

## **Report No. 123**

# **Application for rebate of the duty on heating resistors for the manufacture of electric domestic kettles**

The International Trade Administration Commission herewith presents its Report No. 123: APPLICATION FOR REBATE OF THE DUTY ON HEATING RESISTORS FOR THE MANUFACTURE OF ELECTRIC DOMESTIC KETTLES, with recommendations.

  
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**Ms Nomonde Maimela**  
**CHIEF COMMISSIONER**

**PRETORIA**

27 / 09 /..... 2005

REPUBLIC OF SOUTH AFRICA

INTERNATIONAL TRADE ADMINISTRATION COMMISSION

REPORT NO. 123

APPLICATION FOR REBATE OF THE DUTY ON HEATING RESISTORS FOR  
THE MANUFACTURE OF ELECTRIC DOMESTIC KETTLES

**Synopsis**

The International Trade Administration Commission considered an application for a rebate of the duty on heating resistors for the manufacture of electric domestic kettles.

The motivation for the application was that the heating resistors were no longer manufactured domestically but had to be imported at an *ad valorem* duty of 20%, which is a cost burden to the industry manufacturing domestic kettles.

The Commission's finding was that a domestic manufacturer of heating resistors does exist and that it could not support the application for a rebate of the duty.

**The application**

1. The International Trade Administration Commission considered an application for a rebate of duty provision for resistors (elements) used in the manufacture of electric domestic kettles.
2. The applicant, Creative Housewares (Pty) Ltd, is a manufacturer of electric domestic kettles in the Southern African Customs Union.
3. The application was published in the Government Gazette for comment from industry.

**The reason for the application**

4. The motivation for the application was that, in the absence of domestic manufacturers of resistors for electric domestic kettles, the *ad valorem* duty is a cost burden to the industry manufacturing kettles.

**The tariff position**

5. Resistors for domestic electric kettles are currently classifiable under tariff subheadings 8516.80.90 at an *ad valorem* duty of 20% as follows:

Tariff heading	Description	General	EU	SADC
<b>85.16</b>	<b>Electric Instantaneous or Storage Water Heaters and Immersion Heaters; Electric Space Heating Apparatus and Soil Heating Apparatus; Electro-thermic Hair-dressing Apparatus (for Example, Hair Dryers, Hair Curlers, Curling Tong Heaters) and Hand Dryers; Electric Smoothing Irons; Other Electro-thermic Appliances of a Kind Used for Domestic Purposes; Electric Heating Resistors (Excluding Those of Heading No. 85.45):</b>			
8516.80	- Electric heating resistors:			
8516.80.10	= Identifiable for use solely or principally with domestic stoves, hot-plates and ovens	20%	16%	Free
8516.80.20	= Identifiable for use solely or principally with industrial ovens and furnaces	Free	Free	Free
8516.80.90	= Other	20%	20%	Free

6. The tariff position of electric domestic kettles (TH 8516.79) is as follows:

Tariff heading	Description	General	EU	SADC
<b>85.16</b>	<b>Electric Instantaneous or Storage Water Heaters and Immersion Heaters; Electric Space Heating Apparatus and Soil Heating Apparatus; Electro-thermic Hair-dressing Apparatus (for Example, Hair Dryers, Hair Curlers, Curling Tong Heaters) and Hand Dryers; Electric Smoothing Irons; Other Electro-thermic Appliances of a Kind Used for Domestic Purposes; Electric Heating Resistors (Excluding Those of Heading No. 85.45):</b>			
8516.7	- Other electro-thermic appliances:			
8516.71	= Coffee or tea makers	20%	16%	Free
8516.72	= Toasters	20%	16%	Free
8516.79	= Other	20%	16%	Free

### Findings

7. The Commission received an objection to the application from a manufacturer of heating elements for electric kettles

8. The Commission found that there is capacity within SACU to manufacture heating resistors for electric kettles.

**Recommendation**

9. In the light of the foregoing, the Commission recommended that the application for rebate of the duty on heating resistors for the manufacture of electric domestic kettles be rejected.

[T5/2/18/1 (11/2005)]