

**NOTES REGARDING AMENDMENTS TO THE SCHEDULES
TO THE CUSTOMS AND EXCISE ACT, 1964**

31 JULY 2009

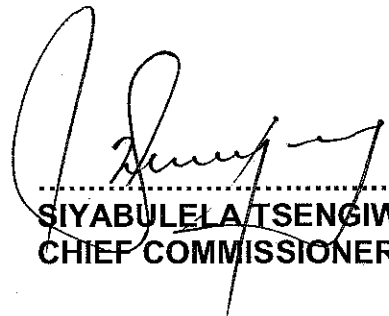
These notes are issued merely as a guide and both the old and new provisions should be studied in order to determine what the amendment actually entails. These notes have no legal status.

<i>Provision</i>	<i>Note</i>
4016.99.13	The effect of this amendment is that a new subheading for vulcanised rubber bands in immediate packaging of 20 kg or more, has been created.
Item 215.01/7210.70	The effect of this amendment is that the anti-dumping duty on "Flat-rolled products of iron or non-alloy steel, with a width of 600 mm or more, painted, varnished or coated with plastics (excluding Zinalume not colour coated, but covered with resin)" has been terminated.
Item 215.01/7212.40	The effect of this amendment is that the anti-dumping duty on "Flat-rolled products of iron or non-alloy steel, with a width of 600 mm or more, painted, varnished or coated with plastics" has been terminated.

REPORT NO. 302

**REDUCTION IN THE RATE OF DUTY ON
RUBBER BANDS IN IMMEDIATE PACKAGING
OF 20 KG OR MORE**

The International Trade Administration Commission (ITAC) of South Africa
herewith presents **Report No. 302: Reduction in the rate of duty on rubber
bands in immediate packaging of 20 kg or more.**



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SIYABULELA TSENGE
CHIEF COMMISSIONER

PRETORIA
.....**20.05.2009**.....

REPUBLIC OF SOUTH AFRICA

**INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF
SOUTH AFRICA**

REPORT NO. 302

**REDUCTION IN THE RATE OF DUTY ON VULCANISED
RUBBER BANDS IN IMMEDIATE PACKAGING OF 20 KG OR
MORE**

Synopsis

Trefoil Manufacturing (Pty) Ltd (Trefoil) applied for a reduction in the rate of duty on vulcanised rubber bands in immediate packaging of 20 kg or more classifiable under tariff subheading 4016.99.90 from 15% ad valorem to free of duty.

The application was published in the Government Gazette on 21 November 2008 for interested parties to comment. No comments or objections were received to the application.

The Commission found that the products are not manufactured in the SACU.

In the light of the foregoing, the Commission recommended that the duty on vulcanised rubber bands in immediate packaging of 20 kg or more classifiable under tariff subheading 4016.99.90 be reduced to free of duty, through the creation of a separate eight-digit tariff line for this category of products.

The application and tariff position

1. Trefoil Manufacturing (Pty) Ltd, applied for a reduction in the rate of duty on vulcanised rubber bands classifiable under tariff subheading 4016.99.90 from 15% ad valorem to free of duty.
2. As reason for the application, the applicant stated that the rubber bands in question are not manufactured in the SACU and that the current rate of duty merely has an unnecessary cost- raising effect.

3. The tariff structure for rubber bands is shown in Table 1 below:

Table 1: Existing tariff position for Rubber Bands

Tariff heading	Tariff subheading	Description	Statistical unit	Rate of duty			
				General	EU	EFTA	SADC
4016		Other articles of vulcanised rubber (excluding hard rubber)					
	4016.99	--Other					
	4016.99.90	---Other	kg	15%	5.7%	11.3%	Free

4. Vulcanised rubber bands are therefore classifiable under a residual tariff subheading which includes a variety of other products not forming part of this investigation.

5. The rubber bands in question are widely used in the following industries for the convenient distribution of articles:

Postal Services;
 Banking industry;
 Printed media;
 Florists;
 Vegetable and fruit marketing;
 Fisheries;
 Parachute packing; and
 Nappy/diaper manufacturing.

6. The application involves the creation of a new duty free 8-digit tariff line with the following description acceptable for customs tariff administration purposes: "Vulcanised rubber bands in immediate packaging of 20 kg or more"

Findings

7. The application was published in the Government Gazette on 21 November 2008 for interested parties to comment. The application attracted no comments or objections from interested parties.

8. The Commission found that the rubber bands in question are not manufactured in the SACU, and that the current rate of duty has a cost-raising effect on industrial consumers.

RECOMMENDATION

9. In view of the above, the Commission recommends that Part 1 of Schedule No. 1 to the Customs and Excise Act be amended through the creation of a duty-free 8-digit tariff subheading as follows: "Vulcanised rubber bands in immediate packaging of 20 kg or more".