the Commission for consideration by the executive authorities.

In addition to evaluating amendments to the tariff schedule, ITAC administers trade remedies in the form of anti-dumping, countervailing, and safeguard investigations to protect domestic industries from unfair and injurious trade practices. Anti-dumping investigations address instances where imported goods are sold in South Africa at prices lower than their normal value in the country of origin, causing material injury to local producers. Countervailing (subsidy) investigations focus on imports that benefit from foreign government subsidies, which distort competition and harm domestic industry. Safeguard investigations are undertaken in response to sudden, unforeseen surges in imports that threaten serious injury to a domestic industry. These instruments are applied in accordance with South African law and the multilateral rules of the World Trade Organization

During the 2024/25 period, ITAC conducted 5 original (new) anti-dumping investigations, with one investigation carried over from the previous reporting period, 5 sunset (anti-dumping) reviews, 4 anti-circumvention (anti-dumping) reviews and 2 safeguard investigation. The investigations covered a broad range of goods, including tyres, soda ash, safety glass, windscreens, frozen bone-in chicken, washing machines, yeast and various steel products. The number of investigations represents a continuation of the upswing in the use of trade remedies already witnessed during the 2022/23 and 2023/24 reporting periods. This speaks to the difficult trading and economic environment within which South Africa's domestic industries find themselves.

The period under consideration also saw significant demand for ITAC's tariff amendment instrument. ITAC conducts tariff amendment investigations to determine whether changes to South Africa's ordinary customs duties are warranted by the information obtained in order to support domestic industries and align with national economic objectives. These investigations may result in an increase, reduction, rebate or drawback of ordinary customs duties and are undertaken in response to applications from stakeholders or, at times, on the Commission's own initiative or at the direction of the Minister of Trade, Industry and Competition.

In terms of tariff amendment investigations, ITAC conducted 9 investigations for an increase in ordinary customs duties, 3 investigations for a reduction in ordinary customs duties and 6 investigations for the creation or amendment of rebate provisions. Goods investigated included crystalline silicon photovoltaic modules or panels, air conditioning machines, lead acid batteries, articulated dump trucks, windscreens, combined refrigerator-freezers, onion powder and various steel products.

ITAC's role in import and export control also remained a key operational focus. The Commission continued to regulate the movement of designated goods across South Africa's borders through a permit system. Over the reporting period, approximately 40,000 permits were issued for a wide range of goods, including machinery and mechanical appliances and equipment, motor vehicles, scrap metals, tyres and chemicals. Enforcement capacity was further supported through over 2 600 inspections, with a focus on sensitive product categories such as clothing and scrap metals. The period also coincided with the conduct of joint operations in key ports with other law enforcement agencies, allowing for greater co-ordination and learning opportunities.

In closing, I wish to thank all those who have contributed to ITAC's work over the past year — our part-time Commissioners, the executive leadership and our dedicated staff. Their professionalism and commitment remain central to the Commission's mission of promoting fair trade and contributing to a more inclusive, competitive and sustainable South African economy.

Ayabonga Cawe
Chief Commissioner

COMMENTARY BY THE CHAIRPERSON OF THE COMMISSION

Chairperson of The Commission
ETIENNE VLOK

Trade has never been more visible than it is today.

Over the past year, trade has moved from being a topic confined to boardrooms, trade authorities, and policy conferences to one that is widely discussed in everyday life. Conversations about tariffs, trade deficits, input costs and trade diversion are now taking place around kitchen tables and office desks, in taxis and buses on the way to work, and at braais and dinner parties.

This growing public interest brings greater scrutiny to the work of the International Trade Administration Commission of South Africa (ITAC) and its investigations, decisions, and recommendations. We welcome this development and hope it becomes the norm.

A deeper understanding of how trade affects the daily lives of workers, business owners, and communities – and a subsequent greater participation in trade investigations – can only strengthen the quality and legitimacy of decisions on tariffs, rebates, anti-dumping duties, and safeguards.

ITAC's role in balancing competing interests and managing differences during investigations reflects a broader global imperative. Around the world, multilateral institutions, governments, and trade authorities are grappling with the challenge of finding outcomes that accommodate diverse perspectives. Just as South Africa's Competition Commission has shaped international thinking on incorporating public interest in merger assessments, ITAC has an opportunity to share its experience and expertise in this evolving trade landscape.

This balancing act is a domestic necessity, but it is also part of a global conversation. The recent turmoil in global trade have underscored the importance of a rules-based system and effective mechanisms for resolving disputes. As the current President of the G20, South Africa is well positioned to help build consensus on strengthening this rules-based order and advancing reforms to the World Trade Organization (WTO).

At the same time, these global shifts have very real local consequences.

One often-overlooked outcome of rising tariffs and ongoing trade tensions is trade diversion. While the immediate concern is often the impact on South Africa's exports of cars, oranges and other products, we must also anticipate that countries facing similar higher duties will seek new markets for their goods. ITAC plays a critical role in working with government to monitor these developments, ensuring that diverted imports are not dumped and that sudden surges do not harm local industries and jobs.

Against this backdrop, the Commission over the past year has maintained its vital role in supporting South African industries, enhancing trade competitiveness and advancing regional and continental trade objectives.

The Commission continued to implement its mandate through trade remedies and tariff amendment investigations as well as import and export control. During the period under review, the Commission used its trade instruments to address trade-related challenges faced by domestic industries. A prominent theme was the continued use of anti-dumping measures, with investigations and reviews targeting a variety of products, such as steel, tyres, float and safety glass and foodstuffs, imported from countries such as China, the USA and Malaysia.

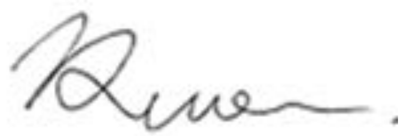
The Commission also initiated two safeguard investigations into rising steel imports. The investigations signalled ITAC's readiness to employ broader protective measures in response to import surges that were alleged to be causing serious injury to the domestic industry.

In parallel, the Commission adjusted customs duties across a wide range of sectors, using both tariff increases and rebate provisions. Increases were typically intended to protect or stimulate domestic manufacturing, particularly in the steel, automotive, energy and white goods industries. Conversely, reductions in duties were introduced where goods, such as stemming plugs or mining and civil blast holes and automatic slack adjusters were not produced domestically. Finally, the Commission conducted reviews of certain tariff structures to ensure alignment with South Africa's industrial and developmental objectives.

Finally, the Commission also performed impact assessments on the effects of tariff changes, trade remedies and other policy instruments on domestic industries. The studies explored the impact of increasing customs duties on steel tubes and pipes, rebates on poultry prices, duty increases on frozen vegetables and conical steel drums, and anti-dumping duties on Zimbabwean yeast.

Overall, ITAC's actions during this past year continue to reflect a strategic balancing of trade protection and facilitation, with a consistent focus on ensuring fair trade conditions while supporting domestic industrial policy objectives. Looking ahead, as global trade evolves, ITAC will continue to adapt its strategies to ensure it delivers on its mandate with responsiveness and impact.

I extend my sincere appreciation to the Chief Commissioner, Ayabonga Cawe, my fellow part-time Commissioners, and all ITAC staff members for their continued hard work and commitment to advancing South Africa's trade and industrial interests.



Etienne Vlok

Chairperson of the Commission

STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY OF THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed in the annual report is consistent with the Annual Financial Statements audited by Rakoma and Associates Incorporated.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the GRAP standards applicable to the public entity.

The accounting authority is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The accounting authority is responsible for establishing, and implementing a system of internal control has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

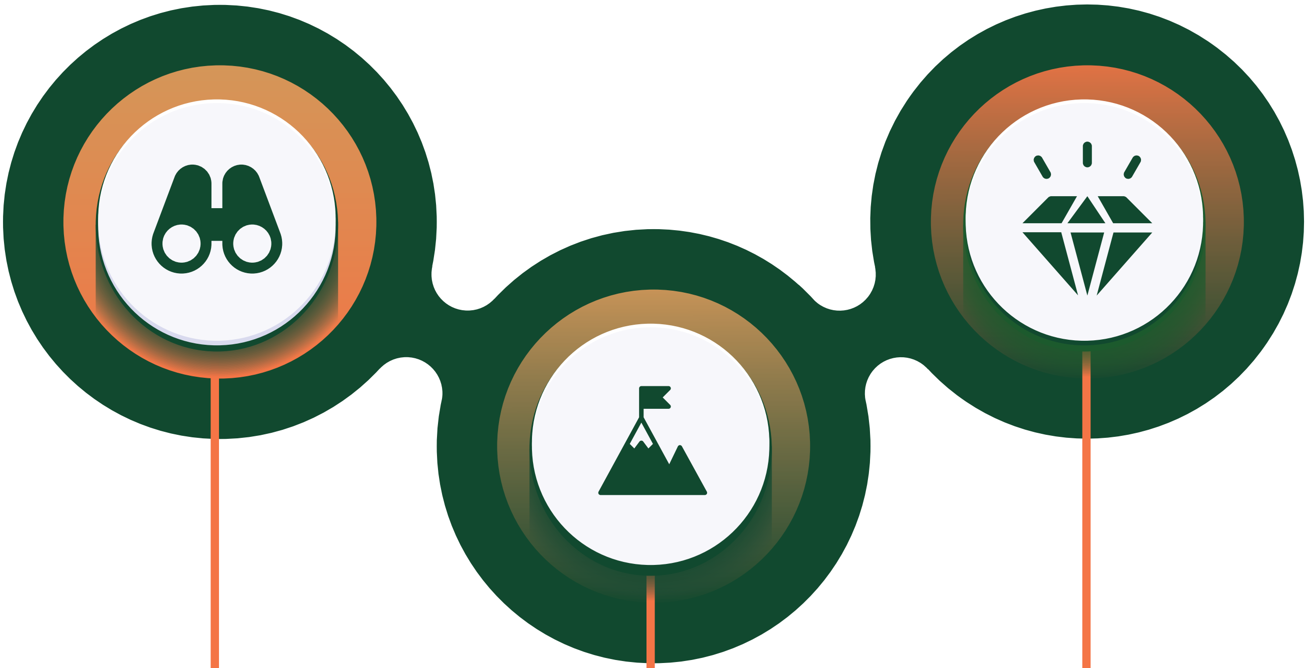
In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the entity for the financial year ended 31 March 2025.

Yours faithfully,

Mr Ayabonga Cawe
ITAC Chief Commissioner,
31 March 2025

Mr Etienne Vlok
Chairperson of the Commission
31 March 2025

STRATEGIC OVERVIEW



VISION

An institution of excellence in international trade administration, enhancing economic growth and development.

MISSION

ITAC aims to create an enabling environment for fair trade through efficient and effective administration of its trade instruments, and technical advice to the Department of Trade, Industry and Competition.

VALUES

ITAC is guided by the following set of core values:

- Integrity
- Trust
- Accountability
- Commitment

LEGISLATIVE AND OTHER MANDATES

ITAC is a PFMA Schedule 3A Public Entity which was established through an Act of Parliament, the International Trade Administration Act, 2002 (ITA Act), which took effect on 1 June 2003.

The ITA Act makes provision for a Chief Commissioner who serves as the Chief Executive Officer of ITAC. The Chief Commissioner is assisted by a Deputy Chief Commissioner and a maximum of ten other Commissioners, who may serve on a part- time or full-time basis. There is currently a Chief Commissioner and ten part-time Commissioners.

The Commissioners meet once a month to evaluate investigations conducted by ITAC's investigating teams and make recommendations to the Minister of Trade, Industry and Competition. The Commissioners have diverse backgrounds including: economics, finance, international trade law, agriculture, business and labour.

The aim of ITAC, as mandated by the ITA Act, is to foster economic growth and development in order to raise incomes and promote investment and employment in South Africa and within the Common Customs Area by establishing an efficient and effective system for the administration of international trade, subject to the ITA Act and the SACU Agreement 2002.

ITAC's main investigations involve ordinary customs duties (i.e. import tariffs), trade remedies, and import and export control. The establishment of ITAC was intended to rationalise, streamline and modernise an organisation with a history that dates back to the 1920s. ITAC uses international trade instruments in alignment with trade and industrial policy imperatives having regard to WTO rules and changes to the international trade landscape.

COMMISSIONERS

Etienne Vlok
Chairperson

Ayabonga Cawe
Chief Commissioner

Wandile Sihlobo
Part-time Commissioner

Phozisa Mbiko
Part-time Commissioner

Anthony Ehrenreich
Part-time Commissioner

EXECUTIVE AND SENIOR MANAGEMENT TEAM

Mr Ayabonga Cawe
(Chief Commissioner)

Mr Phillip Semela
(General Manager: Corporate Services)

Mr Alexander Amrein
(Senior Manager: Policy and Research)

Ms Ntsobe Nkoana
(Chief Financial Officer)

Mrs Rika Marais
(Senior Manager: Tariff Investigations I)

Ms Phatheka Busika
(Senior Manager: Tariff Investigations II)

Mr Zuko Ntsangani
(Senior Manager: Trade Remedies I)

Ms Zoleka Xabendlini
(Senior Manager: Trade Remedies II)

Mr Sanjay Devnath
(Senior Manager: Import & Export Control)

Mrs Sharon Modiba
(Chief Economist)

Mr Bhekithemba Kgomo
(Senior Manager: Internal Audit)

Mrs Averil Munsami
(Senior Manager: Legal Services)

Mr Koena Phukubye
(Senior Manager: Human Resources)

Mr Lehlogonolo Mphago
(Chief Information Officer)

PART B

PERFORMANCE INFORMATION

ANNUAL PERFORMANCE INFORMATION

LIST OF REPORTS ISSUED BY ITAC IN 2024/2025

Report 716	Sunset review of the anti-dumping duties on imports of frozen bone-in portions of fowls of the species *gallus domesticus* originating in or imported from The United States of America: Final determination
Report 660	Creation of the temporary rebate provision for the importation of certain outer rings of journal roller bearings
Report 719	Ministerial Directive to investigate a request for a reduction in the rate of customs duty on canned minced anchovies, classifiable under tariff subheading 1604.20.30, from 25 per cent *ad valorem* to a specific duty of 6c/kg
Report 729	Investigation into alleged dumping of active yeast (Baker's compressed yeast) originating in or imported from the Republic of Zimbabwe: Preliminary determination
Report 728	Sunset review of the anti-dumping duty on unframed glass mirrors originating in or imported from The People's Republic of China ("China"): Final determination
Report 613	Application for an increase in the general rate of customs duty on crystalline silicon photovoltaic module or solar panels.
Report 627	Review of rebate item 316.01/8415.90/02.06 pertaining to the manufacture of air conditioning machines identifiable for use in heavy vehicles
Report 730	Investigation for remedial action in the form of a safeguard measure against the increased imports of certain flat-rolled products of iron, non-alloy steel, or other alloy steel (not including stainless steel), whether or not in coils (including products cut-to-length and 'narrow strip'), not further worked than hot-rolled (hot-rolled flat), not clad, plated or coated, excluding grain-oriented silicon electrical steel (hot-rolled steel products): Preliminary report
Report 702	Review of customs duty on lead-acid batteries of a kind used to start piston engines
Report 723	Creation of a temporary rebate provision for the importation of photovoltaic cells, assembled in modules or made up into panels, classifiable under tariff subheading 8541.43
Report 631	Increase in the general rate of customs duty on certain coated or plated flat- rolled steel, classifiable under tariff headings 7210, 7212 and 7225
Report 675	Increase in the rate of customs duty on sulphates, alums, peroxosulphates (persulphates): of copper, classifiable under tariff subheading 2833.25
Report 737	Investigation into the alleged dumping of structural steel products, excluding h-sections of a height greater than 200mm, imported from or originating in The Peoples' Republic of China ("PRC") and The Kingdom of Thailand ("Thailand"): preliminary determination
Report 721	Review of rebate item 460.11/00.00/01.00
Report 741	Investigation into the dumping of active yeasts (baker's compressed yeast) originating in or imported from The Republic of Zimbabwe: final determination
Report 743	Investigation into alleged dumping of certain flat-riolled products of iron, non -alloy or other alloy steel of a width of 600mm or more, whether or not in coils (including products cut-to-length), not further worked than hot rolled, including pickled and oiled, hot rolled, not clad, plated or coated, (excluding stainless and grain-oriented silicon electrical steel) classifiable under tariff subheadings 7208.10, 7208.25, 7208.26, 7208.27, 7208.36, 7208.37, 7208.38, 7208.39, 7208.51, 7208.52, 7225.30 and 7225.40 originating in or imported from The People's Republic of China, Japan and Taiwan: Preliminary determination
Report 745	Investigation into alleged dumping of other screws fully threaded with hexagon heads and other bolts with hexagon heads excluding bolt ends, screw studs and screw studding originating in or imported from The People;s Republic of China: Preliminary determination
Report 658	Increase in the rate of customs duty on certain bars and rods of iron or steel, whether or not alloyed not further worked than cold-formed or cold-finished (''bright bar'')

Report 665	Reduction in the rate of customs duty on stemming plugs for mining and civil blast holes, classifiable under tariff subheading 3926.90.90, through the creation of an additional 8-digit tariff subheading for the said goods under tariff subheading 3926.90
Report 680	Reduction in the general rate of customs duty on automatic slack adjusters, classifiable under tariff subheading 8716.90.90
Report 688	Increase in the general rate of customs duty on articulated dump trucks with a gross vehicle mass exceeding 50 tonnes
Report 698	Creation of a temporary rebate facility for the importation of onion powder, classifiable under tariff subheading 0712.20
Report 712	Increase in the general rate of customs duty applicable to front windscreens (windshields), classifiable under tariff subheading 8708.22, through the creation of an additional tariff subheading under chapter 87 of the customs & excise act
Report 727	Amendment and renumbering of rebate items 316.17/00.00/01.00, 316.17/00.00/02.00 and 316.17/00.00/03.00, used for the importation of other electric conductors for a voltage not exceeding 1 000 v, fitted with connectors, classifiable under tariff subheading 8544.42
Report 732	Sunset review of the anti-dumping duties on garden picks, spades and shovels, rakes and forks originating in or imported from the people's Republic of China.
Report 718	Increase the general rate of customs duty on plate-type heat exchange elements for air pre-heaters from free of duty to 5%, classifiable under tariff subheadings 8404.90.10 and 8404.90.90

TARIFF INVESTIGATIONS

ITAC is responsible for conducting tariff amendment investigations in accordance with policy, domestic law and regulations and consistent with World Trade Organisation (WTO) rules. Tariffs are an instrument of industrial policy and are applied in a manner that harmonizes these trade measures to the broader economic policy mix. ITAC's tariff approach is a critical feature of South Africa's industrial policy, which aims to enable favourable terms of access to the domestic market for local firms. There are three types of tariff amendments, which are administered by the Tariff Investigations Unit. These comprise investigations of increases in ordinary customs duties; reductions in ordinary customs duties; and the creation of rebate and drawback provisions. The Commission also administers various kinds of rebate and drawback provisions falling under Schedules 3, 4, and 5 of the Customs and Excise Act, of 1964. This administration is done by issuing permits and certificates in accordance with the Customs and Excise Act, of 1964, and setting guidelines for a variety of industrial sectors to clear imported goods free of duty. The ITAC Tariff Investigations Unit also administers rebate provisions provided for under the Automotive Production Development Program Phase II (APDP2).

The Commission takes into consideration the unique nature of each product or industry under investigation. This means that each industry or investigation is carried out on a case-by-case basis in order to be sensitive to its specific needs. This includes, whether or not the product under investigation is a consumer good or whether or not it is an input material into the downstream manufacturing industries. The Commission is cognisant that any potential tariff increases have an impact on key economic variables, including, inter alia, the inflationary impact on consumer prices. The focus is on outcomes, being, increased domestic production and investment, job retention and creation, inclusive growth, price restraint, building inclusivity as well as international competitiveness.

Increase: ordinary customs duties

An increase in the rate of customs duties is considered for the purpose of improving the terms on which firms can access domestic demand. Tariff increases are made possible by the fact that there is a difference between the general applied rates and the WTO bound rates. The WTO bound rates act as a ceiling beyond which customs duty increases cannot go.

1. **Increase in the rate of customs duty on sulphates, alums, peroxosulphates (persulphates): of copper, classifiable under tariff subheading 2833.25 - ITAC Report No. 675**

   The Commission considered an application by Kimleigh Chemicals SA (Pty) Ltd ("Kimleigh" or "Applicant"), for an increase in the rate of customs duty on sulphates; alums; peroxosulphates (persulphates): of copper, classifiable under tariff subheading 2833.25 from free of duty to 10 per cent *ad valorem.*

   During its deliberations and in arriving at its recommendation, the Commission considered the information at its disposal, including comments received during the publication period.

   The Commission found that:

   - According to information at its disposal, copper sulphate contains 25 per cent metallic copper and is sold with a guaranteed minimum purity of 98 per cent copper sulphate.
   - The Applicant's production volumes increased for the period 2017/18 to 2019/20. Despite the increase in the Applicant's production volumes during the period of investigation, the Applicant's capacity utilisation remains under-utilised.
   - The price of copper is determined by the London Metal Exchange and is subject to exchange rate volatility.
   - Information at its disposal indicated that the Applicant's sales of the subject product increased in line with production volumes for the period 2017/18 to 2019/20.
   - On average, imports of the subject products increased during the period of the investigation.
   - Information submitted indicated that the Applicant's costs are mainly driven by the cost of copper

(copper scrap and copper cathodes). The copper is sourced from local producers and scrap traders.

- Information submitted also indicated that the Applicant's profit margin decreased during the period of investigation.
- Information at its disposal indicated that the Applicant experienced a price disadvantage during the period of investigation.
- The Applicant made reciprocal commitments for the proposed tariff amendment, in particular with respect to investment and employment creation.
- During the preliminary stage, the Commission received one pre-publication comment from Rustenburg Chemicals in support of the application.

In light of the above, the Commission recommended an increase in the general rate of customs duty on sulphates; alums; peroxosulphates of copper classifiable under tariff subheading 2833.25 from free of duty to 10 per cent *ad valorem*, owing to the fact that the Applicant has experienced a decline in profit margin levels while imports continued to increase, and experienced significant price disadvantages against similar imported products.

2. **Increase in customs duty on crystalline silicon photovoltaic modules or panels, classifiable under tariff subheading 8541.40.10 (new 8541.43) be increased from free of duty to 10% ad valorem, by way of creating an 8-digit tariff subheading. - ITAC Report No. 613**

The International Trade Administration Commission ("ITAC" or the "Commission") considered an application lodged by Amisec (Pty) Ltd, trading as ARTsolar, for an increase in the general rate of customs duty on crystalline silicon photovoltaic modules (PV modules/ solar panels), classifiable under tariff subheading 8541.43, from free of duty to the WTO bound rate of 10% *ad valorem*, by way of creating an 8-digit tariff subheading.

The Commission considered the application in light of all the information at its disposal. In particular, the Commission took the following factors into account:

- The recent disinvestment by a number of domestic manufacturers in the local manufacturing of the subject product due to strong competition from low-priced imports;
- The significant decline in the level of production, sales and capacity utilisation of the domestic industry manufacturing PV modules/solar panels;
- The domestic industry has suffered a considerable loss of market share and profitability, alongside rising production costs;
- Domestic manufacturers of PV modules/solar panels face substantial price disadvantages compared to imported products;
- There has been a marked decrease in domestic employment and investment opportunities; and
- A 10% customs duty on PV modules or solar panels will assist in protecting the remaining local manufacturers, attract new investments into the industry and encourage the deepening of the value chain through localisation of certain inputs.

The Commission concluded that tariff support would enable the domestic industry manufacturing PV modules/solar panels to improve its production capacity utilisation, achieve economies of scale and create both direct and indirect jobs.

The Commission recommended that the rate of customs duty on PV modules/solar panels, classifiable under tariff subheading 8541.40.10 (new 8541.43), be increased from free of duty to 10% *ad valorem*, by way of creating an 8-digit tariff subheading. The Commission further recommended that the proposed duty structure be reviewed after a period of three years from the date of implementation unless determined otherwise by the Commission to assess the industry's performance.

3. **Review of rebate item 460.11/00.00/01.00 ("Used overcoat rebate")- ITAC Report No. 721**

The Commission received a Policy Directive (the "Directive") from the then Minister of Trade, Industry and Competition (the "Minister") in line with section 5 of the International Trade Administration Act 71 of 2002 on 04 August 2021. The directive was to review the used overcoat rebate as part of the implementation of the Retail-Clothing, Textile, Footwear, Leather ("R-CTFL") Masterplan, where one of the objectives of the Master

Plan relates to reviewing the rebate provisions for the importation of second-hand clothing. The products eligible for importation under the rebate are car-coats, raincoats, anoraks, ski-jackets, duffle-coats, mantles, three-quarter coats, greatcoats, hooded caps, trench coats, gabardines, padded waistcoats, and parkas.

