

**INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF
SOUTH AFRICA**

REPORT NO. 293

**CREATION OF A REBATE PROVISION FOR LIQUID CRYSTAL
DIGITAL DISPLAY PANELS FOR THE MANUFACTURING OF
VIDEO MONITORS INCORPORATING AN AUTOMATIC DATA
PROCESSING MACHINE**

The **International Trade Administration Commission of South Africa** herewith presents its Report No. 293: Creation of a rebate provision for liquid crystal digital display panels for the manufacturing of video monitors incorporating an automatic data processing machine



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SIYABULELA TSENGIWE
CHIEF COMMISSIONER

PRETORIA

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REPUBLIC OF SOUTH AFRICA

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DIGITAL DISPLAY PANELS FOR THE MANUFACTURING OF VIDEO
MONITORS INCORPORATING AN AUTOMATIC DATA PROCESSING
MACHINE**

Synopsis

Tedex Trading (Pty) Ltd, applied for the creation of a rebate provision for the duty-free importation of liquid crystal digital display panels for the manufacturing of video monitors incorporating an automatic data processing machine, used for advertising purposes in retail stores.

The Commission found that the liquid crystal digital display panels required by the applicant are not manufactured in the SACU. The Commission therefore recommended that the requested rebate provision be created.

THE APPLICATION AND TARIFF POSITION

1. Tedex Trading (Pty) Ltd, applied for the creation of a rebate provision for the duty-free importation of liquid crystal digital display panels for the manufacturing of video monitors incorporating an automatic data processing machine. The application was published in the Government Gazette of 04 August 2008 for comments by interested parties.

2. As reason for the application, the applicant stated that there is no domestic company that has the capability to manufacture the specific liquid crystal digital display panels incorporating a data processing machine.

3. The liquid crystal display panels to be imported are classifiable as follows:

Heading	Subheading	Article Description	Rate of Duty			
			Gen	EU	EFTA	SADC
85.29	8529.90.80	Other parts for reception apparatus for television	20%	9.5%	15%	free

The video monitors (final product) are classifiable as follows:

Heading	Subheading	Article Description	Rate of Duty			
			Gen	EU	EFTA	SADC
8528		Monitors and projectors, not incorporating television reception apparatus				
	8528.51	Of a kind solely or principally used in an automatic data processing system of heading 84.71	free	free	free	free

4. There is currently no domestic manufacturer of the specific end products in SACU. All video monitors of this kind are currently imported. The assembling of the video monitors will be a new venture for the applicant.
5. The applicant's projected production capacity is 100 000 units per annum at a value of R500m. At present, the applicant has 328 employees in Atlantis and it is believed that the implementation of this project would result in an eight percent increase in job opportunities.

COMMENTS ON THE APPLICATION

6. No comments or objections were received from interested parties to the published application for a rebate provision.

FINDINGS

7. The Commission found that the liquid crystal digital display panels that are required for the manufacturing of video monitors incorporating an automatic data processing machine used for advertising purposes in retail stores are not manufactured domestically. The rebate provision would enhance the competitive position of the applicant.

RECOMMENDATION

8. In the light of the foregoing, the Commission recommends that a rebate of the full duty provision be created in Schedule 3 to the Customs and Excise Act, 1964, as follows: "Liquid Crystal Display (LCD) panels classifiable in tariff subheading 8529.90.80 for the manufacture of video monitors incorporating an automatic data processing machine, classifiable in tariff subheading 8528.51"