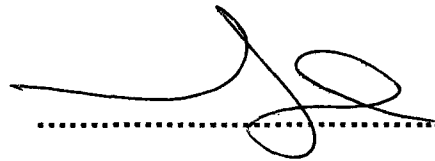


Report No. 206

Reduction in the rate of duty on twine, cordage, ropes and cables, whether or not plaited or braided and whether or not impregnated, coated, covered or sheathed with rubber or plastics, of jute or other textile bast fibres of heading 53.03

The International Trade Administration Commission herewith presents its **Report No. 206: Reduction in the rate of duty on twine, cordage, ropes and cables, whether or not plaited or braided and whether or not impregnated, coated, covered or sheathed with rubber or plastics, of jute or other textile bast fibres of heading 53.03, from 15% ad valorem to free of duty.**

A handwritten signature in black ink, consisting of a long horizontal stroke followed by a loop and a vertical stroke, positioned above a dotted line.

Itumeleng Masege
ACTING CHIEF COMMISSIONER

PRETORIA

13/12/-----2006

REPUBLIC OF SOUTH AFRICA

**INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH
AFRICA**

REPORT NO. 206

REDUCTION IN THE RATE OF DUTY ON TWINE, CORDAGE, ROPES AND CABLES, WHETHER OR NOT PLAITED OR BRAIDED AND WHETHER OR NOT IMPREGNATED, COATED, COVERED OR SHEATHED WITH RUBBER OR PLASTICS, OF JUTE OR OTHER TEXTILE BAST FIBRES OF HEADING 53.03, FROM 15% AD VALOREM TO FREE OF DUTY

Synopsis

The Commission considered an application from Trident Jute & Hessian Products CC for a reduction in the rate of duty on twine, cordage, ropes and cables, whether or not plaited or braided and whether or not impregnated, coated, covered or sheathed with rubber or plastics, of jute or other textile bast fibres of heading 53.03, classifiable under tariff subheading 5607.10, from 15% ad valorem 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 current rate of duty is not justified. The application was published in the Government Gazette of 08 September 2006 for interested parties to comment.

The applicant stated that jute cable yarn is further processed by cable manufacturing companies, where it is used as a filler to manufacture electrical cables.

The Commission also found that there are no local manufacturers of jute cable yarn and that the existing duty only serves to inflate costs. The Commission found no justification for the existing duty.

The Commission therefore recommends that the rate of duty on twine, cordage, ropes and cables, whether or not plaited or braided and whether or not impregnated, coated, covered or sheathed with rubber or plastics, of jute or other textile bast fibres of heading 53.03, be reduced from 15% ad valorem to free of duty.

1. Introduction

- 1.1 The Commission considered an application from Trident Jute & Hessian Products CC for a reduction in the rate of duty on twine, cordage, ropes and cables, whether or not plaited or braided and whether or not impregnated, coated, covered or sheathed with rubber or plastics, of jute or other textile bast fibres of heading 53.03, classifiable under tariff subheading 5607.10, from 15% ad valorem to free of duty. The application was published in Government Gazette No. 29173 of 30 September 2006.
- 1.2 The applicant sells jute cable yarn to cable manufacturing companies, where it is used as a filler to manufacture electrical cables.
- 1.3 As a reason for the application, the applicant stated that the product in question is not manufactured in the SACU.

2. Tariff Position

2.1 The current tariff position in respect of jute cable yarn is reflected in Table 1 below. The application concerns twine, cordage, ropes and cables, whether or not plaited or braided and whether or not impregnated, coated, covered or sheathed with rubber or plastics, of jute or other textile bast fibres of heading 53.03

Table 1: Tariff structure of jute cable yarn

Heading	Sub-Heading	Description	Rate of Duty		
			General	EU	SADC
56.07		Twine, cordage, ropes and cables, whether or not plaited or braided and whether or not impregnated, coated, covered or sheathed with rubber or plastics:			
	5607.10	-Of jute or other textile bast fibres of heading 53.03	15%	11,25%	free

3. Consideration

3.1 Interested parties supported the application on the basis that the product in question is not manufactured in the SACU, and that therefore the duty is not justified.

3.2 Input costs into the manufacturing sector will generally be lowered through the reduction of tariffs on intermediate inputs.

3.4 A reduction in the duty would therefore benefit the applicant, other importers of the product in question, the downstream industries and the end-users of electrical cables.

4. Recommendation

- 4.1 In view of the above, the Commission recommends that the rate of duty on twine, cordage, ropes and cables, whether or not plaited or braided and whether or not impregnated, coated, covered or sheathed with rubber or plastics, of jute or other textile bast fibres of heading 53.03, classifiable under tariff subheading 5607.10, be reduced from 15% ad valorem to free of duty.