The rationale for the granting of this rebate has always been to make the overcoats accessible, at affordable prices. Particularly in the cold winter months, making these items accessible to poor, working class households in the South African population. During its deliberations and in arriving at its recommendation, the Commission considered information at its disposal, including comments received during the investigation period as well as oral representations. The Commission found that:

i. Illegal imports of second-hand and worn clothing also threaten to undermine the objectives of the R-CTFL Masterplan and the nearly 70 000 new manufacturing jobs which the plan hopes to create.
ii. The rebate creates an administrative burden for SARS and ITAC as the goods are imported in compressed bales, making it very difficult to verify what type of products are imported.
iii. Information received from four local manufacturers, namely Durban Overall, Icebreaker General Trading, Leo Garments and Kingsgate, indicates that South Africa has productive capacity to manufacture overcoats, raincoats, anoraks, three-quarter coats, trench coats, padded waistcoats, and parkas.

Considering the forgoing, the Commission recommended the following:

a) That rebate item 460.11/00.00/01.00 for used overcoats be maintained at a quota level of 3 836 376kg and the validity period be limited to January – July as the original purpose of the rebate item was to provide affordable used overcoats during the winter season. It is further proposed that the rebate item be phased out over the next 3 years by reducing the quota by 10% annually, to allow the industry to re-purpose their operations over this period to avoid immediate job losses. However, it is proposed that the quota for importers with 20 000kg allocation remain at the same level for the next 3 years until the end of the phase-out period; and that no new importers be allowed to participate during the phase-out period.
b) That the R-CTFL Masterplan, should include an additional ambition under its localization objectives; thus, exploring how to scale up domestic production of warm winter clothing broadly, including but not limited to overcoats and related products.

4. Review of Rebate Item 316.01/8415.90/02.06 pertaining to the manufacture of air conditioning machines identifiable for use in heavy vehicles: ITAC Report No. 627

The Commission initiated an investigation to review Rebate Item 316.01/8415.90/02.06 pertaining to the manufacture of air conditioning machines identifiable for use in heavy motor vehicles.

The Commission considered the application in light of all the information at its disposal. The Commission found that there are no known manufactures of air conditioning machines identifiable for use in heavy motor vehicles in the SACU region.

Furthermore, the Commission established that there was a technical error with regard to the implementation of BTT Report No. 4082. To give effect to the BTT's recommendation, the rebate provision should had been created for air conditioning machines identifiable for use in heavy motor vehicles classifiable under tariff subheading 8415.20.

The Commission concluded that the duty relief, through the creation of the rebate provision, will result in a reduction in production costs and should improve the competitive position for local assembly of air conditioning machines for use in heavy motor vehicles.

The Commission recommended the withdrawal of Rebate Item 316.01/8415.90/02.06 that was erroneously implemented be withdrawn. Furthermore, the Commission recommended the creation of a rebate item 316.01/8415.20/02.06 for the importation of air conditioning machines, having a rated cooling capacity exceeding 3kW, incomplete or unassembled, for the manufacture of air conditioning machines identifiable for use in heavy motor vehicles as defined in Note 1 to Rebate Item 317.07.

5. **The review of customs duty applicable to lead-acid batteries of a kind used to start piston engines, classifiable under tariff subheadings 8507.10.91 and 8507.10.99- ITAC Report No. 702**

In its ITAC Report No. 491, the Commission recommended to review the duty structure applicable to lead-acid batteries of a kind used to start piston engines, classifiable under tariff subheadings 8507.10.91 and 8507.10.99, three years following tariff support.

Subsequently, the Commission initiated a review of the customs duty applicable to lead-acid batteries of a kind used to start piston engines on 18 March 2022 through a publication in the Government Gazette No. 46059 of under Notice No. 894 of 2022 for interested parties to comment.

During its deliberations, the Commission considered all the relevant information at its disposal. In particular, the Commission took the following factors into account, that there are currently four known manufacturers of the subject product in the Southern African Customs Union region ("SACU"); previous tariff support granted in 2015 resulted in the reduction of low-priced imports and assisted the SACU industry to increase its market share of SACU-manufactured products and increase investment in capital machinery and employment; in the three-year period under investigation, the Commission found there had been a resurgence of low priced import; and the significant volume of imports resulted in the displacement of market shares, production volumes, capacity utilisation and employment opportunities in the manufacture of the subject product.

The Commission concluded that tariff support of 30 per cent ad valorem would enable the SACU industry to grow its market share and increase economies of scale. This should enhance the competitive position of the industry vis-à-vis imports of the similar product into the SACU market. In addition, tariff support would result in the retention of existing jobs and the creation of additional jobs within the automotive sector.

The Commission recommended that the rate of customs duty applicable to lead acid batteries of a kind used to start piston engines classifiable under tariff subheading 8507.10.91 and 8507.10.99 be increased from 15% ad valorem to the World Trade Organisation bound rate of 30% *ad valorem*.

6. **Increase in the general rate of customs duty on certain coated or plated flat- rolled steel, classifiable under tariff headings 7210, 7212 and 7225: ITAC Report No.631**

The Commission considered an application submitted by The Southern Africa Coil Coaters Association, on behalf of ArcelorMittal South Africa Ltd and Safal Steel (Pty) Ltd, for an increase in the general rate of customs duty on certain coated or plated flat-rolled steel, classifiable under tariff subheadings 7210.20, 7210.30, 7210.50, 7210.69, 7212.20, 7212.50, 7212.60, 7225.91, and 7225.92, from free of duty to the World Trade Organisation ("WTO") bound rate of 10% *ad valorem*.

The Commission considered all the relevant information at its disposal. In particular, the Commission considered the following factors:

- The strategic nature of the steel industry to the country given its backward and forward linkages;
- The global excess steelmaking capacity remains the biggest challenge for the primary steel sector in achieving sustainable profit margins;
- There exists an anomaly in the tariff structure as the locally manufactured galvanised, electro-galvanised, aluminium-zinc and painted steel attracts a 10 per cent ad valorem duty whilst the imported subject products are free of duty;
- The imported subject products are direct substitutes for locally manufactured galvanised, electro-galvanised, aluminium-zinc and painted steel as they are used in similar roofing and cladding applications;
- The subject products unfairly compete with the locally manufactured products and thus create a loophole which undermines the existing tariff protection afforded and threaten the sustainability of the domestic steel manufacturing industry. This would have a detrimental effect on production, investment and employment in the domestic industry;

- The overall imports of the subject products have dramatically increased since the duties were imposed on the similar products manufactured locally;
- The significant price disadvantages experienced by the domestic industry manufacturing galvanised, electro-galvanised, aluminium-zinc and painted steel vis-à-vis imported subject products; and
- The worsening competitive position of the domestic firms manufacturing galvanised, electro-galvanised, aluminium-zinc and painted steel as a result of escalating cost structures.

The Commission found that there are certain products covered by this investigation which are currently not manufactured locally and do not compete directly with those manufactured by the domestic industry. In this regard, the Commission recommended the creation of rebate provisions in order to reduce production costs and improve the competitive position of the downstream steel industry.

The Commission concluded that tariff support on the subject product would close the loopholes in the tariff structure and should enable the industry manufacturing galvanised, electro-galvanised products, aluminium-zinc and painted steel to utilise its existing under-utilised production capacity and reduce marginal cost of production as a result of increased economies of scale.

The Commission recommended that the rate of customs duty on certain coated or plated flat-rolled steel, classifiable under tariff subheadings 7210.20, 7210.30, 7210.50, 7210.69 7212.20, 7212.50, 7212.60, 7225.91, and 7225.92, be increased from free of duty to 10% ad valorem. The Commission further recommended the creation of rebate provisions for the importation of certain products that are not manufactured locally.

Finally, the Commission recommended that the proposed duty be reviewed after at least one (1) year following the introduction of tariff support (unless determined otherwise by the Commission) to monitor the performance of the domestic industry.

7. Increase in the rate of customs duty on certain bars and rods of iron or steel, whether or not alloyed, not further worked than cold-formed or cold-finished ("bright bar"): ITAC Report No.658

The Commission considered an application submitted by Macsteel Service Centres SA (Pty) Ltd for an increase in the rate of customs duty on certain bars and rods of steel, whether or not alloyed, not further worked than cold-formed or cold-finished ("bright bar"), classifiable under tariff subheadings 7215.10, 7215.50, and 7228.50, from free of duty to 10% *ad valorem*.

The Commission considered the application in light of information at its disposal. In particular, the Commission took the following factors into account:

- The generally subdued economic activity over the past three years and the negative impact it has had on the domestic industry manufacturing the subject product;
- The considerable decline in domestic capacity to manufacture the subject product over the years;
- The considerable decline in the level of production, sales and capacity utilisation of the domestic industry manufacturing bright bar;
- The anomaly in the tariff structure in that input material required for the manufacture of the subject bright bar are dutiable, resulting in the domestic industry manufacturing bright bars currently experiencing a negative effective rate of protection;
- The domestic industry's escalating cost structures and deteriorating profitability;
- The significant price disadvantage vis-à-vis low-imports of similar product, in particular, originating from Asian countries; and
- Diminishing domestic employment and investment opportunities.

The Commission concluded that tariff support should enable the industry manufacturing bright bar to utilise its existing under-utilised production capacity, achieve economies of scale, resulting in security of volumes with a reduction in the marginal cost of production.

The Commission recommended that the rate of customs duty on certain bars and rods of steel, whether or not alloyed, not further worked than cold-formed or cold-finished ("bright bar"), classifiable under tariff subheadings 7215.10, 7215.50, and 7228.50, be increased from free of duty to 10% *ad valorem*.

8. Increase in the general rate of customs duty on articulated dump trucks with a Gross Vehicle Mass exceeding 50 tonnes: ITAC Report No. 688

The Commission considered the application Bell Equipment Company SA (Pty) Ltd, for an increase in the rate of customs duty applicable on Articulated Dump Trucks ("ADTs") with a gross vehicle mass ("G.V.M.") exceeding 50 tonnes classifiable under tariff subheading 8704.10.90 from free of duty to 10% *ad valorem*, by way of creating a new 8-digit tariff subheading.

The Commission considered the application in light of the information at its disposal. In particular, the Commission considered the following factors:

- In terms of industrial policy, the subject products, which fall within the yellow metals;
- The sector, occupy a strategic position in the domestic value chain given that they support many local component manufacturers;
- There are two Original Equipment Manufacturers ("OEMs") of the subject products within the SACU region;
- In terms of the tariff structure, smaller ADTs with a G.V.M. not exceeding 50 tonnes, classifiable under tariff subheading 8704.10.25, currently enjoy tariff protection of 10% *ad valorem* whilst larger ADTs (with a G.V.M. exceeding 50 tonnes) attract zero duty;
- The domestic market is however experiencing a shift in terms of the market requirements with larger sized ADTs, the subject products, becoming more popular relative to their smaller sized counterparts. As such, the lack of tariff protection on the subject products exposes the domestic manufacturers to fierce foreign completion;
- The significant volume of imports into the SACU industry has resulted in the displacement of local production of the subject product;
- The decline in domestic production and excess dedicated domestic production capacity;
- The significant number of jobs supported by the domestic industry manufacturing the subject products;
- Significant investment by the domestic industry on capital equipment dedicated to the manufacture of the subject products; and
- Reciprocal commitments pertaining to job creation and investment.

The Commission concluded that tariff support of 10% ad valorem would enable the domestic industry to grow its market share, increase economies of scale. This should enhance the competitive position of the domestic industry vis-à-vis imports of the similar product into the SACU market. In addition, tariff support should result in the retention and/or creation of direct and indirect jobs (component suppliers).

The Commission recommended that the rate of customs duty applicable to ADTs with a G.V.M. exceeding 50 tonnes classifiable under tariff subheading 8704.10.90 be increased from free of duty to 10% *ad valorem*, by way of creating additional 8-digit tariff subheadings.

The Commission further recommended that the duty be reviewed after a period of three (3) years from the date of implementation to determine the performance of the domestic industry unless otherwise determined by the Commission.

9. Increase in the general rate of customs duty on plate-type heat exchange elements for air pre-heaters, classifiable under tariff subheading 8404.90: ITAC Report No. 718

The Commission considered an application submitted by Howden Power, a division of Howden Africa (Pty) Ltd), for an increase in the general rate of customs duty on plate-type heat exchange elements for air pre-heaters, classifiable under tariff subheading 8404.90, from free of duty to the WTO bound rate of 5% *ad valorem*, by way of creating an additional 8-digit tariff subheading.

The Commission considered all the relevant information at its disposal. In particular, the Commission took the following factors into account:

- In terms of Industrial Policy, the subject product resides in the downstream industry, which remains an important pillar of South Africa's industry landscape and contributes to job creation as well as economic growth;
- Howden is the only manufacturer of the subject product within the SACU region, with significant capital investments dedicated to the manufacture of the product;
- Import volumes of the subject products have increased over the three-year period under review;
- The increased imports into the SACU region have resulted in the displacement of local production, a decline in market share, production volumes, capacity utilisation and employment opportunities; and
- The SACU industry manufacturing the subject product is facing increasing costs of production, declining profitability and declining competitiveness against similar imported products.

The Commission concluded that tariff support of 5 per cent *ad valorem* would enable the SACU industry manufacturing the subject products to grow its market share, increase economies of scale and utilize its existing under-utilized capacity. This should enhance the competitive position of the industry vis-à-vis imports of similar products into the SACU market. In addition, tariff support would result in the retention of existing jobs and the creation of additional jobs within the sector.

The Commission recommended that the rate of customs duty on plate-type heat exchange elements for air pre-heaters, classifiable under tariff subheading 8404.90, be increased from free of duty to the World Trade Organisation bound rate of 5% *ad valorem*, by way of creating an additional 8-digit tariff subheading.

10 Increase in the general rate of customs duty applicable to front windscreens (windshields) classifiable under tariff subheading 8708.22, through the creation of an additional tariff subheading under chapter 87 of the Customs & Excise Act: - ITAC Report no. 712

The Commission considered an application from Shatterprufe, a division of PG Group (Pty) Ltd for an increase in the general rate of customs duty on windscreens (windshields), classifiable under tariff subheading 8708.22, by way of creating a new 8-digit tariff subheading.

The Commission considered the application in light of all the relevant information available at its disposal. In particular, the Commission took the following factors into account:

The subject product forms part of the automotive industry, which remains an important pillar of South Africa's industrial landscape and contributes immensely to job creation as well as economic growth;

Under the South African Automotive Masterplan, government's vision for the domestic automotive industry is for it to become globally competitive and transformed and for the industry to actively contribute to the sustainable development of South Africa's productive economy, creating prosperity for industry stakeholders and broader society;

The windscreens, whether or not framed and/or incorporating heating devices or other electrical or electronic devices, were previously classified under tariff subheading 8708.29, which attracted a general rate of customs duty of 20% ad valorem;

The change in tariff classification served to provide clarity to all relevant stakeholders, on the classification of windscreens when framed and/or, incorporating heating devices or other electrical or electronic devices;

Accordingly, domestic manufacturers of the subject products were not prejudiced by the creation of tariff subheading 8708.22;

The Commission further found that the domestic industry is uncompetitive against the similar imported products;

A contributing factor to its competitiveness against imports is that the applicant faces an escalating cost structure with regards to the manufacturing of the subject products, and

The applicant has invested significantly in the manufacture of the subject products and employs a substantial number of employees directly involved in the manufacturing of the subject products;

The Commission concluded that tariff support would enable the domestic industry manufacturing the subject products to achieve economies of scale, resulting in reduction in the marginal cost of production and improved competitive position against low priced imports.

The Commission recommended an increase in the general rate of customs duty applicable to front windscreens classifiable under tariff subheading 8708.22, through creation of an additional tariff subheading, from 15% to 30% *ad valorem*.

Furthermore, the Commission recommended the duty be reviewed to determine its impact on the industry value chain after three years from the date of implementation, or such other period as decided by the Commission.

Rebate provisions created

Linked to customs duties as a trade policy instrument are duty rebate and drawback provisions for products for which detailed separate tariff lines are impracticable for tariff administration purposes. The primary aim of these provisions is to alleviate unnecessary raw material cost pressures by providing a customs duty waiver and therefore an availability at world competitive prices of products that attract duties but are not produced or insufficiently produced domestically as an industrial or agricultural input for certain critical applications, as capital items, or as agricultural products for consumption. Rebates and drawbacks form a key pillar of certain industrial development programmes, such as the APDP2 for motor vehicles.

1. **Creation of a temporary rebate facility for the importation of onion powder, classifiable under tariff subheading 0712.20 – ITAC Report no. 698**

   The Commission considered an application submitted by XA International Trade Advisors on behalf of Sensient Technologies South Africa (Pty) Ltd ("Sensient" or the "Applicant") who applied for the creation of a temporary rebate facility for the importation of onion powder, classifiable under tariff subheading 0712.20.

   During its deliberations and in arriving at its recommendation, the Commission considered the information at its disposal, including comments received during the investigation period.

   The Commission found that:

   - South Africa, and by extension in the Southern African Customs Union ("SACU"), is self-sufficient in terms of onion production and surplus onions are exported mainly to neighbouring countries. However, over the past ten years, South Africa has processed only an average of 4 400 tons of onions mainly as a food ingredient for spices, soup mixes, baked products such as biscuits, cookies etc., which constitutes less than 1% of total onion production.
   - Onion powder is made entirely of onions that have been dried and processed into a powder, and it is a prominent ingredient in seasoning salt and spice mixes. Its convenience and its wide use as a seasoning and food ingredient has resulted in the expansion of the onion powder market.
   - Information submitted indicated that there are no known domestic manufacturers of onion powder in the SACU and that the Applicant has, since 2019, imported it from the United States of America from its holding company Sensient Natural Ingredients.
   - The Applicant submitted that a rebate of the customs duty will assist it to eliminate unnecessary import duty costs, and this will have a positive impact on its cost and price structure. The Applicant expects that this price saving will be passed on to consumers
   - In terms of its reciprocity commitments, should a rebate facility be granted for onion powder, the Applicant committed to increase investment, imports and employment during year 1, year 2 and year 3.
   - In terms of pricing commitments, the Applicant submitted that whilst they would have committed to keeping their prices constant, prices are expected to increase due to inflationary and exchange rate effects.

   In light of the foregoing, the Commission decided to recommend that a temporary rebate facility be created for onion powder, classifiable under tariff subheading 0712.20, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the product is not available in the SACU market.

2. **Creation of a temporary rebate provision for the importation of photovoltaic cells, assembled in modules or made up into panels, classifiable under tariff subheading 8541.43: ITAC Report No. 723**

   The Minister of Trade, Industry and Competition ("Minister") requested The International Trade Administration Commission of South Africa ("ITAC" or the "Commission") to consider the possibility of creating rebate provision for the importation of solar panels in light of the current electricity crisis in South Africa.

The Commission considered the application in light of the information at its disposal. In particular, the Commission considered the following factors:

- The need to provide protection to the domestic industry which has invested heavily in manufacturing capacity, while at the same time balancing that with the need to avoid shortages in the supply of components that may slow down the energy-supply rollout plan;
- The recent disinvestment by several domestic manufacturers in the local manufacturing of the subject product. ARTsolar and Seraphim are the only two remaining manufacturers of the subject product in the SACU region. This is after Jinko Solar, Solaire Direct, SunPower Energy Systems Southern Africa, JApowerway and SMA Inventers Manufacturers ceased local production and resorted to importing the subject product. The major reasons for ceasing local production included, amongst others, high local manufacturing costs and high competition from low-priced imports; and
- The in-principle approval by the Minister of ITAC's Report No.613, which recommended that the rate of customs duty on crystalline silicon photovoltaic modules or panels, classifiable under tariff subheading 8541.40.10 (new 8541.43) be increased from free of duty to 10% ad valorem, by way of creating an 8 digit tariff subheading.

The temporary rebate provision will be made available subject to a rebate permit issued at such times, in such quantities, and subject to such conditions as ITAC may allow by specific permit. As such, guidelines, rules, and conditions have been developed to ensure the effective and efficient administration of the rebate provisions with measurers to mitigate the risk of abuse or misuse of the rebate facilities and to minimise the risk of unintended consequences.

The Commission concluded that in the event of shortages of solar panels in the domestic market, the temporary rebate provision may be used to mitigate risks of supply in the ordinary course of business, especially given the current electricity crisis in South Africa.

The Commission recommended the creation of a temporary rebate provision for the importation of importation of photovoltaic cells, assembled in modules or made up into panels, classifiable under tariff subheading 8541.43.

3. Amendment and renumbering of Rebate Items 316.17/00.00/01.00, 316.17/00.00/02.00 and 316.17/00.00/03.00, used for the importation of other electric conductors for a voltage not exceeding 1 000 v, fitted with connectors, classifiable under tariff subheading 8544.42: ITAC Report No. 727

The Commission considered and application submitted by Apex Cordset Technologies (Pty) Ltd, for the amendment and renumbering of Rebate Items 316.17/00.00/01.00, 316.17/00.00/02.00 and 316.17/00.00/03.00, used for the importation of other electric conductors for a voltage not exceeding 1 000 V, fitted with connectors, classifiable under tariff subheading 8544.42.

The Commission considered the application in light of all the information at its disposal. In particular, the Commission took the following factors into account:

- The domestic industry manufacturing insulated conductor cables has the capacity and capability to manufacturer the subject products within the SACU region for the domestic TV manufacturing industry;
- Currently, the subject products attract a 15% ad valorem MFN duty and a 15% ad valorem duty under MERCOSUR. However, for the TV manufacturing industry, the subject products are imported free of duty under the existing rebate provisions subject to this investigation;
- With a full rebate of duty on the subject product, the domestic industry is not price competitive vis-à-vis imports of similar products;
- The existing rebate provisions make it impossible

for the domestic industry manufacturing the subject products to negotiate, and positively conclude, supply orders/agreements with the domestic TV manufacturing industry;

- Imports of the subject products across the applicable rebate provisions have been on an upward trajectory over the period under investigation. In addition, an unprecedented influx of imports of the products under rebate was observed in 2020 due to abnormally low import prices, mainly of imports originating from China;
- Although the applicant's total production and sales volumes increased over the period under investigation, no sales were made to the domestic TV manufacturing industry as TV manufacturers are currently importing the subject products under rebate;
- Capacity utilization remained substantially low over the period under investigation;
- The applicant has been facing an escalating cost structure for the manufacture of the subject products over the period under investigation; and
- The withdrawal from rebate of the subject products would encourage the domestic TV manufacturing industry to source the subject products from domestic suppliers.

The Commission concluded that the requested tariff support should enable the domestic industry manufacturing the subject products to utilise its existing under-utilised production capacity, achieve economies of scale, resulting in increased volumes with a reduction in the marginal cost of production.

The Commission recommended that rebate items 316.17/00.00/01.00, 316.17/00.00/02.00, and 316.17/00.00/03.00, used for the importation of other electric conductors for a voltage not exceeding 1 000 V, fitted with connectors, classifiable under tariff subheading 8544.42, be amended.

4. Creation of a temporary rebate provision for the importation of certain outer rings of journal roller bearings: ITAC Report No.660

The Commission considered an application submitted by Timken South Africa (Pty) Ltd for the creation of a temporary rebate provision for the importation of certain outer rings of journal roller bearings, classifiable under tariff subheading 8482.99.17.

The Commission considered the application in light of all the information at its disposal. The Commission found that there is currently no manufacturer of the outer cup in the SACU region. As such, the applicable customs duty has a cost-raising effect on the manufacture of the final product (railway journal bearings).

The Commission concluded that the duty relief, through the creation of a Schedule 4 temporary rebate provision, will result in a reduction in production costs and improve the competitive position for the domestic industry manufacturing railway journal bearings.

The Commission recommended that a temporary Schedule 4 rebate provision be created for the importation of certain outer rings of journal roller bearings, classifiable under tariff subheading 8482.99.17. The Commission further recommended that the rebate provision be reviewed after a period of three (3) years (unless otherwise determined by the Commission) following its implementation in order to review additional localisation opportunities with an upturn in demand.

Reduction: ordinary customs duties

A reduction or removal of duties is considered, in cases where goods, consumption goods, intermediate or capital goods are not manufactured domestically or unlikely to be manufactured domestically. A customs duty usually serves a protective purpose for an existing industry and in the absence of such an industry or if there is no potential or plans in place to grow that particular industry, then a reduction is considered, as the duty will otherwise only have a price raising effect.

1. **Ministerial Directive to investigate a request for a reduction in the rate of customs duty on canned minced anchovies, classifiable under tariff subheading 1604.20.30, from 25 per cent *ad valorem* to a specific duty of 6c/kg – ITAC Report No. 719**

   In Government Gazette Number 48294 published on 24 March 2023, the then Minister of Trade, Industry and Competition (the "Minister") directed the International Trade Administration Commission of South Africa to investigate a request from Unique Selling Points (Namibia) CC for a reduction in the rate of customs duty on canned minced anchovies, classifiable under tariff subheading 1604.20.30, from 25 per cent *ad valorem* to a specific duty of 6c/kg through the creation of an additional 8-digit tariff subheading.

