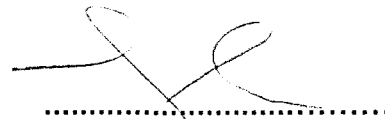


## **Report No. 209**

# **Reduction in the rate of duty on single phase alternating current electric motors**

The International Trade Administration Commission herewith presents its Report  
No. 209: REDUCTION IN THE RATE OF DUTY ON SINGLE-PHASE ALTERNATING  
CURRENT ELECTRIC MOTORS, with recommendations.



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**Itumeleng Masege**  
**ACTING CHIEF COMMISSIONER**

**PRETORIA**

07/02/..... 2007

**REPUBLIC OF SOUTH AFRICA**  
**INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA**

**REPORT NO. 209**

**REDUCTION IN THE RATE OF DUTY ON SINGLE-PHASE ALTERNATING CURRENT ELECTRIC MOTORS**

**Synopsis**

Airtronics Spares (Pty) Ltd applied for a reduction in the rate of duty on single phase alternating current electric motors. According to the applicant the single-phase motors are not manufactured in the Southern Africa Customs Union (SACU) and economies of scale cannot be derived. The Commission considered the application favourably and recommended that the rate of duty on single-phase alternative current electric motors be reduced from the existing 20 per cent *ad valorem* duty to free of duty.

**The application**

1. Airtronics Spares (Pty) Ltd applied for a reduction in the rate of duty from 20 per cent *ad valorem* to free of duty on single phase alternating current motors which are used in air conditioning and in other domestic appliances. The motor under discussion is also known as a 'fractional horsepower' electric motor.
2. These motors are currently classifiable under tariff subheading 8501.40.90 as follows:

<b>Tariff heading</b>	<b>Description</b>	<b>General</b>	<b>EU</b>	<b>SADC</b>
<b>85.01</b>	<b>Electrical Motors and Generators (Excluding Generating Sets):</b>			
8501.40	-Other AC motors, single-phase:			
8501.40.05	=Motors of an output exceeding 37,5 W, the following: Motors with a cylindrical frame less than 100 mm in diameter of which the length exceeds 2,35 times the outside diameter, motors, synchronous motors and repulsion induction motors	Free	Free	Free
8501.40.90	=Other	20%	20%	13%

3. No objections were received following the publication of the application. One respondent supported the application.
4. The Commission ascertained that the motors under consideration are not manufactured in the SACU. The duty on these motors therefore does not serve any protective purpose, but has an unnecessary cost-raising effect.

**Recommendation**

5. In the light of the foregoing the Commission recommended a reduction in the rate of duty on all single-phase alternating current electric motors classifiable under tariff subheading 8501.40 from 20 percent *ad valorem* to free of duty.

[T5/2/18/1 (7/2005)]