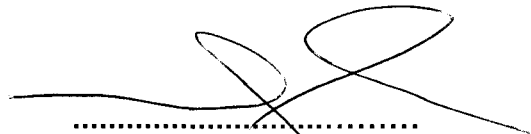


Report No. 220

Creation of a rebate item for welded steel tubing of circular cross-section for the manufacture of refrigerators and freezers

The International Trade Administration Commission herewith presents its Report
No. 220: CREATION OF A REBATE ITEM FOR WELDED STEEL TUBING OF
CIRCULAR CROSS-SECTION FOR THE MANUFACTURE OF REGRIGERATORS
AND FREEZERS, with recommendations.



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Itumeleng Masege
ACTING CHIEF COMMISSIONER

PRETORIA

28/03/2007.....

REPUBLIC OF SOUTH AFRICA
INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA

REPORT NO. 220

CREATION OF A REBATE ITEM FOR WELDED STEEL TUBING OF CIRCULAR CROSS-SECTION FOR THE MANUFACTURE OF REFRIGERATORS AND FREEZERS

Synopsis

Whirlpool South Africa (Pty) Ltd applied for the creation of a rebate provision for welded steel tubing of circular cross-section for the manufacture of refrigerators and freezers. No objections were received to the application. The Commission recommended the creation of the rebate item as it would improve the applicant's competitive position and as the steel tubing in question is not manufactured domestically.

The application

1. Whirlpool South Africa (Pty) Ltd applied for the creation of a rebate provision for welded steel tubing of circular cross-section steel for the manufacture of refrigerators and freezers.
2. Welded steel tubing is currently classifiable as follows:

Tariff heading	Description	General	EU	SADC
7306	Other Tubes, Pipes and Hollow Profiles (for Example, Open Seam or Welded, Riveted or Similar Closed), of Iron or Steel:			
7306.10	-Line pipe of a kind used for oil or gas pipelines	10%	3,3%	Free
7306.20	-Casing and tubing of a kind used in drilling for oil or gas	10%	3,3%	Free
7306.30	-Other, welded, of circular cross-section, of iron or non-alloy steel	10%	3,3%	Free

3. The rebate provision for seamless tubing, classifiable in tariff subheading 7304.39 reads as follows:

Rebate item	Tariff Heading	Rebate Code	Description	Extent of Rebate
316.01			MACHINERY AND MECHANICAL APPLIANCES; ELECTRICAL EQUIPMENT PARTS THEREOF	
	7304.39	01.06	Tubes, pipes and hollow profiles, of circular cross-section, of iron or non-alloy steel, for the manufacture of refrigerators of heading No. 84.18	Full duty

4. Due to advancement in the field, seamless tubing is no longer manufactured for this purpose and according to the applicant it had to switch over to welded steel tubing.
5. No objections were received following the publication of the application in the Government Gazette.

Recommendation

6. The Commission recommended the creation of an additional rebate item as follows: *“Tubes, pipes and hollow profiles, welded, of circular cross-section of iron or non-alloy steel of tariff subheading 7306.30 for the manufacture of refrigerators and freezers of heading 84.18”*.

[T5/2/18/1 (7/2006)]