   In arriving at its recommendation, the Commission considered the information at its disposal, including comments received during the investigation period.

   The Commission found that:

   - Canned minced anchovies are a ready-to-eat minced fish in airtight metal containers for human consumption. The product concerned is not a high value-added product like flat salted anchovy fillets and has a different production process that does not include salting or maturation. The species of anchovy forming the basis of the application is abundant and unique to Peru and provides an affordable source of a high protein, high omega content fish resource.
   - There are no domestic producers of canned minced anchovies within the Southern African Customs Union ("SACU") region given that anchovies from Southern Africa are mainly used for fishmeal production due to, amongst others, their small size and soft texture.
   - Developing canned anchovy products for human consumption in the local fish processing industry poses challenges in terms of realizing an acceptable return on investment given the extent of capital expenditure required to enable local production coupled with low profit margins. In addition, the declining average size of South African anchovies since 1980, the manual labor required to prepare each fish individually, and quality problems caused by high lipid content, oxidation and rancidity were also cited as reasons for the absence of anchovy production for human consumption in South Africa.
   - Reducing the rate of customs duty on canned minced anchovies from 25 per cent *ad valorem* to 6c/kg would provide SACU consumers with a more affordable alternative, high protein content product when compared to other high value canned fish products like canned tuna or pilchards. The reduction will potentially offer regional consumers an additional choice for an affordable food product.
   - Canned minced anchovies were only imported by the Applicant during 2019 and 2020.
   - The Applicant is located in Namibia and not South Africa, therefore reciprocal commitments are not applicable as they only extend to entities within South Africa.
   - Other canned fish products either have no duty or attract a 6c/kg duty, depending on the country or region of origin, hence a reduction would contribute to the alignment of the tariff structure for canned fish products.
   - It is unlikely that reducing the customs duty on canned minced anchovies will affect the supply and pricing of other canned fish products such as tuna and pilchards as its target market is the lower LSM group.

In light of the foregoing, the Commission recommended a reduction in the rate of customs duty on canned minced anchovies, classifiable under tariff subheading 1604.20.30, from 25 per cent *ad valorem* to a specific duty of 6c/kg through the creation of an additional 8-digit tariff subheading.

2. **Reduction in the rate of customs duty on stemming plugs for mining and civil blast holes, classifiable under tariff subheading 3926.90.90, through the creation of an additional 8-digit tariff subheading for the said goods under tariff subheading 3926.90 – ITAC Report No. 665**

The Commission considered an application by ERG Industrial (Pty) Ltd ("the Applicant" or "ERG Industrial"), for a reduction in the rate of customs duty on stemming plugs for mining and civil blast holes, classifiable under tariff subheading 3926.90.90, through the creation of an additional 8-digit tariff subheading for the said goods under tariff subheading 3926.90.

During its deliberations and in arriving at its recommendation, the Commission considered the information at its disposal, including comments received during the publication period.

The Commission found that:

- There are no known Southern African Customs Union ("SACU") manufacturers or industry representative organisations of the subject product. Information submitted indicated that these types of stemming plugs for mining and civil blast holes have not been used on a large scale in the SACU market.
- All known stakeholders (Super Plugs SA, Impala Platinum Holdings, PricewaterhouseCoopers and AVA Solutions (Pty) Ltd) that have commented on the investigation, are in support of the application for a reduction in the rate of customs duties on stemming plugs. The reasons for the support are centred on the fact that there are no local manufacturers of the subject product in the SACU market.
- Information submitted indicated that ERG Industrial (Pty) Ltd has the sole distribution rights with Vari-Stem Stemming Plugs (Pty) Ltd, (a United States of America based company), to import and to distribute the plugs in the SACU and the entire African market.
- It was established that tariff subheading 3926.90.90 includes a host of 'other items' besides stemming plugs, which forms the basis of the application. This impeded making logical deductions of the import and export trends over time regarding the subject product.
- The Commission found that the Applicant has employed nominal employees during the period under investigation.
- The Applicant has committed that should this application be successful; it intends to increase its capabilities to import more volumes into the SACU. This will effectively result in a price reduction of the subject product coupled with an increase in the Applicant's employment force.

In light of the foregoing, the Commission recommended a reduction in the rate of customs duty on stemming plugs for mining and civil blast holes, classifiable under tariff subheading 3926.90.90, from 20 per cent *ad valorem* to free of duty, through the creation of an additional 8-digit tariff subheading for the said goods under tariff subheading 3926.90, which reads as follows: *"Stemming plugs for mining and civil blast holes, classified in tariff subheading 3926.90.89"*, owing to the fact that the products concerned are not manufactured in the SACU.

3. **Reduction in the general rate of customs duty on automatic slack adjusters, classifiable under tariff subheading 8716.90.90: – ITAC Report No. 680**

The Commission considered an application from BPW Axles (Pty) Ltd for the reduction in the general rate of customs duty on automatic slack adjusters classifiable under tariff subheading 8716.90.90 from 15% *ad valorem* to free of duty, through the creation of an additional eight-digit tariff subheading under tariff heading 87.16.

The Commission considered all the relevant information at its disposal. In particular, the Commission considered the following factors:

- The Commission found that there is currently no known domestic manufacturers of subject products. The current customs duty of 15% ad valorem payable on the importation of the subject products imposes an unnecessary cost raising effect to the end users; and
- The suitability of creating a rebate provision against a reduction in the general rate of customs duty on the subject product was considered. The Commission considered the improbability of any future investment in domestic manufacturing of the subject products given that the domestic demand is insufficient relative to minimum volumes required for localisation and that the product is an old technology. Furthermore, there is a declining demand for automatic slack adjuster, as more trucks are being fitted with disc brakes instead of brake drums. In this regard, the Commission concluded that a reduction in the duty as opposed to a rebate is justified.

The Commission recommended that the general rate of customs duty automatic slack adjusters classifiable under tariff subheading 8716.90.90 be reduced from 15% ad valorem to free of duty, through the creation of an additional eight-digit tariff subheading under tariff heading 87.16.

TRADE REMEDIES

ITAC is responsible for conducting trade remedy investigations in accordance with policy, domestic law, and regulations and consistent with World Trade Organisation ("WTO") rules. Trade Remedies consists of anti-dumping, countervailing, and safeguard instruments. In the 2024/25 period, the instruments utilised were anti-dumping, sunset review, anti-circumvention, and safeguard.

Anti-Dumping

The World Trade Organisation Anti-Dumping Agreement ("ADA") and ITAC's Anti-Dumping Regulations ("ADR") provide that anti-dumping duties may be imposed where dumped imports have caused material injury to the SACU industry, or a threat of material injury exists as a result of the dumping.

Dumping occurs when foreign producers are exporting their goods in the territory of another country at prices ("export price") lower than what they charge for the same product in their domestic market ("normal value"). Thus, if the export price is lower than the normal value, dumping has occurred.

The following anti-dumping investigations were carried over from 2023/2024:

Product	Applicant	Country	Initiation	Status
Active Yeast	Rymco (Pty) Ltd trading as Anchor Yeast	Zimbabwe	18/08/2023	14/02/2025 Price undertaking

Active Yeast

On 18 August 2023, an investigation was initiated on active yeast originating or imported from Zimbabwe. The application was lodged by Rymco (Pty) Ltd trading as Anchor Yeast. The preliminary determination was made on 05 April 2024 and the provisional measures of 132.30 % *ad valorem* was imposed on 10 May 2024. The investigation was finalised on 14 February 2025.

Structural Steel Products

On 20 September 2024, an investigation was initiated on structural steel products originating or imported from the People's Republic of China and the Kingdom of Thailand. The application was lodged by ArcelorMittal Rail and Structures ("AMRAS"). The preliminary determination was made on 29 November 2024 and provisional payments of 52,81 % and 9,12 % respectively were imposed. This investigation is still on-going.

Hexagon Head Screws and Bolts

On 26 July 2024, an investigation was initiated on hexagon head screws and bolts originating or imported from the People's Republic of China. The application was lodged by the South African Fastener Manufacturers' Association. The investigation is still on-going.

Hot-Rolled Steel Products

On 20 September 2024, an investigation was initiated on hot-rolled steel products originating or imported from the People's Republic of China, Japan, and Taiwan. The application was lodged by ArcelorMittal South Africa. The preliminary determination was made on 19 March 2025. The Commission made a preliminary determination not to impose provisional duties. The investigation is still on-going.

Top Load Washing Machines

On 25 October 2024, an investigation was initiated on top load washing machines originating or imported from the People's Republic of China and the Kingdom of Thailand. The investigation is still on-going.

Galvanized alloy steel coil (Thin Gauge)

On 20 March 2025, an investigation was initiated on galvanized alloy steel coil originating or imported from the People's Republic of China. The application was lodged by ArcelorMittal South Africa. The investigation is still on-going.

Summary of Anti-Dumping Investigations

Product	Country	Date initiated	Outcome
Active Yeast	Zimbabwe	18/07/2023	Price undertaking
Hexagon Head Screws & Bolts	China	26/07/2024	On-going
Structural Steel Products	China and Thailand	20/09/2024	On-going
Hot-rolled steel products	China, Japan, and Taiwan	20/09/2024	On-going
Top Load Washing Machines	China and Thailand	25/10/2024	On-going
Galvanized alloy steel coil (Thin Gauge	China	20/03/2025	On-going

Safeguard investigations

A safeguard investigation is conducted when it is determined that there is a surge of imports causing or threatening to cause serious injury to the SACU industry. It is considered a fair-trade action taken to enable the domestic industry to adjust.

Hot-rolled steel products

The safeguard measure investigation against the increased imports of hot-rolled steel products was initiated on 23 February 2024. The application was lodged by the South African Iron and Steel Institute (SAISI). The preliminary determination was made on 05 July 2024. The provisional duties were imposed on 05 July 2024. The investigation is still on-going.

Galvanised alloy steel coil

The safeguard measure investigation against the increased imports of galvanised alloy steel coil was initiated on 17 January 2025. The application was lodged by ArcelorMittal South Africa. The investigation is still on-going.

Summary of Safeguard Investigations

Product	Country	Initiation	Finalisation
Hot-rolled steel products	All countries	23/02/2024	On-going
Galvanised alloy steel coil	All countries	17/01/2025	On-going

Sunset reviews

A sunset review is undertaken when the SACU industry concerned submits *prima facie* evidence that the expiry of the anti-dumping duties after the five years of existence would likely lead to the continuation or recurrence of dumping and continuation or recurrence of material injury.

Two sunset review investigations were initiated during the financial year. It was clear float glass originating or imported from the Saudi Arabia and United Arabic Emirates, and soda ash originating or imported from the United States of America.

The sunset review investigations on PVC rigid, frozen bone-in chicken portions, unframed mirrors garden tools were finalized in the current financial period. The sunset review investigations on clear float glass and soda ash were on-going at the end of the financial year. Since the Commission did not receive an application for the sunset review on PVC rigid and the initiation notice of the investigation was not published in the *Government Gazette* before 13 December 2023; the anti-dumping duties on PVC rigid originating in or imported from China and Chinese Taipei expired on 13 December 2023. On 08 August 2024, the South African Revenue Service ("SARS") announced the deletion in Part 1 of Schedule No 2 to the Customs and Excise Act, 1994 on PVC rigid originating from China and Chinese Taipei with retrospective effect from 13 December 2023.

Frozen Bone-in Chicken Portions

A sunset review of the anti-dumping duties on frozen bone-in chicken portions originating or imported from the United States of America was initiated on 9 November 2022. The application was lodged by SAPA. The investigation was finalised on 17 April 2024.

Unframed Mirrors

A sunset review of the anti-dumping duty on unframed mirrors originating in or imported from the People's Republic of China was initiated on 22 September 2023. The application was lodged by PFG Building Glass, a division of PG Group (Pty) Ltd. The investigation was finalised on 21June 2024.

Summary of Sunset Reviews

Product	Country	Initiation	Finalisation	Outcome
PVC Rigid	People's Republic of China and Chinese Taipei	-	08/08/2024	Duties terminated
Frozen bone-in chicken portions	United States of America	9/11/2022	17/04/2024	Duties maintained
Unframed Glass Mirrors	People's Republic of China	22/09/2023	21/06/2024	Duties maintained
Clear Float Glass	Saudi Arabia and United Arabic Emirates	31/01/2025	On-going	
Soda Ash	United States of America	07/03/2025	On-going	

Anti-circumvention

Circumvention in the form of country hopping

Country hopping is deemed to take place if imports, following the imposition of anti-dumping duties or provisional payments or the initiation of an anti-dumping investigation, switch to a supplier related to the supplier against which an anti-dumping investigation has been or is being conducted, and that supplier is based in another country or customs territory.

The investigation into the alleged circumvention through country hopping from China to Malaysia of laminated safety glass was initiated on 21 June 2024. This investigation is still on-going.

The investigation into the alleged circumvention through country hopping from China to Cambodia, Vietnam, and Thailand of tyres was initiated on 20 September 2024. The investigation is still on-going.

The investigation into the alleged circumvention through country hopping from China to Malaysia of windscreens was initiated on 07 March 2025. The investigation is still on-going.

Another method of anti-circumvention involves declaring imports under different tariff subheadings exempt from anti-dumping duties. An investigation into the alleged circumvention related to the misdeclaration of windscreens from tariff subheading 7007.21.20 to tariff subheading 8708.22.10 was initiated on 07 March 2025. The investigation still on-going.

Summary of Anti-circumventions

Product	Country	Initiation	Finalisation	Outcome
Laminated Safety Glass	Malaysia	21/06/2024	On-going	On-going
Tyres	Cambodia, Thailand, and Vietnam	20/09/2024	On-going	On-going
Windscreens	Malaysia	07/03/2025	On-going	On-going
Windscreens	China	07/03/2025	On-going	On-going

Summary of investigations conducted

The table below presents a summary of investigations conducted during the financial year under review.

Product	Investigation	Country	Date initiated	Finalisation date	Outcome
Frozen bone-in chicken portions	Sunset Review	United States of America	9/11/2022	17/04/2024	Duties maintained
PVC Rigid	Termination of Anti-dumping	People's Republic of China and Chinese Taipei	-	08/08/2024	Duties terminated
Active Yeast	Anti-dumping	Zimbabwe	18/07/2023	14/02/2025	Price undertaking
Unframed Mirrors	Sunset Review	People's Republic of China	22/09/2023	21/06/2024	Duties maintained
Hot rolled steel products	Safeguard	All countries	23/02/2024	On-going	On-going
Hexagon Head Screws & Bolts	Anti-dumping	China	26/07/2024	On-going	On-going
Structural Steel Products	Anti-dumping	China and Thailand	20/09/2024	On-going	On-going
Hot-rolled steel products	Anti-dumping	China, Japan, and Taiwan	20/09/2024	On-going	On-going
Top Load Washing Machines	Anti-dumping	China and Thailand	25/10/2024	On-going	On-going
Galvanized alloy steel coil (Thin Gauge)	Anti-dumping	China	20/03/2025	On-going	On-going
Galvanised alloy steel coil	Safeguard	All countries	17/01/2025	On-going	On-going
Clear Float Glass	Sunset Review	Saudi Arabia and United Arabic Emirates	31/01/2025	On-going	On-going
Soda Ash	Sunset Review	United States of America	07/03/2025	On-going	On-going
Laminated Safety Glass	Anti-circumvention (Country Hopping)	Malaysia	21/06/2024	On-going	On-going
Tyres	Anti-circumvention (Country Hopping)	Cambodia, Thailand, and Vietnam	20/09/2024	On-going	On-going
Windscreens	Anti-circumvention (Country Hopping)	Malaysia	07/03/2025	On-going	On-going
Windscreens	Anti-circumvention (Tariff misdeclaration)	China	07/03/2025	On-going	On-going

IMPORT & EXPORT CONTROL

ITAC administers an import and export control regime in terms of the provisions of the International Trade Administration Act, 71 of 2002. In this regard, the cross border-movement of certain goods are controlled in terms of a permit system, for example, for the purpose of complying with international agreements, such as the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances and the Montreal Protocol in substances that depletes the ozone layer.

Import control measures or restrictions in a more globally integrated economy are limited to those allowed under the relevant World Trade Organisation (WTO) Agreements. Import control measures are essentially for health, safety, environmental and strategic reasons. In this regard, ITAC contributes to the green economy. In the enforcement of standards and the curbing of illegal and fraudulent trade, ITAC has positioned itself to play a more strategic role with regard to import and export control measures and enforcement.

Minerals beneficiation has been identified as one of the areas for job creation and this has required an alignment of ITAC's export control measures to give support to beneficiation. ITAC has strengthened its export control measures on scrap metal through the introduction of a price preference system to promote investment and employment opportunities in the domestic metals beneficiation and fabrication industries. This followed a policy directive by the then Minister of Economic Development in 2013, aimed at enabling affordable access to quality scrap metal by the domestic consuming industry. The focus has been on ensuring its effective administration and on managing litigation.

During the reporting period, 22 011 import permits and 18 919 export permits were issued. As can be seen from the table below, the bulk of the import permits, namely 4 048, were issued for the importation of used or second-hand machinery and mechanical appliances, equipment, and parts thereof of chapter 84 of the Harmonized Customs Tariff. The next largest categories of imports permits are also detailed in the table.

IMPORTED GOODS	HARMONIZED CUSTOMS TARIFF CLASSIFICATION	NUMBER OF IMPORT PERMITS
Used machinery and mechanical appliances, equipment and parts thereof	Chapter 84	4 048
Rubber and articles thereof, including tyres	Chapter 40	2 430
Marine resources	Chapter 03	2 447
New and used arms and ammunition	Chapter 93	1 634
Mineral fuels, mineral oils and products of their distillation	Chapter 27	2 518
Used vehicle and parts thereof	Chapter 87	1 394
Metals including waste and scrap	Chapter 72 to 81	785
Used electrical machinery and equipment and parts thereof	Chapter 85	1849
Organic and inorganic chemicals	Chapters 28 and 29	501

As detailed in the table below, the bulk of export permits were issued for the exportation of used motor vehicles of chapter 87 namely 12 850 export permits. The next largest categories of export permits are also set forth in the table.

EXPORTED GOODS	HARMONIZED CUSTOMS TARIFF CLASSIFICATION	NUMBER OF EXPORT PERMITS
General goods	Various tariff headings of chapter 12,25,26,30,38,44,47,71 and 85.	1 080
Used motor vehicles	Chapter 87	12 850
Ferrous and non-ferrous waste and scrap	Chapters 72 to 81	2 728
Organic and inorganic chemicals	Chapters 28 and 29	1 401
Mineral fuels and products of their distillation	Chapter 27	888

The enforcement component of the Import and Export Control Unit conducts enforcement activities in terms of Section 41 of the International Trade Administration Act, (71 of 2002). Enforcement is crucial in detecting contraventions of the ITA Act and the Import and Export Control Regulations, and to ensure that there is compliance with the conditions and terms reflected in import, export, and rebate permits.

Enforcement activities are made up of scheduled, unscheduled inspections and investigations.

- Scheduled inspections are inspections and verifications that are pre-arranged with the importer or exporter.
- Unscheduled inspections are inspections that are not pre-arranged where the ITAC enforcement officers visit premises, yards, container depots and the likes for inspection of imported goods or goods destined for export.
- Investigations are conducted when *prima facie* evidence is obtained of a contravention of the provisions of the ITA Act, regulations and/or import, export or rebate permit conditions.

During the 2024/25 financial year, 100 scheduled inspections were conducted, 2 557 unscheduled inspections and 10 investigations were conducted. Industry sectors inspected were, *inter alia*, clothing, ferrous and non-ferrous scrap metals, automotive, pneumatic tyres and machinery and equipment.

Investigations conducted were based on *prima facie* evidence of contraventions of the ITA Act and the Import and Export Control Regulations. The Enforcement Unit also participated in enforcement activities with other agencies such as the South African Revenue Service and the South African Police Service. These activities yielded positive results.

ECONOMIC IMPACT ASSESSMENTS

1. Summary of reciprocal impact assessment

Economic Impact Assessments are conducted to monitor and assess the effectiveness of trade measures enforced by ITAC. In the 2024/25 fiscal year, one impact assessment study was completed. The report analysed industry performance against government policy objectives outlined in documents such as the Medium-Term Development Plan (MTDP), New Growth Path (NGP), the Industrial Policy Action Plan (IPAP), the South African Trade Policy Strategic Framework (TPSF), the Re-imagined Industrial Strategy, and the Trade Policy for Industrial Development and Employment Growth. The positive impact of ITAC's trade instruments depends on the degree to which tariff support or relief through rebate provisions has led to decreased import volumes, increased domestic manufacturing, a surge in investment, employment, value addition, and competitiveness following the ITAC's assistance when compared to preceding periods. In summary, the Impact Assessments reaffirm ITAC's commitment to its mandate of promoting manufacturing-led value addition and job creation to support sustainable economic growth and development within the Southern African Customs Union (SACU). This is achieved through the administration of trade instruments. Additionally, ITAC ensures that these trade instruments equally contribute to the realisation of the Government's established policy objectives when utilized by industries.

1.1. The impact of the customs duty increase on certain tubes, pipes and hollow profiles of iron: a case of Hall Longmore

Hall Longmore Holdings (Pty) Ltd ("Hall Longmore"), is a member of the Barnes Group of companies and one of the biggest domestic manufacturers of ERW tubes and pipes of the thicknesses and cross-sectional dimensions in the Sothern African Customs Union (SACU) region. The company applied for an increase in the general rate of customs duty on certain tubes, pipes and hollow profiles of iron classifiable under tariff headings 7304.19.90, 7304.23.90 and 7304.29.90 from 10% *ad valorem* to 15% *ad valorem*, by way of creating an additional 8- digit tariff subheadings; and those classifiable under tariff subheading 7304.39.35, from free of duty to 15% *ad valorem*, by way of creating an additional 8-digit tariff subheading. Hall Longmore cited, *inter alia*, that the increasing levels of imports of seamless tubes since 2012, coupled with the decreasing price levels at which these are being imported, has put the viability of the SACU industry manufacturing welded tubes and pipes at risk.

Subsequent to that, in 2021, ITAC recommended an in the general rate of customs duty on certain tubes, pipes, and hollow profiles, seamless, of iron (excluding cast iron) or steel classifiable under tariff headings 7304.19.90, 7304.23.90 and 7304.29.90 from 10% *ad valorem* to 15% *ad valorem*, by way of creating an additional 8- digit tariff subheadings; and those classifiable under tariff subheading 7304.39.35, from free of duty to 15% *ad valorem*, by way of creating an additional 8-digit tariff subheading. The duty under Africa Continental Free Trade Agreement (AfCFTA) for the subject tariff lines ranges from 5% *ad valorem* to 8% *ad valorem*. The purpose of the tariff support was to enable the industry to resuscitate its domestic market share, increase investment, and to create and retain jobs.

Highlights of certain tubes, pipes and hollow profiles of iron study are presented below:

- The South African steel industry plays a key role in supporting a variety of value-adding sectors across the economy, contributes to employment, growth in domestic production, as well as increased investments in the domestic industry. Hall Longmore remains the major key player in the domestic steel industry value chain and continues to play a key role in supporting the upstream steel sector through local sourcing.
- Based on the economic impact analysis done, Hall Longmore's performance in respect of government set objectives indicates that the desired impact of the tariff increase was somewhat negated by weak domestic demand as production declined despite the increase in capacity and contraction in import volumes of certain steel products.
- Prior the implementation of ITAC's report No.643, the subject products were classified under tariff

subheadings 7304.19.90, 7304.23.90 and 7304.29.90, and it included other steel products, which did not form part of the investigation. On average, although total imports (including other products that were not subject to the investigation) increased 2-years following tariff support, imports of steel products classifiable under tariff subheading 7304.39.35, which accounted for approximately 60% of total import volumes for the period 2017 – 2023, initially increased compared to the previous year (2022), however, the subsequent year saw a decline, with imports declining in 2023. Based on the trend of imports of tariff subheading 7304.39.35, the tariff support appears to have had a minimal positive impact in reducing import volumes to some degree.

