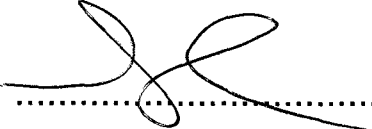


Report No. 233

**Reduction in the rate of duty on baby
bootees with uppers and soles of
woven textile material, with the outer
affixed to the uppers by sewing, having
a length not exceeding 100 mm and a
sole thickness not exceeding 2 mm**

The International Trade Administration Commission herewith presents its **Report No. 233: Reduction in the rate of duty on baby booties with uppers and soles of woven textile material, with the outer affixed to the uppers by sewing, having a length not exceeding 100 mm and a sole thickness not exceeding 2 mm, from 30% ad valorem or 500c/2u to free of duty.**



A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above a dotted line.

**ITUMELENG MASEGE
ACTING CHIEF COMMISSIONER**

PRETORIA

18/04-----2007

REPUBLIC OF SOUTH AFRICA

**INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH
AFRICA**

REPORT NO. 233

**REDUCTION IN THE RATE OF DUTY ON BABY BOOTEES WITH UPPER
AND SOLES OF WOVEN TEXTILE MATERIAL, WITH THE OUTER
AFFIXED TO UPPERS BY SEWING, HAVING A LENGTH NOT
EXCEEDING 100 MM AND A SOLE THICKNESS NOT EXCEEDING 2 MM,
FROM 30% AD VALOREM OR 500c/2u TO FREE OF DUTY**

Synopsis

The Commission considered an application for a reduction in the rate of duty on baby bootees with uppers and soles of woven textile material, with the outer affixed to the uppers by sewing, having a length not exceeding 100 mm and a sole thickness not exceeding 2 mm, classifiable under tariff subheading 6405.20.90, from 30% ad valorem or 500c/2u to free of duty.

As reason for the application, the applicant stated that the product in question is not manufactured in the SACU and that the duty is higher than the f.o.b. value of these bootees as the duty is 500c/2u and the f.o.b. is R2.31 per pair. The application was published in the Government Gazettes of 06 October 2006 and 03 November 2006 for interested parties to comment.

The Commission found that neither baby bootees nor suitable substitutes are manufactured domestically and that the duty is not justified.

The Commission therefore recommends that the rate of duty on baby bootees with uppers and soles of woven textile material, with the outer affixed to the uppers by sewing, having a length not exceeding 100 mm and a sole thickness not exceeding 2 mm, be reduced from 30% ad valorem or 500c/2u to free of duty.

1. Introduction

- 1.1 The Commission considered an application for a reduction in the rate of duty on baby bootees with uppers and soles of woven textile material, with the outer affixed to the uppers by sewing, having a length not exceeding 100 mm and a sole thickness not exceeding 2 mm, classifiable under tariff subheading 6405.20.90, from 30% ad valorem or 500c/2u to free of duty.
- 1.2 Baby bootees are normally used by infants and newborn babies.
- 1.3 The applicant imports this product in its finished form and sells it to retail stores.
- 1.4 As reason for the application, the applicant stated that the product in question is not manufactured in the SACU and that the duty is higher than the f.o.b. value of these bootees as the duty is 500c/2u and the f.o.b. value is R2.31 per pair.
- 1.5 The application was published in the Government Gazettes of 06 October 2006 and 03 November 2006, for interested parties to comment.
- 1.6 Comments were received from Southern African Footwear and Leather Industries Association (SAFLIA) and Trade Investment South Africa (TISA), a division of **the dti**.

- 1.7 SAFLIA objected to the application, by stating that the product in question is manufactured locally by informal and semi-formal enterprises and the removal of the duty could have adverse consequences for this section of the footwear industry which is mainly labour intensive.
- 1.8 TISA supported the application on the basis that the product in question is not manufactured in the SACU region.

2. Tariff Position

- 2.1 The baby booties in question are classifiable under tariff subheading 6405.20.90 as follows:

Heading	Sub-Heading	Description	General	Rate of Duty		
				EU	EFTA	SADC
64.05		Other footwear				
	6405.20	-With uppers of textile materials				
	6405.20.90	=Other	30 % or 500c/2u	22 %	26 %	Free

3. Consideration

- 3.1 The Commission thoroughly investigated the claims by SAFLIA. However, the investigation revealed that the product in question is not manufactured in the SACU, and that the duty is not justified.

4. **Recommendation**

- 4.1 In view of the fact that the product in question is not manufactured locally, the Commission recommends that the rate of duty on baby booties with uppers and soles of woven textile material, with the outer affixed to the uppers by sewing, having a length not exceeding 100 mm and a sole thickness not exceeding 2 mm, classifiable under tariff subheading classifiable under tariff subheading 6405.20.90, be reduced from 30% ad valorem or 500c/2u to free of duty.