

DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION**NOTICE 1694 OF 2023****INTERNATIONAL TRADE ADMINISTRATION COMMISSION****CUSTOMS TARIFF APPLICATIONS****LIST 02/2023**

The International Trade Administration Commission (herein after referred to as ITAC or the Commission) has received the following applications concerning the Customs Tariff. Any objection to or comment on these representations should be submitted to the Chief Commissioner, ITAC, Private Bag X753, Pretoria, 0001. Attention is drawn to the fact that the rate of duty mentioned in these applications is that requested by the applicant and that the Commission may, depending on its findings, recommend a lower or higher rate of duty.

CONFIDENTIAL INFORMATION

The submission of confidential information to the Commission in connection with customs tariff applications is governed by section 3 of the Tariff Investigations Regulations, which regulations can be found on ITAC's website at <http://www.itac.org.za/documents/R.397.pdf>.

These regulations require that if any information is considered to be confidential, then a non-confidential version of the information must be submitted, simultaneously with the confidential version. In submitting a non-confidential version the regulations are strictly applicable and require parties to indicate:

- ❑ Each instance where confidential information has been omitted and the reasons for confidentiality;*
- ❑ A summary of the confidential information which permits other interested parties a reasonable understanding of the substance of the confidential information; and*
- ❑ In exceptional cases, where information is not susceptible to summary, reasons must be submitted to this effect.*

This rule applies to all parties and to all correspondence with and submissions to the Commission, which unless clearly indicated to be confidential, will be made available to other interested parties.

The Commission will disregard any information indicated to be confidential that is not accompanied by a proper non-confidential summary or the aforementioned reasons.

If a party considers that any document of another party, on which that party is submitting representations, does not comply with the above rules and that such deficiency affects that party's ability to make meaningful representations, the details of the deficiency and the reasons why that party's rights are so affected must be submitted to the commission in writing forthwith (and at the latest 14 days prior to the date on which that party's submission is due).

Failure to do so timeously will seriously hamper the proper administration of the investigation, and such party will not be able to subsequently claim an inability to make meaningful representations on the basis of the failure of such other party to meet the requirements.

1. INCREASE IN THE GENERAL RATE OF CUSTOMS DUTY ON:

“Stay wire, classifiable under tariff subheading 7312.10.27, from 5% ad valorem to the WTO bound rate of 15% ad valorem”

APPLICANT:

Clear Creek Trading 167 (Pty) Ltd, trading as Wireforce

P O Box 4341

GERMISTON SOUTH

1411

ITAC Ref: **10/2022**, Enquires: Ms Diphetogo Rathete and Mr Pfarelo Phaswana, Tel: 01239436 83/3628 and/or alternatively email: drathete@itac.org.za/pphaswana@itac.org.za.

REASONS FOR THE APPLICATION AS STATED BY THE APPLICANT:

- The domestic industry manufacturing stay wire employs a significant number of people and has made significant investments over the years.
- There is an anomaly in the tariff structure as the main input material used in the manufacture of stay wire (wire rod) currently attracts a higher ordinary customs duty of 10% *ad valorem* whilst the end-product (stay wire) remains significantly below the WTO bound rate at only 5% *ad valorem*. The main input material (wire rod) used in the manufacture of stay wire is procured locally, thus supports local value-addition and supports the upstream steel sector;
- Stay wire products are currently imported at unsustainably low prices and, therefore, threaten the sustainability of the domestic manufacturing industry. This has, over the years, led to the erosion of the domestic market share to imports, mainly originating from Asian countries whilst the domestic industry’s capacity utilisation remains substantially low;
- There is sufficient production capacity within the SACU region to meet the demand requirements for stay wire. The applicant has, over the years, made significant capital investment in the manufacture of the subject product; and
- An increase in the general rate of customs duty will assist the industry by levelling the play field vis-à-vis low-priced imported products, help the industry increase production capacity utilisation, retain existing jobs and create additional jobs.

PUBLICATION PERIOD:

Written representations must be submitted within **four (4) weeks** of the date of this notice.

2. REDUCTION IN THE GENERAL 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 line for the subject product, which would read as follows: “*Minced, in airtight metal containers for human consumption*”.

APPLICANT:

Unique Selling Points (Namibia) CC

P.O. Box 2786

No. 7 – 7th Road

Walvis Bay

NAMIBIA

Enquiries: ITAC Ref: 12/2022, Mr Scelo Mshengu and Ms Manini Masithela at e-mail: smshengu@itac.org.za / mmanithela@itac.org.za.

REASONS AS STATED BY THE APPLICANT:

The Applicant provided, *inter alia*, the following reasons for the application:

- “To provide people with limited financial resources access to a low-cost source of protein.
- The product is a low-cost fish product which is rich in protein and other nutrients. The product was initially produced in Peru to provide local people with limited financial resources with a high-quality low-priced source of protein. This is the Applicant’s exact intention for the product in the SACU.
- The target customer for this product is the lower-income citizens of Southern Africa who have limited disposable income available to sustain themselves. This product can provide them with much needed protein and omega at a low price.
- Other similar canned fish products do not attract the punitive 25% duty currently applicable to this product. This product will not compete with locally produced products at all. It should be compared to the tuna product variants, which are all attracting duties at 6c/kg and are also not produced in South Africa or SACU and are imported in their totality. The same applies to the canned minced anchovies, but the canned minced anchovies could be available to the local consumers at a much-reduced price compared to the other options. If the same duty is applied to the minced anchovies, it should present the SACU consumers with a more affordable option in this category.

- Reducing the 25% duty to the same level as for other canned fish products, will have no negative impact on any labour structure; as a matter of fact, it may well create a new line of product with distribution to all outlets which could indeed create additional employment.”

PUBLICATION PERIOD:

Representation should be submitted to the above officials within **four (4) weeks** from the date of this notice.