- Despite the increase in production capacity, the average production volume declined marginally 2-years post tariff support. This implies that Hall Longmore was unable to meet their reciprocal commitment on production.
- Despite the decline in production volume and capacity utilisation following tariff support, Hall Longmore average sales volumes for the subject product marginally increased 2-years post tariff support, mainly driven by SACU sales. However, export volumes 2-years following tariff support fell short of Hall Longmore reciprocal commitments. Total sales growth, despite a decline in production, suggests that Hall Longmore may have utilised existing inventories, improved operational efficiencies or benefited from increase in demand for its products in the domestic market.
- Average ex-factory selling price increased 2-years after the tariff support, this price adjustment may be a response to higher market prices and rising production costs which increased on average following tariff support. Although Hall Longmore indicated during the investigation that they were selling below cost, in terms of its reciprocal commitment, the company had committed to limit price increases for a period of three years following the implementation of the tariff, however, this commitment was not achieved just 2-years following tariff support.
- Following the implementation of the tariff, investment activity increased significantly and were notably higher than the company's pre-tariff commitments. In terms of spending on supply side measures, total spending on supply side measures slightly increased 2-years following tariff support, exceeding the reciprocal commitments made before tariff support.
- Hall Longmore's total employment increased significantly 2-years after tariff support. The number of youth employees also increased following tariff support, exceeding Hall Longmore's commitment on youth employment.
- Overall, the performance of Hall Longmore in respect of set government objectives, specifically, the reciprocal commitments made when tariff support was granted, indicates that Hall Longmore was not able to meet some of their reciprocal commitments just 2-years following tariff support.

2. Summary of trade monitoring reports:

2.1. Price trend pre and post implementation of the poultry rebate

The price trends of the poultry rebate (HPAI Poultry Temporary Rebate) analysis, pre and post implementation, focused on two price effects, one with a customs duty rebate and one without, for bone-in chicken portions between 2023 and 2024 for February, March, and April. The study aimed to assess how customs duty rebates affect import prices of certain poultry products. Data from SACU, SADC, and EFTA countries were excluded, as imports from these regions enter duty-free.

Below are the key findings of the study:

- **Import prices with Customs Duty Rebates**

  In February 2024, the duty-paid import prices for bone-in chicken portions at declined compared to the same month in 2023. The decline moderated in March and in April 2024, although slower, the decline persisted compared to import prices in April 2023.

- **Import prices without Customs Duty Rebates**

  In February 2024, bone-in import prices decreased compared to the same month in 2023. March 2024 saw a reversal in the trend, with prices increasing moderately, while in April 2024, the upward trend continued, with prices rising compared to their corresponding months in 2023.

Overall, comparing the (FOB + Duty) prices between 2023 and 2024 reveals that due to the rebate, import prices decreased for months cushioned by the rebate in 2024 compared to the same period in 2023 when there was no rebate. Furthermore, without the rebate, the extrapolated data shows that import prices (FOB + duty) would have decreased for February 2024 only, with increases observed for the rest of the period under review.

2.2. Enhancing competitiveness of south africa's cut make trim (cmt) firms: a case of Truworths Ltd CMT's | policy brief

The policy brief identifies key challenges within South Africa's Cut Make Trim (CMT) sector and provides policy recommendations to support CMTs and the broader apparel manufacturing and design industry. The brief draws on findings from a survey conducted by ITAC, focusing on CMT firms supplying Truworths Ltd, which revealed important insights into both obstacles and opportunities across the industry.

The report sets out recommendations aimed at strengthening the Clothing, Footwear, Textile, and Leather (CFTL) value chain and promoting the development of an export-oriented textile industry. It calls for a coordinated industrial policy approach across the '5F' components of the CFTL industry, Farm to Fibre; Fibre to Factory; Factory to Fashion; Fashion to Foreign to boost global competitiveness, improve quality, and drive growth through targeted strategies.

Although the study focused on firms supplying Truworths, the findings and recommendations have broader relevance and highlight trends affecting the wider industry. The participation of these firms under the 311.40 rebate program, administered by ITAC, also shows the critical role of policy in enhancing industry performance and competitiveness.

The brief emphasizes the importance of collaborative action among government, industry stakeholders, and partners to address sector challenges and create the conditions for sustainable growth in both the CMT sector and the wider apparel manufacturing value chain.

2.3. Frozen vegetable impact assessment report: an increase in the rate of customs duty on frozen mixed veg from 10% to 37% ad valorem duty

This report presents an impact assessment of an increase in the rate of customs duty on frozen mixed vegetables from the current 10% *ad valorem* to 37% *ad valorem*. The analysis employs a partial equilibrium (PE) model, which is well-suited for assessing the isolated effects of the tariff change on the frozen mixed vegetable market without considering complex interactions with other sectors of the economy (holding other market effects constant). By analysing price trends of frozen mixed vegetables, changes in domestic demand, and import volumes before and after the tariff adjustment in SA, the report provides insights into the economic implications for consumers and potential shifts in market dynamics.

The result indicates that households across different income deciles will experience varying impacts if the duty on frozen mixed vegetable imports increases from 10% to 37% *ad valorem*. Overall, a tariff increase would place an additional financial burden on all households, with high-income households expected to experience a more considerable increase in total expenditure on frozen mixed vegetables. The analysis of the impact of the proposed 37% *ad valorem* duty increases on frozen mixed vegetables across different income deciles suggest minimal changes in expenditure as a percentage of household income. In all Living Standard Measure (LSM) categories, the increase in expenditure is marginal. Specifically, for lower LSM consumers, the impact is slightly higher but remains minimal. This suggests that the tariff increase would not significantly affect lower LSM consumers, as the proportion of their income spent on frozen mixed vegetables remains low. Furthermore, spending on frozen mixed vegetables as a percentage of total consumption expenditure shows only slight increases across all deciles, indicating that the tariff increase has a negligible effect on overall spending patterns. Thus, the tariff is unlikely to impose a substantial financial burden on lower-income households. The results also suggest that the relative potential impact of the duty increase on low-income households is relatively small in terms of total expenditure but could be more burdensome due to their limited financial resources. In terms of food security, the potential impact of the duty increase on the cost/price of essential food items like frozen vegetables could exacerbate food insecurity among low-income households. While middle-income households will also be negatively affected by the duty increase, they are more likely to adjust accordingly than low-income households with limited financial resources.

2.4. Conical steel drums impact assessment report: an increase in the rate of customs duty on conical steel drums from free of duty to 15% ad valorem duty.

This report presents an impact assessment of an increase in the rate of customs duty on conical steel drums from the current free of duty to 15% ad valorem, by the deletion of tariff subheading 7310.10.10 that provides for steel drums of a capacity of 235 LI or more, and the creation of a new tariff subheading for conical steel drums of a capacity of 210 LI or more.

The analysis employed a partial equilibrium (PE) model, which is well-suited for assessing the isolated effects of the tariff change on the conical steel drum market without considering complex interactions with other sectors of the economy. By analysing changes in domestic demand, prices, and import volumes before and after the tariff adjustment, the report provides insights into consumer economic implications and potential shifts in market dynamics on the supply side. The analysis considered the impact of the potential duty increase to 15% *ad valorem*. Overall, the result indicates that the tariff increase is expected to provide some level of protection and bolster the domestic steel drum industry by reducing import competition and encouraging local production.

2.5. Active yeast impact assessment report: the imposition of anti-dumping (ad) duties on active yeasts

This report presents an impact assessment of the imposition of AD duties on active yeasts, specifically baker's compressed yeast (BCY), classifiable under tariff subheading 2102.10 originating in or imported from the Republic of Zimbabwe (Zimbabwe). The analysis employs a partial equilibrium (PE) model, which is well-suited for assessing the isolated effects of the AD duties on active yeast and its impact on the bread, by analysing potential AD duty effects on domestic prices, demand, supply, and consumer expenditure across different income deciles. The analysis indicates that for the period 2020-2022, white bread consistently remained more expensive than brown bread throughout the period. The average retail price of white bread increased at a slightly higher rate compared to the increase in the price of brown bread during the same period. Following the imposition of AD duties on active yeast, the price of yeast is expected to increase while the subject imports from Zimbabwe are expected to decline entirely, which could signal the effectiveness of the AD measures in curbing alleged dumped imports from Zimbabwe. While the AD measures may be effective in curbing allegedly dumped imports, they could lead to reduced competition in the yeast market, potentially resulting in higher prices for domestic producers and bread consumers in the long term. Overall, the analysis indicates that the imposition of AD duty would result in an increase in the domestic price of yeast, leading to an increase in the price of a loaf of bread. While the increase may seem marginal, it can have a significant cumulative effect on lower-income households that spend a substantial portion of their income on basic food items like bread. This price increase may also contribute to overall food inflation.

2.6. Aluminium chlorohydrate impact assessment report: an increase in the rate of customs duty on aluminium chlorohydrate from free of duty to 10% ad valorem duty

This report presents an impact assessment of an increase in the rate of customs duty on Aluminium Chlorohydrate (ACH), classifiable under tariff subheading 2827.32, from free of duty to 10% *ad valorem*. The analysis employed a partial equilibrium (PE) model, which is well-suited for assessing the isolated effects of the tariff change on the ACH market without considering complex interactions with other sectors of the economy. The impact assessment indicates that the proposed increase in the rate of duty on ACH will have direct implications for both market dynamics and consumer behaviour. The assessment found that any increase in the duty would lead to a corresponding rise in the domestic price of ACH, with a more pronounced price increase expected in the event of a 10% duty adjustment.

While it is anticipated that this increase will affect downstream users, the lack of access to data on the cost and price structure of these sectors and industries limited the study's ability to fully quantify the impact of the price increases on ACH consumers. Consequently, the precise extent of the price increase's impact on consumers, particularly in these downstream sectors, remains unclear. Nevertheless, it is expected that the proposed duty increase will influence downstream markets.

2.7. Transformer core impact assessment report: an increase in the rate of customs duty on transformer core from 5% to 15% ad valorem duty

This report presents an impact assessment of an increase in the rate of customs duty on transformer core, having a power handling capacity not exceeding 50 000 KVA, classifiable under tariff subheading 8504.90, from 5% to 15% *ad valorem*. The analysis of the proposed tariffs increases on imported transformer cores indicate that both tariff levels considered protect domestic production by reducing import competition and encouraging local supply. The proposed tariff increase of 15% ad valorem on the subject product is expected to result in a more substantial decline in import volumes and a slightly higher domestic price increase, which protects domestic producers but introduces moderate cost increases for downstream users/consumers. On the other hand, an increase of 10% duty offers balanced protection with an expected smaller decline in import volumes and lower domestic price increase, minimising the impact on consumers while still incentivising domestic production. In conclusion, despite the lack of data from the other domestic producer and the classification of the subject product (transformer core) under a broad tariff subheading that includes non-subject products, the analysis remains robust. The applicant's data provides a reliable foundation for modelling the proposed tariff's impact on the domestic transformer core market.

2.8. Rails impact assessment report: an increase in the rate of customs duty on rails from 5% to 10% ad valorem duty

This report presents an Impact Assessment of the increase in the rate of customs duty on Rails, classifiable under tariff subheading 7302.10, from 5% to 10% *ad valorem*. The result of the study indicates that the imposition of a 10% ad valorem duty on Rails demonstrates a clear shift in market dynamics favouring the domestic producer. The result of the model indicate that the tariff is expected to result in slightly higher domestic prices, encourage an increase in local production, while reducing import volumes. However, AMRAS's monopoly status in the industry raise concerns about potential inefficiencies, such as limited consumer choice, higher prices, and reduced innovation incentives. While the tariff is expected to achieve its objective of reducing import competition, it underscores the need for careful monitoring to balance the benefits to the domestic producer with the potential costs to consumers and overall market efficiency.

2.9. Impact of ITAC PPS scrap metal prices on the economy

This report evaluates the economic impacts of the Price Preference System (PPS) on South Africa's Iron and Steel industry and the broader trade dynamics. The PPS was introduced to ensure the availability of affordable Scrap Metal for domestic industries, and this analysis explores its effectiveness and unintended consequences in the economy. The analysis employs a Computable General Equilibrium (CGE) model to simulate the effects of PPS discounts on key variables, including prices, output, demand and sales. By applying a policy shock to the Iron and Steel industry, the model captures how changes in PPS discounts influence the performance of key indicators in the Iron and Ore Industry.

The findings reveal that the PPS discounts have a positive impact on the Iron and Steel industry, driving increases in output, employment, demand, and sales through reduced scrap metal costs. In addition, comparing the results with no discounts to those with discounts in effect indicates that the PPS improves the availability of scrap metal, thereby boosting production and employment in the iron and steel industry. While the initial shock to the industry resulted in a decrease in employment, output, sales, and demand at a 0% PPS discount, the subsequent introduction of PPS discounts led to a steady improvement in all these indicators. This highlights the beneficial impact of PPS discounts on the domestic iron and steel sector, specifically on employment, output, sales, demand and exports. In terms of the overall economy (GDP), in the short-to-medium term, household consumption, investment and imports initially take a knock due to the intermediate price impact. In the long run, household consumption and investment are expected to improve as the price factor adjusts.

Overall, the model affirms that, on the regulatory front, ITAC's PPS review process will play a crucial role in enhancing the monitoring and evaluation of the trade-offs between the benefits to domestic scrap users and the export margin losses experienced by sellers. Developing the scrap metal reporting system (Input-Output system), which is underway, will enhance the monitoring of scrap quality and ease the application processes for stakeholders. Moreover, the PPS acts as an effective mechanism to discourage scrap metal exports where there is potential course for domestic-related industry activity derailment, assists in avoiding potential issues such as under-declaration, and curbs the risk of export sellers inflating their overseas prices to offset the equivalent export tax.

2.10. Economic impact of the proposed export tax on chromium ores and concentrate

This report provides an analysis of the Economic Impact of Export Tax on Chromium Ores and Concentrates on the iron and steel related industries. It examines the broader implications of the export tax, focusing on its influence on domestic market prices, Employment, Output, Investment, Imports and Exports. The analysis utilises the Computable General Equilibrium (CGE) model to estimate the economy-wide effects of an export tax on chrome in South Africa. The main findings of the study were as follows:

- The CGE results indicate that introducing and increasing an Export Tax on Chromium Ores and Concentrates would have a positive impact some key economic indicators in the Ferrous-Alloy industry.
- Overall, the export tax would reduce input costs, support job creation and boost production, increase investment and increase exports in the Ferrous Alloy industry.
- The decline in intermediate prices suggests that domestic costs decrease, implying improved domestic availability of chromium ores inputs at lower costs. However, it is important to note the rational expectation-market behaviour factor, where the lower prices may also reflect reduced demand for raw materials, as upstream suppliers may ration production due to the perceived export market revenue/profit losses. In this case, policy certainty and market demand guarantees would alleviate the sentiments/confidence bias towards the policy trajectory.
- The increase in output implies that restricting raw material exports (chromium ores and concentrates) supports domestic production and value addition in the downstream industry.
- On the aggregate side, the introduction of the export tax benefits local processing (intermediate industries), but the broader economic impact appears to be negative, with reduced aggregate exports, aggregate investment, and overall GDP, indicating the broader impact of the export tax on all other industries of the economy.

2.11. Economic impact of removing import tariffs in selected key industries

This study employs a Computable General Equilibrium (CGE) model to assess the economic impact of eliminating Most Favoured Nation (MFN) tariffs across selected key sectors in South Africa. Using the average applied MFN tariff rates as a baseline, the model simulates the potential macroeconomic effects of reducing these tariffs to 0% in the selected industries.

The CGE model results highlight the effects of removing MFN tariffs across selected key sectors in South Africa. The result suggests that while lower intermediate prices may reduce costs, the sharp declines in employment, output and investment indicate a significant overall decline in domestic industries. In particular, labour-intensive sectors such as textiles, leather and footwear, would experience significant job losses as increased import penetration threatens domestic manufacturers. Removing tariffs would not only weaken South Africa's manufacturing sector but would also have serious fiscal implications for other SACU countries such as Botswana, Eswatini, Lesotho and Namibia (BELN), which rely on revenue from import duties. Overall, the removal of import tariff would have negative impact on domestic industries' output and employment and has the potential to strain fiscal stability of other SACU countries.

3. Summary of import sensitivity and trade adjustment assistance report

3.1. Import sensitivity and trade adjustment assistance report: preliminary analysis of non-primary mineral african imports excluding SACU and SADC

This report provides a high-level analysis of non-primary mineral imports originating from non-SACU-SADC African countries. SACU-SADC countries are excluded from the analysis due to imports originating from these countries are mostly imported free of duty. The analysis focus on the top 10 imports according to various categories covering the period from 2018-2022. The 5-year period allows for the comparison of pre covid-19, during covid-19 and post covid-19 trends in imports. The analysis provides insights into the trends of non-SACU-SADC African imports for the period 2018-2022, and exclude primary mineral imports classified under Chapter 25, 26 and 27 of Schedule 1 to the customs and excise Act.

The analysis indicate that the value of Non-SADC African imports has been on an upward trend, increasing by 81% from R7.3 billion in 2018 to R13.2 billion in 2022. On average the value of Non-SADC African imports increased by 18% for the period 2018-2022. Imported products classifiable under Chapter 84 accounted for a larger share of the total non-SACU-SADC non-primary mineral imports, followed by imports classifiable under Chapter 71 and Chapter 03 respectively for the period 2018-2022. Other notable products include cellphones and electrical equipment, vehicles and accessories, cocoa and coffee products classifiable under Chapter 85, 87 and 18 respectively. Overall, the analysis indicates that the total value of non-primary mineral imports from Non-SACU-SADC African countries (including countries of unclassified origins) accounted for 0.8% of the total value of world non-primary mineral for the period 2018-2022. The value of mineral imports accounts for a major share of total value of imports from non-SACU-SADC Africa, hence the share of non-primary mineral imports from non-SACU-SADC to total value of world non-primary mineral imports is relatively small.

4. Summary of permit evaluation reports

4.1. ITAC permit modernisation and transformation report | Q4 2023/24

The ITAC Permit Modernisation and Transformation report analyses aggregated data on trade instruments administered for IE461 and rebate item 460.03 applicants, with a specific focus on selected tariffs and import and export permits applications. The information is disaggregated by firm size, geo- spatial referencing of where firm-level production and trade activities are occurring. This provides insights into the geographic distribution of applicants accessing ITAC's services, particularly from non-metro areas, aligning with the District Development Model. Furthermore, the report provide analyses on demographic markers of applicant firms such as race, gender and age in line with our strategic pursuit of transformation and structural change. 2023/24 Quarter 4 covers on applications for import permits for commercial purposes and donations ("IE461") and applications for the AGOA rebate from January 2024 to March 2024.

Overall, for the review period (January – March 2024), majority of companies that applied for import permits for commercial purposes and donations ("IE461") and applications for the AGOA rebate apply for multiple permits within a specified period. During the period of January 2024 to March 2024, of the total companies that applied for the respective ITAC permits, 27% were small companies, followed by 24% being micro companies. 13% of the companies were medium-sized firms while 12% were large firms. for the period under review, about 61% of companies that accessed ITAC services were based in the metro areas, dominated by companies based in the City of Johannesburg metropolitan, while 18% were based in non-metro areas. The remaining 21% comprised companies that did not provide information pertaining to their metro and non-metro areas.

4.2. ITAC Permit Modernisation and Transformation report | Q1 2024/25

The ITAC Permit Evaluation and Transformation report analyses aggregated data on trade instruments administered for IE461 and industrial rebate permit applicants (AGOA, tomato paste and titanium dioxide), with a specific focus on selected tariffs and import and export permits applications. The information is disaggregated by firm size, geo- spatial referencing of where firm-level production and trade activities are occurring. This provides insights into the geographic distribution of applicants accessing ITAC services, particularly from non-metro areas, aligning with the District Development Model. Furthermore, the report provides analyses of demographic markers of applicant firms such as race, gender and age in line with our strategic pursuit of transformation and structural change. The 2024/25 Quarter 1 report covers applications for import permits for commercial purposes and donations ("IE461"), applications for the AGOA and tomato paste rebate from April 2024 to June 2024.

Overall, for the review period (January – March 2024), majority of companies that applied for import permits for commercial purposes and donations ("IE461") and applications for industrial rebate permits (AGOA and tomato paste) apply for multiple permits within a specified period. During the period of April 2024 to June 2024, of the total companies that applied for the respective ITAC permits, 40% were micro companies, followed by 34% being micro companies. 14% of the companies were large firms while 12% were medium-sized firms. for the period under review, about 81% of companies that accessed ITAC services were based in the metro areas, dominated by companies based in the City of Johannesburg metropolitan, while 18% were based in non-metro areas. The remaining 1% comprised companies that did not provide information pertaining to their metro and non-metro areas.

PERFORMANCE AGAINST PREDETERMINED OBJECTIVES

PART A - REVISION FROM ORIGINAL APP

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS	REASONS FOR REVISIONS TO THE OUTPUTS / OUTPUT INDICATORS / ANNUAL TARGETS
Promote Industrialisation.	R300bn manufactured exports facilitated under ITAC rebates*	Value of vehicle exports (ITAC APDP).	New indicator.	R202bn	R219bn	R112bn	-R107bn	There was a decline in vehicle exports.	The indicator target was revised in response to a decline in South Africa's automotive exports, driven by reduced demand for locally manufactured ICE vehicles in key markets that are shifting towards NEV for the period under review.
	10 High impact trade interventions completed.	Number of High impact trade interventions to facilitate market access for SA products.	New indicator.	New indicator.	10	N/A	N/A	N/A	This indicator was not SMART, i.e. it was not specific and difficult to report against. It was changed to read 'Number of strategic trade interventions related to labour intensive sectors.

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS	REASONS FOR REVISIONS TO THE OUTPUTS / OUTPUT INDICATORS / ANNUAL TARGETS
	52 community outreach programmes by Dtic and its entities.	Number of districts where information and outreach activities have been undertaken.	New indicator.	8	8	7	-1	This is because the indicator was subsumed by another indicator in the new APP.	This indicator was subsumed by the following indicator in the new APP: Report on a select number of trade instruments, focusing on the demographic, firms' size and geo-spatial features of firms applying for ITAC services.
Promote Transformation.	Trade adjustment measures enabling workers displaced by trade policy reform and other related developments to access responsive social protection mechanisms and training to facilitate entry into growing sectors of the economy.	Number of small firms that are accessing our services (SMMEs), firms designated categories, firms located in non-metro areas.	New indicator.	135	40	206	166	There were more applications received from small firms for ITAC's services than anticipated.	This indicator was subsumed by the following indicator in the new APP: Report on a select number of trade instruments, focusing on the demographic, firms' size and geo-spatial features of firms applying for ITAC services.

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS	REASONS FOR REVISIONS TO THE OUTPUTS / OUTPUT INDICATORS / ANNUAL TARGETS
		Develop Import Sensitivity Index to map, track and consider developments in key 'import vulnerable' sectors.	New indicator.	1	1	1	None	No deviation.	This was narrowed down to map, track and consider product-level non-SADC African import competition in vulnerable sectors.
		Review feasibility of the Trade Adjustment Assistance Programme.	New indicator.	New indicator.	1	N/A	N/A	N/A	The output indicator duplicates information already captured in the Import Sensitivity Index report. Hence it was removed.

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS	REASONS FOR REVISIONS TO THE OUTPUTS / OUTPUT INDICATORS / ANNUAL TARGETS
Monitoring and Evaluation.	Trade Instrument policy recommendation and monitoring support for master plan sectors with trade flows.	% of sector master plans for which there is monitoring of Trade flows.	New indicator.	43% of sector master plans for which there is monitoring of Trade flows.	40% of sector master plans reports for which there is monitoring of Trade flows were completed.	57% of sector master plans for which there is monitoring of Trade flows.	17%	Received more requests to conduct assessments for tariff amendments to the commission.	This indicator did not meet the SMART criterion. The total number of master plans changed affecting measurability.
Assessments on trade instruments applied for and issued.	Assessing and monitoring the progress of implementing Reciprocal Commitments in strategic sectors.	% of tariff investigations with Reciprocal Commitment implemented over the last 4 years.	New indicator.	13% of tariff investigations with Reciprocal Commitment implemented over the last 4 years.	15% of tariff investigations with Reciprocal Commitment implemented over the last 4 years.	0%	-15%	Data was received late from the recipient of tariff amendments in the case of Twin clothing; and In the case of Import duties Tinplate Cans, Pails, and Aerosol Cans, the company shut down and no longer does metal packaging market in South Africa.	This indicator did not meet the SMART criterion. The language was not clear which affected measurability.

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS	REASONS FOR REVISIONS TO THE OUTPUTS / OUTPUT INDICATORS / ANNUAL TARGETS
	Reporting on Trade instruments (tariffs, remedies and permit control) includes data on firm size, geo-spatially locations and also considering race, gender, age and other relevant demographic markers.	Number of reports on selected trade instruments applied for and issued across firms of different sizes, geo-spatially locations and also considering race, gender, age and other relevant demographic markers.	New indicator.	New indicator.	2	2	None.	No variance.	This indicator was subsumed by the following indicator in the new APP: Report on a select number of trade instruments, focusing on the demographic, firms' size and geo-spatial features of firms applying for ITAC services.
	Number of strategic trade interventions (certain rebates) related to labour intensive sectors.	Number of strategic trade interventions (certain rebates) related to labour intensive sectors.	New indicator.	New indicator.	1	1	None.	No deviation.	This revision was editorial. The text in brackets was removed.

