



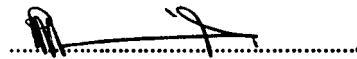
International Trade Administration Commission of South Africa

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## Report No. 7

# The creation of individual tariff subheadings for acrylic acids and its salts and various esters of acrylic acids for statistical purposes

**The International Trade Administration Commission** herewith presents its Report No. 7:  
**The creation of individual tariff subheadings for acrylic acids and its salts and various esters of acrylic acid for statistical purposes**

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

**CHIEF COMMISSIONER:**  
**International Trade Administration**  
**Commission of South Africa**

**PRETORIA**

29/09/2003

# INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA

## REPORT NO. 7

### THE CREATION OF INDIVIDUAL TARIFF SUBHEADINGS FOR ACRYLIC ACIDS AND ITS SALTS AND VARIOUS ESTERS OF ACRYLIC ACIDS FOR STATISTICAL PURPOSES

#### Synopsis:

Sasol Solvents (a Division of Sasol Chemical industries Limited) applied for the creation of individual tariff subheadings for acrylic acids and its salts and various esters of acrylic acid classifiable under tariff subheadings 2916.11 and 2916.12 respectively, for statistical purposes. As a reason for the application, the applicant stated that it is building a new plant at Sasolburg to produce 80 000 tons per annum of acrylic acid and its salts and various esters of acrylic acid, including ethyl acrylate and butyl acrylate. The applicant stated that the plant is scheduled to commence production in the 3<sup>rd</sup> quarter of 2003 and that the statistical information of each of the imported products are vital for the establishment of the new venture. The applicant stated that there is currently no manufacturer of acrylic acids and its salts and various esters of acrylic acid in the SACU. The Commission concluded that the statistical information regarding the imports of each of the products concerned is important in respect of the establishment and development of the industry. As a result the Commission recommended that the application should be supported.

The Commission considered the application for the creation of individual tariff subheadings for acrylic acids and its salts and various esters of acrylic acid, classifiable under tariff subheadings 2916.11 and 2916.12 respectively, for statistical purposes.

2. The application was published in the Government Gazette of 27 December 2002 as follows:

*“Creation of new tariff subheadings on:  
Acrylic acids and its salt and esters of acrylic acid classifiable under tariff  
subheadings 2916.11 and 2916.12 respectively”*

3. The following is the existing tariff structure of acrylic acids and its salts and esters of acrylic acids:

**Table 1: Tariff structure of acrylic acids and its salts and esters of acrylic acids**

Tariff Subheading	Description	Duty (%)		
		EU	SADC	General
29.16	Unsaturated Acyclic Monocarboxylic Acids, Cyclic Monocarboxylic Acids, Their Anhydrides, Halides, Peroxides and peroxyacids; Their Halogenated, Sulphonated, Nitrated or Nitrosated Derivative:			
2916.1	-Unsaturated Acyclic Monocarboxylic Acids, Their Anhydrides, Halides, Peroxides and peroxyacids and their derivatives			
2916.11	=Acrylic acid and its salts	free	free	free
2916.12	=Ester of acrylic acid	free	free	free

4. Sasol Solvents requested that separate provision should be created for each of the following:
- (i) Acrylic acid
  - (ii) Salts
  - (iii) Esters of acrylic acid
  - (iv) Methyl acrylate
  - (v) Ethyl acrylate
  - (vi) Butyl acrylate
  - (vii) 2Ethyl-hexyl

5. The official import statistics of the products involved are as follows:

**Table 2: Import statistics for acrylic acids and its salts**

2916.11	1999	2000	2001
Volume	2 184 378 kg	1 867 855 kg	1 818 335 kg
Value	R 8 852 382	R 9 894 125	R12 429 763

Source: SARS

**Table 3: Import statistics for esters of acrylic acid**

2916.12	1999	2000	2001
Volume	15 540 929 kg	19 857 214 kg	19 673 330 kg
Value	R 81 507 281	R 105 216 193	R132 706 469

Source: SARS

6. In reaction to the publication of the application in the Government Gazette, one firm commented that it has no objection against the creation of the provision applied for, but that the separate provision should not be to increase the relevant duties.
7. Another party objected to the application stating that although the signatories to the Harmonised system conversion are allowed to introduce new 8-digit tariff subheadings, the tariff should not be used as a management tools for individual companies.
8. The Customs and Excise: Tariff amendment section of South African Revenue Services (SARS) informed the Commission that it is against the creation of the 8-digit tariff subheading purely for statistical purposes. SARS further stated that this is in line with the thinking of administration in other countries with the view to tariff simplification.
9. The Commission found that the existing tariff structure does not provide the industry with meaningful statistics with respect to the import of the products concerned. The Commission concluded that the statistical information regarding the imports of each of the products concerned is important in respect of the establishment and development of the industry. As a result the Commission recommended that the application should be supported.

**RECOMMENDATION**

10. The Commission recommends that individual tariff subheadings for acrylic acids and its salts and various esters of acrylic acid classifiable under tariff subheadings 2916.11 and 2916.12 respectively, be created as follows:

**Table 4: Tariff structure of acrylic acids and its salts and esters of acrylic acids**

Tariff Subheading	Description	Duty (%)		
		EU	SADC	General
2916	Unsaturated Acyclic Monocarboxylic Acids, Cyclic Monocarboxylic Acids, Their Anhydrides, Halides, Peroxides and peroxyacids; Their Halogenated, Sulphonated, Nitrated or Nitrosated Derivative:			
2916.1	-Unsaturated Acyclic Monocarboxylic Acids, Their Anhydrides, Halides, Peroxides and peroxyacids and their derivatives			
2916.11	=Acrylic acid and its salts -Acrylic acid	free	free	free
	-salts	free	free	free
2916.12	=Ester of acrylic acid			
	-Methyl acrylate	free	free	free
	-Ethyl acrylate	free	free	free
	-Butyl acrylates	free	free	free
	-2Ethyl-hexyl	free	free	free

[T5/2/7/2/1 (20037)]