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS	REASONS FOR REVISIONS TO THE OUTPUTS / OUTPUT INDICATORS / ANNUAL TARGETS
Modernization of administrative and operational processes to support industrialisation, transformation, and a capable state.	50 case studies of firms, workers, entrepreneurs, professionals or communities' individuals impacted by the dtic measures; including 12 local films/ documentaries telling the SA story.	Number of the ITAC success interventions in selected sectors profiled through case studies.	New indicator.	36	50	24	26	The target was adjusted to focus on major ITAC interventions profiled through case studies.	The name of this indicator was updated, and the target was adjusted to focus on major ITAC interventions profiled through case studies.
	Measures to reduce red tape or improve turnaround times in administration of incentives and work of agencies.	Identification of processes reviewed to reduce the red tape.	New indicator.	New indicator.	1	N/A	N/A	N/A (Target was not yet due).	This indicator was removed. This process is done before regulations can be amended.

PART B: PERFORMANCE INFORMATION AGAINST THE RE-TABLED APP

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS
Promote Industrialisation.	Reciprocal commitments on investment in plants, equipment, technology*.	Value of investment facilitated through ITAC reciprocal commitments of implemented tariff support.	New Indicator.	R1.5bn	R55m	R408m	R353m	The target was exceeded due to the implementation of backlog report.
	Industrial rebates aimed at facilitating local industrial output*.	Value of additional local industrial output as a result of the utilisation of the ITAC rebates rebate item 311.40 clothing rebate item 317.04 autos-APDP.	New Indicator.	R20.8bn	R32bn	R15bn	-R17bn	The target was not achieved because there was negative growth in automotive exports under APDP which affected the achievement of the target.
	R300bn manufactured exports facilitated under ITAC rebates*.	Value of manufactured exports facilitated under ITAC rebates 470.03 and 521.	New Indicator.	R64bn	R81bn	R54bn	-R27bn	The target was not achieved due to a decline in exports benefitting from these rebate and export drawback measures.
		Value of vehicle exports (ITAC APDP).	New Indicator.	R202bn	R191bn	R187bn	-R4bn	The target was not achieved due to a decline in vehicle exports.
		Value of vehicle exports to the rest of Africa (ITAC APDP).	New Indicator.	R20bn	R28bn	R19bn	-R9bn	The target was not achieved due to a decline in vehicle exports.

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS
	130 000 jobs supported as a result of ITAC trade policies and instruments* (Reported as part of jobs under Autos Masterplan).	Number of jobs supported (direct jobs at the time of application) as a result of implemented ordinary tariff increases, rebates, APDP and Trade Remedies administered by ITAC.	New Indicator.	130 527	130 000	112 142	-17858	This target depends on the reports implemented in the year under review. There were relatively fewer jobs supported in implemented reports and recommendations, resulting in the target not being achieved.
	600 new jobs created as a result of ITAC trade policies and instruments* (Reported as part of relevant sectors masterplan).	Number of new jobs committed to by recipients of implemented ordinary tariff increases and rebate provisions created, administered by ITAC.	New Indicator.	393	600	1422	822	This target depends on the reports implemented in the year under review. These reports had more new job commitments made by applicants in terms of tariff amendments. This resulted in the target being exceeded.
Promote Transformation.	% of BBBEE preferential procurement spend.	% of BBBEE preferential procurement spend.	New Indicator.	84%	78%	84%	6%	Increased expenditure on suppliers that are BBBEE compliant.
	Trade adjustment measures enabling workers displaced by trade policy reform and other related developments to access responsive social protection mechanisms and training to facilitate entry into growing sectors of the economy.	Import Sensitivity Index to map, track and consider product-level non-SADC African import competition in vulnerable sectors.	New Indicator.	1	1	1	None	No variance.

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS
Distributional impact assessments of trade measures that affect consumer's welfare and downstream industries.	Distributional impact assessments of trade measures that affect consumer's welfare and downstream industries.	Impact assessment of trade policy decisions on different economic actors (consumers welfare, and downstream industries).	New Indicator.	New Indicator.	3 reports from select tariff investigation initiated in the financial year.	6 reports from select tariff investigation initiated in the financial year.	3	Additional impact assessments were conducted in response to requests arising from Commission meetings, as well as a newly established mandate to evaluate the effects on downstream industries and consumers for selected sectors applying for tariff increases.

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS
Efficient administration of trade instruments: customs tariffs.	**Customs Tariff Investigations.**	Final decisions made within 6 months on Custom Tariffs Reduction Investigations.	Not Applicable.	100% of the final decisions made within 6 months on Custom Tariffs Reduction Investigations.	80% of the final decisions made within 6 months on Custom Tariffs Reduction Investigations.	75% of the final decision within 6 months.	-5%	Delays in achieving 'timeline' targets arose from the need within specific investigations to undertake further analysis or to secure the participation of firms whose input was deemed critical to make an informed decision. This ultimately delayed the finalising one of the four investigations, resulting in the target not being achieved.

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS
		Final decisions made within 6 months on Custom Tariffs Increase Investigations.	86% of the final decisions made within 6 months on Custom Tariffs Increase Investigations.	33% of the final decisions made within 6 months on Custom Tariffs Increase Investigations.	70% of the final decisions made within 6 months on Custom Tariffs Increase Investigations.	25% of the final decision within 6 months.	-45%	Delays in achieving 'timeline' targets arose from the need to undertake further 'cost-benefit' and distributional analysis or the provision of further information, crucial to the Commission arriving at its determination. This occurred in a few key investigations.
		Final decisions made within 6 months on Custom Tariffs Rebates Investigations.	100% of the final decisions made within 6 months on Custom Tariffs Rebates Investigations.	75% of the final decisions made within 6 months on Custom Tariffs Rebates Investigations.	80% of the final decisions made within 6 months on Custom Tariffs Rebates Investigations.	75% of the final decision within 6 months.	-5%	Out of 8 investigations conducted, two were not completed within the turnaround time due to the following: **Used overcoats:** In considering the impact of the withdrawal of the used overcoats rebates, the minister referred the submission back, requesting the Commission to find the way to soften the blow of this withdrawal on the poor and vulnerable consumers. **Stainless steel tube:** Delay in getting supplementary information from the applicant post publication for interested parties to comment. This resulted in the target not being achieved.

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS
	Customs Duty Rebate and Drawback permits.	Customs Duty Rebate and Drawback permits issued within 14 days.	93% of Customs Duty Rebate and Drawback permits issued within 14 days.	85% of Customs Duty Rebate and Drawback permits issued within 14 days.	85% of Customs Duty Rebate and Drawback permits issued within 14 days.	85% of Customs Duty Rebate and Drawback permits were issued within 14 days.	None	No variance
	Automotive Production Development Programme (APDP).	Eligible Production Certificates (EPCs) issued within 10 working days after technical working group or factory visit and the submission of all outstanding information.	100% of certificates (EPC) issued within 10 working days after technical working group or factory visit and the submission of all outstanding information.	99% of certificates (EPC) issued within 10 working days after technical working group or factory visit and the submission of all outstanding information.	85% of certificates (EPC) issued within 10 working days after technical working group or factory visit and the submission of all outstanding information.	92% of certificates were issued within 10 days after working days.	7%	The compliance level of applications received was high resulting in quicker turnaround times.
		Company Specific Percentages (CSPs) issued within 10 working days.	96% of certificates (CSPs) issued within 10 working days.	96% of certificates (CSPs) issued within 10 working days.	90% of certificates (CSPs) issued within 10 working days.	93% of certificates (CSPs) issued within 10 working days.	3%	The compliance level of applications received was high resulting in quicker turnaround times.
		Production Rebate Certificates (PRCs) issued within 30 days.	93% of the certificates (PRC) issued within 30 days.	94% of the certificates (PRC) issued within 30 days.	85% of the certificates (PRC) issued within 30 days.	94% of certificates (PRCs) issued within 30 working days.	9%	The compliance level of applications received was high resulting in quicker turnaround times.
		APDP Verifications completed within 90 days.	96% of the APDP Verifications completed within 90 days.	96% of the APDP Verifications completed within 90 days.	80% of the APDP Verifications completed within 90 days.	88% of the APDP verifications finalised were completed within 90 days.	8%	The compliance level of applications received was high resulting in quicker turnaround times.

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS
Efficient administration of trade instruments: trade remedies.	**Trade Remedies Investigations.**	Preliminary determination decisions made within 6 months of initiation on Trade Remedies Investigations.	17% of the Preliminary determination decisions made within 6 months of initiation on Trade Remedies Investigations.	No preliminary determination was made during the period under review.	70% of the Preliminary determination decisions made within 6 months of initiation on Trade Remedies Investigations .	60% of Preliminary determinations was made within 6 months of initiation during this period:	-10%	Target not achieved for this indicator and the following are the reasons for the variance: **Active Yeast (AD):** The preliminary determination completed in 10 months. But the submission was referred back in the March 2024, for the Commission to consider a price undertaking in line with the Regulations. **Hot-rolled steel products (Safeguard):** The preliminary determination was completed within the turnaround time. **Heavy Sections (AD):** The preliminary determination was completed within the turnaround time. **Hot Rolled Steel (AD):** The preliminary determination was completed within the turnaround time. **Hexagon head Bolts and screws (AD):** Team members were handling multiple investigations concurrently, requiring simultaneous attention and effort. This level of parallel case handling was unprecedented and placed considerable pressure on available resources and capacity.

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS
		Final determinations decisions made within 10 months of initiation of Trade Remedy Investigations.	0% of the Final determination decisions made within 10 months of initiation on Trade Remedy Investigations.	10% of the Final determination decisions made within 10 months of initiation on Trade Remedy Investigations.	60% of the Final determination decisions made within 10 months of initiation on Trade Remedy Investigations.	25% of final determinations was made within 10 months of initiation during this period:	-35%	Target not achieved for this indicator and the following are the reasons for the variance: **Frozen bone-in chicken (SR):** The investigation was completed in 16 months, while the Commission completed it in 8 months. Approval and implementation took an additional 8 months. **Unframed Mirrors (SR):** The investigation was finalised within 10 months, while the Commission completed it in 6 months. Approval and implementation took 4 months. **Active Yeast (AD):** The exporter submitted a request for a price undertaking to the Commission in the 12th month of the investigation, which contributed to the delay in finalisation of the investigation. As this was a new process for the Commission, extensive engagement and back and forth communication with the exporter ensued, further contributing to the delaying concluding the investigation. The investigation was completed in 18 months, while the Commission completed it in 16 months. Approval and implementation took an additional 2 months.

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS
								Spades, shovels, picks and rakes (SR): The investigation was completed in 11 months, while the Commission completed it in 8 months. Approval and implementation took an additional 3 months.
Effective administration of trade instruments: Import and Export Control.	**Import Control Permits.**	Number of Import Control Permits issued.	19395	19558	17000	22011	5011	Number of permits issued depends on the number of applications received. In the year under review, more applications were received. This resulted in the target being exceeded.
		Number of Export Control Permits issued.	16922	19587	14000	18919	4919	Number of permits issued depends on the number of applications received. In the year under review, more applications were received. This resulted in the target being exceeded.
		Number of Inspections conducted.	2409	1678	2000	2592	592	Number of inspections depends on the number of contraventions detected, and applications that are received. In the year under review, more inspections were conducted. This resulted in the target being exceeded.

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS
Monitoring and Evaluation.	Trade monitoring support in product markets falling within Sector Master plans.	Monitoring of import and export trade flows in sectors with Masterplans.	2 Reports issued.	3 Reports issued.	2 reports of sector master plans for which there is monitoring of Trade flows.	4 reports of sector master plans for which there is monitoring of Trade flows.	2 reports of sector master plans for which there is monitoring of Trade flows.	Additional Monitoring and Evaluation reports were prepared in response to requests from the dtic Ministry to inform and support policy considerations. This resulted in the target being exceeded.
	Investigate the viability and financial sustainability of levying prescribed fees on applicants.	Develop regulations for levying prescribed fees on applicants.	New Indicator.	Action note on the investigation of the viability and financial sustainability of levying prescribed fees on applicants was submitted to the CC.	Submit draft regulations to the dtic.	Draft regulations submitted to the dtic.	None.	No variance.
Assessments on trade instruments applied for and issued.	Assessment of the effectiveness of tariff amendment decisions on firm-level behaviour.	Impact assessment reports on final tariff amendment decisions (with Reciprocal Commitments).	5 Impact Study Reports were issued.	2 Reports issued.	2 assessment reports of tariff amendment final determinations (with Reciprocal Commitments) implemented over the last 4 years.	1 assessment reports of tariff amendment final determinations (with Reciprocal Commitments) implemented over the last 4 years.	1 assessment report.	The second report could not be released because: • data was received late from the recipient of tariff amendments in the case of Twin clothing. • in the case of Rhema Pty Ltd [Import duties Tinplate Cans, Pails, and Aerosol Cans] – The Company shut down and no longer does metal packaging market in South Africa. This resulted in the target not being achieved.

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/25	ACTUAL ACHIEVEMENT 2024/25	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS
	Market Intelligence insights on the spread (firm size, demographic markers, geospatial indicators) of recipients of our trade support services.	Report on a select number of trade instruments, focusing on the demographic, firms' size and geo-spatial features of firms applying for ITAC services.	New Indicator.	N/A	2	2	None.	No variance.
	Number of strategic trade interventions related to labour intensive sectors.	Number of strategic trade interventions related to labour intensive sectors.	New Indicator.	1	1	1	None.	No variance.
Modernization of administrative and operational processes to support industrialisation, transformation, and a capable state.	Measures to reduce red tape and the ease of doing business.	Number of draft amended regulations submitted to reduce the red tape.	New Indicator.	0	1	3	2	ITAC was requested by the dtic to also include the Amended Safeguard regulations; and Amended ITA Act, over and above the Amended Anti-dumping regulations. This resulted in the target being exceeded.
	Number of ITAC interventions profiled through case studies.	Number of ITAC interventions profiled through case studies.	New Indicator.	36	10	33	23	ITAC partnered with other government departments such as the dtic, GCIS, Cogta and provincial economic development agencies in the dtic group for events and whenever we visited a district, we would be able to visit more firms using ITAC instruments and conduct more case studies. This resulted in the target being exceeded.

OVERVIEW OF PUBLIC ENTITY'S PERFORMANCE

Organizational environment

ITAC currently has a high vacancy rate and is unable to fill most of its vacancies due to budgetary constraints. However, vacancies are filled based on prioritizing basis. As a result, an organizational structure review has been initiated to reorganize and create capacity in areas where there are strenuous capacity constraints and challenges. The entire process is to strengthen and optimize efficiencies within the organization.

Furthermore, a framework for filling of vacancies has been developed to assist in the prioritizing of vacancies. Due to reductions in baseline allocations, ITAC is not able to fill all its vacancies and it has become necessary to priorities certain vacancies. Some vacancies will not be filled in their current form and will be reorganized, reviewed, and redirected to focus on other critical areas.

Service delivery environment

Established under the International Trade Administration Act (Act No. 71 of 2002), the International Trade Administration Commission of South Africa (ITAC) plays a critical role in administering South Africa's trade policy instruments in line with its mandate to support economic development. It pursues this mandate within an evolving domestic and international landscape that shapes its regulatory role and service delivery.

ITAC's operations are grounded in a strong legislative and policy framework that is informed by national trade laws and South Africa's international trade obligations. The Commission's core functions—customs tariff investigations, trade remedy investigations, and import and export control—remain central to its mandate. These services are extended to companies within South Africa and the Southern African Customs Union across various sectors of the respective economies.

In 2024–2025, ITAC's work was again shaped by dynamic global and domestic economic conditions. Geopolitical tensions, disruptions in supply chains and ongoing volatility in global commodity markets exerted upward pressure on inflation and disrupted trade flows. Domestically, sluggish economic growth and load-shedding continued to constrain industrial activity, placing additional demands on ITAC's role in supporting trade-exposed sectors.

Additionally, the implementation of the African Continental Free Trade Area (AfCFTA) gathered additional momentum in this period, requiring deeper engagement by ITAC with stakeholders to support regional integration efforts while safeguarding domestic industries. Changes in trade relations with key partners, as well as an increased focus on strategic sectors such as green energy and steel, also influenced ITAC's investigative and policy priorities.

Collaboration with key government departments, especially the Department of Trade, Industry and Competition, remained critical in aligning ITAC's instruments with broader policy goals. Engagements with affected firms, industry associations, and labour and consumer groups continued to inform the Commission's evidence-based decision-making approach.

Organisationally, ITAC remained constrained by ongoing resource and capacity challenges. Fiscal constraints meant that ITAC had only a limited ability to fully staff its investigative and enforcement functions. In response, internal reallocation of responsibilities and capacity-building initiatives were implemented to mitigate the impact on service delivery. Despite financial constraints, technologically, efforts to digitalise aspects of its workflow continued abreast, particularly in the import and export control domain, where one of the goals remains the continued improvement of turnaround times for permit approvals.

In summary, ITAC's service delivery environment in 2024–2025 was shaped by intersecting challenges and opportunities in the global and domestic trade landscape, institutional partnerships and resource limitations. Through adaptive strategies, ITAC remained focused on fulfilling its mandate in a responsive and efficient manner.

PART C

GOVERNANCE

CORPORATE GOVERNANCE REPORT

Corporate governance embodies processes and systems by which an entity is directed, controlled, and held to account. ITAC adheres to a comprehensive set of policies designed in accordance with inputs from all appropriate stakeholders. This contributes towards strategies and in accordance with the Public Finance Management Act, (No 1 of 1999). ITAC established various governance structures including the Audit Committee, Risk Management Committee, the Commission, EXCO, MANCO, ICT Steering Committee, and various Human Resources related structures. Each governance structure is governed by an approved Terms of Reference which have been complied with.

Internal Controls

Internal control is designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements where the focus will be on the critical risk areas which are identified by Management and will be reviewed by the Audit Committee. The Audit Committee is required to ensure that management has adequate controls in place over assets, risk, and financial systems, and systems to allow for timeous and accurate financial reporting that complies with all applicable requirements and legislation. The Audit Committee plays a key role in the assurance process and effectiveness of risk management process at the ITAC.

Risk Management

Section 51 (1) (a) (i) of the PFMA requires the Accounting Authority for a public entity to ensure that the public entity has and maintains effective, efficient, and transparent systems of financial and risk management and internal control. Furthermore, the Accounting Authority must ensure that a risk assessment is conducted regularly to identify emerging risks for the public entity. ITAC has a Risk Management Framework and Risk Management Policy that guides the approach and process of managing risks in the organisation. Risk Management continues to be a standing item on the agenda of MANCO and the Audit Committee and reports are presented to these governance structures. The Audit Committee exercises oversight, provide guidance, and advise Management on the overall risk management processes, effectiveness of internal controls, compliance with legislation. Responsibility and accountability for risk management reside at all levels within the organisation, from the oversight committees down to management and employees.

Risk Management Committee

ITAC has a Risk Management Committee which is an internal structure aimed at proactively monitoring and evaluating the effectiveness of organisation's risk management activities. The internal members of the Risk Management Committee comprise of selected Senior Managers and the Risk Management Committee is chaired by independent member of the Audit Committee, who reports to the Audit Committee and there is an approved charter that regulates its affairs. The independent Chairperson for the committee was remunerated according to the National Treasury circular. The Risk Management Committee held four (4) meetings during the 2024/25 financial year. The following achievements can be highlighted amongst others:

- Risk Assessments were conducted to identify, quantify, and manage risks that impact the strategic objectives of ITAC at all levels.
- Management monitored the implementation of mitigating strategies and provides reports to RMC and AC on a quarterly basis
- Training on Ethics, Fraud and Corruption was conducted with all staff
- The Risk Management Committee Charter and Risk Management implementation plan was reviewed and approved for 2024/25 FY.
- The Business Continuity Plan was approved, and activities in relation to Business Continuity Management was undertaken and the entity will build on this during the 2025/26 financial year.
- A risk maturity assessment was conducted, having used the National Treasury assessment tool, for which an improvement plan was developed to address areas of weakness.

Fraud and Corruption

ITAC recognises that fraud and corruption present a significant risk to the organisation's assets, service delivery efficiency and reputation. ITAC has an approved Fraud Prevention Policy and a Fraud Prevention Plan in place. ITAC has declared a policy of zero tolerance towards fraud and corruption. The organisation will not condone such actions, whether known or unknown and expects the highest standards of ethical conduct of its officials and related parties. There is an increased emphasises in respect of the use of the Public Service Commission's National Anti-Corruption Hotline (NACH) for reporting information relating to incidents of suspected fraud and corruption. ITAC has developed Anti-Corruption Hotline/portal for reporting misconduct or unethical behaviour. During the year under review, there were eighteen (18) cases of fraud and corruption reported by whistle blowers or members of the public through the internal fraud and corruption portal and all cases were resolved as there was no element of fraudulent activities. Fraud risks were identified during the risk assessment process and mitigations actions were monitored.

Internal Audit And The Audit and Risk Committee

The primary function of the Internal Audit is to give objective assurance to the Accounting Authority and Audit Committee that adequate management processes are in place to identify, monitor and manage risks. Internal Audit independently audits and evaluates the effectiveness of the organization's risk management, internal controls and governance process.

During the 2024/25 financial year, Internal Audit performed audits in the following areas as per the approved annual plan:

- Performance against predetermined objectives.
- Financial Management.
- Core Business.
- Human Resource Management.

The Audit and Risk Committee reviewed the following:

- The effectiveness of the internal control systems.
- Activities of the Internal Audit function.
- Adequacy, reliability and accuracy of financial information.
- Accounting and auditing concerns identified as a result of internal and external audits.
- Compliance with legal and regulatory provisions.

Audit and Risk Committee

Name	Qualifications	Internal/ External	Date appointed	Date Resigned
R Govender (Chairperson)	CA(SA)	External	1 November 2018	30 November 2024
VA Makaleni (Chairperson: Risk Management Committee)	Masters in Public Administration (MPA) B. Com (Accounting) Postgraduate Diploma in Management (Corporate Governance)	External	1 April 2020	N/A
L Monama	CA(SA)	External	1 October 2023	N/A
O Benxa	CA (SA)	External	1 November 2024	N/A

Compliance with laws and regulations

ITAC has an approved Compliance Policy and Framework. Compliance with the relevant legislation is monitored on a quarterly basis by the Risk Management Committee and no significant breaches were identified.

AUDIT & RISK COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2025.

Audit and Risk Committee Responsibility

The Audit and Risk Committee ("the Committee") is established as an independent statutory committee in terms of sections 51 (1)(a)(ii) and 77 of the PFMA. The Committee functions within approved terms of reference and complies with relevant legislation, regulation and governance codes. The Committee submits this report for the financial year ended 31 March 2025, as required by the Treasury Regulations 27.1.7.

Evaluation of the Effectiveness of Internal Controls

The PFMA requires the Accounting Authority to ensure that the ITAC has and maintains effective, efficient and transparent systems of financial, risk management and internal control, whilst it is the Committee's role to review the effectiveness of internal controls and oversee risk management processes. Reviews on the effectiveness of the internal controls were conducted, and they covered financial, operational, compliance and risk assessment during the year under review.

In line with the PFMA, Internal Audit provides the Committee and management with reasonable assurance regarding the adequacy and effectiveness of the internal controls. The Committee considers the system of internal controls appropriate in all material respects to:

- reduce risks to an acceptable level.
- meet the business objectives.
- ensure assets are safeguarded and
- ensure that transactions undertaken are recorded in the accounting records.

Our evaluation of the effectiveness of internal controls is that they are adequate and effective.

Quality of In-Year Management of the Quarterly Report

The Committee has reviewed the quarterly management reports and is satisfied with the quality thereof. In instances where performances were below the annual performance plan targets, management provided reasons for such under-performance and implemented plans to improve identified performance deficiencies.

Evaluation of the 2024/2025 Annual Financial Statements and Annual Performance Report

The Committee reviewed the annual financial statements of the ITAC and is satisfied that they comply with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and that the accounting policies used are appropriate and consistently applied.

Through this review, the Committee has:

- confirmed, based on management's review and reasons provided, that the annual financial statements were prepared on a going concern basis. The Committee is satisfied that the ITAC will maintain its ability to continue as a going concern, for the foreseeable future.
- reviewed and discussed the audited annual financial statements with the external auditors, the Chief Commissioner, and the Chief Financial Officer.
- noted that there were no significant changes in accounting policies and practices.
- reviewed the external auditors report and considered the accounting treatments of all classes of transactions, account balances and disclosure items to be appropriate.
- noted that there were no adjustments to the financial statements arising from the external audit process.

The review of the annual financial statements and the annual performance report for the period ended 31 March 2025 was performed at the Committee's meeting held on 28 May 2025.

Furthermore, the Committee reviewed the annual performance report for the period ended 31 March 2025.

Through this review, the Committee has:

- reviewed the report on the pre-determined objectives to be included in the annual reports to ensure alignment with the applicable reporting framework.
- noted that there was an insignificant adjustment arising from the external audit process, which the Committee agrees with.

Risk Management

The Accounting Authority assigned the oversight responsibility for risk management function to the Audit and Risk Committee. The ITAC has implemented a risk management strategy, which includes the fraud prevention plan.

The Committee has monitored the significant risks faced by the ITAC through the review of quarterly risk assessment, risk reporting and discussions with management. The Committee received, and has evaluated in detail, the progress made in the mitigation of the strategic risks during the year under review. The Committee notes the progress made towards effective management of risks within the ITAC.

Evaluation of Compliance with Laws and Legislations

During the financial year under review, the Committee considered and evaluated:

- the systems and processes the ITAC uses to ensure compliance with laws and legislations.
- monitored compliance with laws and legislations.
- reviewed both the internal and external audit reports to identify any instances of non-compliance with laws and legislations.

The Committee noted that there were no material non-compliance matters that were raised by the external auditors during the audit of compliance with laws and legislations. The Committee will continue monitoring compliance with laws and legislation on a quarterly basis during the ordinary meetings of the ARC.

Evaluation of the Effectiveness of Internal Audit

Internal Audit is responsible for reviewing and providing assurance on the adequacy and effectiveness of the internal control environment across all the significant areas of the ITAC and its operations.

The Committee is responsible for ensuring that the ITAC's internal audit function is independent and has the necessary resources, skills, standing and authority within organisation to enable it to discharge its responsibilities effectively. The Internal Auditors have unrestricted access to the Committee, management and all records of the ITAC. The Head of Internal Audit (Chief Audit Executive) reports functionally to the Committee and administratively to the Chief Commissioner.

The Committee reviews and approves the Internal Audit Plan annually. Internal audit's activities are measured against the approved internal audit plan and the Chief Audit Executive tables progress reports at the Committee's quarterly meetings.

During the year under review, the Internal Audit developed and implemented a risk based strategic and operational coverage plan in accordance with the Global Internal Audit Standards and the Internal Audit Methodology, which the Committee approved for implementation.

The following internal audit work was completed during the year under review:

- Trade Remedies.
- Quarterly Performance Reports.
- Supply Chain Management.
- Tariff Duty Investigation.
- Interim Financial Statements.
- Payroll Management.
- Audit of Annual Performance Plan and Strategic Plan.
- Leave Management.
- Risk Management.
- Review of Annual Performance Report.
- Review of Annual Financial Statements.
- Follow-up on Prior Year Audit Findings.

Our overall assessment and evaluation of the effectiveness of Internal Audit of ITAC is that its under-resourced/staffed, which affects its ability to conclude on the work plan and scope of work as approved by the Committee at the beginning of the financial year. The Committee has raised this matter internally and there are processes that are being put in place to ensure that Internal Audit Unit is adequately resourced and capacitated. The Committee will be diligently tracking this commitment by management in the 2025/2026 financial year to ensure that it is fully implemented.

External Auditors: Rakoma and Associates Inc

The external audit function is performed by Rakoma and Associates Inc. The Committee has satisfied itself that the external auditor is independent of the ITAC. The Committee has satisfied itself that Rakoma and Associates Inc exercised its duties independently and objectively throughout the duration of the audit.

The Committee, in consultation with the Accounting Authority, noted and agreed to the terms of Rakoma and Associates Inc's engagement letter, audit strategy and audit fees in respect of the 2024/2025 financial year.

The Committee also monitored the implementation of the action plans to address matters arising from the management report issued by Rakoma and Associates Inc for the 2023/24 financial year. The Committee noted that a significant number of action plans arising from the 2023/2024 were implemented by the ITAC.

Rakoma and Associates Inc has issued an unqualified audit opinion, with no material findings (clean audit) during the 2024/2025 regulatory audit, which is the same opinion as the prior financial year. The Committee concurs and accepts the conclusion of Rakoma and Associates Inc on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and be read together with the report of Rakoma and Associates Inc.

Appreciation

The Committee acknowledges the work performed by internal and external auditors, Chief Commissioner, his executive team and broad management team of the ITAC. The Committee wants to thank everyone for their commitment and dedication to the task at hand and I want to thank my fellow Committee members for their valuable contribution to the Committee during the 2024/2025 financial year.

In-Conclusion

I would like to congratulate management of the ITAC for sustaining a clean audit opinion for the current year under review. This is testament of the hard work the ITAC team has put in throughout the year to maintain these excellent results. As we celebrate with the ITAC team on this great outcome, the task remains that of maintaining and sustaining this clean audit in the next financial year and going forward. As the Committee, we have full confidence in the ITAC team that this clean audit opinion will be maintained for the foreseeable future.

Signed on behalf of the Audit and Risk Committee by:

Mr Lesetja Monama (CA) RA

Chairperson: Audit and Risk Committee

International Trade Administration Commission (ITAC)

Date: 31 July 2025

B-BBEE COMPLIANCE PERFORMANCE INFORMATION

Name of Sphere of Government / Public Entity / Organ of State :	International Trade Administration Commission of South Africa
Registration Number (If Applicable):	N/A
Physical Address:	Dtic campus 77 Meintjies Street Sunnyside Pretoria 0002
Type of Sphere of Government / Public Entity / Organ of State:	Schedule 3A Public Entity
Organisation Industry / Sector	Public sector

The following table must be completed in full by the Sphere of Government / Public Entity / Organ of State:

Has the Sphere of Government / Public Entity / Organ of State applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	**Circle relevant answer**	**Attachment**
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law	No	Not applicable
Developing and implementing a preferential procurement policy	Yes	ITAC developed specific goals for allocating specific goals in line with Preferential Procurement Regulations.
Determining qualification criteria for the sale of state-owned enterprises	No	Not applicable
Developing criteria for entering into partnerships with the private sector	No	Not applicable
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment	No	Not applicable

APPROVED BY:

Ayabonga Cawe:

International Trade Administration Commission (ITAC):

DATE: 31/03/2025

PREFERENTIAL PROCUREMENT POINTS ALLOCATION

The Preferential Procurement Regulations have been revised and the new regulations come into effect on 16 January 2023. The Regulations state that procurements should be evaluated in terms of Price and Preferential Procurement. Preferential Procurement now excludes points for BBBEE contributor level status and points would now need to be allocated based on specific goals of the entity. The specific goals must take into account contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability and must include the implementation of programmes of the RDP as published in the Government Gazette No. 16085 dated 23 November 1994.

The revised Regulations, PPPFA, RDP and circular from the dtic were considered, and the table below was approved to allocate points for specific goals of ITAC.

Specific Goal	20	10
100% Black Owned	6	4
51% - 99% Black Owned	4	2
100% Black Women Owned	6	3
51% - 99% Black Women Owned	4	2
5% Youth Owned	2	1
2% Owned by Persons with Disabilities	1	1
Business in township, rural or underdeveloped area	2	0
Exempt Micro Enterprise (EME)	3	0
Qualifying Small Enterprise (QSE)	2	1

For procurements that require local content, the following table is proposed:

Specific Goal	20	10
100% Black Owned	5	3
51% - 99% Black Owned	4	1
100% Black Women Owned	5	2
51% - 99% Black Women Owned	4	1
5% Youth Owned	1	1
2% Owned by Persons with Disabilities	1	1
Local Content	3	2
Exempt Micro Enterprise (EME)	5	0
Qualifying Small Enterprise (QSE)	3	1

PART D

HUMAN RESOURCES MANAGEMENT

HUMAN RESOURCE MANAGEMENT REPORT

The human resources unit endeavours to drive workplace excellence in an environment that supports and develops professional skills and employee's wellbeing, underpinned by our pursuit to deploy a highly committed and capable workforce. The unit seeks to create and an environment that supports and develops the well-being and professional skills of ITAC's employees. The unit seeks to deliver on this goal by providing quality services in the areas of employee relations, employee wellness, recruitment and selection, employee retention, organisational development, and performance management. Policies are regularly reviewed to balance the needs of employees and the employer while ensuring compliance with all relevant legislation.

Workforce planning

The framework for ITAC's workforce planning is underpinned by a commitment to deploy a highly committed and capable workforce. This is achieved, in a first instance, by attracting and retaining a skilled and capable workforce. Attracting skilled employees is achieved through a competency-based recruitment and selection process. In this regard, a combination of values, knowledge, skills, personality attributes and future potential are key determinants in selecting successful candidates.

A Workplace Skills Plan (WSP) is developed and implemented annually to enhance the employees' professional skills. This is to ensure workplace efficiency and performance. Central to ITAC's workforce planning strategy is the achievement of a diverse workforce. It has been shown that employees from diverse backgrounds contribute to improved innovation, creativity, and knowledge generation. This is complemented by implementing an array of affirmative policies to promote access to equal employment opportunities and benefits.

Employee performance management

ITAC's performance management involves more than simply providing a periodic review for each employee. It is also about identifying strengths and weaknesses in an employee's performance and how to assist such employee to be a more productive and effective worker. In line with this goal, ITAC provides recognition for employees who have attained above-average performance levels.

Employee Health and Wellness

The Human Resources unit seeks not only to enhance the professional skills of employees, but also to ensure their well-being. This is achieved by creating a supportive working environment and through the establishment of ITAC's Employee Health and Wellness programme. ITAC has appointed a service provider to provide preventative, consultative and information services to all employees and their families who may encounter personal problems.

Employment

ITAC's organisational structure consists of 130 approved posts with 98 filled posts and 32 vacant posts. In addition, there are 13 contract employees 08 in core business and 5 in Support Services. The composition of the workforce as of 31 March 2025 comprises of the following:

Division	Core Business	Support Services
Approved Posts	54	44
Contract posts	08	05

Please note that the ratio includes the two Executives, i.e. Chief Commissioner and the General Manager: Corporate Services.

As at the end of 31 March 2025, there were 32 vacant positions which constitutes a vacancy rate of 25% which is considerably high. The MTEF allocation on Compensation of employees (COE) was reduced significantly and because of the budgetary constraints the recruitment process for most of the vacant positions could not be initiated.

A framework for filling of vacancies has been developed to assist in the prioritizing of vacancies. Due to reductions in baseline allocations, ITAC is not able to fill all its vacancies and it has become necessary to priorities certain vacancies. Some vacancies will not be filled in their current form and will be reorganized, reviewed, and redirected to focus on other critical areas.

Employment Equity (EE)

In accordance with the Employment Equity Act, of 1998, ITAC is committed to providing and transforming a workforce that is equitably representative of the demographics of South Africa united in diversity through the appointment of suitably qualified people from designated groups in all occupational levels and categories.

The highlights of the year under review includes: a proper functioning EE committee and reporting the EE progress against the EE plan to the department of labour. The current plan was approved from 2022 till 2025 and the annual report for 2024 has been submitted.

Employee Profile

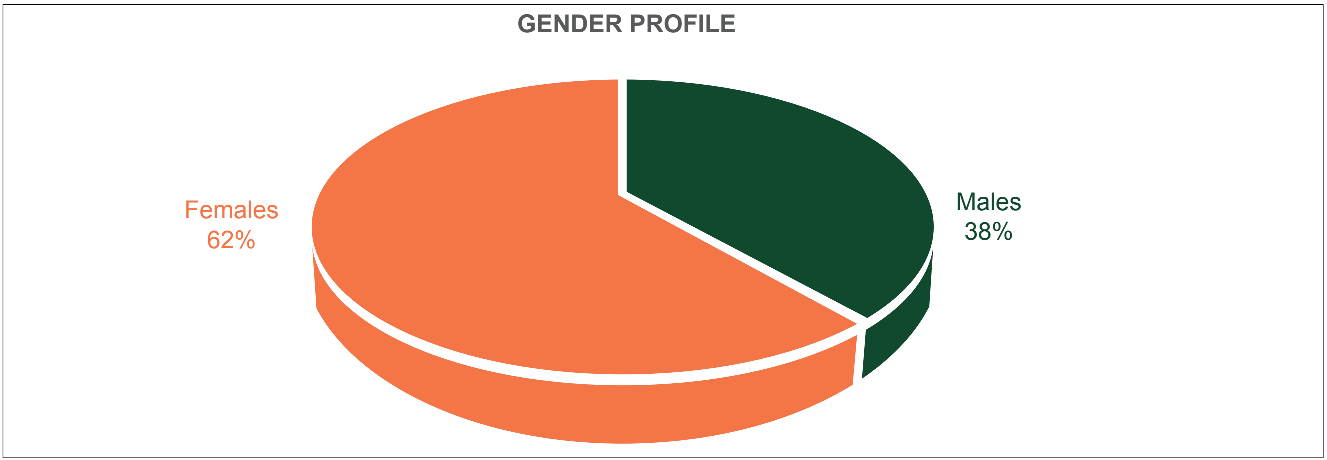
The following graphs present ITAC's employee profile in terms of a) gender; b) race; and c) Job classifications.

A. Gender profile

The table below shows the gender profile as at 31 March 2025:

Headcount	
Males	**Females**
36	62

In graph and percentage format:



The above graph depicts gender representation of employees who are currently employed by ITAC in the period under review. The current status in terms of gender representation is taken into consideration when setting up targets for the employment equity plan.

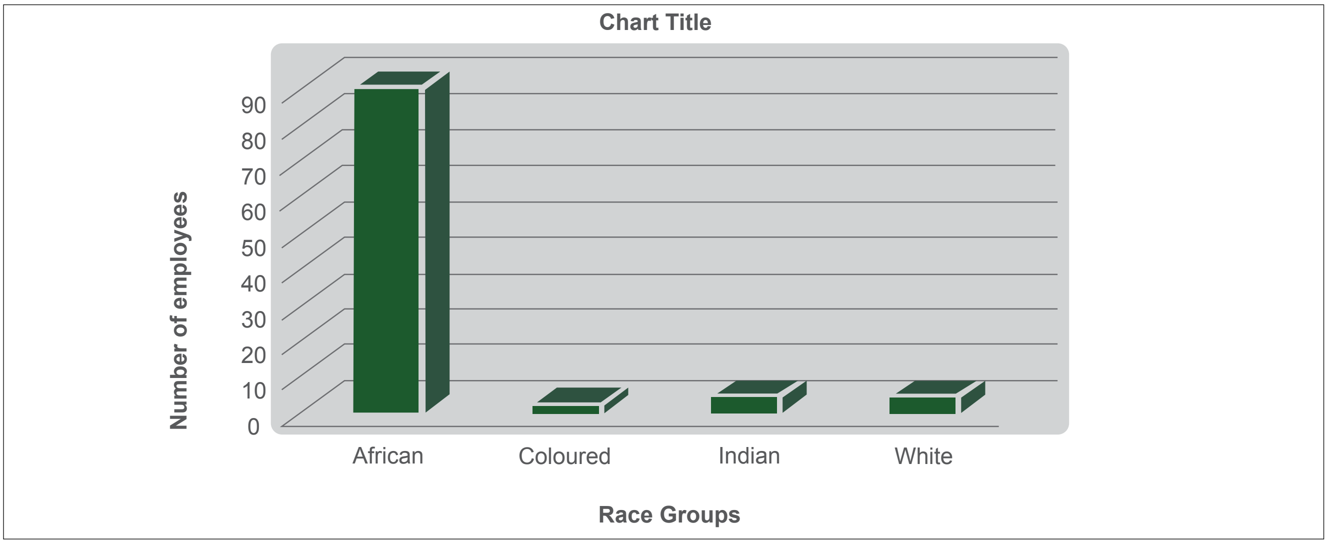
B.Race Profile

The table below shows the race profile as at 31 March 2025:

Table 2.

African	Coloured	Indian	White
90	2	4	2

In Graph format:



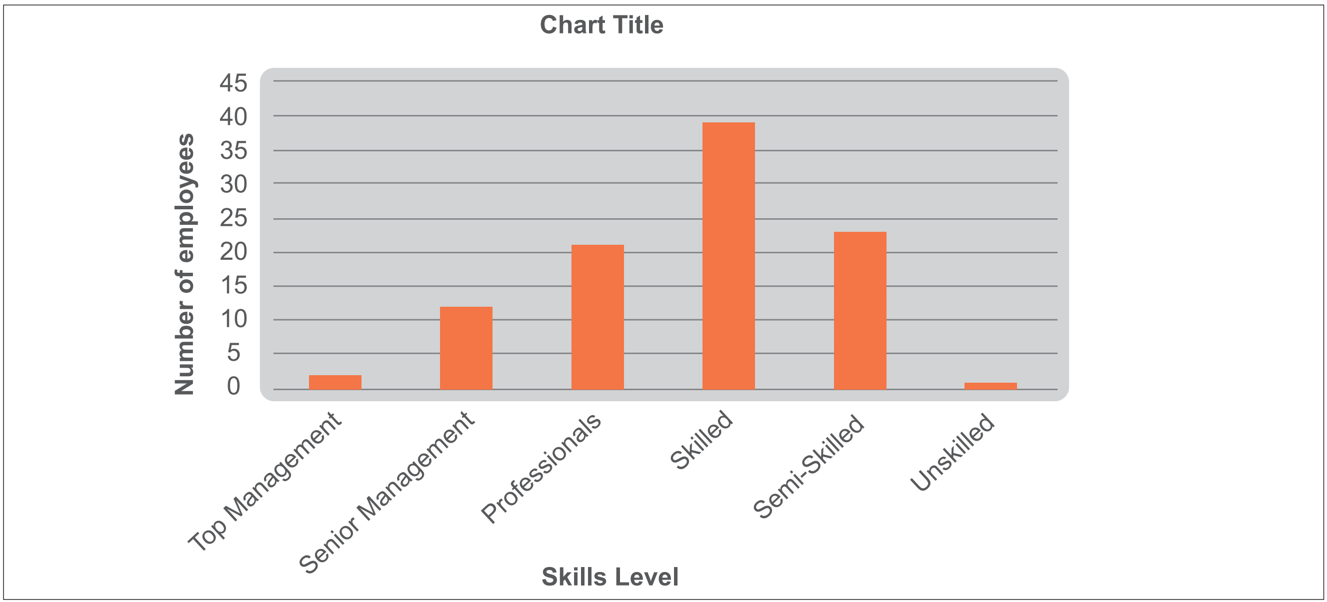
The graph above depicts the racial representation of employees who are currently employed by ITAC in the period under review.

C.Job Profile

The table below shows the job profile as at 31 March 2025:

Top Management	Senior Management	Professionals	Skilled	Semi-Skilled	Unskilled	Total
2	12	21	39	23	1	98

In graph format:



The graph above depicts the percentages of employees at different occupational categories who are currently employed by ITAC in the period under review. This also informs ITAC's employment equity plan to ensure that employees are equally represented at all occupational categories.

PART E

PFMA COMPLIANCE REPORT

Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	-	2 077
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	31 601	-
Less: Fruitless and wasteful expenditure recoverable[1]	(31 601)	
Less: Fruitless and wasteful expenditure not recoverable and written off	-	(2 077)
Closing balance	**-**	**-**

The fruitless and wasteful expenditure relates to the travel no-shows by two employees for approved business trips. The expenditure was not fully recovered from service providers as cancellation fees were incurred. The two employees signed debt acknowledgement forms and receivables were raised at year end.

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	-	-
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	-	-
Fruitless and wasteful not recoverable and written off	-	2 077
Fruitless and wasteful expenditure for the current year	31 601	-
Total	**31 601**	**2 077**

b) Details of fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total	**-**	**-**

c) Details of fruitless and wasteful expenditure recoverable

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure recoverable	31 601	
Total	**31 601**	

1 Transfer to receivables

d) Details of fruitless and wasteful expenditure not recoverable and written off

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure written off	-	2 077
Total	**-**	**2 077**

e) Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken

PAYMENT OF SUPPLIERS INVOICE

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	947	24 616
Invoices paid **within** 30 days or agreed period	947	24 616
Invoices paid **after** 30 days or agreed period	-	-
Invoices older than 30 days or agreed period ***(unpaid and without dispute)***	-	-
Invoices older than 30 days or agreed period ***(unpaid and in dispute)***	-	-

SUPPLY CHAIN MANAGEMENT

3.1. Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
IT web security system conference	IT WEB	Deviation – Sole supplier		11
Exhibition stand at the Fresh Produce Association Southern Africa conference.	Scatterlings Holdings	Deviation - Sole supplier		27
Appointment of attorneys for reinstatement of labour court matter.	HNM Attorneys	Deviation - Single source		252
Agri-5 Expo KZN2024	Bloem Republic	Deviation - Sole Supplier		19
Ex Exhibition space at the Africa Energy Indaba	Africa Energy Indaba	Deviation – Sole supplier		66
Total				**375**

3.2. Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
NONE.						
Total						

PART F

FINANCIAL INFORMATION

Accounting Authority's Responsibilities and approval

The International Trade Administration Act, 71 of 2002 (ITA Act), requires the Chief Commissioner to ensure that ITAC maintains full and proper records of its financial affairs. The Accounting Authority is required by the Public Finance Management Act (1 of 1999), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report.

It is the responsibility of the Accounting Authority, the Chief Commissioner in this case, to ensure that the annual financial statements fairly present the state of affairs of ITAC as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditor was engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Chief Commissioner has reviewed ITAC's budget and cash flow forecasts. On the basis of this review, and in view of the current financial position and existing resources of the parent department by way of transfer payments to ITAC, the Chief Commissioner has every reason to believe that ITAC will be a going concern in the year ahead and the going concern basis has therefore been adopted in preparing the financial statements.

To enable the Chief Commissioner to meet these responsibilities, senior management sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk.

These controls are monitored throughout ITAC, and all employees are required to maintain the highest ethical standards in ensuring that ITAC's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in ITAC is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operational risk cannot be fully eliminated, ITAC endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The internal controls contain self- monitoring mechanisms and actions are taken to correct deficiencies as they are identified. Even an effective system of internal control, no matter how well designed, has inherent limitations, including the possibility of circumvention or overriding of controls.

An effective system of internal control therefore, aims to provide reasonable assurance with respect to the reliability of financial information, and particularly financial statements presentation.

Furthermore, because of changes in the operating and control environment, the effectiveness of internal controls may vary over time.

The Executive Committee has reviewed ITAC's systems of internal control and risk management for the period ending 31 March 2025, and is of the opinion that ITAC's systems of internal control and risk management were effective for the period under review.

I am satisfied that these financial statements represent a fair reflection of the results of ITAC for the period ending 31 March 2025.

Ayabonga Cawe

Chief Commissioner

Accounting Authority's Report

Report by the Chief Commissioner for the year ended 31 March 2025.

1. Operating results

The deficit for the period ended 31 March 2025 was R721 802 (2023 surplus: R11 016 607). The interest received for the period ended 31 March 2025 was R6 634 862 (2024: R7 354 628.

2. Review of activities main business and operations

ITAC's actual total revenue for the period was R120 221 992, while actual expenditure was R120 943 794. Major variances that resulted in a deficit were mainly general expenses and included IT expenditure which increased because of the number of projects undertaken to secure the IT environment after the cyber incident. Others include travel and subsistence expenditure, advertising and communication costs. Several IT projects were funded from the approved cash surplus from the 2023/24 financial year. A detailed explanation of material variances is disclosed in note 26 of the annual financial statements.

3. Going concern

The annual financial statements have been prepared based on accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realization of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

4. Subsequent events

The Chief Commissioner is not aware of any subsequent events that took place after the reporting period.

5. Accounting policies

The annual financial statements were prepared and complies with the Standards of Generally Recognized Accounting Practice (GRAP) issued by the Accounting Standards Board in accordance with Section 9 (1) of the Public Finance Management Act (Act 1 of 1999).

6. Executive management remuneration

Disclosure of the Executive Management's remuneration is included in the related parties note, note 23 of annual financial statements.

7. Materiality and significance framework

ITAC has developed and adopted a materiality and significance framework for reporting losses through criminal conduct, irregular, fruitless or wasteful expenditure, as well as for significant transactions envisaged as per section 55 (2) of the Public Finance Management Act (Act No 29 of 1999). The materiality amount for the period under review was R584 900. This represents 0.5% of ITAC's total approved revenue budget for the period. ITAC's total approved revenue budget for the period was R116 980 000.

The annual financial statements, which have been prepared on the going concern basis, were approved by the Chief Commissioner, who is the Accounting Authority on 31 July 2025.

Mr. Ayabonga Cawe
Chief Commissioner

INDEPENDENT AUDITOR'S REPORT TO THE PARLIAMENT ON INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA

Report on the audit of the financial statements

Opinion

1. We have audited the financial statements of the International Trade Administration Commission of South Africa set out on pages 92 to 122, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In our opinion, the financial statements present fairly, in all material respects, the financial position of the International Trade Administration Commission of South Africa as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act of South Africa, Act No. 1 of 1999 (PFMA).

Basis for opinion

3. We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

4. We are independent of the public entity in accordance with the *Code of professional conduct for auditors* of the Independent Regulatory Board for Auditors (IRBA) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)*.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

6. We draw attention to the matter below. Our opinion is not modified in respect of this matter.

Restatement of corresponding figures

7. As disclosed in note 31 to the financial statements, the 31 March 2024 corresponding figures were restated as a result of an error in the financial statements of the public entity which was corrected in the current financial year.

Responsibilities of Accounting Authority for the financial statements

8. The Accounting Authority is responsible for the preparation and fair presentation of the financial statements in accordance with Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act of South Africa, Act No. 1 of 1999 (PFMA) and for such internal control as the Accounting Authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, the Accounting Authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the accounting authority either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor for the audit of the financial statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

11. A further description of our responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 89, forms part of our auditor's report.

Report on the audit of the annual performance report

12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, we must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programmes presented in the annual performance report. The Accounting Authority is responsible for the preparation of the annual performance report.

13. We selected the following programmes presented in the annual performance report for the year ended 31 March 2025 for auditing. We selected programmes that measures the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Efficient Administration of trade instruments: Customs Tariffs	57-59	To promote, in a complementary manner, domestic production, job retention and creation, inclusive growth and international competitiveness.
Efficient Administration of trade instruments: Trade Remedies	60-61	To act against unfair trade or a surge of importsthat causes or threaten to cause material injury or serious injury, respectively, tothe SACU industry.
Efficient administration of trade instruments: Import and Export Controls	61-62	To enforce health, environmental, security andsafety, and technical standards that arise fromdomestic laws and international agreements.

14. We evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.

15. We performed procedures to test whether:
    - the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives.
    - all the indicators relevant for measuring the public entity's performance against its primary mandated and prioritised functions and planned objectives are included.
    - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that we can confirm the methods and processes to be used for measuring achievements.
    - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated.
    - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents.
    - the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
    - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over or underachievement of targets.

16. We performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

17. We did not identify any material findings on the reported performance information for the selected programmes.

Other matter

18. We draw attention to the matter below.

Achievement of planned targets

19. The annual performance report includes information on reported achievements against planned targets and provides explanations for over and under achievements.

Report on compliance with legislation

20. In accordance with the PAA and the general notice issued in terms thereof, we must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The Accounting Authority is responsible for the public entity's compliance with legislation.

21. We performed procedures to test compliance with selected requirements in key legislation in accordance with the AGSA findings engagement methodology. This engagement is not an assurance engagement. Accordingly, we do not express an assurance opinion or conclusion.

22. Through an established AGSA process, we selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

23. We did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

24. The Accounting Authority is responsible for the other information. The other information comprises the information included in the annual report which includes the report by the Accounting Authority and the Audit and Risk Committee. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.

25. Our opinion on the financial statements and our findings on the reported performance information and the report on compliance with legislation do not cover the other information and we do not express an audit opinion or any form of assurance conclusion on it.

26. In connection with our audit, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

27. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Internal control deficiencies

28. We considered internal control relevant to our audit of the financial statements, annual performance report and compliance with applicable legislation; however, our objective was not to express any form of assurance on it.

29. We did not identify any significant deficiencies in internal control.

Auditor tenure

30. In terms of the IRBA rule published in Government Gazette No. 39475 dated 4 December 2015, we report that Rakoma and Associates Inc. has been the auditor of the International Trade Administration Commission of South Africa for two years.

Rakoma and Associates Inc.

Rakoma and Associates Inc
Per: Edgar Rakoma CA (SA)
Engagement Partner
Registered Auditor

Willow Wood Office Park Block D,
Corner 3rd Ave & Cedar Rd,
Johannesburg,
2021

31 July 2025

Annexure to the auditor's report

31. The annexure includes the following:

- the auditor's responsibility for the audit.
- the selected legislative requirements for compliance testing.

Auditor's responsibility for the audit

Professional judgement and professional scepticism

32. As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout our audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the public entity's compliance with selected requirements in key legislation.

Financial statements

33. In addition to our responsibility for the audit of the financial statements as described in this auditor's report, we also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the public entity's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the public entity to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify our opinion on the financial statements. Our conclusions are based on the information available to us at the date of this auditor's report. However, future events or conditions may cause a public entity to cease operating as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

34. We communicate with the Accounting Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

35. We also provide the Accounting Authority with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to have a bearing on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

36. The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999(PFMA).	Section 51(1)(a)(iv); 51(1)(b)(i); 51(1)(b)(ii);51(1)(e)(iii) Section 53(4) Section 54(2)(c'); 54(2)(d) Section 55(1)(a); 55(1)(b); 55(1)(c)(i) Section 56(1); 56(2) Section 57(b); Section 66(3)(c'); 66(5)
Treasury Regulations	Treasury Regulation 8.2.1; 8.2.2 Treasury Regulation 16A 3.1; 16A 3.2; 16A 3.2(a);16A 6.1; 16A6.2(a) & (b); 16A6.2(e);16A 6.3(a); 16A 6.3(a)(i); 16A 6.3(b); 16A 6.3(c); 16A 6.3(d); 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; TR 16A.7.1; 16A.7.3; 16A.7.6; 16A.7.7; 16A 8.2(1); 16A 8.2(2); 16A 8.3; 16A 8.3(d); 16A 8.4; 16A9.1 16A9; 16A9.1(b)(ii); 16A9.1(c); 16A 9.1(d); 16A 9.1(e); 16A9.1(f); 16A 9.2; 16A 9.2(a)(ii);TR 16A 9.2(a)(iii) Treasury Regulation 30.1.1; 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1 Treasury Regulation 31.1.2(c') TreasuryRegulation 31.2.1; 31.2.5; 31.2.7(a) Treasury Regulation 31.3.3 Treasury Regulation 32.1.1(a); 32.1.1(b); 32.1.1(c') Treasury Regulation 33.1.1; 33.1.3
Public service regulation	Public service regulation 13(c);18; 18 (1) and (2)
Prevention and Combating of Corrupt ActivitiesAct No.12 of 2004 (PRECCA)	Section 34(1)
Construction Industry Development Board Act No.38 of 2000 (CIDB)	Section 18(1)
CIDB Regulations	CIDB regulation 17; 25(1); 25 (5) & 25(7A)
International Trade Administration Act of 2002	International Trade Administration Act of 2002
PPPFA	Section 1(i); 2.1(a); 2.1(b); 2.1(f)

Legislation	Sections or regulations
PPR 2017	Paragraph 4.1; 4.2 Paragraph 5.1; 5.3; 5.6; 5.7 Paragraph 6.1; 6.2; 6.3; 6.5; 6.6; 6.8 Paragraph 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Paragraph 8.2; 8.5 Paragraph 9.1; 9.2 Paragraph 10.1; 10.2 Paragraph 11.1; 11.2 Paragraph 12.1 and 12.2
Preferential Procurement Regulations of 2022 (PPR)	Preferential Procurement reg. 3(1) Preferential Procurement reg. 4(1)Preferential Procurement reg 4(2) Preferential Procurement reg. 4(3)Preferential Procurement reg. 4(4) Preferential Procurement reg. 5(1)Preferential Procurement reg 5(2) Preferential Procurement reg. 5(3)Preferential Procurement reg. 5(4)

Statement of Financial Position as at 31 March 2025

Figures in Rand	Note(s)	2025	2024
Assets			
Current Assets			
Inventories	3	164 411	162 094
Receivables from exchange transactions	4	46 889	149 099
Prepayments	5	1 629 983	2 361 433
Cash and cash equivalents	6	50 420 149	50 874 474
		52 261 432	**53 547 100**
Non-Current Assets			
Property, plant and equipment	7	2 890 116	3 087 554
Intangible assets	8	4 751 683	3 168 649
		7 641 799	**6 256 203**
Total Assets		**59 903 231**	**59 803 303**
Liabilities			
Current Liabilities			
Operating lease liability	9	29 323	-
Payables from exchange transactions	10	1 914 632	1 724 734
Provisions	11	5 825 361	5 415 152
Employee benefit obligations	12	10 724 470	10 431 188
		18 493 786	**17 571 074**
Non-Current Liabilities			
Operating lease liability	9	661 983	762 965
Total Liabilities		**19 155 769**	**18 334 039**
Net Assets		**40 747 462**	**41 469 264**
Accumulated surplus		40 747 462	41 469 264
Total Net Assets		**40 747 462**	**41 469 264**

Statement of Financial Performance for the year ended 31 March 2025

Figures in Rand	Note(s)	2025	2024
Revenue			
Revenue from exchange transactions			
Other income	13	114 598	79 378
Interest received - cash and cash equivalents	13	6 634 862	7 354 628
Profit on disposal of assets	13	42 532	57 400
Total revenue from exchange transactions		**6 791 992**	**7 491 406**
Revenue from non-exchange transactions			
Transfer revenue			
Government grants	13	113 430 000	118 998 000
Total revenue	13	**120 221 992**	**126 489 406**
Expenditure			
Employee related costs	14	(94 350 638)	(90 659 552)
Depreciation and amortisation	15	(1 464 263)	(1 131 650)
Lease rentals on operating lease	16	(7 984 293)	(8 110 492)
Debt Impairment	17	-	(49 094)
Expenses	18	(17 144 600)	(15 522 011)
Total expenditure		**(120 943 794)**	**(115 472 799)**
(Deficit) surplus for the year		**(721 802)**	**11 016 607**

Statement of Changes in Net Assets for the year ended 31 March 2025

Figures in Rand	Accumulated surplus / deficit		Total net assets
Balance at 01 April 2023	**30 452 657**		**30 452 657**
Changes in net assets Surplus for the year	11 016 607		11 016 607
Total changes	11 016 607		11 016 607
Balance at 01 April 2024	**41 469 264**		**41 469 264**
Changes in net assets Deficit for the year	(721 802)		(721 802)
Total changes	(721 802)		(721 802)
Balance at 31 March 2025	**40 747 462**		**40 747 462**

Cash Flow Statement for the year ended 31 March 2025

Figures in Rand	Note(s)	2025	2024
Cash flows from operating activities			
Receipts			
Government grants		113 430 000	118 998 000
Interest received - cash and cash equivalents		6 634 862	7 281 372
Other receipts		216 808	110 621
		120 281 670	126 389 993
Payments			
Employee costs		(94 057 356)	(91 064 160)
Suppliers		(23 871 313)	(26 434 519)
		(117 928 669)	(117 498 679)
Net cash flows from operating activities	19	**2 353 001**	**8 891 314**
Cash flows from investing activities			
Purchase of property, plant and equipment	7	(1 313 294)	(2 912 035)
Purchase of other intangible assets	8	(1 583 550)	(2 771 213)
Proceeds from insurance		89 518	3 557
Net cash flows from investing activities		**(2 807 326)**	**(5 679 691)**
Net increase/(decrease) in cash and cash equivalents		**(454 325)**	**3 211 623**
Cash and cash equivalents at the beginning of the year		50 874 474	47 662 851
Cash and cash equivalents at the end of the year	6	**50 420 149**	**50 874 474**

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis						
Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Other income	243 000	-	**243 000**	114 598	**(128 402)**	26 - N1
Interest received - investment	3 307 000	-	**3 307 000**	6 634 862	**3 327 862**	26 - N2
Total revenue from exchange transactions	**3 550 000**	**-**	**3 550 000**	**6 749 460**	**3 199 460**	
Revenue from non-exchange transactions						
Transfer revenue						
Government grants & subsidies	113 430 000	-	**113 430 000**	113 430 000	**-**	
Total revenue	**116 980 000**	**-**	**116 980 000**	**120 179 460**	**3 199 460**	
Expenditure						
Personnel	(96 500 000)	-	**(96 500 000)**	(94 350 638)	**2 149 362**	26 - N3
Depreciation and amortisation	(793 576)	-	**(793 576)**	(1 464 263)	**(670 687)**	26 - N4
Lease rentals on operating lease	(8 460 662)	-	**(8 460 662)**	(7 984 293)	**476 369**	26 - N5
Expenses	(11 225 762)	-	**(11 225 762)**	(17 144 600)	**(5 918 838)**	26 - N6
Total expenditure	**(116 980 000)**	**-**	**(116 980 000)**	**(120 943 794)**	**(3 963 794)**	
Operating deficit	**-**	**-**	**-**	**(764 334)**	**(764 334)**	
Profit on disposal of assets	-	-	**-**	42 532	**42 532**	26 -N7
Deficit before taxation	**-**	**-**	**-**	**(721 802)**	**(721 802)**	
Deficit for the year	**-**	**-**	**-**	**(721 802)**	**(721 802)**	
Actual Amount on Comparable -Basis as Presented in the Budget and Actual Comparative Statement		**-**	**-**	**(721 802)**	**(721 802)**	

1. Significant accounting polices

The significant accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 Basis of preparation

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

These accounting policies are consistent with the previous period.

1.2 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the entity. All financial figures have been rounded off to the nearest Rand.

1.3 Going concern assumption

These annual financial statements have been prepared based on the expectation that entity will continue to operate as a going concern for the foreseeable future.

1.4 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts presented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Trade receivables

ITAC assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the entity makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from receivables.

Most of ITAC's trade receivables are staff debtors and collected through payroll deductions. Staff debtors and other debtors are stated at cost less provision for doubtful debts. The provision is made on an individual basis and based on expected cash flows. Considerations will include amongst others: whether the employee is still within ITAC's employment, if the amounts can be recovered through collection agents or deceased estate for deceased employees and whether it is economical to pursue certain debts.

Provisions

The amount of provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date. Additional disclosure of these estimates of provisions are included in note11 - Provisions. The following estimate was applied by management at the reporting date:

Legal provisions - The amount of legal fees provisioned per case are based on an estimated amount using the hours spent on each case per quarter mutipled by the counsel's approved rate per hour. The hours spent on each case are management' best estimate, mainly based on historical experience in dealings with legal matters. Adjustments will be made upon receiving the actual invoice from counsel. Adjustments in the form of reversals are also made when cases are finalized and no further invoices are expected. Where quotations/pro-forma invoices are available from counsel, the amounts will be used to estimate the liability.

Useful lives and residual values of property, plant and equipment

Management determine the estimated useful lives, residual values and related depreciation charges for property, plant and equipment. The estimated useful lives, residual values and depreciation methods are reviewed at each year end, with any changes in estimates accounted for on a prospective basis. Prior year errors are accounted for retrospectively and the comparative amounts for the prior year in which the error occured restated. The estimate is based on the replacement plan, condition and use of the individual assets, in order to determine the remaining period over which the asset can and will be utilised. Management will decrease the depreciation charge where useful lives are more than previously estimated.

Allowance for doubtful debts

An impairment loss is recognised in surplus or deficit when there is objective evidence that receivables are impaired. As most ITAC's debtors are staff debts, an allowance is raised when the employee had left ITAC employment, and collection prospects are remote. The debts are first referred to the debt collector and when collection fails, an allowance for the full amount is raised.

1.5 Property, plant and equipment

Property, plant and equipment is initially measured at cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Recognition of costs in the carrying amount of an item of property, plant and equipment cease when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

ITAC's property, plant and equipment is administrative in nature and non-cash-generating assets.

Property, plant and equipment is depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses. The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight-line	6 to 8 years
Office equipment	Straight-line	3 to 8 years
Computer equipment	Straight-line	3 to 5 years
Servers	Straight-line	5 to 7 years
Ipads and cellphones	Straight-line	2 to 3 years

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

ITAC assesses at each reporting date whether there is any indication that the entity expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.6 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- the cost or fair value of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

ITAC's intangible assets include computer software internally developed. Computer software that is not an intergral part of the hardware and that can be identified and separated is capitalised as an intangible asset. Costs associated with the development or maintaining in-house computer software programmes are capitalised when they are incurred.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

The amortisation period and amortisation method for intangible assets are reviewed at each reporting date. Amortisation is provided to write down intangible assets, on a straight-line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software, internally developed	Straight-line	5 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised.

1.7 Financial instruments

ITAC's financial assets consist of cash and cash equivalents and receivables from exchange transactions. Financial liabilities consists of payables from exchange transactions.

Classification

ITAC has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Cash and cash equivalents	Financial asset measured at amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost

ITAC has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Payables from exchange transactions	Financial liability measured at amortised cost

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

Measurement of financial assets and financial liabilities

ITAC measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Financial assets and financial liabilities are subsequently measured at amortised cost.

Impairment and uncollectibility of financial assets

When an amount is outstanding for more than 90 days, this is considered by management as objective evidence than an impairment loss has occured. However, there may be other objective evidence that may or may not indicate impairment of a financial asset. Management considers such objective evidence when assessing an impairment of a financial asset. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Derecognition

Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
  - derecognise the asset; and
  - recognise separately any rights and obligations created or retained in the transfer.

ITAC refers doubtful receivables from exchange transactions to a debt collector for recovery. When the debt collection processes fail and the amounts are uneconomical to pursue legal action, the debts are provided for and written-off.

Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

1.8 Tax

ITAC is exempt from income tax in terms of section 10(1)(a) of the Income Tax Act, 1962.

1.9 Leases

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.10 Inventories

ITAC's inventory consist of stationery and consumables. Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and current replacement cost.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the entity.

The expenses are recognised when the goods are used. The amount of any write-down of inventories to current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.11 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, which are payable within 12 months after service is rendered, are recognised in the period in which the service is rendered.

Liabilities for short-term employee benefits which are unpaid at year-end are measured at an undiscounted amount that the entity expects to pay in exchange for service and had accumulated at the reporting date. Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within within twelve months after the end of the period in which the employee render the related service.

Post-employment benefits: Defined benefit plans

Recognition and measurement

ITAC provides a defined benefit scheme for its employees through the Government Employees Pension Fund (GEPF). ITAC's contributions to the GEPF are charged to the statement of financial performance in the year to which they relate. ITAC's contribution to the fund are established in terms of the GEPF rules.

ITAC will expense employer liability relating to additional employer pension contributions relating to employment contracts for full-time Commissioners when the liability arises. The amount to be expensed will be an estimate of the actuarial valuations received from GEPF.

1.12 Provisions and contingencies

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

A provision is used only for expenditures for which the provision was originally recognised.

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurence or non-occurence of one or more uncertain future events not within the control of ITAC or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

1.13 Revenue from exchange transactions

ITAC's revenue from exchange transactions consists of revenue from interest received on cash and cash equivalents and other income. Revenue is recognised when it is probable that future economic benefits will flow to the entity and the benefits can be measured reliably.

Measurement

Revenue is measured at the fair value of the consideration received or receivable.

Interest received - cash and cash equivalents

Interest received is recognised in surplus or deficit for all financial instruments measured at amortised cost using the effective interest rate method.

1.14 Revenue from non-exchange transactions

ITAC's revenue from non-exchange transactions consists of governments grants received from the Department of Trade, Industry and Competition.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

Government grants

Grants are recognised as revenue when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- the amount of the revenue can be measured reliably; and
- to the extent that there has been compliance with any restrictions associated with the grant.

1.15 Fruitless and wasteful expenditure

Fruitless expenditure is incurred when expenditure was made in vain and would have been avoided had reasonable care been exercised.

Fruitless expenditure when incurred and confirmed in the current year is disclosed in the notes to the annual financial statements. The amount recorded is equal to the value of fruitless and wasteful expenditure incurred and confirmed in the current financial year unless it is impractical to determine, in which case reasons will be provided in the annual report.

Fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.16 Irregular expenditure

Irregular expenditure is incurred in contravention of, or not in accordance with legislation and expenditure must have been recognised in the statement of financial performance or liability recognised in the statement of financial position.

Irregular expenditure when incurred and confirmed is disclosed in the notes to the annual financial statement. The amount recorded is equal to the value of irregular expenditure incurred and confirmed in the current financial year unless it is impractical to determine, in which case reasons will be provided in the annual report.

Irregular expenditure is removed from the notes when it is condoned by the relevant authority.

1.17 Segment information

ITAC manages its operations as a single segment. The Chief Commissioner makes key financial and operational decisions for all ITAC's strategic objectives. ITAC's core objectives are: Efficient administration of trade instruments (customs tariffs, trade remedies, import and export control), Providing technical advice to the dtic, and Monitoring and evaluation. Resource allocation, assets and liabilities are managed on a combined basis.

Geographical information is not provided as ITAC operates from one location, although services are rendered through out the country. Actual performance outcomes are used by management as a basis for evaluating each strategic objective's performance and for making decisions about the allocation of resources. The disclosure of information about these strategic objectives are considered appropriate for external reporting purposes.

1.18 Budget information

ITAC is subject to budgetary limits in the form of appropriations or budget authorisations, which are given effect through authorising legislation, appropriation or other similar measures.

The approved budget is prepared on an accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 1 April 2024 to 31 March 2025.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the statement of comparison of budget and actual amounts.

1.19 Related parties

ITAC operates in an economic sector currently dominated by entities directly or indirectly owned by the South African government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

1.20 Events after reporting date

The entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2025 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on orafter	Expected impact:
• GRAP 107 (as revised) Mergers	To be determined	The standard is not applicable to ITAC and there will not be any material impact.
• GRAP 106 (as revised) Transfer of Functions Between Entities Not Under Common Control	To be determined	The standard is not applicable to ITAC and there will not be any material impact.
• GRAP 105 Transfer of Functions Between Entities Under Common Control	To be determined	The standard is not applicable to ITAC and there will not be any material impact.
• GRAP 2023 Improvements to the Standards of GRAP 2023	To be determined	Minor amendments aligned with international standards-setters as well as local stakeholder input. Amendments to the various standards were considered and it is unlikely there will be a material impact.
• GRAP 1 (amended): Presentation of Financial Statements (Going Concern)	To be determined	Amendments provide going concern guidance, and additional disclosure requirements where more uncertainties exist. Amendments were considered and there will not be any material impact.
• GRAP 103 (amended): Heritage Assets	To be determined	The standard is not applicable to ITAC and there will not be any material impact.
• iGRAP 22 Foreign Currency Transactions and Advance Consideration	01 April 2025	The standard is not applicable to ITAC and there will not be any material impact.
• GRAP 104 (as revised): Financial Instruments	01 April 2025	Amendments will be considered from 1 April 2025, and implemented where necessary.

Figures in Rand	2025	2024

3. Inventories

Stationery and consumables	164 411	162 094

Inventory is not pledged as security for any financial liabilities. The cost of inventory expensed during the period amounted to R116 881 (2024: R284 336).

4. Receivables from exchange transactions

Cellphones	26 160	17 486
Accrued interest - cash and cash equivalents	-	73 256
Other debtors	66 173	107 503
Provision for bad debts	(45 444)	(49 146)
	46 889	**149 099**

The above receivables from exchange transactions are staff debtors. Receivables from exchange transactions reduced in the current year due to increased collections.

Trade and other receivables ageing

The ageing of receivables from exchange transactions are as follows:

Current	43 840	2 987
3 months past due	48 493	195 258

Trade and other receivables impaired

The amount of the provision was R45 444 as of 31 March 2025 (2024: R49 146).		
The ageing of these receivables are as follows:		
Over 6 months	45 444	49 146
Reconciliation of provision for impairment of trade and other receivables		
Opening balance	49 146	46 361
Provision for impairment	45 444	49 266
Amounts written off as uncollectible	-	(46 481)
Unused amounts reversed	(49 146)	-
	45 444	**49 146**

5. Prepayments

Parking	17 541	17 300
Subscriptions	1 612 442	1 929 136
Medical aid contributions	-	414 997
	1 629 983	**2 361 433**

Medical aid payments are due by the 3rd of each month and the payment for the current year was made after year end.

Figures in Rand	2025	2024

6. Cash and cash equivalents

Cash and cash equivalents consist of:

	2025	2024
Cash on hand	7 900	7 900
Current accounts	1 431 144	843 488
Call account	17 144 373	23 070 428
Corporation of Public Deposits (CPD) account	31 836 732	26 952 658
	50 420 149	**50 874 474**

Management considers that all the above cash and cash equivalents categories are of good quality. The maximum exposure to credit risk at the reporting date is the fair value of each class of cash and cash equivalent mentioned above. During the period cash and cash equivalents were kept in the call and current accounts at Standard Bank and average daily interest earned was 6.9% (2024: 7.65%) and the CPD account at the South African Reserve Bank at an average daily interest rate of 7.5% (2024: 8.25%). The cash and cash equivalents were not pledged as security for financial liabilities.

7. Property, plant and equipment

	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	784 121	(683 352)	100 769	784 121	(657 726)	126 395
IT equipment	6 502 102	(3 712 755)	2 789 347	5 365 326	(2 404 167)	2 961 159
Total	**7 286 223**	**(4 396 107)**	**2 890 116**	**6 149 447**	**(3 061 893)**	**3 087 554**

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	126 395	-	-	(25 626)	100 769
IT equipment	2 961 159	1 313 294	(46 985)	(1 438 121)	2 789 347
	3 087 554	**1 313 294**	**(46 985)**	**(1 463 747)**	**2 890 116**

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	24 964	123 792	(70)	(22 291)	126 395
IT equipment	1 269 059	2 800 943	-	(1 108 843)	2 961 159
	1 294 023	**2 924 735**	**(70)**	**(1 131 134)**	**3 087 554**

Figures in Rand	2025		2024

IT equipment consists of laptops, desktops, servers, ipads and cellphones.

Furniture and fixtures consists of office furniture and equipment.

There are no restrictions attached to items of property, plant and equipment. Property, plant and equipment is not pledged as security for any financial liabilities.

Compensation received for losses/repairs on property, plant and equipment – included in operating surplus.

	2025	2024
IT equipment	89 518	3 557

Expenditure incurred to repair and maintain property, plant and equipment

	2025	2024
IT Equipment	633	15 320
Furniture and Fittings	1 880	-
	2 513	**15 320**

8. Intangible assets

	2025			2024		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer software, internally developed	5 378 503	(626 820)	4 751 683	3 794 953	(626 304)	3 168 649

Reconciliation of intangible assets - 2025

	Openingbalance	Additions	Amortisation	Total
Computer software, internally developed	3 168 649	1 583 550	(516)	4 751 683

Reconciliation of intangible assets - 2024

	Opening balance	Additions	Amortisation	Total
Computer software, internally developed	2 065	3 167 100	(516)	3 168 649

Intangible assets in the process of being constructed or developed

Cumulative expenditure recognised in the carrying value of Intangible assets

	2025	2024
Computer software, internally generated	4 750 650	3 167 100

The development of the computer software relating to the metal trading licensing system was still in progress at year end. The computer software was not amortised as the system was not yet available for use and not in a condition to be operated as intended by management at year end.

Figures in Rand	2025	2024

9. Operating lease liability

Non-current liabilities	661 983	762 965
Current liabilities	29 323	-
	691 306	762 965

ITAC entered into a lease agreement from 1 April 2023 for office accomodation for a period of five years. The lease payments will increase annually as per the Consumer Price Index (CPI). The CPI rate decreased to 2.7% as end of March 2025.

10. Payables from exchange transactions

Trade payables	1 445 804	847 256
Accrued expenses	468 828	767 071
Staff Creditors	-	110 407
	1 914 632	**1 724 734**

The ageing of trade and other payables		
Current	1 914 632	1 614 327
Over 3 months	-	110 407
	1 914 632	**1 724 734**

Creditors are paid within 30 days of receipt of invoice.

11. Provisions

Reconciliation of provisions - 2025

	Opening Balance	Additions	Utilised during the year	Reversed during the year	Total
Legal fees	5 308 540	1 716 521	(716 082)	(641 451)	5 667 528
Workmens Compensation	106 612	157 833	(106 612)	-	157 833
	5 415 152	**1 874 354**	**(822 694)**	**(641 451)**	**5 825 361**

Reconciliation of provisions - 2024

	Opening Balance	Additions	Utilised during the year	Reversed during the year	Total
Legal fees	5 290 970	3 551 780	(3 534 210)	-	5 308 540
Workmens Compensation	101 313	161 790	(101 313)	(55 178)	106 612
	5 392 283	**3 713 570**	**(3 635 523)**	**(55 178)**	**5 415 152**

Legal fees

Legal fees represent amounts payable but not yet invoiced by the Office of the State Attorney in respect of counsel fees for litigation cases in progress. ITAC utilizes the services of the State Attorney, which procures the services of an advocate to represent ITAC. ITAC is the client of the State Attorney, and the State Attorney is the client of an advocate. There is a delay between the work being done, the invoice being paid by the State Attorney and the invoicing to ITAC by the State Attorney.

Management estimate the hours spent on each matter based on historical experience and the nature of the matter, and then provision per case using the counsel's approved hourly rate. When invoices or quotations are available from counsel, they are also used in making estimations. Adjustments are made on receipt of final invoices.

Workmens compensation

Workmens compensation represents an estimate of the amount payable to the Compensation Commissioner on receipt of final assessment. The annual assessment fee is estimated on employees' earnings and an assessment tariff based on the risks associated with the type of work being done. ITAC will first receive a provisional assessment, with the final assesssment received a year later.

12. Employee benefit obligations

Reconciliation of employee benefit obligation - 2025

	Opening Balance	Additions	Utilised during the year	Reversed during the year	Total
Leave pay	7 967 074	8 214 427	(938 317)	(7 028 757)	8 214 427
13th Cheque	1 958 900	2 091 438	(1 958 900)	-	2 091 438
Housing allowance	505 214	139 862	(226 471)	-	418 605
	10 431 188	**10 445 727**	**(3 123 688)**	**(7 028 757)**	**10 724 470**

Reconciliation of employee benefit obligation - 2024

	Opening Balance	Additions	Utilised during the year	Reversed during the year	Total
Leave pay	7 208 952	2 154 332	(1 396 210)	-	7 967 074
13th Cheque	1 703 600	1 958 900	(1 703 600)	-	1 958 900
Housing allowance	382 550	150 287	(27 623)	-	505 214
Post employment benefit liability (GEPF)	1 540 694	-	(1 540 694)	-	-
	10 835 796	**4 263 519**	**(4 668 127)**	**-**	**10 431 188**

Leave

Leave pay provision represents the potential liability in respect of leave outstanding at year end. The DPSA's Directive on Leave of Absence is used to determine the accumulated number of days, which is then multiplied by the employee's daily rate to calculate the provision. Unused leave credits for the previous leave cycle are forfeited by the end of June the following year.

Service bonus

Service bonus represents 13th cheque amounts due to eligible employees at year-end.

Figures in Rand	2025	2024

Housing allowance

The housing allowance provision relates to amount set aside for staff participation in the Housing Allowance Scheme. ITAC makes a provision to assist employees to purchase houses. The amount of the provision is determined used the DPSA's directives.

Post employment benefit liability (GEPF)

The post employment benefit liability represent additional employer contributions to the pension fund. Certain instances of additional liability towards the GEPF occur when a member of the GEPF retires or is discharged from public service prior to normal retirement age. Quotations are provided by the GEPF on estimates involving actuarial calculations. Contributions to the fund are fixed and based on monthly pensionable salary with the employer contributing 13% and employer 7,5%.

There were no additional post employment benefit liability due by ITAC in the current financial year.

13. Revenue

	2025	2024
Other income	114 598	79 378
Interest received - cash and cash equivalents	6 634 862	7 354 628
Government grants	113 430 000	118 998 000
Profit on disposals of assets	42 532	57 400
	120 221 992	**126 489 406**

The amount included in revenue arising from exchanges of goods or services are as follows:

	2025	2024
Other income	114 598	79 378
Profit on disposal of assets	42 532	57 400
Interest received - cash and cash equivalents	6 634 862	7 354 628
	6 791 992	**7 491 406**

The amount included in revenue arising from non-exchange transactions is as follows:

Transfer revenue

	2025	2024
Government grants	113 430 000	118 998 000

Other income consists of recoveries from staff debts.

Figures in Rand	2025	2024

14. Employee related costs

Basic salaries	70 727 755	66 793 274
Long service award	43 595	65 393
Medical aid - company contributions	828 192	775 044
Unemployment Insurance Fund	238 924	241 380
Workmens Compensation	175 452	106 612
Leave pay provision charge	938 317	1 396 210
Post retirement benefit expenses	8 148 012	8 104 259
13th Cheques	4 647 726	4 464 656
Car allowance	226 000	156 000
Housing allowances	1 433 099	1 329 226
Group life	271 616	243 814
Non-pensionable cash allowance	6 671 950	6 983 684
	94 350 638	**90 659 552**

Number of employees as at 31 March 2025 was 98 (2024: 102). The vacancy rate as at 31 March 2025 was 25% (2024: 21.5%). In addition, 10 employees are employed on fixed term contracts and 3 Interns.

15. Depreciation and amortisation

IT equipment	1 438 121	1 108 843
Furniture and Fittings	25 626	22 291
Intangible assets	516	516
	1 464 263	**1 131 650**

16. Lease rentals on operating lease

Office premises	7 116 436	7 589 266
Motor vehicles	501 290	203 726
Office equipment	366 567	317 500
	7 984 293	**8 110 492**

17. Debt impairment

Debt impairment	-	49 094

Figures in Rand	2025	2024

18. General expenses

Advertising	369 289	295 028
Auditors remuneration	1 145 088	1 120 652
Bank charges	76 446	97 500
Cleaning	250	-
Legal fees	1 939 588	3 560 865
Consulting and professional fees	1 456 842	2 306 131
Catering	87 242	24 130
Loss on disposal of assets	-	70
Repairs and maintenance	3 354	15 320
Insurance	364 376	475 138
IT expenses	2 928 132	457 856
Promotions material	30 460	73 965
Motor vehicle expenses	67 677	63 652
Recruitment and resettlement expenditure	80 031	86 264
Postage and courier	9 827	7 092
Printing and stationery	290 598	428 238
Employee wellness	89 993	83 094
Software licenses	2 003 013	1 850 209
Telephone and fax	824 647	485 692
Training	291 493	581 743
Travel - local	3 267 724	1 757 524
Travel - overseas	1 132 959	896 970
Personal protective equipment	-	24 485
Offsite storage	201 575	150 717
Audit and Risk Committee	295 626	363 765
Part-time Commissioners	85 014	236 628
Workshops and conferences	103 356	79 283
	17 144 600	**15 522 011**

Refer to Note 26 for major variance explanations.

Figures in Rand	2025	2024

19. Cash generated from operations

(Deficit) surplus	(721 802)	11 016 607
Adjustments for:		
Depreciation and amortisation	1 464 263	1 131 650
Profit on sale of assets and liabilities	(42 532)	(57 400)
Fair value adjustments	-	(12 700)
Debt impairment	-	49 094
Movements in operating lease assets and accruals	(71 659)	762 965
Movements in provisions	410 209	22 869
Loss on disposal of assets	-	70
Gain on disposal of assets	-	8 304
Proceeds from insurance	-	(3 557)
Changes in working capital:		
Inventories	(2 317)	(75 085)
Receivables from exchange transactions	102 210	(25 755)
Prepayments	731 450	(303 692)
Payables from exchange transactions	189 898	(3 217 448)
Employee benefit obligations	293 281	(404 608)
	2 353 001	**8 891 314**

20. Financial instruments disclosure

Categories of financial instruments

2025

Financial assets

	At amortised cost	Total
Trade and other receivables from exchange transactions	46 889	46 889
Cash and cash equivalents	50 420 149	50 420 149
	50 467 038	**50 467 038**

Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	1 914 632	1 914 632

2024

Financial assets

	At amortised cost	Total
Trade and other receivables from exchange transactions	149 099	149 099
Cash and cash equivalents	50 874 474	50 874 474
	51 023 573	**51 023 573**

Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	1 724 734	1 724 734

21. Commitments

Authorised capital expenditure

Already contracted for but not provided for

• Intangible assets	6 516 150	-
Total capital commitments		
Already contracted for but not provided for	6 516 150	-

Authorised and contracted expenditure

2025

	Up to 1 year	2 to 5 years
Employee health and wellness programme	84 564	51 014
Parking	17 541	-
Records management	180 555	195 601
Subscriptions	304 989	40 710
External audit services	1 060 740	3 450 149
Mobile communication services	228 000	-
Internet line	299 783	177 211
Technical support	535 052	-
IT Expenditure	50 974	-
Metal Trade Licensing system	395 887	923 738
Promotional material	220 531	-
Permit system	516 197	891 613
Staff training	41 871	-
	3 936 684	**5 730 036**

2024

	Up to 1 year	2 to 5 years
Employee health and wellness programme	79 778	135 579
Parking	17 300	-
Records management	205 469	158 457
Subscriptions	33 922	-
External audit services	1 146 638	4 510 889
Mobile communication services	228 000	228 000
Internet line	299 783	476 994
Microsoft licenses	1 560 040	-
Consulting and professional fees	778 717	-
IT Expenditure	986 690	-
Metal Trade Licensing system	1 847 475	1 319 625
Staff training	99 514	-
	7 283 326	**6 829 544**

Operating leases - as lessee (expense)

Minimum lease payments due

2025

	within 1 year	2 to 5 years	Total
Office premises	7 382 174	15 367 685	22 749 859
Office equipment	366 566	61 095	427 661
	7 748 740	**15 428 780**	**23 177 520**

2024

	within 1 year	2 to 5 years	Total
Premises - rent	7 188 095	23 931 935	31 120 030
Office equipment	366 566	427 661	794 227
Motor vehicles	672 000	-	672 000
Subtotal	8 226 661	24 359 596	32 586 257
	8 226 661	**24 359 596**	**32 586 257**

ITAC entered into a lease agreement with the dtic for office premises. The agreement is effective from 1 April 2023 and is for a period of five years. The annual rent will escalate as per the Consumer Price Index (CPI) rate. The CPI rate for March 2025 decreased to 2.7%.

ITAC entered into a lease agreement for office equipment. The agreement was effective from 1 June 2023 for a period of three years. Rental payments are fixed over the period of the lease.

22. Contingencies

A cash surplus amounting to R31 973 252 for the 2024/25 financial year, which must be surrendered to National Treasury unless permission is granted to retain the surplus. The cash surplus was calculated using a formula prescribed by National Treasury through National Treasury Instruction Note No.12 of 2020/21 as follows: Cash and cash equivalents plus receivables less current liabilities. ITAC's request for surplus retention were approved by National Treasury in the past financial years. ITAC will make an application to the National Treasury to retain the cash surplus for the 2024/25 financial year. Part of the cash surplus is included under Commitments.

There are certain instances that trigger an additional employer liability for pension contribitutions to the GEPF on exit of full-time Commissioners. At this stage it is not known whether there will be a liability, and the timing of that liability.

ITAC experienced a security compromise on 2 January 2024. The entity suffered a ransomware attack in which malicious actors encrypted ITAC's files, locked users out of their systems and demanded a ransom payment in exchange for restoring access or decrypting their files. Subsequent to the security compromise, a section 89 assessment, in the context of the Protection of Personal Information Act (POPIA) in South Africa was undertaken by the Information Regulator to assess whether a responsible party's processing of personal information complies with the Act. If non-compliance is found, the Information Regulator may issue an enforcement notice, impose administrative fines, or pursue legal action. At year-end, ITAC was still waiting for the outcome of the assessment by the Information Regulator.

Figures in Rand	2025	2024

23. Related parties

Relationships

Department of Trade, Industry and Competition	Executive Authority
Department of Justice and Consititutional Development	National Department in National Sphere
Entities within the same group	Members of key management
Members of key management	Members of key management

Related party balances

	2025	2024
Department of Trade, Industry and Competition		
Payable at year-end - Telephone	2 377	3 604
Department of Justice and Constitutional Development		
Payable at year-end - Legal fees	-	176 286
Related party transactions		
Department of Trade, Industry and Competition		
Office rental payments	7 116 436	7 589 266
Telephone and internet payments	35 890	234 095
Transfer payments received	(113 430 000)	(118 998 000)
Microsoft licenses	1 509 361	1 560 040
Department of Justice and Constitutional Development		
Legal costs incurred	1 939 588	3 560 865
Audit and Risk Committtee members		
R Govender (Chairperson) (Term ended 30 November 2024)	106 728	178 372
V Makaleni (Member) (Chairperson of Risk Committee)	134 938	161 111
L Monama (Appointed as Chairperson from 1 March 2025)	45 866	24 282
O Benxa (Appointed 1 December 2024)	8 094	-
Part-time Commissioners		
F Ismail (Chairperson) (Term ended 31 October)	-	53 855
J de Beer (Member) (Term ended 31 October 2023)	-	61 696
B Mokgatle (Member) (Term ended 31 October 2023)	-	28 826
V Ncwaiba (Member) (Term ended 31 October 2023)	-	37 168
E Vlok (Chairperson)	-	-
P Mbiko (Member)	-	32 550
W Sihlobo	85 014	22 533

Ms P Mbiko is not remunerated in the current financial year.

Remuneration of management

Management class: Executive management

2025

Name	Basic salary	13th Cheque	Post-employment benefits	Unemployment Insurance Fund	Total
A Cawe (Chief Commissioner)	1 825 872	114 455	195 322	2 125	2 137 774
P Semela (General Manager: Corporate Services)	1 460 538	100 154	156 241	2 125	1 719 058
N Nkoana (Chief Financial Officer)	1 321 553	-	111 802	2 125	1 435 480
	4 607 963	**214 609**	**463 365**	**6 375**	**5 292 312**

2024

Name	Basic salary	13th Cheque	Post-employment benefits	Unemployment Insurance Fund	Total
A Cawe(Chief Commissioner)	1 523 195	51 796	162 944	2 125	1 740 060
P Semela (General Manager: Corporate Services)	1 391 603	95 427	148 866	2 125	1 638 021
N Nkoana	1 258 909	-	106 502	2 125	1 367 536
	4 173 707	**147 223**	**418 312**	**6 375**	**4 745 617**

24. Risk management

Financial risk management

The main risks arising from ITAC's financial instruments are liquidity risk, credit risk and market interest rate risk.

Liquidity risk

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and given its current funding structure and availability of cash resources, ITAC regards its liquidity risk as low.

Credit risk

ITAC's credit risk consists mainly of cash and cash equivalents and trade receivables. The entity only deposits cash with high quality credit standing and limits exposure to any one counter - party. The CPD account is held with the South Reserve Bank. Receivables from exchange transactions consist largely of staff debtors. For staff in the current employment of ITAC, recoveries are made through the payroll system. Trade and other receivables are unrated. ITAC considers its exposure to credit risk as low.

Figures in Rand	2025	2024

Maximum exposure to credit risk at year were as follows:

Financial instrument	2025	2024
Call account	17 144 373	23 070 428
Current account	1 431 144	843 488
CPD account	31 836 732	26 952 658
Receivables	46 889	149 099

Market risk

Interest rate risk

ITAC is exposed to interest rate changes in respect of returns on its investment with financial institutions. The risk arises when there are interest rate changes, as this will affect the interest received from cash and cash equivalents. ITAC's exposure to interest risk is managed by making short-term investments with Standard Bank and the Reserve Bank. The short-term deposits made are low risk and the capital is secure.

A change in the market interest rate at the reporting date would have increased / (decreased) the surplus for the year by the amounts below:

Sensitivity analysis

Financial instrument

	Change in investments	Increase / decrease in net surplus for upward change	Increase / decrease in net surplus for downward change			
Change in interest rates	1,00 %	504 201	(504 201)	-	-	-

25. Reconciliation between budget and statement of financial performance

Reconciliation of budget surplus/deficit with the surplus/deficit in the statement of financial performance:

	2025	2024
Net (deficit) / surplus per the statement of financial performance	(721 802)	11 016 607
Adjusted for:		
Other income	128 402	153 622
Interest received: cash and cash equivalents	(3 327 862)	(6 102 628)
Payroll expenditure in excess of (lower than) budget	(2 149 362)	(7 314 448)
Operational expenditure in excess of (lower than) budget	5 918 838	2 016 011
Depreciation	670 687	78 650
Lease rental on operating lease	(476 369)	160 492
Debt impairment	-	49 094
Profit on disposal of assets	(42 532)	(57 400)
Net surplus per approved budget	**-**	**-**

26. Budget differences

Material differences between budget and actual amounts

N1 - Other income - mainly arises from recoveries of staff debts. The level of staff debtors have decreased from prior periods.

N2 - Interest received - cash and cash equivalents - was significantly higher than budget as the full transfer payment was received in the first quarter and increased cash balances significantly. Higher interest rates and cash balances resulted in higher than budgeted interest received. The interest rates received on the CPD account held with the Reserve Bank was 7.75% for the period while interest rate received from call accounts with Standard Bank was 7.65%. The interest rates reduced slightly compared to last year due to decreases in the repo rate.

N3 - Employee related costs - variance is as a result of vacant positions. Recruitment for some critical positions was still in progress at year end.

N4 - Depreciation and amortisation - the depreciation and amortisation amount was higher than budget as a result of new hardware acquisitions.

N5 - Lease rentals on operating leases - the lease for shredders was still in progress at year-end and delivery was finalised in May 2025.

N6 - General expenses - The budget for general expenses was overspent. The major variances are highlighted below: Advertising - increase in the number of vacancies advertised during the year and publications in the government gazette.

Legal fees - the amount of legal fees decreased significantly as less work was done by counsel on a number of matters. A few cases were also finalised.

Consulting and professional fees - the amount decreased as a result of a reduction in IT systems support during the period. Catering - the number of physical meeting increased during the period compared to last year.

Repairs and maintenace - less repairs and maintenance expenses were required during the period.

Insurance - expense decreased as some assets that were previously insured reached the end of their useful life and were disposed.

IT expenditure - increase was as a result of the number of projects undertaken to secure the IT environment. Some of the measures implemented included data centre upgrade and implementation of MS365, Mimecast implementation, enterprise backup solution, Symantec endpoint security, vulnerability assessment and penetration testing and the development of a new intranet using Sharepoint.

Printing and stationery - the expenses decreased as some employees work mostly from home.

Travel and subsistence - expenditure was above budget as the number of onsite verifications increased during the period. Software licenses - increased as a result of new softwares procured to strengthen IT security.

Training - procurement for some training was finalised in March, and training dates available after year-end.

Offsite storage - More documents were sent for external storage during the preparation of the Information Regulator section 189 assessment.

Audit committee fees - The term for the previous Chairperson ended on 30 November 2024, One new member was appointed from 1 December 2024.

Contracts for four part-time Commissioners who were claiming fees ended on 31 October 2023. Only three commissioners were re-appointed and one claimed meeting fees.

N7 - Profit on sale of assets - Lost IT equipment were disposed, the proceeds received from the insurer was higher than the assets' carrying value.

27. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the entity to continue as a going concern is dependent on a number of factors. The most significant of these is that:

- ITAC has approved funding from National Treasury over the MTEF period;
- There is no intention or policy decision to liquidate or cease operations; and
- ITAC is requesting approval from the Minister of dtic to charge fees for the services it renders and the revenue will form part of its operations.

ITAC developed guidelines for the levying of prescribed fees, as per section 24(1)(b) of the International Trade Administration Act 71 of 2002, and this process is also outlined in the Annual Performance Plan for 2024/25. The guidelines and the proposed schedule of fees were published for public comments. It is hoped that this process will diversify the revenue sources of ITAC, and once all processes are completed, a proposal will be submitted to the Minister for approval.

28. Segment information General information Identification of segments

ITAC manages its operations as a single segment. The Chief Commissioner makes key financial and operational decisions for all ITAC programmes based on strategic outcomes. ITAC's main objectives are: Efficient administration of trade instruments (customs tariffs, trade remedies, import and export control), Promote industrialisation and transformation, Distributional impact assessments of trade measures that affect consumer's welfare and downstream industries, Monitoring and evaluation, Modernisation of administrative and operational processes.

Geographical information is not provided as ITAC operates from one location, although services are rendered throughout the country. Programme performance information is used by management as a basis of evaluating the programme's performances and for making decisions about the allocation of resources. The disclosure of information about these programmes is also considered appropriate for external reporting purposes.

Figures in Rand	2025	2024

29. Change in estimate Property, plant and equipment

Management assessed the useful lives of computer equipment, office equipment as well as furniture and fittings at year end.

The useful lives of IT equipment and Office equipment have been revised with a further two years while Furniture and fittings were increased with three years. The effect of this revision has decreased the depreciation for the current and future periods by R109 332.

The impact on IT equipment was a reduction in depreciation expense by R106 832 while Furniture and fittings was a reduction by R2 501 in the depreciation expense.

30. Events after reporting date

Management is not aware of any transactions and events that took place after the reporting period.

31. Prior period error

The operating lease liability was incorrectly classified as current liability instead of non-current liability.

The correction of the error results in adjustments as follows:

Statement of Financial Position

Current liabilities - Operating lease liability	-	762 965
Non-current liabilities - Operating lease liability	-	(762 965)

32. Comparative figures

Certain comparative figures have been reclassified.
The reason for the reclassification was to correct the classification of the operating lease liability.
The effect of the reclassification is as follows:

Statement of Financial Position

Current liabilities - Operating lease liability	-	762 965
Non-current liabilities - Operating lease liability	-	(762 965)
	-	-

33. Unauthorised, Irregular and Fruitless and Wasteful Expenditure

Fruitless and wasteful expenditure	31 601	-

***Refer to reconciling notes in the annual report**

Criminal or disciplinary steps taken as a result of losses, irregular and fruitless and wasteful expenditure

Incident description for fruitless and wasteful expenditure

The fruitless and wasteful expenditure relates to the travel no-shows by two employee for approved business trips. The expenditure was not fully recovered from service providers as cancellation fees were incurred. The two employees signed debt acknowledgement forms and receivables were raised at year end.

International Trade Administration Commission of South Africa

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